



# MEMO

**To:** Mayor and Council  
**From:** Ed Pearce, Council Rep - Junior Hockey Board  
**Date:** April 21, 2021  
**Subject:** Elliot Lake Junior Hockey Update

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## Background

After the departure of the Elliot Lake Bobcat hockey team from the community in early 2014, a group of interested community members formed an association to bring Junior 'A' hockey back to the City. This initiative resulted in the creation of the Elliot Lake Junior Hockey not-for-profit corporation (the Corporation).

The Corporation was able to secure a franchise from the Northern Ontario Junior Hockey League (NOJHL) and established the team under the name: Elliot lake Wildcats for the start of the 2014/2015 season.

As part of this process the Corporation secured financial support from the City of Elliot Lake in the amount of \$100,000 in the form of a 5-year loan. The current balance outstanding on that loan is \$50,000.

In early 2020, the Corporation opted to take a 'leave of absence' from the NOJHL in anticipation that covid pandemic restrictions would prevent the team from operating in the 2020/2021. While the NOJHL did end up trying to run a modified season, it was fraught with challenges, several teams 'quit' during the season and the play-offs were ultimately cancelled. All of which served to validate the Corporation's decision to sit out the season.

In late 2020, the Corporation began to consider plans for the 2021/2022 season, based on the impending roll-out of vaccines, which the Corporation believes will allow for a 'near normal' start to the season on the fall of this year.

## Current Operational Situation

The Corporation opted to bring in a management company to run the hockey operations for the upcoming season. The company is run by Paul Noad, and I have asked Mr. Noad to be available to Council during our meeting to explain the plans for the team. The most obvious change to date has been the re-branding of the team as the Elliot Lake Red Wings: [www.elliottlakeredwings.ca](http://www.elliottlakeredwings.ca)



To be clear, the Elliot Lake Junior Hockey Corporation continues to own the franchise, they have simply brought in a 'ringer' to help develop a winning hockey program.

### **Current Financial Situation**

The Corporation is current with all of its creditors and has paid the League commitment fee for the upcoming season. The only two outstanding items are the unpaid loans with the City of Elliot lake (\$50,000) and ELNOS (\$25,000).

### **City Request for Support**

I have asked Len Kutchaw, President of the Elliot Lake Junior Hockey board, to be available to Council as a resource for this discussion.

The Corporation is asking the City to commit to an annual **non-cash** sponsorship of the Elliot Lake Red Wings. This sponsorship would consist of an annual write-down of the existing debt by \$10,000 and an offset of \$10,000 in ice fees, which would represent a \$20,000 sponsorship of the team. Again, this is a non-cash transaction. Under this scenario, the City debt will be retired in 5 years (ELNOS has already agreed to a similar debt retirement program).

In addition, the Corporation is asking that City administration be empowered to work with team to enhance the fan and player experience. Items being considered are improvements to the change rooms, special events (ex: NHL alumni game) and enhanced beverage options at the canteen for games.

### **Hockey Community Impact**

In addition to the psychological connection Canadians have to hockey, having a strong Junior 'A' team in the community offers tangible benefits:

- Based on Hockey Canada's approved economic multiplier, the Red Wings will have an economic impact on the City of over \$700,000 in the upcoming year.
- Having a weekly "event" for the community to attend is a great socialization and community building tool.
- The presence of a Junior 'A' hockey team is a positive indicator of community well-being, and a strong marketing tool for Elliot Lake Retirement Living.
- A Junior 'A' hockey program helps support hockey at all levels and helps justify the costs of having a community sports facility by increasing the usage of that facility.

### **Rationale**

The City's support for the team is critical for the success of the program and to have a high-quality hockey product that is fulfilling for players, fans and sponsors. Having an agreed to schedule for retiring the debt will provide certainty for City administration and for the Corporation's management company.

Providing City administration with the flexibility to work with the management company will provide for an overall enhanced hockey experience and will also represent a more efficient use of staff and Council time.

I am recommending Council accept the proposal as presented.

Respectfully submitted,

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Ed Pearce