



**FINANCE & ADMINISTRATION COMMITTEE
ADDENDUM**

Wednesday, April 19, 2017, 5:00 pm
COUNCIL CHAMBERS

Pages

10. ADDENDUM

10.1 RC 2017-03, Wildcats Report

2



The Corporation of the City of Elliot Lake

Staff Report RC-2017-03

Report of the **Director of Community Services**
for the Consideration of Council

RE: Elliot Lake Wildcats Jr. A. Hockey Team - Report


OBJECTIVE

To provide a summary of City related financial transactions with regard to the Elliot Lake Wildcats Jr. A. Hockey Team as requested by the Finance and Administration Standing Committee.

RECOMMENDATION

That Report RC-2017-03 of the Director of Community Services dated April 5, 2017 be received;

Respectfully Submitted



Wendy Rowland
Director of Community Services

Approved



Jeff Renaud
Chief Administrative Officer

5th April 2017

BACKGROUND

On November 21, 2016 the Director of Corporate Services was to co-ordinate with the Director of Community Services to provide a complete review of the Elliot Lake Wildcats Jr. A Hockey Team agreement with a report to Finance & Administration or the appropriate Committee.

It was suggested at the February 22, 2017 Finance & Administration meeting that the report requested, should coincide with the end of the hockey season and it was to include how the City participates, level(s) of sponsorship and level(s) of risk.

The Wildcats Jr. A. Hockey Team have called the City of Elliot Lake home since August 2014. This initially resulted in by-law 14-57 Centennial Arena Facility Use Agreement. This agreement was in effect until April 2015. In August of 2015 a five year agreement was signed ending April 30, 2019. In both contracts, the City agreed to provide Platinum Sponsorship valued at \$10,000 for in-kind ice time for use by the Elliot Lake Wildcats in addition to revenue from facility advertising. The city also agreed to loan the Elliot Lake Wildcats Jr. A. Hockey Team the sum of \$100,000 in 2014 with a repayment period of five years beginning in 2015.

ANALYSIS

The City of Elliot Lake entered into an agreement with the Wildcats Jr. Hockey Team for the term April 1, 2015 through April 30, 2019. The summary of that agreement includes the following:

- \$10,000 per (year or season) of in-kind ice rental.
- One city of Elliot Lake logo at center ice.
- City logo included on Wildcats roadside billboards at two locations.
- City agreed to give Wildcats all revenue derived from arena board and banner advertising program.
- City Staff install board/banner advertising at a rate of \$30.00/hour and invoice the Wildcats accordingly.
- Wildcats have exclusive use of Team Dressing Room, storage area and office in the Centennial Arena.
- City receives 150 custom regular season game passes per season.

A start-up loan of \$100,000 was provided in 2014 of which \$93,636.13 was utilized by the team.

Appendix A - Wildcats Agreement - August 2014 - April 30, 2015

Appendix B - Wildcats Agreement - August 2015 - April 30, 2019

Appendix C - Copy of Wildcats Sponsorship Package

FINANCIAL IMPACT

Elliot Lake Wildcats Jr. A Hockey Club – Loan Details

| Date | Description | Amount | Balance |
|-------------------|---------------------|--------------|-------------|
| July 2014 | Start-up Loan | \$93,636.13 | \$93,636.13 |
| June 10, 2015 | Payment | \$ 13,636.13 | \$80,000.00 |
| November 29, 2016 | Payment | \$ 20,000.00 | \$60,000.00 |
| March 2017 | Outstanding Balance | | \$60,000.00 |

