



REPORT #10

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

The Director of Leisure Services and Chief Administrative Officer Recommends:

RECOMMENDATIONS:

- 1) THAT in accordance with the Town's policy, Council approve the naming of the Town's facility at 19 Civic Avenue, the "Lebovic Centre for Arts and Entertainment – *Nineteen on the Park!*";**
- 2) AND THAT the naming rights be provided to Joe Lebovic (Lebovic Enterprises) for the donation of \$500,000 in accordance with the principles outlined in Attachment #2,**
- 3) AND THAT Mayor and Clerk be authorized to sign an agreement to the satisfaction of the CAO and Town Solicitor.**

1. PURPOSE:

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

2. BACKGROUND:

On December 4, 2007, Council approved the tender award for the restoration and renovation project for 19 Civic Avenue. The building at this location formerly housed the Town's municipal offices. Staff will be providing Council in Committee with a more detailed update in the near future. Construction activity has been progressing well at the site and Members of Council have been receiving monthly status reports

At that time, Council also confirmed the funding model for the project, with 50% contribution by the Town and the other 50% comprised of community fundraising initiatives and government grants. The total amount to be raised from fundraising and grants was targeted at about \$1,700,000, recognizing that this amount and the Town's portions may need to be adjusted slightly once the project was finished and final costs known (e.g. during construction, the contractor has encountered some unanticipated issues because of the age of the building, that will need to be adjusted in the final

project costing - e.g. replacing underground hydro servicing to the building).

As part of the fundraising component, Council also authorized staff to issue a Request for Expressions of Interest (EOI) with respect to Naming Rights for 19 Civic Avenue in accordance with the Town Policy. A copy of the Town's Policy for the Naming of Parks, Facilities and Buildings is appended to this report as Attachment #1.

3. ANALYSIS & OPTIONS

Excellent progress has been made on the fundraising component of the funding for this project.

An initial community fundraiser was hosted by the Mayor at Willow Springs Winery in November, 2007, and raised approximately \$283,000 (net) in cash/in-kind contributions. Some of these funds have been received, while others were pledged in instalments over future years. In response, to an application from the Town, the Province of Ontario approved a grant in March 2008, under the Municipal Infrastructure Investment Initiative (MIII) in the amount of \$930,000.

The Town's call for Expressions of Interest (#WS-EOI-08-15) for Naming Rights for the facility was advertised on the Town page March 6th and 13th 2008, with a deadline of April 30, 2008. The Town received two letters of interest. One letter of interest was later withdrawn, as the party misunderstood the nature of the Town's call. This party made a submission to the Town for services to undertake fundraising. The other letter was from Joe Lebovic (Lebovic Enterprises). Through follow up discussions, the principles of Mr. Lebovic's proposal have been summarized in a letter included with this report, as Attachment #2.

In summary, it is proposed that the facility would be known as the "Lebovic Centre for Arts and Entertainment – *Nineteen on the Park!* until 2025. Lebovic Enterprises would provide a donation to the Town for these naming rights in the amount of \$500,000. These funds be paid to the Town in instalments, beginning with \$50,000 upon the execution of a formal agreement; \$50,000 when the facility opens in 2009; and \$100,000 each year thereafter, on the anniversary of the opening, for another four years (all paid by end of 2013).

Mr. Lebovic is expected to attend the November 4th CIC meeting.

Staff are submitting this proposal to Council for approval. If Council agrees, staff is indicating that a formal agreement be developed to the satisfaction of the donor and the Town. This donation represents a significant funding achievement for this project. Community-based fundraising has recently been launched by the Start-up team and will round out the funds necessary for this project.



Council has the option to accept or modify the principles of this proposal and direct staff to meet with the donor to secure his agreement to any changes. In addition, Council also has the option to not approve the gift and naming in this instance, in which case alternate funding sources would need to be considered, such as the use of the Stouffville Hydro Reserve, as outlined in the December, 2007 staff report.

4. FINANCIAL IMPLICATIONS:

The financial implications associated with this matter have been described in the body of this report. 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.

5. RELATIONSHIP TO 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 of “Fiscal Stewardship & Asset Management” through partnerships.

6. CONCLUSION:

Council has established a funding model for the development of its Arts, Cultural and Entertainment facility that includes a substantial portion of funding to come from fundraising and grants. Council directed staff to advertise for Expressions of Interest for naming rights for this facility to support the fundraising component. Joe Lebovic (Lebovic Enterprises) has responded with interest and a proposal that includes a donation of \$500,000 for the naming of the facility as the “Lebovic Centre for Arts and Entertainment – *Nineteen on the Park!*” until 2025.

For further information, please contact David Cash, CAO, at (905) 640-1910 ext. 237 or via e-mail at dave.cash@townofws.com.