

# Staff Report



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To	Committee of the Whole
Service Area	Public Services
Date	Wednesday, March 4, 2026
Subject	<b>Sleeman Centre Operating Model</b>

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## Recommendation

1. That the Deputy Chief Administrative Officer of Public Services, or designate, have the authority to negotiate all Sleeman Centre rates and fees when revenue can be recovered through rental profit share or ticket sales.
  2. That Sleeman Centre capital reserve fund ticket service charge increase to between \$2.00 and \$3.00 starting September 1, 2026.
  3. That the Youth Facility Discount no longer be applicable for rentals at Sleeman Centre, as of September 1, 2026.
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## Executive Summary

### Purpose of Report

For approval to alter the operating model at Sleeman Centre, with the goal of increasing sporting, arts and entertainment events and reducing the support needed from property taxes.

### Key Findings

The Sleeman Centre can be positioned to be the anchor sports and entertainment facility of the downtown by offering events year-round, working with promoters and presenting an arts and entertainment season. Attracting more people to sporting and entertainment events will be completed by focusing on three key areas: Entertainment, Revenue, and Collaboration.

### Strategic Plan Alignment

As events and programs grow and attendance increases, the Sleeman Centre contributes to city building by attracting people to sports, arts and entertainment experiences, animating the downtown, supporting local businesses, and helping create a vibrant sense of place for residents.

### Future Guelph Theme

City Building

### Future Guelph Objectives

City Building: Grow and care for our community space and places

## **Financial Implications**

All budget impacts associated with the transition of the Sleeman Centre to a new operating approach will be considered as part of the 2027 budget update.

The transition is expected to introduce additional operating costs, including artist fees, production expenses, marketing, and potentially incremental staffing resources. These costs will be offset by increased revenues from tickets sales, expanded event programming, and new rental opportunities. The long-term goal of the updated operating model is to operate the Sleeman Centre at full-cost recovery. Over time, this would reduce the tax support by \$1.6 million.

Future capital budget requests will be developed to address additional equipment and infrastructure needs required to support the new operating model. These requests will identify appropriate funding sources, including the Sleeman Centre Capital Reserve Fund (189). These capital requests will be evaluated within the capital prioritization framework and capital reserve capacity.

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## **Report**

### **Sleeman Centre History and Overview**

Originally named The Guelph Sports and Entertainment Centre (GSEC), the venue was built in 2000. In 1998, the City purchased the building from ING Barings for \$1.7 million and entered a public-private partnership agreement with Guelph Centre Partners (Nustadia Developments Inc.) to build and operate the facility. In 2005, the City took over ownership and operations of the Guelph Sports and Entertainment Centre. In 2007, the City and Sleeman Breweries Ltd entered a sponsorship and naming rights agreement.

This modern 5,000-seat arena is an ideal choice for sporting and family events, trade shows, conferences, large-scale concerts, and public ceremonial events. The facility features a wide, horseshoe shaped concourse that allows fans uninterrupted views of the action on the floor surface. The facility has 31 suites and offers in-seat beverage service.

The Guelph Storm Hockey Club (the Storm) has called Guelph home since 1991. They moved into GSEC when it opened in 2000 and have been the main tenants since then. In addition to 34 regular season home games, they host training camp and other special events (e.g., family skates, Top Prospect games), and hope to play four to ten playoff home games each year. In the last few years, the Storm game attendance has been between 80 per cent to 100 per cent of capacity.

The Guelph Nighthawks Basketball club played four summer seasons at the Sleeman Centre from 2019 to 2022. Attendance, however, was consistently low for the Nighthawks with games averaging less than 1,000 people.

### **Concerts and Entertainment**

The Sleeman Centre has welcomed a variety of special events including professional ice-skating shows; various concerts including The Tragically Hip, Arkells, and Great Big Sea; and competitions such as Founders Cup – Jr B Lacrosse National Championships, Capital One Grand Slam of Curling, Kia Cup Men's Provincial Curling Championships, as well as The Roller Derby Association of Canada's Eastern

Championship Tournament. Cheerleading has also found a home at the Sleeman Centre with Collegiate and Junior Championships.

### **Community and Recreational Use**

The Sleeman Centre has been a well-used community facility, meeting the needs for access to rental ice for groups such as Stanley Stick Hockey Association, Guelph Figure Skating Club, Guelph Minor Hockey, Guelph Girls Hockey Association, and more. The Centre is also home to major public gatherings, such as the annual Remembrance Day Service, organized by the Royal Canadian Legion Colonel John McCrae Memorial Branch 234 and Ladies Auxiliary.

