Minutes – Executive Policy Committee – June 12, 2023

REPORTS

Item No. 13 Sponsorship with Thor Plumbing and Heating Ltd. at Gateway Recreation Centre (North Kildonan Ward)

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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

1. That a Sponsorship Agreement between the City and Thor Plumbing and Heating Ltd. be approved for a 3-year term wherein Thor Plumbing and Heating Ltd. would pay the City $30,000 over three years in equal monthly installments ($10,000 per agreement year) in exchange for the exclusive right to place their intellectual property on the main outdoor rink at Gateway Recreation Centre at 1717 Gateway Road.

2. That the City enter into, execute, and deliver a Sponsorship Agreement with Thor Plumbing and Heating Ltd. and such other agreements as determined necessary by the Director of Legal Services and City Solicitor to implement the intent of the foregoing (the "Sponsorship Ancillary Agreements").

3. Subject to the approval of Recommendation 1 and 2, the City enter into, execute, and deliver a Grant Agreement with Gateway Recreation Centre Inc. wherein the City would pay to Gateway Recreation Centre Inc. an amount equivalent to the annual sponsorship revenue collected pursuant to 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 "Grant Ancillary Agreements").

4. 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 Thor Plumbing and Heating Ltd. the Sponsorship 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.

5. 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 Gateway Recreation Centre Inc. and the Grant 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.

6. 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 Browaty,

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

Carried

ADMINISTRATIVE REPORT

Title: Sponsorship with Thor Plumbing and Heating Ltd. at Gateway Recreation Centre

Critical Path: Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
K. McLure	F. Wiltshire	C. Kloepfer	M. Jack

EXECUTIVE SUMMARY

The Public Service recommends that the City enter into a Sponsorship Agreement with Thor Plumbing and Heating Ltd. ("Thor Plumbing") for a three-year term that would grant Thor Plumbing exclusive sponsorship access to the main outdoor rink at Gateway Recreation Centre (1717 Gateway Road), along with the right to place its intellectual property on the fence of the rink.

In exchange for entering into this Sponsorship Agreement, Thor Plumbing would pay the City a total of $30,000 over three years in equal monthly installments ($10,000 per agreement year for three years).

The proceeds from the Sponsorship Agreement would be paid to Gateway Recreation Centre Inc. ("Gateway Recreation Centre") in an amount equivalent to the annual sponsorship revenue collected, in the form of a grant.

Gateway Recreation Centre would apply the funds received from the grant to its general operating budget.

RECOMMENDATIONS

1. That a Sponsorship Agreement between the City and Thor Plumbing and Heating Ltd. be approved for a 3-year term wherein Thor Plumbing and Heating Ltd. would pay the City $30,000 over three years in equal monthly installments ($10,000 per agreement year) in exchange for the exclusive right to place their intellectual property on the main outdoor rink at Gateway Recreation Centre at 1717 Gateway Road.

2. That the City enter into, execute, and deliver a Sponsorship Agreement with Thor Plumbing and Heating Ltd. and such other agreements as determined necessary by the City Solicitor/Director of Legal Services to implement the intent of the foregoing (the "Sponsorship Ancillary Agreements").

3. Subject to the approval of Recommendation 1 and 2, the City enter into, execute, and deliver a Grant Agreement with Gateway Recreation Centre Inc. wherein the City would pay to Gateway Recreation Centre Inc. an amount equivalent to the annual sponsorship revenue collected pursuant to 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 "Grant Ancillary Agreements").

4. 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 Thor Plumbing and Heating Ltd. the Sponsorship 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.

5. 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 Gateway Recreation Centre Inc. and the Grant 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 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 Sponsorship Policy delegates authority to the Chief Administrative Officer to approve sponsorship agreements not exceeding $50,000 in value, exclusive of naming rights agreements. Though the proposed Sponsorship Agreement does not exceed this threshold, both the Sponsorship Agreement and the Grant Agreement have been included in this report, as the funds received by the City pursuant to the Sponsorship Agreement will be provided to Gateway Recreation Centre in the form of a grant from the City. The Grant Agreement requires approval from Council, given that this grant is not being issued under any existing grant program.

