

City of Wetaskiwin Council Policy

Sponsorship and Advertising Policy



Policy Number:	CO-011
Effective On:	July 11, 2022
Approval History:	
Review Frequency:	Every four years
Responsibility:	Community and Protective Services
Cross-Reference:	

Policy Statement

The City of Wetaskiwin welcomes and encourages sponsorship and advertising to assist in the provision of City services, programs, and events. All sponsorship and advertising shall be consistent with the City of Wetaskiwin's vision, mission and values and must not compromise or contradict any bylaw or policy of the City or reflect negatively on the City's public image. All sponsorship and advertising agreements shall be established in a manner that ensures access and fairness, and results in the optimal balance of benefits to the City of Wetaskiwin.

This policy applies to all relationships between the City of Wetaskiwin and businesses, organizations, and individuals that contribute either financially or In-kind to City programs, services, assets, or events in return for recognition, public acknowledgement, or other promotional considerations.

This policy specifically applies to the following:

- a. Naming/renaming of City property, buildings, spaces, and structures;
- b. Program and event partnerships;
- c. Paid advertising on City property, at City events, and in City publications; and
- d. All other partnership and advertising opportunities that may arise in the future shall be governed by this policy.

Any and all sponsorship agreements and advertising agreements that are in effect prior to this policy coming into effect are exempt from the operation of the policy. Any and all sponsorship agreements and advertising agreements entered into subsequent to this policy coming into effect must comply with this policy.

Purpose

To increase the opportunities for revenue generation for the City of Wetaskiwin, while safeguarding the City's corporate values, image, assets, and interests.

Definitions

“Advertiser” means a person or company who advertises a product, service, event, or business.

“Advertising/Advertisements” means the paid placement or use of paid media by an advertiser on one or more assets of the City. Advertising may be purchased by an advertiser at rates, in locations, and for times as the City may determine. The advertiser is not entitled to any additional benefits other than those accruing from access to and use of the assets as outlined in the applicable advertising agreements. Advertising does not imply any association between the advertiser and the City.

“Advertising Agreement” means mutually beneficial, contractual agreement that reflects the arrangement for the exchange of advertising benefits between the City and an external party for a specified period of time.

“Asset” means a visible, promotional area that is owned by a property. Assets are normally tangible in nature (e.g. an arena). An asset may include, but not be limited to, an entire building, or part of a building, or any other property or thing that the City owns.

“Benefits” means benefits are normally promotional in nature (e.g. having a logo on the arena ice surface). Benefits shall normally be bundled into packages for sponsors to purchase as part of a sponsorship agreement.

“City” means the City of Wetaskiwin.

“Event” means an activity with a defined start and end date that is organized or endorsed by the City.

“In-kind” means a transaction involving goods or services that is provided to a project where no money is exchanged between the two organizations. In-kind services may be in the form of a Sponsorship or a donation.

“Facility Naming Rights” means a type of sponsorship where a company, organization, enterprise, association, or individual purchases the exclusive right to name an asset (e.g. a sports facility).

“Fair Market Value” means an estimate of the monetary and/or In-kind value that an unpressured sponsor is willing to pay to the City. Fair market value is set by the City, using an external or internal assessment and a formal asset valuation process.

“Formal Asset Valuation” means a formal process which uses a combination of industry best practice and sponsorship valuation formulas to capture the tangible and intangible values of a given asset.

“Fulfillment” means a delivery of benefits to a sponsor, in exchange for the benefits to be furnished to the City, pursuant to a sponsorship agreement.

“Partnership” means any form of cooperation or collaboration between individuals or organizations that enables the sharing of financial, material, intellectual, or human resources in order to achieve objectives of a common project.

“Program” means a series of activities managed by the City that are delivered over a specified period of time (e.g. Swimming Lessons).

“Sponsor” means the sponsor is a third-party company, organization, enterprise, association, or individual that enters into a sponsorship agreement.

“Sponsorship” means a mutually agreed-upon, marketing-oriented contract between the City and a third-party company, organization, enterprise, association, or individual evidenced in writing whereby the sponsor contributes money and/or other value in-kind to a City event, facility, program, or project, in return for recognition, acknowledgement, promotional considerations and/or other benefits. Sponsorship does not include donations, gifts, or advice to the City where no business relationship or association is contemplated or is required and where no reciprocal consideration is being sought. Sponsorships can come in the form of financial assistance, non-cash goods, or contributions of skills and/or resources.

“Sponsorship Agreement” means a mutually beneficial, contractual agreement that reflects the arrangement for the exchange of marketing benefits between the City and an external party for a specified period of time.

Responsibilities

1. Council is responsible for approving all facility naming rights sponsorship and exclusivity agreements.
 - a. A written report to City Council for concept approval will include: the list of assets for sale, value of the asset in the marketplace, length of term of sponsorship (up to a maximum of 10 years), list of potential sponsors and benefits the sponsor will receive.
 - b. City Council approval is required prior to sponsors being approached
 - c. Administration will then enter into negotiations and return to City Council for approval of the final agreement.
2. The City Manager, or their designate, is responsible for the following:
 - a. Implementing and managing the City’s sponsorship and advertising programs in accordance with other relevant policies including but not limited to the following:
 - i. Employee Attitude and Conduct Directive;

- ii. City Logo Policy; and
 - iii. Signing Authority Policy;
 - b. Soliciting, negotiating, and administering sponsorship and advertising opportunities;
 - c. Fulfilling all City responsibilities detailed in sponsorship and advertising agreements; and
 - d. Authorizing the City's entry into any sponsorship or advertising agreement except for those concerning facility naming rights, which must be approved by City Council.
3. City department managers are responsible for the following:
 - a. Coordinating with the City Manager or their designate regarding agreements, activities, and fulfillment related to potential and active sponsorships and advertising in their respective area; and
 - b. Maintaining a log of all active sponsorships agreements, advertising agreements, and related activities within their department, and providing the City Manager or their designate with an updated version of the log.

