



City of
Peterborough

To: Members of the General Committee

From: Sandra Clancy, Chief Administrative Officer

Meeting Date: December 1, 2020

Subject: Report CAOCS20-006
Naming Rights for Municipal Arena at 911 Monaghan Road

Purpose

A report to recommend renaming the City arena at 911 Monaghan Road (currently called Evinrude Centre) through a sponsorship arrangement with Healthy Planet Canada for the naming rights for the facility.

Recommendation

That Council approve the recommendation outlined in Report CAOCS20-006, dated December 1, 2020, of the Chief Administrative Officer, as follows:

That the Evinrude Centre be renamed Healthy Planet Arena through a sponsorship agreement with Healthy Planet Canada for the naming rights for the facility at 911 Monaghan Road for a 10-year term for \$240,000.

Budget and Financial Implications

The naming rights for the arena at 911 Monaghan Road will generate \$240,000 in non-tax revenue over 10 years that will be allocated to the associated program areas to support their services and facilities.

Background

City Staff have engaged with more than 375 businesses and organizations in Peterborough and the broader Ontario marketplace in relation to sponsorship

opportunities. Regarding the potential for the naming rights of the arena at 911 Monaghan Road, City Staff provide sell sheets that lists potential naming rights opportunities as one of the assets that are available for sponsorship when they are engaging with prospective sponsors. Opportunities are also listed on the City's website. Initial conversations led to more in-depth conversations with about a dozen potential sponsors for this potential naming rights opportunity.

Outboard Marine Corporation – Evinrude Centre

The Peterborough operation for the Outboard Marine Corporation (Outboard Marine) started in 1928. It produced Evinrude and Johnson brand motors at its factory on Monaghan Road until it closed the factory in 1990. Bombardier Recreation Products (BRP) acquired the Evinrude and Johnson brands in 2001 after Outboard Marine filed for bankruptcy in 2000. Earlier this year, BRP announced it was discontinuing the Evinrude brand.

The City purchased the property at 911 Monaghan Road from Outboard Marine for \$300,000 in 1995 for the construction of a twin-pad arena.

City Staff searched Council resolutions and the City's purchase of the property to ensure that the City does not have a commitment to keep the current name indefinitely.

The City will continue to recognize the history of Outboard Marine on that property through a plaque in the facility and is considering other opportunities to display the history of the Outboard Marine workforce in the facility.

Healthy Planet Canada

Development of successful corporate sponsorships require an appropriate fit between the three key parties – the property (the City), the sponsor, and the audience. The City encourages potential sponsors to discuss opportunities or new ideas about how to sponsor City programs and facilities. Naming an entire facility requires a value and commitment threshold that only makes sense for select businesses at select times, especially as the City seeks a longer-term agreement for the naming of a facility to provide some stability for the name of the site. From the City's perspective, prospective sponsors also need to be the right fit to be associated with a specific City asset and audience. While various current and prospective City sponsors have considered the opportunity for a naming right for an entire facility, only a handful of prospects have pursued detailed discussions on the possibility.

Healthy Planet Canada (Healthy Planet) was established in 1995. The business operates 28 retail stores in Ontario. It's a growing chain of health and wellness stores specializing in vitamins, health foods, supplements, and bath and beauty products. Healthy Planet opened its store on Chemong Road in Brookdale Plaza in Peterborough in 2018. It became a corporate sponsor with the City at the beginning of 2019 and in September 2019 it started conversations with City staff to grow its existing sponsorship relationship.

Healthy Planet also has sponsorship arrangements with other municipalities where its stores are located.

In discussing sponsorships with the City, Healthy Planet has stated that its focus areas are brand awareness and supporting community programming. It is seeking the ability to target high-traffic facilities and engage with an active, recreation-minded community audience. The arena naming right is a strong fit with its audience and product offering.

City Staff recommend this naming rights opportunity as a good fit for a sponsorship of a community recreation facility by a retail business that specializes in health and wellness products.

The City has arena pad naming rights agreements with Leon's Peterborough and Freedom Mobile at the Evinrude Centre as well as with Mr. Lube Peterborough at the Kinsmen Civic Centre. The City has also entered into a naming rights agreement with LLF Lawyers for the parkette next to the Peterborough Public Library, which is called Library Commons.

The City consulted with the Arenas, Parks and Recreation Advisory Committee on the selling of the naming rights for the arena. The Committee endorsed this sponsorship opportunity with Healthy Planet.

The sponsorship package with Healthy Planet will include Transit assets for the first three years of the agreement. Bundling sponsorship assets from various program areas assists the sponsor with reaching audiences and diversifies the revenue to the City across the associated program areas.

The agreement will include an option for either party to terminate after the first five years of the 10-year agreement.

Approval Authority

As set out under Section 5 of Appendix B of the Sponsorship, Naming Rights and Advertising Policy, Council is the approval body for the naming of a City building. Section 10(a) delegates authority to the Chief Administrative Officer or the Commissioner of Corporate and Legislative Services and the City Clerk to sign sponsorship agreements if the value is greater than \$50,000.

The Policy requires a Request for Proposals (RFP) process for the naming rights of a City building. City Staff are recommending approval of this naming rights opportunity outside of an RFP process. Requests for Proposals are not typically done in the sponsorship sector where the selling of sponsorships is normally achieved through extensive conversations and relationship building, culminating in achieving a commitment for a long-term association with an asset when the fit is right for both the sponsor and the property owner (the City).

City Staff are reviewing the Policy and will be bringing forward recommendations for an update to the Policy which will clarify when/if an RFP is required.

Summary

Healthy Planet Canada is an ideal fit for a naming right sponsorship agreement for the arena at 911 Monaghan Road. The sponsorship is expected to generate approximately \$240,000 in non-tax revenue over a 10-year period.

Submitted by,

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Chief Administrative Officer

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