

Report to Community and Protective Services Committee

To: Chair and Members
Community and Protective Services Committee

From: Cheryl Smith, Deputy City Manager, Neighbourhood and
Community-Wide Services

Subject: Food and Beverage Concessions in Arenas

Date: March 17, 2025

Recommendation

That, on the recommendation of the Deputy City Manager of Neighbourhood and Community-Wide Services, the Food and Beverage Concessions in Arenas Report **BE RECEIVED** for information.

Executive Summary

This report provides the historical context and the current state of food and beverage concessions in London arenas as per City Council's direction to report back at a future meeting.

Linkage to the Corporate Strategic Plan

The Food and Beverage Concessions in Arenas report is aligned with the following Strategic Areas of Focus and outcomes in the [City of London's 2023-2027 Strategic Plan](#):

Wellbeing and Safety

- Londoners have safe access to public spaces, services, and supports that increase wellbeing and quality of life.

Economic, Growth, Culture, and Prosperity

- Small and growing businesses, entrepreneurs and non-profits are supported to be successful.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- [Supply of Cold Bottled Beverages-RFP 2022-041, Award of Contract \(CPSC, May 31, 2022\)](#)
- [Cold Beverage Vending Machines in City of London Recreation Facilities and City Hall \(CPSC, January 24, 2017\)](#)

1.2 Council Resolution – October 21, 2024

On October 21, 2024, Municipal Council resolved the following:

“The Civic Administration BE DIRECTED to initiate a review of current arena concession operations and report back in Q1 of 2025 on the current operations across city arenas pertaining to food and beverage (including healthy options) concessions including revenue, current vendors and weekly hours of operation”.

2.0 Discussion and Considerations

2.1 Background and Purpose

The City's food and beverage arena concessions are provided as a convenience and service for facility users and to provide opportunity for the City to generate additional revenues to support its operations.

In 2014, the City issued a Request for Proposal (RFP 14-06) for the management and operation of food and beverage services in City of London arenas. The RFP resulted in a contract being issued to L.A.T. Sports to operate food and beverage concessions in six (6) arenas: Argyle, Carling, Earl Nichols, Kinsmen, Lambeth, and Stronach. The initial contract with L.A.T. Sports was for a three-year period with two (2) one-year extensions. No additional food and beverage service vendors were secured during this RFP process.

The contract was renewed in 2019 with services at Carling arena no longer being provided. Over the past five (5) years, the contract terms have been renewed and amended several times particularly during the COVID pandemic when recreation facilities were closed, and in post pandemic years as businesses struggled to recover from the impact of the pandemic. In Fall 2022, L.A.T. Sports began to reopen its concessions however reduced the operating hours and the number of concessions it operated.

See Table 1 in Appendix A for an overview of historic concession operations over the past seven (7) years.

2.2 Current State – Concessions

Currently L.A.T. Sports provides ongoing concession services at Earl Nichols and Stronach arenas and provides concessions at Argyle and Kinsmen arenas during tournaments only. The current contract provides \$5,000 of revenue relating to food and beverage concessions in arenas. The current contract expires on March 31, 2026.

Occasionally, non-profit sports teams or volunteer organizations have operated a concession stand for a tournament at an arena, however these occurrences are exceptions and are typically connected to a larger event. L.A.T. Sports has fully cooperated with these non-profit groups and City staff to utilize the concession spaces during some tournaments at no additional cost.

Concessions in arenas typically offer a variety of food options including hotdogs, sausages, chicken nuggets, nachos with cheese in addition to healthier options such as bagels, nutritional snack bars, Smart Food popcorn, muffins and fresh fruit (apples and bananas). Salads were previously introduced by the vendor however were discontinued due to low demand and resulting food wastage. Additionally, a selection of chocolate bars, chips, candy, and slushies is offered. French fries and poutine are available at Earl Nichols and Stronach only due to the availability of a deep fryer.

See Table 2 in Appendix A for the current hours of operation for food and beverage concessions in arenas.

In addition, the City has an existing partnership with the Western Fair Association (WFA) through the Fair-City Joint Venture where the City and WFA have worked together on ice rentals at the Western Fair 4-pad arena complex. The WFA independently operates its food and beverage services at this larger venue.

2.3 Vending Machines in Arenas

The City currently holds contracts for snack and beverage vending machines in several City facilities including arenas. In 2018 the City issued an RFP (RFP 18-57) for the supply, delivery, and maintenance for snack vending machines and entered into a contract with the successful proponent – NACC Vending Enterprises.

In 2022, the City issued an RFP (RFP 2022-041) for cold bottled beverages to be sold at various city facilities and entered into a contract with PepsiCo Beverages Canada as the successful proponent. The RFP for beverages outlined the following product requirements:

- Healthy options mix in product availability
- Reasonability of product pricing to customers
- No single use water products and/or energy drinks
- Environmental considerations in product selection (i.e. packaging)
- Operational procedures to outline on-going quality control of product selection

The revenues earned from these vending machine contracts are based on a percentage of gross sales and have generated annual revenues as outlined below:

	Vending (Snacks and Milk)	Vending (Beverages)	Total Revenues from Vending Machines
2024	\$ 33,342.34	\$ 60,408.21	\$ 93,750.55
2023	\$ 35,246.57	\$ 49,463.81	\$ 84,710.38
2022	\$ 8,696.06	\$ 37,791.09	\$ 46,487.15
2021	\$ n/a	\$ 5,877.14	\$ 5,877.14
2020	\$ 6,500.01	\$ 27,118.85	\$ 33,618.86
2019	\$ 26,052.86	\$ 37,087.69	\$ 63,140.55

2.4 Concession Practices in Other Municipalities

Civic Administration has connected with six (6) municipalities of a similar size that operate arena facilities comparable to London to provide context, best practices and additional information. Food and beverage concessions in these municipal arenas are often limited and typically offered in larger, high-traffic facilities such as multi-pad arenas.

