



On December 9, 2010 Parks Recreation and Culture (PRC) staff met with Eagles representatives to clarify the requests that the Eagles had made of the Committee. At that meeting a re-prioritized summary of their requests was provided as follows:

1. **Lease Structure** – Replace the current annual rental agreement between the City and the Eagles with a 5-year lease agreement that provides that ice time will be provided to the Eagles at no cost to reflect the value to the City and the community of the team being located in Surrey;
2. **Dressing Room and Fitness facilities Addition and Renovation** – currently there is a lack of fitness facilities, warm up area, medical room, office space, weight/fitness room and hosting space in the South Surrey arena for the Eagles;
3. **Public Address System** - Replace the existing public address system (PA) in the South Surrey arena which is not adequate for games;
4. **Signage** – Erect a reader board sign at each of the entrances to the South Surrey Athletic Park for use by the Eagles and other users of the Arena and Park and give the Eagles the right to install “Eagles” exterior signage on the north side of the South Surrey arena;
5. **Liquor Licensing** – Support an application by the Eagles for “liquor primary special use permitting” to allow beer to be served in a larger area of the South Surrey Arena during Eagles games; and
6. **Food Services** – To address the long line ups that currently occur during Eagles games and to improve the overall game experience of fans, renovate and add capacity to food concession areas in the South Surrey Arena.

After further considering the Eagles requests at its meeting on January 19, 2011 the Committee resolved:

*“to recommend that Council:*

1. *Receive a copy of the (Surrey Eagles Jr. A Hockey Team) report for information;*
2. *Direct staff to negotiate a 3 year lease agreement with the Eagles at a total annual cost of \$25,000 for the same level of ice time booked in the 2009/2010 season;*
3. *Provide annual fitness passes to the Eagles players for access to the existing South Surrey Pool and fitness facility and the new fitness facility to be built at the South Surrey Recreation Centre;*
4. *Upgrade the existing public address system at an estimated cost of \$50,000;*
5. *Allow the Eagles to install a fixed exterior sign on the north side of the South Surrey Arena;*
6. *Support the Eagles application to the Liquor Control Branch for a “Liquor Primary License for Recreation Centres” as described in this report;*
7. *Proceed with the concession operation improvements as defined in this report; and*
8. *Consider receiving the Surrey Eagles as a delegation at a future Council Meeting to provide an overview of the Soar with the Eagles program and to seek Council support for the program from the Council Initiative Fund.”*

At its Regular meeting on January 24, 2011, Council considered the recommendation of the Committee and referred the matter to staff for a report. This report responds to that referral from Council.

## DISCUSSION

Staff has undertaken a survey of other cities that host BCJHL hockey teams with respect to determining what facilities are provided to the team and the related lease or rental agreement between the team and the host city (see Appendix B – Jr. A British Columbia Junior Hockey League Survey). It has been determined that there is no standard lease or operating agreement between host cities and the owners of the related junior hockey franchise across the League. In some circumstances, the host city provides dressing room and ice time to the team at no cost and in other circumstances a reduced rate is charged. It is evident from the survey that the dressing room and fitness facilities being provided at the South Surrey Arena for the South Surrey Eagles are not up to the League average.

The City currently provides the Eagles with dressing room space at the South Surrey Arena at no cost but charges the Eagles for practice and game ice time at standard adult ice rates. The following is a summary of the amounts that the Eagles are currently charged for ice time at the South Surrey Arena:

Eagles practices: Monday to Thursday 2:30-4pm = \$134.75/hour

Eagles games: A 4 Hour minimum at \$224.65/hour or a minimum of \$998.60 per game (approximately 30 games per year)

The following is an approximate breakdown of the amounts that the City expects to collect from the Surrey Eagles for ice time for the 2010/2011 regular season:

**a) Regular season games and practices:**

- Approximately 130 hrs of game time at \$224.65/hr for a total of \$29,204 for the year
- Approximately 159.5 hrs of practice time currently at \$134.75/hr for a total of \$21,492 for the year
- Total revenues for regular season games and practices = \$50,696.

**b) Playoff games:**

- Although in 2009/2010 season there were only 3 playoff games, for the purpose of consistent comparisons in this report staff has developed a “best case playoff model” of 9 games (3 best of 7 series with 3 home games in each series) plus one month of extra practices on the basis of 4 one and half hour practices per week
- Using this model the cost for playoffs would be 9 games x 4 hrs/game x \$224.65/hr = \$8,087 plus 4 weeks x 4 practices per week x 1.5 hours per practice x \$134.75 = \$3234
- Total revenues for playoff games and practices = \$11,321.

**c) Other Ice Bookings**

- Hockey school, a main camp and tournaments based on 2009 amounted to ice time costs of \$26,563.

$$\begin{aligned} \text{Total ice time rentals for 2010/2011} &= \$50,696 + \$8,087 + \$3234(\text{best case playoff} \\ &\text{model}) + \$26,563 \\ &= \$88,580 \end{aligned}$$

The dressing room and shower room space provided for Eagles use in the South Surrey arena is very basic. The shower rooms are very small and difficult to access. There are no fitness facilities or no classroom space is provided. Some of the other teams in the BCJHL provide such additional amenities for their local team. The Eagles have advised that it is difficult to attract high quality players with a facility that doesn't have the adequate shower rooms and fitness facilities for the players.

The owners of the Eagles have advised that the operation of the team is not profitable and is in fact currently costing the ownership group in excess of \$200,000 per year. They have advised that this level of subsidy to the team is not sustainable for the group.

### **Consideration of Eagles Requests:**

The following sections of this report discuss the recommendations that have been made by the Committee in relation to the requests from the Eagles:

#### **1. Lease Structure:**

Most host cities enter into a lease agreement with the owner of the related BCJHL franchise for the provision of ice time. In some circumstances the host city provides ice at no cost to the hockey team. In consideration of the value of the Eagles organization to the image of the City and the entertainment opportunity that Eagles games provide to the community, it is recommended that the City enter into a 3-year lease agreement with the Eagles that will provide ice time at an annual cost of \$25,000 to the Eagles. The \$25,000 would provide for regular season practices and games as well as historical additional ice bookings. This lease agreement would provide 550 hours of ice time per season. Any ice rentals beyond the 550 hours would be charged in accordance to the City's normal rates. The lease agreement would be subject to a commitment from the Eagles that the team players will be actively involved in the community including participation in speaking engagements in schools and in mentoring children and youth, particularly those involved in minor hockey. In the third year of that 3-year agreement, staff will review with the Eagles their financial position and provide further recommendations to Council regarding the terms of an extension to the lease agreement.

#### **2. Dressing Room and Fitness Addition and Renovation:**

Staff has had preliminary architectural drawings prepared in relation to an addition of 2, 240 square feet onto the South Surrey Arena and for renovations to the current dressing room and shower room area. The addition would include a new 685 sq ft dressing room area, and an expanded shower and washroom area. An upgrade of the HVAC system is included to address the problem that is currently evident in relation to high heat and humidity when the dressing room is fully occupied after practices and games. The addition would also include 616 sq ft related to a training room and 437 sq ft as classroom space. The Eagles have suggested that other users at the South Surrey Arena would be able to use the new fitness and office spaces when the Eagles are not using them. The proposed addition to the South Surrey arena in

support of the Eagles will be reviewed with the Parks, Recreation and Culture Committee with a view to the Committee making a recommendation to Council.

