

	<h1>POLICY</h1>	<u>Policy No:</u> GOV-COR-2000
<u>Policy Title:</u> MUNICIPAL SPONSORSHIP <u>Policy Type:</u> COUNCIL <u>Category:</u> Governance <u>Sub-Category:</u> Corporate <u>Author:</u> Policy & Program Advisor, Office of Strategic Partnerships <u>Dept/Div:</u> The Auditorium & Arenas, Community Services Department	<u>Approval Date:</u> June 6, 2016 <u>Next Review Date:</u> June 2022 <u>Reviewed Date:</u> June 2022 <u>Amended:</u> June 28, 2022 <u>Replaces:</u> <u>Repealed:</u> <u>Replaced by:</u>	
<u>Related Policies, Procedures and/or Guidelines:</u> I-211 Municipal Advertising, I-212 Municipal Website		

1. POLICY PURPOSE:

To establish parameters for future sponsorship agreements on municipal assets that will safeguard the City’s assets, interests and reputation while creating an environment that encourages increased revenue generation through sponsorship. The Municipal Partnership Program strives to utilize sponsorship as a means of generating new revenue for The City of Kitchener. The program is coordinated and administered by the Office of Strategic Partnership.

The City welcomes and encourages sponsorships on a variety of municipal assets, as a way of generating non-tax revenue for the municipality that assists in the provision of City programs and services.

All sponsorship activity will comply with the parameters outlined in this policy; shall be consistent with the City of Kitchener’s vision; shall not compromise or contradict any City by-law or policy; reflect negatively on the City’s public image, and; will not compromise or contradict any laws, bylaws or policies of Canada, Ontario, or the City.

All sponsorship agreements shall be established in a manner that ensures access and fairness, and results in the optimal balance of benefits to the City and its community.

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2. **DEFINITIONS:**

For the purposes of this policy:

- **“Sponsorship”** means a mutually beneficial contractual agreement between the City and an external company, organization, association or individual where the City leverages a municipally owned asset to receive financial or in-kind support in exchange for recognition, exposure, activation opportunities, and/or other marketing benefits for the external party.
- **“Naming Rights”** means a form of sponsorship; naming rights are opportunities for a sponsor’s name to be added to a City facility or City entire complex (e.g. Aactiva Sportsplex) for an extended term.
- **“Municipal Assets”** means facilities, vehicles, equipment, programs, services, publications, websites or events, owned and operated by the City. This includes assets owned and operated by the City’s Enterprises.
- **“Municipal Partnership Program”** means a program that oversees coordination of sponsorship and advertising of the City’s assets and is administered through the Office of Strategic Partnerships.
- **“Facility”** is defined as property and buildings owned by the City of Kitchener, including but not limited to parkland, open space, recreational and leisure facilities, meeting rooms, operations facilities and administrative office buildings.
- **“Entire Complex”** is defined as one or more facilities with amenities that are located within the boundaries of one location in The City of Kitchener.
- **“The City”** means the Corporation of the City of Kitchener and all of its Enterprises.
- **“In-kind”** is a contribution sponsorship received in the form of goods and/or services rather than cash.
- **“Third-party Company”** means a company or agency that has the right to negotiate sponsorship agreements on behalf of The City of Kitchener.
- **“Office of Strategic Partnerships”** is the unit responsible for overseeing the Municipal Partnership Program.

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- **“Conversion Practices”** means a practice, treatment, or service designed to
 - (a) change a person’s sexual orientation to heterosexual;
 - (b) change a person’s gender identity to cisgender;
 - (c) change a person’s gender expression so that it conforms to the sex assigned to the person at birth;
 - (d) repress or reduce non-heterosexual attraction or sexual behaviour;
 - (e) repress a person’s non-cisgender gender identity; or
 - (f) repress or reduce a person’s gender expression that does not conform to the sex assigned to the person at birth.

3. SCOPE:

POLICY APPLIES TO THE FOLLOWING:	
<input type="checkbox"/> All Employees	
<input type="checkbox"/> All Full-Time Employees	<input type="checkbox"/> All Union
<input type="checkbox"/> Management	<input type="checkbox"/> C.U.P.E. 68 Civic
<input type="checkbox"/> Non Union	<input type="checkbox"/> C.U.P.E. 68 Mechanics
<input type="checkbox"/> Temporary	<input type="checkbox"/> C.U.P.E. 791
<input type="checkbox"/> Student	<input type="checkbox"/> I.B.E.W. 636
<input type="checkbox"/> Part-Time Employees	<input type="checkbox"/> K.P.F.F.A.
<input type="checkbox"/> Specified Positions only:	<input type="checkbox"/> Other:
<input checked="" type="checkbox"/> Council	<input checked="" type="checkbox"/> Local Boards & Advisory Committees

This policy applies to sponsorship in the form of contractual agreements with an external company, organization, association or individual on all municipal assets, including, but not limited to:

- Naming Rights on approved City properties, facilities and equipment;
- Sponsorship of approved City run programs/initiatives and services;
- Sponsorship of approved City run events.

