



Memorandum

**Department of Parks, Recreation
& Conservation**

101314

DATE: May 17, 2023

TO: Honorable Members of the Board of Acquisition & Contract

FROM: Kathleen M. O'Connor
Commissioner, Department of Parks, Recreation and Conservation

RE: Resolution authorizing the County of Westchester to enter into a third amendment to the management agreement with Playland Ice Casino, LLC (a wholly owned subsidiary of American Skating Entertainment Centers, LLC) to provide for the closure of the Ice Casino during the months of June, July and August of 2023

Pursuant to a resolution approved by your Honorable Board on August 21, 2014, the County of Westchester, acting by and through the Department of Parks, Recreation and Conservation and/or the Department of Public Works and Transportation, as appropriate (the "County"), entered into a management agreement, dated August 26, 2014, (the "Agreement") with the Playland Ice Casino, LLC (a wholly owned subsidiary of American Skating Entertainment Centers, LLC) (the "Ice Casino Manager") for the management of the Ice Casino at Playland for a ten (10) year term commencing on August 26, 2014 and terminating on August 26, 2024. In addition, the Agreement provides that, upon mutual agreement of the parties, the term may be extended for an additional ten (10) years, subject to receiving all necessary legal approvals.

Pursuant to a resolution approved by your Honorable Board on August 12, 2021, the County and the Ice Casino Manager entered into an amendment to the Agreement, dated September 1, 2021, (the "First Amendment") which acknowledged that the Ice Casino was closed from March 17, 2020 through September 30, 2021 due to the COVID-19 pandemic and that only the Main Rink would reopen on or about October 1, 2021. The parties further agreed that the Studio Rink and Kiddie Rink would remain closed while the County plans, undertakes and completes certain necessary and required structural repairs for the Studio Rink and associated systems (the "Studio Rink Repairs"). The First Amendment further provided that during the time period that the Studio Rink and Kiddie Rink are closed for the Studio Rink Repairs, the annual management fee, annual common area maintenance (CAM) charges and the charges for utilities under the Agreement (collectively, the "Charges") would be reduced by 43%. Under the First Amendment, if the County completes the Studio Rink Repairs prior to the termination of the Agreement, the County will notify the Ice Casino Manager in writing of the completion, and the Ice Casino Manager will reopen the Studio Rink and Kiddie Rink within thirty (30) days of receipt such notice. In addition,

upon the reopening of the Studio Rink and Kiddie Rink, the 43% reduction in the Charges will terminate and the Charges will resume according to the terms set forth in the Agreement.

Pursuant to a resolution approved by your Honorable Board on April 7, 2022, the County and the Ice Casino Manager entered into a second amendment to the Agreement, dated May 17, 2022, (the "Second Amendment") to provide for the closure of the Ice Casino during the months of June, July and August of 2022 and for an additional 57% reduction in the Charges under the Agreement, as amended, for a total reduction in the Charge of 100% for the months of June, July and August of 2022. The additional 57% reduction resulted in the monthly Charges due the County being reduced by an additional \$34,101.12 for a total additional reduction of \$102,303.36 for the months of June, July and August of 2022. In September of 2022, the Ice Casino reopened and the additional 57% reduction terminated.

Authorization is now sought from your Honorable Board to further amend the Agreement, as amended (the "Third Amendment") to provide for the closure of the Ice Casino during the months of June, July and August of 2023 and provide for an additional 57% reduction in the Charges under the Agreement, as amended, for a total reduction in the Charges of 100% for the months of June, July and August of 2023. The additional 57% reduction will result in the monthly Charges due the County being reduced by an additional \$34,417.74 for a total additional reduction of \$103,253.22 for the months of June, July and August of 2023.

Except as amended by this resolution, all other terms and conditions of the Agreement, as previously amended, shall remain in full force and effect.

This Third Amendment will serve a public purpose by ensuring the proper development, operation, maintenance, security and administration of the Ice Casino

The Department of Parks, Recreation and Conservation's personnel will track and monitor the Ice Casino Manager's performance under the amendment to the Agreement.

For the foregoing reasons, I respectfully request the approval of the annexed proposed Resolution.

KMO/rn

RESOLUTION

Upon a communication from the Commissioner of Parks, Recreation and Conservation, be it hereby

RESOLVED, that the County of Westchester (the “County”) is hereby authorized to amend the management agreement with Playland Ice Casino, LLC (a wholly owned subsidiary of American Skating Entertainment Centers, LLC), dated August 26, 2014, as amended by the first amendment to the management agreement, dated September 1, 2021, and the second amendment to the management agreement, dated May 17, 2022 (collectively, the “Agreement”) to acknowledge that the Ice Casino will be closed during the months of June, July and August of 2023 (the “Closure Period”) and that the County will reduce the annual management fee, annual common area maintenance (CAM) charges and the charges for utilities under the Agreement (collectively, the “Charges”) by an additional 57% for a total reduction of 100% in the Charges for the Closure Period, and, as a result thereof, the monthly Charges due the County will be reduced by an additional \$34,417.74 for a total additional reduction of \$103,253.22 for the Closure Period; and be it further

RESOLVED, that except as amended by this resolution, all other terms and conditions of the Agreement, as amended, shall remain in full force and effect; and be it further

RESOLVED, that the County Executive or his authorized designee is hereby empowered to execute any and all instruments and take such other actions as may be reasonably necessary to effectuate the purposes hereof.

Original Agreement	\$7,221,869.81
First Amendment	(\$2,144,951.05)
Second Amendment	(\$ 102,303.36)
This Amendment	<u>(\$ 103,253.22)</u>
TOTAL	\$4,871,362.18

Agreement # PRC-967C

Account to be Charged/Credited

	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub-Object	Trust Account	Dollars
2022	165	42	5540	9205		(\$41,740.35)
2022	165	42	5540	9219		(\$61,512.87)

Budget Funding Year(s): 2023-2024 Start Date: 6/1/2023 End Date: 8/31/2024
 (must match resolution)

Funding Source	Tax Dollars _____
	State Aid _____
<u>(\$103,253.22)</u>	Federal Aid _____
(must match resolution)	Other <u>Revenue</u> _____