IMPLICATIONS OF THE RECOMMENDATIONS

If approved, Thor Plumbing would pay the City $30,000 in equal monthly installments ($10,000 per agreement year) over three years in the form of a Sponsorship Agreement. The proceeds from this Sponsorship Agreement would go to Gateway Recreation Centre in the form of a grant.

HISTORY/DISCUSSION

Gateway Recreation Centre is a community gathering space for North Kildonan residents and visitors from around the city and surrounding area. The recreation space consists of two year-round indoor rinks, two outdoor rinks, one indoor soccer pitch, four mini soccer fields, three regulation soccer fields, seven ball diamonds, as well as a banquet hall, canteen, a youth and adult activity centre, and a summer outdoor splash pad and play structure.

As a member of the General Council of Winnipeg Community Centres, the City provides an annual operating grant to cover basic maintenance and utilities expenses, while Gateway Recreation Centre is responsible for covering all other costs including staffing, programming, capital improvements and equipment.

With roots in North Kildonan, Thor Plumbing has been providing plumbing, heating, air conditioning, refrigeration, ventilation, controls, and electrical services across Winnipeg since 1992.

Thor Plumbing has offered $30,000 for exclusive sponsorship of the main outdoor rink at Gateway Recreation Centre and the right to place its intellectual property on the fence of the rink. In exchange for the exclusive right to place its intellectual property on the fence of the main outdoor rink at Gateway Recreation Centre, Thor Plumbing would pay a total of $30,000 ($10,000 per agreement year for three years) beginning in 2023. The proceeds from this Sponsorship Agreement would go to Gateway Recreation Centre as a grant from the City. Gateway Recreation Centre shall apply these sponsorship funds to its general operating budget.

The Sponsorship Agreement is specific to the main outdoor rink and does not apply to any other structural amenities, rooms, advertising opportunities, signs, etc. at Gateway Recreation Centre. As a condition of the Sponsorship Agreement, the City would agree that during the term of this Sponsorship Agreement, the City would not permit any competitor of the sponsor to place intellectual property or advertising on the main outdoor rink. In this context, “competitors” would mean all other companies providing plumbing, heating, air conditioning, refrigeration, ventilation, controls, and/or electrical services.

Thor Plumbing will be responsible for the design, production, and installation of sponsorship signage at the main outdoor rink. Thor Plumbing will submit the final design for the sign to the City for approval prior to production and installation. Gateway Recreation Centre will be responsible for maintenance of the sign installed on the fence of the main outdoor rink.

The term of the agreement is intended to run from October 1, 2023, to September 30, 2026.

FINANCIAL IMPACT

Financial Impact Statement **Date:** May 4, 2023

Project Name: **First Year of Program** **2023**

Sponsorship with Thor Plumbing and Heating Ltd. at Gateway Recreation Centre

	2023	2024	2025	2026	2027
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	$ 2,500	$ 10,000	$ 10,000	$ 7,500	$ -
Less: Incremental Revenue/Recovery	2,500	10,000	10,000	7,500	-
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 $10,000 from Thor Plumbing and Heating Ltd. over three years beginning in 2023 until 2026, to a total of $30,000, for the for exclusive sponsorship of the main outdoor rink at Gateway Recreation Centre and the right to place its intellectual property on the fence of the rink.
2. The term of the agreement is for three years beginning October 1, 2023 to September 30, 2026.
3. The sponsorship funds to be submitted to Gateway Recreation Centre as a grant from the City.
4. There is no commission paid on this sponsorship.

Lioubov Gavrilova-Crozier, May 4, 2023

Lioubov Gavrilova-Crozier, CPA, CA
Manager of Finance (Campus)
Corporate Finance Department

CONSULTATION

This Report has been prepared in consultation with:

- Community Services
- Legal Services

OURWINNIPEG POLICY ALIGNMENT

Economic Prosperity

3.16 Optimize Facility Access: Maximize the use of existing municipal assets to promote recreation, community development, and social interaction, while optimizing equitable access, infrastructure reinvestments, service delivery methods and resource management.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Customer Service & Communications
Division: Marketing & Branding
Prepared by: Kristen McLure
Date: May 10, 2023
File No: N/A