



	Approved	Denied
Action taken	Postponed on 8/23/04	
Other:	8/19/04 to 8/23/04	W.S.
Verified by:	Carol 8/23/04	ASmith

COUNCIL ACTION MEMORANDUM

AM No. 04-56

TITLE: APPROVAL OF THE WASILLA MULTI-USE SPORTS COMPLEX BUSINESS PLAN.

Agenda of:

Date: August 2, 2004

Originator:

Route to:	Department	Signature/Date
	Police	
	Recreational and Cultural Services Library, Museum	
	Public Works Planning	
X	Finance *signature required	<i>[Signature]</i>
X	Clerk	<i>ASmith 8/2/04</i>

REVIEWED BY MAYOR DIANNE M. KELLER:

Dianne M. Keller

FISCAL IMPACT: yes\$ or no

Funds Available yes no

Account name/number:

Attachments: Multi-Use Sports Complex Business Plan

SUMMARY STATEMENT: Staff was instructed by the Council to develop and prepare a business plan for the Multi-Use Sports Complex. The attached plan provides a road map of where the MUSC three to five years, the goals that have been set and how those goals will be achieved. It is a living working document to be reviewed annually providing changes and updates that are in the best interest of the MUSC and the City of Wasilla.

STAFF RECOMMENDED ACTION: Council approve the Multi-Use Sports Complex Business Plan.

Wasilla Multi-Use Sports Complex Business Plan

~ Executive Summary ~

The Wasilla Multi-Use Sports Complex is dedicated to providing its residents the finest indoor and outdoor facilities in the Mat-Su Valley. We plan to develop and offer a high quality of programming for the local residents and visitors from within and outside the State of Alaska. We expect our projected revenue of \$870,000 for fiscal year 2005 to grow to more than \$1.1 million per year over the next five years. The activity at the facility will also provide additional economic growth in the Greater Wasilla Area.

We will achieve our revenue projections by doing what we do best. We will market our facility to the various youth and adult athletic organizations in the local and surrounding area for their practices, games, and tournaments. We plan to develop new programs that will bring patrons to the facility for the first time. These programs will utilize times that are normally dormant to the regular facility operation. In keeping with traditional uses of a multi-use facility, we plan on soliciting businesses, organizations, and groups to host trade shows, conferences, concerts, graduations, and other non-athletic type events.

We will continue to provide the finest customer service which we believe is our greatest strength. Customer surveys will be an important tool for us to ensure that we are doing what the public feels is important to them. Each survey will be individually reviewed and, when necessary, a personal response will be sent.

We plan to invest in our employees, who represent one of our most important assets. Our employees currently have a professional uniform that helps establish their presence within the facility. We will continue to improve on the facility's appearance to maintain a visual presence for our customers and for the enhancement of the facility. We will also provide quality training in all areas that will improve the operation by affording a safe and clean facility for the public to enjoy.

Within the next five to seven years our vision is to develop and construct three outdoor athletic venues adjacent to the present indoor facility which will provide the most complete sports complex on one site in Alaska. These three additional venues will consist of a high school soccer field, a football field complete with stadium seating and an all weather track, and a high school/college sized baseball field with spectator seating.

In addition to soliciting businesses to advertise within the building, we plan to involve many of them to sponsor affordable low cost programs for all segments of the population to enjoy. The most important objective, however; will be to locate and secure a local or regional business who will purchase the right to place its name on the facility. We look forward to working with the business community to identify, attract and schedule activities to stimulate the local economy.

- Provide opportunities for local and state-wide businesses to sponsor programs and events.
- Provide on-line services for our customers so they can make reservations and pay for activities through the Internet.

