



TO: GENERAL COMMITTEE

SUBJECT: CORPORATE SPONSORSHIP BARRIE MOLSON CENTRE

WARD: ALL

PREPARED BY AND KEY CONTACT: N. GAVARRE, INVESTMENT COORDINATOR #4431

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

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

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

RECOMMENDED MOTION

1. That staff in Access Barrie seek out any interested parties in the naming rights opportunity for the Barrie Molson Centre outside of the City's Purchasing By-law process and report back to General Committee with any recommendations of potential sponsors.
2. That the Barrie Molson Centre be added to the list of assets in the Sponsorship Pilot Program if no interested parties are found.

PURPOSE & BACKGROUND

Report Overview

3. The purpose of this Staff Report is to update council on the naming rights for the Barrie Molson Centre.

Sponsorship Pilot Program

4. On December 5 2016, City Council adopted motion 16-G-273 regarding outsourcing implementation of the Corporate Sponsorship Strategy as follows:

"That the Sponsorship Pilot Program outlined in staff report INV001-16 be approved".
5. The duration of the pilot program is for 18 months from the date the program begins.
6. The purpose of the pilot program is to mitigate risk and assess the feasibility of implementing a broad sponsorship program using an external resource. The outsourced sponsorship pilot would be used to track results over 18 months and report back to council on the findings and whether or not it is viable to roll out the broader strategy with an outsourced model.
7. Cosmos Sports and Entertainment was the successful proponent for the outsourcing of the Sponsorship Pilot Program. The official kick off of the Sponsorship Pilot Program was October 11th, 2017. The pilot program will be in place until March of 2019 at which point a full report on the pilot findings will go back to Council.

8. The naming rights for the Barrie Molson Centre was negotiated in 1994 as part of a land swap between the City of Barrie and Molson Canada. The City received 9 acres of land (valued at \$112,000 per acre= approx. \$1 million in value) and in return Molson's received the naming rights to the facility. The naming rights agreement is set to expire on December 31st, 2018.
9. On March 29th, 2017 an amendment was brought forward at Finance and Corporate Services Committee to include the Barrie Molson Centre (BMC) on the list of assets to be included in the Sponsorship Pilot Program. Staff later issued a memorandum to members of Council to not have the BMC included in the current pilot project in order to allow staff sufficient time to review existing contracts, meet with the existing sponsor and consider recommendations to move forward with securing new naming rights for the BMC in 2019.
10. City Staff met with Molson Coors Executives on September 28th, 2017 to discuss their interest in continuing on with the naming rights of the Barrie Molson Centre. Molson Coors later followed up with City Staff and declined the opportunity to continue on with the naming rights of the building. The current agreement expires on December 31, 2018.

ANALYSIS

11. Sponsorship opportunities are not specifically exempt from the City's current purchasing by-law. However, in order to promote this sponsorship opportunity and for the purpose of determining the level of interest in the naming rights of the BMC, more flexibility is required. Therefore a process outside of the purchasing by-law is recommended.

Staff will seek out opportunities for naming rights with new, potential sponsors of the Barrie Molson Centre and report back to General Committee with a recommendation.

12. If there are no interested parties found, the Barrie Molson Centre would then be added to the list of assets in the existing Sponsorship Pilot Program. The City has already gone through a public RFP process to select a consultant.

ENVIRONMENTAL MATTERS

13. There are no environmental matters related to the recommendation.

ALTERNATIVES

14. The following alternatives are available for consideration by General Committee:

Alternative #1 General Committee could decide to proceed with seeking a new sponsor through a different process.

This alternative is not recommended as this is one of the City's largest naming rights opportunity and it is recommended that the City present this offer in an open forum in order to maximize best value for this sponsorship.

Alternative #2 General Committee could decide to add the Barrie Molson Centre directly onto the list of approved pilot program assets and forgo the RFI process promoting the opportunity.

Although this alternative is available, going through the RFI process and promoting the opportunity throughout the community allows any interested party to make a proposal directly to the City without having to go through a third party consultant.



FINANCIAL

15. All sponsorship proceeds received by the City during the sponsorship pilot program will be allocated to the City's Corporate Advertising Revenue account unless specified in the sponsorship agreement that proceeds received are to be used for a specific purpose or otherwise directed by council.

LINKAGE TO 2014-2018 STRATEGIC PLAN

16. The recommendation(s) included in this Staff Report support the following goals identified in the 2014-2018 Strategic Plan:
- Vibrant Business Environment
 - Responsible Spending