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HAMILTON PLACE RENAMED FOR \$2.5 MILLION

Say goodbye to Hamilton Place and hello to FirstOntario Concert Hall.

City councillors have unanimously approved changing the name of the landmark performing arts centre in exchange for \$2.5 million over 10 years from FirstOntario Credit Union.

That's the same financial institution which bought the naming rights to the former Copps Coliseum for \$3.5 million in 2014.

The new deal not only means Hamilton Place will soon disappear from the façade of the 2,200-seat downtown theatre, but so will its formal name as the Ronald V. Joyce Centre for the Performing Arts at Hamilton Place

Ron Joyce, co-founder of the Tim Horton coffee shop empire, earned his place on the marquee with a \$5 million donation to the city-owned venue in 1998.

The naming agreement with Joyce was set to expire late next year, but the FirstOntario deal speeds it up.

The name change was negotiated by Spectra Venue Management, which was hired to operate the city's entertainment facilities. That contract allows Spectra to sell naming rights, pending council's approval.

Scott Warren, Spectra general manager, said they wanted the new naming partner to be a local company that believes "deeply in Hamilton and will play an integral role in its continued renaissance."

"It can't be just someone that's interested in putting a name on a building," Warren told councillors. "It's got to be someone that's got heart in the community. It's got to be someone that is passionate about the community."

Clearly they all believe FirstOntario, which has a solid track record of supporting local charities, fits the bill.

Kelly McGiffin, FirstOntario president and CEO, said part of his company's vision is to be a "tangible contributor" to the community.

"We're passionate about Hamilton; it's our home base; it's where our head office is; it's where we grew up as Stelco Credit Union."

McGiffin noted the credit union, the second largest in Ontario, opened a new branch on James Street several years ago and a small business centre on King William.

"This opportunity allows us another chance to make a commitment to Hamilton and downtown revitalization."

The deal, however, is more complicated than it first appears.

The \$5-million donation from the Ron Joyce Foundation was for capital improvements. It involved a \$1.2 million upfront contribution and annual payments of \$200,000 until it expired in October 2017.

The Joyce Foundation, which had no plans to extend the agreement, supported pursuing a new naming partner.

But, according to city staff, once FirstOntario was identified the foundation preferred to direct the two remaining donations it owed to Hamilton place to other community causes.

That, of course, meant Hamilton Place was in danger of losing \$400,000 for capital improvements.

To ensure that didn't happen, the city insisted Spectra contribute \$400,000 from its \$2.5 million deal with FirstOntario to the capital fund, payable in \$100,000 instalments beginning Jan. 1, 2017.

John Hertel, city director of strategic partnerships, says the remaining \$2.1 million will go into Spectra's own revenue stream.

No doubt that combined with the loss of the Hamilton Place name will rankle some Hamiltonians with long memories and a sense of ownership.

After all, Hamilton Place, which opened in 1973, was partially built with direct financial help from the citizenry. More than \$3 million of the original \$10.9 million came from individual donations, payroll deductions and businesses.

Still, based on the 2013 operating agreement with the city, Spectra's naming rights revenue does provide an indirect benefit to taxpayers. Once Spectra covers its expenses and annual \$450,000 management fee, all other revenue is subject to a profit-sharing formula which allots 70 per cent to the city and 30 per cent to Spectra.

True, no profit sharing has taken place yet, but Hertel figures naming rights revenue increases the chances.

It should also be noted that thanks to the contract with Spectra, taxpayers are now saving in the range of \$400,000 to \$500,000 a year. That's what used to be paid in subsidies when Copps and Hamilton Place were run by the city. The names are gone, but so are the subsidies.