

January 16, 2019

To: Members
Executive Committee

Re: Support to Host a 2019 NHL Regular Season Game at Mosaic Stadium

RECOMMENDATION

**RECOMMENDATION OF THE EXECUTIVE COMMITTEE
- SEPTEMBER 12, 2018**

- 1) The City of Regina (City) provide a total contribution of \$150,000, consisting of \$100,000 cash and City services valued up to \$50,000, in support of the Regina Exhibition Association Limited's (operating as Evraz Place) bid to host a 2019 regular season National Hockey League (NHL) game at Mosaic Stadium, subject to the following conditions:
 - a. That the bid to host a 2019 regular season NHL game at Mosaic Stadium is successful;
 - b. That Evraz Place is successful in securing financial support from the Province of Saskatchewan in the amount of \$500,000 and additional financial support from the community of \$200,000;
 - c. Demonstration of the ability of Evraz Place to plan and execute the event through, but not limited to, a plan which outlines the proposed organizational structure, a human resource plan, an operations and financial plan, and a risk management plan;
 - d. Recognition by Evraz Place that the City accepts no obligation for deficits, loans or guarantees incurred by Evraz Place in hosting the 2019 NHL regular season game.
- 2) That the Executive Director City Services be delegated the authority to negotiate and approve the terms of the Contribution Agreement between the City and Regina Exhibition Association Limited as outlined in this report.
- 3) That the City Clerk be authorized to execute the Contribution Agreement on behalf of the City after review by the City Solicitor.
- 4) That a \$150,000 expenditure be added to and approved in the 2019 General Operating Budget as a one-time investment;
- 5) That this report be forwarded to the January 28, 2019 City Council meeting for approval.

EXECUTIVE COMMITTEE – SEPTEMBER 12, 2018

The following addressed the Committee:

- Tim Reid, representing, Evraz and REAL
- Tracy Fahlman, representing, Regina Hotel Association
- John Lee, representing, Economic Development Regina

The Committee adopted a resolution to concur in the recommendation contained in the report.

Mayor Michael Fougere, Councillors: Bob Hawkins (Chairperson), Lori Bresciani, Sharron Bryce, John Findura, Jerry Flegel, Jason Mancinelli, Joel Murray and Barbara Young were present during consideration of this report by the Executive Committee.

The Executive Committee, at the **PRIVATE** session of its meeting held on September 12, 2018, considered the following report from the Administration:

RECOMMENDATION

- 1) The City of Regina (City) provide a total contribution of \$150,000, consisting of \$100,000 cash and City services valued up to \$50,000, in support of the Regina Exhibition Association Limited's (operating as Evraz Place) bid to host a 2019 regular season National Hockey League (NHL) game at Mosaic Stadium, subject to the following conditions:
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 - c. Demonstration of the ability of Evraz Place to plan and execute the event through, but not limited to, a plan which outlines the proposed organizational structure, a human resource plan, an operations and financial plan, and a risk management plan;
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- 2) That the Executive Director City Services be delegated the authority to negotiate and approve the terms of the Contribution Agreement between the City and Regina Exhibition Association Limited as outlined in this report.

- 3) That the City Clerk be authorized to execute the Contribution Agreement on behalf of the City after review by the City Solicitor.
- 4) That a \$150,000 expenditure be added to and approved in the 2019 General Operating Budget as a one-time investment;
- 5) That this report be submitted to the January 16, 2019 public Executive Committee meeting and January 28, 2019 City Council meeting for approval.

CONCLUSION

Evraz Place is submitting a bid to the NHL for the right to host a regular season game at Mosaic Stadium on Saturday October 26, 2019 (the Event). The bid must be submitted to the NHL by October 5, 2018. The NHL will announce the host city of the Event on October 26, 2018.

The City's support of the Event will provide short and long-term benefits to the community. The estimated economic impact to the community is \$15 to \$18 million including 3,500 to 6,000 hotel room nights. The community will also benefit from the exposure provided by both national (Rogers SportsNet) and international (NBC) television coverage. In addition, hosting the Event and any associated festival and VIP events promotes the values of sport and healthy living to the community and creates opportunities to engage residents and support inclusion.

The Contribution Agreement to be negotiated by Administration will detail the terms and conditions of the City's total contribution of \$150,000, including a cash contribution of \$100,000 and the provision of City services valued up to \$50,000.

BACKGROUND

The [National Hockey League](#) (NHL) first held a [regular season outdoor ice hockey game](#) in 2003, and since 2008 the league has scheduled at least one per year. Prior to 2003, NHL teams had been involved in at least three outdoor exhibitions. Two of these came in the 1950s and were informal events where neither a formal game structure maintained nor a score was kept. In 1991, the [Los Angeles Kings](#) and [New York Rangers](#) played a pre-season game outside [Caesars Palace](#) in Las Vegas, in the first officially sanctioned outdoor NHL contest.

