

# FINANCIAL IMPACT ANALYSIS

Memorial City Ice Rink & Ecosystem Evaluation

## Executive Summary

The Memorial City Ice Rink serves as a critical economic and social anchor for the West Houston area. This analysis demonstrates that the facility is not only self-sustaining—with an estimated annual **EBITDA of \$750,000 to \$1.2M**—but also acts as a primary catalyst for local commerce. Its closure would result in the immediate loss of over **5,000 weekly visitors**, directly impacting mall food and retail revenue by an estimated **\$2.4M to \$4M annually**. The facility's value is defined by its role as a destination anchor that captures high-frequency, multi-hour "dwell time" that traditional retail cannot replicate.

## Direct Facility Financials (Estimated)

### Revenue Streams

| Category                        | Est. Annual Amount     | Impact Drivers  |
|---------------------------------|------------------------|---|
| Program Enrollment              | \$1.2M – \$1.8M        | HITS, HTX Storm, Junior Aeros, and skating academies.   |
| Public Skating & Rentals        | \$350k – \$500k        | General admission and seasonal peak holiday traffic.    |
| Private Ice Rentals             | \$250k – \$400k        | Coaching sessions, school groups, and corporate events. |
| Concessions & Pro Shop          | \$100k – \$200k        | Peripheral sales and equipment services.                |
| <b>Total Est. Gross Revenue</b> | <b>\$1.9M – \$2.9M</b> |   |

## Operating Expenses

| Category                   | Est. Annual Cost        | Key Factors   |
|----------------------------|-------------------------|---|
| Utilities                  | \$250k – \$350k         | Refrigeration and humidity control systems.         |
| Labor & Staffing           | \$400k – \$600k         | Technical operations and facility management.       |
| Facility Lease             | \$350k – \$500k         | Market rates for specialized sports infrastructure. |
| Maintenance & Insurance    | \$150k – \$250k         | Equipment upkeep and liability coverage.            |
| <b>Total Est. Expenses</b> | <b>\$1.15M – \$1.7M</b> |   |

**Estimated Annual Operating Profit (EBITDA): \$750,000 – \$1,200,000**

## Secondary Economic Drivers

### 1. Internal Mall Synergy

- **Food & Beverage Capture:** Weekly traffic from hockey and figure skating programs drives significant "incidental spend." Estimated annual revenue driven to mall food vendors: **\$2.4M – \$4.0M**.
- **Retail Dwell Time:** Sports facilities increase retail visits by 15-20% in adjacent mall wings as families shop during practice windows.

### 2. External & Regional Impact

- **Tournament Economics:** Regional events bring overnight visitors who spend an average of **\$133/day** on local lodging and transit.
- **Community Value Retention:** Closure risks a 30-40% participant attrition rate, leading to a permanent loss of economic engagement in the Houston sports sector.