

Updated Framework for Private Partner Master Agreement (October 2025)

Note: Highlighted items are new or revised terms from those presented in August 2024.

The City and OVG are proposing to enter into a private partner master agreement to operate and maintain the new event centre/arena, renovated and expanded convention centre and renovated theatre to maximize profitability and revenue generation of these venues for the City.

With the exception of pre-opening services, the following terms would apply upon OVG commencing operations management. Operations management of the convention centre and theatre would commence 24 months in advance of the opening date of the new event centre/arena. Operations management of the new event centre/arena would commence upon the completion of construction.

Management Services:

- 1) OVG would be responsible for management services for the venues, which includes those services necessary to book events; sell sponsorships and other naming rights opportunities; negotiate tenant agreements on behalf of the City; and manage, operate, and market the venues in a reputable manner that is consistent with the standard of quality and performance of management of comparable venues and in accordance with an approved budget.

Term:

- 2) The term of the agreement would be the pre-opening period plus ~~twenty five (25)~~ **fifteen (15)** years upon completion of the new event centre/arena.
- 3) **The City and OVG shall have the option to extend the term up to a maximum of 15 years.**

Financial:

- 4) A minimum capital contribution of ~~\$20,000,000~~ **\$15,000,000**, in two equal installments, the first of which will be payable ~~one year~~ **six months** prior to the opening date for the new event centre/arena and the second of which will be payable ~~six months in advance of the first public event at~~ **within 30 days following opening of** the new event centre/arena. This contribution is intended to support the development of the new event centre/arena, subject to OVG having the rights to approval of the overall design as it relates to the revenue generating capacity of the venues and recognizing the capital budget established by the City.
- 5) The initial capital contribution will be amortized in equal monthly amounts over the ~~25-year~~ **15-year** term of the agreement. If the agreement is ended early without cause, the remaining balance will be refunded to OVG. If the agreement is ended early with cause, the remaining balance will be refunded to OVG, but the City can deduct any damages caused by the early termination, as determined by a formula in the Master Agreement.
- 6) **In the event that the net operating income of the arena operations is a loss (i.e. there is negative net operating income, also referred to as an "Operating Loss"),**

in any given fiscal year, OVG shall assume full responsibility for such Operating Loss, ensuring that the City incurs no financial responsibility for an Operating Loss.

- 7) The City would receive the net operating revenue for the venues following deduction of OVG’s fees and commissions, which are outlined in the following bullets.
- a. OVG would receive a management fee of \$25,000 per month for each venue, subject to inflationary increases, funded by self-generated operating revenues of the venues.
 - b. OVG would receive a \$25,000 per year fee for all off-site sales support functions at the venues, funded by self-generated operating revenues. OVG would use a local sales team to focus on local advertisers and sponsors while leveraging its national team to support conversations with larger national and international advertisers and sponsors.
 - c. OVG would be the lead entity selling sponsorships and advertising for the venues. Subject to any agreement with sports tenants to the contrary, OVG would receive fifteen percent (15%) sales commission on sales of naming rights, sponsorships, advertising, and premium seating.
 - d. OVG would be the exclusive provider of food and beverage at the venues (as applicable), would receive three percent (3%) of gross food and beverage revenue, and would receive five percent (5%) of food and beverage profit at the venues, not including self-catered events.
 - e. OVG would receive a percentage of event profit at the event centre/arena in accordance with the following table:

Event Profit	Percent to OVG	Percent to City
\$0.00 to \$2,000,000	10%	90%
\$2,000,000 to \$3,000,000	20%	80%
\$3,000,000 to \$4,000,000	30%	70%
Greater than \$4,000,000	40%	60%

Event Profit	Percent to OVG	Percent to City
\$0.00 to \$2,000,000	50%	50%
\$2,000,000 to \$4,000,000	0%	100%
\$4,000,000 to \$6,000,000	5%	95%
\$6,000,000 to \$8,000,000	10%	90%
Greater than \$8,000,000	15%	85%

- f. OVG would receive twenty percent (20%) of event profit at the theatre.
- 8) OVG would apply and collect the Ticket Tax on all ticket sales at the Venues on behalf of the City. OVG shall remit the Ticket Tax directly to the City without setoff, deduction or abatement. OVG would not guarantee levels of Ticket Tax revenue.
- 9) Naming rights agreements for the event centre/arena and convention centre would be governed by the Naming of Civic Property and Development Areas Policy and be subject to City Council approval (not applicable to interior spaces

