



## Q & A

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### **Agreement for the Vancouver Canucks' AHL franchise in Abbotsford**

#### **What are the terms of the agreement?**

The agreement is between the City of Abbotsford and Abbotsford Arena Limited Partnership, a subsidiary of the Aquilini Investment Group. It is for an initial 5-year agreement with renewal options providing for a partnership for up to 20 years. The Abbotsford Centre will continue to serve as a community facility for a wide range of sporting events, trade shows, and cultural and entertainment events.

As part of the agreement, the City of Abbotsford pays \$750,000 a year to Aquilini Investment Group for managing and operating responsibility for the Abbotsford Centre as a multi-purpose entertainment and sports facility. Aquilini Investment Group will manage staffing, event bookings, ticketing and food and beverage management. This contract amount is a similar level to the subsidy that the City has been paying to operate the Abbotsford Centre in recent years. This contract also includes revenue sharing where the City benefits from enhanced financial gains by sharing in the profits if there are an average of 5,000 tickets sold per regular season game.

#### **Why is this agreement in the best interest of Abbotsford residents?**

The City of Abbotsford places the financial interests of residents at the forefront of all decisions and agreements we make. Throughout the agreement process, the City of Abbotsford engaged in tough negotiations in order to get the best deal possible. Aquilini Investment Group is taking on operating responsibility for the Abbotsford Centre, while allowing the City to have enhanced financial gains by sharing in the profits.

While we are optimistic that the Canucks' AHL affiliate team will be successful at its new home in Abbotsford, if the revenue sharing threshold isn't met, the City's costs associated with the Abbotsford Centre will still be capped at the \$750,000 annual management fee plus capital maintenance expenses that would be incurred by the City with any operator as we own the Abbotsford Centre.

Having the Vancouver Canucks' AHL team in Abbotsford is exciting and it brings an economic boost to the community through added out of town attendees who will visit restaurants, hotels and other retail venues nearby. This new partnership fosters strong ongoing community connections and economic benefits for years to come.

## **What makes the deal with the Canucks farm team different than the deal with the Calgary Flames' Abbotsford Heat?**

This agreement differs from past agreements as the City of Abbotsford does not have a revenue commitment and does not assume the risk if revenue is not made.

In 2014, the Abbotsford Heat contract ended by the City paying the Heat \$5.5 million to get out of the remaining years of the contract. The decision was made as it was costing the City approximately \$4 million in subsidies per year for the Heat and the facility. In cancelling the Heat contract, the City was able to reduce the subsidy by \$15 million over the last four years. Since cancelling the Heat contract, the City has managed to reduce what was a \$4 million subsidy down to \$1 million per year and in fact it was as low as \$750,000 in 2018.

With this new \$750,000 a year contract with the Aquilini Investment Group and the ability for the City to benefit from revenue sharing, as well as the economic boost this will bring to our community, the City of Abbotsford believes this agreement serves the best interest of our community.

## **Will community groups still have access to ice time at the Abbotsford Centre?**

We recognize the desire for community groups to access ice time close to home. Community groups will continue to have access to city operated ice rinks.

The City will be working closely with local private ice rinks, including the new Abbotsford Centre operators for the ice opportunities for Abbotsford residents. If you have any questions about ice time, please contact our Arena Booking Clerk at 604-557-4406.