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Viking Ice Arena has been sold by the city of Hazel Park. A portion of the proceeds will pay off the final bonds. Officials say the ice arena will retain its staff and programming, and continue to operate as normal.
Photo by Erin Sanchez

Hazel Park sells Viking Ice Arena

Buyer will continue Arena operations

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HAZEL PARK — An ice-skating rink that Hazel Park officials say has long been a strain on the city's finances has been sold to a private business.

Viking Ice Arena, located at 1555 E. Woodward Heights Blvd., was first opened by the city of Hazel Park in 1999. Several months ago, Black Bear — an ice arena operator that owns or manages 36 facilities across the U.S. — made an offer on the place.

The first offer was rejected, but a follow-up offer of \$2.9 million was unanimously approved by both the Hazel Park City Council and the General Building Authority. The authority is a separate entity created by the city to hold property, and to finance acquisitions and improvements. The sale closed June 26.

Andy LeCureaux, a member of the Hazel Park City Council, said that the city had spent many years searching for a buyer.

"I don't believe that a city entity necessarily has the expertise to manage a facility like this," LeCureaux said. "We had been looking to sell this for a long time because of the bond payments, but we could never get enough of a sale price to cover what we owed on the bonds. So this will be a great financial help to us, and to the budget. It will take considerable strain off that."

Hazel Park City Manager Ed Klobucher described how the arena had been costly to the city.

"The ice arena has always been a financial drain on the city of Hazel Park," he said via email. "The city has always had to subsidize the arena — sometimes over a half of a million dollars a year. In addition to the ongoing costs, there are possibly several million dollars of deferred maintenance costs for repairs that will need to be incurred in the next several years. Had the arena not been sold, those costs would have been borne by the Hazel Park taxpayers."

He noted that about \$700,000 of the proceeds will be used to pay off the final bond payment, while the rest will be allocated to the city's capital improvement fund.

"This sale represents the best of both worlds for the city of Hazel Park," Klobucher continued. "Black Bear will continue to utilize the building as an ice arena, but now it will be privately owned and on the city's tax rolls. Black Bear also agreed to give all city employees an opportunity for continued employment, and they promised to work with our recreation department to ensure Hazel Park residents continue to have access to the arena."

Viking Ice Arena features two ice sheets, a gym and a concessions area. It is home to the Little Caesars Hockey Club, International Stars Youth Hockey, and various high school clubs. All existing programming will continue as planned, and all employees will be retained at the rink.

Black Bear itself is the largest owner-operator of ice rinks in the U.S. It was founded by CEO Murry Gunty in 2015.

"We are excited to announce Black Bear's continued expansion in Detroit," Gunty said in a statement. "The city of Hazel Park was fantastic to work with on this deal, and we are looking forward to expanding operations and programming so the rink continues to serve as an important resource for the community."

LeCureaux said he anticipates great things from the arrangement with Black Bear.

"Community programming is what they do. They know how to manage the sites, the business," LeCureaux said.

"The city no longer has to cover the payments, the arena is now on the tax rolls, and the organization operating it will probably have more program offerings than we did, since our Recreation Department was already so busy with other things. Really, this is a win-win for everyone."