Invoices Issued to Club for Service

| 2016/17 Season | | | 2015/16 Season | | |
|--|----------------------|-------------|-------------------------------------|-------------------------|-------------|
| Month | Description/Invoice | Amount | Month | Description/Invoice | Amount |
| August | Hockey School | *\$754.61 | August | Hockey School/practices | \$1,207.26 |
| August | Practices | \$314.42 | September | Games/practices | \$3,401.70 |
| September | Hockey School | *\$503.08 | October | Games/practices | \$2,986.42 |
| September | Games/practices | \$2,502.33 | November | Games/practices | \$2,829.21 |
| October | Games/practices | \$2,848.19 | December | Games/practices | \$1,829.58 |
| November | Games/practices | \$3,080.75 | January | Games/practices | \$3,407.63 |
| December | Games/practices | \$1,923.91 | February | Games/practices | \$2,301.22 |
| January | Games/practices | \$2,848.19 | March | Games/practices | \$2,596.66 |
| February | Games/practices | \$3,187.53 | April | Games/practices | \$968.18 |
| March | Games/practices | *\$1,251.16 | April | Sign Install/Removal | *\$1288.20 |
| April | Sign Install/Removal | *\$576.30 | | | |
| Total | Invoiced | \$19,790.47 | Total | Invoiced | \$22,816.06 |
| Amount Less Platinum Sponsorship | | \$9,790.47 | Amount Less Platinum Sponsorship | | \$12,816.06 |
| *Hockey School, March Invoice & Sign Install/Removal | | \$3,085.15 | *Outstanding - Sign Install/Removal | | \$1,288.20 |
| *indicates payment has not been received to date. | | | | | |

Ice rate per fee by-law 2016-68 - \$55.65 Minor Sport Rate (Non-Prime time, per hour)

Ice rate per fee by-law 2016-68 - \$87.15 Minor Sport Rate (Prime Time, Mon-Fri 5pm-12am, per hour)

Estimated Value of Advertising based on City By-Law 15-17

| Description | 2016/17 | 2015/16 |
|----------------------------------|----------------|----------------|
| Arena Board Ads | \$6,800 | \$6,600 |
| Banners | \$1,280 | \$1,360 |
| Signs | \$1,625 | \$1,250 |
| Total Possible Sign Revenue Loss | \$9,705 | \$9,210 |

Please note that the preceding matrix outlines a lost revenue summary as opposed to revenue generated by the hockey team, as some ads are included with Wildcat sponsorship package.

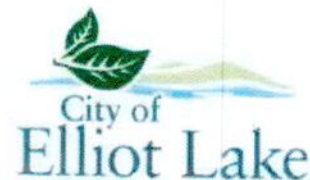
LINKS TO STRATEGIC PLAN

Support youth organizations.

SUMMARY

The Wildcats Jr. Hockey Team Financial Report is hereby provided to Council for information and review as per the request of the Finance and Administration Standing Committee.

August 21, 2014



Parks & Recreation Standing Committee

Mayor and Members of Council
City of Elliot Lake
45 Hillside Drive North
Elliot Lake, Ontario
P5A 1X5


**RE: RECOMMENDATION FROM THE PARKS AND RECREATION STANDING
COMMITTEE - Wildcats Jr. A. Hockey Team Centennial Arena Facility Use
Agreement**

Dear Mayor and Members of Council:

At the regular meeting of the Parks & Recreation Standing Committee held on Tuesday, August 11, 2014 the following resolution was passed:

Resol. 17/14 "That the Facility Use Agreement between the Elliot Lake Wildcats Jr. A. Hockey Team and the Centennial Arena dated August 21, 2014 be received ; and the agreement be approved."

Sincerely,



Jocelyne Labreche,
Secretary.



CITY CLERK'S Department

City Clerk

August 27, 2014

Jocelyne Labreche
Elliot Lake, ON

**RE: BY-LAW 14-57-AGREEMENT – Centennial Arena Facility Use Agreement –
Elliot Lake Wildcats**

Dear Sirs:

We are pleased to advise that By-law No. 14-57 was passed, authorizing the above-mentioned agreement.

Enclosed is your signed copy of the agreement together with the enabling by-law.

