



ONE CITY. ONE JACKSONVILLE.

City of Jacksonville, Florida

Lenny Curry, Mayor

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The Igloo Summary February 8, 2021

Company:

Icemen Igloo, LLC

Background:

The Jacksonville Icemen, a professional ice hockey team franchise that was sold to a Jacksonville-based ownership group in 2019, is proposing to purchase and renovate the existing Jacksonville Ice and Sportsplex facility, located along I-95 and Emerson Street. The new facility will be called the "Igloo". The proposed Project includes the purchase of real property by an affiliate of the Company, JICE, LLC. The team began playing in Jacksonville, in late 2017, at the Vystar Veterans Memorial Arena. Since then, the team has experienced steady growth in their fanbase and popularity. The team recently signed a long-term lease extension with the City of Jacksonville to host their home games at the Vystar Veterans Memorial Arena and will use the new facility primarily for administrative and practice related activities.

The proposed improvements to the Igloo facility include the addition of a second ice rink (NHL/ECHL Regulation), new seating, team training complex, concession stand, sports themed restaurant, pro shop/retail store, offices for rink and Icemen headquarters. The acquisition and renovation costs are projected to total \$18 million. The new facility will allow the team to grow youth and adult hockey, provide various colleges in the region with a home rink, create an inner-city hockey/education program and attract youth/adult hockey and figure skating tournaments from out of town, that may have chosen other markets in the Southeastern U.S. In addition, flexible floor space will allow the facility to be used for other sports, clinics and many other uses. The one sheet of ice currently located at the Jacksonville Ice and Sportsplex facility is utilized by all of Northeast Florida. All of the major market areas south of Jacksonville have 3+ sheets of ice to serve their local markets. The Tampa area has fourteen sheets of ice. The ratio of ice rinks to population in Florida is approximately one rink for every 489,000 residents.

Icemen owners have stated that the proposed acquisition and renovation of the existing ice rink complex will help ensure the team's long-term success (strong recruiting tool) and viability in the Jacksonville market. The ice rink and facility will remain open to the public for ice skating and other activities. Access may be limited during team practice activities.

The Icemen have committed to set up a free learn to skate and learn to play program, at the new facility, called the Icemen Future Program. The new program would include partnering with other community organizations like the City's Parks and Recreation Department and the Boys and Girls Club.

The City is proposing to offer a \$1,000,000 Completion Grant, and a \$6.5 million, 20 year, 3% loan, to help finance the \$18 million project.

Total Capital Investment:

Estimated to be \$18 million, comprised of \$6.1 million in real estate acquisition costs/ \$11.9 million in renovation costs.

Project Rationale & Benefits:

Supporting the Icemen's investment will help the team's long term success in the Jacksonville market, and help attract more ice hockey oriented events to Jacksonville market, as well as increase the exposure to ice skating and ice hockey activities for those kids involved in the team's new Icemen Future Program.

Project Incentives:

The City of Jacksonville proposes to provide:

1. A \$1,000,000 Completion Grant provided the private capital investment is not less than \$18 million.
2. Up to a \$6.5 million, 20 year, 3% loan, with the city obtaining a first mortgage on the property. Interest will be capitalized during construction.

There will be a \$1 for \$1 reduction in the Completion Grant, if the team does not meet a minimum overall investment of \$18 million.

Public Investment Policy (PIP) Waiver:

The proposed Loan and Completion Grant are not specifically defined in the City's Public Investment Policy (PIP). Due to the project's large capital investment, and the positive impact it will have on the local sports and tourism markets, OED is requesting a waiver of the PIP.

The project will have a positive ROI for the City of Jacksonville of 1.10.