

From: Laura Gibbs
Director, Community Services

Subject: Licence Agreement for Pro Shop Services at Don Beer Arena
File: A-1440-001

Recommendation:

1. That the Mayor and City Clerk be authorized to execute the Don Beer Arena Pro Shop Licence Agreement set out in Attachment 1 to which XPRT Marketing & Promotions will be permitted to operate the Don Beer Arena Pro Shop for a two year term beginning September 1, 2025 and ending April 30, 2027, subject to minor revisions acceptable to the Director, Community Services and the Director, Corporate Services & City Solicitor; and,
 2. That the appropriate City officials be authorized to take the necessary actions as indicated in this report.
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Executive Summary: The purpose of this report is to renew the licence agreement between the City of Pickering and XPRT Marketing & Promotions for two years. Section 06.12 of the Purchasing Policy (PUR 101) requires that revenue generating proposals for services are subject to the approval of Council prior to the Manager awarding the contract.

The Don Beer Arena Pro Shop License Agreement (Attachment 1) is for a two-year term beginning September 1, 2025 and ending April 30, 2027 (8 months per term, for a total of 16 months). Under the terms of the Arena Pro Shop License Agreement, XPRT Marketing & Promotions is responsible for operating the Pro Shop at Don Beer Arena for the purpose of selling items and services related to ice hockey, skating, figure skating and ringette. The Don Beer Arena Pro Shop will operate every day, Monday to Friday from 5:00 pm to 9:00 pm and Saturday to Sunday from 8:00 am to 6:00 pm, or extended hours as required to support tournaments and events.

Relationship to the Pickering Strategic Plan: The recommendations in this report respond to the Pickering Strategic Plan Priority of Strengthen Existing & Build New Partnerships.

Financial Implications: Yearly fees of \$4,000 (plus HST) will be paid in eight equal payments of \$500 plus HST at the first of each month made payable to the City of Pickering from September 1 to April 30 each year for the period 2025 to 2027 inclusive. The total revenue over the two-year term of the licence agreement will be \$8,000 (plus HST).

The rental revenue generated during the former three-year term of the Arena Pro Shop Licence Agreement from September 1, 2022 to April 30, 2025 was \$12,000 (plus HST).

Therefore, rental revenue will remain consistent over the next two-year term of licence agreement.

Discussion: The purpose of this report is to seek approval for a two-year renewal of the Arena Pro Shop License Agreement permitting XPRT Marketing & Promotions to operate the Don Beer Arena Pro Shop.

1. XPRT Marketing & Promotions was selected through a competitive process.

The previous Arena Pro Shop License Agreement permitting XPRT Marketing & Promotions to operate the Don Beer Arena Pro Shop expired on April 30, 2022. As a result, Quotation No. Q2022-13 was posted on the City's website in spring, 2022 inviting prospective proponents to submit proposals for the operation of a Pro Shop at Don Beer Arena. Based on a competitive process, XPRT Marketing & Promotions was awarded the pro shop operation on a three-year term from September 2022 to April 2025 with an optional two-year renewal available, for the same terms of the agreement.

2. XPRT Marketing & Promotions has been providing Pro Shop services to the satisfaction of the City

XPRT Marketing & Promotions has been providing Pro Shop services at Don Beer Arena since September 2006. The Arena Pro Shop License Agreement was for a three-year term from September 1, 2022 to April 30, 2025 inclusive (8 months per term, for a total of 24 months) with an option to renew the agreement on the same terms and conditions for two additional eight month terms being September 1, 2025 to April 30, 2026 and September 1, 2026 to April 30, 2027 (for a total of 16 months). Under the terms of the Arena Pro Shop License Agreement, XPRT Marketing & Promotions is responsible to operate the Pro Shop for the purpose of selling items and services related to ice hockey, skating, figure skating and ringette. The Pro Shop will operate everyday Monday to Friday from 5 pm to 9 pm and Saturday to Sunday from 8 am to 6 pm, and extended hours as required to support tournaments and events.

3. XPRT Marketing & Promotions provides valuable services to Pickering residents and sports organizations

The Pro Shop is located on the first floor within the Don Beer Arena and provides much needed services to the users of the facility. The Pro Shop sharpens skates, silk screens and embroiders jerseys, conducts skate and equipment repairs, and sells ice sports merchandise (e.g., sports tape, skate laces, ringette rings).

The services and products offered at the Pro Shop enhance the operation of Don Beer Arena as a full-service destination and is appreciated by the ice sport user groups using the facility.