While further consideration by the Committee and Council of the requested addition to the South Surrey arena takes place, it is considered reasonable to provide a pass to each of the Eagles players to use the South Surrey pool and fitness centre at no cost as was recommended by the Committee.

### **3. Public Address System:**

Staff has made arrangements for a professional acoustics consultant to complete an overall PA system review of the South Surrey arena and to make recommendations to achieve appropriate sound quality in the arena. Funds are available in the 2011 budget to undertake the upgrading of the sound system in accordance with the recommendations of the consultant. This work will be completed during the next few weeks.

### **4. Signage:**

Staff is reviewing the potential to install a digital sign on 148 Street or 20 Avenue fronting the South Surrey Athletic Park that could provide information to the public regarding Eagles games and could also promote other events and opportunities available to the public at the Park. Such a sign would be considered an augmentation to the infrastructure of the South Surrey Athletic Park and would normally be funded through the City's Capital budget. Once the review is complete, staff will forward a separate report to the Committee complete with recommendations.

The Eagles request to install fixed exterior signage on the north side of the South Surrey Arena is considered reasonable. Staff will work with the Eagles to accommodate this request subject to the Eagles paying the costs associated with designing, fabricating and installing the sign. The Eagles organization is amenable to this approach.

### **5. Liquor Licensing:**

The Liquor Control Branch is responsible for issuing liquor licenses in BC. The LCB considers applications for licenses in the context of a set of regulations. The LCB has a category of license known as "Liquor Primary License for Recreation Centres". It allows liquor to be served in a recreation facility in the presence of minors until 10 p.m.

The City of Coquitlam allows beer to be served in designated seating areas of their arena during hockey games. The designated seats represent 60% of the capacity of the arena. The remaining area is designated as a family area. A catering company undertakes the beer sales and has staff on site to regulate and supervise where it is consumed.

The South Okanagan Event Centre in Penticton allows for the sale of beer and its consumption in designated areas of the arena that account for 80% of the capacity of the arena. The remaining 20% is designated as a family area. The beer is served and the location of its consumption supervised by facility food and beverage staff.

The Langley Events Centre allows for the sale of beer and allows for its consumption in all but two sections of the arena, which are designated as no liquor family sections.

Staff recommend that Council endorse an application by the Eagles organization to the LCB for an appropriate liquor license to allow for the sale and consumption of beer in the South Surrey arena during Eagles games subject to the a designated “Family Area” consisting of 20% of the total seats in the arena where the consumption of beer is not permitted.

The Eagles will receive the revenues from this service.

## **6. Food Services:**

There are two concessions in the South Surrey arena which operate during Eagles games. These concessions are operated by City staff. Most hockey game patrons use the upper concession but due to the limited capacity of this concession area, line ups occur and frustrate game patrons.

Staff has reviewed the provision of concession services in the South Surrey Arena and is taking the following actions:

- a. Mobile “pre-packaged food” vendor carts will be used during Eagles games and other larger events at the South Surrey Arena to sell foods such as cotton candy, popcorn, chocolate bars, etc in the seating area; and
- b. A new satellite “hot food” vendor cart located in the upper concourse area of the Arena will sell premade hot food such as hot dogs and coffee as well as popcorn, etc.

These carts, which will cost approximately \$10,000, are considered an augmentation to the permanent infrastructure at the South Surrey Arena. There is sufficient funding in the 2011 Capital budget to provide for such purchases.

In addition, upgrades have been completed to the electrical power supply to the upper concession area in the Arena to allow for an additional French fry deep-frying machine. Additional staff is being employed in the concession areas during Eagles games to serve the patrons more expediently.

The Eagles organization has agreed that announcements will be made prior to the end of each period during hockey games informing game patrons that the lower level concession is open and has the same menu as the concession on the upper concourse. Staff is aware that there are typically no line ups at the lower concession during Eagles games.

## **7. The Soar with the Eagles Program**

The Eagles have developed a program known as the “Soar with the Eagles Program”, which focuses on Eagles players engaging with youth in Surrey public schools and minor hockey programs throughout the City. Schools within the Surrey School District will be contacted by the Eagles to alert them to the opportunity to participate in the Soar with the Eagles Program and have a member of the Surrey Eagles attend physical education classes to both speak to and participate in athletics with students. The Program will also provide opportunities for Eagles players to attend and mentor younger hockey players that are engaged in minor hockey

programs in Surrey. The Eagles have indicated that the City of Surrey could benefit through partnering in this Program and have requested an opportunity to appear before Council as a delegation to discuss the future growth of this Program and a potential partnership with the City. Staff recommends that the Council agree to allow such a delegation before Council.

## **SUSTAINABILITY CONSIDERATIONS**

Implementation of the recommendations of this report will assist in meeting the goals of Council's Sustainability Charter, as outlined below:

**Socio-Cultural Goal 6: Accessible and Appropriately Located Services within the City**  
– The City will support the equitable distribution of services and amenities for Surrey residents; and

**Socio-Cultural Goal 7: Participation in Leisure Programs:** The City will continue to remove barriers and increase accessibility to participation in its many leisure programs.

## **CONCLUSION**

The Eagles provide a high quality entertainment experience to the community, develop young players and are involved in community engagement initiatives. Based on the above discussion, it is recommended that Council:

- Authorize staff to negotiate a 3 year lease agreement with the Eagles at a total annual cost of \$25,000 for the same level of ice time as the Eagles booked in the 2009/2010 season;
- Allow the Eagles to install a fixed exterior sign on the north side of the South Surrey Arena;
- Provide annual fitness passes to the Eagles players for access to the existing South Surrey Pool and fitness facility and the new fitness facility to be built at the South Surrey Recreation Centre;
- Support an application by the Eagles to the Liquor Control Branch for a "Liquor Primary License for Recreation Centres" as generally described in this report; and
- Authorize the City Clerk to schedule a delegation by representatives of the Eagles before a Council-in-Committee meeting regarding the "Soar with the Eagles Program".

Laurie Cavan  
General Manager  
Parks, Recreation and Culture

Appendix A – Surrey Eagles Executive Summary  
Appendix B – Jr. A British Columbia Hockey League Survey

## Surrey Eagles Executive Summary

### **EXECUTIVE SUMMARY**

The **Surrey Eagles** is a Junior "A" hockey team which is a part of the sixteen team British Columbia Hockey League (Coastal Conference). Junior "A" is the highest level of amateur hockey played in Canada. The BCHL is known as one of the top junior hockey organizations in North America featuring players between the ages of 16 to 20 years old. It is also the top level of hockey an aspiring student-athlete who wishes to maintain NCAA eligibility can play, and has proudly developed more players for the college system than any other league in Canada, as more than 1200 players have gone on to play college hockey in both the United States and Canada. In 2008-2009 alone the BCHL committed 112 players to colleges and universities across North America.