Sponsorship Categories

1. All Sponsorship activities involving the City shall fall into one of the following categories:
 - a. Facility naming rights: purchasing the exclusive right to name an asset.
 - b. Other facility recognition: financial or in-kind contributions to the City in return for promotional benefits within a City-owned asset (e.g. meeting room).
 - c. City-initiated program, service, or event: financial or in-kind support for City organized activities. The sponsor's name may be directly associated with the activity (e.g. "presenting" or "title" sponsorship) and the sponsor shall be provided with a variety of temporary marketing opportunities.
 - d. Exclusive supplier agreement: a contract between the City and an external supplier, evidenced in writing, in which the supplier agrees to provide the City with property or supply of goods and/or services in exchange for monetary or in-kind compensation from the City. Exclusivity agreements can be developed with suppliers that have bid on opportunities offered to tender.

Standards

1. Sponsorship or advertising agreements shall adhere to the criteria and standards of this policy and shall incorporate terms and conditions specific to the sponsorship or advertising opportunity.
2. The City may enter into any sponsorship or advertising agreement when such partnerships are mutually beneficial in a manner that is compatible with the City's

mission, values, and policies and where there is a significant revenue opportunity for the City, net the cost of providing signage or other sponsor recognition.

3. All sponsorships and advertising agreements must comply with federal and provincial statutes, municipal bylaws, and the standards set out by the Canadian Advertising Standards Council (CCAS) administered by Advertising Standards Canada.
4. The City shall not relinquish to the sponsor or advertiser any aspect of the City's right to manage and control the City's Assets or property.
5. Solicited and unsolicited sponsorship and advertising proposals received by the City shall be reviewed and evaluated as per the provisions of this policy. The City reserves the right to reject any sponsorship or advertising proposal.
6. Sponsorship recognition shall not detract from the physical attributes, character, integrity, or safety of City-initiated Events, and/or City-owned facilities or any other assets and shall respect the use of the City brand.
7. The length of term for Sponsorship Agreements may be limited to an event or for a defined period. The term should consider the cost of providing signage and other Sponsor recognition and still provide an adequate financial return to the City. Facility naming rights must be for a specified term that is less than 10 years, and may never continue in perpetuity.
8. The City may offer the sponsor the right to renew the sponsorship agreement subject to reaching satisfactory terms and conditions.
9. Sponsorship and advertising shall not result in, or be perceived to result in, any competitive advantage, benefit, or preferential treatment outside of the agreement. The relationship must not cause a City employee to receive any produce, service, or asset for personal gain or use.
10. The City does not endorse the products, services, or ideas of any sponsor and sponsors are prohibited from implying that their products, services, or ideas are sanctioned by the City.
11. Available sponsorship and advertising opportunities shall be promoted, either annually or as contract terms expire, using open and transparent processes. Facility naming rights shall be done through the competitive bidding process.
12. Sponsorship rights are non-transferable without the prior written consent of the City.
13. The City may cancel sponsorship rights in the event the sponsor enters a bankruptcy or receivership, or is involved in one or more activities which are illegal or deemed unethical by the City.
14. Sponsorship opportunities shall undergo a formal assessment valuation to determine the fair market value of each asset.
15. Sponsorships are not eligible for charitable income tax receipts.

Other Advertising Guidelines

1. The City is the sole and final arbiter in all matters relating to advertising acceptance and it may refuse or order the removal of any advertising material at any time in its absolute discretion. The City's decisions concerning advertising acceptance shall be guided by the Canadian Code of Advertising Standards.
2. The City shall not accept any advertising materials which:
 - a. Condone any form of personal discrimination, including discrimination on a prohibited ground pursuant to the Canadian Human Rights Act and the Province of Alberta's Human Rights Code;
 - b. 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;
 - c. Undermine human dignity, display obvious indifference to it, or which encourage, gratuitously and without merit, conduct or attitudes that offend the standards of public decency among a significant segment of a population; or
 - d. Appear in a realistic manner to exploit, condone or incite violence, or which appear to condone, encourage, or exhibit obvious indifference to unlawful behaviour.
3. Advertisements of alcoholic and tobacco products may be accepted so long as permitted by law whether Federal, Provincial or Municipal. Notwithstanding the above, the City may at any time, make changes to its policy on the advertising of alcoholic and tobacco products, in which event the City shall provide the company with 90 days' advance notice in writing of the intended changes.
4. Advertising of a political or religious nature may be permitted if it meets the requirements of the Canadian Code of Advertising Standards. In order to avoid creating the impression that the City is supporting a given party or candidate, all political advertising and advertisements shall indicate that the advertising or advertisement is paid for by a party or candidate and indicate the name of that party or candidate.

Fund Allocation

1. Proceeds received by a City-initiated program or event sponsorship shall be allocated directly to support City-initiated programs or events.
2. Proceeds from the facility naming rights with respect to an asset shall be allocated to the capital reserve fund associated with that asset.
3. Other sponsorship proceeds received by the City shall be allocated to the City's general revenue account unless specified in the sponsorship agreement that proceeds received are to be used for a specific purpose. This allocation can be changed by the mutual agreement of both parties in writing.