### **Staffing support**

The Sleeman Centre operates all aspects of the facility when supporting rental or visiting events. Operationally, this includes event services staff (ushers, ticket takers, guest services) and operations staff (rink/sport attendants, cleaners).

Additionally, Sleeman Centre operates all food and beverage services including suites, restaurant and concessions. There are many different roles in these areas that include: suites (host/hostesses, bartenders, servers), restaurant (sous chefs, line cooks, dishwashers, runners, bussers), concessions (servers, cooks).

### **Community Access**

The City supports community organizations with access to the City Suite during Storm Games. Not-for-profit organizations express interest when applying for Community Grants and are entered into a draw to enjoy an experience that might not normally be available to them.

### **Research**

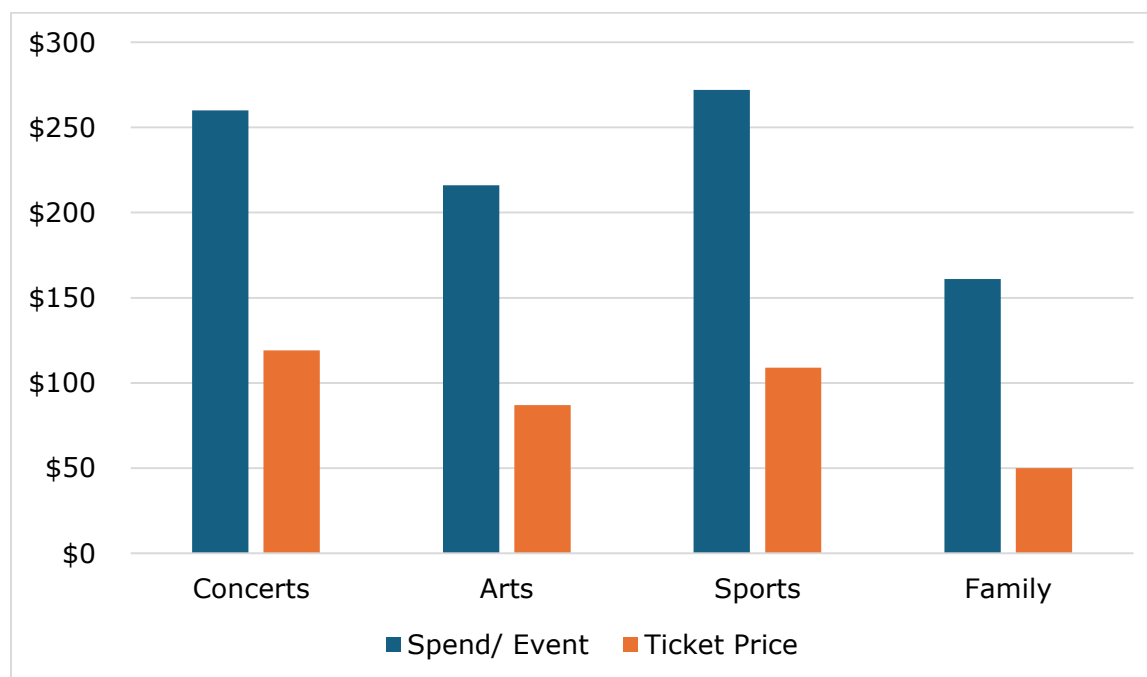
The Canadian Live Music Association estimates that Canada's live-music business is larger than the fisheries industry and nearly the size of auto manufacturing. This positions the Sleeman Centre to benefit from a strong industry and is the goal moving forward.

Ticketmaster is the ticketing provider utilized by the Sleeman Centre. Ticketmaster provided analytics to provide a better understanding of the types of concerts or events the Sleeman Centre should pursue. It also clearly showed that the Guelph residents will support more events in their community.

Included in Ticketmaster's data and based on past ticket purchases, the top three genres of music that would appeal to most residents in Guelph are Country Music, Alternative Rock and Adult Contemporary/Christian Rock.

As shown in Figure 1 below, Ticketmaster shared that Guelph residents are not only buying tickets to events across popular categories, but individuals are also spending at least an additional \$100 as part of the event experience.

Figure 1 Total Spend per Event vs Ticket Price



Other arenas that host an Ontario Hockey League (OHL) are a mix of publicly owned/operated and privately owned/operated. Of the publicly operated facilities, Flint, Kitchener, Peterborough, and Sault Ste. Marie present (or book) their own concerts and events. Each facility has approved budgets ranging from \$150,000 to \$1 million, depending on facility, to book artists, rent technical equipment, secure sport events, and partner (called co-presenting) on shows.

