



REPORT # 3

UPDATE ON NAMING OF THE TOWN'S FACILITY AT 19 CIVIC AVENUE (A19)

Report Prepared by: Manager of Culture & Museum Services

RECOMMENDATION:

The CAO and Treasurer / Director of Finance recommend:

- 1) **THAT Council approve the update to the terms associated with the naming rights agreement for the Town's facility at 19 Civic Avenue;**
- 2) **AND THAT the Mayor and Clerk be authorized to sign an agreement consistent with the following terms:**
 - i) **The facility will officially be named: "Lebovic Centre for Arts and Entertainment – Nineteen on the Park" These rights will be provided until March 1, 2023.**
 - ii) **Lebovic Enterprises will pay the Town of Whitchurch-Stouffville \$500,000 for the Naming Rights.**
 - iii) **Payment of the funds will be as follows:**
 - **\$100,000 on March 1, 2009;**
 - **\$66,666 each year thereafter (beginning in 2010), payable on March 1 of each year, for another six (6) years.**
 - iv) **The Town and Joseph & Wolf Lebovic Charitable Foundation will enter into an Agreement to include these and other terms as set out.**

1. PURPOSE:

This report is seeking Council approval of updates to the terms for the naming of the arts culture and entertainment centre, located at 19 Civic Avenue.



2. BACKGROUND:

On November 4, 2008, Council approved the naming of the Town's facility at 19 Civic Avenue, the "Lebovic Centre for Arts and Entertainment – Nineteen on the Park" and authorized the Mayor and Clerk to sign an agreement with Joe Lebovic to the satisfaction of the CAO and Town Solicitor.

Given recent changes in the global economy, the donor requested a revised payment schedule.

3. ANALYSIS & OPTIONS:

The revised terms of the naming rights proposal are summarized in a letter included with this report, as Attachment #1. The amount of Mr. Lebovic's donation remains to be \$500,000 for the naming rights until March 1, 2023. The funds are now to be paid to the Town in instalments as follows: \$100,000 on March 1, 2009 and \$66,666 payable on March 1 of each year starting in 2010 for another 6 years (note: the last payment will be \$66,670.).

The donor has also requested that the agreement be between the Town and his charitable foundation. The donor will have two more years to pay the full amount and the Town has reduced the time period for the rights by two years.

4. FINANCIAL IMPLICATIONS:

As outlined in the November 4, 2008 staff report, the \$500,000 donation for naming rights represents a significant funding achievement for the Nineteen on the Park project. Administrative and legal costs associated with developing the Naming Rights Agreement are expected to be minimal and will be incorporated into the overall project costs. The time period for the full payment of this donation is two years longer than originally anticipated. The Town will bridge this additional time through internal financing.

5. ALIGNMENT WITH STRATEGIC PLAN:

Approving this donation in exchange for naming rights supports the overall strategy of "Balanced Growth & Community Sustainability" through cultural development and the strategy "Fiscal Stewardship & Asset Management" through partnerships.



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6. CONCLUSION:

On November 4, 2008 Council approved awarding the naming rights of the Town facility at 19 Civic Avenue, the “Lebovic Centre for Arts and Entertainment – Nineteen on the Park”, to Joe Lebovic for the donation of \$500,000.

Staff find the revisions to the payment schedule to be reasonable given the recent change in global economic conditions.

For further information regarding this report please contact

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