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**TO:** GENERAL COMMITTEE

**SUBJECT:** NAMING RIGHTS AGREEMENT EXTENSIONS

**WARD:** ALL

**PREPARED BY AND KEY CONTACT:** C. HARRIS, MANAGER OF MARKETING AND COMMUNICATIONS

**NOTED:** R. BELL, MANAGER OF RECREATION AND CULTURE

**SUBMITTED BY:** R. JAMES-REID, EXECUTIVE DIRECTOR OF ACCESS BARRIE

**EXECUTIVE DIRECTOR APPROVAL:** R. JAMES-REID, EXECUTIVE DIRECTOR OF ACCESS BARRIE

**CHIEF ADMINISTRATIVE OFFICER APPROVAL:** M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

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**RECOMMENDED MOTION**

1. That the Mayor and Clerk be authorized to execute a one-year extension for the Naming Rights Agreements for the Sadlon Arena and the Five Points Theatre due to the impacts of COVID-19 on operations at the facilities and in a form acceptable to the Executive Director of Access Barrie and the Director of Legal Services.

**PURPOSE & BACKGROUND**

2. The purpose of this report is to seek Council's approval to authorize the completion and execution of a one-year extension for all City of Barrie facility naming right agreements, namely the Sadlon Arena and the Five Points Theatre.
3. COVID-19 shut down operations of both facilities in March 2020. Government restrictions impacted the use of the facilities and no events, productions, concerts and/or games have occurred at either facility since the pandemic began.
4. Naming Rights are purchased in exchange for exposure of people to the facility or driving by the facility seeing the name associated with that facility. Provincial lock downs and stay at home orders this past year resulted in no spectators at both facilities.
5. Naming Rights are partnerships between business and the City and as such COVID-19 has created a disruption to offering these businesses value for their investment. These agreements are long-term, and we hope to build relationships with more businesses in future naming rights agreements.

**ANALYSIS**

6. A State of Emergency was declared on March 23, 2020 in the City of Barrie after receiving advice from the Medical Officer of Health.
7. The declaration of the municipal emergency was part of the City's ongoing efforts to stop the spread of COVID-19 and helped ensure the municipal government can continue to act and respond quickly to the pandemic. The State of Emergency is still in effect.

8. COVID-19 has impacted the operation of various municipal facilities since March 2020. During Provincial *Stay at Home Orders* and depending on our level within the *Framework for Reopening Ontario* some had to be closed to visitors/users. This resulted in no in-person programs/activity offerings, facility rentals and events being held.
9. In addition to the Province's *Framework for Reopening* there have been several Provincial shutdowns and/or Stay-at-Home Orders that have impacted traffic in the areas of the facilities.
10. The only City-run theatre and facility with naming rights are the Sadlon Arena and the Five Points Theatre.
11. The current Sadlon Agreement is ten (10) years and ends December 31<sup>st</sup>, 2029. Extending the contract for one year makes the new end date December 31<sup>st</sup>, 2030.
12. The current Pratt-Hansen Agreement is fifteen (15) years and ends February 8<sup>th</sup>, 2033. Extending the contract for one year makes the new end date February 8<sup>th</sup>, 2034.

#### **ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS**

13. There are no environmental and/or climate change impact matters related to the recommendation.

#### **ALTERNATIVES**

14. The following alternative is available for consideration by General Committee:

**Alternative #1** General Committee could choose not to authorize staff to extend the naming agreement for the Sadlon Arena and the Five Points Theatre.

This alternative is not recommended as Naming Rights are purchased in exchange for exposure to a set number or range of persons using the facility or driving by the facility seeing and being exposed to the Name associated with that facility. This has not happened due to COVID-19, Provincial shutdowns and Stay-at-Home Orders and no spectators being at either of the facilities. Naming Rights are partnerships between business and the City and as such COVID-19 has created a disruption to offering these business value for their investment.

**Alternative #2**

General Committee could choose to authorize staff to extend the naming agreement for the Sadlon Arena and the Five Points Theatre to align with the City declared state of emergency declared on March 23, 2020 and extend the naming rights agreements by the number of months of the emergency. COVID-19 is an unprecedented global pandemic.

This alternate is not recommended as it will be difficult to administer and to predict the financial impact to the City.

#### **FINANCIAL**

15. The cost of the extended year for both Naming Rights agreements due to COVID-19 based on today's dollar would cost \$190,121. This loss of revenue would take place in 2030 and 2033.



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**LINKAGE TO 2018-2022 COUNCIL STRATEGIC PLAN**

16. The recommendation included in this Staff Report support the following goals identified in the 2018-2022 City Council Strategic Plan:

Growing our economy:

- ☒ Make it easier to do business and help businesses grow.