Business models vary from city-operated locations to concessions managed by third-party operators. Municipal revenue models for external operators include flat-rate leases, percentage-of-sales agreements, or a combination of both. Adjustments to established contracts (e.g., rent tied to sales volume) were made in response to reduced post-pandemic sales.

Municipalities who have outsourced operations have used a mix of procurement methods, including a Request for Proposal (RFP) or Expressions of Interest (EOI) process. Several municipalities have included specific healthy food and drink requirements as part of the RFP process.

Many municipalities report challenges in sustaining concessions due to a number of factors including high operating costs, staffing challenges, declining revenues, low demand, and decreased spectator traffic.

Several municipalities identified that mandating healthier options produced mixed results and negatively impacted sales and vendor interest. Municipalities noted that healthy food and drink options were more expensive to provide, often had a shorter shelf-life and limited customer demand. For one municipality, these factors significantly reduced vendor interest in submitting concession service proposals from seven (7) to one (1) potential vendor.

Concessions remain a community expectation in many municipalities, particularly in arenas with organized hockey programs. However, profitability often depends on event type and facility usage patterns. While some municipalities identified working with non-profits or service clubs to help fulfill these expectations, concerns were expressed about the limited interest, resources, or capacity of these groups to provide continuous

service. Many non-profit groups provided concessions only during tournaments or larger special events.

Over the years and in most arenas, municipalities have replaced traditional concessions with vending machines, especially in smaller venues (single and double pad arenas) to help address visitor expectations.

2.5 Neighbourhood Amenities and Competing Factors

Concessions are convenient and provide quick, easy access to food and beverages, however arena patrons have multiple additional options to purchase food and beverages such as:

- beverage and snack vending machines,
- nearby restaurants and coffee shops,
- delivery of food to the venue through UberEats, SkipTheDishes, and DoorDash, and,
- food trucks.

Approximately 50% of the City of London arenas are located near or next to shopping malls, restaurants and coffee shops (less than 500 metres). For example, Argyle and Medway arenas are located right next to shopping centres. Other arenas, such as Stronach, are further away from amenities and thus might be more attractive to a potential third-party vendor.

Food delivery services such as UberEats, SkipTheDishes and DoorDash have seen substantial growth since 2019. These businesses provide easy solutions to having food (including healthy options) delivered directly to the venue.

Food trucks have been increasingly integrated into London's food and beverage ecosystem and have become a staple at community gatherings, festivals, and private events. Food trucks are able to be stationed across the City and provide an option to concessions, especially during tournaments and special events.

2.6 Expression of Interest

To determine future interest from potential vendors in operating concessions in London's arenas, Civic Administration will initiate the creation of an Expression of Interest (EOI) in Q1 of 2026 as the current contract concludes. An EOI is a procurement process where the City outlines clear expectations for the arena concessions in an open, transparent and publicly advertised manner. Any interested parties are able to outline a business proposal which can showcase their qualifications, knowledge and experience in operating a concession and demonstrate viability. Civic Administration will evaluate all proposals submitted during the EOI process.

3.0 Financial Impact

There is no direct financial impact associated with this report.

As noted in the report above, the City of London generates approximately \$100,000 (approximately \$33,000 from snack vending, approximately \$60,500 from beverage vending, and \$5,000 from concessions) in revenues through the provision of food and beverages in its arenas. These funds are applied directly towards operating costs.

Conclusion

In conclusion, municipalities are challenged with balancing community expectations with operational feasibility and financial viability. While high-traffic arenas remain viable for concessions, the shift toward vending machines, healthier food policies, and flexible space usage reflects an effort to adapt to financial and social pressures in a post-pandemic environment.

The future EOI for operating arena concessions will provide further insight on local market conditions and interest from potential vendors. Civic Administration will be prepared to enter into agreements with prospective vendors after appropriate procurement processes have been completed.

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Appendix A

Table 1 – Food and Beverage Concessions in Arenas – Historic Operations

Year	Argyle	Carling	Nichols	Kinsmen	Lambeth	Stronach	# of Arenas with Concession Services
2024	✓ ^T	n/a	✓	✓ ^T	n/a	✓	4*
2023	✓ ^T	n/a	✓	✓ ^T	n/a	✓	4*
2022	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2020	✓	n/a	✓	✓	✓ ^T	✓	5*
2019	✓	✓	✓	✓	✓	✓	6
2018	✓	✓	✓	✓	✓	✓	6

✓^T: concessions provided during tournaments only

* Note: Concessions are provided during limited times

Table 2 – Food and Beverage Concessions in Arenas – Current Hours of Operation

	Argyle	Nichols	Kinsmen	Stronach
# of ice pads	2	3	2	2
Current Hours of Operation	Tournaments only	Monday to Friday 5pm to 8pm Saturday 10am to 8pm* Sunday 12pm to 6pm*	Tournaments only	Monday to Friday 5pm to 8pm Saturday 9am to 7pm* Sunday 8am to 6pm*

* Note: Concessions in arenas are open seasonally from September to April. Operating hours will fluctuate due to the level of activities in the arenas. For example, concession hours will be lower at the beginning of the season however will expand as activities such as tournaments increase.