



Recreation, Culture and Wellness Department

Wednesday, August 16, 2023

Subject: MCC – Draft Licence Agreements – Pelham Panther Hockey Club Limited and Pelham Junior Hockey Club

Recommendation:

BE IT RESOLVED THAT Council receive Report #2023-0183 MCC – Draft Licence Agreements – Pelham Panther Hockey Club Limited and Pelham Junior Hockey Club, for information;

AND THAT Council authorizes and directs staff to enter into a licence agreement with Pelham Panthers Hockey Club Limited, which agreement shall be in a form satisfactory to the Town Solicitor and substantially the same as the draft licence agreement attached hereto;

AND THAT Council authorizes and directs staff to enter into a licence agreement with Pelham Junior Hockey Club for concession and vending machine operations at the Meridian Community Centre, which agreement shall be in a form satisfactory to the Town Solicitor and substantially the same as the draft agreement attached hereto;

AND THAT if either of Pelham Panthers Hockey Club Limited or Pelham Junior Hockey Club requests substantive revisions to the draft agreements attached hereto, that Council approves a sixty (60) day extension of the existing licence agreement to permit finalization of the draft agreements and Council approval of same.

Background:

At the July 26th Council meeting, Council deferred consideration of the draft licence agreements with Pelham Panthers Hockey Club Limited and Pelham Junior Hockey Club and requested further information about other municipalities' arrangements with Junior B hockey teams and attendance numbers at games.

Analysis:

Junior B Hockey Team Comparison

The Pelham Panthers hockey team is part of the Greater Ontario Junior Hockey League (GOJHL) Golden Horseshoe Conference. Staff contacted other municipalities associated with teams in the GOJHL Golden Horseshoe Conference to request information about the arrangements with their teams as not all municipalities have formal agreements. Staff obtained average attendance records from the GOJHL website.

The information gathered to date can be summarized as follows:

Caledonia Corvairs (Haldimand County)

- No formal agreement
- Team has dedicated dressing room for which no rent/fees are paid
- Team pays minor hockey ice rates
- Team pays for double flood after practices
- Team purchases ice logos
- Team pays for any rink board advertising
- Team keeps all gate proceeds
- Average attendance 450

Fort Erie Meteors

- Formal lease agreement for five-year term
- Team has dedicated dressing room with storage and office space
- Team pays monthly utility fee based on square footage but no other rent/fees
- Team pays minor hockey ice rates
- Team has no entitlement to advertising, concession operations, etc.
- Team keeps all gate proceeds
- Average attendance 264

Hamilton Kilty B's

- No response to request for information received at time of writing
- Average attendance 214

Port Colborne Sailors

- Temporary relocation from Thorold during 2022/2023 season
- Relocation announced as permanent in May 2023
- Municipality in negotiations with team but no formal agreement at this time
- Team currently pays minor hockey rates
- Team currently has dedicated dressing room (payment arrangements unknown)
- Average attendance 221 (Thorold)

St. Catharines Falcons

- Formal agreement expired in 2019
- Request for details of agreement declined as not public information
- Team previously operated out of Jack Gatecliffe Arena, which is now demolished
- Municipality in negotiations for team to operate at Seymour Hannah Sport Centre
- Average attendance 425

Welland Jr. Canadians

- No response to request for information received at time of writing
- Average attendance 174

Niagara Falls Canucks

- Formal five-year agreement
- Team has dedicated dressing room with storage and two offices
- Team pays no rent/fees for use of space
- Team previously coordinated upper-tier advertising at Memorial Arena
- Municipality took over advertising when Gale Centre opened
- Team receives \$60,000 grant from municipality to compensate for advertising
- Team pays minor hockey ice rates that are subtracted from \$60,000 grant
- Municipality pays team any monies remaining at end of the season
- Average attendance 333
- Team no longer in GOJHL for 2023/2024 season but agreement has not changed

Pelham Junior Hockey Club (current/existing agreement)

- Formal five-year agreement that expires on August 31, 2023
- Team has designated "Jr. B Zone" that includes dressing room, shower facilities, two offices, kitchenette and washer/dryer
- Team pays annual licence fee of \$1 but no other rent/fees for use of Jr. B Zone
- Team pays Adult Rate for game ice rentals and Youth Rate for practice ice rentals
- Team keeps gate proceeds if attendance is less than 500
- If attendance is 500 or more then Town receives 40% of paid gate admission
- Team must supply security if attendance is over 400
- Average attendance 165
- Team operates concession stand and vending machines but has no other rights in relation to food and beverages at the facility
- Team pays annual licence fee of \$2000 for concession stand operations

In addition to the existing licence agreement, prior to 2021 the team had a three-year agreement for all advertising at the MCC. The Town did not renew the agreement and took over advertising at the facility in July 2021.

