

1 Purpose

- (1) The purpose of this Policy is to:
 - (a) support Sponsors in achieving their business corporate social responsibility, business objectives, increasing their visibility in the community and reaching customers in unique environments;
 - (b) increase the opportunities for revenue generation on City Assets while safeguarding The City's corporate values, image, and interests;
 - (c) safeguard against the commercialization of the public realm; and
 - (d) create a systematic approach to soliciting, responding to inquiries, managing, and reporting on Sponsorships.

2 General Guiding Principles

- (1) Sponsorship must have benefit(s) to The City.
- (2) Sponsorship opportunities must be aligned with The City of Red Deer's mission, vision, and values, and must not compromise The City's reputation or public image.
- (3) Sponsorship opportunities must be shared openly and transparently, with information about Sponsorship opportunities posted publicly and available to all members of the public.
- (4) City Assets will not be dependent on Sponsorship. Pre-established City Assets will be provided to the community regardless of Sponsorship.
- (5) Term-based Sponsorship is considered a priority.
- (6) Sponsorships are not offered in perpetuity.
- (7) The City manages the volume of opportunities per year through administrative procedures to minimize competition with other community groups or not-for-profit groups who seek similar Sponsorship within the community.
- (8) Sponsorship funding must only be accepted to supplement Council-approved initiatives. Sponsorships must be for purposes consistent with the receiving division's mandate and must be in the public interest of The City.

(9) The City does not endorse or promote the organization, products, services, or ideas of any Sponsor.

(10) All Sponsorship relationships must be confirmed in a Sponsorship agreement.

3 Sponsor Benefits and Commitments Principles

(1) Sponsorship benefits are limited to those expressly stated in a Sponsorship agreement.

(2) Sponsorship must not result in, or be perceived to result in any competitive advantage, benefit, or preferential treatment for the Sponsor outside of the Sponsorship agreement.

(3) Sponsors are prohibited from implying that their products, services, or ideas are sanctioned or endorsed by The City.

4 Sponsorship Costs, Expenses and Revenue Principles

(1) Sponsorships must not create ongoing financial obligations for The City.

(2) Sponsorships must not result in any added costs or expenditures for The City outside of the terms of the Sponsorship agreement.

(3) Activation or servicing costs of the Sponsorship must not exceed 30% of the total Sponsorship received without exception approval from Council.

(4) Where The City is procuring the Activation and/or Fulfillment activities on a Sponsor's behalf, at the Sponsor's expense, The City's procurement policy will be followed.

(5) When the Fulfillment of Sponsorships results in a tangible asset, ownership of that product will default to The City, unless specifically stated otherwise in the Sponsorship agreement.

(6) Sponsorship revenues will be allocated as part of The City's annual budget process in accordance with the following commitments:

- (a) To enhance Service delivery or capital requirements through one-time costs for the program area where the revenue was generated;
- (b) To fund the overall administrative costs and staffing to coordinate The City's Sponsorship program; and

(c) For other purposes as directed by Council.

- (7) In evaluating potential Sponsorships, The City will consider all costs to be incurred when determining the viability of the revenue including, but not limited to, operating, maintenance, production/design fees, disposal value, and disposal costs.
- (8) Council approves any receipt of Sponsorship and for related Sponsorship expenses beyond \$100,000 per year of a Sponsorship agreement.
- (9) Sponsorship agreements remain confidential as per FOIP and procurement practices.

