ITEM # \_\_\_<u>14</u> DATE: 12-14-10

## **COUNCIL ACTION FORM**

SUBJECT: WELLMARK'S 3-POINT PLAY INITIATIVE TO IMPROVE COMMUNITY WELLNESS

## **BACKGROUND:**

In October, staff received a proposed letter of agreement (Attachment A) from Wellmark Blue Cross and Blue Shield. Wellmark is introducing a new program aimed at improving the health and wellness of residents that have Division I university athletic teams within their communities (Iowa State, Drake, University of Northern Iowa, and Iowa).

Wellmark states that they "value exercise and recreation for good health" and realize municipal "budgets for these types of activities may be limited". Therefore, they have developed a program that specifically partners ISU athletics with Ames Parks and Recreation. Wellmark states that this program "allows them to financially support both the Division I universities and the communities where these schools are located".

Specifically, Wellmark will contribute \$500 to Ames Parks and Recreation for each football field goal made by ISU and \$30 for each ISU made three-point shot at the Men's and Women's Basketball games. This includes both home and away games and post-season play. An annual cap of \$25,000 has been established. ISU made eight field goals this season for a total of \$4,000. On **average** the Women's and Men's basketball teams make seven 3-point shots per game. If this average holds true, over \$10,000 could be realized through the basketball teams.

Wellmark has made a commitment for this program to be in place for a minimum of two years (2010/11 and 2011/12). Wellmark will inform the City in January of 2012 if the program will be continued for the 2012/13 academic year. If past history is an indication, the City can expect to receive approximately \$15,000 per year in the event the City Council approves participation in this program.

Wellmark states in their promotional materials that they have interest in seeing these funds support "projects that will provide direct recreational services and support of health and wellness initiatives within your community". Wellmark states that ultimately it is up to the City of Ames to use the funding for the need we identify within our community.

The only request Wellmark has made is for the City to designate what Wellmark's funding will be used as soon as possible. Wellmark is anxious to use this information within their marketing communication materials (member magazine, website, social media sites, and press releases).

Due to the quick response time needed for selecting a project and the uncertainty of how many dollars will be generated, staff is recommending that the funds generated through this program be used to purchase new weight and cardiovascular equipment for the Community Center. The existing equipment is heavily utilized, and new equipment would be a wonderful addition to the Community Center that would support Wellmark's initiative to "improve community wellness". This equipment would not be purchased until April of 2012. At that time, the City would know the exact amount of funding to be received over the two year period, and if Wellmark plans on continuing the program for a third academic year.

Wellmark has developed a 3-Point Play website (<a href="www.wellmark3pointplay">www.wellmark3pointplay</a>). This site keeps track of the money raised by each university. The website will also include a link to each City's Parks and Recreation Department to track the progress of the selected project.

As part of this program, Wellmark will also promote their own 3-Point Play, encouraging fans to "Eat Right, Move More, and Feel Better". These messages will be promoted on Wellmarks's 3-Point Play website, in video board features at ISU's Jack Trice Stadium and Hilton Coliseum, in public service announcements, and on live radio ads. Prior to ISU football and basketball games, Wellmark invites fans to participate in recreational field goal kicking and three point shots. Participants then receive wristbands and other athletically themed giveaways promoting the "East Right, Move More, and Feel Better" theme.

On November 18, 2010, the Parks and Recreation Commission unanimously approved recommending that the City Council approve entering into an agreement with Wellmark Blue Cross and Blue Shield, with the understanding that the City will purchase weight room equipment for the Community Center as funding allows following the 2011/12 season.

# **ALTERNATIVES:**

- 1. Approve an agreement with Wellmark Blue Cross and Blue Shield with the understanding that the City will purchase weight room equipment for the Community Center as funding allows following the 2011/12 season.
- 2. Do not enter into an agreement with Wellmark Blue Cross and Blue Shield for the 3-Point Play program.

# MANAGER'S RECOMMENDED ACTION:

Staff contacted the ISU Athletic Department to gain their insight on this program. They responded that they fully support this program through the Athletic Department's marketing division. Staff also contacted the Iowa City Parks and Recreation Department to inquire how they were proceeding with this offer. They responded that they initially thought "this is too good to be true". However, upon researching

Wellmark's offer, they are participating and will use their funds toward a toddler fitness program. The City of Cedar Falls is also participating and will use their funding to enhance a park and to purchase playground equipment.

Staff and the Parks and Recreation Commission both understand that Wellmark is using this program as a marketing strategy within select lowa communities to gain visibility for their company. However, we support this marketing campaign for the following reasons:

- With the goal of generating revenue for the Department, the City historically has allowed the private sector to advertise / promote their products / services at City facilities. Examples include;
  - Dasherboard advertising at the Ames/ISU Ice Arena
  - o Advertising mounted on the Ice Resurfacer
  - Selling advertising on scorecards at Homewood Golf Course
- Positive connection between ISU athletics and the City of Ames' Department of Parks and Recreation
- City determines how to expend the funds
- Residents of all ages will benefit from new weight and cardiovascular equipment being installed at the Community Center
- The theme of "Eat Right, Move More, and Feel Better" is an encouraging message for our residents

Therefore, it is the recommendation of the City Manager that the City Council approve Alternative 1, thereby approving an agreement with Wellmark Blue Cross and Blue Shield with the understanding that the City will purchase weight room equipment for the Community Center as funding allows following the 11/12 season.

#### ATTACHMENT A

Oct. 8, 2010

Nancy Carroll, Director Ames Parks and Recreation Department 1500 Gateway Hills Park Dr Ames, IA 50014-7882

Dear Nancy,

This letter of agreement confirms Wellmark Blue Cross and Blue Shield's commitment to provide the Ames Parks and Recreation Department with a financial contribution up to \$25,000 from Wellmark's 3-Point Play initiative during the 2010-2011 Iowa State University academic year to be used to improve the health and wellness of your community. This contribution is based on the following:

- For each field goal made during ISU football home and away games, a contribution of \$500 will be made to the Ames Parks and Recreation Department.
- For each 3-pointer made during ISU men's and women's basketball home and away games, a contribution of \$30 will be made to the Ames Parks and Recreation Department.
- The funding raised this year will be donated to the Ames Parks and Recreation Department and the City of Ames at the February 26 ISU vs. University of Nebraska-Lincoln men's basketball game. I will leave it up to you to invite representatives from your city and/or organization to receive the check from Wellmark at the presentation.

Please let me know as soon as you have decided how you will use your contribution from Wellmark. Wellmark is committed to the 3-Point Play initiative for at least two academic years. We will inform you of our intentions for the program for the following academic year in January of each year.

We request that you keep us informed of the ongoing progress of your project. We plan to use this information in our marketing communication materials, including our member magazine, our website, our social media sites, and press releases. We also would like recognition by your Parks and Recreation Department for the financial contribution in communication disseminated by the City of Ames. When your project is complete, we would like recognition along with the other contributors.

I look forward to hearing what you decide to do with the Wellmark contribution and watching the progress being made on the project that will improve the health and wellness of your community. Please don't hesitate to contact me if you have questions or just to touch base. My e-mail is perryss@wellmark.com: my phone is (605) 373-7429.

Sincerely,

Stephanie Perry
Communications Consultant-Sponsorships

Wellmark Blue Cross and Blue Shield