



To: COUNCIL
Meeting Date: 12/3/2024
Subject: 24-148-CD Preston Auditorium – Renewed Main Lobby Naming Rights & Sponsorship Agreement
Submitted By: Lesley Head, Director of Recreation & Culture
Prepared By: Leanne Bond, Sponsorship Coordinator
Report No.: 24-148-CD
File No.: C11
Wards Affected: Ward 3

RECOMMENDATION(S):

THAT Report 24-148-CD Preston Auditorium – Renewed Main Lobby Naming Rights & Sponsorship Agreement be received;

AND THAT the renewed main lobby at Preston Auditorium, located at 1458 Hamilton Street, Cambridge be named “Greybrook Main Lobby” upon Council approval;

AND FURTHER THAT the Mayor and Clerk be authorized to execute a Naming Rights & Sponsorship Agreement with Greybrook, subject to the satisfaction of the City Solicitor.

EXECUTIVE SUMMARY:

Purpose

Council has directed staff to secure Naming and Sponsorship Rights to interested prospects to support the costs associated with investment in the recreation facilities being built. In accordance with the Council approved policies for both naming and sponsorship rights, staff are looking to obtain Council approval for the naming of the renewed main lobby at Preston Memorial Auditorium, located at 1458 Hamilton Street, Cambridge.

Key Findings

- Greybrook has been investing in the development of residential housing communities in Southern Ontario for over 20 years.
- As part of their submission, they have shared that they take pride in being a part of the growth and prosperity of thriving communities across the region.
- A Naming Rights and Sponsorship Agreement with Greybrook will be required.
- The \$100,000 valuation of the lobby is in accordance with the third-party valuation of the renewed main lobby.

. Financial Implications

- Details relating to the funding are outlined as part of the Key Business Terms further outlined in this report.
- Valuation of each naming opportunity, including recognition and value, is critical to the City's success in maintaining and building relationships.
- A signage allowance has been allocated as part of the capital project budget.
- The desire for additional sources of revenue must be balanced with the City's need to safeguard the City's values, assets, interests, and reputation.
The revenue received will be utilized to help offset the annual tax-supported debenture expense associated with the Preston Auditorium Expansion and Renovation Project.

STRATEGIC ALIGNMENT:

Strategic Action

Objective(s): WELLBEING - Connect people to services that support individual and community wellbeing

Strategic Action: Create and activate spaces that offer things for people to do

OR

Core Service

Program: Not Applicable

Core Service: Not Applicable

The naming of City of Cambridge owned facilities and assets plays a role in how the community identifies and connects with civic spaces. Requests must meet the criteria as outlined in the applicable policies and reflect the population, history, and community of Cambridge. Providing opportunities for the community to be involved in naming requests supports community engagement and connectivity.

BACKGROUND:

The corporate Naming and Sponsorship Policies are intended to provide the process and criteria for the naming of City assets that ensure the goals of the sponsorship partner and the City are aligned, the public interest is respected, and the integrity of municipal programs and services are protected.

The City also recognizes sponsorship opportunities as a means of partnership with companies and organizations in supporting the City's programs, facilities, parks, events, and operations, along with the opportunity to generate an additional revenue stream and, in some cases, offset the costs of municipal infrastructure, programs and operation.

ANALYSIS:

The Preston Auditorium renovation and expansion is a 77,000 square foot facility including new and renovated areas. The construction will include improvements to the existing change rooms, ice pad, ice resurfacing room and other amenities including the addition of a new NHL size ice pad, seating, changerooms, washrooms, multipurpose room and office space.

Key Business Terms

There are many additional benefits to the project and community by entering into this agreement. Therefore, staff are recommending that Council direct staff to proceed with an agreement with Greybrook based on the following Key Business Terms:

- Greybrook agrees to pay the City \$100,000, plus HST for the Naming Rights of the Renewed Main Lobby at the Preston Auditorium.
- This agreement applies solely to the Preston Auditorium and is not applicable to any other City facility.
- 10 Year Term, following the date that the Naming signage is erected.
- Signage costs above what is in the budget is at the sponsor's expense.
- Signage is to be erected in/on or in proximity to the named space.

- To recognize the sponsor and help to raise awareness of the Community Fundraising Campaign, publicity in the form of news, press release, or social media announcements will be made with the permission of Greybrook.
- Greybrook and the City of Cambridge agree that Greybrook shall have the right to renew this Agreement for a further 10-year period under the same terms and conditions, plus market inflation.
- Greybrook will adhere to the Council-approved Naming and Sponsorship Policies.

EXISTING POLICY / BY-LAW(S):

A09 ADM 036 Naming Policy

A09 ADM 037 Sponsorship Policy

FINANCIAL IMPACT:

The Preston Auditorium Expansion and Renovation Project has been funded through a combination of development charges, capital works reserve funds, growth-funded debenture and tax-supported debenture; additional funding is being sought through Naming and Sponsorship Opportunities.

The Council supported financial valuation of the Renewed Main Lobby is \$100,000 plus HST. The deposit and initial payment total \$20,000 with the balance of \$80,000 to be paid in equal instalments over the remaining 10 years. The revenue will be utilized to help offset the annual tax-supported debenture expense associated with the Preston Auditorium Expansion and Renovation Project. The cost for signage recognition is carried in the prime construction contract; however, any costs incremental to budget are the responsibility of the sponsor. The agreement may be renewed for an additional 10-year period under the same terms and conditions plus market inflation.

PUBLIC VALUE:

Supporting the Preston Auditorium Renovation & Expansion is meaningful to Greybrook as they have several current and past employees who played hockey professionally; a success made possible by local arenas.

These facilities are important to communities and are a place where memories are created. This capital build will enhance local engagement, foster unity and drive growth in Cambridge.

Leveraging this state-of-the-art facility to engage community partnerships to support the

City's fundraising campaign provides an opportunity for the community at large to be active and engaged in our recreation facilities.

ADVISORY COMMITTEE INPUT:

Not applicable

PUBLIC INPUT:

Posted publicly as part of the report process.

INTERNAL / EXTERNAL CONSULTATION:

Internal consultation with our Legal Services Division and Recreation Facilities Steering Committee has taken place.

CONCLUSION:

Having reviewed the Key Business Terms outlined in the Naming Rights and Sponsorship Agreement and both the City's Naming and Sponsorship Corporate Policies, staff are supportive of naming the Renewed Main Lobby at the Preston Auditorium Renovation & Expansion project, "Greybrook Main Lobby." The \$100,000 valuation of the lobby is in accordance with the third-party valuation of the renewed main lobby. The revenue received annually will be utilized to help offset the annual tax-supported debenture expense associated with the Preston Auditorium Expansion and Renovation Project.

REPORT IMPACTS:

Agreement: **Yes**

By-law: **No**

Budget Amendment: **No**

Policy: **No**

APPROVALS:

This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:

Director

Deputy City Manager

Chief Financial Officer

City Solicitor

City Manager

ATTACHMENTS:

Not applicable