

COUNCIL REPORT

M&C No.	M&C 2019 - 153
Report Date	June 12, 2019
Meeting Date	June 17, 2019
Service Area	Transportation and Environment Services

His Worship Mayor Don Darling and Members of Common Council

SUBJECT: Summer Arena Bulk Rental License Amendment #3

OPEN OR CLOSED SESSION

This matter is to be discussed in open session of Common Council.

AUTHORIZATION

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

RECOMMENDATION

Your City Manager recommends Common Council authorize the Mayor and Common Clerk to execute the license amendment #3 between the City of Saint John and 707990 N.B. Inc. as attached to M&C 2019 – 153.

PREVIOUS RESOLUTIONS

On March 25, 2019 Common Council endorsed a license with 707990 N.B. Inc. to rent ice time at the City's Hilton Belyea arena in bulk for the months of May through August 2019.

On April 8, 2019 Council endorsed amending the license to provide 707990 N.B. Inc. access to the ice 8:30 AM – 11:30 PM on Saturdays and Sundays through end of August. In error, the original agreement indicated 707990 N.B. Inc. would only have this extended time on weekends until end of June 2019.

On May 21, 2019, at the request of 707990 N.B. Inc., Common Council endorsed a second amendment to the agreement that allowed 707990 N.B. Inc. access to the ice 3:30 PM – 10:30 PM on weekdays for the remainder of May and June 2019. The original agreement indicated access would be 4:30 PM – 11:30 PM. The amendment also clarified one financial term and allowed Fundy Lacrosse to regain access to their storage room at the arena.

REPORT

707990 N.B. Inc. has requested another amendment to the license to allow access to the ice 9:00 AM – 3:30 PM on June 24-28, 2019, 9:00 AM – 5:00 PM on

July 1, 2019 (Canada Day), an option access the ice after 5:00 PM on July 1, 2019 and an option to access the ice on August 5, 2019 (New Brunswick Day). The amended license up to now allows 707990 N.B. Inc. access on June 24-28, 2019 starting at 3:30 PM and no access is permitted for July 1, 2019 or August 5, 2019. The amendment attached to this report would permit this access and option of access.

STRATEGIC ALIGNMENT

Increasing utilization of City of Saint John arenas that generate net revenues in excess of incremental costs contributes to the financial sustainability of these valued recreation assets.

Enhancing the financial sustainability of City arenas will assist Council achieving its priority of investing in recreation that creates a sense of community pride.

SERVICE AND FINANCIAL OUTCOMES

The license amendment includes a lump sum amount of \$3,216 plus HST for the additional hours of use on June 24-28 and July 1; as well as a \$100.00 + HST per hour rate for the additional times as an option. The revenues generated from this amendment is expected to exceed the incremental service costs. City staff time to service the additional arena use June 24-28, 2019 and to prepare this report and amendment (including City Solicitor's Office) would be considered opportunity costs.

INPUT FROM OTHER SERVICE AREAS AND STAKEHOLDERS

The City Solicitor's Office has assisted with the preparation of the attached license amendment.

ATTACHMENTS

License Amendment #3 with 707990 N.B. Inc.