

**Municipality of Chatham-Kent**  
**Infrastructure and Engineering Services**  
**Parks, Recreation & Cemeteries**

**To:** Mayor and Members of Council  
**From:** Rob Pollock, Director, Parks, Recreation and Cemeteries  
**Date:** October 28, 2022  
**Subject:** Intercounty Baseball League Team Agreement

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**Recommendations**

It is recommended that:

1. The five-year agreement between the Intercounty Baseball League (IBL) team and the Municipality of Chatham-Kent be approved.
2. The 2023 Capital requirements of \$195,500 be funded from the Hydro One Community Benefit Contribution Reserve.
3. Operating and lifecycle costs pre-approved for funding in the 2024-2027 multi-year budget.
4. The Clerk and the General Manager of Infrastructure and Engineering Services be authorized to sign the agreement.

**Background**

In February 2020, Dom Dinelle, owner of the IBL team approached administration to present the project of establishing an IBL baseball franchise in Chatham-Kent. Details of the owner and the team can be found in Appendix A. Due to the COVID-19 pandemic the project was put on hold and administration started investigating this proposal again in early 2022.

Established in 1919, this Canadian Amateur Baseball League has players that have played in major professional leagues as well as elite NCAA college baseball players.

Composed of eight teams in Ontario, the League operates under rules similar to Major League Baseball (MLB). Many players that have played in this League have made it to MLB including Chatham's own Ferguson Jenkins.

At the June 20, 2022 Council meeting, administration provided a report to allow for negotiations between the Municipality and the IBL team. The following recommendations were approved:

1. The General Manager of Infrastructure and Engineering Services be authorized to negotiate a multi-year agreement with an Intercounty Baseball League team to play out of Fergie Jenkins Field in the Community of Chatham starting in the summer of 2023, on the terms and conditions described in this report and subject to approval of the form of the Agreement by the Director, Legal Services.
2. Capital, lifecycle, and operating costs be deferred to the 2023 budget process.

### **Comments**

The Chatham Minor Baseball Association is in support of the IBL team coming to Chatham. The agreement ensures that if an IBL team is to come to Chatham, it would work with our current baseball user groups.

The five-year agreement explains all conditions associated with the team playing at Fergie Jenkins field. This is a private organization that will be operating for-profit, and this was taken into consideration during the negotiation process.

The agreement provides the following details:

- Commitment of certain times of use of Fergie Jenkins Field for games, promotional activities, clinics and practices in coordination with Chatham Minor Baseball
- Use of locker rooms, laundry, medical room and storage within Memorial Arena
- The baseball club shall have the right to sell food and alcohol, subject to obtaining necessary permits and inspections
- The baseball club shall have a right to sell advertising for various parts of the field and stands
- The parties may perform certain facility improvements, after negotiations are completed, with current capital improvements described below in the “Financial Implications”
- The baseball club will have a right to request a multi-year renewal of the agreement, but the terms shall be open to negotiation
- Field maintenance, insurance, compliance with laws and various standard legal provisions

Capital costs of \$195,500 are required to be purchased in advance in 2023 to be installed prior to the 2024 baseball season. Operating and lifecycle costs will be included in the 2024 budget as the team would not start play until April of 2024.

The current process for other similar for-profit and not-for-profit organizations is for the sports team or community group to raise all or most of the funds needed for capital improvements and the Municipality would budget for operational and lifecycle cost increases. This process has worked to ensure the user group requesting the additional recreational infrastructure is invested in the project and is willing to fundraise the capital

costs. In this situation, the current process is not being followed as the Municipality will be paying the capital expenditures.

### Benefits to the Community

Currently, there is no IBL team within Chatham-Kent and the closest team plays in London, Ontario. This creates a large population that could become fans of the team, as there is little competition in the area for this level of baseball.

Potential benefits of acquiring a local amateur and/or professional sports team include:

- It can create a sense of identity for the community by giving the residents a team to support.
- Allows for more social benefits of attending the games and events.
- Creates a positive influence on young sports players and youth in the community.
- Positive economic impact related to increased tourism with teams coming to play in Chatham-Kent and fans coming from out of town as they will shop at local businesses and eat at local restaurants. The total economic impact is currently unknown.
- It could showcase the Municipality as a growing and vibrant community which may attract families to move here to enjoy the IBL team along with other sports teams already established within Chatham-Kent.

