COMITÉ DES SERVICES COMMUNAUTAIRES ET DE PROTECTION RAPPORT 26 LE 27 SEPTEMBRE 2017

4. SPONSORSHIP NAMING RIGHTS – CENTREPOINTE THEATRES

DROITS D'APPELLATION LIÉS AUX COMMANDITES – THÉÂTRES

CENTREPOINTE

### **COMMITTEE RECOMMENDATIONS**

#### That Council:

- 1. Approve naming the Centrepointe Theatres as the Meridian Theatres at Centrepointe;
- 2. Authorize \$200,000 of the revenue of the naming rights proposal from Meridian to be used for capital and operating improvements at the theatres as detailed in this report; and
- 3. Authorize the General Manager, Recreation, Cultural and Facility Services to finalize and execute the naming rights agreement related to the theatres.

# RECOMMANDATIONS DU COMITÉ

# Que le Conseil :

- approuve la désignation des Théâtres Centrepointe comme les Théâtres Meridian à Centrepointe;
- 2. autorise l'affectation d'une tranche de 200 000 \$ des recettes obtenues grâce à la proposition de droits d'appellation de Meridian à des améliorations aux immobilisations et au fonctionnement des théâtres, comme le précise le présent rapport;
- 3. autorise le directeur général des Loisirs, de la Culture et des Installations à finaliser et à signer l'entente sur les droits d'appellation relative aux théâtres.

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# **DOCUMENTATION/DOCUMENTATION**

- Director, Economic Development and Long Range Planning report dated 14 September 2017 (ACS2017-PIE-EDP-0034)
  - Rapport du Gestionnaire, Sécurité et Gestion des mesures d'urgence, daté le 14 septembre 2017 (ACS2017-PIE-EDP-0034)
- 2. Extract of draft Minutes, Community and Protective Services Committee, 21 September 2017.
  - Extrait de l'ébauche du procès-verbal, Comité des services communautaires et de protection, le 21 septembre 2017

COMITÉ DES SERVICES
COMMUNAUTAIRES ET DE
PROTECTION
RAPPORT 26
LE 27 SEPTEMBRE 2017

Report to Rapport au:

Community and Protective Services Committee
Comité des services communautaires et de protection
21 September 2017 / 21 septembre 2017

and Council / et au Conseil September 27, 2017 / 27 septembre 2017

Submitted on September 14, 2017 Soumis le 14 septembre 2017

Submitted by
Soumis par:
John Smit,
Director / Directeur

Economic Development and Long Range Planning / Développement économique et Planification à long terme / Infrastructure and Economic Development Department / Direction générale de la planification, de l'infrastructure et du développement économique

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Ward: COLLEGE (8) / COLLÈGE (8) File Number: ACS2017-PIE-EDP-0034

**SUBJECT:** Sponsorship Naming Rights – Centrepointe Theatres

OBJET: Droits d'appellation liés aux commandites – Théâtres Centrepointe

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#### REPORT RECOMMENDATIONS

That the Community and Protective Services Committee recommends Council:

- 1. Approve naming the Centrepointe Theatres as the Meridian Theatres at Centrepointe;
- 2. Authorize \$200,000 of the revenue of the naming rights proposal from Meridian to be used for capital and operating improvements at the theatres as detailed in this report; and
- 3. Authorize the General Manager, Recreation, Cultural and Facility Services to finalize and execute the naming rights agreement related to the theatres.

#### RECOMMANDATIONS DU RAPPORT

Que le Comité des services communautaires et de protection recommande au Conseil :

- 1. d'approuver la désignation des Théâtres Centrepointe comme les Théâtres Meridian à Centrepointe;
- 2. d'autoriser l'affectation d'une tranche de 200 000 \$ des recettes obtenues grâce à la proposition de droits d'appellation de Meridian à des améliorations aux immobilisations et au fonctionnement des théâtres, comme le précise le présent rapport ;
- 3. d'autoriser le directeur général des Loisirs, de la Culture et des Installations à finaliser et à signer l'entente sur les droits d'appellation relative aux théâtres.

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#### **BACKGROUND**

City Council approved a Sponsorship and Advertising policy in 2005 that established a framework for the potential sale of naming rights of city property, buildings and structures to assist in the provision of city services and programs. In March 2011, Council approved a marketing plan (ACS2011-COS-ODP-0002) that identified various opportunities including the sale of naming rights of some of the city's major facilities, to generate revenue over a five year period.