- naming rights agreements but would be subject to certain City veto rights). The theatre name (Sid Buckwold Theatre) would not be eligible for sale by OVG.
- 10) OVG reporting requirements would be comprehensive and in strict compliance with accounting standards further elaborated on in the Master Agreement.
 - 11) OVG would commit to providing the City with fully open book and transparent access to its finances and those of any involved affiliate as they relate to operation of the Venues upon reasonable request by the City.
 - 12) OVG and any involved affiliates would commit to operate the venues with the utmost good faith and with financial stewardship of the City's resources as a core value in its functions as operator of the venues.

Public Plazas:

- 13) OVG would have operations management responsibility for the public plazas adjoining the venues (does not include the Community Park and Linear Park).
- 14) OVG would be responsible for snow and ice management, litter and garbage pickup, graffiti removal, and landscaping maintenance of these areas.
- 15) Naming rights for the public plazas would remain with the City.

Non-Competition

- 16) If following the opening of the event centre/arena OVG is managing any venue within a 300 kilometre radius of Saskatoon that is competing with the event centre/arena to book any concert, event, or entertainment act, OVG shall not involve its regional or corporate office or personnel in trying to attract such act to such competing venue, but rather shall permit its onsite management teams at the event centre/arena and the venue competing for such act to solicit such act on their own.

Pre-Opening Services:

- 17) OVG would receive a consulting fee of \$6,250 per month, subject to inflationary increases, during the pre-opening consulting phase for mutually agreed consulting services. These services and fee would commence upon approval of the master agreement and terminate upon OVG undertaking operations management of the new event centre/arena.

Community Benefits:

- 18) OVG would actively support the City and local community and hospitality stakeholders in the solicitation of high-profile events for the venues.
- 19) One designated day per year will be allocated as a City Event Day, where the venue will be made available free of charge to the City for an approved community event. This day will be designated as Remembrance Day and would not be changed without City Council approval.
- 20) A local economic inclusion policy would be employed to maximize economic opportunities for marginalized groups, women, and other under-represented business enterprises within operations and supply chain at the venues. This would include supports for emerging diverse suppliers, such as strategic

- outreach, notification of procurement opportunities, education about the procurement process, and encouraging participation in the bidding process.
- 21) The City's Purchasing Policy would apply to procurements above a set threshold.
 - 22) The venues would be operated in such a way to reduce carbon emissions, conserve water, reduce waste, improve air quality, incorporate local procurement (including labour, operations products, and menu ingredients), and provide free, accessible water fountains.
 - 23) The venues would be available for community non-profit event rentals at reasonable market rates. The availability of facilities would be subject to scheduling constraints and prior bookings. However, every effort would be made to accommodate community events whenever possible.
 - 24) Qualified community non-profit events (e.g. cultural festivals and celebrations) would have the option to self-cater (food and non-alcoholic beverages) their events, provided they adhere to health and safety regulations and guidelines set forth by the City, Saskatchewan Health Authority, and any other applicable regulatory bodies. Organizers would be required to ensure that catering activities did not pose any risk to the associated venue or its facilities.

Human Resources:

- 25) OVG's total benefits package to employees would include competitive base pay, time off, and entitlements (prescription drugs, behavioural health, vision, dental, flexible health spending accounts, short- and long-term disability, life and accidental death and dismemberment insurance, and employee assistance program).
- 26) OVG would commit to use best efforts to find positions for all current staff members at the existing venues.
- 27) Current union employees would stay employed with that union after the transition, and all union contracts would stay in place.
- 28) Where there may be open positions, there would be a commitment to filling those opportunities from within the local community wherever possible and providing the extensive training and mentoring that would allow new team members to immediately prosper within their roles at the venues. OVG would work with groups within the community to support their local hiring efforts.
- 29) Through its internal policies and procedures, OVG would commit to implementing programs that address systemic inequities and provide the support and tools necessary to create an equitable environment for all through recruiting, training, and placement assistance as well as career enhancement and development opportunities to the underrepresented and marginalized populations.