The current Surrey Eagles is the product of numerous town and name changes since the teams' inception in 1976, but it is fair to say that the team has experienced its greatest success, both in terms of community commitment and on ice performance, since debuting as the 'Surrey Eagles' in 1991. Since relocating to Surrey, the Eagles have also come to represent the top level of family entertainment available in Surrey attracting more than 30,000 attendees on an annual basis to South Surrey Arena. Eagles' hockey is entertaining, exciting, and affordable.

In June 2010, a group of six Surrey-based sports enthusiasts and businessmen spent \$850,000 to purchase the Surrey Eagles hockey franchise, which was struggling with financial challenges not the least of which was the effects of an expensive, and aging, facility. **The current operating budget of the Surrey Eagles estimates a net loss to the ownership group for the 2010-2011 season in the area of -\$252,320 (Budget).**

The new ownership of the organization believes in the long-term financial viability of the franchise, as well as its commitment to make the city of Surrey its home, but within the context of achieving a significant reduction in the annual bottom line losses to the organization. In order to mitigate the forecasted budget losses, the team has entered into a multi-year financial rebuilding program and is seeking a partnership with the City to achieve its financial goals.

The new owners recognize the incredible importance of producing not only a team of superior student athletes, but also a team which has deep roots to its community and a "give-back" attitude amongst its players. Today, the Eagles have an active, and expanding, community outreach program of more than 100 events annually, making the Eagles the most prolific community contributor within the city's many sports and mentorship organizations.

Under the new ownership structure, the Surrey Eagles is committed to a multi-faceted, yet equally weighted, future for the organization:

1. Provide premium quality junior hockey in a family friendly atmosphere and;
2. To encourage excellence in sport and academic achievement through positive role modeling within the community and;
3. To become known across the British Columbia sporting community as a program which encourages both athletic and academic excellence in its players;
4. To remain a proud part of the great city of Surrey, representing the community where we make our home, with dignity, professionalism and excellence.



While hockey is our game, the Surrey Eagles are committed to core values, which are much more than simply 'sports'. As a proud BCHL franchise, the Eagles belong to one of the premier sports properties in the province, dedicated to advancing junior hockey players onto higher education and professional hockey. The Surrey Eagles have a long history of producing excellent student-athletes, and since relocating to Surrey 19 years ago, the Eagles have produced a long list of professional hockey players, but perhaps more significantly, the Eagles have committed 52 players to colleges and universities across North America.

*"I grew up in Surrey, played minor hockey in Surrey and dreamt of playing for the Eagles. I got there, and the program encouraged me to be my best both on and off the ice. Thanks to the Surrey Eagles program I received a scholarship to Quinnipiac University in Connecticut. It was an incredible experience and now I'm so proud to be back in Surrey coaching the team that developed me as a player and a student."*

- Matt Erhart, former Surrey Eagle player and current Head Coach

**Eagles Currently Playing Pro:**

Scott Gomez – NHL – Montreal Canadiens  
Tyler Eckford – NHL – New Jersey Devils  
Shaone Morrison – NHL - Buffalo Sabres  
Nathan Oystriick – NHL – Anaheim Ducks  
Greg Zanon – NHL – Minnesota Wild  
Andrew Kozek – AHL – Chicago Wolves  
Jakub Ficenec – German Elite League  
TJ Mulock – German Elite League – Berlin Polar Bears  
Matt Robinson – ECHL – Stockton Thunder  
Ryan Finnerty – England Professional League  
Matt Francis – ECHL – Gwinnett Gladiators  
Ryan Watson – ITALY – Cortina SG  
David Rutherford – CHL – Bossier-Shreveport  
Tim Crowder – ECHL – Utah Grizzlies

**Giants Successfully Securing Academic Scholarships:**

**2009/10**

Andrew Wallace - Bowling Green University  
Tyler Morley - Merrimack University  
Grant Toulmin – Mount Royal University  
Chris Santiago – Utica University

**2008/09**

Adam Hartley - Rochester Institute of Technology  
Tom Janosz - University of Connecticut  
Ilan Cumberbirch - University of Saskatchewan  
Tommy Tartaglione - SAIT  
Brennan Strang - SAIT

**2007/08**

Scott Knowles - Rochester Institute of Technology  
Brody Toigo - Iowa State University  
Phil Magistrale - Wilfred Laurier University  
Cameron Sinclair - Bowling Green

**2006/07**

Stephen Balint – Northern Michigan University  
Kyle Funkenhauser – Wayne State University

**2005/06**

Tyler Eckford - University of Alaska at Fairbanks  
Andrew Kozek - University of North Dakota

**2004/05**

Mike Moore – Princeton University  
Bryce Hollweg – West Point University  
Donald Johnson – University of Alaska – Fairbanks  
Matthew Girling – University of Saskatchewan  
Sean Patterson – Wentworth Institute of Technology  
Matt Francis – St. Cloud State University  
Tim Crowder – Michigan St. University

**2002/2003**

Jarrett Sampson – Dartmouth

**2001/02**

Nathan Oystriek – Northern Michigan University  
Jesse Van Nostrand – Quinnipiac University  
Darcy Marr – Dartmouth College

**1991-2000**

Brendan Bernakevitch – Harvard University  
Greg Zanon – Nebraska @ Omaha  
Colin Hemingway – New Hampshire  
Matt Erhart – Quinnipiac  
Brian Herbert – Quinnipiac  
Aaron Schneekloth – North Dakota  
Mike Bishai – Western Michigan  
Kris Wilson – Wisconsin Superior  
Chris Peck – Western Michigan  
A.J Begg – Maine  
Kevin Bertram – Lowell  
Don McCuster – Northern Michigan  
Andrew McNiven – Cornell  
Kyle Knopp – Cornell

Corey Stock – UBC Clayton Rogers – Harvard  
Ryan Donovan – Union  
Pat O’Flaraty – Union  
Al Kinisky – UBC  
Louis Mellios – UBC Kevin Robertson – University of Michigan  
Greg Hunt – RDC  
Cam Kryway- Colorado College  
Jason Wong – Dartmouth  
Aaron Courtney – Royal Military College  
Wes Reid – Alaska @ Fairbanks

Today, on the cusp of the 20<sup>th</sup> anniversary of our organization in Surrey, it is certain that the strength of the Eagles history forms the foundation of our bright future. Today’s Surrey Eagle players are inspired by the example of their predecessors. The path to excellence is well travelled in our organization, but as we enter our third decade as ‘Surrey’s team’ our barriers to continued success are evident. As an organization we stand ready to commit to an enhanced community program for our fans, our neighbours and our city, but require the assistance across seven key areas in order to achieve success.

## 1. Venue – South Surrey Arena

The greatest strength of any hockey team is the players on the ice. In the BCHL competition to attract North America’s best on, and off, ice talent is fierce. The newer, enhanced venue facilities of Eagles sharpest competitors – the Langley Chiefs, Penticton Vees, and Vernon Vipers put the Surrey at a severe disadvantage in recruiting players.

Despite a professional centre of excellence atmosphere the South Surrey Arena has not been renovated since opening 19 years ago, has a number of shortcomings which limit the potential for its anchor tenant, the Eagles. Those limitations also affect the arena’s other two primary users, Semiahmoo Minor Hockey and the White Rock South Surrey Skating Club.