### **Looking Forward: Operating Model**

The Sleeman Centre will be positioned to be the anchor sports and entertainment facility of the downtown by offering events year-round. Events will draw residents downtown to enjoy the amenities that surround the facility, having an economic impact on downtown Guelph.

Attracting more people to sporting and entertainment events will be completed by focusing on three key areas: Entertainment, Revenue, and Collaboration.

### **Key Area: Entertainment**

Changes to the Sleeman Centre programming would allow the City to solely book artists or talent, or purchase talent as part of a co-promotion with a third-party promoter. Staff will use the artist's performance history as a measure of future success (i.e., targeting breakeven or better). Staff are working with other facilities including Flint, Kalamazoo, and Sault Ste. Marie to route shows together (or block book). The collaborative approach will increase access to artists.

### **Booking Artists and Events**

Sleeman Centre will create a performance and event plan to outline goals and operational details needed to bring meaningful new experiences to the facility. A plan will provide a guide for programming concepts, categories of events, budget considerations, and event associated strategies. There will be transparency while following artist trends and community interest in the approach to booking artists

and events. As Sleeman Centre will continue to be open to rentals, any programming by the City will look to fill gaps in community offerings and not purposefully compete with local promoters.

Music promoters expect to make a certain level of profit when putting on a concert. The Sleeman Centre does not own staging and needs to rent for concerts. This adds additional rental fees to the promoter, taking away from their profits and has shown a major deterrent for events not using Sleeman Centre. Sleeman Centre will propose new capital investments as part of the 2027 budget process to reduce this perceived barrier.

The Guelph Storm will continue as a main tenant through the winter season and have priority booking for games, including playoff games. Although the Ontario Hockey League considers the facility schedule there is not always flexibility for the Sleeman Centre to book dates in advance of the Storm game schedule being set. Recognizing the need for Storm practice times as well, there are some scheduling limitations and higher costs associated with events and programs in the ice season.

### **Marketing and Communications**

Changing to an operating model that has Sleeman Centre booking events and performances will require the creation of a Marketing and Promotion Strategy to sell tickets to events, promote programs, and showcase Sleeman Centre for other rentals. Some tactics that would be included in a strategy would include a creation of Sleeman Centre social channels, digital advertising plans, possible print advertising, and website review and update.

### **Entertainment Action Plan Items**

- 1.1 Create and execute Sleeman Centre Presents performance and event plan, subject to budget approvals.
- 1.2 Update expenses and revenues during the next budget cycle to reflect changes in the Operating Model, suggesting staffing and equipment changes.
- 1.3 Aim to pilot presenting a few events or performances in 2026 that are break even or make a profit.
- 1.4 Meet with promoters and other organizations to encourage rentals and co-productions at Sleeman Centre.
- 1.5 Seek block booking artist touring opportunities with the Ontario Hockey League Arena managers or other partners.
- 1.6 Create a Marketing and Promotion strategy, including consideration for dedicated social media channels and marketing brand for Sleeman Centre Present shows.

### **Key Area: Revenue Increases**

Following the success of the Crave original series "Heated Rivalry" that was filmed at the Sleeman Centre in 2025 and past film shoots, there is opportunity for future filming bookings including TV series and commercials. Film and television shoots provide significant financial, economic, and promotional benefits to venues.

With increased Sleeman Centre programming and events, there is increased opportunity for corporate sponsors. Building on the sponsorship framework established over the past year, a sponsorship strategy, identifying event

opportunities and the sponsorship value, would be created through corporate engagement to have the business community sponsor events at the Sleeman Centre. Although not confirmed, staff have approached the business community to sponsor a weekly roller-skating pop-up event through the summer months.

To maximize revenue, events that Sleeman Centre programs or books will include an individual event budget with the financial result of revenue neutral or with profit. This approach lowers the support required from the tax base and helps manage risk. Presenting and booking performances and events can be risky with unforeseen low community interest, low ticket sales, and the size of Sleeman Centre.

Some programming can be risky to meet budget targets or needed attendance for a balanced budget especially when presenting a new genre or marginalized type of event. With pre-approval of budget, Sleeman Centre can balance this important type of programming by recognizing more significant profit from other events and through partnerships. Even with some risk it is necessary to present specific events or underrepresented works or type events (e.g., Indigenous, commentary dance).

