

# License Agreement with Edmonton Minor Hockey Association for 2020/2021 Winter Ice Arena Rentals

## Recommendation

That the license agreement between the City of Edmonton and the Edmonton Minor Hockey Association, for arena usage for the 2020/2021 winter season, for an approximate amount of \$4,000,000, as outlined in Attachment 1 of the November 13, 2020, Citizen Services report CS00082, be approved, and that the agreement be in form and content acceptable to the City Manager.

## Executive Summary

Each fall the City of Edmonton enters into a license agreement with the Edmonton Minor Hockey Association for the purpose of providing minor hockey ice time in City of Edmonton arenas.

As per City Administration Bylaw 16620, license agreements with a value over \$500,000 exceed the City Manager's delegated authority and are to be approved by the appropriate standing committee of City Council. The 2020/2021 winter ice season license agreement is approximately \$4 million and therefore must be approved by Committee.

## Report

This one year license agreement with the Edmonton Minor Hockey Association complies with City Council approved fees and charges. The Edmonton Minor Hockey Association's initial booking request for the 2020/2021 winter season is approximately 23,000 hours of rental time and a total amount payable to the City of approximately \$4 million. Continual adjustments are made to the rental time slots up until the start of the 2020/2021 winter season as the Edmonton Minor Hockey Association refines its schedule, with further adjustments permitted prior to the playoffs beginning in March, 2021. With the uncertainty of the impacts of COVID-19, an allowance will also be made for adjustments to the rental times midway during the 2020/2021 winter season. The total amount due to the City as well as the corresponding installments as set out in the license agreement will be

updated to reflect the actual amount owed.

The Edmonton Minor Hockey Association's actual bookings for the 2019/2020 winter season, which was cut short by the COVID-19 pandemic, was for 26,727 hours or rental time, totalling \$4,252,560, including goods and services tax.

With COVID-19, registration numbers for Edmonton Minor Hockey Association are down approximately 10 percent compared to prior years.

### Public Engagement

Public engagement was not conducted for this agreement. Administration works closely with the Edmonton Minor Hockey Association to generate its rental license agreement. The Edmonton Minor Hockey has representation on the City's Arena User Advisory Committee and the amount of time requested by the Edmonton Minor Hockey Association is in accordance with the approved standards of play for hockey.

### Corporate Outcomes and Performance Management

<b>Corporate Outcome:</b> Edmontonians use facilities and services that promote healthy living.			
<b>Outcome</b>	<b>Measure</b>	<b>Result</b>	<b>Target</b>
An appropriate amount of rental time is available at City of Edmonton arenas for the Edmonton Minor Hockey Association and its member associations / teams.	Hours of arena rental time allocated to Edmonton Minor Hockey Association at the start of the season.	2019/2020: 27,425 2018/2019: 26,293	2020/2021: 22,826
	Number of member associations / teams that access this arena rental time	2019/2020: 26 2018/2019: 26	2020/2021: 26

### Risk Assessment

<b>Risk Element</b>	<b>Risk Description</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Risk Score (with</b>	<b>Current Mitigations</b>	<b>Po Fu Mi</b>

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				current mitigations)		
<b>If recommendation is approved</b>						
Commercial	The Edmonton Minor Hockey Association reduces/cancels the number of hours of ice time booked, resulting in a decrease in revenue to the City.	1 - Rare	2 - Moderate	2 - Low	An incentive program is in place to encourage minimal changes to the number of hours booked.  Participation on the Arena User Advisory Committee to ensure the City is aware of any evolving issues with arena rentals.	
Customer / Citizens	Estimated number of hours of ice time needed is either too high or too low which may impact its programming or access for other organizations.	2 - Unlikely	1 - Minor	2 - Low	An organization's 'fair share' of ice time is calculated based on the standards of play for their sport and estimated number of participants.	
<b>If recommendation is not approved</b>						
Commercial	A significant amount of revenue provided by arena ice rentals would be lost.	1- Rare	3 - Major	3 - Low	Participation on the Arena User Advisory Committee to ensure the City is aware of any evolving issues with arena rentals.	
Customer . Citizens	Significant loss to community and minor hockey participants	1 - Rare	3 - Major	3 - Low	Participation on the Arena User Advisory Committee to ensure the City is aware of any evolving issues with arena rentals.	

## Attachments

1. Key Terms of License Agreement

## Others Reviewing this Report

- C. Owen, Deputy City Manager, Communications and Engagement
- M. Persson, Chief Financial Officer and Deputy City Manager, Financial and Corporate Services
- B. Andriachuk, City Solicitor