Key areas restricting the potential of the South Surrey Arena include: lack of fitness facility, warm up area, medical room, sufficient office space, weight/fitness room facilities and hospitality and hosting space, as indicated in the venue specs for the arena listed on the City of Surrey website. Further, upgrades to the significantly outdated and underperforming public address system are required.

### South Surrey Arena Fast Facts:

Olympic sized ice surface (28.95m x 59.71m)  
Stadium seating for 1240 people  
Home team dressing room (renovated by the Surrey Eagles in August/September 2010)  
Electronic Scoreboard (installed at a 50/50 cost share with the Surrey Eagles in 2007)

**Facility Specs:**

|                                |            |              |                         |
|--------------------------------|------------|--------------|-------------------------|
| YEAR COMPLETED                 | 1991       | Renovated    | Renovation Cost         |
| SEATING CAPACITY               | 1242       |              |                         |
| PARKING CAPACITY               | 741        |              |                         |
| MEDICAL ROOM                   | NO         |              |                         |
| WARM UP AREA                   | NO         |              |                         |
| LICENSED FOR ALCOHOL           | NO         |              |                         |
| OFFICIALS ROOMS                | 2          | No           |                         |
| FOOD SERVICES                  | YES        | No           |                         |
| DRESSING ROOMS                 | 4          | Partial/2010 | 100% - Surrey<br>Eagles |
| SCOREBOARD                     | ELECTRONIC | New          | 50% - Surrey<br>Eagles  |
| SOUND SYSTEM                   | YES        | No           |                         |
| OWNER                          | PUBLIC     |              |                         |
| OFFICE SPACE                   | LIMITED    | No           |                         |
| WEIGHT ROOM / FITNESS FACILITY | NO         |              |                         |
| EQUIPMENT STORAGE              | YES        | No           |                         |
| TICKET BOX                     | YES        | No           |                         |
| MEDIA ROOM                     | YES        | No           |                         |
| INTERNET CAPABILITY            | HIGH SPEED |              |                         |
| HOSPITALITY ROOM               | NO         |              |                         |

In order to attract premier student athletes, the ownership of the Surrey Eagles is requesting the existing facilities at the South Surrey Arena be augmented in order to bring them up to BCHL standards. Requested upgrades include:

**1. Expanded/renovated dressing room facilities/classroom/fitness room**

Currently, the Surrey Eagles have a small dressing room/shower facility, with the team fitness area being located on the concourse of the arena, both significantly sub-league standard.

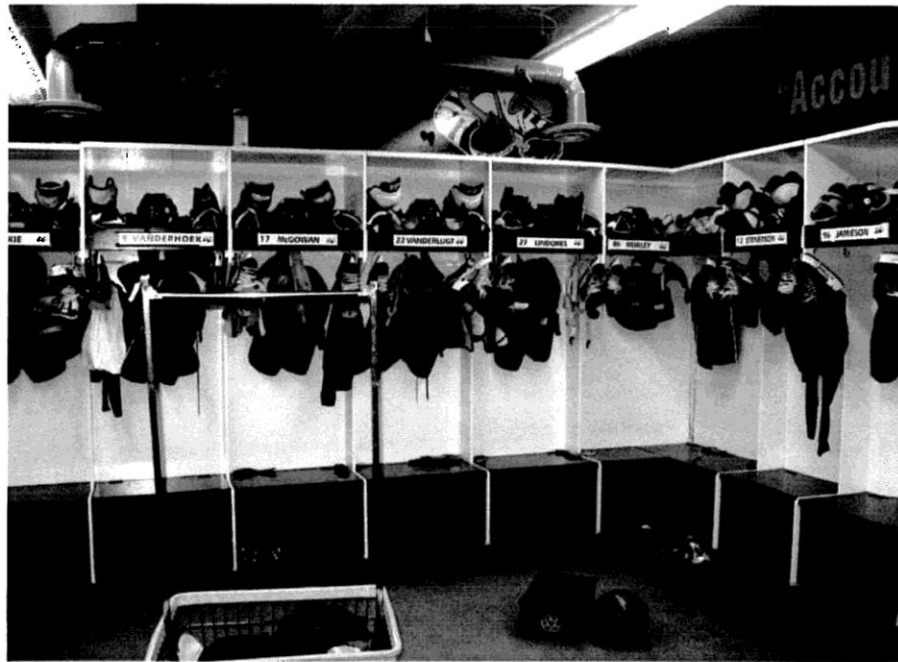
The facility was identified by the City as needing a 3100 square foot expansion which would include a new dressing room area, shower and washroom area, and a spinning/fitness room as well as a tutor room and classroom for use by the Eagles. Within the 3100 square foot expansion would also be space for a stretching and fitness room and office space, identified by the other two key minor sport users of the facility, the White Rock/South Surrey Skating Club (300 active members) and Semiahmoo Minor Hockey Association (59 minor hockey teams registered in the 2010/11 season) as much needed items. These capital improvements would be a lasting legacy to the City of Surrey and would continue to be in demand and functional for the users of the South Surrey Arena should the Eagles cease to exist in Surrey. City of Surrey staff is currently assessing the much-needed upgrades to the facility, with architectural drawings reflecting upgrade requirements for all key South Surrey Arena user groups included in this report (Appendix 'B').

Further, given that the need has been identified by staff and the plans which address key user needs have already been undertaken, we are requesting the plans be expedited in order to have