### **Negotiate Rates and Fees**

Rental rates, staff charges, and City owned equipment rentals are included in the Rates and Fees bylaw. Within the industry of arts and entertainment, firm, non-negotiable rates can be constrictive. A successful operating model would allow for staff to negotiate Sleeman Centre rates and fees, especially rent, when revenue can be recovered through shared profit and ticket sales by the time of the event. There are profit share models that include a lower base rent and a percentage of tickets sales. This shared model has no guarantees but incentives for a successful event where both the promoter and the facility gain with strong ticket sales. Sleeman Centre will review rates and fees and propose an updated model for community and corporate, ticketed and non-ticketed model.

### **Youth Facility Discount**

Approved not-for-profit Guelph based organizations are eligible to receive a discount (currently 42.5 per cent) off the approved full rental fee when renting most City facilities for the purpose of providing active organized programs for youth. Collaboration and rental opportunities with community and recreation providers will continue through tournaments and special events but seasonal contracts (September to March) will not be available. The opening of South End Community Centre increases available ice time, allowing for current Sleeman Centre user groups to move to other arenas, where the youth facility discount rate would still apply. Once the new community centre opens, the youth facility discount will not be offered at Sleeman Centre.

### **Revenue Action Plan Items**

2.1 Actively sell Sleeman Centre as a viable film and television recording facility.

2.2 Create a sponsorship strategy to increase corporate sponsorships at Sleeman Centre.

2.3 Update Rates and Fees Bylaw, in the next budget cycle, with updated rental rates, profit-share models etc., while still including the opportunity to negotiate.

2.4 Explore grant opportunities for new and existing programming or capital investment.

## **Key Area: Collaboration**

The operating model focuses on creating new partnerships and expanding existing relationships through collaboration. Establishing and maintaining partnerships and collaborations generate additional revenue, enhance the fan experience, and drive sustainability through shared resources and expertise. Sleeman Centre can transform from a basic event space into a vibrant, year-round, mixed-use entertainment facility.

Continuing the success of the Frosty Mug partnership with the University of Guelph, expand to other partnerships with local organizations.

The Sleeman Centre is available and open to exploring adding professional sports teams as tenants. To date, a few junior organizations have approached Sleeman Centre for details on becoming a tenant or having exclusive use. Current community seasonal bookings and the larger audience size of Sleeman Centre have been challenging to smaller youth competitive teams. For non-ice sports, there is more opportunity in the summertime outside of the hockey season.

There is a growing interest in hosting major sporting events at Sleeman Centre. The facility has seen the success of several marquee properties including the 2025 Grand Slam of Curling, the Canadian Hockey League All-Star Game and boxing events. These major events are successful when local or governing organizations lead bids and operate the event in their area of specialty. These events often come with significant financial and in-kind contribution requests of the municipality, ranging from \$500,000 to \$700,000, to be considered in the bid process.

While the Municipal Accommodation Tax (MAT) has been leveraged in recently awarded sporting events, the rate of collection for the MAT means that the City can only make this level of commitment to a single event once every five to seven years and would be then used exclusively for supporting major events without investment in other tourism priorities. To continuously consider more significant sport tourism events at the Sleeman Centre, investment from the City should be considered through alternative or additional revenue sources. The Sleeman Centre is also not the only facility in Guelph that could facilitate a major sporting event where these events may occur (e.g., golf or field-based sports) but offers a medium-sized venue for indoor competitions.

Collaborations with River Run Centre to bring more performers, trade shows and conferences to Guelph. This will be accomplished by completing block bookings and leveraging the knowledge from the team at River Run Centre.

## **Open Capacity**

To open capacity for new rentals, films and other bookings, full season or block ice rental contracts (e.g., regular weekly hours from September to March) will not be included at Sleeman Centre. This will move some community and recreational seasonal users to other recreation arenas (with the opening of South End Community Centre). The current users will have one time adjustment ahead of the normal facility allocation sequence to ensure the same amount of time is offered. Although the draft Recreation Facility Allocation Process makes reasonable efforts to provide users with consistency in their facility schedules from season to season, only overall time (not location) can be accommodated to balance and accommodate new or emerging requests (and change in City operations).

There are alternative uses for the Sleeman Centre for community and recreational use that focus on tournaments, special events, and adult hockey leagues. This will allow for different collaborations with current users and for the facility to advance in the entertainment business, while at the same time creating special memories for local sport and recreational users. An allocation strategy, booking timelines, and cancellation timelines will be established to meet the operational needs at Sleeman Centre.

The year 2027 marks Guelph's Bicentennial, or 200 years since the establishment of the city known today as Guelph. This year-long celebration allows for the opportunity to reflect on and commemorate the past two hundred years. In collaboration with other City departments and the City's Community Working Group, Sleeman Centre will identify events, performances, or co-productions that can celebrate and commemorate Guelph's bicentennial.

