November 2017

Brighton Ice Arena Study

Town of Tonawanda, NY

Celebrating 25 YEARS!

BALLARD*KING & ASSOCIATES LTD

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Section I – Executive Summary

Ballard*King & Associates (B*K) has been hired to determine the market need and feasibility of the Brighton Ice Arena in the Town of Tonawanda. Without question the Town is losing market share in the ice business and this trend will continue without making major changes, and/or replacing the Brighton Ice Arena. Organizations are gravitating to the newer facility or renovated facilities that have regulation sized ice surfaces, ample size and number of locker rooms and spectator seating. Brighton has lost about $100,000 in sales through the migration to other area ice rinks.

Market Condition Review:

The primary goal of this phase of the study was to explore the community need and demand for replacing the Brighton Ice Arena through market analysis, stakeholder meetings, and inventory of existing facilities and feasibility analysis.

The service area for an ice skating facility is typically much larger than more conventional recreation facilities. It is not uncommon to have parents of figure skaters or hockey players travel up to an hour for ice time. As a result, a 30-minute drive time was established as the primary service area from the Brighton Ice Arena location. Growth in the primary service area is increasing at a moderate rate of 2% with population projections expected to reach 920,475 by 2022. The demographic profile of the community indicates that the age group distribution is somewhat mixed. There is a higher concentration of the over 45-year old age group and a lower concentration in the under 5, 5-17 and 25-44 age groups than the national level. There are a large number of families in the primary service area supported by almost 28% of households with children.

The median age of service area is higher than the national level while the median household income is lower than the national level. Age and household income are two determining factors that drive participation in ice related activities. The overall market conditions are favorable for supporting an ice rink at the Brighton Ice Arena location.

There are a number of ice rinks in the general area and the other service providers reported that the demand for ice time exceeds the current ice time supply. The stakeholder groups that were part of the input process reiterated the shortage of ice time, especially for Tonawanda groups during the hockey season.

Statistics from the National Sporting Goods Association (NSGA) were overlaid on to the demographic profile of the service areas to determine the market potential for ice hockey and figure skating activities. The market analysis concluded that the primary service area is underserved for ice sports, especially given the large number of families and households with children in the area.

Operations:

An operation analysis was conducted to examine facility costs and revenues as part of the operations phase of the study. The operating pro-forma, developed independently, represents a conservative approach to estimating expenses and revenues and was completed based upon the best information available and a basic understanding of the new facility. Fees and charges utilized to estimate income and expenses for this study were generated from information gathered during the stakeholder meetings. The results of the operations analysis clearly indicate that the proposed Brighton Ice Arena will recover 100% of its operating costs through revenue without relying on tax support to subsidize the operation.

Some ice rink operators report that the current demand for ice time in the greater Buffalo area has exceeded the supply which has resulted in creating a "Sellers's market". In talking to the various skating and hockey organizations in the area, it is clear that most of these organizations are searching for more ice, especially during the peak skating season, and their allocation of ice time is not adequate to meet the needs of their program. The "Seller's" market condition typically leads to upward pressure on ice time rates that expands the fee elasticity. User groups have a tendency to not only pay more for ice time in a "Sellers" market but also are willing to rent non-prime ice in an effort to meet their organization's ice demand. However, it should be noted that the sustainability of public based programs and drop-in activities will take some time to fully develop in the area but the market conditions are favorable to the support of ice skating activities in the area.

A detailed operating pro-forma was developed to examine the overall feasibility of the Brighton Ice Arena. The following table highlights the expense and revenue comparison.

Expenditure – Revenue Comparison

Category	Facility Budget
Expenditures	$435,062
Revenue	$635,890
Difference	$200,828
Recovery percentage	146%

Conclusion:

When factoring the demographic realities of the service area, trends in youth hockey and ice skating and demand for ice time, it is clear that there is a need for replacing the Brighton Ice Arena. The Town has experienced a significant migration of ice rink revenue to other area ice rinks and also has lost a significant number of hockey players to other organizations that are attracted by newer facilities with modern amenities, heat, seating and support spaces. The recommendation to move forward with replacing the Brighton Ice Arena include:

Demographics – The market analysis identified favorable market conditions for replacing the Brighton Ice Arena. Household income, median age and the percentage of household with children provide the foundation for strong market support.

The 30-minute drive time area has a population of 917,970. Overlaying statistical data onto the demographic profile suggests that there are 0ver 10,000 hockey players. These numbers are large enough to support the operation of a replacement rink for the Brighton Ice Arena.

Demand for Ice Time – Many of the local ice hockey organizations reported that they are going outside of Tonawanda to secure ice time because the Brighton Ice Arena no longer meets their program demands, especially for hosting hockey games. In addition to the migration of ice rentals to other area ice rinks, a significant number of Tonawanda residents have migrated to other hockey clubs because of the overall conditions of the Brighton Ice Arena.

Feasibility – The detailed operation analysis suggests that the proposed replacement for the Brighton Ice Arena will generate an operating surplus.

To maximize ice arena revenue and profitability, the Town should consider building a two-sheet facility at the Brighton Ice Arena location. The economizing gained from combining two-sheets of ice in one facility will generate a much larger return to the Town than operating two separate single sheet ice rinks. Operating two sheets of ice in the same facility only increases operating expenses in the range to 45%-55% while the revenue increases 100%. The Town would benefit from reduced staff and efficiency in operations while expanding the potential for revenue, especially for hockey tournaments. Another factor for consideration is that the Town will be facing major renovation costs for the Lincoln Ice Arena at some point in the future.

Section II – Market Assessment

The following is a summary of the demographic characteristics within the Primary and Secondary Service Area of the proposed site of 251 Brompton Rd.

B*K accesses demographic information from Environmental Systems Research Institute (ESRI) who utilizes 2010 Census data and their demographers for 2017-2022 projections. In addition to demographics, ESRI also provides data on housings, recreation, and entertainment spending and adult participation in activities. B*K also uses information produced by the National Sporting Goods Association (NSGA) to overlay onto the demographic profile to determine potential participation in various activities.

Service Areas: The Town of Tonawanda was identified as the immediate service area, but the market assessment recognizes that the interest in ice sports for the Town extend beyond the Town boundaries. A primary service area that represents a 30-minute drive time was developed to more accurately capture the ice sports market.

Primary Service Areas are defined as the distance people will travel on a regular basis (a minimum of once a week) to utilize recreation facilities. Use by individuals outside of this area will be much more limited and will focus more on special activities or events.

Service areas can flex or contract based upon a facility's proximity to major thoroughfares. Other factors impacting the use as it relates to driving distance are the presence of alternative service providers in the service area. Alternative service providers can influence membership, daily admissions and the associated penetration rates for programs and services.

Service areas can vary in size with the types of components in the facility.

Demographic Summary

	Tonawanda	Primary Service Area
Population:		
2010 Census	73,567[1]	914,650[2]
2017 Estimate	72,754	917,790
2022 Estimate	72,598	920,475
Households:		
2010 Census	32,951	387,956
2017 Estimate	32,749	390,778
2022 Estimate	32,733	392,568
Families:		
2010 Census	19,307	226,983
2017 Estimate	18,875	225,062
2022 Estimate	18,739	224,597
Average Household Size:		
2010 Census	2.21	2.29
2017 Estimate	2.20	2.28
2022 Estimate	2.20	2.28
Ethnicity (2017 Estimate):		
Hispanic	3.6%	5.7%
White	91.1%	75.9%
Black	3.5%	15.2%
American Indian	0.5%	0.6%
Asian	2.1%	3.9%
Pacific Islander	0.0%	0.0%
Other	0.8%	1.8%
Multiple	2.1%	2.6%
Median Age:		
2010 Census	43.2	39.8
2017 Estimate	44.4	40.9
2022 Estimate	44.5	41.6
Median Income:		
2017 Estimate	$52,391	$48,938
2022 Estimate	$54,141	$49,938

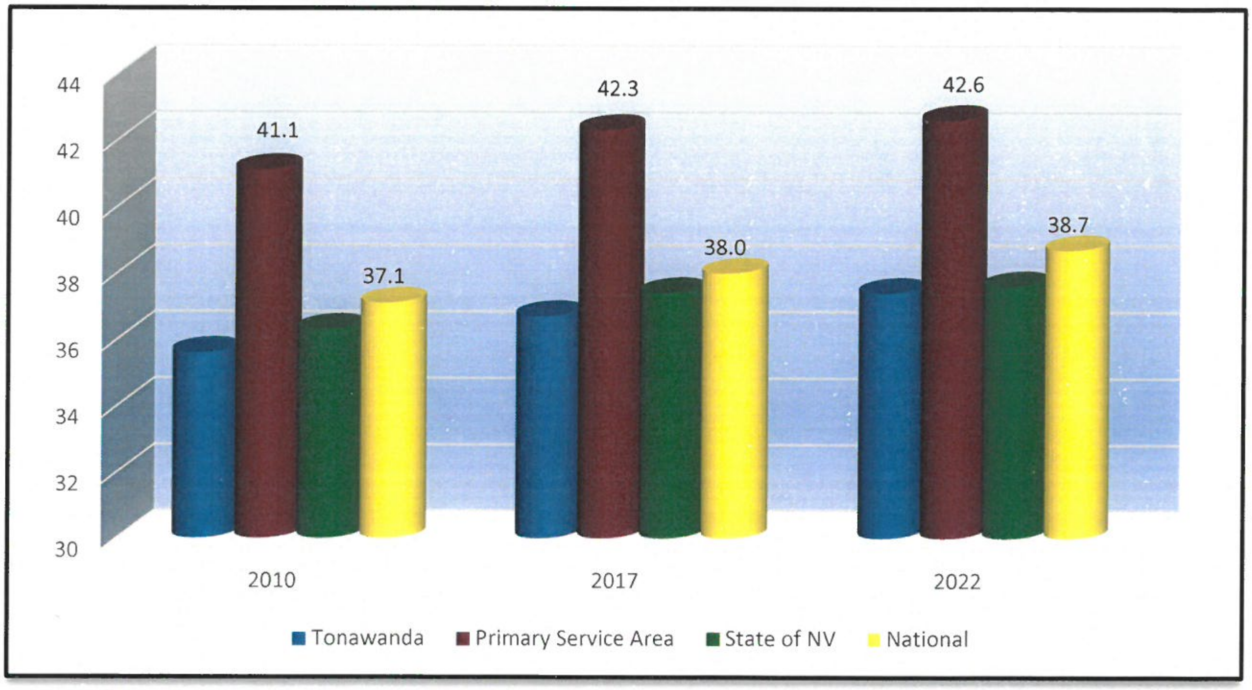
[1] From the 2000-2010 Census, Tonawanda experienced a 5.9% decrease in population.
[2] From the 2000-2010 Census, Primary Service Area experienced a 3.7% decrease in population.

Age and Income: The median age and household income levels are compared with the national number as both of these factors are primary determiners of participation in recreation activities. The lower the median age, the higher the participation rates are for most activities. The level of participation also increases as the median income level goes up.

Table A – Median Age:

	2010 Census	2017 Projection	2022 Projection
Tonawanda	43.2	44.4	44.5
Primary Service Area	39.8	40.9	41.6
State of New York	37.9	38.9	39.8
Nationally	37.1	38.0	38.7

Chart A – Median Age:



The following chart provides the number of households and percentage of households in Primary Service Area with children.

Table B – Households w/ Children

	Number of Households w/ Children	Percentage of Households w/ Children
Tonawanda	8,089	24.5%
Primary Service Area	106,604	27.5%
State of New York	2,319,196	31.7%

The information contained in Table-B helps further outline the presence of families with children. As a point of comparison in the 2010 Census, 33.4% of households nationally had children present.