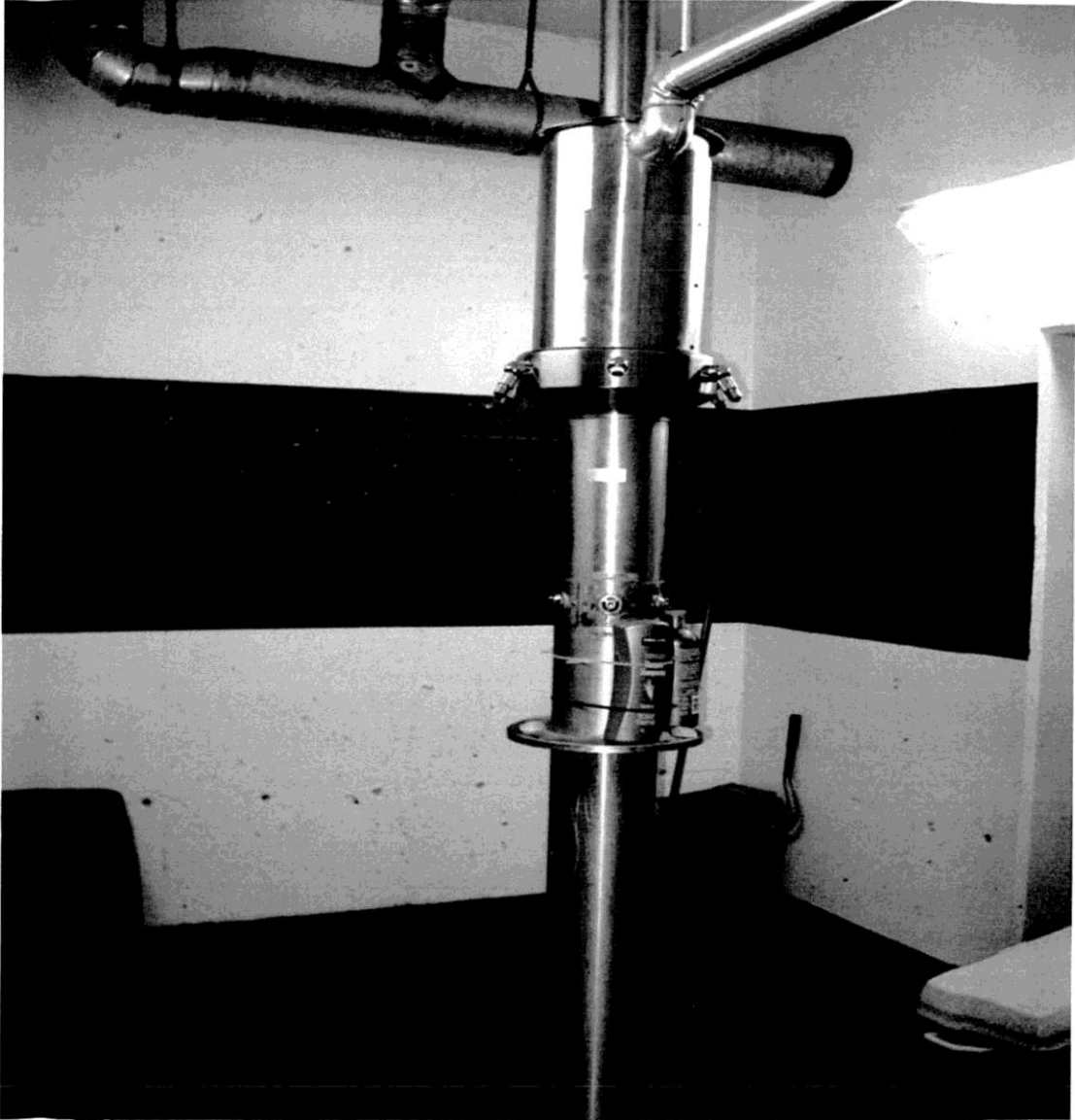
the facility in place as soon as possible for the good of all of the many users of this venue.

It should be noted that if the City proceeds with the expansion/renovation, the Surrey Eagles would provide the team-specific overlay for each area of their use, such as purchasing the fitness equipment needed for the Eagles spinning/fitness room.

To illustrate the current deficiencies compared to league standard, a photo of the current Surrey Eagles dressing room and shower facility for the 23-member team:



Existing Surrey Eagles Dressing Room



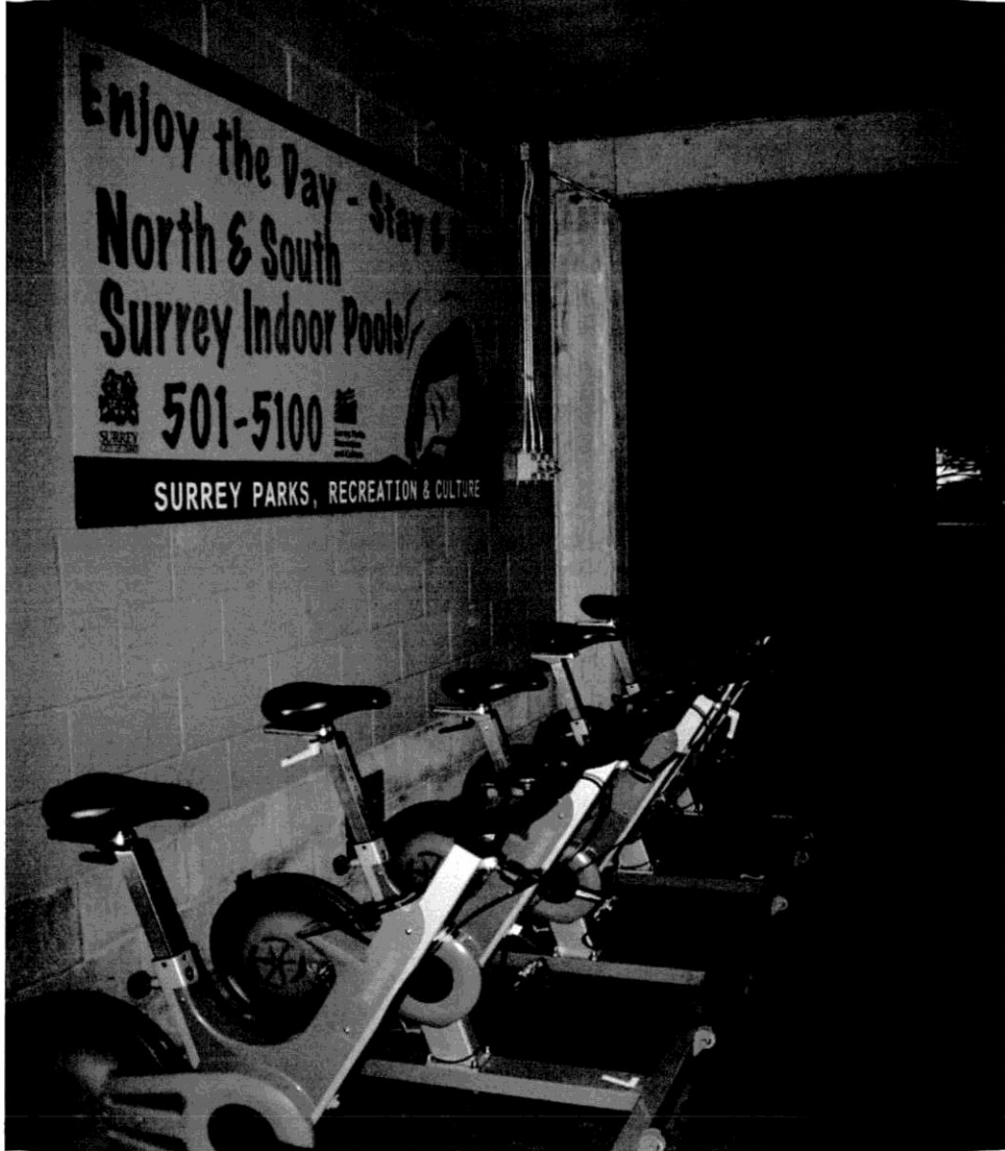
Existing Surrey Eagles Shower Facilities

Comparatively, the Langley Chiefs dressing room, seven times the size of the Eagles space:



Langley Chiefs Dressing Room

The Eagles fitness area is currently located on the concourse walkway, inside the arena. This is highly unpractical as players are forced to complete fitness training and post game cool down routines in the cold of the arena along the pedestrian walkway.