Yours truly,


for Lesley Sprague
City Clerk

THE CORPORATION OF THE CITY OF ELLIOT LAKE

BY-LAW No. 14-57

Being a by-law to authorize
A facility use agreement for use of
the Centennial Arena.

The Council of The Corporation of the City of Elliot Lake **ENACTS AS FOLLOWS:**

1. **THAT** the Corporation enter into an agreement with the Elliot Lake Wildcats for the use of the Centennial arena facility, according to the terms and conditions as set out in the agreement attached hereto as schedule "A" and forming part of this by-law.
2. **THAT** the Mayor together with the City Clerk of the Corporation are hereby authorized and directed to execute the Agreement on behalf of the Corporation under the corporate seal.

PASSED this 25th day of August, 2014.



MAYOR



CITY CLERK

Centennial Arena Facility Use Agreement

This agreement is made between the Elliot Lake Wildcats of Elliot Lake, ON, (referred to as "USER") and The Corporation of the City of Elliot Lake (referred to as the "City"), concerning the use of the following City of Elliot Lake facility for the dates specified below:

Facility: City of Elliot Lake Centennial Arena

Dates: August 1, 2014 – April 30, 2015

The "USER" agrees to comply with the following terms and conditions:

1. The USER will pay for ice time in accordance with the following rates: \$83/hour for the hours of 5pm to 12 am, Monday to Friday prime time, unless there are no other users of the facility during these hours and then those hours and any other hours are charged at \$53/hour. Game day rates are 3 hours @ \$83/hour, all fees to have applicable taxes applied.
2. Cancellations to ice time must be received by the Facilities Supervisor seventy-two working hours prior to cancellation, unless weather related and/or other unforeseen events are beyond the control of the Wildcats, otherwise it will be considered a no show and charges will apply.
3. Elliot Lake Wildcats commit to making a minimum monthly payment on the 1st day of the month in the amount of \$2300.00 by cheque commencing October 1, 2014 along with the August 2014 payment due September 30, 2014. A monthly invoice will be sent by the City on or about the 1st day of each month, commencing September 1, 2014, for the actual balance due, and said balance will be required to be paid within 30 days from the date of said invoice.
4. If payments are not received in accordance with this contract, the City may terminate the USER's rights hereunder without the necessity of any further notice.
5. The USER assumes all responsibility and liability for the requested use and agrees to defend, indemnify and hold the City harmless from any and all loss, damage or injury to any person or property arising from use of the facilities.
6. The USER agrees to obtain, at its own expense, public liability insurance in the sum of not less than Two Million Dollars (\$2,000,000) and property damage insurance in the amount of not less than Two Million Dollars (\$2,000,000). The USER will provide the City with proof of such insurance at the time of entering into this agreement, and will ensure that the City is named as an additional insured.
7. The parties agree that the USER, its agents and employees are not agents or employees of City. The USER will be solely responsible and will assume full responsibility for the actions and omissions of its agents and employees when using the City facility, as an independent contractor.
8. The USER will be solely responsible to provide adequate supervision of the activities conducted in the facility.
9. Signage on outside arena will be permitted at the discretion of the Manager of Recreation &

Culture, signage will be maintained and in good condition.

