



# City of Moose Jaw

## COMMUNICATION # CC-2020-0214

**TITLE:** Ticket Rocket Ticket Refunds  
**TO:** City Council  
**FROM:** Office of the City Manager  
**DATE:** September 8, 2020  
**PUBLIC:** PUBLIC DOCUMENT

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### **RECOMMENDATION**

THAT ticket purchasers that were unable to obtain a refund from Ticket Rocket, their credit card company or other means for the following concerts and events that were cancelled due to COVID-19 be provided a gift card in an equivalent amount spent for use for upcoming concerts or hockey games:

- ZZ Top concert – scheduled for May 10, 2020;
- High Valley concert – scheduled for May 28, 2020; and
- Moose Jaw Warriors games – scheduled for March 14, 17 and 21, 2020.

### **EXECUTIVE SUMMARY**

Ticket Rocket, the Moose Jaw Downtown & Soccer/Fieldhouse Facilities Inc.'s ("DFFH") former ticketing services provider, was required to provide refunds to ticket purchasers of the cancelled ZZ Top and High Valley concerts, scheduled for May 10 and May 28 respectively, and ticket purchasers of the cancelled Moose Jaw Warriors games scheduled for March 14, 17 and 21 (the "Refunds"). Ticket Rocket held all ticket sale proceeds in their accounts as per the ticketing services agreement originally made with DFFH and therefore they had (and continue to have) the sole care and control of any such funds and the legal obligations towards ticket holders with regards to the Refunds.

On August 22, 2020, the publicized deadline had passed for Ticket Rocket to issue the Refunds and the City is now of the reasonable belief that Ticket Rocket does not intend to issue the Refunds. The City has no legal obligation to provide refunds as the sale of tickets and cancellations are a separate contract between Ticket Rocket and the ticket purchasers directly.

The City is believed to have a moral obligation to “make this right” for the ticket purchasers that were not able to obtain a refund from Ticket Rocket, which is now appearing to disregard their moral and legal obligations regarding the Refunds and which in turn is negatively affecting the City of Moose Jaw, Mosaic Place, Spectra Venue Management and customers.

## **BACKGROUND**

On June 14, 2016, the DFFH and Ticket Rocket entered into an agreement for ticketing services, equipment and box office operations for Mosaic Place. The terms of the original agreement were such that Ticket Rocket held the ticket money in a separate account and that Ticket Rocket had the responsibility to settle the events with the facility within 7 working days after an event. The relationship between the parties was difficult and began to deteriorate to the point that they mutually agreed to terminate their relationship in May 2020.

The parties entered into a settlement agreement effective as of May 29, 2020 (the “Settlement Agreement”), which constituted an all-inclusive settlement to resolve amicably and conclusively all the matters and claims between the parties. That Settlement Agreement stated explicitly that nothing in the Settlement Agreement released Ticket Rocket from the requirement to comply with all its legal obligations to persons who purchased tickets and who may be entitled to refunds for cancelled events.

Ticket Rocket advised the public and/or employees and agents of the City and Mosaic Place that they would be issuing refunds for the cancelled ZZ Top and High Valley concerts, and the cancelled Moose Jaw Warrior games by August 22, 2020 but have failed to do so. Since that time, the City and Mosaic Place has made ongoing efforts to reach out to representatives of Ticket Rocket and Ticket Rocket's legal counsel to seek updated information on the Refunds and to petition for the Refunds. At this time, we do not believe that Ticket Rocket intends to issue the Refunds.

The City adamantly condemns Ticket Rocket's current failure to refund amounts lawfully owed to ticket holders of cancelled events. However, the City is of the opinion that it does not have any reasonable legal claim or recourse against Ticket Rocket to force such Refunds to occur.

## **DISCUSSION**

Some ticket purchasers have been able to obtain refunds through their credit card companies and the exact outstanding amount of Refunds owing is not known.

The City acknowledges that the ticket purchaser purchased their tickets from Ticket Rocket and therefore the transaction, relationship, and obligations regarding the tickets should be between the ticket purchaser and Ticket Rocket. However, in this circumstance, it is believed that there is a moral obligation owed by City to the ticket holders.

The DFFH engaged the services of Ticket Rocket to provide an important service to customers and it is believed that some equivalent value must be provided to those customers that were not able to obtain a refund. Although the City inherited this contract when the DFFH was dissolved, the City should take the right actions to end this contract

on a positive note for ticket holders, who are blameless but who have suffered loss as a result.

The community was clear in 2018 that they wanted concerts and events to happen at Mosaic Place and while COVID-19 has halted that process, Mosaic Place is actively seeking concerts and events that is initially believed will be able to start again in 2021 and together with Spectra Venue Management we are working on some exciting concerts.

It is recommended that that any ticket purchaser that can prove the purchase of a ticket for the events discussed in this report and who agrees to complete an affidavit swearing that they have not received a refund, should be provided with a gift card in an equivalent value for tickets to an upcoming concert or hockey game (as the case may be) due to the following:

- all indications are that concerts will be happening again in 2021 and it will be cost effective to provide gift cards to those concerts given that there are generally extra un-sold seats available at events;
- the City does not hold any of the ticketing funds, in excess of \$200,000, to provide refunds to ticket holders;
- some ticket purchasers have been able to obtain refunds from their credit card companies.

The procedure generally envisioned for the City to provide these gift cards to ticket purchasers of the cancelled events is as follows:

- Spectra Venue Management on behalf of Mosaic Place and the City would reach out to ticket purchasers to advise of the gift card plan and procedure;
- The original ticket purchaser for the events referred to in this report must fill out forms that would verify the ticket purchaser's purchase, sign an affidavit stating that they have not received a refund, and provide any other required information; and
- City Administration and Spectra Venue Management would work together to verify each ticket purchase prior to issuing any gift card.

### **OPTIONS TO RECOMMENDATION**

THAT the City issue cash refunds to ticket purchasers of the cancelled ZZ Top and High Valley concerts, scheduled for May 10 and May 28 respectively, and/or the Moose Jaw Warriors games scheduled for March 14, 17 and 21.

THAT the City does not provide any compensation rightfully owed to ticket purchasers by Ticket Rocket.

## **STRATEGIC PLAN**

This report supports the City's Strategic Plan 2020 values of being customer-focused in our deliberations and actions; responsive to citizen needs; solution focused; and starting with 'YES' in serving the community. Additionally, the value and promise not to betray the trust that exists when we are together, or the trust instilled to us by the public we serve.

## **PRESENTATION**

Mr. Jim Puffalt, City Manager, will provide a brief overview of this report.

## **REPORT APPROVAL**

Written by: Jim Puffalt, City Manager  
Reviewed By: Tracy Wittke, Assistant City Clerk  
Approved by: Jim Puffalt, City Manager  
Approved by: Fraser Tolmie, Mayor

*To be completed by the Clerk's Department only.*

Presented to Regular Council or Executive Committee on \_\_\_\_\_.

Resolution No. \_\_\_\_\_

## Report Approval Details

Document Title:	Ticket Rocket Ticket Refunds - CC-2020-0214.docx
Attachments:	
Final Approval Date:	Sep 3, 2020

This report and all of its attachments were approved and signed as outlined below:



Tracy Wittke

**No Signature - Task assigned to Jim Puffalt was completed by workflow administrator Maureen Latta**

Jim Puffalt

**No Signature - Task assigned to Fraser Tolmie was completed by assistant Caroline Dreger**

Fraser Tolmie