Specific objectives to support these goals include:

- Have 80% of the prime time hours from October 1 through March 31 reserved prior to September 20 by soliciting local and state-wide youth and adult athletic organizations.
- Obtain during the first year an 80% or greater response from customers surveyed of an overall satisfaction of the facility.
- Consider the implementation of suggestions and recommendations from customers surveyed that will enhance the operation and appearance of the Sports Complex.
- Implement four new programs within the first year that will attract at least 400 new patrons. Examples: Learn to play hockey, learn to play soccer, Girl Scout learn to skate, and parent/tot play time on the turf.
- Monitor the utility usage during the first year and identify areas of the Sports Complex that are not being fully occupied and reduce the overall consumption by 5% in the second year.
- Enter into a three year agreement by the end of October with a major business to purchase the naming rights to the Sports Complex.
- Enter into multiple year agreements in the next six months with local businesses to sponsor low cost activities and programs for our local residents.
- Market different uses of the facility other than traditional ice skating and soccer that will generate 15% of the facility rental revenue. Examples: baseball/softball, broomball, indoor lacrosse, and golf driving range.
- Provide quality and professional looking uniforms for our employees that express a positive presence and awareness throughout the facility.
- Schedule training and educational classes for our employees that will provide them with the proper tools and education to better serve the public and maintain the facility.
- Purchase facility scheduling and on-line software prior to August 15, 2004.

Corporate Values Statement:

At the Wasilla Multi-Use Sports Complex, we believe that above all else, our business should be based on respect:

Growth Strategy:

On balance, we believe that there are both opportunities and threats to our growth over the coming years. The interest in indoor athletic activities, particularly ice hockey and soccer, has always been a high priority for Alaskans, given the long winter season. With the future addition of the outdoor facilities, we will have the most all around sports complex in the entire state. Additionally, with our facility having the largest usable open space in the Valley, we are well positioned to attract many of the same kind of events that have traditionally been held in Anchorage.

There are threats, however. The economy could severely affect our plans. While the population continues to grow, the recreational dollar could shrink if the economy takes a downward turn and affects the local employment.

We believe the present product mix – turf court, ice rink, indoor running track and meeting room activities – makes our facility more of a community center for the entire family to use. We will need to continue to “think outside the box” and develop new and different activities that provide something for everyone. The ice skating and soccer attract a younger population while the indoor walking track can be used by the fastest growing population – the senior citizens.

Competitive Advantage:

We believe our competitive advantage in the sports complex market is strong and squarely rooted in a quality image that we’ve already been able to establish. There is considerable competition for the sports customer and we feel once they use our facility, they will be repeat customers. Our sales growth may be limited only by the amount of prime time hours available for use during the winter months. Additionally, the City of Wasilla’s Multi-Use Sports Complex is centrally located in the Mat-Su Borough and located adjacent to the Wasilla Municipal Airport.

We also believe that our quality product is, to a large degree, a function of our dedicated employees. Early employee surveys demonstrate a high level of job satisfaction and we intend to improve upon it even more over the next several years. We will provide our employees with the proper training on all equipment used in the facility, CPR, First Aid, facility emergency action plans, incident command system training and other classes that will enhance the delivery of customer service.

All in all, even though we are a young facility, we believe the Wasilla Multi-Use Sports Complex is well positioned to grow in the best segments of the indoor and outdoor sports and multi-use facility market.

~ Action Plan ~

To achieve the results of our plan, it will be necessary to take several steps within the next year. These steps include:

Meeting Rooms		
305 hours @\$15 per hour	\$4,575	
75 hours @ \$25 per hour	\$1,875	
50 hours @ \$40 per hour	<u>\$2,000</u>	\$8,450
Concessions		
Concession stand	\$122,000	
Commission - vending	<u>\$6,500</u>	\$128,500
Advertising		
37 Dasher boards & banners	\$44,400	
6 In-ice logos	\$15,000	
4 Locker room naming rights	\$32,000	
Lease space – pro shop	\$10,200	
Building naming rights	<u>\$150,000</u>	<u>\$251,600</u>
Total		\$870,695

Fiscal Year 2005 Projected Expenses:

Salaries & Benefits	\$494,905	
Services & Professional Fees	\$100,253	
Supplies	\$97,850	
Utilities	\$164,010	
Travel & Training	\$2,250	
Equipment	<u>\$7,500</u>	
Total		\$866,768