

Date: March 24, 2025

To: **Mayor and Council.**

Name and title: Andy Beesley, Director of Civic Facilities and Events

Subject: 2025 CN Centre Naming Renewal

Attachment(s):

1. CN Centre Naming Rights – Renewal Agreement dated April 1, 2020
2. Staff Report to Council “CN Centre Naming Renewal” dated March 20, 2020 from Rob van Adrichem, Director of External Relations

Recommendation(s):

That Council APPROVES the financial terms of the CN Centre Naming Rights – Renewal Agreement for the renewal term commencing on April 1, 2025 and ending on March 31, 2030, as outlined in the report “2025 CN Centre Naming Renewal” dated March 24, 2025 from the Director of Civic Facilities and Events, and authorizes the Director of Civic Facilities and Events to execute any agreements as necessary to accomplish that renewal.

Purpose:

On March 23, 2020, Council approved the renewal of the CN Centre Naming Rights agreement. The renewal term was five (5) years, commencing on April 1, 2020 and ending on March 31, 2025. The new agreement also provided the option for “the right to renew the Naming Rights Agreement for a second renewal term of five (5) years on the same terms and conditions as contained in the Naming Rights Agreement, except for the Renewal Licence Fee and except for the Option to Renew”.

The Canadian National Railway Company (CN) has fulfilled the requirements of the agreement and indicated they wish to exercise their option to renew for an additional five (5) years. This clause is part of the current Council approved agreement however, administration is of the view that we require Council approval for the Renewal Licence Fee.

Formerly known as “The Multiplex”, in 2005 the Canadian National Railway Company purchased the rights for naming the CN Centre. The financial terms were as follows (not including GST):

- Original agreement 2005 – 2020: \$1,000,000 payable as follows,
 - \$100,000 annually from 2005 - 2010
 - \$50,000 annually from 2010 - 2020
- Current agreement April 1, 2020 – March 31, 2025: \$375,000 payable as follows,
 - \$75,000 annually from 2020 – 2025
- Renewal agreement April 1, 2025 – March 31, 2030 pending negotiations.

For the term from 2025 – 2030, City staff have negotiated a 33.33% increase which translates to \$500,000, payable in annual payments of \$100,000.

Strategic Priorities:

As outlined in the City's naming rights policy, the City supports revenue generation from Naming Rights Agreements when they directly benefit the community and the City. Further, naming arrangements result in additional funds that help to ensure the sustainability of infrastructure and assist in the balance between service levels and affordability.

Summary and conclusion:

CN has exercised their contractual option to extend the Naming Rights agreement for the CN Centre for an additional five (5) years. Administration has negotiated a 33.33% increase for the Renewal Licence Fee for a total of \$500,000, with annual payments of \$100,000. Administration seeks Council approval for the Renewal License fee.

Respectfully submitted:

Andy Beesley, Director of Civic Facilities and Events

Approved:

Walt Babicz, City Manager

Meeting date: 2025/03/24