



## CITY OF NOVI CITY COUNCIL AUGUST 10, 2026

**SUBJECT:** Discussion on the recent deliberations at the Finance and Administration Committee (FAC) as it pertains to the Novi Ice Arena

**SUBMITTING DEPARTMENT:** City Manager's Office

**KEY HIGHLIGHTS:**

- The FAC has discussed the status and possible future of the ice arena on more than one occasion
- At the July 22<sup>nd</sup> Council meeting, it was requested that this matter be added to the agenda for City Council to discuss findings from the FAC
- There is no planned decision being placed before Council at this time

**BACKGROUND INFORMATION:**

The Novi Ice Arena opened in September 1998 in response to a regional shortage of indoor ice facilities. At the time, youth hockey and figure skating participation in Michigan were growing rapidly, 7.4% annually in figure skating and 12.2% in hockey, yet ice time availability was limited. Novi families were turning to neighboring cities for programming, and demand consistently exceeded capacity. This made Novi a strong candidate for new rinks.

The initial idea for an arena was developed through a public-private partnership involving:

- The City of Novi, which acquired the land for the facility;
- Community Clubs of Novi, a 501(c)(3) non-profit entity with ice arena experience;
- Center Ice Management, Inc., which was involved in the initial plans for the facility.

While the City and these other private entities initially began work on the project, eventually the project transitioned to the City of Novi Building Authority, which built the facility and leased it to the City. The project was funded through revenue bonds, repaid using income generated from arena operations (primarily ice rentals). The roughly 15-acre site where the ice arena sits was formally transferred by quit claim deed to the City in 2015 once the original financing bonds were paid off.

Following its opening, the arena was initially operated by the City of Novi. However, it faced early financial challenges and operated at a loss. Recognizing the need for professional expertise and cost-effective management, the City transitioned operations to a third-party contractor.

In 1999, the City entered into a management agreement with Suburban Sports Group of Farmington Hills, a private operator experienced in operating ice arenas. Suburban's role was to:

- Professionally manage all operations;
- Improve service and program quality;
- Stabilize and improve the facility's financial performance.

Suburban has successfully operated the facility for the past 25 years. A new five-year contract was recently executed and took effect on July 1, 2025.

**RECOMMENDED ACTION:** Discussion on the recent deliberations at the Finance and Administration Committee (FAC) as it pertains to the Novi Ice Arena