Proposed Agreements with Pelham Panthers and Pelham Junior Hockey Club

Staff have revised the proposed agreements with Pelham Panthers Hockey Club Limited and Pelham Junior Hockey Club based on comments and direction provided by Council. The revised draft agreements are appended to this report. Staff have not reviewed the proposed revisions with the licensees but will do so if Council approves the agreements.

The proposed agreements can be summarized as follows:

Pelham Panthers Hockey Club Limited

- Formal three-year agreement that expires on August 31, 2026
- Intention to renew must be expressed at least six months prior to expiration
- Team has exclusive use of dressing room with two offices, kitchenette, changing room and shower facilities
- Team pays annual licence fee with incremental increases:
 - Year 1: \$1000
 - Year 2: \$1250
 - Year 3: \$1500
- Team pays Adult Rate for all ice rentals
- Town will not remove ice from Accipiter Arena until team finishes playoff games
- Team must supply security if it reasonably anticipates attendance of 400 or more
- Team keeps gate proceeds if attendance is less than 500
- If attendance is 500 or more then Town receives 50% of admission fees

Pelham Junior Hockey Club

- Formal three-year agreement that expires on August 31, 2026
- Intention to renew must be expressed at least six months prior to expiration
- Club operates concession stand and vending machines but has no other rights in relation to food and beverages at the facility
- Fixed hours of operation for concession stand (approximately 53 hours/week)
- Club pays annual licence fee of \$3000

It is noted that the proposed agreements are each for 3-year terms and Council will have the opportunity to review these agreements again prior to their expiry and determine at that time what has worked positively and/or where adjustments may need to be made. The agreements represent an improvement and step forward from the current agreements.

Financial Considerations:

There is little direct financial impact associated with the proposed agreements. Both agreements provide for higher licence fees than the current agreement and the revised draft agreement with Pelham Panthers introduces an annual increase to the licence fee. The licence fees will provide an offset for utility or other costs incurred by the Town in relation to the agreements. The Town incurs no additional staffing costs as a result of these agreements. The Pelham Panthers agreement also requires the team to pay standard ice rental rates and thus has no adverse financial impact.

In terms of indirect financial impacts, the Town benefits from having a GOJHL team in the community. Games and tournaments provide community entertainment and bring in players and spectators who support local businesses. In addition, the Pelham Panthers support other community initiatives such as food drives and minor hockey teams, which also reflects positively on the Town.

Alternatives Reviewed:

Council may not approve the proposed revisions to the draft licence agreements or may direct further changes to their terms.

As the existing agreement is set to expire shortly and the proposed revised agreements have not yet been reviewed with the licensees, Council may also authorize an extension of the existing agreement to permit finalization of the new agreements and approval by Council.

Strategic Plan Relationship: Community Development and Growth

The proposed licence agreements support the operations of a GOJHL team in the Town, which provides benefits to the community and local businesses as outlined above. As indicated above, the Pelham Panthers also support the community through other initiatives and having a Junior B team in Pelham helps build community spirit and pride for the Town of Pelham that reflects positively on the Town and is an important component of building a community.

Consultation:

Staff consulted other municipalities with GOJHL Golden Horseshoe Conference teams. The Chief Administrative Officer and Town Solicitor were consulted and involved in the preparation of this report.

Other Pertinent Reports/Attachments:

1. Draft Licence Agreement – Pelham Panthers Hockey Club Limited
2. Draft Licence Agreement – Pelham Junior Hockey Club

Prepared and Recommended by:

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Approved and Submitted by:

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Chief Administrative Officer