10. Rinkboard advertising is available at a cost of \$200.00 per board per season (Season running August 2014 until April 30, 2015). All signage preparation is the sole responsibility of the Elliot Lake Wildcats. Current contracts with the City of Elliot Lake will remain in effect until such time as the individuals' or companies' contract is no longer valid. Signs must be approved by the Manager of Recreation & Culture. Signage after ice is installed may be a peel and stick advertising banner with a limited life span.
11. Six hours of practice time a week. Practices to run from _____ pm weeknights until the Wildcats are eliminated from NOJHL playoffs and/or leading up to their departure for the Dudley Hewitt Cup Championship.
12. The City will advertise on both the sign outside the Centennial arena and electronic sign at the Lester B. Pearson Civic Centre games times and tournaments. The games, dates and times must be provided at least three days prior to wishing it to be advertised.
13. Proposed schedules for training camps and practice ice at the Arena will be submitted to the City for consideration by March 1st annually.
14. Playoff schedules will be confirmed as soon as possible, taking into account each Playoff series relies on what happens in the previous series to determine what dates can be used.
15. Full access to the Jr. Team dressing room. The dressing room must be kept clean and in good condition at all times. Any damages incurred will be charged back to the Elliot Lake Wildcats. The dressing room will be made available to the Elliot Lake Wildcats, August 2014 to April 2015. Any alterations to the dressing room must be requested in writing and given to the Manager of Recreation & Culture for final approval. The dressing room must be supervised by senior personnel from the Wildcats Team at all times when players are present. A list of individuals responsible for access to the outside canteen and dressing area must be supplied to the Facilities Supervisor in writing no later than the first use of the facility.
16. The City will provide the Wildcats with use of office space only at Centennial Arena. This space will be above the Zamboni Room. The space will also be shared during tournaments and special events with other users.
17. Two (2) licenced/bonded Security Guards on game nights (costs incurred to be covered by the Elliot Lake Wildcats), if there are not the appropriate number of security guards on game night we have the right to cancel the game and you will be charged for three (3) hours ice time.
18. Access to the use of the gate booth on game nights.
19. The creation of on ice logos and sponsorships advertising is the sole responsibility of the Wildcat organization and must be approved by Manager of Recreation and Culture and co-ordinate the installation with the Facility Supervisor.

20. Ice will meet all NOJHL and Hockey Canada regulations.
21. The City agrees to provide use of the ice surface in the Arena for all Wildcats sanctioned League regular season, playoff, Showcase, All Star and Exhibition games. The City and the Wildcats agree to work together in order to provide for an optimum regular season and playoff schedule while balancing the needs of the City to optimize the use of the Arena.
22. The Wildcats organization will clean and paint the team dressing room prior to the start of the season. The type of paint and colour scheme is to be approved by the Manager of Recreation & Culture. The Cost of painting the dressing room will be assumed by the Wildcats.
23. The City will be provided a platinum sponsorship valued at \$10,000 in kind; Package to include On-ice City Logo, and City logo on Wildcat Billboards located on Hwy 17 and 108. In addition, the City of Elliot Lake will receive six (6) personalized flex passes (compliments of the City of Elliot Lake), to be used at any regular season game at their discretion, in lieu of season passes. It is agreed and mutually understood that no money will be offered in respect of this sponsorship package. In consideration of this agreement, however, the Wildcat organization will be relieved of any and all responsibility for past debt related to, or incurred by the previous owner of the Elliot Lake Bobcats. Specifically the \$5000.00 charge ordered against City holding of Wildcat funds, related to team's rebranding. In addition, all hockey-related property related to, or previously owned by the Bobcats organization, abandoned and currently being stored at the arena, will be turned over to, and will become the property of the Wildcats. It is appreciated and understood, that the related property has a conservative value of approximately \$5,000.
24. Standard terms and conditions of facility use rental agreement (attached) must be adhered to.
- 1.0 **TERM**
The term of this lease shall be for a period of 8 months, commencing August 2014 and ending April 30, 2015.
- 2.0 **EARLY TERMINATION**
Either party may terminate this lease in advance of the expiry date by giving two (2) months notice in writing of the wish to vacate.

