SUBJECT: Hamilton Thunderbirds Lease Agreement for Bernie Arbour Stadium (CS06038) (Ward 6)

RECOMMENDATION:

(a) That the Mayor and Clerk be authorized and directed to execute all necessary documents to implement the Lease Agreement, which will be back-dated to reflect a commencement date of April 15, 2006 and will conclude on October 31, 2011, between the Canadian Elite Baseball Conference, Canadian Thunderbirds Baseball Club, Hamilton Thunderbirds Baseball Club and the City of Hamilton for use of the Bernie Arbour Stadium in a form acceptable to the City Solicitor.

(b) That Outstanding Business Item “F” respecting the Hamilton Thunderbird Lease Agreement, for Bernie Arbour Stadium, be identified as complete and removed from the Community Services Outstanding Business list.

Joe-Anne Priel
General Manager
Community Services Department

EXECUTIVE SUMMARY:

At its meeting of May 10, 2005, the Community Services Committee approved a motion directing staff to investigate the possibility of negotiating a long-term lease with the Hamilton Thunderbirds Baseball Club and report back to the Community Services Committee.
SUBJECT: Hamilton Thunderbirds Lease Agreement for Bernie Arbour Stadium (CS06038) (Ward 6)

BACKGROUND:

Staff from the Culture and Recreation Division, Operation and Maintenance Division and Legal Services Division met with the principle owners of the Hamilton Thunderbirds Baseball Club to develop an operating agreement for use of Bernie Arbour Stadium.

The Hamilton Thunderbirds will be the primary tenant at the Bernie Arbour Stadium and will have exclusive use of the Hamilton Thunderbirds’ office, Hamilton Thunderbirds’ storage room and the concession stand, commencing on April 15, 2006 and ending on October 31, 2011. The Licensee acknowledges and agrees that the City’s baseball season is for the period between April 15 and October 31 of each year, and; therefore, the Licensee’s use of the Premises (other than Exclusive Use Areas) shall be restricted to such period during the Term.

The Licensee will make capital improvements to the Premises in an amount, which shall equal the aggregated fees that would otherwise have been payable by the Licensee for the use of the Premises during the Term in accordance with the City’s fee schedule for the Premises. It is agreed by the parties that for purposes of calculating the value of capital improvements owing by the Licensee, the Licensee shall be credited with the value of capital improvements made by the Licensee during the two (2) year period preceding this Agreement.

ANALYSIS/RATIONALE:

In 2004, the Hamilton Cardinals Baseball Club was purchased by the partnership group of the Canadian Thunderbirds and the Hamilton Thunderbirds Baseball Club. The team has been renamed the Hamilton Thunderbirds and play in the Senior Inter-county Baseball League. Their home field is the Bernie Arbour Stadium at Mohawk Sports Park.

Staff from Culture and Recreation and Parks Divisions met with the new owners of the Hamilton Thunderbirds, in March of 2005, to review the list of upgrades necessary to meet the Senior Inter-county Baseball League’s facility standards. The upgrades necessary were listed in Report CS05009 at a cost of $81,620. These upgrades were completed with an offsetting amount of $46,000 contributed by the Hamilton Thunderbirds Baseball Club. These upgrades enabled the Hamilton Thunderbirds to host the 2005 CanAm Internationals and the 2006 International World Championships for the Super Sandlott Baseball Association. The two events generated an estimated $800,000 in revenues, which included hotel accommodations, travel, food, beverage, and entertainment.

The Canadian Elite Baseball Conference, Canadian Thunderbirds Baseball Club and Hamilton Thunderbirds Baseball Club have indicated that they will also continue to host national and international events that will benefit the local economy, but there is no legal obligation to do so.
ALTERNATIVES FOR CONSIDERATION:

The Hamilton Thunderbirds Organization could rent the facilities at Bernie Arbour Stadium at the standard rental rate of $29.25 per hour plus a $10.00 per hour charge for lights, if required.

FINANCIAL/STAFFING/LEGAL IMPLICATIONS:

Financial
The Licensee will make capital improvements to the premises in an amount, which shall equal the aggregated fees that would otherwise have been payable by the Licensee for the use of the Premises during the Term.

Staffing
There are no staffing implications associated with Report CS06038.

Legal
The City of Hamilton will be committed to a term of 5 years, 6 months and 16 days, commencing on April 15, 2006 and ending on October 31, 2011. There is a right of early termination in favour of the City, which will allow the City to terminate the Licence Agreement at any time upon written notice to the Licensee and without any compensation to the Licensee whatsoever, provided; however, that the City shall be permitted to provide such notice only between November 1, and the last day of February and that the Licence Agreement shall terminate on the October 31 immediately following.

POLICIES AFFECTING PROPOSAL:

There are no policies affecting Report CS06038.

RELEVANT CONSULTATION:

Parks Division, Operation and Maintenance Section, assisted in the development of this Agreement and the Legal Services Division assisted in the negotiations of the Agreement

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.

Community Well-Being is enhanced. ☐ Yes ☒ No
SUBJECT: Hamilton Thunderbirds Lease Agreement for Bernie Arbour Stadium
(CS06038) (Ward 6)

Environmental Well-Being is enhanced.  □ Yes ☑ No
Not applicable.

Economic Well-Being is enhanced.  ☑ Yes □ No
Investment in Hamilton is enhanced and supported.
The Canadian Thunderbirds have hosted an international event each of the past two years. These tournaments have generated over $800,000 to the Hamilton economy.

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
Not applicable.