

FINAL PHASE II MCPI ASSET LIST FOR FULL COUNCIL APPROVAL

*Any listed asset will be subject to a 5-year exclusive marketing agreement with the Superlative Group, which means that such assets cannot be marketed by any City department or any other entity for advertising, sponsorship, naming rights, or other marketing during that 5-year period. Put differently, a listed asset may be marketed for the 5-year Phase II term **only** by Superlative.*

The City may also add assets not listed here to the Phase II marketing efforts .

<u>ASSET CATEGORY</u>	<u>ASSET*</u>
Wireless & Cellular	Sponsorship agreement city cell phones
Vending & Soft Drinks	Single source soft drinks agreement
Automotive	Pilot program for vehicle wraps (35 vehicles)
Automotive	Sponsorship of all parking garages
Automotive	E. Layton Ave. Adopt a Boulevard signs
Automotive	Sponsor ID on parking meters
Health & Wellness	Defibrillator partner replacement program
Health & Wellness	Bike Lanes sponsorship
Health & Wellness	Supplies partnership for Health Clinics
Health & Wellness	Ad on Mobile Health Van
Health & Wellness	Lead Poisoning Prevention Sponsorship
Health & Wellness	Cribs for Kids sponsorship
Media & Communication	Ads/sponsors on City Channel/website
Media & Communication	Promotions on city communications (e-mail, mailings, newsletters, etc.)
Other Sponsorship Opportunities	Grants/sponsorships for vacant lot beautification/reuse
Other Sponsorship Opportunities	Sponsor Self-Help Centers
Other Sponsorship Opportunities	Garbage Carts
Other Sponsorship Opportunities	July 4th Event

POTENTIAL ANNUAL MCPI GROSS REVENUE ESTIMATES BASED ON LISTED PHASE II ASSETS *

<u>ASSET CATEGORY</u>	<u>ASSET*</u>	<u>POTENTIAL MINIMUM GROSS ANNUAL REVENUE*</u>	<u>POTENTIAL MAXIMUM GROSS ANNUAL REVENUE*</u>
Wireless & Cellular	Sponsorship agreement city cell phones	\$40,000	\$40,000
Vending & Soft Drinks	Single source soft drinks agreement	\$50,000	\$75,000
Automotive	Pilot program for vehicle wraps (35 vehicles)	\$120,000	\$140,000
Automotive	Sponsorship of all parking garages	\$90,000	\$130,000
Automotive	E. Layton Ave. Adopt a Boulevard signs	\$125,000	\$150,000
Automotive	Sponsor ID on parking meters	\$50,000	\$60,000
Health & Wellness	Defibrillator partner replacement program	\$36,000	\$48,000
Health & Wellness	Bike Lanes sponsorship	\$75,000	\$95,000
Health & Wellness	Supplies partnership for Health Clinics	To Be Determined (In-Kind)	
Health & Wellness	Ad on Mobile Health Van	To Be Determined	
Health & Wellness	Lead Poisoning Prevention Sponsorship	To Be Determined (In-Kind)	
Health & Wellness	Cribs for Kids sponsorship	To Be Determined (In-Kind)	
Media & Communication	Ads/sponsors on City Channel/website	\$15,000	\$20,000
Media & Communication	Promotions on city communications (e-mail, mailings, newsletters, etc.)	\$5,000	\$10,000
Other Sponsorship Opportunities	Grants/sponsorships for vacant lot beautification/reuse	To Be Determined	
Other Sponsorship Opportunities	Sponsor Self-Help Centers	To Be Determined (In-Kind)	
Other Sponsorship Opportunities	Garbage Carts	\$60,000	\$72,000
Other Sponsorship Opportunities	July 4th Event	\$60,000	\$75,000
TOTAL*		\$726,000	\$915,000

* Each of the individually listed assets will require a separately negotiated agreement, and each agreement will be subject to Common Council approval. It is uncertain as to how long it will take to identify partners, negotiate each of these contracts, and bring the contract before the Council for approval or rejection. Therefore, it is very likely that in any particular year, all of the listed Phase II assets will *not* be under contract and correspondingly, will *not* be producing revenue. This total annual revenue estimate is therefore simply intended as a general, potential revenue benchmark based on reasonably estimable gross revenues provided by the Superlative Group. The total does not reflect "TBD" revenue streams. Moreover, additional assets may be added to the Phase II marketing efforts that are not listed here.

POTENTIAL ANNUAL MCPI NET REVENUE ESTIMATES
BASED ON LISTED PHASE II ASSETS

	<u>Minimum</u>	<u>Maximum</u>
<u>Gross Revenue*</u>	\$726,000	\$915,000
<u>Costs</u>		
Gross Commissions = 15%** of Gross Revenue	\$108,900	\$137,250
Phase I Retainer	\$40,000	\$40,000
Phase II Retainer***	<u>\$100,000</u>	<u>\$100,000</u>
Total Retainer Costs = Phase I + II Retainer Costs	\$140,000	\$140,000
Net Commissions = Gross Commissions LESS Total Retainer Costs	-\$31,100	-\$2,750
Total Travel Costs for Superlative	unknown	unknown
<u>Net Revenue =</u> ^Gross Revenues LESS (Net Commissions if Net Commissions > \$0 + Total Travel Costs)	\$726,000	\$915,000

* Gross Revenue is based upon potential revenue estimates for individual assets (see "Gross Revenue" spreadsheet for detail) as provided by the Superlative Group. Each of the individually listed assets will require a separately negotiated agreement, and each agreement is subject to Common Council approval. It is uncertain as to how long it will take to identify partners, negotiate each of these contracts, and bring the contract before the Council for approval or rejection. Therefore, it is very likely that in any particular year, all of the listed Phase II assets will not be under contract and correspondingly, will not be producing revenue. Therefore, this total annual revenue estimate is therefore simply intended as a general, potential revenue benchmark based on reasonably estimable gross revenues. The total does not reflect "TBD" revenue streams. Moreover, additional assets may be added to the Phase II marketing efforts that are not reflected in these potential net revenue estimates.

**The commissions rate is 15% for new contracts and 10% for contract renewals. For simplicity purposes and to present more conservative estimates, it is presumed that all contracts are new and thus, the 15% commissions rate is applied here.

***The Phase II retainer is paid out over 18 months (\$7,500 for first 4 months, \$5,000 for each of the following 14 months). The calculations presented here use the total Phase II retainer payment of \$100,000 for simplicity purposes and to present more conservative estimates.

^Commissions will be reduced by total retainer costs as the above calculation makes clear.