Mount Clemens Ice Arena being sold to Maryland-based firm

Sale expected to close by 2025

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The Mount Clemens Ice Arena is expected to be sold to Maryland-based Black Bear Sports Group by the end of 2024.
Photo by Dean Vaglia

MOUNT CLEMENS — After a procedural vote to become the owners of the Mount Clemens Ice Arena, the City of Mount Clemens is set to sell the arena to Maryland-based sports and entertainment firm Black Bear Sports Group by the end of December.

According to Shipman, the $4 million sale will see BBSG take over with plans of maintaining current operations while injecting capital to improve facilities.

“They’re going to keep the management company in place that was there,” Mount Clemens City Manager Gregg Shipman said. “Anything that’s there now, you’re going to see that exist, but what they’re going to do is come in and make this better because they have the means to do it. They own many other facilities, and they have these rights to these other leagues, so they’re going to increase the league presence and they’re even talking about expanding the arena, adding a sheet of ice in the future. They’re prepared to come in and make the capital improvements that the arena needs, and these are all things that we can’t afford to do.”

BBSG made its first offer to purchase the arena for $3.75 million sometime after the June 3 City Commission meeting where commissioners discussed and tabled the possibility of a year-long study about options surrounding the arena. Capital improvement and bond payment costs led to commissioners questioning whether to sell the arena or redevelop it into a different kind of recreation facility.

“For years it’s been a struggle to make the bond payment on the arena, and this is the second bond that the city has on it,” Shipman said. “There is the original bond to build it, and then they took out another bond to do improvements and the arena is not going to make enough money to make the bond payment, which will mean that the city would have to start making those payments out of the general fund. In essence, the ice arena would be losing money, and we have so many other capital improvements that need to be done to the ice arena in the next five to 10 years, and that would contribute more to the deficit each year.”

Various tasks and surveys are being performed before the sale closes. One of the city’s requirements to sell the building was to reclaim ownership of the arena from the Municipal Building Authority of Mount Clemens, the building financing authority that was created in the 1990s to build the arena. Such authorities were common before municipal capital improvement bonds were introduced in 2001. The procedural step was completed at the Nov. 18 City Commission meeting. Shipman says there are no other buildings in the city deeded to similar authorities.

Representatives for BBSG did not respond to requests for comment by press time. BBSG operates four arenas in Michigan — Bigby Coffee Ice Cubes in Ann Arbor, Brighton and East Lansing along with the Hazel Park Ice Arena — as part of its 40 facilities across the Midwest and East Coast. BBSG operates 40 youth hockey clubs, four leagues, two tournament organizations, eight Junior “A” level hockey teams and Foundry Adult Hockey.

BBSG was founded in 2015 by CEO Murry Gunty and Blackstreet Capital Holdings, LLC. The firm focuses on purchasing underperforming ice rinks in National Hockey League markets with the goal of revitalizing them.

Justin Quenneville, general manager and head coach of the Metro Jets Hockey Club, has some experience with BBSG given the group’s presence in the industry and due to the P.A.L. Junior Islanders team playing in the United States Premier Hockey League alongside the Jets. Quenneville spoke highly of the arena’s current management and echoed that there were no planned changes to day-to-day operations.

“We’re excited to hear some of the ideas from Black Bear, whether it be the potential expansion of the facility or additions of any sort,” Quenneville said. “But realistically, from what we’ve been told and has been communicated with us, they don’t foresee there being any significant changes to an already well-run establishment.”

Shipman is positive about BBSG becoming the arena’s new owners. Along with the planned developments and improvements of the arena itself, private ownership means the arena will begin providing around $40,000 in annual tax revenue.

“I think it really is a win-win for everybody,” Shipman said. “For the people who use it, this is going to become a bigger, better arena than it was before. They are going to be able to do all these capital improvements that need to be done. The management team stays in place. And now we have a piece of property that comes back on the tax roll. It’s all positives.”