USER Name: Lesley Sprague

USER Signature: [Signature]

Date: 21 Aug 14

City Representative Name: Rich Hamilton

Title: Mayor

City Representative Signature: [Signature]

Date: Aug 26/14

Revised August 15, 2014

[Signature]
Lesley Sprague, City Clerk



Centennial Arena Facility Use Agreement

This agreement is made between the Elliot Lake Wildcats of Elliot Lake, ON, (referred to as "USER") and The Corporation of the City of Elliot Lake (referred to as the "City"), concerning the use of the following City of Elliot Lake facility for the dates specified below:

Facility: City of Elliot Lake Centennial Arena

Dates: August 1, 2015 – April 30, 2019

The "USER" agrees to comply with the following terms and conditions:

- 1) The USER will pay for ice time in accordance with the following initial rates: \$87.15/hour for the hours of 5pm to 12 am, Monday to Friday prime time, unless there are no other users of the facility during these hours and then those hours and any other hours are charged at \$55.65/hour. Game day rates are 3 hours @ \$87.15/hour, all fees to have applicable taxes applied. The USER agrees that these initial rates may be amended from time to time in accordance with the normal operations of the City. The City agrees to provide the USER with as much notice as reasonably possible of impending rate changes.
- 2) Cancellations to ice time must be received by the Facilities Supervisor seventy-two working hours prior to cancellation, unless weather related and/or other unforeseen events are beyond the control of the Wildcats, otherwise it will be considered a no show and charges will apply.
- 3) The USER assumes all responsibility and liability for the requested use and agrees to defend, indemnify and hold the City harmless from any and all loss, damage or injury to any person or property arising from use of the facilities.
- 4) The USER agrees to obtain, at its own expense, public liability insurance in the sum of not less than Two Million Dollars (\$2,000,000) and property damage insurance in the amount of not less than Two Million Dollars (\$2,000,000). The USER will provide the City with proof of such insurance at the time of entering into this agreement and annually thereafter, and will ensure that the City is named as an additional insured.
- 5) The parties agree that the USER, its agents and employees are not agents or employees of City. The USER will be solely responsible and will assume full responsibility for the actions and omissions of its agents and employees when using the City facility, as an independent contractor.
- 6) The USER will be solely responsible to provide adequate supervision of the activities conducted in the facility.
- 7) Signage on outside arena may be permitted, however the USER and the City shall jointly review any proposed exterior signage prior to proceeding with such initiatives.
- 8) The USER may utilize the rink boards for advertising, promotion, or revenue generation. All signage preparation shall be at the cost of the USER. Installation of signage shall be done by City staff at the expense of the USER. The parties hereby acknowledge that it is more cost-effective for signage to be installed prior to the creation of ice. As such the parties shall strive to ensure that signage is prepared as early as reasonably possible.

- 9) In scheduling the ice time at the arena, the City shall allocate a minimum of six (6) hours of ice time to the USER for conducting practices. Any additional time requested by the USER shall be negotiated between the USER and the City with due regard for other users of the facility.
- 10) The City will advertise on both the sign outside the Centennial arena and electronic sign at the Lester B. Pearson Civic Centre games times and tournaments. The games, dates and times must be provided at least three days prior to wishing it to be advertised.
- 11) Proposed schedules for training camps and practice ice at the Arena will be submitted to the City sixty (60) days in advance of the anticipated start date.
- 12) Playoff schedules will be confirmed as soon as possible, taking into account each Playoff series relies on what happens in the previous series to determine what dates can be used.
- 13) It is hereby agreed that the USER shall have exclusive use of the following areas during the term of this agreement:
 - a) Jr. Team dressing room. The dressing room must be kept clean and in good condition at all times. Any damages incurred will be charged back to the Elliot Lake Wildcats. Any alterations to the dressing room must be requested in writing and given to the Manager of Recreation & Culture for final approval. The dressing room must be supervised by senior personnel from the Wildcats Team at all times when players are present.
 - b) Outside Canteen area, this area may be converted to laundry facilities at the expense of the USER.
- 14) The City will provide the Wildcats with use of office space only at Centennial Arena. This space will be above the Zamboni Room. The space will also be shared during tournaments and special events with other users. The City will provide space for a broadcast area behind the visitor's bench in the bleachers.
- 15) The USER shall, at their sole cost, provide not less than two (2) licenced/bonded Security Guards on game nights. The CITY reserves the right to cancel any game due to the lack of security guards. Where a game is cancelled pursuant to this provision the USER shall be charged for three (3) hours ice time.
- 16) The USER shall have access to, and use of, the gate booths on game nights.
- 17) The creation of on ice logos and sponsorships advertising is the sole responsibility of the Wildcat organization and must be approved by Manager of Recreation and Culture and co-ordinate the installation with the Facility Supervisor.
- 18) Ice will meet all NOJHL and Hockey Canada regulations.

