




CITY OF HAMILTON
HEALTHY AND SAFE COMMUNITIES DEPARTMENT
Recreation Division

TO:	Chair and Members Emergency and Community Services Committee
COMMITTEE DATE:	September 19, 2019
SUBJECT/REPORT NO:	Renewal of the Advertising Rights for J.L. Grightmire Arena with Duck Sports (on behalf of the Dundas Real McCoys Senior Hockey Club) (HSC19055) (Ward 13)
WARD(S) AFFECTED:	Ward 13
PREPARED BY:	Steve Sevor (905) 546-2424 Ext. 4645
SUBMITTED BY:	Chris Herstek Director, Recreation Division Healthy and Safe Communities Department
SIGNATURE:	

RECOMMENDATION(S)

- (a) That the City of Hamilton enter into a five-year Licence Agreement with Duck Sports Inc. (on behalf of the Dundas Real McCoys Senior Hockey Club) effective November 1, 2019, with an annual payment of \$3,901 plus HST to be increased 2% per year;
- (b) That the Licence Agreement include a clause permitting up to two extensions, each up to five additional years at the discretion of the General Manager of Healthy and Safe Communities Department; and,
- (c) That the General Manager of Healthy and Safe Communities Department be authorized to execute, on behalf of the City of Hamilton, this Licence Agreement, as well as any ancillary and extension agreements, in a form satisfactory to the City Solicitor.

EXECUTIVE SUMMARY

The City of Hamilton currently has an Agreement with Nustadia Recreation Incorporated (NRI) to sell rink board and ancillary advertising in all City operated arenas, with the exceptions of Glanbrook Arena and J.L. Grightmire Arena in Dundas.

The City of Hamilton has a long and successful partnership with the Dundas Real McCoys Senior Hockey Club for the advertising rights of the rink boards, the Zamboni and the interior arena signage at J.L. Grightmire Arena. The Club has continued to honour the arrangement by adhering to the Commercial Advertising and Sponsorship Advertising Policy and paying the licence fee as invoiced.

The City is satisfied with the relationship that has been established with Duck Sports and the Dundas Real McCoys Senior Hockey Club. The Club continues to provide residents with a venue to enjoy live hockey in a budget friendly environment.

The Recreation Division would like to continue with the current arrangement for the Advertising Rights for J.L. Grightmire Arena by updating the Licence agreement in a form satisfactory to Legal Services staff.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: There are no financial implications associated with Report HSC19055.

Staffing: There are no staffing implications associated with Report HSC19055.

Legal: Legal Services staff have advised that it is appropriate to renew the Licence Agreement to reflect current circumstances.

HISTORICAL BACKGROUND

Prior to amalgamation, Dundas had a long history of supporting hockey at J.L. Grightmire Arena and there has been an operating agreement in Dundas since 1951. The Dundas Real McCoys Senior Hockey Club have been playing at J.L. Grightmire Arena since 2000.

In 2005, as a way of earning additional revenue, the Dundas Real McCoys Senior Hockey Club requested and was granted advertising rights to J.L. Grightmire Arena. The advertising rights would include the rink boards, the Zamboni and the interior arena signage. The hockey organization entered into a five-year agreement with the City of

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Hamilton offering them exclusive advertising rights to J.L. Grightmire Arena in return for a licence fee of \$3,825 annually.

The arrangement was a success and the Licence for Advertising Rights Agreement was renewed for another five-year term in 2011 under the same terms and conditions. In 2014, Council approved another five-year term.

Hockey has been part of the culture in Dundas for decades allowing residents and visitors to enjoy watching an exciting live game. The crowds that these games have attracted make advertising in the arenas feasible.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Duck Sports would have to adhere to the Commercial Advertising and Sponsorship Advertising Policy.

RELEVANT CONSULTATION

Duck Sports have indicated that they would like to extend the agreement for another five-year term under the existing terms and conditions.

Legal Services Division of the City Manager's Office advised staff that Council approval is required to renew the current Licence agreement.

The Ward Councillor has been consulted and is supportive of renewing the Licence Agreement.

ANALYSIS AND RATIONALE FOR RECOMMENDATION(S)

The City of Hamilton has enjoyed a long-standing arrangement with the Dundas Real McCoys Senior Hockey Club and appreciates the entertainment the sport of hockey brings to the City of Hamilton. Being able to watch live hockey at a reasonable price allows people to enjoy the game with friends and family.

The current and proposed advertising agreement with the Duck Sports is mutually beneficial. Should the agreement not be renewed, the Dundas Real McCoys Senior Hockey Club and the City will lose a source of revenue. This may result in an increase in the ticket cost for the Dundas Real McCoys Senior Hockey Club hockey games.

In renewing the agreement under the same provisions, Duck Sports can continue to sell the advertising at the arena to help offset the cost of running a hockey team and the City of Hamilton will continue to receive a licence fee for the rights to advertise.

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ALTERNATIVES FOR CONSIDERATION

None

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

APPENDICES AND SCHEDULES ATTACHED

None