In conjunction with staff's review of the company's previous work experience with the City of Pickering, staff recommend that the Arena Pro Shop License Agreement set out in Attachment 1 be initiated with XPRT Marketing & Promotions to operate the Don Beer

Arena Pro Shop for an additional two-year term beginning September 1, 2025 and ending April 30, 2027.

Attachment:

1. Don Beer Arena Pro Shop Licence Agreement
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Prepared By:

Approved/Endorsed By:

Original Signed By

Original Signed By

Suzanne Moore
Supervisor, Community Services Administration

Laura Gibbs, MBA, MSc.
Director, Community Services

LG:sm

Recommended for the consideration
of Pickering City Council

Original Signed By

Marisa Carpino, M.A.
Chief Administrative Officer

Licence Agreement

This Licence Agreement is made as of September 1st 2025.

Between:

XPRT Marketing & Promotions
(the "Operator")

and

The Corporation of the City of Pickering
(the "City")

Whereas the City is the owner of the Don Beer Arena located at 940 Dillingham Road, Pickering, Ontario, L1W 1Z6 (the "Arena");

And Whereas the City is prepared to grant the Operator a licence to operate the Pro Shop;

Now therefore the parties agree as follows:

Definitions

1. In this Agreement,
 - (a) "Arena Pro Shop" means the facility located in the Arena for the operation of the Services as hereinafter defined;
 - (b) "Director" means the Director of the City's Community Services Department or a designate;
 - (c) "Services" means the supply, rent or sale of items and services relating to ice hockey, skating, figure skating, and ringette; and
 - (d) "Term" means the term of this Agreement, as set out in Section 2.

Term

2. (1) The City grants to the Operator a licence to operate the Services in the Arena Pro Shop for the periods beginning **September 1, 2025** and ending **April 30, 2026** and from **September 1, 2026** until **April 30, 2027** (16 months total). The Operator shall provide the Services only during the months of September to April, both inclusive, during each term. The Operator shall not be permitted to sell any products sold in the snack bar concession located in the Arena.

- (2) Either the Operator or the City may terminate this Agreement prior to its expiry date by providing ninety (90) days' written notice to the other.

Fees

- 3.1 The Operator shall pay to the City monthly installments of \$500.00 plus HST on the first day of each month in the amount of:
 - (a) September 1, 2025 ending April 30, 2026, for a total of \$4,520.00 inclusive of HST.
 - (b) September 1, 2026 ending April 30, 2027, for a total of \$4,520.00 inclusive of HST.
- 3.2 Prior to the commencement of the term the Operator shall provide the City with eight (8) months of post-dated cheques followed by a further series of 8 monthly cheques prior to September 1, 2026. If the Operator fails to pay any of the monthly installments the City will notify the Operator of the default and if the default in payment is not remedied within 15 days of the Operator being notified the City may terminate this agreement effective immediately.

Operation

4. (1) The Operator shall operate the Services during the term, seven days per week, between:
 - (a) 5:00 pm and 9:00 pm Monday through Friday; and
 - (b) 8:00 am and 6:00 pm Saturdays and Sundays, or as needed to support tournaments and events, and subject to closing for statutory holidays or any other reasons, only with the prior written approval of the Director.
- (2) In no event shall the Arena Pro Shop be open before 7:00 am or after 11:00 pm on any day.
- (3) The Operator shall supply all equipment required for the operation of the Services at its expense.
- (4) The City shall provide heat and electrical power for the operation of the Arena Pro Shop at its expense.
- (5) The Operator shall pay all realty, business or other taxes or rates that may be levied against the lands upon which the Arena is located, against the Arena Pro Shop or as a result of the Services.

- (6) The Operator shall comply with all reasonable standards set by the Director for the operation and maintenance of the Arena Pro Shop, in keeping with the standards set for the operation and maintenance of the Arena.
- (7) The Operator shall not alter any part of the Arena Pro Shop, nor install any fixtures thereto without the prior permission in writing of the Director.
- (8) The Operator shall comply with all applicable statutes, laws, by-laws and regulations, whether federal, provincial, municipal or otherwise at any time in effect during the term of the agreement.
- (9) The Operator shall maintain the Arena Pro Shop in a safe, clean and neat condition and shall maintain all equipment used in providing the Services in good repair.
- (10) The Operator shall operate the Services in a proficient way and shall employ trained and courteous staff.

