

CITY OF EDMONTON AND THE EDMONTON ELKS LICENSE AGREEMENT

RECOMMENDATION

That the license agreement between the City of Edmonton and the Edmonton Eskimo Football Club operating as Edmonton Elks Football Club, as outlined in Attachment 1, of the February 27, 2023, Community Services report CS01599, be approved, and that the agreement be in form and content acceptable to the City Manager.

Requested Committee Action	Decision required		
Connect Edmonton's Guiding Principle	Connect Edmonton Strategic Goals		
CONNECTED This unifies our work as we achieve our strategic goals.	Healthy City		
City Plan Values	BELONG.		
City Plan Big City Move	A community of communities	Relationship to Council's Strategic Priorities	Arts and culture
Corporate Business Plan	Serving Edmontonians		
Council Policy, Program or Project Relationships	N/A		
Related Council Discussions	<ul style="list-style-type: none"> • CSR014 Edmonton Eskimos License Agreement, Community Services Department, May 25, 2007 • CS00660 Edmonton Football Club Agreement Extension, August 11, 2021 • CS00659 Commonwealth Stadium Concession Agreement Extension, August 11, 2021 		

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Executive Summary

- The Edmonton Elks Football Club license agreement for the use of Commonwealth Stadium is set to expire on March 31, 2023.
- The City of Edmonton must enter into a new license agreement with the Edmonton Elks Football Club for use of the Stadium.
- If approved, the Agreement will be effective April 1, 2023 and will be in place approximately five-years, ending December 31, 2027.
- The City of Edmonton will net an estimated \$5 million over the term of this new License Agreement, or an average of \$1 million per year.

REPORT

The Edmonton Elks Football Club and the City of Edmonton have a long history of cooperation in providing professional football in Edmonton. Since 1978, the Edmonton Elks have used Commonwealth Stadium as their home field and the City of Edmonton has supported the Edmonton Elks football club with its operation. As a community-owned and operated football club, the Elks are dependent on strong community volunteer and fan support to be successful.

The City of Edmonton and the Edmonton Elks Football Club License Agreement for the use of Commonwealth Stadium will expire on March 31, 2023. Approval of a new license agreement for the continued operation of the Edmonton Elks Football Club at Commonwealth Stadium is required. This license agreement will commence on April 1, 2023, and expire on December 31, 2027. Key terms and conditions of the license agreement are outlined in Attachment 1. The proposed license agreement will enable the Edmonton Elks to operate with resulting revenue for the City of Edmonton. This agreement recognizes the importance of support to the football team in their post-pandemic recovery plans.

There are two key terms in the proposed agreement. The Edmonton Elks are requesting a license fee waiver for 2023 and 2024 in consideration of the team's post pandemic recovery strategies and financial position of the football team. Administration will develop an accessibility and marketing plan with the Edmonton Elks in 2023 and 2024 to support ongoing transit ridership for games and other stadium events.

In 2023 and 2024, the Edmonton Elks are requesting to use their ETS Free Ticket to Ride contribution of \$100,000 per year to support joint marketing efforts to encourage higher attendance at Edmonton Elks games.

Budget/Financial Implications

The City of Edmonton will net an estimated \$5 million over the term of this new License Agreement, or an average of \$1 million per year through advertising, concession and ticketing revenues.

The initial year of the license fee is \$200,000. Each year the fee increases by 2.5 per cent until the end of the five year agreement. The License fee relates to the use of office space, practice

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facilities and dressing rooms in Commonwealth Stadium. The license fee will be waived for the first two years of the term of the agreement in 2023 and 2024, at the Elks' request.

The City will receive a minimum Facility Fee or Admission surcharge of \$4.00 per game ticket redeemed at the stadium, depending on attendance. This surcharge will increase each year based on inflation and is indexed each year of the agreement.

The Elks will contribute \$130,000 on an annual basis to offset game day stadium staffing and operational costs, increased each year by the Consumer Price Index.

If the first two years of the license agreement fees are waived, it would create a revenue shortfall from the approved 2023-26 budget of \$200,000 each year. The Community Services department will offset the shortfall from other stadium event revenue, therefore no budget adjustment is required.

COMMUNITY INSIGHT

Founded in 1949, the Edmonton Elks are 14 time Grey Cup champions, including the historic five in a row wins from 1978 to 1982. The Edmonton Elks have been a licensee of Commonwealth Stadium since 1978. Previous agreements have governed usage of the facilities and set out revenue and expense responsibilities for facilities related to the football team.

GBA+

The license agreement continues to provide programming and services that remove barriers to allow diverse and inclusive access. For example, during the 2022 season, children 12 years and under could attend a home football game for free with the purchase of an adult ticket. As a community-owned team, the Elks strive to make a positive and meaningful impact in the community and are committed to the development of amateur football across Central and Northern Alberta. Elks football players work with amateur football teams and players to help develop the stars of tomorrow. Elks players, staff, cheer team members and mascots also visit school and community groups to educate youth on the importance of nutrition and an active lifestyle, share powerful messages on anti-bullying and encourage students to further their education.

The Edmonton Elks Football club is dedicated to giving back to local Edmonton communities as part of their mandate, such as Project \$2 Million, in which the community-owned club donated \$2 million dollars worth of services and activations to 20 local not-for-profits over 2022-23. Other community support include the 50/50 program annually donating close to \$500,000 to amateur football, the Purolator Tackle Hunger program sees upwards of 80,000 pounds of food donated to the Edmonton Food Bank, the annual women's dinner raises \$100,000 per year for women's cancer research, and community programs such as the youth flag football program in the main stadium introduces all youth to the game of football.

ATTACHMENT

1. Edmonton Elks License Agreement Key Terms and Conditions