

March 10, 2009

To: Executive Committee

From: Budget Committee

Subject: Donation from Maple Leaf Sports and Entertainment for Arenas and Outdoor Ice Rinks

**Recommendations:**

**The Budget Committee recommended to the Executive Committee that:**

- 1. City Council's approval be granted to accept a donation of \$600,000 from Maple Leaf Sports and Entertainment for arena and rink refurbishment and enhancement projects in 2009 in accordance with the "Policy on Donations to the City for Community Benefits".**
- 2. A new Rink and Arena Refurbishment Project be created in the 2009 Parks, Forestry and Recreation Capital Budget with revenues and expenses of \$550,000, funded from a donation received from Maple Leaf Sports and Entertainment and that approval be given to receive the funds into this project.**
- 3. The 2009 Parks, Forestry and Recreation Operating Budget be amended to include support of \$50,000 for rink and arena improvements through volunteer events fully funded by a donation from Maple Leaf Sports and Entertainment.**
- 4. City Council's approval be granted to receive donations of \$500,000 per year in 2010, 2011, and 2012, and to receive a donation of \$200,000 in 2013, for arena and rink refurbishment and enhancement projects in accordance with the "Policy on Donations to the City for Community Benefits".**
- 5. The General Manager of Parks, Forestry and Recreation include projects and activities to reflect the donations from Maple Leaf Sports and Entertainment in the Capital and Operating Budget submissions over the 2010-2013 periods.**

- 6. Authority be granted to the General Manager of Parks, Forestry and Recreation to negotiate and enter into a four (4) to ten (10) year Agreement commencing July 1, 2009, with Maple Leaf Sports and Entertainment to execute arena and outdoor rink refurbishment projects in each of the first four contract years and sustain project recognition on-site for up to an additional six (6) years at each project location, all in a form and content satisfactory to the City Solicitor.**

Background:

The Budget Committee on March 10, 2009, considered a report (February 27, 2009) from the General Manager of Parks, Forestry and Recreation, entitled "Donation from Maple Leaf Sports and Entertainment for Arenas and Outdoor Ice Rinks".

for City Clerk

Merle MacDonald/mb

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## STAFF REPORT ACTION REQUIRED

### Donation from Maple Leaf Sports and Entertainment for arenas and outdoor ice rinks

<b>Date:</b>	February 27, 2009
<b>To:</b>	Budget Committee
<b>From:</b>	Brenda Patterson, General Manager, Parks, Forestry and Recreation
<b>Wards:</b>	All
<b>Reference Number:</b>	

#### **SUMMARY**

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This report requests that Toronto City Council accept a donation of \$600,000 from Maple Leaf Sports and Entertainment (MLSE) for 2009 arena and outdoor artificial ice rink (AIR) refurbishment and enhancement projects, and to request Council authority to allow Parks, Forestry and Recreation (PFR) to negotiate and enter into an Agreement commencing July 1, 2009, between the City of Toronto and MLSE for further rink and arena refurbishment and enhancement projects.

On January 29, 2009, MLSE approved a proposal for them to enter into an agreement with the City of Toronto to contribute \$500,000 per fiscal year between July 1, 2009 and June 30, 2013, and an additional \$300,000 for Spring/Summer 2009 to support the refurbishment or enhancement of City of Toronto Artificial Ice Rinks (AIRs) and arenas. The total value of the contribution is \$2,300,000.

A list of priority projects would be developed by Parks, Forestry and Recreation (PFR) based on the capital State of Good Repair (SOGR), capital project list, and facility audit reports on an annual basis. MLSE would short list the options based on their criteria and preferences. The project list would be finalized in cooperation between MLSE and PFR.

A community event would be held at each facility to celebrate the upgrades and to engage the community in their newly refurbished space. These events may include a facility beautification component, including painting, building flower boxes, replacing bulletin boards and other minor improvements. These events will be fully funded through the donation from MLSE, administered through the PFR operating budget.

All capital projects would be fully funded by the donation from MLSE.

According to an amendment to the “Policy on Donations to the City for Community Benefits,” City Council approval is required to accept donations from any individual or organization whose cumulative value over the course of the fiscal year exceeds \$50,000. The value of this donation is \$600,000 in 2009, \$500,000 each year from 2010 to 2012, and \$200,000 in 2013.

## **RECOMMENDATIONS**

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**The General Manger of Parks, Forestry and Recreation Division recommends that:**

1. approval be granted to accept a donation of \$600,000 from Maple Leaf Sports and Entertainment for arena and rink refurbishment and enhancement projects in 2009 in accordance with the “Policy on Donations to the City for Community Benefits”.
2. a new Rink and Arena Refurbishment Project be created in the 2009 Parks, Forestry and Recreation Capital Budget with revenues and expenses of \$550,000, funded from a donation received from Maple Leaf Sports and Entertainment and that approval be given to receive the funds into this project;
3. the 2009 Parks, Forestry and Recreation Operating Budget be amended to include support of \$50,000 for rink and arena improvements through volunteer events fully funded by a donation from Maple Leaf Sports and Entertainment;
4. approval be granted to receive donations of \$500,000 per year in 2010, 2011, and 2012, and to receive a donation of \$200,000 in 2013, for arena and rink refurbishment and enhancement projects in accordance with the “Policy on Donations to the City for Community Benefits”.
5. the General Manager of Parks, Forestry and Recreation include projects and activities to reflect the donations from Maple Leaf Sports and Entertainment in the Capital and Operating Budget submissions over the 2010-2013 periods.
6. authority be granted to the General Manager of Parks, Forestry and Recreation to negotiate and enter into a four (4) to ten (10) year Agreement commencing July 1, 2009, with Maple Leaf Sports and Entertainment to execute arena and outdoor rink refurbishment projects in each of the first four contract years and sustain project recognition on-site for up to an additional six (6) years at each project location, all in a form and content satisfactory to the City Solicitor.

