

Staff Report



To	Committee of the Whole
Service Area	Public Services
Date	Tuesday, July 8, 2025
Subject	Guelph Storm 2027 Memorial Cup Bid

Recommendation

1. That a one-time grant of \$600,000 be approved for 2027 as financial investment towards Guelph Storm Limited, contingent on a successful bid in securing the 2027 Memorial Cup in Guelph.
2. That a commitment of up to \$100,000 of in-kind fees at Sleeman Centre associated with facility ice rental, licensing fees, and facility staff be approved for 2027, contingent on a successful bid in securing the 2027 Memorial Cup in Guelph.
3. That the one-time grant of \$600,000 and the in-kind commitment of up to \$100,000 in facility costs for Sleeman Centre be funded from the Municipal Accommodation Tax Reserve (184) in 2027, if the Guelph Storm bid is successful for the 2027 Memorial Cup.
4. That the Chief Administrative Office be directed to include a letter in the bid package confirming the 2027 financial investment and in-kind commitment at Sleeman Centre.
5. That the Chief Administrative Officer be directed to formalize and execute an agreement, to the satisfaction of the City Solicitor, with Guelph Storm Limited that includes the particulars noted above and as outlined within the staff report entitled Guelph Storm 2027 Memorial Cup Bid, dated July 8, 2025.

Executive Summary

Purpose of Report

To seek a commitment to the Guelph Storm of financial investment and in-kind contribution at Sleeman Centre for the bid of the 2027 Memorial Cup.

Key Findings

Guelph Storm plans to submit a bid for the 2027 Memorial Cup. The year 2027 marks the City's bicentennial anniversary and provides a compelling and unique context for a Memorial Cup bid. With shared investments from the City, local businesses and the Guelph Storm, the team will aim to submit a successful bid versus other competitors in larger markets, thanks to the strong Guelph fan base and on the opportunity to bring the community together to celebrate Guelph's bicentennial.

The Memorial Cup will be hosted in Ontario in 2027. The annual event is held for two weeks in May of each year and is one of the largest sporting events in North America, attracting thousands of spectators and generating increasing revenue for both the Canadian Hockey League (CHL) teams and the host City.

Strategic Plan Alignment

The Memorial Cup is a major sporting event that will attract the local community and tourists to Guelph's Downtown injecting economic impact into the City. Although primarily focused on downtown attractions and events, the Championship has an ancillary impact to the community, businesses, hotels and more, that supports the economy and growth of Guelph as a must-see destination.

Future Guelph Theme

People and Economy

Future Guelph Objectives

People and Economy: Grow Guelph's economy

Financial Implications

Municipal Accommodation Tax (MAT) is collected on overnight hotel nights to support strategic investments that prioritize advancing Guelph's reputation and building a must-see visitor destination. After the upcoming request to support a wayfinding project, the MAT reserve (184) is projected to be \$565,000 by the end of 2027. The request for \$700,000 for financial investment and in-kind support would put the reserve into a deficit until the end of 2029. Committing to overspending on this reserve would prevent any other investment or funding program for other tourism projects from now to 2030.

Report

Guelph Storm History

This Ontario Hockey League franchise team moved from Hamilton in 1991 and was renamed the Guelph Storm.

In 2000, the team moved from the historic but aging Guelph Memorial Gardens into the Guelph Sports and Entertainment Centre (now named the Sleeman Centre). The Storm was selected to host the 2002 Memorial Cup tournament. At the time, it marked the team's third appearance in the national junior championship, their first as host team. In total, the Guelph Storm have appeared in the Memorial Cup six times and finished second three times.

Memorial Cup

The Memorial Cup Tournament is the championship of Junior Canadian hockey. Each year it features the champions from the Ontario Hockey League (OHL), Western Hockey League (WHL) and Quebec Maritimes Junior Hockey League (QMJHL) and a host team. The event is hosted by an OHL team every three years and returns to Ontario in 2027. The annual event is held for two weeks in May of each year and is one of the largest sporting events in North America, attracting thousands of spectators and generating increasing revenue for both the CHL teams and the host city.

The CHL rotates the Memorial Cup among the three junior Canadian hockey leagues. It is known that the 2027 Memorial Cup will be hosted by an OHL team, a few Ontario-based teams have publicly declared or are expected to bid for the 2027 tournament. The teams include Kitchener Rangers, Sarnia Sting, Sault Ste. Marie Greyhounds, as well as an anticipated additional two to four OHL clubs.

