



## Legislation Text

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**File #:** 21-1758, **Version:** 1

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**FROM:**

Planning Department

**SUBJECT:**

Naming Rights Agreement - Center Stage Theater

**RECOMMENDATION:**

1. Approve Naming Rights Agreement for the Center Stage Theater
2. Authorize the City Manager to execute any documents necessary or appropriate to effectuate said agreement and/or associated approvals.

**COUNCIL GOALS:**

- Promote economic development by concentrating on job creation.
- Promote economic development by pursuing business attraction, retention, and expansion.
- Promote economic development by being business friendly at all levels and striving to constantly improve the city's competitiveness.
- Practice sound fiscal management by emphasizing capital formation.

**DISCUSSION:**

The City of Fontana will be undertaking an expansive and comprehensive revitalization of Downtown Fontana. The specific geographic area to be targeted includes Upland Ave to the North, Orange Avenue to the South, Mango Ave to the East and Juniper Ave to the West. A significant part of this revitalization effort will be the creation of a sense of space in the area, a reason for people to visit the area and patronize the local businesses. To facilitate the implementation of this revitalization, staff has negotiated an agreement with Red Head Inc. whereby, in conjunction with the company's professional branding team, the theater will be renovated and remarketed as the region's premier intimate venue for live music and entertainment. In exchange for use of a trademarked name, which the city will have limited license for use of, and not less than five annual performances at no cost to the city, the agreement proposes to rename Center Stage Theater in honor of Sammy Hagar.

Mr. Hagar grew up in Fontana and attended Fontana High School. In his 50-year career in the music industry, from his first commercial success performing with the band Montrose in the 1970's, a solo career throughout the early 1980's and stint as the front man for Van Halen through the mid 1990's, to performing with the Rock Supergroup the Circle, which is currently touring in the U.S., Mr. Hagar has amassed 25 platinum records, whose sales have surpassed 50 million worldwide.

The agreement proposes to honor Mr. Hagar, his connection to the City of Fontana, and his career in the music industry.

Following are key deal points of the agreement:

- In order to re-create the image of the theater, the city will retain Mr. Hagar's branding agent, whose resume includes rebranding and marketing campaigns for the Wynn hotel in Las Vegas, restaurants by Guy Fieri and Wolfgang Puck, album artwork and touring materials for Howie Mandel, Natalie Cole, Katie Perry, and Joe Satriani, as well as promotional materials for movie and television productions such as Sons of Anarchy, Bones, and Wes Craven's Nightmare on Elm Street.
- The term of the agreement shall be 20 years, or until the theater is renovated again, but not less than 10 years.
- Upon re-opening of the renovated theater, Mr. Hagar will perform at the theater at least one time annually for five years at no cost to the city.
- Revenue related to merchandise developed for the new venue, if any, will be negotiated by separate agreement.
- The agreement does not create a partnership. The venue remains the sole property of the city and city retains the rights to all revenue generated by the venue, aside from net ticket sales proceeds generated specifically for performances by Mr. Hagar.

Approval of the Agreement will be a significant step in accomplishing the City's vision and plans to dramatically revitalize the Downtown Community.

#### **FISCAL IMPACT:**

The agreement requires retention of a branding consultant and renovations to update the theater. Monies are available for these costs, anticipated at approximately \$1,800,000 total, in Fund 601 - Capital Reinvestment. Appropriate paperwork will be submitted with the First Quarter Budget Status Report.

#### **MOTION:**

Accept Staff Recommendation.