

Building committee meeting Feb 6th, 2013

A small group of the building committee met Wednesday to discuss the current status and to prioritize a list of actions that should be accomplished in the near future.

Attending: Brian Stuart, Daphne Roberts, Marie Rose, Dan Bliss Leonard Jarabeck and Steve Buffington.

Building Committee Agenda

Status update

Land survey done
Recent press

The current status was discussed. Andy had reported that the property survey was completed and that the corner stakes for a 78' x 220' building were in place. It was mentioned that we will get some photos of the property to post on the ice rink glass.

We also have had some recent press in the Post Gazette and the Butler Eagle. We should continue to build on that publicity.

Two major issues:

- Need to raise the funds to build
- THEN we need to be able to pay the bills

If we have a solid plan for these issues, we should proceed with the building project.

Construction Costs:

Current estimate is	\$877,583	
Funds available:	\$160,000	Curling Club funds
Bank Loan	\$415,150	(do we qualify?)
Shortfall	\$302,500	to come from grants and member loans

- Need to get an idea of the member participation in a loan program
- Need to get the grant application process moving
- Need to assemble the needed information to satisfy a bank
- Can we trim construction costs?

Brian has developed a detailed spreadsheet identifying the best estimate for construction costs, what we can hope for from a bank loan and the shortfall that we forecast in the needed funds. That shortfall (~ \$300,000) must be closed with a combination of grants, corporate sponsorships, donations or loans to the club from club members.

It is recognized that some aspects of the estimate need to be confirmed and others can be improved upon, in particular if we are able to do the labor ourselves.

Operating Budget:

See handout (another portion of Brian's spreadsheet)
Significant portion of revenue is from membership fees

Will we retain or grow the membership?

Is the membership willing to have an adult membership fee of \$500?

Brian also developed an operating budget for a six year period. Based on what we believe to be conservative projections, we show a positive cash flow in the third year.

A key part of this budget is retaining membership that is willing to pay a higher membership fee.

Next a list of tasks was presented. These are things we should probably be working on and the goal of this discussion was to set some priorities and find the members that can complete them.

To Do List:

- 1) From the property survey we need to confirm that a 4 sheet club fits.

Identify the amount of site grading needed to get a foundation installed and if we need fill for the back corner parking area. Steve plans to visit the property, take pictures and report back.

- 2) Develop Design Drawings.

- 3) Refine the cost estimate with hard quotes.

- 4) Contact a commercial realtor or appraiser and have an assessment done for Mac's land. What is it worth now?

We also need an estimate of the value of the land with the completed building on it. This is used as equity when talking to a bank.

- 5) Contact Adams Township. It was decided that this is not needed right now

- 6) Have formal talks with a bank.

- 7) Have formal talks with a Lawyer.

- 8) Fully explore the possibility of obtaining a Catering Club Liquor License.

Brian had a conversation with someone from the PA LCB. Apparently there are some catering club licenses that are "on hold". Leonard will attempt to contact those owners and see if the license is for sale. Daphne will look into the process for forming an entity (maybe an LLC) that would hold the Catering Club License. That entity needs exist for a year before such a license is granted.

- 9) Develop survey questions for the membership. Beth said she would take care of the actual survey monkey aspect, but we should control the message. Some questions could be:

- If we move the club to Mars, will you still participate?
- If membership costs go up (\$500) will you still participate? Note that cost per curling night will stay about the same. Also note that we could have other pricing plans such as one league, two leagues or unlimited.
- Would you be willing and able to participate in member financing (loan to the club) if that is needed to build?

- Would you be willing to help with other fund raising options such as applying for grants or approaching corporations for sponsorships?

- 10) As companion to the survey, send an email blast to the membership with additional information and the reason why the survey is so important.

The general meeting consensus was that this survey is the most important immediate task. We need to know that the membership will participate, at some level, in the member-based financing plan. We also need to know if we can count on 70 or more members making the transition to the Mars area and are willing to pay a club membership fee of about \$500. Marie will help develop the questions and a companion document (using what several people have started) and distribute that for one round of comments. We will enlist Beth Cubbison to publish the survey and collate the results.

- 11) Get the message out to past members and see if they would come back. If we had committed 30 people who said they would come back, we can spin that into our "grow the membership" presentation for the banks. Some of the members from previous years are going to be thrilled to hear this and might help with funding.

Steve has a composite list of past members with their last known email addresses. An announcement similar to that given to the club membership will be blasted out.

- 12) Get the message out to the GNCC and USCA. Also do press releases to the Pittsburgh papers. Start with what Dan jotted down

Dan will update what he had previously written and we'll figure out how to get this in the GNCC and USCA newsletters.

- 13) Work on the basic message to use in seeking corporate sponsorships'. Then get letters in the mail or start cold calling. Find out why the comment was made that a 10 sheet club would be easier to fund than 4 sheets. What advantage was that plan to Pittsburgh and how can we adapt that benefit and funding opportunity to a 4 sheet plan?

- 14) Meet with Martha Riecks and Mark Robinson's friend and work out a plan to start applying for small grants.

Brian will talk with Martha.

- 15) Get something on the website where club members can answer the question – "what does dedicated ice mean to you?" Not having to throw negative ice! Not getting your foot stuck in a hockey divot.

It was suggested that this be part of the companion document that is sent to the membership about the time the survey link goes out.

- 16) Establish the framework for a debt instrument that members or others can invest in. The concept is that the debt instrument will be issued by the club, or partnership, or 501(c)(7) (whatever entity is building the rink).

Daphne will look into this.

Some ideas:

- The debt will be subordinate to the mortgage.
- 1% rate of return. 20 year term.
- Interest capitalized for the first 5 years.
- First payment to be made in Year 6.

We'll need some legal help to set these up.

To approach banks and ask them what they need, I was thinking we need a simplified, high level summary of the numbers we have so far and some photos of an existing club (that's why I wanted the Milwaukee photos.)

- 17) Work up presentations for the Steelspiel and Annual Meeting. We'll ask Mac to participate in these presentations.

A powerpoint with pictures and the above type of "sales pitch" information will be prepared.

All: Think about what else we should be doing RIGHT NOW that will help us get to a building!! We'll add those items to the list for the next meeting.

Brian also had a revised building floor plan. See attached