These teams represent strong bids from markets with similar municipal financial constraints, which reinforces the importance of a unified, community-driven submission from Guelph.

Opportunity to Bid for the Memorial Cup 2027

The year 2027 marks the City's bicentennial anniversary — 200 years since the establishment of the town of Guelph by John Galt and the Canada Company on land acquired from the Mississaugas of the Credit First Nation through the Between the Lakes Treaty, No. 3 (1792).

The Bicentennial will provide an opportunity to reflect on and commemorate the past two hundred years of history at this place we now know as Guelph, and to gather to contemplate and celebrate our community as we presently experience it. A Community Working Group is being established to support initiatives, activities and events that mark this milestone. Sporting events, like the Memorial Cup, report to attract 15,000 to 20,000 community and visitors to celebrate and honour Guelph. Additionally, large events such as this showcase the reputation and quality of the community across Canada.

With shared investments from the City, local businesses, and the Guelph Storm, the team looks to submit a successful bid, versus larger markets, thanks to the strong Guelph fan base and on the opportunity to bring the community together to celebrate Guelph's bicentennial.

The city's bicentennial in 2027 provides a compelling and unique context for our bid. While other cities may offer larger financial guarantees from their municipalities due to greater arena capacity, Guelph's advantage lies in positioning this event as a community-driven, legacy project that aligns with celebrating a major civic milestone.

Request for City Investment

The Guelph Storm, a for-profit organization, requests \$600,000 in financial investment plus in-kind contribution to support the Memorial Cup bid and ancillary events. In-kind contributions include no charge for facility rental fees, club seat license fees and event facility staff charges for the duration of the event. The in-kind contribution is valued at approximately \$100,000.

With a venue capacity of just under 5,000, the Guelph Storm reports a major challenge in being able to host the 2027 Memorial Cup without meaningful support and investment from the City of Guelph. Additionally, support from the City holds extreme weight and additional scoring with the bid.

Advancing a bid requires significant time and financial resources, which cannot be allocated without clarity on municipal support. The Storm requests an investment commitment from the City to also secure other partners by mid-August 2025 to meet bid submission deadlines.

Economic Impact

The CHL's Memorial Cup is committed to reporting and creating economic impact studies following each year's tournament. The following information has been shared from the CHL's reporting:

Saginaw, Michigan, 2024 Memorial Cup

Economic Impact study reports the monetary spending that comes into the community associated with the event was \$32 million. The 2024 event included 10,930 hotel rooms nights and an estimated 600 overnight stays at short term rental (e.g. AirBnB) and total spending of accommodation of \$4.2 million.

Kamloops, British Columbia 2023 Memorial Cup

Economic Impact study reports the event generated a considerable economic output, reaching approximately \$16.3 million in Kamloops. This effect of the event extended to the broader region, with British Columbia witnessing nearly \$19.6 million in spending.

Halifax, Nova Scotia, 2019 Memorial Cup

Economic Impact study reports the spending of out-of-town spectators, participants, media, sponsors, and others who visited Halifax for the 2019 Memorial Cup, in combination with expenditures by event organizers, totaling \$13.5 million, supporting \$20.4 million in economic activity in Nova Scotia, including \$17.4 million in Halifax.

Financial Implications

With planning and budget estimates, including financial reviews of previous events, the Guelph Storm estimate approximately \$3.1 million is needed to host a successful event. Expenses include fees for accommodation, travel, officials and team services, etc. plus additional practice facility rentals, marketing, signage, alumni events, and pre- and post-game entertainment events. Expenses are primarily recovered through ticket sales but also require partnerships, such as those with the City, and other corporate sponsorships.

The Guelph Storm have indicated that should any additional profits be realized, the Guelph Storm would donate profits to the City to be directed into the Sleeman Centre reserve fund (189) to support jointly initiated capital upgrades at the Sleeman Centre. The Sleeman Centre capital reserve fund (189) is funded from a surcharge on tickets from events at Sleeman, directed to non-lifecycle capital projects, and approved by Council (or executive staff in year). Currently on average, Sleeman collects approximately \$7,000 annually as the ticket surcharge does not apply to Storm games per their operating agreement.