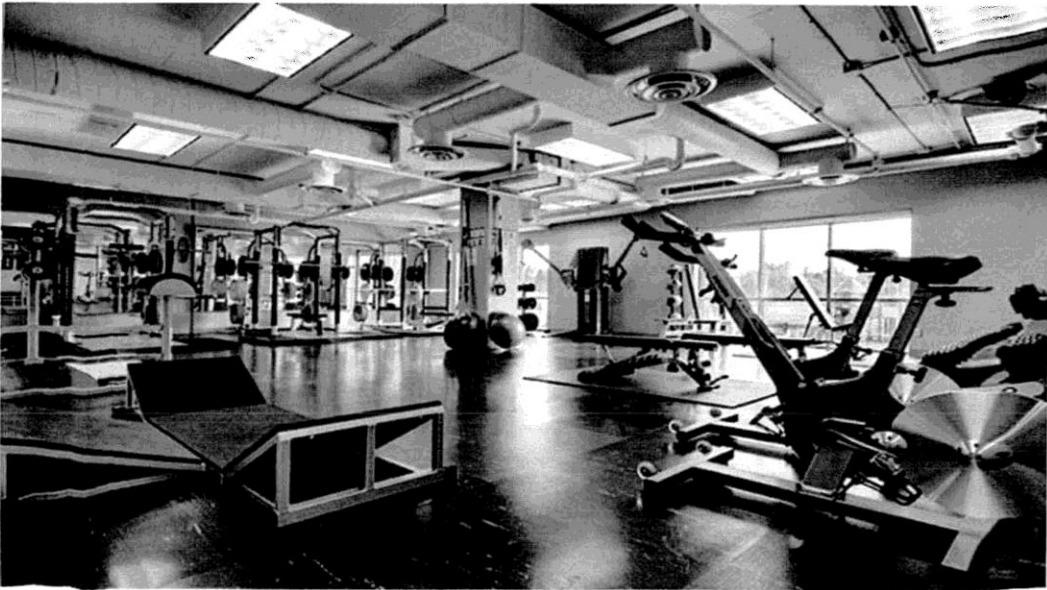
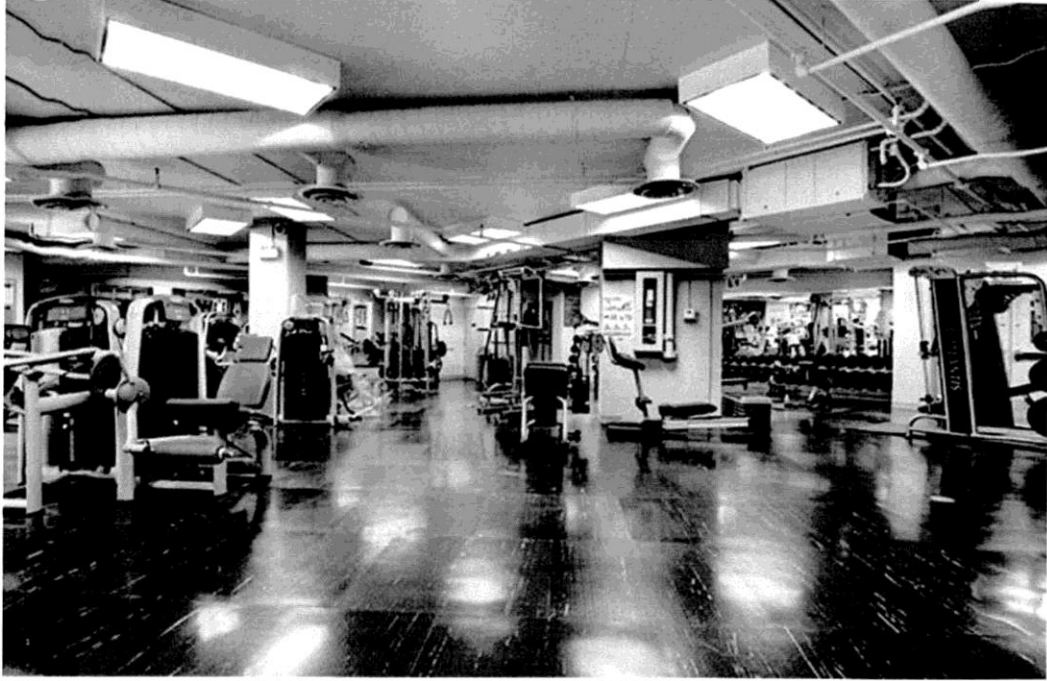


Surrey Eagles Fitness Area – bikes purchased by the Eagles organization but the only location for their placement is on the east side concourse



Again for comparison, the Langley Chiefs fitness area:





## 2. Public Address System

The Public Address (PA) system is original to the venue, and is significantly sub-standard for the Eagles as well as the other users of the facility. We request the City look at replacing/updating as part of the basic upgrades to the venue.

## 2. Lease Structure

The Surrey Eagles are in a year-to year 'ice rental agreement' situation with the City of Surrey for its use of the South Surrey Arena. This situation creates an extremely difficult business climate for the organization and makes it more challenging to secure solid, long-term sponsor relationships. Across the BCHL five-year leases are the norm, and we respectfully request a five-year lease agreement be negotiated with the team.

## 3. Ice Rates

Under our current agreement the Surrey Eagles pay "prime rate" per hour for the use of the facility. Meaning, currently, the team pays a game rate of \$224.65 per hour based on a four-hour call (\$898.60 per each of the teams 30 home games). In total in the 2009/10 season the Eagles paid \$83,500 for ice rental at the venue. At the same arena the other primary tenants, Semiahmoo Minor Hockey and the White Rock South Surrey Skating Club each pay \$110.78 per hour, based on actual hourly usage. Additionally, the other primary user, the Surrey School Board's school skating program pays \$0.00 per hour.

Under the current ice rental agreement, which is so prohibitive – making the playoffs actually creates a significantly worse financial picture for the club as the ice rates go up again beyond the prime rate.

It should be noted that the Chiefs, Veeps and Vipers are all in subsidized rent situations with their civic governments.

- Penticton Veeps: unlimited access to the ice at their new home venue arena free of charge.
- Langley Chiefs: receive rent relief for their 6 hours of weekly practice time and all games. As well, the Veeps, Chiefs plus many of the other BCHL teams have unlimited access to state of the art fitness centres within their venues.
- The Vernon Vipers: free practice ice time as part of their agreement.

Another local team, the Abbotsford Heat, also receive free ice time as part of a significant city subsidization package.

And unlike the other community groups who receive subsidized or free ice rental at rinks across the city, the Surrey Eagles bring significant economic benefit to the City, as well as intangible benefits such as increasing awareness of sports, active lifestyle and academic and athletic excellence through their mentorship and positive role modeling. We believe that the city receives significant

value well from the organization, and we request, in order to be competitive with other teams in the BCHL and more in line with league parity of ice rate subsidization, an amendment to the fee structure to reflect value added contributions of the team into the City of Surrey, offsetting the total annual ice rate fees to the team.

### Community Contribution

The Surrey Eagles is about promoting the spirit of the greater Surrey community, family values, active lifestyles, and community inclusion. The team, as an organization, strives to be ambassadors, leaders and positive role models in the community. The young men who play each year for the Eagles are some of the best young hockey players in Canada and embody everything the City of Surrey has consistently identified as wanting for its youth:

- Dedication
- Scholastic Achievement
- Active Lifestyle
- Team Oriented

The players have primarily chosen the Surrey Eagles and the BC Hockey League because it provides an extremely high level of competition and player development while maintaining NCAA eligibility. Most of these athletes have dreams of attending a major university program in the United States or Canada to become lawyers, doctors, and engineers, and yes, many do become professional hockey players in North America or Europe. As a member of the Surrey Eagles, each player agrees to a *community commitment pledge*, an agreement to donate his time to the community of Surrey in the form of coaching clinics for minor hockey, power skating clinics, motivational public speaking engagements, or peer mentoring. In total during the 2010/11 season the team is committing to donate in excess of 300 hours of volunteering within the city.

