

## Request for Decision

### Corporate Sponsorship Policy

Presented To:	Community Services Committee
Presented:	Monday, Mar 26, 2012
Report Date	Wednesday, Mar 21, 2012
Type:	Referred & Deferred Matters

### Recommendation

Whereas corporate sponsorships are an accepted practice for generating revenue to support programs, events and facilities for municipalities throughout Ontario; and

Whereas corporate sponsorship is an opportunity for the private sector to contribute corporate social responsibilities;

Therefore, be it resolved that the City of Greater Sudbury adopt the Corporate Sponsorship Policy as attached and that a by-law be passed accordingly.

### Finance Implications

Any costs to the City of Greater Sudbury associated with corporate sponsorship will be within approved operating and capital budgets.

## Background

The City offers significant community benefits in the form of programs, events and facilities by which private corporations may deem beneficial to support through financial or in-kind support in the advancement of their corporate social responsibility. These corporate partnerships can present as enhancement to existing assets, the delivery of special events, the creation of new facilities or the introduction of new programs and services. Corporate sponsorship improves and increases active living opportunities for City of Greater Sudbury residents which is in keeping with the Healthy Community priority of City Council.

A number of municipalities have defined corporate sponsorship policies. The following is a highlight of researched corporate sponsorship policies and programs:

#### City of Kingston

The City of Kingston has adopted both a Corporate Sponsorship Policy as well as a Advertising Revenue Generation Policy which govern corporate relationships for paid advertising and sponsorship.

### Signed By

**Report Prepared By**

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Community Development Coordinator  
*Digitally Signed Mar 21, 12*

**Division Review**

Real Carre  
Director of Leisure Services  
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**Recommended by the Department**

Catherine Matheson  
General Manager of Community  
Development  
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**Recommended by the C.A.O.**

Doug Nadorozny  
Chief Administrative Officer  
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### City of Ottawa

The City of Ottawa has identified sponsorship and advertising opportunities and associated anticipated revenues through 2015. Opportunities include program sponsorship, naming rights, special events sponsorship and facility signage advertising with a total revenue potential of \$12.7 million by 2015.

### City of Toronto

The City of Toronto pursues a number of corporate sponsors to help deliver programs and events such as Doors Open Toronto and the annual Bike Month program. The City of Toronto generated \$35.8 million in sponsorship and advertising revenue in 2009. City of Toronto Council is currently considering a formal sponsorship and naming rights policy.

### City of Whitby

The City of Whitby has utilized corporate sponsorship of recreation facilities, naming rights and event sponsorship to enhance facilities and keep program rates affordable. In 2009, the City of Whitby generated \$442,500 in sponsorship and advertising revenue.

### City of Winnipeg

The 'Sponsor Winnipeg' program provides opportunities for sponsorship of greenspace, parks, special events, recreation facilities, transportation, social services and animal services. The program generated \$500,000 in sponsorship revenue in 2009 and is managed through the Office of the Mayor.

### City of Sudbury

Prior to amalgamation, the City of Sudbury successfully developed and promoted a "Careshares" program that invited businesses, organizations, volunteer associations and community members to contribute funds towards enhancing the quality of life in their communities. The focus of the program centred on beautification projects; however, there were also opportunities for corporate contributions for youth programs and special events. Donor recognition was made through the Leisure Guide, local media coverage and invitations to the annual Community Sponsorship Recognition and Awards Ceremony.

Since amalgamation, the City has worked with the private sector for the enhancement of facilities, programs and events. Examples include the sponsorship of new creative play structures at local playgrounds, investment in infrastructure at Adanac Ski Hill, event support for the annual Volunteer Recognition Picnic and the 2010 Ontario Summer Games.

A Corporate Sponsorship Policy will ensure that future sponsorship relationships are consistent with the City of Greater Sudbury's vision and mission, comply with City policies and where sponsorship opportunities exceed a financial benefit of over \$35,000 a competitive process will be undertaken.

## **General Principles of the Corporate Sponsorship Policy**

The City of Greater Sudbury supports the principle that external corporations may sponsor portions of or entire City programs, events and facilities where such sponsorship is mutually beneficial to both parties and is consistent with the City's vision and mission, City policies and by-laws.

For sponsorship opportunities exceeding \$35,000, a competitive process will be undertaken.

## **Types of Sponsorships Opportunitites**

Potential partnership opportunities include:

Program and Service Sponsorship: sponsorship of new and existing programs, including: adult, aquatic, fitness, skating, skiing, snowboarding and youth programs.

Event Sponsorship: sponsorship of existing annual events organized and delivered through Leisure Services, for example, the Bell Park Concert Series and the Annual Volunteer Recognition Picnic.

Facility Enhancements: The sponsorship of assets which will enhance the quality and experience of Leisure Services facilities and parks. Enhancements include, but are not limited to new creative play structures and playground equipment, sun shelters, benches and support buildings.

Community Information Boards: The sponsorship of existing and new billboards used to promote community events and activities.

Interior Signage (LED Screens): The sponsorship of interior signs and LED screens for city and community messaging at community centres, pools, arenas and other facilities. (existing agreement regarding Sudbury Community arena/local community arenas)

Due to the complex nature of Naming Rights , it is recommended that these are dealt with outside the scope of the Sponsorship Policy. Naming Rights are considered in a commercial context, where the naming right is sold or exchanged for significant cash and/or other considerations under a long-term agreement. Staff will be bringing forward updates to the Building, Property and Park Naming Policy, By-law 2004-303 to City Council regarding new recommended processes for building and facility naming. Pouring Rights agreements typically also include exclusive rights for the provision of beverages or other services, beyond a sponsor recognition agreement. Existing Pouring Rights agreements at City of Greater Sudbury facilities are done through a competitive process.