Map A – Median Age by Census Block Group

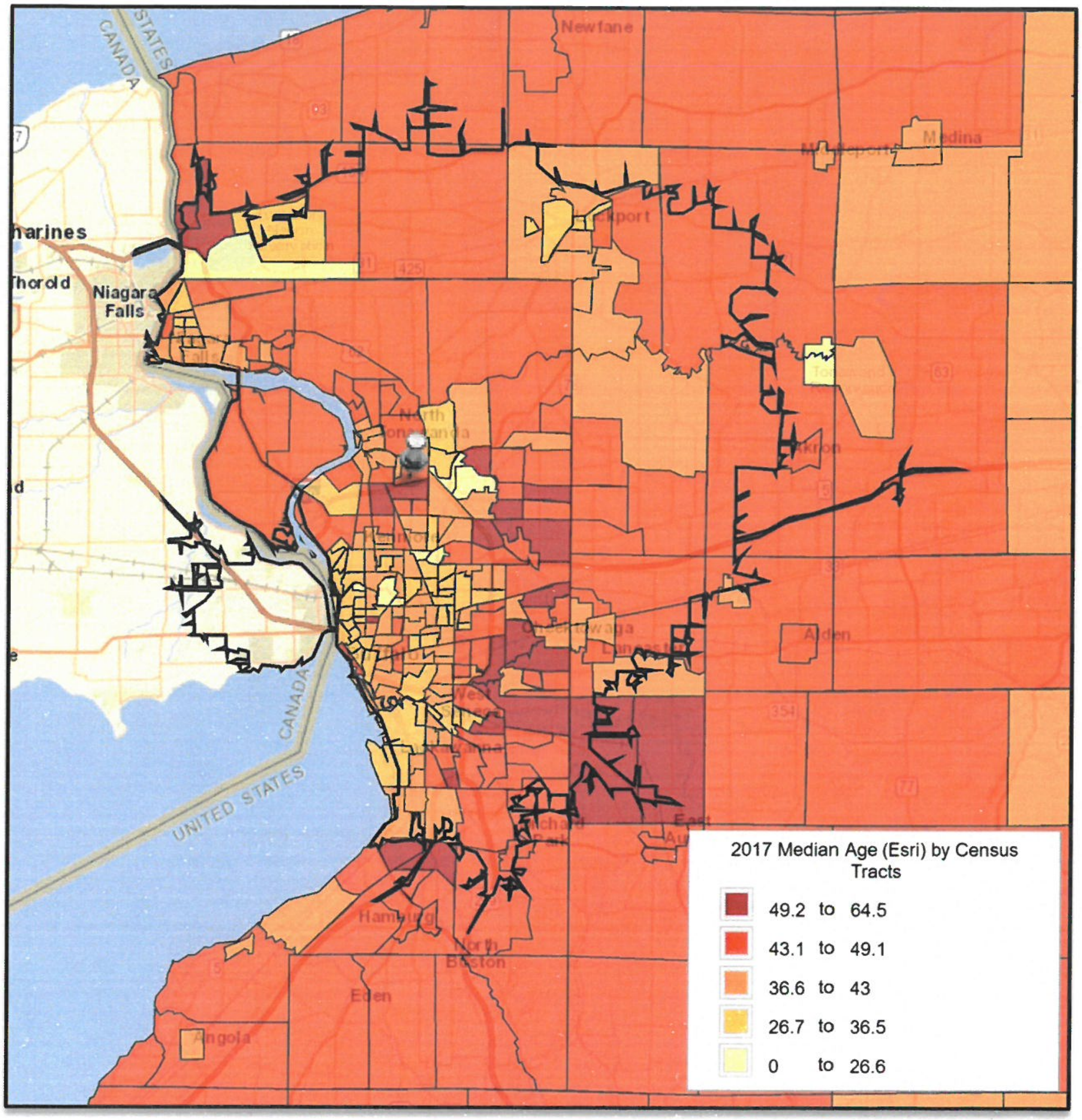
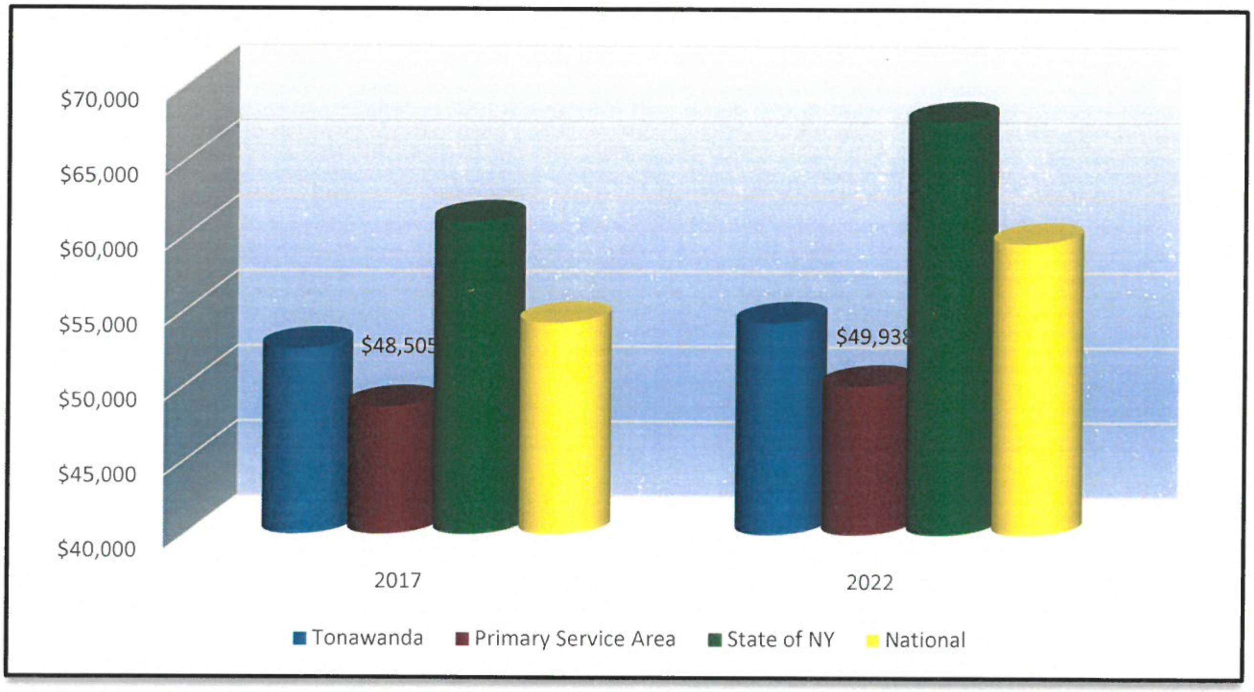


Table C – Median Household Income:

	2017 Projection	2022 Projection
Tonawanda	$52,391	$54,141
Primary Service Area	$48,505	$49,938
State of New York	$60,832	$67,501
Nationally	$54,149	$59,476

Chart B – Median Household Income:

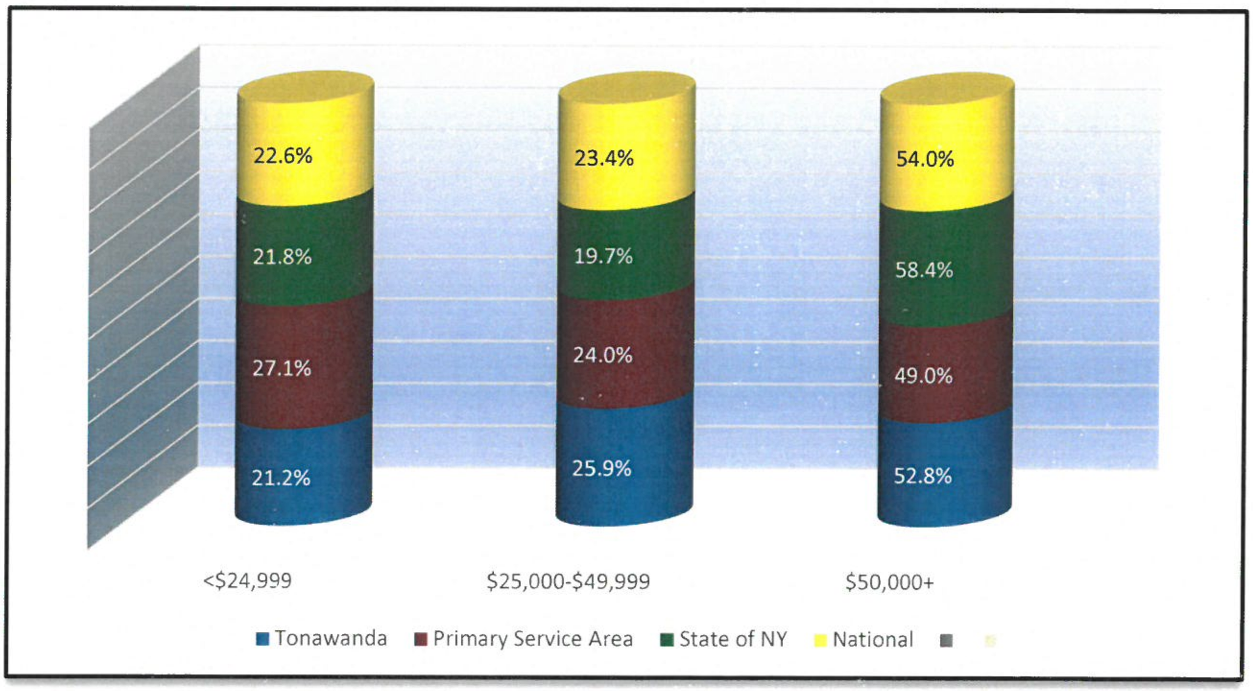


Based on 2017 projections for median household income the following narrative describes the service areas:

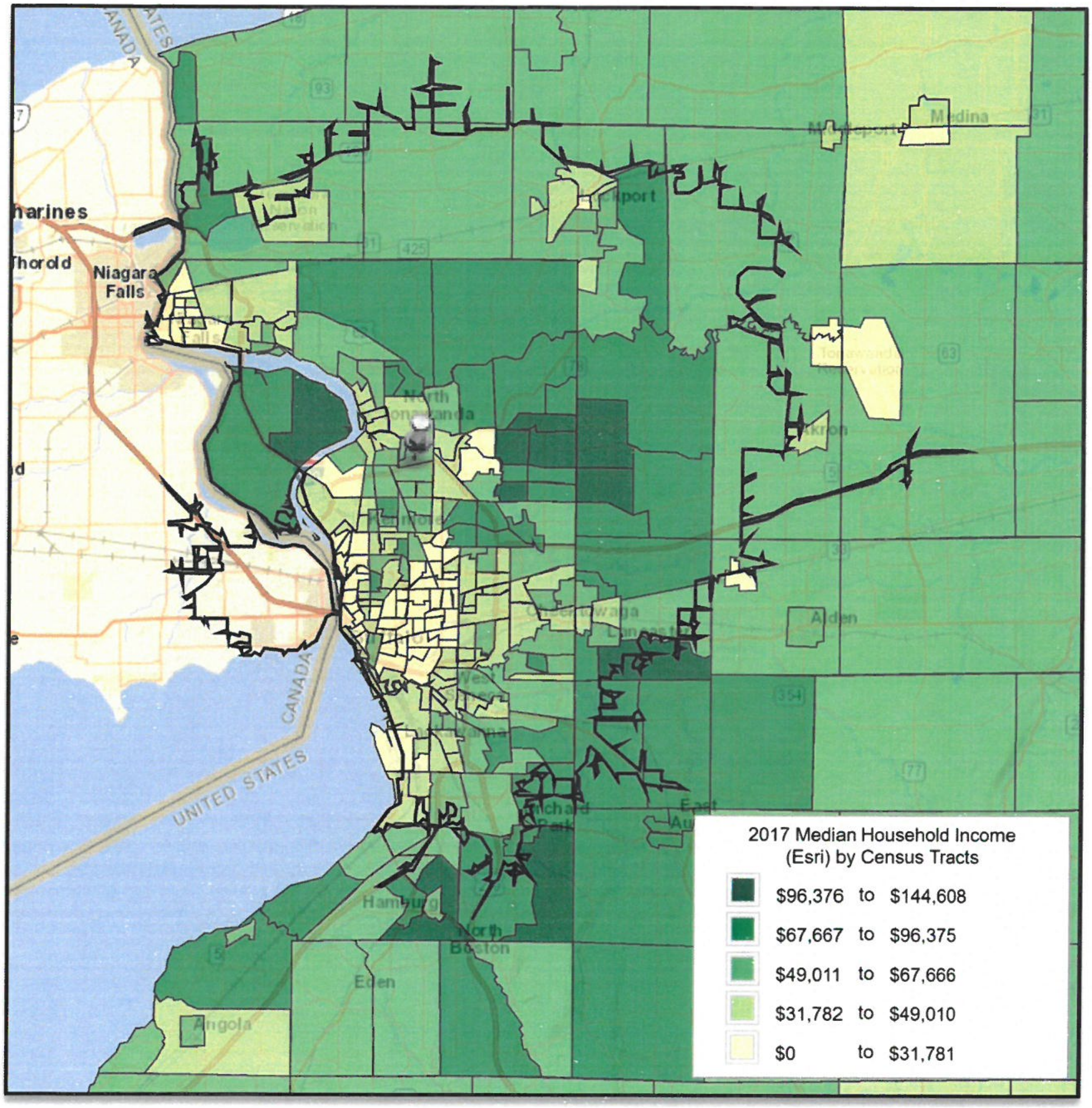
In the Primary Service Area, the percentage of households with median income over $50,000 per year is 49.0% compared to 55.9% on a national level. Furthermore, the percentage of the households in the service area with median income less than $25,000 per year is 27.1% compared to a level of 21.5% nationally.

While there is no perfect indicator of use of an indoor recreation facility, the percentage of households with more than $50,000 median income is a key indicator. Therefore, those numbers are significant and balanced with the overall cost of living.

Chart C – Median Household Income Distribution



Map B – Household Income by Census Block Group



In addition to taking a look at Median Age and Median Income, it is important to examine Household Budget Expenditures. In particular, looking at housing information; shelter, utilities, fuel and public services along with entertainment & recreation can provide a snapshot into the cost of living and spending patterns in the services areas. The table below looks at that information and compares the service areas.