Municipal Accommodation Tax as a funding source

About the Municipal Accommodation Tax

Collected since September 2022, the Municipal Accommodation Tax (MAT) is a four per cent tax charged on overnight stays at local accommodations such as hotels, motels, bed and breakfasts, and short-term rentals within the City of Guelph. Guided by the Council-approved [Municipal Accommodation Tax Administration Policy](#) (MATAP), the MAT is utilized to support strategic investments that prioritize advancing Guelph's reputation and building a must-see visitor destination. MAT is

leveraged to invest in programming and projects that grow the visitor economy. The administration policy includes three funding programs to direct collected funds towards locally grown tourism operators, products, and events in addition to the attraction of larger events to Guelph. The recommendation associated with the Memorial Cup in 2027 will be allocated outside of these funding programs.

While the City retains 50 per cent of the collected MAT each year, the MATAP outlines that approximately \$100,000 annually be allocated to the MAT reserve (184) while the remaining funds are leveraged in an annual operating budget for staff and administration, funding programs, strategic plan development, and tourism programming to action these plans.

One funding stream through the MATAP is the Gather Here Sponsorship Fund. This funding stream encourages the attraction of larger-scale events in Guelph that would be a one-time event versus consistent community events. Qualifying events must demonstrate a strong focus on visitor appeal versus local appeal with guaranteed room nights at accommodations collecting the MAT in Guelph throughout the duration of the festival or event. This fund allows for eligible projects to receive up to \$25,000 or a portion thereof, to support their event, with any larger ask requiring approval at Council. The Guelph Storm has not applied or been evaluated against the Gather Here Sponsorship stream.

MAT Reserve and Capital Project Requests

At the end of 2024, the MAT reserve (184) totaled \$393,900. The projections to the end of 2027, if no other projects draw on this reserve and collections remain stable or increase at similar rates, would total around \$865,000. However, Tourism work planning will bring forward a 2026 \$300,000 capital project request to draw from the MAT reserve (184) for a wayfinding project. This project would be directed by the [City-Wide Wayfinding Strategy](#), currently underway, once the strategy is approved by Council in Winter 2026.

If the above-mentioned capital project is adopted through the 2026 Budget Update, the balance in the MAT reserve (184) is projected to be \$565,000 at the end of 2027. Using \$700,000 towards financial contribution and in-kind from the MAT reserve (184) in 2027 would put the reserve into a deficit, which will need to be repaid from future MAT collections. Based on the current rate of collection and the proposed use of funding toward capital projects, the reserve would not return to a positive balance again until the end of 2029.

Risks of overspending the reserve

Although the Memorial Cup is aligned with the intentions of the MATAP, an investment of \$700,000 from the MAT reserve (184) would prevent an investment in any other tourism project or opportunity that arises before 2030. Although the bid for the Memorial Cup is supported by staff, there is community and economic value in building up the reserve to make larger investments with long-term impact on the community and for visitor infrastructure, such as the above-mentioned capital project related to wayfinding.

Although this major sporting event adds other value to Guelph, there is risk associated with allocating this level of funding to a single, for-profit organization which opens up the likelihood of increasingly large and frequent financial asks outside of the approved funding programs. Financial requests at this scale cannot be routinely accommodated from the reserve.

Additional Revenue Generation Opportunities for the City

If the Memorial Cup bid is successful, the City can expect revenue at Sleeman Centre from food and beverage sales in the restaurant, concessions and suites. These revenues are hard to forecast as they are dependent on customer purchasing and overall attendance at each game. Over the ten game Memorial Cup event, the City anticipates less attendance from earlier games in the tournament and stronger attendance when Guelph is playing.

Additional revenue may be earned from food and beverage sales for the media and officials, at City parking lots and for the Sleeman Centre Reserve Fund (189) on ticket surcharges. Any additional services required for the event, additional space rental, security, paramedics services etc. would be charged to the Storm as per the rates and fees bylaw.

The operational logistics for the Memorial Cup requires at least six separate hotel locations so that the league, the competing teams, officials, and fans can stay in separate hotels to maintain the integrity of the competition. The bid package identifies at least 3,500 hotel room nights are required over the 12-day tournament for the league, teams, and officials, and it is also expected that there will be fans and families looking for overnight stays. Guelph has a limited number of hotels, motels, and short-term rental available, so it would be expected that surrounding facilities would need to be used to meet the needs of the tournament.

Conservatively, if Guelph can retain 3,000 of the 3,500 league and team room nights anticipated from the event, MAT collections retained by the City are estimated at \$12,000. This additional revenue estimate factors in the average hotel daily rate and historical occupancy rates during the event time of year as well as the requirement to remit 50 per cent of all collections to Destination Marketing Guelph at the Guelph Chamber of Commerce.

Consultations and Engagement

Guelph Storm Limited

Attachments

None

Departmental Approval

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