4. POLICY CONTENT:

Principles and Conditions:

The following principles and conditions will apply to all sponsorship agreements:

- 1) Sponsorship revenue should not be used to fund core programs and services;

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- 2) A portion of the revenue generated through future sponsorships should be allocated towards establishing and/or improving the sponsored program, service, facility or enterprise;
- 3) The contributions of municipal sponsorship partners should be acknowledged by the City in a public manner on a regular basis;
- 4) Sponsorship recruitment should match a prospective partner with the audience/participant interests to ensure there is a good fit between the partner and the audience/participant;
- 5) The focus of the “ask” to potential sponsorship partners should be marketing-based objectives and not philanthropic or charitable in nature;
- 6) The products, services and brand of sponsorship partners should not reflect negatively on the municipality;
- 7) The City should not enter into any sponsorship agreements including naming rights with companies that are a direct competitor of the municipality or its enterprises;
- 8) The City will not enter into any sponsorship agreements with a company whom the City is in, or is entering into, litigation;
- 9) Sponsorships will not cause a specific City employee or a member of council to receive any product, service or assets for personal gain or use;
- 10) There shall be no actual or implied obligation to purchase product or services of the sponsor.

Sponsorship Criteria:

The City will not accept sponsorship from companies whose reputation, products, services or message could prove detrimental or reflect negatively on the City’s public image and/or whose business is derived from:

- pornography;
- the support of or involvement in the production, distribution and sale of weapons and other life-threatening products, or;
- the sale of tobacco.
- The support of or involvement in hosting, arranging, contributing to, or promoting Conversion Practices

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Sponsorship shall not:

- condone any form of personal discrimination, including that based upon race, national origin, religion, sex or age;
- appear in a realistic manner to exploit, condone nor incite violence, nor appear to condone, encourage or exhibit obvious indifference to unlawful behaviour;
- demean, denigrate or disparage any identifiable person, group or persons, organization, profession, product or service or attempt to bring them into any public contempt or ridicule, or;
- undermine human dignity, display obvious indifference to or encourage, gratuitously and without merit, conduct or attitudes that offend the standards of public decency among a significant segment of a population.
- Condone, promote or contribute to any form of Conversion Practices

In addition, the City will not accept any form of sponsorship that disparages a City program, service, facility, event or employee.

Sponsorship with an advertising component:

Any sponsorship agreement that includes advertising elements in City publication advertising, online advertising, interior/exterior signage advertising, and/or other advertising opportunities must adhere to all of the requirements outlined in City of Kitchener Policy **I-211 Municipal Advertising**, and **I-212 Municipal Website**.

Solicitation of Sponsorship Opportunities:

Sponsorship opportunities will arise from; unsolicited proposals, direct solicitation, or a competitive process.

In order to expedite partnership development, a competitive process is not required when soliciting sponsorship opportunities. While there is no obligation to test the market, in order to maximize the contribution, it is expected that several prospective sponsors will be approached when circumstances warrant.

The City reserves the right to reject any and all sponsorship opportunities.

As part of due diligence, staff authorized to approve sponsorship proposals must ensure that all relevant by-laws and policies are adhered to, appropriate consultation takes place with relevant stakeholders and approval authorities are respected. Where necessary, a risk/benefit analysis of the opportunity shall be

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conducted which may include proof of insurance and indemnification, an ethical scan, a police check and any required permit approvals or inspections.

Delegation of Authority:

City Council approval is required for any agreement that is:

- in excess of \$125,000 for the term of the agreement;
- in excess of 10 years in duration;
- naming rights for an entire complex;
- or does not satisfy the provisions of this policy.

The CAO or DCAO's may enter into agreements for amounts up to \$125,000 for the term of the agreement, subject to the satisfaction of the City Solicitor.

Third-Party Sponsorship Agreements:

In cases where the City has engaged the services of a Third-party company to assist in the sale of sponsorship of municipal assets, the following process will be applied when a disagreement arises between the third-party company and a potential partner:

- Potential partners shall deal with the Third-party Company directly and the Third-party Company shall interpret this policy. If there is disagreement between the Third-Party Company and a potential partner on policy interpretation, the matter may be referred to City staff for consideration.
- A contract must be signed with the Third-Party Company before the matter will be considered by the City. In cases where the content of an agreement is in dispute, the contract will be signed "subject to approval by the City".
- City staff charged with the responsibility of interpreting and implementing the City Sponsorship policy may overrule decisions made by the Third-party Company.

Should a change in policy be requested or a question of policy interpretation be raised by potential partners, the City may become involved, at its discretion. The City continues to be the sole and final arbiter in all matters relating to City Sponsorship acceptance.

The Third-party Company agrees that sponsorship is to be accepted based on all current or future policies of acceptable sponsorship and the City shall not be held

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responsible for any loss of sponsorship business as a result of any changes it shall make in its policy regarding the acceptability of certain types of sponsorship.

Use of Sponsorship Funding:

Revenue generated from new sponsorship agreements will be used in one or more of the following areas:

- 1) Improving the sponsored program and/or audience experience;
- 2) Direct servicing costs of any sponsorship arrangement (e.g. the preparation of partner/facility signage, official announcement events, changing names on publications, etc.) and program implementation costs (e.g. staff, overhead, admin expenses, or marketing);
- ~~3) Administrative costs associated with the Office of Strategic Partnerships;~~
- ~~4) Deposited to a reserve account for future investments in the community.~~

5. HISTORY OF POLICY CHANGES

Administrative Updates

No administrative history to date.

Formal Amendments

No amendment history to date.