Table D – Household Budget Expenditures[3]:

Tonawanda	SPI	Average Amount Spent	Percent
Housing	84	$17,935.46	30.4%
Shelter	*83*	*$13,505.45*	*22.9%*
Utilities, Fuel, Public Service	*88*	*$4,430.02*	*7.5%*
Entertainment & Recreation	85	$2,665.64	4.5%

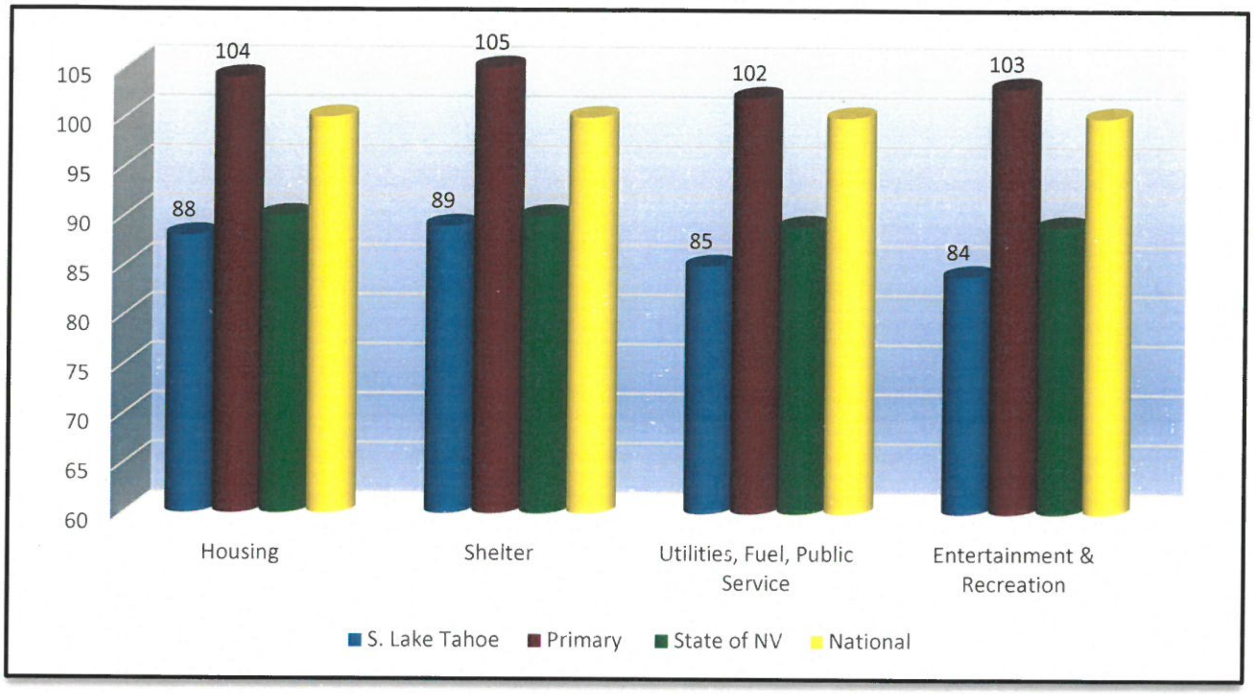
Primary Service Area	SPI	Average Amount Spent	Percent
Housing	86	$18,280.46	30.8%
Shelter	*85*	*$13,848.59*	*23.3%*
Utilities, Fuel, Public Service	*88*	*$4,431.88*	*7.5%*
Entertainment & Recreation	85	$2,666.26	4.5%

State of New York	SPI	Average Amount Spent	Percent
Housing	118	$25,073.15	31.9%
Shelter	*120*	*$19,458.80*	*24.7%*
Utilities, Fuel, Public Service	*111*	*$5,614.35*	*7.1%*
Entertainment & Recreation	111	$3,474.06	4.4%

SPI: Spending Potential Index as compared to the National number of 100.
Average Amount Spent: The average amount spent per household.
Percent: Percent of the total 100% of household expenditures.
Note: *Shelter along with Utilities, Fuel, Public Service are a portion of the Housing percentage.*

[3] Consumer Spending data are derived from the 2004 and 2005 Consumer Expenditure Surveys, Bureau of Labor Statistics. ESRI forecasts for 2017 and 2022.

Chart D – Household Budget Expenditures Spending Potential Index:



The total number of housing units in the Primary Service Area is 426,748 and 90.9% are occupied, or 387,986 housing units. The total vacancy rate for the service area is 9.1%. Of the available units:

- For Rent 3.3%
- Rented, not Occupied 0.1%
- For Sale 0.7%
- Sold, not Occupied 0.3%
- For Seasonal Use 0.4%
- Other Vacant 4.1%

Recreation Expenditures Spending Potential Index: Finally, through the demographic provider that B*K utilizes for the market analysis portion of the report, we can examine the overall propensity for households to spend dollars on recreation activities. The following comparisons are possible.

Table E – Recreation Expenditures Spending Potential Index[4]:

Tonawanda	SPI	Average Spent
Fees for Participant Sports	84	$83.26
Fees for Recreational Lessons	73	$97.14
Social, Recreation, Club Membership	81	$170.20
Exercise Equipment/Game Tables	86	$51.20
Other Sports Equipment	88	$9.29

Primary Service Area	SPI	Average Spent
Fees for Participant Sports	84	$83.12
Fees for Recreational Lessons	75	$100.07
Social, Recreation, Club Membership	75	$100.07
Exercise Equipment/Game Tables	83	$49.70
Other Sports Equipment	85	$9.01

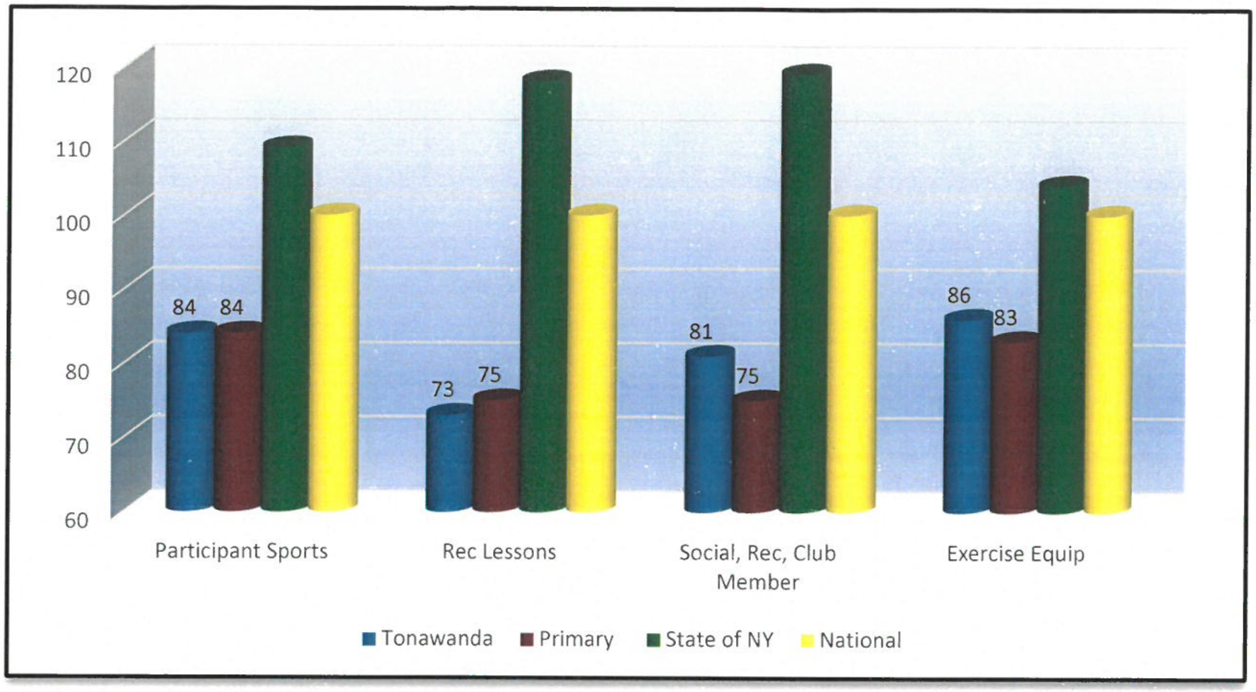
State of New York	SPI	Average Spent
Fees for Participant Sports	109	$108.12
Fees for Recreational Lessons	118	$157.01
Social, Recreation, Club Membership	119	$249.63
Exercise Equipment/Game Tables	104	$62.20
Other Sports Equipment	102	$10.77

Average Amount Spent: The average amount spent for the service or item in a year.

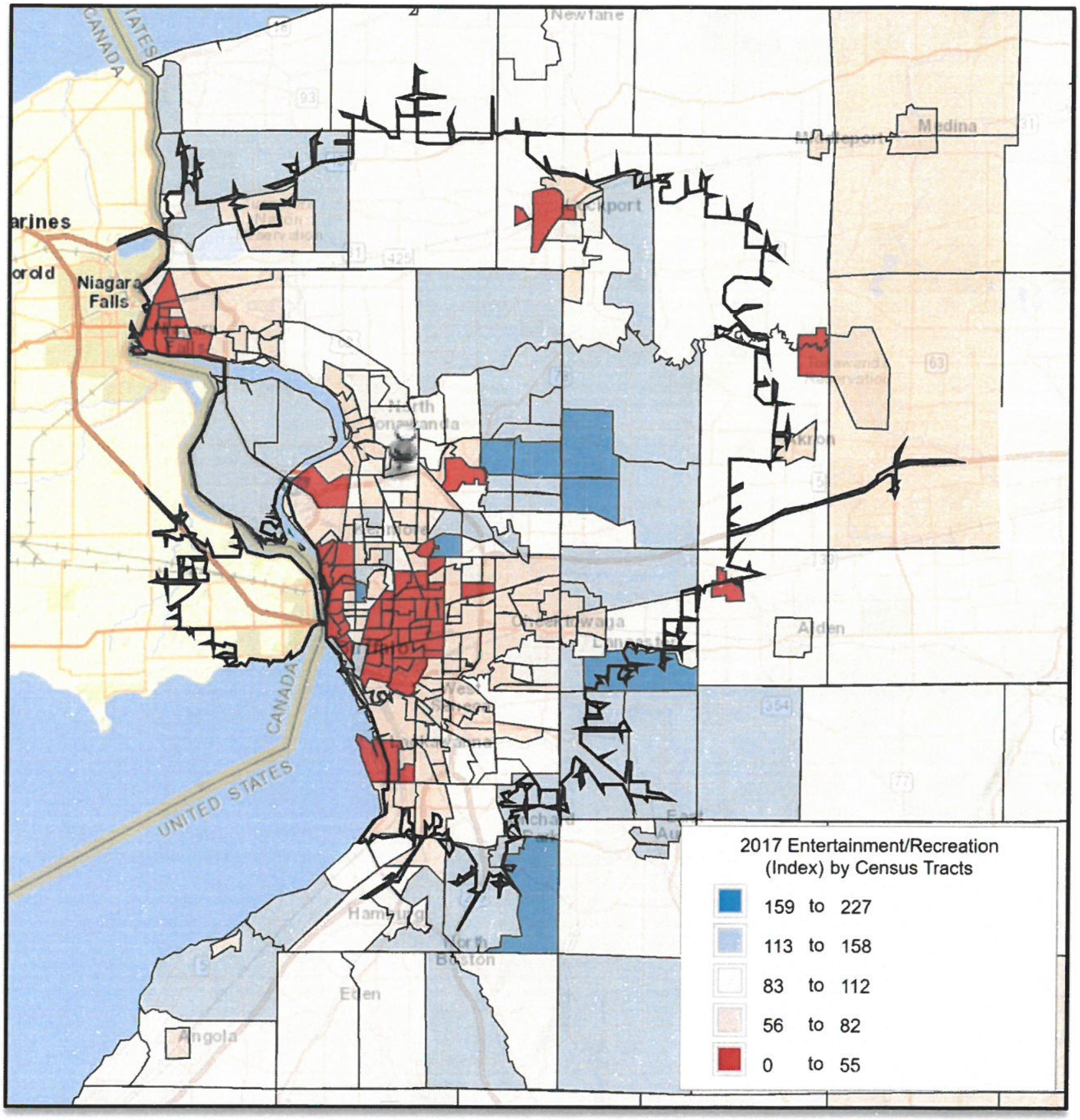
SPI: Spending potential index as compared to the national number of 100.

[4] Consumer Spending data are derived from the 2006 and 2007 Consumer Expenditure Surveys, Bureau of Labor Statistics.

