

STAFF REPORT TO COUNCIL

1100 Patricia Blvd. | Prince George, BC, Canada V2L 3V9 | www.princegeorge.ca

DATE: March 20, 2020

TO: MAYOR AND COUNCIL

NAME AND TITLE: Rob van Adrichem, Director of External Relations

SUBJECT: CN Centre Naming Renewal

ATTACHMENTS: None

RECOMMENDATION:

That Council APPROVES extending the CN Centre naming arrangement with CN on the terms set out in the staff report to Council dated March 20, 2020, from Rob van Adrichem, Director of External Relations titled "CN Centre Naming Renewal", and AUTHORIZES the City Manager to execute any agreements as necessary to accomplish that extension.

PURPOSE:

The current arrangement for the naming of CN Centre expires at the end of this month. It has covered the past 15 years and included a provision to give CN the first opportunity to renew the agreement for an additional 10 years. The City has been in discussions with CN about the possibility of an extension over the past year.

The current 15-year agreement included annual payments to the City of \$100,000 per year for the first five years, followed by 10 years of annual payments of \$50,000. Conditional on Council's approval for continued naming rights, CN has approved annual payments of \$75,000 for five years. This represents a 50% increase in the annual payments that the City has been receiving for the past decade. The total contribution over five years will be \$375,000.

In addition, and consistent with the provisions in the original naming arrangement for a 10-year renewal option, CN is proposing that it receive the first option to renew for an additional five years prior to the expiration of this initial five year extension.

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:

Subject to Council's direction, Administration will work with CN to extend the current naming arrangement for a period of five years to include the updated financial figures and opportunity for a subsequent five-year renewal.

RESPECTFULLY SUBMITTED:

Rob van Adrichem, Director of External Relations

APPROVED:

Kathleen Soltis, City Manager

Meeting Date: 2020/03/23