



COUNCIL REPORT

To: Paul Gipps, CAO

Date: July 13, 2021

From: Erin Goodwin, Facilities and Recreation Manager

Subject: **JMRH Hockey Development (Warriors) Lease Agreement**

RECOMMENDATION

THAT Council direct staff to execute a five (5) year lease agreement with JMRH Hockey Development (Warriors) for the purpose of operating a junior hockey franchise and youth hockey development programs at the Mount Boucherie Complex, starting September 1, 2021 and expiring August 31, 2026, as per attached agreement.

BACKGROUND

The current lease agreement between the Warriors and the City of West Kelowna (CWK) expires on August 31, 2021.

The Warriors have expressed an interest to enter into a new five (5) year agreement and attached is a copy of the lease agreement that has been negotiated between the Warriors and the CWK.

The most significant change from past agreements is the Warriors' request for additional ice to accommodate more youth development programs that will run throughout the year. The City was able to accommodate this request by offering ice times that were less desirable and difficult to rent in the past. This includes early morning timeslots that start at 5:30 am and evening timeslots during the spring and summer months where the arena in the past would sometimes shutdown at 6 pm due to no evening bookings.

Below is a summary and general overview of other items associated with the agreement:

Payments Under the Lease (Section 4)

- Warriors will pay a base rate of \$2000 per month for their lease space
 - *Office, dressing room, storage, utilities, and rights to alcohol sales, advertising sales, and concession sales.*
- Warriors will be invoiced the Youth Prime Rate for all ice rentals, as per the CWK Fees and Charges Bylaw.

Ice Rental Hours (Section 4)

- The Warriors will be issued approximately 568 hrs of ice time for their junior hockey franchise and approximately 1148 hrs of ice time for their youth development program.

Concession (Section 7)

- The Warriors will operate the concession for public programs, minor sports, and special events.

Alcohol Sales (Section 8)

- The Warriors shall maintain, conduct and operate the alcoholic beverage services in accordance to their 3rd Party Operator responsibilities associated with the City of West Kelowna liquor license for the Mt Boucherie Complex.

Advertising Sales (Section 9)

- The CWK provides the Warriors consent to advertise within Royal LePage Place and Jim Lind Arena.
- All advertising locations must be approved by the City prior to any installation.
- The CWK will continue to hold the advertising rights for main building sponsorships such as Royal LePage Place and Jim Lind Arena.

FINANCIAL IMPLICATIONS

If the Warriors fully utilize the available ice associated with this agreement, it will generate approximately \$195,000 for the City.

In comparison, previous annual revenue generated from the Warriors ice rentals and lease agreement was approximately \$140,000 per year.

Potential additional revenue generated from the Warriors is approximately \$55,000 per year.

REVIEWED BY

Warren Everton, Director of Finance/CFO

Shelley Schnitzler, Legislative Services Manager/Corporate Officer

Brad Savoury, Director of Legal Services

APPROVED FOR THE AGENDA BY

Allen Fillion, Acting CAO

Powerpoint: Yes ☒ No ☐

Attachments:

JMRH Hockey Development Lease Agreement

(Date: Sept 1, 2021)