As part of this program the Surrey Eagles to reach out to the youth of Surrey as role models and mentors, showing that living in Surrey provides *opportunity*. For this season we are launching the most extensive community program in our history: ***Soar with the Eagles***.

The Soar with the Eagles Program will see Surrey Eagles players engaging with youth through Surrey public schools and minor hockey programs throughout the city. Schools within District 36 will be contacted by the Eagles alerting them to the opportunity to participate in the Soar with the Eagles Program and have a member of the Surrey Eagles attend a physical education class to both speak to and participate in athletics with students.

Eagles players will deliver a motivational presentation touching on the values of the program and why both scholastic and athletic success is important to a healthy life. The messaging will reflect the City of Surrey's own charter values of inclusiveness, healthy community, and active living.

The Eagles players will talk about their personal challenges in achieving their goals to date and the opportunities sports is giving them in ultimately achieving athletic and academic success. The Eagles players will then participate in an intramural or PE activity with the group. Participating students would also receive special Soar with the Eagles game tickets and autographed Eagles

player cards.

Other areas of community involvement include: mentorship, minor hockey coaching, peer tutoring, and speaker's bureau.

In addition the Surrey Eagles will recognize the top student athlete on the team with the inception of the Eagles Scholar-Athlete Award, which will annually be presented to the top student athlete at the team's annual awards ceremony to serve as inspiration to the city's young people. Also, a monthly Scholar Athlete of the Month will be chosen from Surrey's elementary school students. The Scholar-Athlete of the Month will receive an official notification, recognition on the Eagles website, recognition as a VIP at an Eagles home game, and a 1/3 page advertisement in the local newspaper.

Finally, 200 tickets to each Surrey Eagles home game will be donated to local schools, community centres, minor sports teams, fundraisers, as well as distributed to low-income families and children through programs such as Kids Up Front at the direction of the City of Surrey, based on a five year commitment to coincide with the proposed new lease term.

The value of the tickets donated on behalf of the Eagles and the City and 300 hours of community contributions have a combined value of \$126,000 and does not include the direct economic spin off of the team in the community. The Eagles are requesting an offset of \$50,000 in annual support from the City during this time of financial restructuring in order to bring the annual net losses down from the current \$250,000 where they now sit.

### **3. Site/Venue Signage**

The Eagles would like Council to consider erecting proper reader board signage for the South Surrey Athletic Park, for use by the Eagles as well as all other users of the South Surrey Arena and Sports Complex at the entrances to the park. A "video board" style sign would service the entire facility including the Eagles, White Rock South Surrey Skating Club, Canada Cup, Semiahmoo Minor Hockey, Surrey Soccer Association and minor league softball. Additionally, the City could advertise community events as well as activities such as skating lessons. The Eagles have contacted Pattison Outdoor to begin the process of costing an appropriate sign for the park.

The Eagles would also like the ability to install exterior signage on the venue on the north side of the arena, similar to the signage on the BC Lions training camp facility (pictured below), in order to associate the team with the South Surrey Arena.



#### 4. Liquor Licensing

The Surrey Eagles would like to request that the City of Surrey to allow the Surrey Eagles to apply for "Liquor Primary" licensing for South Surrey Arena.

As with other BCHL teams including the Langley Chiefs and Penticton Vees, the Surrey Eagles have conducted beer sales during home games. Currently, fans wanting to drink beer have to stand at the east end of the arena concourse. The Eagles would like to offer our fans the ability to sit in select seats within a limited section on the south side of the venue in addition to the standing room section at the east end. We would like to devote the entire north side of the venue to "family seating", but believe offering seating to our fans, including those wanting to enjoy a soft liquor beverage is an important part of the fan experience. As always, the Eagles believe our core fan base, families, are at the heart of the organization, but in order to bring us into league parity and to enhance the game-time experience for all of our guests, a limited soft-alcohol in-seat section is

imperative. This concept was successful during a pilot project test at the beginning of the 2010/11 season. The overall fan experience was positive for fans in both areas of the facility, and the Eagles staff administered, staffed and secured the site without incident, as such, we would like to continue the program for the overall enjoyment of our fans.

Also, the Eagles would like to request the City allow us to apply for 'special use permitting' from the BC Liquor Control Agency (BCLCA). Under new regulations BCLCA now requires licensees in this category to re-apply for each individual license, to a maximum of twice a month. The Surrey Eagles would like to request the City of Surrey, as the owners of the venue, also us to apply for 'Liquor Primary' license, to allow the Eagles to continue to sell soft alcohol to attendees in the east end concourse and selection south side seats, as was successfully done in the September 10<sup>th</sup>, 2010 opening night game between the Eagles league rivals the Langley Chiefs. It should be noted that the South Surrey Arena's direct neighbour, the Softball City Sports and Entertainment Complex, operates beer sales under a 'Liquor Primary' license obtained by the City of Surrey as the landowner. By extending the Liquor Primary license to the South Surrey Area the City will simply be creating parity amongst its two neighbouring venues as well as with the league standard.

## 5. Food Vendors

The South Surrey Arena has a food concession located on the far west side of the arena. During Surrey Eagles games this concession is regularly overwhelmed, with long line-ups to purchase coffee and basic food items. In order to enhance their fans game day experience, a crucial component of the Eagles family entertainment mandate, the Eagles are requesting the City undertake an RFP to explore options for food vendors at the facility. As part of the renovations to the venue, consideration may be given to adding a second, east side, concession with enhanced food offerings such as popcorn, cotton candy, and other simple food options with fast and efficient service times.

Although not a financial generator for the Eagles, we believe offering fans an alternative to the long lines of the west side concession as well as an enhanced family friendly food selection is an important step in advancing overall game-time experience for guests and growing our fan base.

## SUMMARY

In June, 2010, the Surrey Eagles assumed a new ownership and management team. The new organization recognized the need of the Eagles to recommit to community leadership. The team is dedicated to continuing its legacy of excellence, both on and off the ice, in the City of Surrey. As we enter our third decade at the South Surrey Arena we look forward to developing the next generation of great student-athletes from British Columbia. But we can't do it alone. We need the City's help to offset the losses currently being incurred by the team. We want the Eagles to remain a proud Surrey tradition, but in order to do so we need to work together, with the City recognizing the value, both in terms of economic spin off and positive role modeling for our city's youth.

With the assistance from the City of Surrey outlined, the management of this organization is committed to expanding our community activity to league leading, and reinvesting in the community

in which our team makes its home.

We believe that beyond the obvious significant positive economic impact the Surrey Eagles brings to Surrey and the region, the un-priced impact of a premier caliber sports organization such as the Eagles is, perhaps, more significant (Appendix 'C'). The 'public good' component of an organization such as the Surrey Eagles within a community has long been recognized in the area of socioeconomic development for a city. We believe the Surrey Eagles play an important role as leaders and mentors in our city, as well as contributors to civic pride and community spirit.