- 19) The City agrees to provide use of the ice surface in the Arena for all Wildcats sanctioned League regular season, playoff, Showcase, All Star and Exhibition games. The City and the Wildcats agree to work together in order to provide for an optimum regular season and playoff schedule while balancing the needs of the City to optimize the use of the Arena. Additional activities such as Hockey Schools, Development Camps and Alumni games may be scheduled in coordination with the City giving due regard to other users of the facility.
- 20) The Wildcats organization will clean and paint the team dressing room prior to the start of the season. The type of paint and colour scheme is to be approved by the Manager of Recreation & Culture. The Cost of painting the dressing room will be assumed by the Wildcats.
- 21) The City will be provided a platinum sponsorship valued at \$10,000 in kind; Package to include On-ice Centre - City Logo, and City logo on Wildcat Billboards located on Hwy 17 and 108, rink board, banner and program advertising. In addition, the City of Elliot Lake will receive one hundred and fifty (150) custom passes (compliments of the City of Elliot Lake), to be used at any regular season game at their discretion, in lieu of season passes.
 - a) It is agreed by the parties that the value of this sponsorship package shall be offset by the provision of ice-time. The CITY shall keep a running tally of the cost of ice-time utilized by the user at rates determined in section 1 above. Where the total value of ice-time utilized by the USER is less than \$10,000, the difference shall not be recoverable by the USER. Where the total value of ice-time utilized is greater than \$10,000, the difference shall be payable by the USER to the CITY.
- 22) Standard terms and conditions of facility use rental agreement (attached) must be adhered to.
- 23) The term of this lease shall commence upon the date of final signature and continue in full force and effect until April 30, 2019, unless terminated prior to that date by either party.
- 24) **TERMINATION**
 - a) Either party may terminate this lease in advance of the expiry date by giving two (2) months notice in writing.
 - b) The City reserves the right to terminate this agreement at any time as a result of a breach of the terms of this agreement by the USER.
 - c) The City may terminate this agreement by providing the USER with 6 months written notice of its intention to terminate.

USER Name: _____

USER Signature: _____ Date: _____

City Representative Name: _____ Title: _____

City Representative Signature: _____ Date: _____

SPONSORSHIP PACKAGES

PLATINUM PACKAGE

On-Ice Company Logo - Near Centre Ice
 Rink Board Advertisement & Arena Banner
 Wildcats Billboards (Hwy 108 & 17) - Company Logo
 Three Season Passes - \$690 Value
 - or - 60 Custom Game Tickets - \$600 Value
 Three Game Night Sponsorships - \$1,200 Value
 Front Page Ad in Wildcats Home Game Programs
 Premium Game Night Announcements
 Website Banner With Business Link
 Two Team Promotional Visits to Your Business
 20 Wildcats Stickers & Autographed Team Photo
 presented at sponsor appreciation event.

PACKAGE INVESTMENT: \$10,000

GOLD PACKAGE

On-Ice Company Logo
 Rink Board Advertisement & Arena Banner
 Two Season Passes - \$460 Value
 - or - 40 Custom Game Tickets - \$400 Value
 Two Game Night Sponsorships - \$800 Value
 Full Page Ad in Wildcats Home Game Programs
 Game Night Announcements
 Website Banner With Business Link
 Team Promotional Visit to Your Business
 10 Wildcats Stickers & Autographed Team Photo
 presented at sponsor appreciation event.

