

COMMON COUNCIL REPORT

M&C No.	MC 2021-175
Report Date	June 08, 2021
Meeting Date	June 14, 2021
Service Area	Public Works and Transportation Services

Her Worship Mayor Donna Noade Reardon and Members of Common Council

SUBJECT: Peter Murray Arena License with the Lord Beaverbrook Rink

AUTHORIZATION

Primary Author	Commissioner/Dept. Head	City Manager
<i>Tim O'Reilly</i>	<i>Michael Hugenholtz</i>	<i>John Collin</i>

RECOMMENDATION

RESOLVED that the City enter into a three (3) month License Agreement with the Board of Trustees of the Lord Beaverbrook Rink at Saint John, Inc. for the use of the Peter Murray Arena in the form attached to M&C No. 2021-175; and that the Mayor and City Clerk be authorized to execute the necessary documents.

EXECUTIVE SUMMARY

This report proposes a License with the Board of Trustees of the Lord Beaverbrook Rink at Saint John, Inc. to permit them access to and operate the Peter Murray Arena for the approximate months of July, August, and September, 2021. This opportunity would provide additional access to a City of Saint John recreation facility for the community's benefit.

PREVIOUS RESOLUTION

At its May 17, 2021 meeting Common Council endorsed signing a Letter of Intent (LOI) with the Board of Trustees of the Lord Beaverbrook Rink at Saint John, Inc. (LBR). This LOI is attached to this report. This LOI set the groundwork for the License that is before Common Council for consideration. The LOI also provided the LBR with ability to pursue clients as part of their Business Case ahead of the License being ready.

REPORT

The City of Saint John operates three City arenas, the Peter Murray Arena, the Charles Gorman Arena, and the Stewart Hurley Arena. These arenas traditionally operate seasonally, October through March, however one of the three arenas has

also traditionally operated a month or more before and after the start and finish of this “Regular Season”, referred to as “Spring Ice” and “Summer Ice”.

Since 2018, arenas have been operated even outside these months. In 2018, arenas were operated in August to support the Canada 55+ Games. In 2019, 2020, and until May 15 in 2021, the City entered into Licenses with two different hockey schools to exclusively provide access to one City operated arena.

The LBR approached City staff to discuss a License at one arena for the remainder of the months of 2021 until the “Regular Season” would start in October. Unlike in the previous Licenses, in this case the LBR, not the City, would operate an arena traditionally operated by City staff. Given that the LBR (the Board) has experience operating a city-owned arena, City staff had comfort exploring this opportunity. This change however resulted in the need for new terms to a License that were not in place in previous instances.

Through consistent communications between the LBR and City staff, a recommended License is attached to this report for Common Council’s consideration that considers this change in operating model.

Towards Enhancing a Robust Relationship

Both the City and the LBR operate City-owned arenas that are ultimately assets in which City taxpayers are financially responsible for operating and infrastructure deficits. There is some coordination of the two operations such as common use of contractors, sharing of equipment, support from City departments, and approval of Capital expenditures.

There are some broader policy and management considerations, in which more robust and regular communications between the two organizations would benefit. These include application of the City’s Recreation Subsidy policies, pursuance of a regional approach to recreation services, the City’s Ice Allocation Policy, safety management, facility booking coordination opportunities, and marketing.

Exploring the LBR operating the Peter Murray Arena this summer is another example where ongoing collaboration can result in improved community benefits.

SERVICE AND FINANCIAL OUTCOMES

This opportunity would provide additional access to a City of Saint John recreation facility for the community’s benefit.

The proposed monthly fee of \$18,000 that the LBR would pay the City is expected to recover variable costs, contingencies, quality assurance, and a contribution to

facility wear & tear. In this case, labour costs associated with operations & maintenance were subtracted from the rate as the LBR would use their own staff.

Since the City is responsible for the operating deficit of the LBR, any net revenues earned by the LBR during this License would reduce the LBR's 2021 deficit to the benefit of City taxpayers. On the other hand, any net expenses during the License would ultimately be the responsibility of City taxpayers.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

Input on this opportunity has been provided by Growth & Community Services, Facility Management, and our Insurance team.

The General Counsel's Office has reviewed the attached License Agreement.

Communications between City staff and board members of the LBR have continued.

ATTACHMENTS

List attachments related to report.

- Letter of Intent executed by both parties.
- License Agreement between the City of Saint John and the Board of Trustees of the Lord Beaverbrook Rink at Saint John, Inc.