The NHL primarily uses three brands for outdoor games: the [Heritage Classic](#), [Winter Classic](#), and [Stadium Series](#). The Heritage Classic has been infrequently held four times, and has thus far featured match-ups between Canadian teams. The [2003 Heritage Classic](#) between the [Edmonton Oilers](#) and [Montreal Canadiens](#) was the first outdoor regular season game in NHL history. This led to the annual Winter Classic, held on New Year's Day and the Stadium Series for additional outdoor games. To celebrate the NHL's 100 year anniversary in 2017, the league scheduled two special outdoor games: the [NHL Centennial Classic](#) and the [NHL 100 Classic](#).

The NHL's outdoor games have proven popular with fans. The most recent edition of the Heritage Classic took place October 23, 2016 at Investors Group Field the home of the Canadian

Football League's Winnipeg Blue Bombers. The game featured the Winnipeg Jets versus the Edmonton Oilers and drew attendance of just over 33,000 spectators.

The NHL is seeking a host community for an outdoor regular season game in October 2019. Potential teams for a game hosted in Regina include the Edmonton Oilers, the Calgary Flames, the Winnipeg Jets and the Las Vegas Golden Knights.

DISCUSSION

The NHL is one of the preeminent sports leagues in North America. Consequently, hosting the Event provides an opportunity to showcase the community on a national and international level. Hosting this Event also provides an opportunity to showcase Mosaic Stadium in particular to the same audience. NHL officials conducted a site visit of Mosaic Stadium in late August 2018 and indicated that, in their opinion, Mosaic Stadium was the best facility of its type in Canada.

Evraz Place has conducted market analysis that indicates there would be strong support for this event. During their site visit, representatives from the NHL also indicated that there is a market for an NHL game hosted in Regina. Mosaic Stadium's normal seating capacity is just over 30,000 spectators. However, it was designed to have a temporary capacity of 40,000 to take advantage of opportunities to host major events such as this one. Should the Event require additional temporary seating, it could be added in time for the annual Labour Day game between the Saskatchewan Roughriders and the Winnipeg Blue Bombers. This would provide a benefit for both the Saskatchewan Roughrider Football Club and the City as \$12 from each ticket sold for an SRFC home game goes towards to the repayment of the City's outstanding debt related to the stadium. Increased ticket sales will make a positive contribution to the repayment of the City's outstanding debt.

Evraz Place's bid to host the Event includes requests for financial support from community organizations as follows:

- \$150,000 from City of Regina in the form of \$100,000 cash and the provision of City services valued up to \$50,000
- \$150,000 from Regina Hotels Association
- \$500,000 from Tourism Saskatchewan
- \$25,000 from Economic Development Regina in the form of "in-kind" marketing efforts

Evraz Place has also indicated that it will provide in-kind support, to be negotiated. While the exact mix of services or support to be provided by Evraz Place are still to be determined it may include, but is not limited to, the provision of free rent, or the provision of services at cost.

It has been estimated by Evraz Place that this investment will generate \$15 to \$18 million in economic benefit for the community as a whole. Consequently, Administration believes that hosting this Event will be beneficial to the community and recommends approval of the Evraz Place's request for a total contribution of \$150,000.

As a condition of the City's financial support of this Event, the City will negotiate and execute a Contribution Agreement with the Evraz Place. The Contribution Agreement will include terms and conditions such as but not limited to the following:

- The City services valued up to \$50,000 to be provided
- Demonstration of the ability of Evraz Place to plan and execute the event by way of planning documents such as a proposed organizational structure, a human resource plan, an operations and financial plan, a risk management plan, etc.;
- Recognition by Evraz Place that the City accepts no obligation for deficits, loans or guarantees incurred by the Evraz Place as host of the Event.

RECOMMENDATION IMPLICATIONS

Financial Implications

The proposed City contribution to support the Event is \$150,000. This amount should be added to and approved in the 2019 General Operating Budget as a onetime investment. Categorizing this support as a onetime investment ensures that the resulting \$150,000 increase in budgeted expenditures will not inadvertently carry forward into the City's operating budgets for 2020 and beyond.

Environmental Implications

None related to this report.

Policy and/or Strategic Implications

This funding supports the City's vision and aligns with its Community Priority to embrace built heritage and invest in arts, culture, sport and recreation.

Other Implications

None related to this report.

Accessibility Implications

Mosaic Stadium and the venues at Evraz Place are accessible.

COMMUNICATIONS

The decision of the Executive Committee and City Council will be communicated to Evraz Place.

The Contribution Agreement will include a requirement for Evraz Place to work closely with the Communications Department to ensure that the City of Regina receives appropriate recognition for its contribution to the Event.

DELEGATED AUTHORITY

The recommendations in this report require City Council approval.

Respectfully submitted,

EXECUTIVE COMMITTEE

A handwritten signature in black ink, appearing to read "Jim Nicol", written in a cursive style.

Jim Nicol, Secretary