PACKAGE INVESTMENT: \$5,000

SILVER PACKAGE

Rink Board Advertisement
 Two Season Passes - \$460 Value
 - or - 40 Custom Game Tickets - \$400 Value
 Half Page Ad in Wildcats Home Game Programs
 Game Night Announcements
 Website Banner
 10 Wildcats Stickers & Autographed Team Photo

PACKAGE INVESTMENT: \$2,500

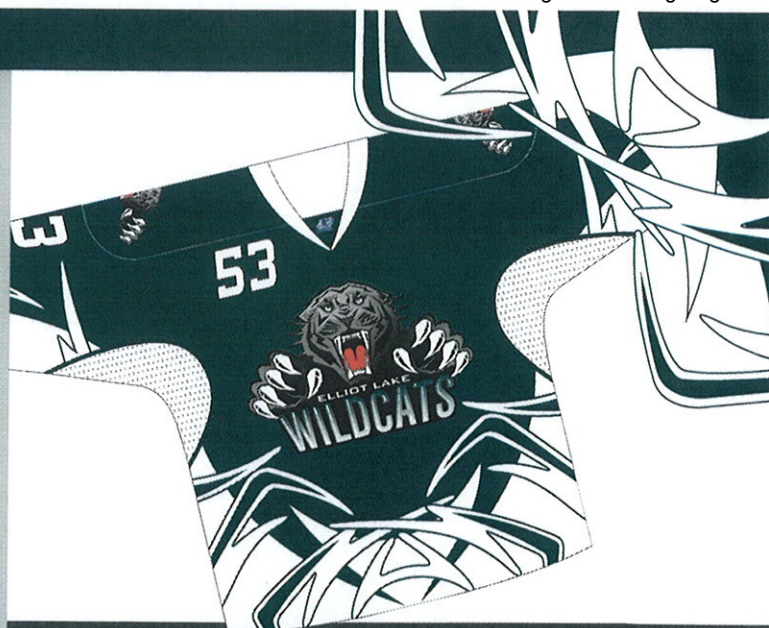
BRONZE PACKAGE

One Season Pass - \$230 Value
 - or - 20 Custom Game Tickets - \$200 Value
 Arena Banner or Renewal of Existing Rink Board
 Quarter Page Ad in Wildcats Home Game Programs
 Game Night Announcements
 10 Wildcats Stickers & Autographed Team Photo

PACKAGE INVESTMENT:

\$1,000 REGULAR PACKAGE

\$1,200 WITH EXISTING RINK BOARD



HOME GAME PROGRAMS

The OFFICIAL guide!

Designed for every regular season home game.

Be seen in the fan favourite guide featuring player and team statistics for the Wildcats and opposing teams.

SEASON BUSINESS CARD AD: \$250

Ad runs in every program during the regular season.

RINK BOARDS

High Impression Ads

Rink board ads are visible at all Wildcat games as well as other arena events throughout the year.

Can be roll on or stick on banner. Investment includes design and printing of board sign.

ONE YEAR INVESTMENT: \$850

FRIENDS OF THE WILDCATS

Do you simply wish to see hockey thrive in Elliot Lake?

Become a Friend of the Wildcats.

Donations of \$100 or more will be listed in a special section on our website.

PLAYOFF SPONSORSHIP

Make a high impact investment by sponsoring a Wildcats Playoff Game. The Wildcats have played two rounds of playoff hockey in every season with an average of 400 - 500 spectators at every game.

PER GAME INVESTMENT: \$500

Offered on a first come basis once schedules are determined.

