

Report Staff Report The Corporation of the City of Brampton 10/23/2024

Date: 2024-10-09

Subject: Multi-Year Sponsorship and Naming Rights Agreements: Algoma University and Great Gulf

Contact: Denise McClure, A/Director, Economic Development and International Relations

Report number: CAO's Office-2024-806

RECOMMENDATIONS:

- That the report from Tara Hunter, Manager Sponsorship and Corporate Development, Economic Development to the Committee of Council Meeting of October 23, 2024, re: Multi-Year Sponsorship and Naming Rights Agreements: Algoma University and Great Gulf, be received;
- 2. That Council authorize the Interim Director of Economic Development to execute the Algoma University sponsorship agreement on behalf of the City on terms and conditions satisfactory to the Manager of Sponsorship and Corporate Development and in a form satisfactory to the City Solicitor, or designate, in the amount of \$183,000 over the Agreement Term; and
- **3.** That Council authorize the Interim Director of Economic Development to execute the Scottish Heather Development Inc. amenity naming rights Agreement on behalf of the City on terms and conditions satisfactory to the Manager of Sponsorship and Corporate Development and in a form satisfactory to the City Solicitor, or designate, in the amount of \$67,500 plus HST over the Agreement Term.

OVERVIEW:

- Staff has successfully negotiated a multi-year sponsorship agreement with Algoma University in the amount of \$183,000, ending December 31, 2027.
- Staff has successfully negotiated an agreement to continue the existing naming rights agreement for the Great Gulf Cricket Pitch at Teramoto Park

with Scottish Heather Development Inc. in the amount of \$67,500 plus HST ending December 31, 2027.

- The total value of the Algoma University sponsorship agreement and the Scottish Heather Development Inc. naming rights agreement exceeds the amount permitted under the Administrative Authority By-law 216-2017 that delegates authority for the execution of sponsorship agreements for sponsorships of \$100,000 or less, and authority delegated by By-law 216-2017 does not include naming rights.
- This report seeks Council approval to enter into the sponsorship agreement with Algoma University and the naming rights agreement with Scottish Heather Development Inc.
- The total revenue generated from the two agreements will result in \$250,500 over three years, with \$83,500 received annually in 2025, 2026 and 2027. Revenue will be deposited into the operating budgets of Corporate Support Services (Tourism and Events), Community Services (Parks, Recreation, Performing Arts) and Office of the CAO (Economic Development). These revenues will offset expenditures associated with the events and programming being sponsored over the term. There are no direct costs associated with this agreement.

BACKGROUND:

The city-wide Sponsorship and Naming Rights Program provides an alternative non-tax revenue source that helps the City deliver programs and services to Brampton residents without relying on the taxpayer.

The program offers companies the opportunity to enhance their local presence, support local events and build meaningful connections within the community, further strengthening the business ecosystem and fostering a sense of community pride and collaboration.

The program is guided by the Sponsorship and Naming Rights Policy ECD-100 approved as amended by <u>Council Resolution C049-2024 (CW094-2024)</u> and the Administrative Authority By-law 216-2017 as amended.

CURRENT SITUATION:

Staff has successfully negotiated a multi-year sponsorship agreement with Algoma University ending December 31, 2027. The total value of the agreement is \$183,000,

which exceeds the delegated authority limit. The total annual amount is \$61,000, made up of specified amounts payable in respect of each sponsored event and program.

The agreement will provide brand exposure, opportunities to build meaningful connections within the community and recognition of Algoma University as a sponsor for the listed City-hosted events and programs, including:

- Black History Month
- National Indigenous Peoples Day
- Pride
- Community Garba
- Heritage Months
- Farmers' Market
- The Rose Season Sponsor
- Heartbeats
- Brampton Entrepreneur Centre (BEC) Meeting Pod

The revenue received from this sponsorship will help offset the City's cost to deliver these events and programs for Brampton residents.

Staff has also successfully negotiated an agreement to continue the existing naming rights of the Great Gulf Cricket Pitch at Teramoto Park for a three-year term with Scottish Heather Development Inc. The agreement is worth \$67,500 plus HST over the three-year term, ending December 31, 2027. The agreement provides signage on two cricket screens, the digital score clock and ID sign.

The revenue received is used by Parks to help offset maintenance costs and fund park improvements.

CORPORATE IMPLICATIONS:

Financial Implications:

The total revenue generated from the two agreements will result in \$250,500 over three years, with \$83,500 received annually in 2025, 2026 and 2027. Revenue will be deposited into the operating budgets of Corporate Support Services (Tourism and Events), Community Services (Parks, Recreation, Performing Arts) and Office of the CAO (Economic Development). These revenues will offset expenditures associated with the events and programming being sponsored over the term. There are no direct costs associated with this agreement.

Staff will ensure that the revenue is incorporated in the 2025-2027 Operating Budget submission.

Agreement	Department	2025	2026	2027	Term Total
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Algoma University Sponsorship	Corporate Support Services – Strategic Communications, Tourism and Events	\$28,900	\$28,900	\$28,900	\$86,700
	Community Services – Performing Arts	\$22,100	\$22,100	\$22,100	\$66,300
	Office of the CAO – Economic Development (BEC)	\$10,000	\$10,000	\$10,000	\$30,000
	Subtotal	\$61,000	\$61,000	\$61,000	\$183,000
Scottish Heather Development Inc. Naming Rights	Community Services – Parks	\$22,500	\$22,500	\$22,500	\$67,500
	Grand Total	\$83,500	\$83,500	\$83,500	\$250,500

STRATEGIC FOCUS AREA:

This report supports the Strategic Focus Area of Growing Urban Centres and Neighbourhoods, strengthening the business ecosystem by creating opportunities for businesses to give back to the community and grow their brand presence through the sponsorship and naming rights program. It also supports Government & Leadership demonstrating a commitment to pursue alternative non-tax revenue streams through an open and transparent sponsorship and naming rights program.

CONCLUSION:

Staff recommend the Interim Director of Economic Development be authorized to execute the Algoma University Sponsorship Agreement and the Scottish Heather Development Inc. Naming Rights Agreement on behalf of the City, subject to terms and conditions deemed satisfactory by the Manager of Sponsorship and Corporate Development and in a form approved by the City Solicitor or designate.

Authored by:

Reviewed by:

Tara Hunter Manager, Sponsorship and Corporate Development Economic Development

Denise McClure A/Director Economic Development

Approved by:

Marlon Kallideen Chief Administrative Officer