

STAFF REPORT TO COUNCIL

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DATE: July 11, 2022

TO: MAYOR AND COUNCIL

NAME AND TITLE: Andy Beesley, Director of Recreation & Events

SUBJECT: Coliseum Naming Rights Expressions of Interest

ATTACHMENT(S): 1. Naming Rights Policy

RECOMMENDATION(S):

That Council RECEIVES FOR INFORMATION the report dated July 11, 2022, from the Director of Recreation and Events titled "Coliseum Naming Rights Expressions of Interest".

PURPOSE:

This report is to inform Council of administration's intention to invite Expressions of Interest (EOI) for the sponsored naming rights to the Prince George Coliseum.

BACKGROUND:

The Junior A Prince George Spruce Kings are the major tenant of the Prince George Coliseum, and have approached administration with a request to explore a sponsorship that would include naming rights to the Coliseum. As per the City's Naming Rights Policy, administration intends on publicly inviting interested parties to provide notice of interest, and depending on the response to the EOI, either pursuing direct negotiations with an interested party or inviting formal request for proposals from the responding interested parties. Administration would seek input from the Spruce Kings with any agreement. A final recommended agreement would be brought to Council to consider for approval.

STRATEGIC PRIORITIES:

Seeking sponsorships for building naming rights as well as working with community groups such as the Prince George Spruce Kings contributes to Council priorities including cultural richness, supportive and engaged community, sustainable infrastructure and a diversified and vibrant economy.

FINANCIAL CONSIDERATIONS:

Naming Rights proposals must include a net financial benefit to the City, as well as directly benefiting the community of Prince George.

SUMMARY AND CONCLUSION:

Administration intends on making this opportunity available to the entire community in order to gauge interest and expressions of interest from potential sponsors, while working with the Spruce Kings to find an agreement that aligns with their organization as well as benefitting the City.

RESPECTFULLY SUBMITTED:

Andy Beesley, Director, Recreation and Events

APPROVED:

Walter Babicz, City Manager

Meeting Date: 2022/07/11



POLICY

GUIDELINE NAME: NAMING RIGHTS

CATEGORY: CITY GOVERNMENT – EFFECTIVE GOVERNANCE
APPROVED BY COUNCIL: 2019/12/16
DEPARTMENT RESPONSIBLE: EXTERNAL RELATIONS

1. POLICY STATEMENT:

Naming Rights refers to the City granting the right to name a piece of property or portions of a property in exchange for financial consideration.

This policy is intended to cover Naming Rights for Civic Facilities. There is a companion policy, the City of Prince George Commemorative Naming Policy, that governs Commemorative Naming. Commemorative Naming is not normally made in exchange for financial consideration.

The City recognizes Naming Rights as an opportunity to offset the costs of municipal infrastructure, programs, and operations, and as a way to recognize partnerships contributing to local services and quality of life.

2. PURPOSE:

The purpose of this Policy is:

- 2.1 To provide clear and consistent guidance regarding Naming Rights for Civic Facilities;
- 2.2 To uphold the City's stewardship role in safeguarding the City's assets, interests, and image;
- 2.3 To encourage investment in Civic Facilities;
- 2.4 To balance public and private interests by encouraging naming in exchange for financial consideration while acknowledging continued public investment in and ownership of Civic Facilities; and
- 2.5 To provide an enabling environment for the City to enter into Naming Rights Agreements with corporations, groups, or individuals within set guidelines and procedures.

3. SCOPE / APPLICABILITY

- 3.1 This policy applies to existing or planned Civic Facilities.
- 3.2 This policy does not apply to:
- 3.2.1 The naming of neighbourhoods, subdivisions, streets and roadways;
 - 3.2.2 The naming of litter containers, park benches, picnic tables and trees;
 - 3.2.3 Core Facilities as defined in Section 4;
 - 3.2.4 Civic Facilities where the City has an existing Occupation Agreement with a Tenant that includes Naming Rights; and
 - 3.2.5 Advertising within Civic Facilities and sponsorships of programs, projects, events and activities.

4. DEFINITIONS

In this policy, the following terms have the meanings set out below:

“City” means the City of Prince George municipal corporation;

“City Council” means the municipal council of the City of Prince George;

“City Manager” means the chief administrative officer of the City;

“Civic Facilities” means any property, facility, structure, building, or portion thereof, owned or controlled (through a lease or occupation agreement) by the City. This includes but is not limited to arenas, conference centres, pools, bridges, trails, parks, playgrounds, sports fields, athletic parks and ball diamonds. Civic Facilities as it pertains to the City of Prince George Naming Rights Policy excludes properties identified in section 3.2;

“Commemorative Naming” means the naming of a Civic Facility or parts thereof, in honour of individual(s) or organization(s) for outstanding achievement, distinctive service, and/or significant community contribution. Commemorative naming can also be made in honour of historic sites, significant events, or geographic features. Commemorative naming is not normally made in exchange for financial consideration. Commemorative Naming by the City is addressed within a separate policy: City of Prince George Commemorative Naming Policy;

“Core Facilities” means Prince George City Hall, City fire halls, and City police stations;

“Naming Entity” means the entity (e.g. corporation, community organization, or individual) to whom Naming Rights are granted pursuant to a Naming Rights Agreement;

“Naming Rights” means the right to name a Civic Facility, or parts of Civic Facility, granted in exchange for financial consideration, and where a Naming Entity provides goods, services or financial support to the City in return for the Naming Entity’s access to the commercial and/or marketing potential associated with the public display of the organization's name on a Civic Facility for a specified period of time;

“Naming Rights Agreement” means a contractual agreement for the exchange of naming rights between the City and the Naming Entity for a specified period of time;

“Occupation Agreement” means the lease, sublease, license, sublicense, management or operating agreement which grants a Tenant the right to use and occupy a Civic Facility or a portion thereof;

“Tenant” means a person, corporation, organization or other entity occupying a Civic Facility through an Occupation Agreement.