For sponsorship information, contact:

CHRISTINE BRUNET NATALIE BRAY

Sponsorship Coordinator

Sponsorship Coordinator

705.849.6522

705.849.4118

christine@oakrealty.ca

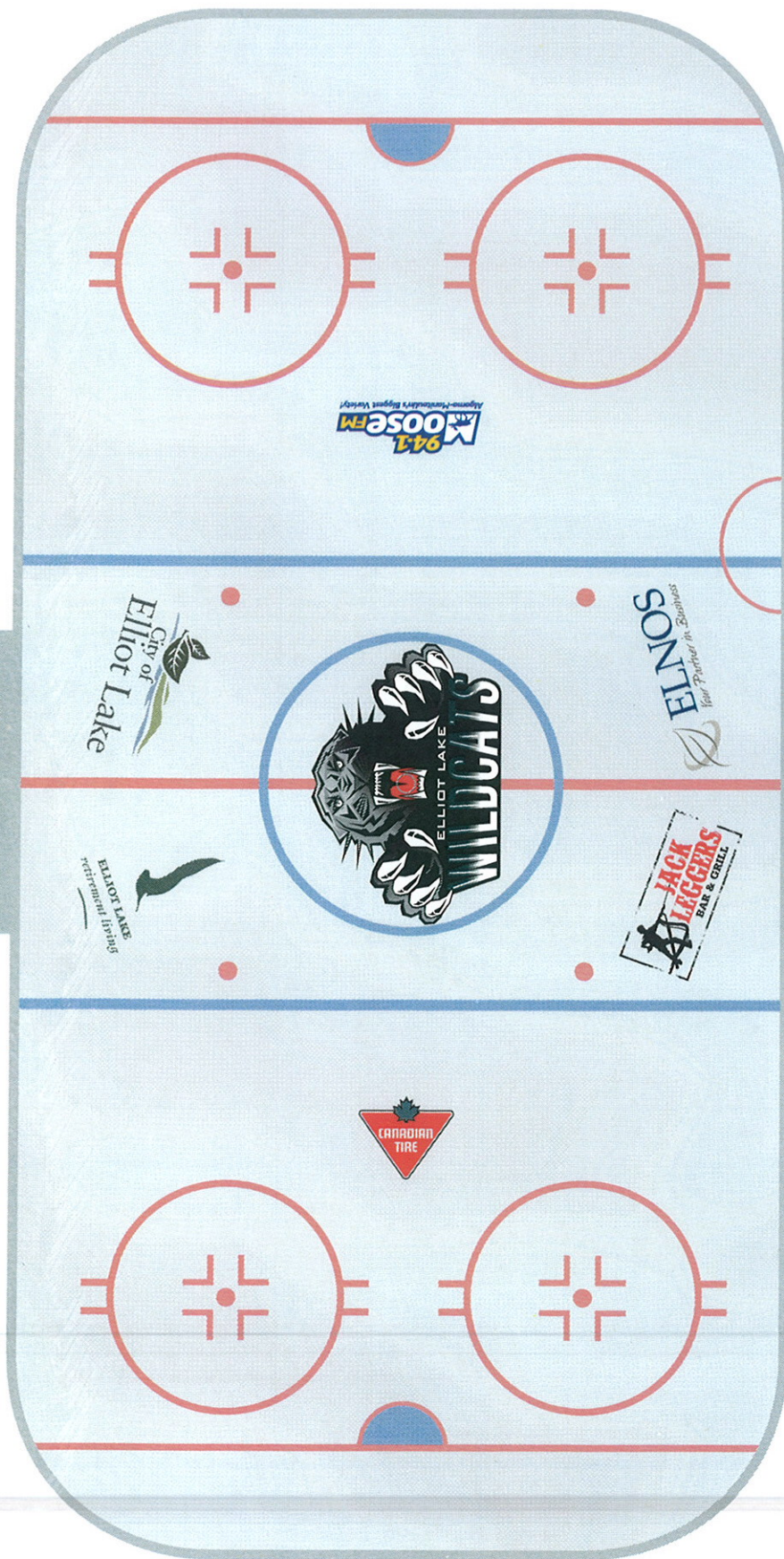
nataliebray1@hotmail.com

ON-ICE LOGO LOCATIONS



MEDIA
BOX

VISITORS



SCORE CLOCK

WILDCATS