

**STAFF MEMO**  
**August 7, 2018 Council Work Session**

**DATE:** August 3, 2018

**AGENDA ITEM NUMBER:** 1

**TOPIC:** Ice Castles Discussion

**TIME FRAME:**

- Council approved an lease agreement with Ice Castles Inc to lease Town Park land for the winter 2017/2018 season.

**SUMMARY:**

*Media Value*

The media value was in the hundreds of thousands with coverage in major markets including Chicago and San Francisco resulting in greater brand awareness and positive buzz for the Town. We even appeared on National Geographic's Instagram feed.

*Town Center Impact*

In an effort to provide consistent animation that meaningfully drives Town Center business, we partnered with Ice Castles LLC for the 2017-2018 winter season. The Town Center business community consistently shared that their businesses were up due to the Ice Castle attraction. Additionally, the greater business community shared that they were seeing positive impacts from Ice Castles. In fact, Dillon lead sales tax increases across the county for the beginning of 2018. Town Center sales tax collections for January and February were up 26.8% or \$27,687.

*Revenues*

Our agreement was for Ice Castles to share \$30,000 in ticket sales. They also covered infrastructure improvements in the amount of \$16,240 and paid a rental fee of \$1,500 for total direct revenues of \$37,740. This does not include the indirect revenues from sales tax from our business community and the additional jobs generated in the Town.

*Expenditures*

The largest expense was the water usage at \$57,875, charged at the normal water customer rates. The infrastructure costs of \$24,444 were reimbursed by Ice Castles in the amount of \$16,240. The remainder of the costs were improvements that the Town needed to make anyway. Outside of these planned expenditures, there was additional costs associated with ice issues, clean up and field restoration. We knew there were issues with drainage and worked with Ice Castles to mitigate those impacts especially with the upcoming Town Park field renovation. Those costs were an additional \$14,067. Because of our low snowfall season, Public Works was available to provide assistance, however in a normal year Ice Castles would have been required to find and fund a solution.

*Field Restoration*

In part, due to our construction timeline we requested that Ice Castles abandoned the remainder of their contract and close early which they did. We utilized our trucks to break up ice and haul it out which helped with the melting but impacted the condition of the field. With some work by our staff, the field is now back to normal.

### *Considerations for Continued Partnership*

In order to continue the relationship, staff would recommend the following:

- Stronger agreement on parameters of responsibilities
- Consider moving the event footprint to closer to Buffalo Street allowing for more access near the playground and pavilion area
- More tidy work space
- Potentially an abbreviated season so the park is available by May 31
- Negotiate water usage rate and infrastructure improvements that they reimburse and we forego the shared ticket sales
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### **COUNCIL GOALS:**

- The Town of Dillon supports cultural, recreational and educational amenities and opportunities that enhance the Town's unique qualities.
- The Town of Dillon values promotion of Dillon as a welcoming and responsive place to live, work and have fun.

**BUDGET IMPACT:** See above

**DEPARTMENT HEAD RESPONSIBLE:** Kerstin Anderson, Marketing and Communications Director

### **QUESTIONS/INFORMATION REQUESTED FROM COUNCIL:**

- Does Council feel that the Ice Castles met the goals of providing animation in the winter months?
- Does Council want to consider a contract with Ice Castles for the 2018/2019 winter season?
  - If yes, are there items not covered by the '*Considerations for Continued Partnership*' section that you would like us to address?