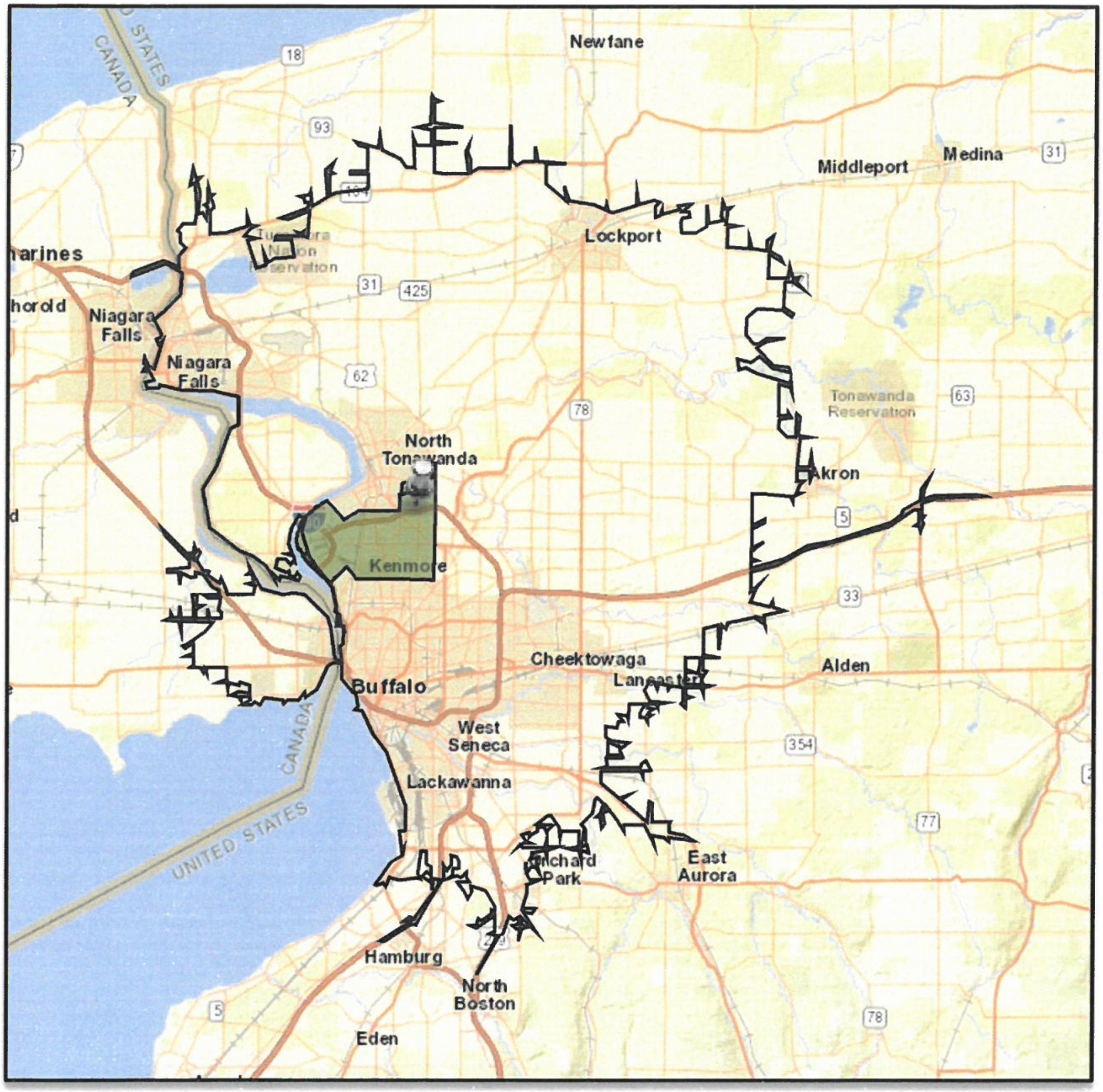
Chart E – Recreation Spending Potential Index:



Map C – Recreation Spending Potential Index by Census Block Group



Map D – Service Area Maps



Population Distribution by Age: Utilizing census information for the Primary Service Area, the following comparisons are possible.

Table F – 2017 Primary Service Area Age Distribution
(ESRI estimates)

Ages	Population	% of Total	Nat. Population	Difference
-5	46,723	5.0%	6.0%	-1.0%
5-17	131,903	14.3%	16.3%	-2.0%
18-24	94,478	10.3%	9.7%	+0.6%
25-44	227,416	24.7%	26.4%	-1.7%
45-54	120,377	13.1%	13.0%	+0.1%
55-64	128,455	14.0%	12.9%	+1.1%
65-74	90,720	9.9%	9.2%	+0.7%
75+	77,717	8.5%	6.4%	+2.1%

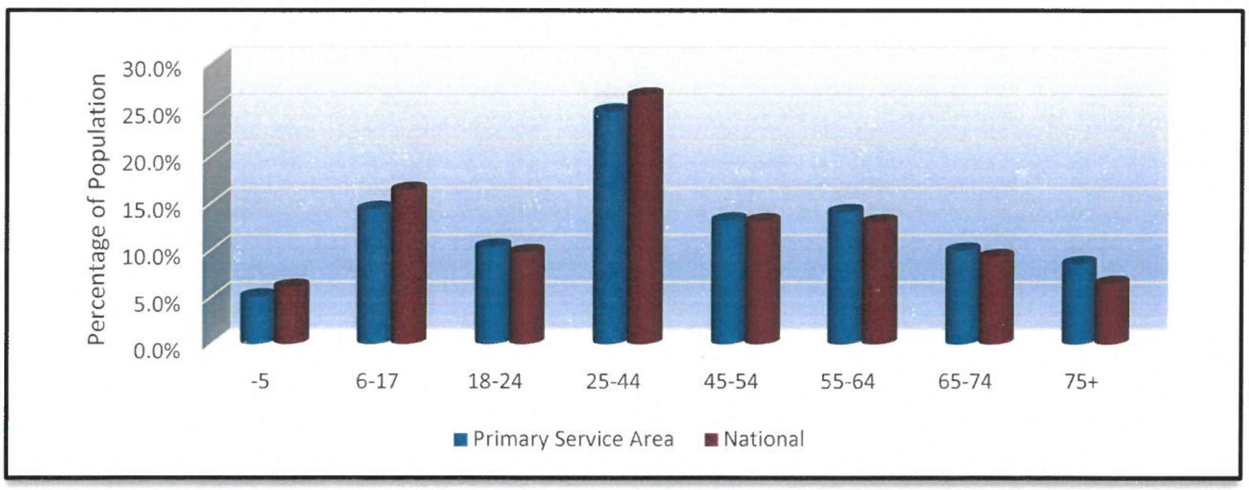
Population: 2017 census estimates in the different age groups in the Primary Service Area.

% of Total: Percentage of the Primary Service Area/population in the age group.

National Population: Percentage of the national population in the age group.

Difference: Percentage difference between the Primary Service Area population and the national population.

Chart F – 2017 Primary Service Area Age Group Distribution



Population Distribution Comparison by Age: Utilizing census information from the Primary Service Area, the following comparisons are possible.

Table G – 2017 Primary Service Area Population Estimates
(U.S. Census Information and ESRI)

Ages	2010 Census	2017 Projection	2022 Projection	Percent Change	Percent Change Nat'l
-5	50,013	46,723	46,826	-6.4%	+2.3%
5-17	146,222	131,903	128,361	-12.2%	+0.7%
18-24	100,738	94,478	87,200	-13.4%	+0.2%
25-44	221,409	227,416	234,211	+5.8%	+11.4%
45-54	138,475	120,377	108,207	-21.9%	-9.4%
55-64	114,144	128,455	125,957	+10.3%	+18.2%
65-74	68,078	90,720	104,794	+53.9%	+61.8%
75+	75,570	77,717	84,923	+12.4%	+34.7%

Chart G – Primary Service Area Population Growth

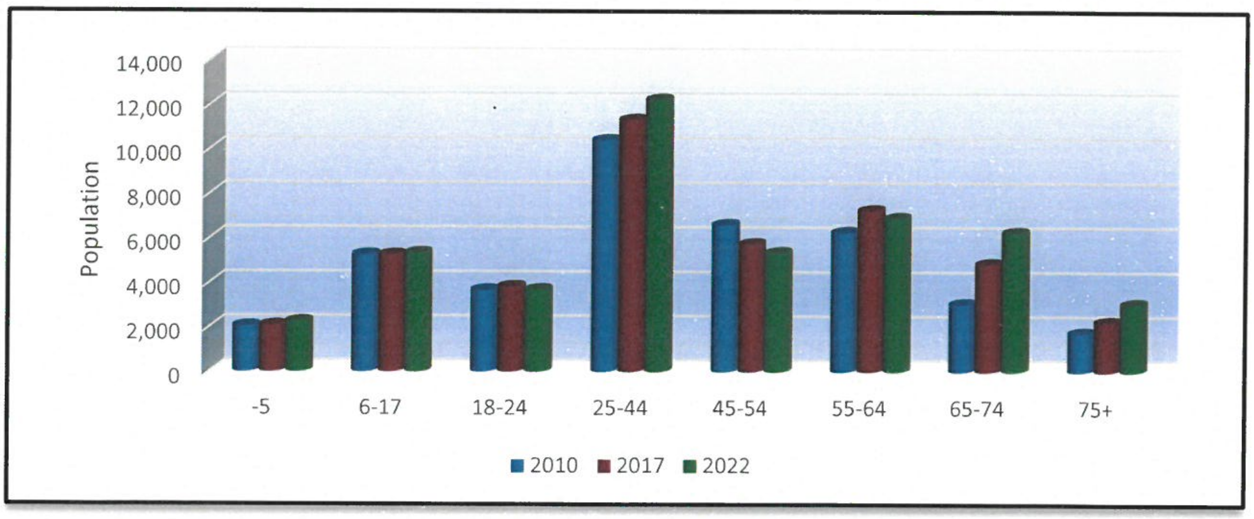


Table-G illustrates the growth or decline in age group numbers from the 2010 census until the year 2022. Based on the population projections all of the age categories will see an increase. The population of the United States as a whole is aging, and it is not unusual to find negative growth numbers in the younger age groups and significant net gains in the 45 plus age groupings in communities which are relatively stable in their population numbers.

Below is listed the distribution of the population by race and ethnicity for the Primary Service Area for 2017 population projections. Those numbers were developed from 2010 Census Data.

Table H – Primary Service Area Ethnic Population and Median Age 2017
(Source – U.S. Census Bureau and ESRI)

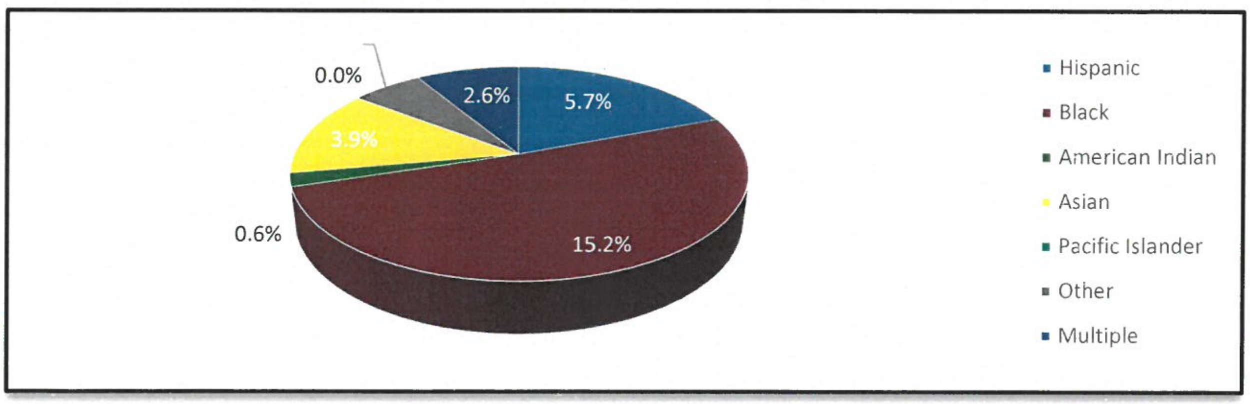
Ethnicity	Total Population	Median Age	% of Population	% of NY Population
Hispanic	52,747	25.6	5.7%	19.4%

Table I – Primary Service Area Population by Race and Median Age 2017
(Source – U.S. Census Bureau and ESRI)

Race	Total Population	Median Age	% of Population	% of NY Population
White	696,509	45.0	75.9%	63.1%
Black	139,563	33.4	15.2%	16.0%
American Indian	5,270	34.6	0.6%	0.6%
Asian	35,378	29.0	3.9%	8.8%
Pacific Islander	312	29.4	0.0%	0.1%
Other	16,836	27.0	1.8%	8.1%
Multiple	23,922	17.8	2.6%	3.5%

2017 Primary Service Area Total Population: 917,790 Residents

Chart H – 2017 Primary Service Area Population by Race



Tapestry Segmentation

Tapestry segmentation represents the 4th generation of market segmentation systems that began 30 years ago. The 65-segment Tapestry Segmentation system classifies U.S. neighborhoods based on their socioeconomic and demographic compositions. While the demographic landscape of the U.S. has changed significantly since the 2000 Census, the tapestry segmentation has remained stable as neighborhoods have evolved.

There is value including this information for the Primary Service Area. The data assists the organization in understanding the consumers/constituents in their service area and supply them with the right products and services.

The Tapestry segmentation system classifies U.S. neighborhoods into 65 unique market segments. Neighborhoods are sorted by more than 60 attributes including; income, employment, home value, housing types, education, household composition, age and other key determinates of consumer behavior.

The following pages and tables outline the top 5 tapestry segments in each of the service areas and provide a brief description of each. This information combined with the key indicators and demographic analysis of each service area help further describe the markets that the Primary Service Area looks to serve with programs, services, and special events.

For comparison purposes the following are the top 10 Tapestry segments, along with percentage in the United States:

1. Green Acres (6A)	3.2%
2. Southern Satellites (10A)	3.2%
3. Savvy Suburbanites (1D)	3.0%
4. Salt of the Earth (6B)	2.9%
5. Soccer Moms (4A)	2.8%
	15.1%
6. Middleburg (4C)	2.8%
7. Midlife Constants (5E)	2.5%
8. Comfortable Empty Nesters (5A)	2.5%
9. Heartland Communities (6F)	2.4%
10. Old and Newcomers (8F)	2.3%
	12.5%

Table N – Primary Service Area Tapestry Segment Comparison
(ESRI estimates)

	Primary Service Area		*Demographics*	
	Percent	Cumulative Percent	Median Age	Median HH Income
Rustbelt Traditions (5D)	11.5%	11.5%	38.4	$49,000
Midlife Constants (5E)	10.5%	22.0%	45.9	$48,000
Traditional Living (12B)	8.8%	30.8%	34.8	$37,000
Comfortable Empty Nesters (5A)	8.1%	38.9%	46.8	$68,000
Hardscrabble Road (8G)	6.7%	45.6%	31.7	$26,000

Rustbelt Traditions (5D) – Mix of married-couple families and singles, this group has highly skilled workers. They value time at home with their families.

