Minute No. 267
Report – Executive Policy Committee – April 28, 2020

Item No. 2 New Sponsorship Term with Entegra Credit Union Limited

COUNCIL DECISION:

Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That a Sponsorship Agreement between the City and Entegra be approved for a 6-year term wherein Entegra would pay the City $21,000.00 over 5 years in equal yearly installments ($4,200.00 per year for 5 years) in exchange for the exclusive right to place their intellectual property on the ice resurfacer at Southdale Community Centre.

2. That subject to the approval of Recommendation 1, a Grant Agreement between the City and Southdale Community Centre be approved for a term of 5 years wherein the City would pay to Southdale Community Centre an amount equivalent to the annual sponsorship revenue collected pursuant to the Sponsorship Agreement in Recommendation 1.

3. That the City enter into, execute and deliver a Sponsorship Agreement with Entegra that sets out the terms and conditions of the Sponsorship Agreement 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").

4. That the City enter into, execute and deliver a Grant Agreement with Southdale Community Centre that sets out the terms and conditions of the Grant Agreement 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").

5. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Sponsorship Agreement between the City and Entegra 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.

6. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Grant Agreement between the City and Southdale Community Centre 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.

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COUNCIL DECISION (continued):

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

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DECISION MAKING HISTORY:

Moved by His Worship Mayor Bowman,

That the recommendation of the Executive Policy Committee be adopted by consent.

Carried

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 28, 2020, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

ADMINISTRATIVE REPORT

Title: New Sponsorship Term with Entegra Credit Union Limited

Critical Path: Executive Policy Committee - Council

AUTHORIZATION

Author	Department Head	CFO	CAO
K. McLure	F. Wiltshire	P. Olafson, Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

The Public Service recommends that the City enter into a Sponsorship Agreement with Entegra Credit Union Limited ("Entegra") for a 6-year term that would allow Entegra the exclusive right to place their intellectual property on the ice resurfacer at Southdale Community Centre.

In exchange for entering into this Sponsorship Agreement, Entegra would pay the City a total of $21,000.00 over 5 years in equal yearly installments ($4,200.00 per year for 5 years).

The proceeds from the Sponsorship Agreement would be paid to the Southdale Community Centre, in an amount equivalent to the annual sponsorship revenue collected, in the form of a grant.

Southdale Community Centre would apply the funds received from the grant to the outstanding balance of the loan guaranteed by the City. The Board of the Southdale Community Centre is in support of the sponsorship and grant agreement.

RECOMMENDATIONS

1. That a Sponsorship Agreement between the City and Entegra be approved for a 6-year term wherein Entegra would pay the City $21,000.00 over 5 years in equal yearly installments ($4,200.00 per year for 5 years) in exchange for the exclusive right to place their intellectual property on the ice resurfacer at Southdale Community Centre.

2. That subject to the approval of Recommendation 1, a Grant Agreement between the City and Southdale Community Centre be approved for a term of 5 years wherein the City would pay to Southdale Community Centre an amount equivalent to the annual sponsorship revenue collected pursuant to the Sponsorship Agreement in Recommendation 1.

3. That the City enter into, execute and deliver a Sponsorship Agreement with Entegra that sets out the terms and conditions of the Sponsorship Agreement 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").

4. That the City enter into, execute and deliver a Grant Agreement with Southdale Community Centre that sets out the terms and conditions of the Grant Agreement 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").

5. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Sponsorship Agreement between the City and Entegra 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.

6. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the Grant Agreement between the City and Southdale Community Centre 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.

7. 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

On February 14, 2007, the Chief Administrative Officer was delegated the authority to approve sponsorship agreements not exceeding $50,000.00 in value (either money or gifts in kind, or combination thereof). Though the proposed Sponsorship Agreement does not exceed this threshold, it requires approval from Council as the funds that will be received by the Southdale Community Centre will be in the form of a grant from the City of Winnipeg.

IMPLICATIONS OF THE RECOMMENDATIONS

If approved, Entegra would pay the City $21,000.00 in equal yearly installments ($4,200.00 per year) over 5 years in the form of a Sponsorship Agreement. The proceeds from this Sponsorship Agreement will go to the Southdale Community Centre in the form of a grant.

HISTORY/DISCUSSION

A previous Sponsorship Agreement between the City of Winnipeg and Entegra expired on June 30, 2019.

In exchange for exclusive sponsorship of the ice resurfacer, Entegra will pay a total of $21,000 ($4,200.00 per year for 5 years) beginning in 2020. The proceeds from this Sponsorship Agreement will go to the Southdale Community Centre as a grant.

The Board of the Southdale Community Centre shall apply these sponsorship funds to the outstanding balance on the loan guaranteed by the City, as approved by Council on July 20, 2011 through the report “Request for Loan Guarantee - Southdale Recreation Association Inc. facility expansion.”

This Sponsorship Agreement is specific to the ice resurfacer and does not apply to any other structural amenities, signs, rink boards, etc. at Southdale Community Centre.

The City agrees that, during the term of this Sponsorship Agreement and any subsequent renewal terms, the City will not permit any competitor of the sponsor to sponsor any aspects of the ice resurfacer. For this purpose, competitors mean all other financial institutions.

Entregra will be responsible for the design, production and installation of graphic decals for the ice resurfacer.

The City of Winnipeg will approve the graphic decals to be applied to the ice resurfacer.

Southdale Community Centre will be responsible for maintenance of the decals during the term of the sponsorship.

The lease of the current ice resurfacer machine is up in two years. Southdale Community Centre has not decided if they will keep the second one as a backup or return it. If they return it, new decals for Entegra will be applied to the new machine. Entegra would have right of first refusal to sponsor the backup machine.

FINANCIAL IMPACT

Financial Impact Statement

Date: March 11, 2020

Project Name:

New Sponsorship Term with Entegra Credit Union Limited

First Year of Program **2020**

	2020	2021	2022	2023	2024
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	$ 4,200	$ 4,200	$ 4,200	$ 4,200	$ 4,200
Less: Incremental Revenue/Recovery	4,200	4,200	4,200	4,200	4,200
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

1. Corporate Finance Department (Campus Finance) will receive an annual sponsorship funding of $4,200 from Entegra Credit Union Limited (Entegra) over five years beginning in 2020 until 2024, total of $21,000, for the exclusive sponsorship of the ice resurfacer at Southdale Community Centre. Direct costs reflect the grant paid to Southdale Community Centre.

2. The term of the agreement is for six years beginning early of 2020 until 2026 with the option to renew for up to four one-year periods on the same term and conditions.
3. The sponsorship funds to be submitted to Southdale Community Centre as a grant.
4. There is no commission paid on this sponsorship.

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

CONSULTATION

This Report has been prepared in consultation with:

Legal Services (as to legal issues only)
Corporate Finance
Community Services

OURWINNIPEG POLICY ALIGNMENT

n/a

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

n/a

SUBMITTED BY

Department: Customer Service & Communications
Division: Marketing & Branding
Prepared by: Kristen McLure, Manager, Marketing & Branding
Date: March 11, 2020