Minutes – Executive Policy Committee – November 28, 2018

REPORTS

Item No. 12 Sponsorship Agreement with Sun Life Assurance Company of Canada for Naming Right of Musical Instrument Lending Library

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That a 4-year sponsorship term with Sun Life Assurance Company of Canada be approved, whereby Sun Life agrees to pay the City $140,000 plus GST, for the naming right of the new musical instrument lending library program, for the Winnipeg Public Library.

2. That the City enter into, execute and deliver an agreement with Sun Life Assurance of Canada and such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the foregoing (the "Ancillary Agreements").

3. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the sponsorship agreement with Sun Life Assurance of Canada and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

DECISION MAKING HISTORY:

Moved by Councillor Orlikow,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

Carried

ADMINISTRATIVE REPORT

Title: **Sponsorship Agreement with Sun Life Assurance Company of Canada for Naming Right of Musical Instrument Lending Library**

Critical Path: **Executive Policy Committee – Council**

AUTHORIZATION

Author	Department Head	CFO	CAO
M. Purdy	M. Jack	M. Ruta	D. Wardrop, Acting CAO

EXECUTIVE SUMMARY

Council approval is requested for a 4-year sponsorship term with Sun Life Assurance Company of Canada ("Sun Life"), whereby Sun Life agrees to pay the City $140,000 plus GST, for the naming right of the new musical instrument lending library for the Winnipeg Public Library. The new program will be known as the "Sun Life Financial Musical Instrument Lending Library Program" ("the Program"). The collection will be located at the Millennium Library at 281 Donald Street.

This innovative, free program offers citizens with a valid Winnipeg Public Library card the opportunity to check-out an instrument such as a guitar, mandolin, violin, drum or portable keyboard and borrow it as they would other library materials. The Musical Instrument Lending Library supports community musical literacy and provides access to musical instruments for those who cannot afford them as well as individuals who want to learn to play an instrument without making a purchase.

This unique Program aligns with the Library Services Division's strategic goal to select materials that reflect the diverse needs of the community so that relevant print, digital and special collections are freely available.

In addition to the sponsorship funds, Sun Life will provide the Winnipeg Public Library with 150 instruments, cases or gig-bags, accessories and a display case designed to promote and display sample musical instruments from the collection. Sun Life will also provide co-branded (City and Sun Life) copies of online videos in both official languages and closed captioning that provide instrument care and handling information for the public.

RECOMMENDATIONS

1. That a 4-year sponsorship term with Sun Life Assurance Company of Canada be approved, whereby Sun Life agrees to pay the City $140,000 plus GST, for the naming right of the new musical instrument lending library program, for the Winnipeg Public Library.

2. That the City enter into, execute and deliver an agreement with Sun Life Assurance of Canada and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the “Ancillary Agreements”).

3. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the sponsorship agreement with Sun Life Assurance of Canada and the Ancillary Agreements, in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

4. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

The City of Winnipeg Sponsorship Policy requires that Council approve sponsorships for the naming rights to any civic facility, program, service, or asset. Council approval is also required for the City to enter into an agreement with Sun Life.

IMPLICATIONS OF THE RECOMMENDATIONS

Sun Life will pay the City a total of $140,000 plus GST in one lump sum payment for the naming right of the new Program. The new Program will be known as the “Sun Life Financial Musical Instrument Lending Library Program” and will be located at the Millennium Library at 251 Donald Street.

The sponsorship funds will be applied to the ongoing marketing, promotions and administration of the Program.

HISTORY/DISCUSSION

Sun Life has offered the Winnipeg Public Library the opportunity to establish the Program for library borrowers. The new collection and lending Program will be known as the “Sun Life Musical Instrument Lending Library Program”. This innovative, free Program, offers citizens with a valid Winnipeg Public Library card the opportunity to check-out an instrument such as a guitar, mandolin, violin, drum or portable keyboard and borrow it as they would other library materials.

The Program supports musical literacy in the community and provides access to musical instruments for those who cannot afford them as well as those who want to learn to play or just try a specific instrument without making a purchase. This unique Program aligns with the Community Services,

Library Services Division's strategic goal to select materials that reflect the diverse needs of the community so that relevant print, digital and special collections are freely available.

This sponsorship is for a four-year term commencing in June 2019 until May 2023. Sun Life will pay the City in one lump sum a total of $140,000 plus GST for the naming right. In addition to the sponsorship funds, Sun Life will provide the Community Services, Winnipeg Public Library with 150 instruments, cases or gig-bags, accessories and a display case designed to promote and display sample musical instruments from the collection. Sun Life will also provide copies of online videos in both official languages and closed captioning that provide instrument care and handling information for the public. Sun Life's financial support includes funding for a launch event that introduces the new Program and will feature a local music celebrity.

In exchange for the Program sponsorship provided by Sun Life, the Winnipeg Public Library will participate at the onset of the new Program in a musical instrument donation drive supported by Sun Life, and manage the marketing, promotions and ongoing administration of the Program, with existing staff.

Sun Life has launched the Program at major public library systems in Toronto, Vancouver, Montreal, Ottawa, Halifax, St. John's, Fredericton, Kitchener, Regina and Calgary.

Sponsor Winnipeg supports this sponsorship with Sun Life and recommends approval of this sponsorship by Council.

FINANCIAL IMPACT

Sponsorship Agreement with Sun Life Assurance Company of Canada

	2019	2020	2021	2022	2023
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 17,500	$ 35,000	$ 35,000	$ 35,000	$ 17,500
Less: Incremental Revenue/Recovery	17,500	35,000	35,000	35,000	17,500
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts		-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. Incremental Revenue reflects the one-time payment from Sun Life Assurance Company of $140,000 for the naming right sponsorship of the new Musical Instrument Lending Library Program. The revenue has been assumed to be earned evenly over the duration of the agreement (June 2019 to June 2023). These funds will be transferred to the Winnipeg Public Library to cover the ongoing marketing, promotions and administration of the program during the sponsorship term.
2. In addition to the sponsorship funds, Sun Life will provide the Winnipeg Public Library with 150 instruments, cases or gig-bags, accessories and a display case designed to promote and display sample musical instruments from the collection. Sun Life will also provide copies of online videos in both official languages and closed captioning that provide instrument care and handling information for the public.
3. Sun Life will further provide financial support for a launch event that introduces the new Program and will feature a local celebrity.
4. Direct costs reflect estimated costs of the Community Services department for the ongoing marketing, promotion and administration of the program and are assumed to equal the annual revenue allocated from this sponsorship.

original signed by
Tanis Yanchishyn
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

In preparing this report there was consultation with:
Legal Services (as to legal issues)
Community Services Department

SUBMITTED BY

Department: Office of the CAO
Prepared by: Maureen Purdy
Date: November 5, 2018
File No.