### **Implementation Points**

For each contract year (July 1<sup>st</sup> to June 30<sup>th</sup>) commencing July 1, 2009 and ending June 30<sup>th</sup> 2013, PFR would identify a list of priority projects for consideration using the capital State of Good Repair, capital project list, and facility audit reports on an annual basis.

This list of options would be presented to MLSE for their consideration. MLSE would develop a short list for further exploration. PFR and MLSE would conduct site visits and further explore the scope of each project, potential project enhancements, community involvement and community need. Through this process, PFR and MLSE would agree on a final facility list.

Community members, local councillors, and other stakeholders would then be consulted to finalize the scope of the projects at each facility. PFR would be responsible for project management in close cooperation with MLSE.

A community event would be held at each facility to celebrate the project and to engage the community in their newly refurbished space. These may include volunteer events and facility beautification components, including painting, building flower boxes, replacing bulletin boards and other minor improvements.

## Financial Impact

There will be no net financial impact as a result of this Agreement. Benefits will range from \$600,000 to \$200,000 over the 5 year period starting in 2009.

Parks, Forestry and Recreation 2009 Operating and Capital Budgets will be amended to reflect the donation from Maple Leaf and Sports and Entertainment and associated project. This project will be included in future years Operating and Capital Budget submissions for PFR as they are presented for consideration.

A summary of the projected benefits and their allocation to the Capital and Operating Budgets is shown below:

<b>Fiscal Year</b>	<b>Capital</b>	<b>Operating</b>	<b>Total</b>
2009	\$ 550,000	\$ 50,000	\$ 600,000
2010	\$ 450,000	\$ 50,000	\$ 500,000
2011	\$ 450,000	\$ 50,000	\$ 500,000
2012	\$ 450,000	\$ 50,000	\$ 500,000
2013	\$ 150,000	\$ 50,000	\$ 200,000
<b>TOTAL</b>	<b>\$ 2,050,000</b>	<b>\$ 250,000</b>	<b>\$ 2,300,000</b>

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## ISSUE BACKGROUND

Parks, Forestry and Recreation has an existing \$62.8 million State of Good Repair backlog for arenas and outdoor artificial ice rinks. Details are given in the City of Toronto staff report (2009) available at <http://www.toronto.ca/legdocs/mmis/2009/cd/bgrd/backgroundfile-18642.pdf>

MLSE has partnered with the City of Toronto to refurbish AIRs for the last four (4) years. In 2006, Rennie AIR was refurbished with new boards and a new score clock. In 2007, new rink boards were installed and new matting was laid in the rink building at West Mall AIR. In early 2008, five Riverdale rinks were repainted and furnished with new matting, benches and bulletin boards. At the

end of February 2009, a community event will celebrate the partnership's most recent refurbishment of new rink boards and fencing at High Park outdoor rink. To this date, MLSE and their partners have donated approximately \$430,000 of in-kind and cash support to the City of Toronto's outdoor artificial ice rinks.

Proposed projects for the Spring 2009 contribution include: change room upgrades at Ramsden AIR, a storage facility at Regent Park AIR, rubber matting at Downsview Arena, and support for replacement of the dasher boards at Mimico Arena.

## **COMMENTS**

In the Agenda for Prosperity, the Toronto Mayor's Economic Competitiveness Advisory Committee says "only by adopting and embedding a supportive culture of partnership into Toronto's business climate, will we facilitate economic success that will pay large dividends to Toronto, the Toronto region, Ontario and Canada." (2008:17, available at: <http://www.toronto.ca/prosperity/pdf/agenda-prosperity-report-full.pdf>).

MLSE is dedicated to supporting the participation of children and youth in sport and the development of hockey at all levels in Toronto. Since 2000, MLSE has partnered with Parks, Forestry and Recreation to provide free hockey development programs to hundreds of children across the City with an emphasis on attracting new Canadians to the sport of Hockey (City of Toronto, 2008:11, available at: [http://www.toronto.ca/parks/pdf/PFR\\_Annual%20Report07.pdf](http://www.toronto.ca/parks/pdf/PFR_Annual%20Report07.pdf))

MLSE has partnered with the City of Toronto since 2006 to refurbish and beautify outdoor artificial ice rinks across the city. Support from MLSE has enhanced existing SOGR projects, helped to reduce the SOGR backlog for artificial ice rinks, and engaged the community in exciting community events to promote the active participation of Torontonians in their community, in hockey, sports and physical activity.

## **CONTACT**

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## **SIGNATURE**

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Brenda Patterson  
General Manager, Parks, Forestry and Recreation