Advertisements within printed materials produced by the City of Greater Sudbury also fall outside the scope of this policy as advertising space is sold at established rates and does not imply any reciprocal partnership arrangement.

# Corporate Sponsorship Policy

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## **Purpose**

The purpose of the Corporate Sponsorship Policy is to provide an opportunity for businesses to make financial contributions towards programs, events, services or facilities in return for public recognition.

## **Scope**

If the value of the public recognition contribution is over \$35,000 a competitive process will be undertaken.

## **Definition**

Corporate Sponsorship: A mutually beneficial business arrangement between the municipality and an external company wherein the external party contributes funds to a municipal program, event, service or facility in return for recognition, acknowledgement or other promotional consideration.

## **Policy Guidelines**

Corporate Sponsorships must:

- respect and comply with City of Greater Sudbury policies, by-laws and plans;
- be consistent with the City of Greater Sudbury Visual Identity Program;
- support the City of Greater Sudbury's vision and mission.

The Corporate Sponsorship Policy excludes:

- corporations that are not in good standing with the municipality;
- businesses which derive revenue from the production of tobacco or alcohol products (except events and facilities licensed under the LLBO);
- funding obtained through formal government programs from other levels of government;
- donations received under the Parks Services Donation and Memorial Program (By-law 2011-152);
- third parties who lease City of Greater Sudbury properties or hold facility agreements with the City of Greater Sudbury for activities or events; and
- existing advertisement agreements that the City of Greater Sudbury has entered into through a competitive process.

The Corporate Sponsorship Policy does not:

- imply endorsement of businesses, products or services;
- relinquish control of program and service delivery, event planning or facility management; or

- include Naming Rights, Pouring Rights or advertisements within printed material produced by the City of Greater Sudbury.

Recognition of Corporate Sponsors will:

- be consistent with the proposed sponsorship of the program, event or facility in question;
- designed in a manner not to detract from the physical attributes and visual integrity of the facility or event/program location; and
- must not negatively impact the experience of users of sponsored events and facilities.

### **Sponsor Solicitation and Processes**

The solicitation of sponsorships shall be conducted in a manner that enhances access and fairness and results in a mutually beneficial agreement for both the City, residents of the City of Greater Sudbury and the corporate sponsor.

Corporate sponsors will advise the CAO and appropriate General Manager in writing of interest in potential sponsorship agreements.

City staff shall be specifically designated by the appropriate General Manager to meet with potential sponsors to discuss arrangements and expectations.

Sponsorships valued less than \$35,000 may be considered when brought forward to the City.

A competitive process will be undertaken for any sponsorship over \$35,000 or those sponsorships that offer a significant corporate profile.

Departments will establish the level and manner of sponsor recognition through the negotiation process associated with each sponsorship agreement.

Any costs to the City associated with a corporate sponsorship must be within approved operating and capital budgets.

Approved corporate sponsorships will be confirmed with a written agreement. Agreements will include at minimum the following:

- The program, service, event or facility in question
- The value of the sponsor contribution
- Obligations for sponsorship recognition
- Responsibility for maintenance, insurance, etc. of any assets associated with or resulting from a corporate sponsorship
- The term of the sponsorship agreement

- Specific plans for marketing and branding of the program, service, event or facility in question

Written corporate inquiries denied sponsorship approval will be advised in writing with a detailed rationale.

The City of Greater Sudbury reserves the right to reject any unsolicited sponsorships that have been offered to the City and to reject any proposals for sponsorship that have been openly solicited by the City.

### **Termination of Sponsorship Agreements**

The City reserves the right to terminate a sponsorship agreement under the following circumstances:

- the sponsor in question uses the City's name outside the parameters of the sponsorship agreement, without prior consent;
- the sponsor in question develops a public image which conflicts with the City's vision, mission and services.

### **Term**

Corporate sponsorship agreements will not exceed the program or service cycle, the event duration or the life of the asset in question.

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- third parties who lease City of Greater Sudbury properties or hold facility agreements with the City of Greater Sudbury for activities or events; and
- existing advertisement agreements that the City of Greater Sudbury has entered into through a competitive process. (Sudbury Wolves O.H.L advertising agreement).

The Corporate Sponsorship Policy does not:

- imply endorsement of businesses, products or services;
- relinquish control of program and service delivery, event planning or facility management; or

- include Naming Rights, Pouring Rights or advertisements within printed material produced by the City of Greater Sudbury.

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City staff shall be specifically designated by the appropriate General Manager to meet with potential sponsors to discuss arrangements and expectations.

Sponsorships valued less than \$35,000 may be considered when brought forward to the City.

A competitive process will be undertaken for any sponsorship over \$35,000, in accordance with the threshold identified in the Purchasing By-law, or those sponsorships that offer a significant corporate profile.

The competitive bid process threshold for Corporate Sponsorship will mirror any revisions made in the Purchasing By-law.

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#### Term

Corporate sponsorship agreements will not exceed the program or service cycle, the event duration or the life of the asset in question, and are negotiated with private sector partners and CGS.