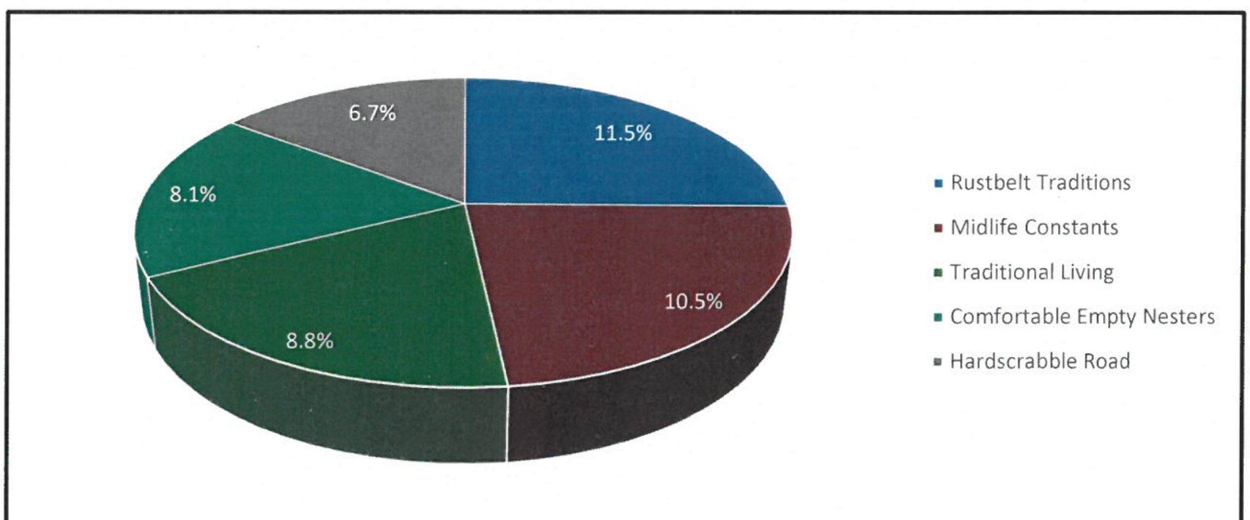
Midlife Constants (5E) – Seniors at or approaching retirement. This demographic is generous and sociable. They invest in their community with their time and money.

Traditional Living (12B) – This young segment juggles the responsibilities of new marriages, young families and personal interests. They enjoy convenience.

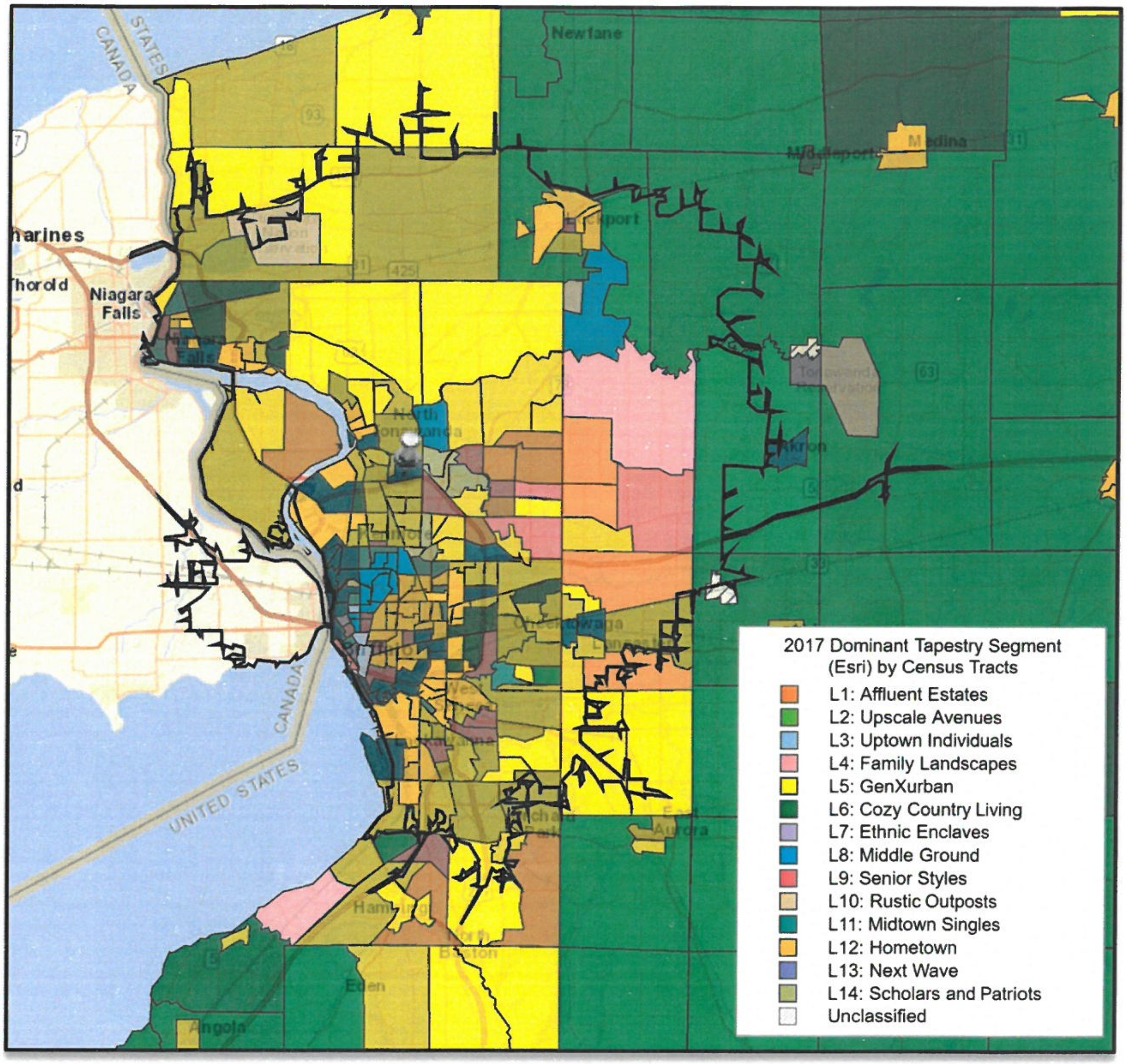
Comfortable Empty Nesters (5A) – A large, growing segment with over half aged 55 or older. They value their health and are physically active.

Hardscrabble Road (8G) – Primarily a young, family market with lower education. They often struggle with money but participate in team sports.

Chart L – Primary Service Area Tapestry Segment Representation by Percentage:



Map F – Dominant Tapestry Segment by Census Block Group



Demographic Summary

The following summarizes the demographic characteristics of the service areas.

- The population within the Primary Service Area is adequate to support an ice sports facility, but the presence of alternative service providers must be acknowledged and accounted for.

- The median age for the Primary Service are higher than the National number. The growth estimated in the 25-44 year old age group suggests a higher concentration of families with children. Age is one determining factor that drives participation in an like ice sports.

- The primary service area experienced a slow and slight decrease in population since the 2010 Census. This trend is expected to continue over the next 5 years with population in the service area decreasing about 150 people by the year 2022. This demographic trend points to stable population and should expect continue interest in ice sports participation.

- The median household income within the Primary Service Area is slightly lower than the national level. Furthermore, the percent of households with income over $50,000 is also lower than the national level of 54%. Household income is another determining factor that drives participation in ice sports.

- The Spending Potential Index for housing in Tonawanda is 16% lower than the national level while the median HH Income is 3% lower the national level. This suggests that there is an adequate level of disposable income to support ice sports.

- The Tapestry segments identified in the Primary Service Area point to a mix of an aging population and empty-nesters combined with young families

Section III –Participation & Trends

In addition to analyzing the demographic realities of the service areas, it is possible to project possible participation in recreation and sport activities.

Participation Numbers: On an annual basis, the National Sporting Goods Association (NSGA) conducts an in-depth study and survey of how Americans spend their leisure time. This information provides the data necessary to overlay rate of participation onto the Primary Service Area to determine market potential. The information contained in this section of the report, utilizes the NSGA's most recent survey. For that data was collected in 2016 and the report was issued in June of 2017.

B*K takes the national average and combines that with participation percentages of the Primary Service Area based upon age distribution, median income, region and National number. Those four percentages are then averaged together to create a unique participation percentage for the service area. This participation percentage when applied to the population of the Primary Service Area then provides an idea of the market potential for various activities.

Community Recreation Related Activities Participation: These activities are could take place at an indoor community recreation center space.

Table A –Participation Rates for the Primary Service Area

	Age	Income	Region	Nation	Average
Aerobics	15.3%	13.8%	15.3%	15.5%	15.0%
Basketball	7.8%	7.7%	7.9%	8.4%	8.0%
Exercise Walking	36.5%	36.1%	35.5%	36.0%	36.0%
Exercise w/ Equipment	19.4%	19.4%	19.5%	19.5%	19.5%
Ice Hockey	1.0%	0.7%	1.8%	1.1%	1.1%
Ice/Figure Skating	2.4%	2.5%	3.3%	2.6%	2.7%
Lacrosse	0.9%	0.7%	1.3%	1.0%	1.0%
Pilates	0.3%	1.9%	2.1%	1.9%	1.6%
Running/Jogging	14.6%	14.4%	14.0%	15.3%	14.6%
Soccer	4.3%	4.2%	5.4%	4.8%	4.7%
Swimming	15.0%	15.4%	18.9%	15.5%	16.2%
Volleyball	3.4%	2.5%	3.9%	3.6%	3.3%
Weight Lifting	11.8%	11.7%	12.2%	12.1%	12.0%
Workout at Clubs	12.8%	11.3%	15.3%	12.9%	13.1%
Yoga	10.1%	10.8%	11.8%	10.3%	10.7%

Age: Participation based on individuals ages 7 & Up of the Primary Service Area.
Income: Participation based on the 2016 estimated median household income in the Primary Service Area.
Region: Participation based on regional statistics (Mountain).
National: Participation based on national statistics.
Average: Average of the four columns.

Anticipated Participation Number: Utilizing the average percentage from Table-A above plus the 2010 census information and census estimates for 2017 and 2022 (over age 7) the following comparisons are available.

Table B –Participation Growth or Decline

	Average	2010 Population	2017 Population	2022 Population	Difference
Aerobics	15.0%	126,434	127,603	128,053	1,619
Basketball	8.0%	67,160	67,781	68,020	860
Exercise Walking	36.0%	304,093	306,905	307,987	3,894
Exercise w/ Equipment	19.5%	164,285	165,805	166,389	2,104
Ice Hockey	1.1%	9,645	9,734	9,768	123
Ice/Figure Skating	2.7%	22,807	23,018	23,099	292
Lacrosse	1.0%	8,216	8,292	8,321	105
Pilates	1.6%	13,102	13,223	13,270	168
Running/Jogging	14.6%	122,945	124,082	124,519	1,574
Soccer	4.7%	39,542	39,908	40,048	506
Swimming	16.2%	136,736	138,001	138,487	1,751
Volleyball	3.3%	28,182	28,443	28,543	361
Weight Lifting	12.0%	100,939	101,873	102,232	1,292
Workout at Clubs	13.1%	110,406	111,427	111,819	1,414
Yoga	10.7%	90,704	91,542	91,865	1,161

The charts below outline the frequency of participation in Ice Hockey & Ice Skating.

Table C – Participation Frequency Ice Hockey

The NSGA classifies Ice Hockey based on how often individuals participate:

	Frequent	Occasional	Infrequent
Ice Hockey Frequency	30+	5-29	2-4
Ice Hockey Percentage of Population	25.8%	42.9%	31.3%

In Table-C one can look at Ice Hockey and how it is defined with respect to visits being Frequent, Occasional or Infrequent and then the percentage of population that participates.

Table D – Participation Numbers

	Frequent	Occasional	Infrequent	Total
Ice Hockey	32	17	3	
Population	2,511	4,176	3,047	
Visits	**80,363**	**70,989**	**9,140**	**160,492**

Table-D takes the frequency information one step further and identifies the number of times individuals may participate in the activity, applies the percentage from Table-C to the 2017 Ice Hockey population (9,734) and then gives a total number of Ice Hockey days. This would indicate that a total of 160,492 Ice Hockey days are available within the Primary Service Area market. It is also important to note that those are being absorbed, on some level, by the other service providers in the area.