*"Sport is at the heart of Canadian life. It's an activity that has benefits for each and every Canadian, for our communities and for our country. Sport puts front and centre the qualities we value as Canadians - fairness, team spirit, hard work, dedication and commitment. And our hard-working, dedicated and committed high-performance athletes are role models for our children. Sport promotes physical, mental, emotional and spiritual health and well being. Sport develops character and teaches the rewards of discipline and perseverance. It is also a way for Canadians to get to know each other."*

- Denis Coderre, Secretary of State [Amateur Sport]



Appendix B

Jr. A British Columbia Hockey League Survey

| Jr. A British Columbia Hockey League Survey - Coastal |                       |   |   |   |   |                                   |   |   |
|---|-----------------------|---|---|---|---|-----------------------------------|---|---|
| Team  | Langley Chiefs        | Coquitlam Express   | South Surrey Eagles   | Alberni Bulldogs                                | Powell River Kings  | Nanaimo Clippers                  | Cowichan Valley Chiefs                              | Trail Smoke Eaters  |
| Facility  | Langley Events Centre | Coquitlam Arena   | South Surrey Arena  | Alberni Valley Multi plex                       | Powell River Recreation Complex                                     | Frank Crane Arena                 | Island Savings Centre                               | Trail Memorial Centre                                     |
| Age of facility                                       |                       | Newly renovated   | 12 years  | 2001  | 28 years  | 35 yrs                            | 32  | 61  |
| Seating capacity                                      |                       | 1800  | 1,200 seating, 200 standing   | 1500 seats 315 standing                         | 1,300 seating, 200 standing   | 2300                              | 1539 seats, 5 boxes, mezzanine                      | 2108  |
| Recent renovations                                    |                       |   | None  |   | Summer 2003, slab replacement, new dasher boards and glass.         | 2010                              |   | ongoing   |
| Total amount paid to facility for regular season      |                       | \$60,000 lump sum   | \$51,500 (reg games and practice)   | \$43,297  | \$12,046  | approx. \$36,000                  | \$24,000 aprox                                      | \$18,218  |
| Per game rate   |                       | included  | \$203.30 + GST - four hours   | Included as part of contract                    |   | 1195                              | 800   | Included  |
| Playoff rates   |                       | included  | \$203.30 + GST – 4 hours  | 883   |   | 1195                              | 800 plus 12.5% of gate over \$6,000                 | 1000, 1200 @nd round, 1400 3rd round                      |
| Concession  |                       | Contract Concessionaire   | Facility  | Facility operates 15% to club                   |   | Concessionaire (variable %)       | Facility operates 65% to Facility                   |   |
| Liquor Sales  |                       | Contract Concessionaire   | Club, no share  | Facility operates 15% to club                   |   | City (variable %)                 | Facility operates 65% to Facility                   |   |
| Facility Amenities provided to club                   |                       | Dressing room includes office space, trainer's room and laundry facilities. | Dressing room includes office space, trainer's room and laundry facilities. | Office, storage, laundry, retail, dressing room | Dressing room, office, trainer's room, storage space, meeting room. | storage, training, dressing rooms | Office, storage, retail, laundry, trainer, dressing | office, storage, retail, laundry, training, dressing room |
| Advertising   |                       | Club  | Done by Eagles, no rev share  | Club except 50% Zamboni ads and 100 Marquee     |   | % return for cap improvements     |   | all to club   |

| Jr. A British Columbia Hockey League Survey - Interior |  |  |  |  |  |   |   |
|--|--|--|--|--|--|---|---|
| Team   | Merritt Centennials  | PG Spruce Kings  | Quesnel Millionaires                                       | Salmon Arm Silverbacks                               | Trail Smoke Eaters   | Vernon Vipers   | Penticton Vees  |
| Facility   | Nicola Valley Memorial Arena   | Prince George Coliseum   | Quesnel & District Twin Arenas                             | Sunwave Centre Salmon Arm                            | Trail Memorial Centre  | Wesbild Centre  | South Okanagan Events Centre  |
| Age of facility  | 55 years   | 53   | 50 years   | 4 years  | 54 years   | 3 years   | 2 years   |
| Seating capacity                                       | 1000 seating, 300 standing   | 1898 bleacher seats, 340 standing room + wheelchair seats  | 1,013  | 1,508 seating, 900 standing                          | 2,538 seating, 500 standing  | 3,700 total   | 5100  |
| Recent renovations                                     | In 1996, \$3 million retrofit.   | 2008   | None   | Completion of concourse walkway.                     | Ice plant upgrades   | New facility  | New Facility 80 million   |
| Total amount paid to facility for regular season       | \$15,000   | 44,000 (2006/2007)   | \$35,579   | 30,567   | \$14,400 + GST + Formula thresholds= -20% of Club revenues above regular season gate receipts over \$70,000. | \$78,000  | Currently fee is paid to team, net loss to City 200k. Facility recovers various % of suites, concessions, liquor, advertising. New deal anticipated |
| Per game rate  | \$385.00 regular season  | \$820.00   | \$550.00   | \$1.32 per ticket sold-we supply ticketing services. | n/a  | \$2,100   | none  |
| Playoff rates  | \$575.00 per game  | 800  | \$849.00   | \$1.07 per ticket sold-we supply ticketing services. | \$1,000 per game   | \$3,000   | none  |
| Practice Times   | \$1,650/season<br>Monday to Friday 11:30 am-1:00 pm  | Mon. - Fri. 8:00-9:30 a.m. \$80.57/hour  | \$60.00/hr   | Included in rate.                                    | Rates included in annual fees.<br>1:00-2:30 p.m./1:30-2:45 p.m.<br>Mon.-Fri.                                 | 3:15-4:45 p.m. regular practice<br>10:30-11:30 a.m. on game days  | none  |
| Concession   | Minor Hockey   | Club operates pays \$4,000   | club   |  |  |   |   |
| Liquor sales   | Club - no split  | no response  | club, viewing terrace                                      |  |  |   | In house 100%, all areas  |
| Facility Amenities provided to club                    | Private office, storage space, dressing room includes trainer's room and laundry facilities. | Office, home dressing room, storage area, visiting dressing room, referee's room, league official's room, broadcast booth, media area, 50/50 ticket booth & souvenir sales booth, concession, first-aid room, multipurpose room. | Dressing room, storage space, office, use of banquet room. | Dressing room, office space, trainer's room.         | Dressing room, coaches' room, boardroom/GM office, players' lounge, laundry, storage, weight training room.  | All amenities provided, including storage and office in dressing room. Additional office and pro-shop rented. | Same as NHL - admin area, coaches room, trainers room, fitness area, sharpening room, stick room, dressing room, offices                            |
| advertising  | all to club  | Club sells, pays franchise \$5,000   | Yes  |  | Club sells ads.  | Yes   | Operator  |
| * % to club  | 100%   |  | City sells Zamboni, lobby                                  |  | Boards-100% Gondola/IRU-70%  | 100%  |   |
| * % to municipality                                    |  | \$5,000/year   |  |  | Gondola/IRU-30%  | 0   | management fee paid to Global Spectrum  |
| Facility Revenue Sharing                               | Minor hockey has the concession.   | \$4,000/year on concession sales and vending machines.   | No revenue sharing, concession operated by Minor Hockey.   | None   | Yes, Club sells food & beverage, 80% of gross to Club, 20% of gross to City.                                 | None  |   |

