



# TOWN OF QUEEN CREEK ARIZONA

## Naming Rights Program for Horseshoe Park and Equestrian Centre (HPEC)

December 18, 2019

# Background

- Over \$200,000 was donated to the FOHP for the covered arena project
- FOHP purchased a pre-fabricated building and donated the materials to the Town
- The Town provided the funding to erect and assemble the building
- The second covered arena will extend HPEC's event season
- A covered warm-up arena will help attract longer and larger events



# Background

- Dawn and John Chapman donated \$50,000
- The Arizona Cutting Horse Association (AzCHA) donated \$80,000
  - This is over 50% of the total donations



# Naming Rights Program

- Staff has tried to secure sponsors for the main covered arena for several years
- The completion of the cover on Arena 3 is a perfect opportunity to recognize the two largest donors and to establish a Naming Rights Program for HPEC





# Naming Rights Program

- A Naming Rights Program will accomplish two goals:
  1. Honor the donations by the Chapmans by naming Arena 1, “The Chapman Motors Autoplex Arena” for a period of 10 years  
Honor the AzCHA by naming Arena 3 the “Arizona Cutting Horse Association Arena”
  2. Naming the buildings now will help create a market for buildings at HPEC that does not currently exist



# Naming Rights Program



- If a Naming Rights Program is implemented at the end of the “naming rights period” both the Chapmans and the AzCHA will have the first right of refusal at the new full market price
- If they decline, staff will issue a Request for Proposals (RFP) with the new terms and conditions
- The Town will review the design/wording that will be painted on the south gable of Arena 1



**Questions???**

# Alternatives



- Council may consider decreasing the period of time for the naming rights as defined from 10 to 7 years
- Council may direct staff to bring on a third-party firm to estimate the value of the “naming rights” for Arena 1 before implementing the program
- Council may decide not to move forward with a naming rights program at this time



# Revenue Assumptions

	19-20	20-21	21-22	22-23
<b>Estimated Revenue Increase (Increasing Select Shows to 6-day Events)</b>	\$ 118,525	\$ 177,788	\$ 237,050	\$ 237,050
<b>Estimated Revenue Increase (Increasing Event Days by 8 Weeks)</b>	\$ 70,040	\$ 72,141	\$ 74,305	\$ 74,305
<b>Revenue (Subtotal)</b>	\$ 188,565	\$ 249,929	\$ 311,355	\$ 311,355
<b>Estimated Expenditure Increase</b>	\$ (29,086)	\$ (43,629)	\$ (58,172)	\$ (58,172)
<b>Net Income:</b>	\$ 159,479	\$ 206,300	\$ 253,183	\$ 253,183

# Donations

Friends of Horseshoe Park	\$ 16,315	Run and Gun Productions	\$6,000
<u>AzCHA</u>	\$ 80,000	Robin Benning	\$1,000
Chapman Motors	\$ 50,000	Keefe Estate	\$ 500
<u>Chapparral Vet Clinic</u>	\$ 15,000	Kiwanis	\$ 302
Bishop Trailers	\$ 10,000	Steve Sherwood	\$ 200
<u>Van Gemmel;</u>	\$ 6,000	Jared Lamb	\$ 113
<u>AzRCHA</u>	\$ 5,000	<u>Stacy Portonova</u>	\$ 100
<u>AzQHA</u>	\$ 5,000	<u>Jill Starky</u>	\$ 100
CMSA	\$ 5,000	Usher Brand	\$2,000
<u>SAzQHA</u>	\$ 5,000		
Pat Neilson	\$ 4,000	<b>TOTAL</b>	<b>\$216,630</b>
Dave Wolfe	\$ 3,000		
Kiser Arena Consultants	\$ 2,300		