SUBJECT: Reduced Ice Rates for McMaster Ice Hockey Club (CS06020) (City Wide)

RECOMMENDATION:

(a) That the request for reduced ice rates for McMaster Ice Hockey Club be denied.

(b) That item “S” respecting the McMaster Ice Hockey Club’s request for a reduction in ice-time costs be identified as complete and be removed from the Community Services Committee’s Outstanding Business List.

EXECUTIVE SUMMARY:

The McMaster Ice Hockey Club is requesting a reduction in the ice rates being charged at municipal arenas. In addition, the McMaster Ice Hockey Club would like to be assigned the designation of an affiliated-user. This designation would provide them the opportunity to have access to prime-time ice allocation. By the City approving either of these requests, it would set a precedent on how we are currently dealing with like user groups and would negatively impact our revenues. Therefore, staff is recommending that the request, from McMaster Ice Hockey Club, be denied.
BACKGROUND:

The City of Hamilton, under the approval of City Council, has set ice rental rates for City of Hamilton ice facilities. The two main groups are non-affiliated and affiliated. Non-affiliated is defined as “for adults” and Affiliated is defined as “for youth”.

Members of the McMaster Ice Hockey Club are adult-women and are; therefore, a non-affiliated group. McMaster University is aware that the hockey club uses the school’s name, but they are not associated with the University nor do they receive any funding from the McMaster University Athletic Department. This club currently plays at the Mohawk 4-Pad and the Wentworth Triple Rinks.

The following hourly rates do not include GST.

<table>
<thead>
<tr>
<th>ICE TIME</th>
<th>NON-AFFILIATED</th>
<th>AFFILIATED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prime *</td>
<td>$181</td>
<td>$ 91</td>
</tr>
<tr>
<td>Non Prime **</td>
<td>$147</td>
<td>$ 91</td>
</tr>
<tr>
<td>Tournament</td>
<td>$ 181</td>
<td>$132</td>
</tr>
</tbody>
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* Prime Time - after 5:00 pm weekdays and weekends from 7:00 am until midnight.
** Non Prime Time - 7:00 am to 5:00 pm, Monday to Friday, October 1st to April 1st.

Currently, the City of Hamilton rents ice to the following institutions with no reduction in the ice rate: the Roman Catholic School Board; Hillfield-Strathallan College; Mohawk College, Redeemer University and, in the past, McMaster Skating Club. In addition, the Hamilton-Wentworth District School Board receives no ice rate reduction on ice that is used beyond their allocation through our Reciprocal Agreement.

ANALYSIS/RATIONALE:

The City of Hamilton is committed to the continued support of our Affiliated Youth Groups through financial subsidy. Ice rate reductions to non-affiliated groups could financially jeopardize the City of Hamilton’s ability to maintain that subsidy.

ALTERNATIVES FOR CONSIDERATION:

If Council approves the request, a new ice rate would need to be established and all groups, similar to this club, would need to be offered the same opportunity, which would have a negative effect on arena revenues.

If the McMaster Ice Hockey Club chose to play at City-owned arenas and scheduled their ice-time during non-prime time hours (i.e. 4:00pm to 5:00pm), they have the potential to reduce their operating costs by approximately 25 per cent, which calculates to a savings of $34 per hour.
FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial: Any reduction in ice rates would have a negative financial impact on arena revenues.

Staffing: Not applicable.

Legal: Not applicable.

POLICIES AFFECTING PROPOSAL:

Policies affecting Report CS06020 are The Affiliation Agreement and ice rates, as set by Council.

RELEVANT CONSULTATION:

Consultation is not required.

CITY STRATEGIC COMMITMENT:

By evaluating the “Triple Bottom Line”, (community, environment, and economic implications) we can make choices that create value across all three bottom lines, moving us closer to our vision for a sustainable community, and Provincial interests.

Evaluate the implications of your recommendations by indicating and completing the sections below. Consider both short-term and long-term implications.

Community Well-Being is enhanced. □ Yes ☑ No

Environmental Well-Being is enhanced. □ Yes ☑ No

Economic Well-Being is enhanced. □ Yes ☑ No

Does the option you are recommending create value across all three bottom lines?

□ Yes ☑ No

Do the options you are recommending make Hamilton a City of choice for high performance public servants?

□ Yes ☑ No