5 Scope of Policy

- (1) This Policy applies to:
 - (a) City Assets including, but not limited to, built and natural infrastructure, transportation, Facilities, events, communications, programs and Services, special projects, Municipal Features, and other relevant properties; and
 - (b) a Municipal Feature with a Commemorative name that already exists on a municipal asset.
 - (i) Sponsorship can still occur on a commemoratively named Municipal Feature, but the sponsored name will be in addition to Commemorative Name.
- (2) If Naming Rights are a part of the Sponsorship, the name of the City Asset must be in alignment with the Council's Municipal Feature Naming Policy GP-D-2.3.
- (3) Sponsorships must conform to the standards set out by the Canadian Advertising Standards Council.
- (4) Sponsorship within or on a City Asset must be mindful and respectful of the community associated with the City Asset so as not to disrupt or interfere with the experience of the City Asset. As such, The City will determine and manage an acceptable level of commercial presence (ACQ) with each City Asset.
- (5) Sponsorship will be considered for cash or Gift In-Kind goods or services.
- (6) The City has the right to end a Sponsorship agreement if the Sponsors' values no longer align with The City's values or negatively impact The City's reputation or

public image.

6 Policy Exclusions

- (I) This Policy is not applicable to:
- (a) City Hall, fire halls, and police stations;
 - (b) streets and subdivisions;
 - (c) Gifts and Donations;
 - (d) grants obtained from other orders of government, foundations, trusts, etc.
 - (e) internal Sponsorships amongst City Divisions, city-established boards, or municipally controlled corporations; and
 - (f) external projects where The City provides funds to an outside organization.

7 Policy Links

- (I) Council is guided by the following Policies when considering Sponsorship requests:
- (a) Civic Pride & Ownership Policy PS-A-2.0;
 - (b) Municipal Feature Naming Policy GP-D-2.3
 - (c) Public Image Policy EL-B-2.2; and
 - (d) Relationships with Other Entities Policy EL-B-2.3.

Definitions

- 8 **“Advertising”** means the selling of space on City’s printed materials, properties and equipment whereby the advertiser is not entitled to any additional benefits beyond access to the space purchased. Advertising is a straightforward purchase of space based on pre-established rates.
- 9 **“City Asset”** means a Service, program, event, activity, or property owned by The City.
- 10 **“Commemorative/Historical Naming”** means the act of naming Municipal Features by recognizing and commemorating individuals, groups of local, provincial, or national significance, local historical events and the flora, fauna, and natural/geographic features of the community.
- 11 **“Donation”** means a Gift and occurs when a donor gives funds or services to The City without a valuable consideration or with partial consideration given or expected by the donor. If reciprocal benefits exist, the principles of this Policy apply.

- 12 **“Facility”** means any building, structure or area of land owned by or under the direction and control of The City, but not limited to, leisure centres, sports and fitness Facilities, arenas, parks, park amenities, natural features, and bridges.
- 13 **“Gift”** means an unsolicited contribution to The City for which there is no reciprocal Recognition expected or required from The City.
- 14 **“Gift In-Kind”** means contributions, other than cash, including corporate products, services, or other assets without charge or purchase, usually in return for published acknowledgement.
- 15 **“Municipal Features”** as defined in Council Municipal Features Naming Policy GP-D-2.3.
- 16 **“Naming Rights”** means a form of Sponsorship that provides a Sponsor the right to name a piece of property or parts of a property, granted in exchange for financial considerations.
- 17 **“Recognition”** refers to the acknowledgement and expression of thanks issued for a Sponsorship; the previously agreed upon terms of publicity or promotion that suitably reflect the impact of the Sponsorship.
- 18 **“Sponsor”** means an individual or organization providing a cash or Gift In-Kind to The City, typically with expectation for commercial return, acknowledgement, or promotion.
- 19 **“Sponsorship”** means mutually beneficial arrangement between The City and an external individual, company, organizations, or enterprise wherein the external party contributes funds, goods, equipment or services to a municipal project, service, or initiative in return for Recognition, acknowledgement, or other promotional consideration.
- 20 **“Sponsorship Fulfillment”** refers to the agreement that was made between the Sponsor and The City with respect to Recognition and acknowledgement of the Sponsor contribution.
- 21 **“Service”** means any intangible good provided by The City to the residents including, but not limited to, programs, festivals, activities, and events.

Document History:

Policy Adopted	July 24, 2023
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