Table E – Participation Frequency Ice Skating

The NSGA classifies Ice Skating based on how often individuals participate:

	Frequent	Occasional	Infrequent
Ice Skating Frequency	30+	5-29	2-4
Ice Skating Percentage of Population	5.2%	40.0%	54.8%

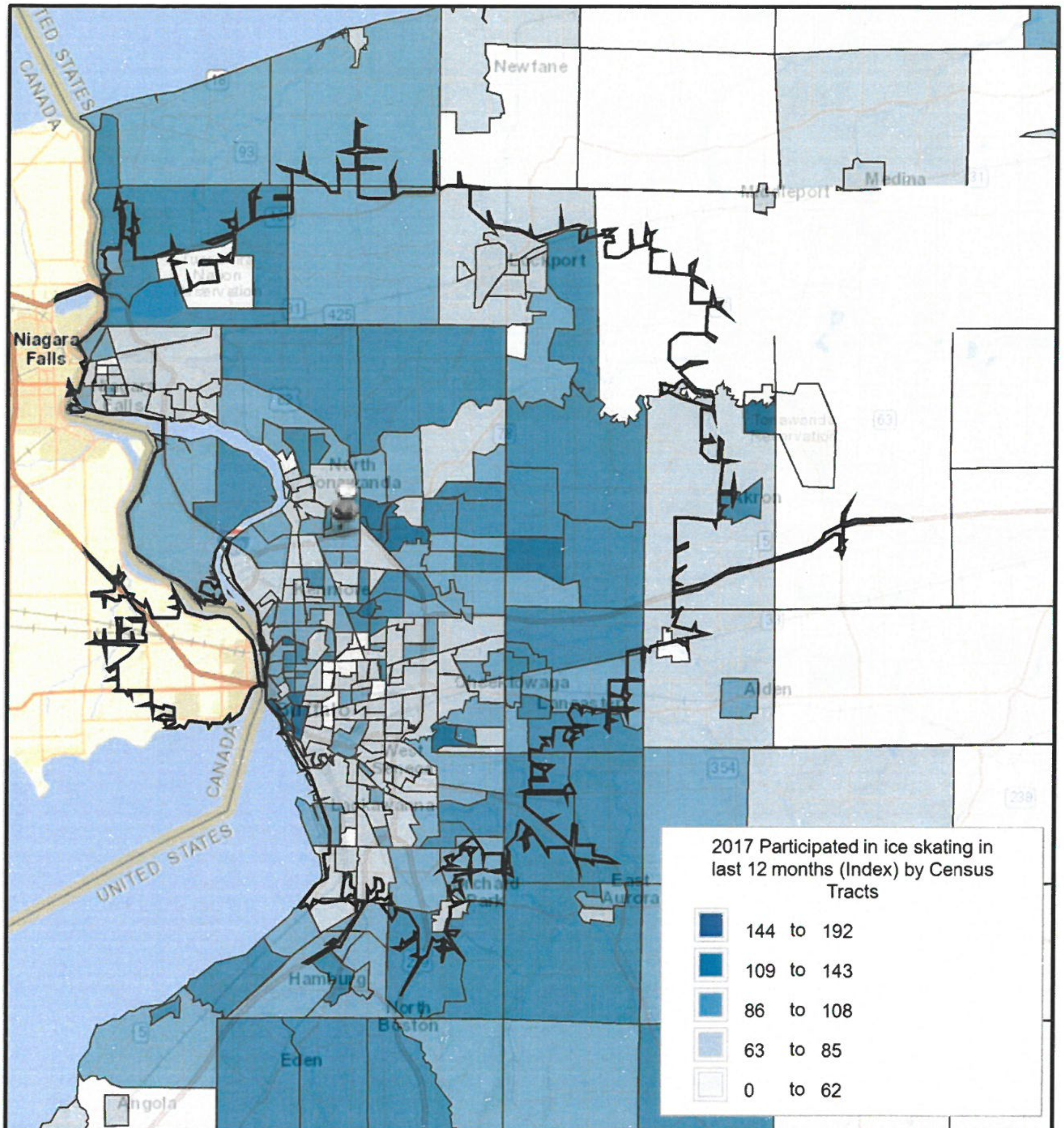
In Table-E one can look at Ice Skating and how it is defined with respect to visits being Frequent, Occasional or Infrequent and then the percentage of population that participates.

Table F – Participation Numbers

	Frequent	Occasional	Infrequent	Total
Ice Skating	32	17	3	
Population	1,197	9,207	12,614	
Visits	**38,302**	**156,523**	**37,842**	**232,668**

Table-D takes the frequency information one step further and identifies the number of times individuals may participate in the activity, applies the percentage from Table-C to the 2017 Ice Skating population (23,018) and then gives a total number of Ice Skating days. This would indicate that a total of 232,668 Ice Skating days are available within the Primary Service Area market. It is also important to note that those are being absorbed, on some level, by the other service providers in the area.

Map E – Ice Skating Participation



Season	19 +	17 &18	15 &16	13 &14	11 &12	9 &10	7 &8	U6
2016/17	13,891	2,764	4,424	5,590	5,995	5,683	5,430	6,265
2015/16	14,386	2,693	4,579	5,564	6,044	5,716	5,163	5,776
2104/15	13,815	2,594	4,505	5,518	5,917	5,833	5,002	5,396
2013/14	14,034	2,663	4,196	5,587	5,867	5,847	4,866	5,294
2012/13	14,071	2,638	4,095	5,544	5,908	5,866	5,159	5,263
Difference	-1.3%	4.7%	8.0%	>0.1%	1.4%	-3.1%	5.2%	19.0%

Participation by Ethnicity and Race: The table below compares the overall rate of participation nationally with the rate for Hispanics and African Americans. Utilizing information provided by the National Sporting Goods Association's 2016 survey, the following comparisons are possible.

Table G – Comparison of National, African American and Hispanic Participation Rates

Indoor Activity	Primary Service Area	National Participation	African American Participation	Hispanic Participation
Aerobics	15.0%	15.5%	13.9%	14.6%
Basketball	8.0%	8.4%	12.8%	10.2%
Exercise Walking	36.0%	36.0%	32.5%	30.5%
Exercise w/ Equipment	19.5%	19.5%	17.5%	18.4%
Ice Hockey	1.1%	1.1%	0.3%	1.6%
Ice/Figure Skating	2.7%	2.6%	1.4%	3.8%
Lacrosse	1.0%	1.0%	0.4%	1.0%
Pilates	1.6%	1.9%	2.2%	2.6%
Running/Jogging	14.6%	15.3%	14.6%	17.3%
Soccer	4.7%	4.8%	3.7%	7.8%
Swimming	16.2%	15.5%	9.3%	14.1%
Volleyball	3.3%	3.6%	3.7%	5.3%
Weight Lifting	12.0%	12.1%	13.9%	11.2%
Workout at Clubs	13.1%	12.9%	10.9%	13.1%
Yoga	10.7%	10.3%	9.3%	11.5%
Did Not Participate	23.1%	22.4%	26.3%	23.6%

Primary Service Part: The unique participation percentage developed for the Primary Service Area.
National Rate: The national percentage of individuals who participate in the given activity.
African American Rate: The percentage of African-Americans who participate in the given activity.
Hispanic Rate: The percentage of Hispanics who participate in the given activity.

Summary of Sports Participation: The following chart summarizes participation for indoor activities utilizing information from the 2016 National Sporting Goods Association survey.

Table H – Sports Participation Summary

Sport	Nat'l Rank[5]	Nat'l Participation (in millions)
Exercise Walking	1	105.7
Exercising w/ Equipment	2	57.1
Swimming	3	45.6
Aerobic Exercising	4	45.6
Running/Jogging	5	44.9
Hiking	6	42.9
Camping	7	40.4
Workout @ Club	8	37.8
Bicycle Riding	9	36.2
Weight Lifting	10	35.6
Soccer	20	14.1
Tennis	21	12.6
Baseball	23	12.2
Volleyball	24	10.7
Ice Skating	34	7.7
Martial Arts/MMA	36	6.2
Ice Hockey	51	3.4
Lacrosse	53	2.9

Nat'l Rank: Popularity of sport based on national survey.
Nat'l Participation: Percent of population that participate in this sport on national survey.

[5] This rank is based upon the 55 activities reported on by NSGA in their 2016 survey instrument.

Participation by Age Group: Within the NSGA survey, participation is broken down by age groups. As such B*K can identify the top 3 age groups participating in the activities reflected in this report.

Chart I – Participation by Age Group:

Activity	Largest	Second Largest	Third Largest
Aerobics	25-34	35-44	45-54
Basketball	12-17	7-11	18-24
Exercise Walking	45-54	55-67	75+
Exercise w/ Equipment	25-34	45-54	18-24
Lacrosse	12-17	7-11	18-24
Pilates	25-34	35-44	18-24
Running/Jogging	25-34	18-24	12-17
Soccer	7-11	12-17	18-24
Swimming	7-11	12-17	35-44
Volleyball	12-17	7-11	18-24
Weight Lifting	25-34	18-24	35-44
Workout at Clubs	25-34	18-24	35-44
Yoga	25-34	18-24	35-44
Did Not Participate	7-11	75+	55-64

Largest: Age group with the highest rate of participation.
Second Largest: Age group with the second highest rate of participation.
Third Largest: Age group with the third highest rate of participation.

Market Potential Index for Adult Participation: In addition to examining the participation numbers for various indoor activities through the NSGA 2016 Survey and the Spending Potential Index for Entertainment & Recreation, B*K can access information about Sports & Leisure Market Potential. The following information illustrates participation rates for adults in swimming in the Primary Service Area.

Table J – Market Potential Index for Adult Participation in Activities

Adults participated in:	Expected Number of Adults	Percent of Population	MPI
Aerobics	61,071	8.3%	100
Basketball	64,917	8.8%	104
Exercise Walking	197,409	26.7%	99
Ice/Figure Skating	19,299	2.6%	95
Pilates	19,143	2.6%	97
Running/Jogging	90,907	12.3%	91
Soccer	28,004	3.8%	88
Swimming	113,487	15.4%	99
Volleyball	23,737	3.2%	96
Weight Lifting	73,471	9.9%	98
Yoga	51,795	7.0%	92

Expected # of Adults: Number of adults, 18 years of age and older, participating in the activity in the Primary Service Area.
Percent of Population: Percent of the service area that participates in the activity.
MPI: Market potential index as compared to the national number of 100.

This table indicates that the overall propensity for adults to participate in the 10 activities listed is greater than the national number of 100 in all instances. In many cases when a participation number is lower than the National number, primary factors include a lack of facilities or an inability to pay for services and programs.

Sports Participation Trends: Below are listed several sports activities and the percentage of growth or decline that each has experienced nationally over the last ten years (2007-2016).

Table K – National Activity Trend (in millions)

Increasing in Popularity

	2007 Participation	2016 Participation	Percent Change
Yoga	10.7	30.3	183.2%
Lacrosse	1.2	2.9	141.7%
Hockey (ice)	2.1	3.4	61.9%
Running/Jogging	30.4	44.9	47.7%
Wrestling	2.1	3.0	42.9%
Aerobic Exercising	34.8	45.6	31.0%
Exercise Walking	89.8	105.7	17.7%
Weight Lifting	33.2	35.6	7.2%
Basketball	24.1	24.8	2.9%
Workout @ Club	36.8	37.8	2.7%
Tennis	12.3	12.6	2.4%
Soccer	13.8	14.0	1.4%

Decreasing in Popularity

	2007 Participation	2016 Participation	Percent Change
Bicycle Riding	37.4	36.2	-3.2%
Ice/Figure Skating	8.2	7.7	-6.1%
Volleyball	12.0	10.7	-10.8%
Swimming	52.3	45.6	-12.8%
Baseball	14.0	12.2	-12.9%
Football (tackle)	9.2	7.9	-14.1%
Golf	22.7	18.5	-18.5%
Softball	12.4	9.6	-22.3%

2016 Participation: The number of participants per year in the activity (in millions) in the United States.

2007 Participation: The number of participants per year in the activity (in millions) in the United States.

Percent Change: The percent change in the level of participation from 2005 to 2014.

Ice Hockey Market and Activity Trends: Growth in ice hockey has continued to grow and according to USA Hockey, the number of youth players registered in the U.S. increased about 8.7% between the 2012-2013 and 2016-2017 seasons. Registration in New York has grown over that same time period. Closer analysis indicated that one of the age groups (9-10 yr. olds) have experienced a decline in registration. It should be noted that USA Hockey has implemented sweeping changes in the age group hockey by introducing the ADM training model designed to inject fun back into the game of hockey while teaching fundamentals. Another distinguishing characteristic of the ADM program, especially at the under 8 age groups, is that it utilizes 1/2 ice for games and multi-station areas for practice. These changes allow for more players on the ice at one time which in turn reduces the cost to the participants.

Table L – New York USA Hockey Registration by Age Group:

Season	19 +	17 &18	15 &16	13 &14	11 &12	9 &10	7 &8	U6
2016/17	13,891	2,764	4,424	5,590	5,995	5,683	5,430	6,265
2015/16	14,386	2,693	4,579	5,564	6,044	5,716	5,163	5,776
2104/15	13,815	2,594	4,505	5,518	5,917	5,833	5,002	5,396
2013/14	14,034	2,663	4,196	5,587	5,867	5,847	4,866	5,294
2012/13	14,071	2,638	4,095	5,544	5,908	5,866	5,159	5,263
Difference	-1.3%	4.7%	8.0%	>0.1%	1.4%	-3.1%	5.2%	19.0%

A contributing factor that is a challenge for hockey is the relatively high cost for participation. Ice hockey is an expensive sport for participants that requires a significant outlay of capital for registration fees, tournaments, equipment and travel costs. It is not uncommon to see registration fees range from $500 to $2,000 per player in the Buffalo market. Adding tournament fees, equipment and travel cost easily push the cost per player over $3,000 per season.

