



COUNCIL – AGENDA REPORT

Meeting Date: 1 April 2025
Subject: Naming Rights for the East Atrium of Inspire
Directorate: Community Services

Issue:

Council is being asked to approve the Naming Rights sponsor for the East Atrium of Inspire.

Policy / Council Direction:

The *Sponsorship and Naming Rights Policy* balances the ability for individuals or organizations to increase their community reach and visibility through a financial contribution to the City, while safeguarding the City's image, values and interests. Under section 5(3) of the *Sponsorship and Naming Rights Policy*, Council has the authority to review and approve every naming rights proposal.

Background:

Administration, with the work of Performance Sponsorship Group, is negotiating a deal with a potential naming sponsor, South Airdrie Smiles, for the East Atrium of Inspire (see attached sketch). As presented to Council, the preliminary valuation of the East Atrium and Social Stairs spaces is a sponsorship fee ranging from \$100-\$150K for a ten-year term.

The owner of South Airdrie Smiles, Amrita Sandhu, is proposing \$100K plus GST for the naming rights of the East Atrium, commencing in 2025 and ending in 2034. Payment terms are as follows:

- \$5,000 plus GST payable within 30 days of the execution of this Agreement;
- \$5,000 plus GST payable on or before December 31, 2025;
- \$10,000 plus GST payable annually on or before December 31 for the remainder of the naming rights agreement term.

In exchange, the City will:

- provide an exclusivity category for the duration of the naming rights agreement, meaning no other dental offices will be offered similar naming opportunities for the Inspire location within the term of the naming rights agreement;
- provide access to the "Presenter Space" twice per year for corporate hospitality;

- install at the City's cost, signage for the sponsor name. The signage must meet the City's criteria for locations, dimensions and materials; and
- present the signage locations, dimensions and materials to the sponsor for approval.

The proposal from South Airdrie Smiles for naming of the East Atrium is in line with the market analysis conducted by Performance Sponsorship Group (consultant). The consultant assessed different factors using proprietary valuation methods to determine the appropriate value of the East Atrium.

A letter of agreement has been issued to the naming sponsor to indicate the City's interest in pursuing a transaction and an agreement. If Council approves the proposal, Administration will work with the naming sponsor to finalize the agreement.

Council Committee Routed Through:

The Sponsorship and Naming Rights Policy is within Council's authority for approval; therefore this item has not been routed through the Corporate and Community Standing Committee.

Administration Recommendation:

That Council approves South Airdrie Smiles as the naming sponsor for the East Atrium of Inspire.

Alternatives/Implications:

Council may reject the proposal from South Airdrie Smiles and direct Administration to further explore other potential naming sponsors.

Budget Implications:

Sponsorship and Naming Rights are a revenue source to the City. If approved, this naming sponsor will contribute \$10,000 in revenue annually to the City for the next ten years and will fund a portion of operating Inspire. This revenue will be incorporated into quarterly projections for 2025 and will be incorporated into the 2026-2034 operating budgets. There is also an opportunity cost regarding lost revenues on the Presenter Space valued at approximately \$1,800 per year. This will not be incorporated into quarterly projections or future budgets but should be considered by Council.

Communications and Engagement:

Administration is working with the naming sponsor through the negotiation of the agreement to create the design and placement of the sponsor's name in the East Atrium.

Recommendation:

That Council approves South Airdrie Smiles as the naming sponsor for the East Atrium of Inspire.

Clay Aragon
Manager of Culture, Heritage and Events

Staff Presenter:	Clay Aragon
External Presenter:	N/A
Department:	Community Services
Reviewed by:	
Attachments:	#1: Sponsorship sign location at Inspire