### Areas of Strategic Focus and Critical Success Factors

The recommendations in this report support the following areas of strategic focus:

- Economic Prosperity:  
Chatham-Kent is an innovative and thriving community with a diversified economy
- A Healthy and Safe Community:  
Chatham-Kent is a healthy and safe community with sustainable population growth
- People and Culture:  
Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community
- Environmental Sustainability:  
Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

- Financial Sustainability:  
The Corporation of the Municipality of Chatham-Kent is financially sustainable

Open, Transparent and Effective Governance:

The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership

Has the potential to support all areas of strategic focus & critical success factors

Neutral issues (does not support negatively or positively)

**Consultation**

- Financial Services has reviewed the report and the financial implications.
- Legal Services developed the legal agreement and reviewed the report.

**Financial Implications**

The following are capital costs proposed for funding from the Hydro One Community Benefit Contribution reserve.

**Estimated 2023 Capital Costs**

<b>Item</b>	<b>Purpose</b>	<b>Comments</b>	<b>Estimated Cost</b>
Wind Screening	Reduce sight lines to ensure ticket sales.	Perimeter fence tarp around the stadium.	\$7,000
Hitters Eye	Dark contrast behind pitcher for batters when hitting.	Requested the Municipality to install.	\$4,500
Portable Backstop	Safety for players and fans, retains foul balls.	Storage within the Chatham Minor Baseball shed during winter months.	\$8,500
Grooming Equipment	Allocated groomer for maintenance of the ball diamond.	To ensure proper maintenance of the field as there will be an increased demand on other diamonds due to reallocation of booking times. Current equipment will need to be utilized at those fields.	\$30,000
Bleachers	Increased seating capacity to meet demand for IBL games.	Two bleachers with approximately 250 seating capacity each.	\$120,000
Estimated Costs			<b>\$170,000</b>
Contingency (15%)			\$25,500
<b>Total Capital Costs</b>			<b>\$195,500</b>

The IBL team would be charged \$1,500 per month for 6 months use of the field, dressing rooms, storage rooms and other arrangements for a total of \$9,000 annually.

Operating costs would be approved by Council in this report and funded in the 2024-2027 multi-year budget and are detailed in the table below.

#### **Estimated Net Annual Operating Costs 2024-2028**

<b>Expense Item</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>
Employee Costs	\$51,308	\$52,847	\$54,433	\$56,066	\$57,748
Equipment and Maintenance	\$27,264	\$28,082	\$28,925	\$29,793	\$30,686
Contingency of 15% - Equipment and Maintenance	\$ 3,619	\$ 3,728	\$ 3,840	\$ 3,942	\$ 4,060
<b>Total Annual Expenses</b>	<b>\$82,191</b>	<b>\$84,657</b>	<b>\$87,198</b>	<b>\$89,801</b>	<b>\$92,494</b>
<b>Total Annual Rental Revenues</b>	<b>\$9,000</b>	<b>\$9,000</b>	<b>\$9,000</b>	<b>\$9,000</b>	<b>\$9,000</b>
<b>Net Annual Operating Expenses</b>	<b>\$73,191</b>	<b>\$75,657</b>	<b>\$78,198</b>	<b>\$80,801</b>	<b>\$83,494</b>

Annual lifecycle costs of \$9,775 will also be funded in the 2024-2027 multi-year budget.

Prepared by: Rob Pollock, Director, Parks, Recreation & Cemeteries

Reviewed by:

Chris Thibert, Acting General Manager, Infrastructure and Engineering Services

Consulted and confirmed the content of the consultation section of the report by:

Dave Taylor, Director, Legal Services

Matt Torrance, Director, Financial Services

Attachments:

Appendix A – Details of Owner and the Team

Appendix B – Letter of Support from Fergie Jenkins

Appendix C – Letter of Support from Bill Atkinson