Nationally, figure skating programs have seen a slight increase in participation recently. United States Figure Skating (USFS) reports that participation in the basic skills program increased 3% over the previous year (2013-2014). Basic Skills participation grew to over 122,000 participants through over 1,000 certified programs across the country. The average number of basic skills participants at each certified rink is 120 participants. As with hockey, the cost to participant in figure skating, after completing a learn to skate program, is much higher than many sports. Cost of ice time, availability of ice, cost of instruction and equipment cost are typically contributing factors in the participation numbers. That being said, the service area demographic is favorable for continued support of figure skating. USFS has diversified its Basic Skill program offering to expand the skating opportunity for the beginner by including pre-school skating, adult, hockey, speed skating, free skate, synchronized skating, theater on ice, artistry in motion, pairs, ice dance and Special Olympics. There are over 575 registered synchronized skating teams and 46 Theater on Ice teams registered in the US. It should be noted that the popularity in synchronized skating continues to grow. With more ice rink facilities time being proposed, the area Figure Skating Club and learn-to-skate programs will have the opportunity to continue growing.

Rinks can also have a focus on simply selling ice time to other organizations (usually youth hockey, figure skating club and/or curling club). However, in the long term, most rinks are more financially stable when they emphasize the development of their own balanced programs that concentrates on the local market. The greater the reliance on this market, the more immediate control there will be over the long-term direction of the rink. A commitment to this operational philosophy often requires several years to fully develop local programs. This approach is recommended for Brighton Ice Arena as it will take time for programs to grow and develop.

When factoring the demographic realities of the Primary Service Area, trends in ice sports and demand for ice time, it is clear that the need for expanding the ice time opportunities is critical for the Town to re-claim lost ice arena and recapture a portion of the ice market.

The local market orientation already includes many of the following and should include additional programming opportunities as noted.

1. Public skating sessions – The public skating schedule and length of public skating sessions has been reduced to accommodate other ice demands. It is important that there is a substantial commitment to providing public skating sessions on a weekly basis to serve the local population. There should be public sessions scheduled at same basic times of early afternoon to early evening several times during the week (winter season). Session times and hours should be adjusted to ensure optimum participation and revenues. A strong commitment to public skating will help to build interest in other programs such as figure skating and hockey. It should be noted that the greatest potential for revenue generation per hour is public skating but that is contingent upon scheduling public skating during prime-time periods on weekend afternoons/evenings.

2. Learn to skate - The development of a strong learn to skate program will feed participants into both the figure skating and hockey program. This lesson program should be a strong revenue producer for the rink if it is properly scheduled and promoted.

3. Hockey program - There needs to be a continued effort to build a strong in-house youth hockey league to assure continued strength and participation numbers in the travel hockey program. In-house programs that are self-operated usually prove to be profitable as the return on program costs nets a higher rate than what can be obtained through ice rentals. This program should focus on in-house leagues as well as developmental programs. Travel teams and other elite programs should also receive attention but not to the detriment of the in-house programs and activities. In-house programs should be a natural feeder to the travel teams. The proposed ice rink expansion should offer learn to play hockey, adult hockey leagues, high school hockey, youth hockey tournaments, and camps as well. An expansion of girls and women's hockey is desirable, and this demand will need to be factored into the rink's program offerings.

4. Figure skating - The overall condition of the Brighton Ice Arena and schedule commitment has been an obstacle in building a strong skating program. The Town does not have a strong core of figure skating instructors and coaches including a director of skating. This foundation is critical to building a strong skating program. Building a strong skating program will be critical to year-round operation of the rink. Ice shows and skating competitions, with a local orientation, should be offered over the course of the year. These programs often serve as a motivator to help maintain skating interest and prolong and expand revenue generation.

5. Speed skating – Given the rink's layout and size, starting a short track speed skating programs is possible. This could include a program for adults as well as youth. It should be realized that the cost for the rink pads is expensive and adequate storage space is required to support the speed skating program.

6. School District activities - Providing ice time to the high school hockey program (at market rates) continues to be important as well as exploring the possibility of developing physical education programs for local schools. In the Buffalo area, interest in high school hockey is strong but the high school hockey season is not as long as the youth hockey regular season. Many of the high school programs have their athletes play midget hockey on the shoulder seasons of the high school season. Area high school programs indicated a need for more high school ice time, especially St Joseph Academy.

7. Ice time rentals - After the needs of the in-house programs, Town programs and affiliated groups have been satisfied, open rentals to any individuals, groups and organizations need to be encouraged. These rentals should be at the established hourly rates for the rink. However, the availability of ice time for these groups is usually limited to off-peak times and undesirable hours. The goal of the rentals should be to sell the fringe hours of late night, early morning and daytime weekday usage.

8. Other programs - Activities such as broomball, synchronized skating or short track speed skating can be utilized to fill in the open times in the facility's schedule particularly during the shoulder season on each side of the prime hockey season of early fall and late spring.

9. Special interest groups – Community groups (including expanding the home school groups) could possibly increase the use of the ice rink for a variety of functions and training. The rink's use by such groups should be during non-prime time hours and not done at the expense of any in-house programs or activities. These groups should also be expected to pay the going rate for rink use.

Market Conclusion:

Below are listed some of the market opportunities and challenges that exist with this project.

Opportunities

- The demographic characteristics of Primary Service Area indicate households with sufficient income levels and disposable income for recreation purposes. There are also a significant number of households with children. These characteristics result in greater participation in ice activities.

- The population will continue to increase at a modest level over the next five years. The growth projected in the 25-44 age category is significant because it will help sustain numbers in the under 5 and 5-17 age categories, this is the primary demographic that is participating in ice sports. As the population ages, activities such as ice skating and curling will still be accessible and appeal to older age groups.

- There are a number of programs interested in returning to the Brighton Ice Arena if the rink is renovated or replaced by a modern facility with bigger and more locker rooms, showers, headed seating area, dryland training area, meeting room and regulation sized skating surface and more locker rooms.

- The adult hockey program is largely an untapped resource for programming.

- New program opportunities like 3v3, co-ed hockey, learn-to-skate, teen skate and home school programs are un-tapped markets.

Challenges

- The existing ice rink refrigeration system is over 60 years old and is running on borrowed time. It is not a matter of if, but rather a issue of when this system will fail. Staff has done an outstanding job of maintaining the refrigeration system, but it has outlived its useful life.

- The registration and ice time fees for hockey will likely increase in some capacity as more practice time is available for teams.

- Demand for ice time at the Brighton Ice Arena has decreased significantly over the past few seasons. Much of this decrease in ice time can be attributed to the shorter skating surface, cold conditions, lack of locker rooms, lack of lobby space and general conditions of the building, to a point that the rink is, and will continue to lose market share. The demographic of the Primary Service Area suggests that the service area has not reached its full potential for ice hockey and figure skating.

Section IV – Alternative Service Providers

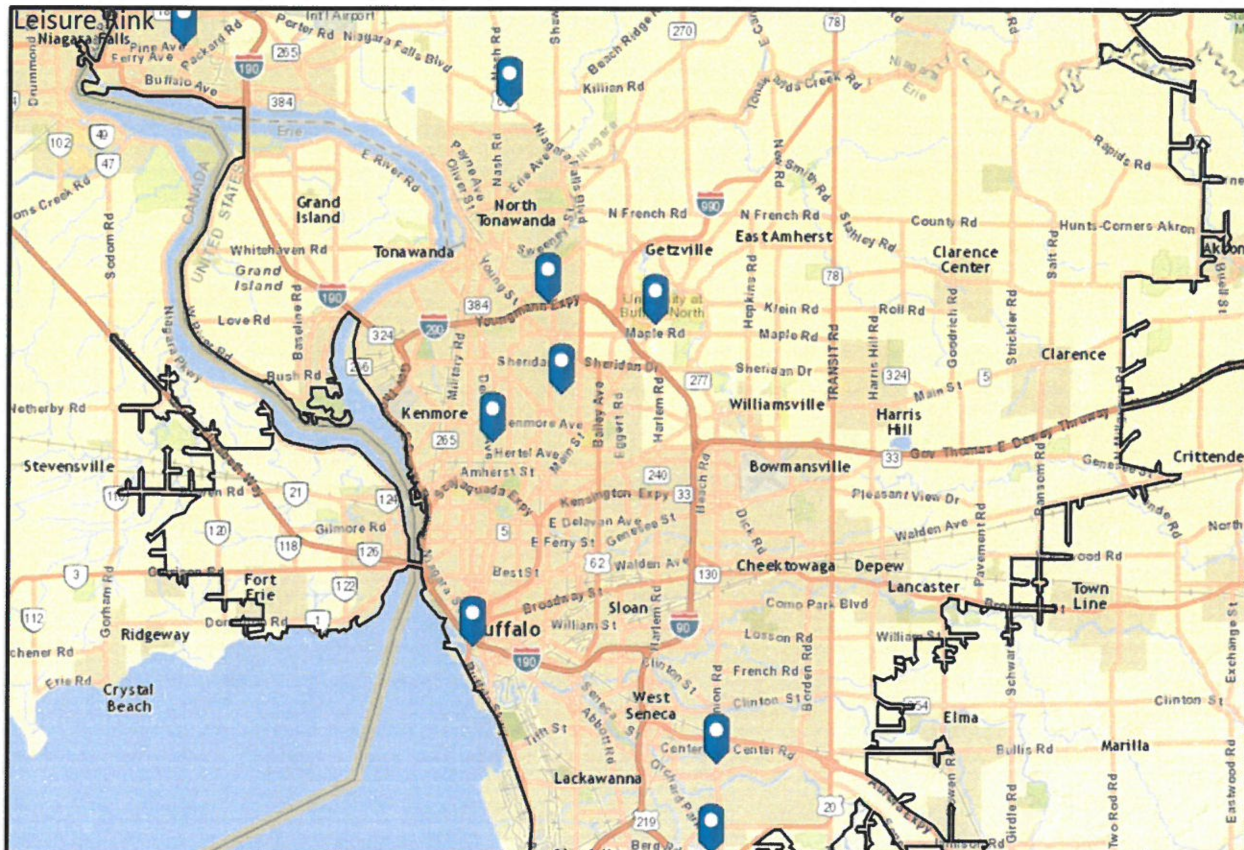
While on-site, B*K visited some of the alternative service providers in the area. The list of facilities visited is not all encompassing, but helps to develop an understanding of what other service providers are present in the area and the demand for ice. Several ice rinks including North Town, Leisure Ice, Hockey Outlet, Hyde Park and North Buffalo rinks were visited during tours. It should be noted that there is a relatively high concentrations of ice rinks in the area and the high concentration speaks to the high demand of ice sports programs in the area.

Ice rink operators visited report that the demand for ice time is steady and consistent in the area and there is very little capacity available of new or expanding programs in the area. The exception to this non-prime ice time during the day during the school year. The current supply and demand for ice time has created a "sellers" market for ice. This market condition typically results in higher ice time rates, long-term contracts and expanding ability to sell non-prime ice times. A "sellers" market also has a tendency to restrict program growth because programs cannot secure enough ice time to accommodate more participation.

Without question the biggest challenge facing the proposed expansion of the Brighton Ice Arena is the ability and capacity for the Town to make long-term commitments to some of the critical user groups. Getting contracts in place with various hockey clubs will be key to securing the sustainability of the ice arena operation. A significant portion of Tonawanda residents participate in ice hockey programs outside the Town.

There are several ice rinks in the general area. The map below highlights the number of alternative service providers in the area.

1. Brighton Ice Rink
2. Hyde Park Rink
3. Hockey Outlet
4. North Town Ice Arena
5. Lincoln Ice Rink
6. North Buffalo Rink
7. Leisure Ice Center



Section V – Operation Analysis

The operations analysis represents a conservative approach to estimating expenses and revenues and was completed based on the best information available and a basic understanding of the project. Fees and charges utilized for this study reflect a philosophy designed to meet a reasonable cost recovery rate and future operations cost and are subject to review, change, and approval by the Town of Tonawanda. There is no guarantee that the expense and revenue projections outlined in the operations analysis will be met as there are many variables that affect such estimates that either cannot be accurately measured or are subject to change during the actual budgetary process.

Expenditures

Expenditures have been formulated on the costs that were designated by B*K to be included in the operating budget for the facility. The figures are based on the size of the facility, the specific components of the facility, and the hours of operation. All expenses were calculated on the conservative side and the actual cost may be less based upon the final design, operational philosophy, and programming considerations adopted by the Town.

Brighton Ice Rink – A new rink that replaces the existing Brighton Ice Rink with a new refrigeration plant, regulation sized ice surface, dehumidification system, concession stand, locker rooms, rest rooms, lobby, spectator seating, dry land training, storage and administrative area. Approximately 42,800 SF

Category

Personnel	Facility Budget
Full-time	$201,138
Part-time	$135,924
Total	$337,062

Operation Cost Model cont.

Contractual Services	Facility Budget
Utilities [6](gas & elect)	$122,000
Water/sewer pipe	$1,000
Recreation supplies	$1,500
Office Supplies	$500
Motorized Equip	$20,000
Repair/Maint Bld/grounds	$5,000
Repair/Maint Motorized Equip	$2,500
Chemicals	$1,000
Advertising/Marketing[7]	$0
Food Service	$18,000
Others	$1,500
Sub Total	$173,000
Less Dept funding for the pool	$75,000
Total	98,000

Expense Summary

Category	Budget
Personnel	$337,062
Supplies	$98,000
Total	$435,062

[6] Rate factored at $3.25/Sf for approximately 42,800 SF less circulation
[7] Advertising and marketing will be supported through the administrative budget

Staffing levels:

Full-Time	
Positions	Salary
Facility Manager	$37,219
Maintenance/Driver (31 wks)	$60,562
Maintenance/Driver (13 wks)	$8,081
Salaries	$105,862
Benefits	$95,276
Total Full-Time Personnel	$201,138

Note: Pay rates were determined based on the market conditions in Tonawanda. The positions listed are necessary to ensure adequate staffing and provide for a full-time staff member presence during all open hours of the facility. The wage scales for both the full-time and part-time staff positions reflect estimated wages for 2018.