Insurance

5. Prior to occupying the Arena Pro Shop, the Operator, at its own expense, shall provide,
 - (a) comprehensive general public liability insurance, identifying the City as an additional insured, including coverage for personal injury, contractual liability, tenant's legal liability, non-owned automobile liability, death and property damage, on an occurrence basis with respect to the business carried on at the Arena Pro Shop and The Operators' use and occupancy of the Arena Pro Shop, with coverage for any one occurrence or claim of not less than \$2,000,000 CAD, which insurance shall protect the City in respect of claims by The Operators and Third Parties as if the City was separately insured;
 - (b) All risk property insurance coverage for all equipment, furniture and property owned by the Operator while occupying the Arena Pro Shop;
 - (c) the Operator shall provide proof of automobile insurance for all vehicles used for the purpose of any works arising out of the occupation of the Arena Pro Shop; and
 - (d) a certificate of insurance coverage in a form satisfactory to the City, prior to the Operator occupying the Arena Pro Shop, which insurance coverage shall be kept in full force and effect throughout the term.

6. The Operator shall not do or omit or permit to be done anything which causes any insurance premium of the City to be increased, and if any insurance premium shall be so increased, the Operator shall pay to the City forthwith upon demand the amount of such increase. If notice of cancellation or lapse shall be given respecting any insurance policy of the City or if any insurance policy shall be cancelled or refused to be renewed by an insurer by reason of the use or occupation of the Arena Pro Shop, the Operator shall forthwith remedy or rectify such use or occupation upon being requested to do so in writing by the City and if shall fail to do so the City may, at its option, terminate this Agreement forthwith by notice to the Operator and the Operator shall immediately vacate the Arena Pro Shop.

Liability of the City

7. The City shall not be liable to the Operator for any loss of or damage to the Arena Pro Shop or any equipment or inventory contained therein, whether caused by fire, theft, burglary or otherwise, unless such loss or damage was caused by the negligence of the City, its servants, agents or employees.
8. The Operator shall indemnify the City and each of its servants, employees and agents from and against all actions, suits, claims and demands which may be brought against any of them, and from and against all losses, costs, charges, damages and expenses which may be sustained by any of them as a result of the use and occupation of the Arena Pro Shop by the Operator or those persons for who the Operator is responsible at law.

Default

9. If at any time the Operator is in default in the performance of any of the obligations under this Agreement and such default continues for fifteen (15) days after the receipt by the Operator of notice from the Director setting out the particulars of such default, the City shall have the right to terminate this Agreement forthwith, and thereupon all the rights of the Operator under this Agreement shall immediately cease and the City shall not be liable for payment to the Operator of any moneys whatsoever by reason of such termination.
10. If any outstanding fees are not paid as required by this Agreement, the City shall be entitled to retain and dispose of any equipment installed in the Arena Pro Shop to satisfy the outstanding fees and the costs of collecting them.
11. Notwithstanding the termination of this Agreement, the provisions of Section 8 shall continue to bind the Operator, and the Operator shall continue to be obligated to pay to the City all monies due to the City.

General

12. The Director or designate shall have the right to enter the Arena Pro Shop at any time for any reason, provided all reasonable efforts are made to minimize any disruption to the Operator's use of the Arena Pro Shop.
13. The Operator shall not exhibit or allow to be exhibited in the Arena Pro Shop any sign, notice, notice board, painting, design or advertisement without the prior consent of the Director.
14. This Agreement shall not be assignable by the Operator without the consent of the City, which consent may be arbitrarily refused.
15. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and permitted assigns.
16. No amendment to this Agreement shall be effective unless it is in writing and signed by both parties.
17. The Operator shall not sublet the management/services of the Pro Shop at any time during this agreement.
18. (1) Any notice to the City under this Agreement shall be in writing and shall be delivered to the following address:

Pickering Civic Complex
One The Esplanade
Pickering, Ontario
L1V 6K7

Attention: City Clerk
- (2) Any notice to the Operators under this Agreement shall be in writing and shall be delivered to the following address:

XPRT Marketing & Promotions
1161 Cedarcroft Crescent
Pickering, ON L1X 1R9

Attention: Bill Dawson
- (3) Notice shall be sufficiently given if delivered in person or sent by registered mail during normal business hours on a business day. Business day shall mean Monday to Friday inclusive, excluding statutory holidays.
- (4) Each notice sent shall be deemed to have been received on the day it was delivered or on the third business day after it was mailed.

- (5) The parties may change their address for notice by giving notice to the other in the manner provided in this section.

IN WITNESS WHEREOF the parties have signed this Agreement.

XPRT Marketing & Promotions

Bill Dawson, Owner/Manager

The Corporation of the City of Pickering:

Kevin Ashe, Mayor

Susan Cassel, City Clerk

We have authority to bind the Corporation