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The City's Corporate Sponsorship and Advertising policy provides that a naming right is "a type of sponsorship in which an external company, organization, enterprise, association or individual purchases the exclusive right to name an asset or venue". Generally, naming right opportunities involve the naming of city facilities or part of a city facility for a fixed period of time. The policy provides that City Council approval is required for opportunities involving the naming/renaming of City property, buildings and structures. This report recommends approval of a naming rights agreement for the Centrepointe theatres, authorizing part of the revenue from the agreement to be used for improvements to and operation of the theatres and delegating the General Manager, Recreation, Culture and Facility Services the authority to finalize and execute the naming rights agreement on behalf of the City of Ottawa, in consultation with the City's Legal Services Department. The naming rights agreement will require adherence with the City's Corporate Sponsorship and Advertising Policy and any applicable City by-laws and policies.

# DISCUSSION

The Centrepointe Theatre opened in May 1988 and over the past 29 years has hosted truly great performances by local and international entertainers on its main stage (capacity 954). In 2010, an expansion added a 199 seat Studio theatre. The theatres are part of the busy Ben Franklin Place, with the Centrepointe library branch, a Client Service Centre and city administrative offices.

Meridian is the fourth largest credit union in Canada and largest in Ontario with over 80 branches and 1,300 employees. There are currently three branches in Ottawa (Bank Street, Clyde Avenue and Hazeldean Road). Through this partnership, Meridian is demonstrating its strong commitment to the communities in which they are located.

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Meridian recognizes the importance of the Centrepointe name to the community and is pleased to retain Centrepointe in the new naming – Meridian Theatres at Centrepointe.

The terms of the proposal are to name the theatre facility (not the individual theatres) for 15 years with options to extend. The annual payment will be \$65,000 (plus HST). In total, this partnership will generate \$975,000 to support city programs and services.

A portion of the naming revenues will directly benefit delivery of cultural programming to residents, and the local arts organizations that rent Centrepointe Theatres. Securing capital funding continues to be challenging, making it difficult to maintain equipment and deliver the expected patron experience. The revenues will enhance the quality of presentations by local emerging artists who appear in the Studio theatre. Efficiencies in power usage and reduced greenhouse gas emissions will be possible as the theatres move from incandescent to LED lighting. The service contract for the theatres' ticketing service provider ends in two years, and these funds will be critical to funding a possible new solution. Overall, it will enable the theatres to better fulfil four key priorities set out in the Renewed Arts and Culture Plan:

- 1) celebrate Ottawa's unique cultural identity,
- 2) realize the economic potential of the local cultural sector,
- 3) invest in local culture, and
- 4) preserve and develop cultural and creative places and spaces.

The General Manager, Recreation, Culture and Facilities Services will finalize and execute the naming rights agreement with Meridian in consultation with Legal Services.

# **RURAL IMPLICATIONS**

There are no rural implications associated with this report.

# CONSULTATION

The proposed name has been reviewed by the Planning, Infrastructure and Economic Development Department in collaboration with the General Manager and management of the Recreation, Culture and Facilities Services Department as well as with

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management of Emergency and Protective Services Department. No issues were identified.

The Ward Councillor will undertake consultation within the ward.

#### COMMENTS BY THE WARD COUNCILLOR

Councillor Chiarelli provided the following comment:

"I am very pleased to present this to residents."

### **LEGAL IMPLICATIONS**

There are no legal impediments to approving the recommendations in this report.

#### **RISK MANAGEMENT IMPLICATIONS**

There are no risk implications associated with this report.

# FINANCIAL IMPLICATIONS

The naming rights agreement will generate \$65,000 per year for 15 years, for a total of \$975,000. Of which, \$200,000 will fund capital and operating improvements at the theatre and the remaining \$775,000 will go towards meeting the Sponsorship and Advertising revenue target. The annual revenues will be allocated 21% to the theatres and 79% to sponsorship and advertising.

# **ACCESSIBILITY IMPACTS**

All changes to signage for the theatres will be consistent with the corporate and departmental policies, practices and procedures for accessibility.

# **TERM OF COUNCIL PRIORITIES**

No term of Council priorities are impacted with this report.

#### **DISPOSITION**

Subject to approval of this report, the Manager, Corporate Partnerships in the Planning, Infrastructure and Economic Development Department will facilitate the implementation of the Sponsorship and Advertising policy. The General Manager, Recreation, Culture

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and Facility Services will finalize and execute the naming rights agreement with Meridian in consultation with the City Solicitor.

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