Positions	Hours/wk	Facility Budget
Part-Time		
Skate Attendant (31 wks) - $10.70/hr	120 hrs/wk	$39,804
Skate Attendant (13 wks) - $10.70/hr	28 hrs/wk	$3,895
Concession Attendant (31 wks) - $10.70/hr	100 hrs/wk	$33,170
Concession Attendant (13 wks) - $10.70/hr	28 hrs/wk	$3,895
Assistance Manager (31 wks) - $12.77/hr	54 hrs/wk	$34,837
Assistant Manager (13 wks) - $12.77/hr	38.5 hrs/wk	$6,391
Program Staff		
Ice Instructors		$6,480
Salaries		$128,472
Benefits (15% of part-time wages)		$7,452
Total Part-Time Salaries		$135,924

Revenues

The following revenue projections were formulated from information on the specifics of the project and the demographics of the service area as well as comparing them to national statistics, other similar facilities and the competition for recreation services in the area. Actual figures will vary based on the size and make-up of the components selected during final design, market stratification, philosophy of operation, fees and charges policy, and priority of use. All revenues were calculated conservatively as a result.

Revenue Projection Model:

Category	Facility Budget
Admissions	$45,215
Rentals	$377,625
Program	$42,800
Other Revenue	$170,250
Total Revenue	$635,890

Expenditure – Revenue Comparison

Category	Facility Budget
Expenditures	$435,062
Revenue	$635,890
Difference	$200,828
Recovery percentage	146%

This operational pro-forma was completed based on the best information available and a basic understanding of the facility. However, there is no guarantee that the expense and revenue projections outlined above will be met as there are many variables that affect such estimates that either cannot be accurately measured or are not consistent in their influence on the budgetary process.

Future years: Expenditures – Revenue Comparison: Operation expenditures are expected to increase by approximately 4% a year through the first 3 to 5 years of operation. Revenue growth is expected to increase by 5% to 10% a year through the first three years and then level off with only a slight growth (3% or less) the next two years. Expenses for the first year of operation should be slightly lower than projected with the facility being under warranty and new. Revenue growth in the first three years is attributed to increased market penetration and in the remaining years to continued population growth. In most recreation facilities the first three years show tremendous growth from increasing the market share of patrons who use such facilities, but at the end of this time period revenue growth begins to flatten out. It is not uncommon to see the amount of tax support to balance the community center budget increase as the facility ages.

Five Year Estimate of Expenses and Revenues

	Expenditures	Revenues	Difference	Cumulative
2018	$435,062	$635,890	$200,828	$200,828
2019	$448,114	$667,684	$219,570	$420,398
2020	$461,557	$694,391	$232,834	$653,232
2021	$475,404	$718,694	$243,290	$896,522
2022	$489,666	$740,255	$250,589	$1,147,111

Part-Time Worksheets

Part-Time Staff Hours

Time	Hours	Staff	Days	Total Hours/Wk
Skate Attendant (31 weeks)				
Mon-Fri.				
3:30pm-Midnight	8.5	1	5	42.5
Saturday				
6am-1am	19	2	1	38
1pm - 4:30pm	3.5	1	1	3.5
Sunday				
6am-Midnight	18	2	1	36
Total				120 hours
Skate Attendant (13 weeks)				
Mon-Fri.				
6pm-10pm	4	1	5	20
Sat-Sun				
6pm-10pm	4	1	2	8
Total				28
Concessions Attendant (31 weeks)				
Mon-Fri				
2pm-10pm	8	1	5	40
Saturday				
7am-11pm	16	2	1	32
Sunday				
7am -9pm	14	2	1	28
Total				100 hours

Time	Hours	Staff	Days	Total Hours/Wk
Concessions Attendant (13 weeks)				
Mon-Fri				
6pm-10pm	4	1	5	20
Sat-Sun				
6pm-10pm	4	1	2	8
Total				28 hours
Assistant Manager (31 weeks)				
Mon-Fri				
1pm-3pm	2	1	5	10
8pm-Midnight	4	1	5	20
Saturday				
5:30am – 8:30am	3	1	1	3
3pm-1am	10	1	1	10
Sunday				
6:30am-8:30am	2	1	1	2
3pm-Midnight	9	1	1	9
Total				54 hours
Assistant Manager (13 weeks)				
Mon-Fri				
5pm-10:30pm	5.5	1	5	27.5
Sat-Sun				
5pm-10:30pm	5.5	1	2	11
Total				38.5 hours

Program Staff Cost

Ice Instructors

Type	Classes	Sessions	Rate	Cost
Skating Instructors (36 wks)	36	6	$30.00/hr	$ 6,480
Total				$ 6,480

Program Fees and Revenue Worksheet

Daily Admissions

Winter Season (31 weeks)

Category	Number	Fee	Wkly Revenue	Total
Adult	45	$5.00	$225.00	
Youth/Senior	160	$4.00	$640.00	
Skate Rental	75	$4.00	$300.00	
Total Weekly	280		$1,165.00	$36,115
(Per week average)				

Summer (13 weeks)

Category	Number	Fee	Wkly Revenue	Total
Adult	30	$5.00	$150.00	
Youth/Senior	75	$4.00	$300.00	
Skate Rental	50	$5.00	$250.00	
Total Weekly	155		$700.00	$9,100
(Per week average)				

Rentals

Category	Number	Fee	Revenue
Lightning	650	$225	$ 146,250
HS Rentals	216	$225	$ 48,600
St Joseph	336	$225	$ 75,600
Black Cow	220	$225	$ 49,500
Federation	24	$225	$ 5,400
Hockey camp	24	$215	$ 5,160
Spring League	36	$215	$ 7,740
Misc. Rentals	175	$225	$ 39,375
Total			$ 377,625

Ice Programs

Category	Number	Fee	Sessions	Revenue
LTS Lessons	40	$35.00	6	$8,400
Stick&Puck	45	$10.00	32	$14,400
3V3	16	$250.00	2	$ 8,000
Co-Ed Hockey	6	$2,000/Team	1	$12,000
Total				$42,800

Other Revenue

Category	Number	Fee	Revenue
Birthday Parties	45	$150	$6,750
Sponsorship/Signage	36	$600-$25,000	$102,,000
Concession Sales			$40,000
Pro-Shop Lease			$6,500
Locker Room Lease			$15,000
Total			$170,250

Section VI – Addendum – Project Notes

Over the course of the study a number of stakeholder meetings were conducted to determine the interest and need for ice programs in Tonawanda. A summary of the stakeholder meetings is outlines below.

Meeting with Town Staff

Can we cover the cost of debt service and cash flow? Looking at $7M for a single sheet – maybe $14M for two sheets. Can bond 25 years for a $7M bond.

Lincoln opens Oct 4 and Brighton opens Oct 27th

Budget influenced by Huntly plant – lost $2M in Taxes when the plant closed. Sales Tax cap dictates what the Town can capture each year. Unions have not had contract renewed since 2011. Have 500 seasonal workers and they are up against an increase of minimum wage.

Competing with other Town projects. Town feels they must replace one facility. Brighton rink pad was replaced 30 years ago.

Potential to move soccer to Lincoln.

Town rinks are still operating on original compressors – rinks opened in 1958. Challenge for getting parts. Staff has done an amazing job of keeping these systems operating but they are one mechanical issue/breakdown from disaster for the ice programs.

House hockey is dying – along with other sports. Midget Hockey Aug, Sept, Oct and again in March, April.

Upgrading Brighton will help retain their market share. No one wants to play at the Town rinks – they have become a practice rink. No problem selling ice Mon-Fri. Weekends is the challenge.

Brighton is a good location.

Town has three outdoor pools, wading pools and indoor 50-meter pool/fitness center

Other revenue sources – advertising, naming rights - potential for selling outdoor advertising similar to Golf Dome – they get $21,000/year from golf dome. Golf dome is a regional facility. Need a marketing staff to implement.

Board knows rink will cost money or how close we can come to breakeven.

Option of combining both rinks into one location and retain Lincoln as a year-round soccer facility. Cost analysis option will be helpful to share with the Town Board.

Senior Hockey is gone – too cold, no locker rooms/showers, etc.

Potential for creating a FS programs/Senior program on the week days.

Feedback from customers is centers around the quality of facilities.

Starting the schedule so late in the season creates an environment where Tonawanda gets what is left over.

One of the only rinks in the area that allow groups to turn ice back in (unused). Need to explore changing the policy for contracts – having group pay up front and allow them to re-sell or sub-lease to other groups.

Currently Brighton is subsidized about $30,000 per year.

Lightning Hockey

Last year Lightning used **172 hours** of ice at Hyde Park before Brighton opened for the season. Plus skills/drills over the summer and potentially a spring league. Maybe 15 hours per age group and spring try outs 3-5 hours per team.

All of the Midget ice (2 teams) play at Hyde Park. Paying $190 at Hyde Park summer - $210 during the season.

Some parents have left the Lighnting to program in Lockport because of early ice time and quality of facility.

Total ice budget is $130,000 per season – about 70% is allocated to Hyde Park

Only three of the 9 league games are scheduled are at the Town rink. Similar with the 2 other midget/bantam teams.

Ice time obligation at Hyde Park is only season to season

Potential for Lightning to grow from 7 teams up to 10-12 teams. Currently program has about 130 players. The Lightning is the travel program. Each additional team will rent about 90 hours per season.

Half (50%) the number of USA registered players play outside the Town.

Town has 130 mini mites – 200 total players in house program. Town has 25 girls in the mini-mites.

Potential to draw players from outside the Tonawanda.

Girls numbers are increasing – especially girl's hockey.

$175 per hour in Tonawanda - $205 with ice makes

Potential for Town to run a 3V3 program 1 hours per week per age group.

RINK NEEDS TO CHANGE THE PYRIDIM OF PROGRAMMING. 3V3, high school development league, spring league, Girl's team, home school, adult league, co-ed adult teams.

Explore other ice program revenue to diversify program and create more community interest and use.

Three high School teams in Tonawanda do not play any games in Town. Potential for another 8 games slots per team.

Lightning Tournament – Sunday to Sunday for a full week at both rinks at no cost to the Lightning.

Potential to host a state tournament with a new facility -n maybe another 30 hours

A second rink at the same location will expand opportunities.

KenTon

Federation program

Each HS gets 8 home games each plus non-league games. 24 game slot potential for all three teams. KenEast and KenWest also have JV teams and Girl's team all looking at 1 hr of practice and I game slot per week. Girl's play at Lincoln – rink is adequate. JV team's would create another 12-16 game slots.

Potential to host a playoff games

Seating requirement – 600-1,000 people.

Practice in late afternoon.

Potential for leasing HS locker rooms - $15,000/yr

Pro-shop and skate sharpening

Party/banquet rooms is needed.

USA Hockey Clinic location – need for class room space.

HS is using school weight room at school once per week. A warm up/stretching for pre-game would be nice.

Each school plays a $5,000 franchise fee – Admissions go back to the Federation. Potential to charge a clean-up fee or premium fee for ice time.

Need to revise Town rink policy to allow charging admission.

Potential for a HS in-house program – maybe creating a club team as a new product in the area.

Potential for having a kiosk/satellite Tim Horton's/Dunkin/Subway.

Potential for a 3-4 day hockey camp or a structure similar to Minnesota in having an on-going camp concept over a 6 week period.

St Joseph

Student population is about 790

180 students playing hockey – 10 teams total

8 teams during the season plus two modified teams in the spring

Needs summer ice – wkly clinic 90- minutes every Sunday. The Hockey camp the first week of August for 3-4 hours/day

Spring – Two spring teams (Black Crow Buffalo) 20 hours per team over 10 weeks

Spring hockey is starting to take off. 2018 the Black Crow's will expand to 4 teams. The 40 hours will turn could turn into 80 hrs easily.

Modifies teams – 2 teams that practice twice per week and play one game (3.5 hrs per week per team). Midget teams go to other area rinks. Tonawanda kids could play at Town rinks if a game rink is available. This could create a Tonawanda Lightning midget team.

St Joseph spends between $55,000 and $65,000 at Town. The program as a whole spends $80,000 so a large part of the difference could be spent at Brighton. Maybe another $10,000-$12,000 rentals per year.

6 rec teams (varsity white, JV maroon, Varsity maroon, JV maroon, varsity black, JV Black and one Silver team -modified league.: 3 elite teams (1 Federation team, varsity Maroon and a JV).

First of Nov – first week in March. Could pick up another 12-home game per elite team – potentially 36 games. Primarily Thursday and Saturday nights. 4-6 of St Joes games draw 1,000 – 1,500 people. More including playoff games.

Looking for another facility for JV games. OK with using Sat afternoon or Sunday afternoon – 4 or 6 hrs per week.

Kyle wants 4 hours on Wednesday, Rich wants Thursday and Saturdays. Potential to be a host facility for the modified league. April/May time frame – looking for 6 hours on a Saturday.

Cost $12,000 per year to attend and charge $1,500 per player per season.

Interested in having dedicated locker rooms. Number kicked around was a $10,000 commitment per year for a 5-6 year period.

Minimal dry land training because of lack of facility – St Joe's is interested in exploring the possibilities. Perhaps even something like the North Town training facility.

Image is everything for St Joe's – interested in having the St Joe's brand in the facility. Looking for branding opportunities within the facility.