### **Collaboration Action Plan Items**

3.1 Create a framework and parameters for collaboration and co-productions, consider adding to the Sleeman Centre website for transparency.

3.2 Support Guelph 200 events at Sleeman Centre and consider presenting event(s) under the Guelph 200 branding.

3.3 With City of Guelph Tourism staff, identify ways for Sleeman Centre to be a venue in sport tourism.

3.4 With Recreation, work with seasonal users to transition to other Recreational facilities and explore new event opportunities.

3.5 Design an allocation strategy including booking process and cancellation timelines.

Attachment-1 Operating Model Action Plan includes all action plan items and suggested implementation timing.

### **Financial Implications**

Sleeman Centre's 2026 operating budget includes \$2.5 million in revenue, less \$4.1 million in expenses, causing a net impact on City tax-supported operating budget of \$1.6 million.

Revenues are strongly attributed to \$1,618,000 in Food and Beverage sales primarily sold at Storm games, although there is additional revenue generated outside of Storm games from special event rentals, community ice rentals, adult recreational hockey leagues programming, and suite sales.

To open up capacity for other rentals, Sleeman Centre will transition away from full season ice rental contracts (e.g., regular weekly hours from September to March), with the potential for revenue to be replaced by the other rentals and programming. On average, Sleeman Centre recovers \$330,000 annually in ice rentals. This revenue includes full season contracts, tournaments, adult leagues, and special events on the ice. Although full-season contracts will be reduced by not booking season long contracts, many of the other programming will continue, and with additional events added this revenue will be quickly offset or recovered. The revenue will be adjusted with the 2027 budget update.

As expenses and revenues are updated during the 2027 budget update to reflect changes in the Operating Model, Sleeman Centre will work to reduce the

dependence on tax support. The long-term revenue goals are to operate as cost recovery, meaning increasing revenue by \$1.8 million, accounting for the current tax supported budget and loss of community ice rentals. In the short term this will be challenging, as it will take time to have a fully programed event space. The revised budget will not exceed the current tax supported funding.

If Council approves recommendation two and three as presented, staff will bring an amendment to the User Fees Bylaw before September 1, 2026.

## **Facilities and Resources Growth**

Benchmarking the Sleeman Centre against the OHL facilities across the league, equipment and capital upgrades will be needed to ensure success moving forward. This will ensure the facility meets the needs of Guelph residents by becoming a year-round entertainment complex.

Sleeman Centre has identified the following equipment and facility upgrades that would be needed:

- Concert stage/risers
- Upgraded facility sound system
- Marquee (digital sign)
- Dedicated service elevator
- Improved WIFI infrastructure to support sales systems
- Upgrades to security infrastructure, including the introduction of metal detectors.

The cost of these items would range from \$200,000 to \$2 million.

The Sleeman Centre has one main kitchen inside of the restaurant with smaller supporting areas behind the concession stands. To properly support the facility when it is operating at full capacity, additions to the kitchen need to be completed. Additional equipment or facility upgrades to support expanded volume with food and beverage include expanded kitchen preparation areas, larger stoves, fridges and freezers, and a dedicated second kitchen on suite level.

With growth and change in the operating model, additional staffing resources will be required that will include operations, event support, and marketing/promotions to support expanded hours and set up of events.

The Sleeman Centre capital reserve (189) has an uncommitted balance of \$124,000 at the end of 2025. Currently, Sleeman Centre collects between \$1.50 to \$2.50 per ticket as a capital reserve fund (CRF) surcharge on tickets sold for events at Sleeman Centre. CRF collected varies based on the ticket price and the organizational status (e.g. not for profit) for an event or performance. With the change in the operating model, there is an opportunity to increase the CRF to \$2.00 to \$3.00 on each ticket. An increase in events and rates would see the reserve grow at a slightly faster rate to accommodate the new capital infrastructure and equipment.

The reserve would be used first to support funding these items, as the reserve is intended to fund non-life cycle projects to enhance customer experience, support long-term viability of the facility, and create revenue-generating opportunities. As the rate of the capital reserve charge increases and the number of ticketed events increases, the reserve will also increase to support the required equipment and

facility upgrades needed. A revised 10-year capital plan will be submitted with the next budget process. The updated operating model is not dependent on these capital upgrades being completed in the short term. The upgrades will be completed as funding allows.

### **Consultations and Engagement**

Ontario Hockey League Arena Managers

Ticketmaster

Finance has reviewed the financial implications outlined within the report.

### **Attachments**

Attachment-1 Operating Model Action Plan

### **Departmental Approval**

None.

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