5. GUIDING PRINCIPLES

- 5.1 The City supports revenue generation from Naming Rights Agreements when these agreements directly benefit the community of Prince George and the City. These agreements must result in a net financial benefit to the City.
- 5.2 Civic Facilities that are available for Naming Rights will not normally be considered for Commemorative Naming. However, Civic Facilities that are already commemoratively named may also be considered for Naming Rights without requiring the removal of the existing Commemorative Name.
- 5.3 Naming Rights Agreements will normally not be considered if they:
 - 5.3.1 imply the City’s endorsement of a partisan political or ideological position or of a commercial product;
 - 5.3.2 convey a message that might be deemed prejudicial to race, religion, gender or sexual orientation;
 - 5.3.3 present demeaning or derogatory portrayals of communities or groups, or in light of generally prevailing community standards, could reasonably be expected to cause offence to a community or group;
 - 5.3.4 promote alcohol or other addictive substances at venues geared primarily to children; or
 - 5.3.5 involve an individual, business or organization whose products or services are known to include the sale of sexually explicit materials or illegal products or substances.

- 5.4 Naming Rights Agreements must not compromise the City's or a Tenant's ability to carry out its functions fully and impartially.
- 5.5 Signage and acknowledgement associated with Naming Rights must comply with all applicable laws and City bylaws, and must be approved in advance by the City. While the physical display of the Naming Right shall be negotiated or decided upon as part of the Naming Rights Agreement, such recognition must not unduly detract from the character, integrity, aesthetic quality, or safety of the property, or unreasonably interfere with its enjoyment or use.
- 5.6 During the consideration of Naming Rights, the City will endeavour, to the extent reasonably practicable and in accordance with this Policy, to balance confidentiality of the Naming Entity with the City's responsibility to maintain transparent processes and provide information to the public.
- 5.7 Proceeds from the Naming Entity for Naming Rights of a Civic Facility will be received by the City and used by the City for any lawful purpose.
- 5.8 All Naming Rights Agreements will be for a fixed term.
- 5.9 Neither the City nor its Tenant(s) may relinquish any aspect of its right to manage and operate a Civic Facility through a Naming Rights Agreement.
- 5.10 A Naming Rights Agreement must not conflict with the terms and conditions of any existing Occupation Agreement between the City and a Tenant.
- 5.11 The granting of Naming Rights will not entitle a Naming Entity to preferential treatment by the City outside of the Naming Rights Agreement.
- 5.12 An independent market valuation will normally inform a Naming Rights Agreement to ensure a fair, transparent, and consistent practice.

6. AUTHORITIES

- 6.1 City Council may:
 - 6.1.1 Approve and authorize Administration to enter into a Naming Rights Agreement; and
 - 6.1.2 Authorize Administration to terminate a Naming Rights Agreement.
- 6.2 The City Manager may:
 - 6.2.1 Solicit, receive, and develop proposals for Naming Rights;
 - 6.2.2 Evaluate Naming Rights proposals for Civic Facilities based on this Policy;
 - 6.2.3 Bring to City Council proposals for Naming Rights for approval; and

- 6.2.4 Provide reports to Council from time to time on Naming Rights Agreements that are nearing expiration or where Council may wish to consider terminating Naming Rights Agreements.

7. NAMING RIGHTS AGREEMENTS

- 7.1 Naming Rights Agreements will be in the form of a legally binding contract between the City and Naming Entity and should include or address the following matters:
 - 7.1.1 A description of the naming arrangement;
 - 7.1.2 The term of agreement;
 - 7.1.3 Renewal options, if any;
 - 7.1.4 Value assessment, including cash and/or in-kind goods and services (and method of evaluating the value of in-kind contributions);
 - 7.1.5 The responsibilities for the cost of the development and installation of a logo, signage and any other promotional benefit which should be carried whenever possible by the Naming Entity;
 - 7.1.6 Naming and signage rights and any additional promotional benefits;
 - 7.1.7 Fees and costs, accompanied by a payment schedule;
 - 7.1.8 Installation and maintenance of signage;
 - 7.1.9 The ability for the City to remove or cover signage for limited periods such as during an event where the City has a legal obligation to ensure sites are free of competing corporate signage (e.g. a named sporting event);
 - 7.1.10 Release, indemnification and early termination clauses in favour of the City;
 - 7.1.11 The right for the City to terminate a Naming Rights Agreement if the Naming Entity fails to fulfill its obligations in regards to the payment schedule, uses the City's name outside the parameters of the Naming Rights Agreement without prior consent, or if the Naming Entity develops a public image that is unacceptable to Council;
 - 7.1.12 Reference to procedures and costs to be incurred once a Naming Rights Agreement has expired or terminated; and
 - 7.1.13 Insurance clauses in favour of the City.