

POLICY Town Sponsorship



Policy C120

1.0 POLICY

The Town of Banff recognizes sponsorship as an opportunity to offset the costs of municipal programs and operations and as a way to recognize individual or corporate partnerships supporting programs and operations.

2.0 PURPOSE

2.1 The purpose of this policy is to create an authorized environment for entering into sponsorship agreements and partnerships. The purpose of the policy and procedures as outlined is to:

- protect the Town of Banff from adverse effects on public safety or on the Corporation's image
- ensure an open and competitive process is used to secure sponsorship opportunities
- provide employees with guidelines and procedures with respect to the sponsorship of Town assets including land, facilities, structures, services, programs and events, based on best practices, and
- uphold the Town's stewardship role to safeguard the Town's assets and interests.

2.2 The policy provides an enabling environment for the Town of Banff to enter into naming rights agreements with corporations, groups or individuals within set guidelines and procedures for the purpose of enhanced financial sustainability.

3.0 PRINCIPLES

3.1 The Town of Banff supports the ongoing practice of entering into marketing sponsorship agreements with third parties where such partnerships are mutually beneficial to both parties in a manner that is consistent with all applicable policies set by the Town. Under the conditions of this policy, Town staff may continue to solicit such marketing sponsorships.

3.2 The Town of Banff will seek out marketing sponsorship opportunities with third parties who reflect the values and maintain operation policies that are not in conflict with the Town's values, mandate or operating policies, have a positive public image and reflect a high level of integrity.

3.2.1 Sponsorships shall not be solicited from businesses, organizations or individuals who, in the sole discretion of the Town Manager, are inappropriate partners for the municipality in that their products or business activities: or do not align with the Town of Banff values as expressed in our community plan. Examples of inappropriate sponsorships would include those that:

- Promote the use of tobacco and alcohol;
- Promote religious or political messaging specific to any group or faction;
- Present imaging that is derogatory, prejudicial, harmful to or intolerant of any specific group or individual;

- Create fiscal hardship for the Municipality and/or its residents;
- Make them inappropriate sponsorship candidates for reasons not specified herein.

3.2.2 The Town of Banff will seek out marketing sponsorship opportunities with third parties whose purchasing practices embed environmental and ethical criteria into their own purchasing procedures and supply chain management processes

3.3 The Town of Banff recognizes and supports marketing sponsorships as a revenue generating strategy that balances the benefit of entering into sponsorship agreements with the Town's role as steward of public assets and interests.

3.4 It is necessary for the Town of Banff to be recognized for those facilities, programs, services etc., where it makes an ongoing significant contribution to capital or operating costs. Clear and permanent identification of the Town will be displayed in adherence to branding guidelines established by the Town.

3.5 The Town shall not relinquish to the sponsor any aspect of the Town's right to manage and control the Town's assets or facilities.

3.6 The Town reserves the right to terminate an existing sponsorship agreement should any of the following occur:

- The sponsor organization uses the Town's name outside the parameters of the sponsorship agreement, without prior consent;
- The sponsor organization develops a public image inappropriate to the Town's values and/or objectives.

3.7 Within the first ten opportunities for sponsorship or the first 24 months of this policy being passed, Town administration will bring all sponsorship requests to Council for approval.

4.0 APPLICATION:

4.1 This policy applies to all Town departments and divisions.

4.2 This policy does not apply to:

- Independent foundations or registered charitable organizations that the Town may receive benefit from. However, where assets are owned and managed by the Town, this policy shall apply unless otherwise approved by order of Council.
- Gifts or unsolicited donations to the Town
- Funding obtained from other orders of government through formal grant programs
- Town sponsorship support of external projects where the Town provides funds to an outside organization
- Third parties who lease Town property or hold permits with The Town for activities or events

5.0 PROCEDURES

5.1 Concept approval for sponsorship projects will be obtained from the appropriate department manager before potential sponsors are approached or agreements are made.

- 5.2 Sponsorship proposals should be in writing and outline the marketing benefits that will be exchanged between both parties.
- 5.3 Sponsorship agreements that have a purchasing element (i.e. naming rights) or have a value of greater than \$50,000 annually will go through either an Expression of Interest or a Request for Sponsorship Proposal process unless otherwise approved by the appropriate division director.
- 5.4 Sponsorship agreements over \$1,000 will adhere to the following procedures:
- a) be confirmed in writing and a copy of the signed contract to be sent to the appropriate department manager for information.
 - b) be signed by an authorized representative of both the Town of Banff and the sponsor.
 - c) outline the term of the agreement. Terms for all agreements shall not exceed 5 years unless authorized by the appropriate department manager.
 - d) include the details of the exchange of marketing benefits, including both what the Town will receive from the sponsor, and what benefits are to be provided to the sponsor.
 - e) use of templates prepared and approved by the Town Solicitor for sponsorship agreements are recommended to minimize risks to the Town and to create efficient internal practices for sponsorship. If templates are not used, agreements should be reviewed by the Town Solicitor to ensure compliance to legislation, etc.
- 5.5 Authorization to enter into the sponsorship agreement is as follows:
- a) sponsorships under \$25,000 shall be authorized by the appropriate department manager.
 - b) sponsorships over \$25,000 but less than \$50,000 shall be authorized by the Town Manager.
 - b) sponsorship agreements between \$50,000 and \$100,000 which pursuant to 5.3 have gone to tender, shall be reviewed by the Town Solicitor and authorized by the appropriate department manager.
 - c) sponsorship agreements over \$100,000, which pursuant to 5.3 have gone to tender, shall be reviewed by the Town Solicitor, authorized by the appropriate department manager, Town Manager and approved by Council.
 - d) sponsorship agreements that involve the sale of naming rights, which pursuant to 5.3 have gone to tender, shall be reviewed by the Town Solicitor, authorized by the appropriate department manager, Town Manager and approved by Council. Council may wish to direct Administration to solicit public feedback on the sale of naming rights to specific sponsors.
- 5.6 The following specific guidelines shall be applied when entering into a naming rights agreement for Town-owned, Town-operated assets:
- a) An asset analysis and market evaluation is to be completed to determine the value of the asset in the marketplace. This process is to be done in conjunction with the Managers of Corporate Services and the Manager of Marketing and Communications.
 - b) A risk/benefit analysis must be completed prior to the acceptance of any naming rights offer
 - c) The proposed naming rights purchaser must support the image and values of the Town of Banff and the community

- d) The Town shall not relinquish to the purchaser any aspect of the Town's right to manage and control the asset
- e) Proceeds received by the Town for the naming rights sale are to be used for:
 - the enhancement and maintenance of the named asset
 - the provision of programs and services directly related to the mandate of the asset
 - investments whose proceeds contribute to the delivery of Town services
- f) Signage, branding, publicity and advertising shall conform to all applicable federal and provincial statutes, and to all applicable municipal bylaws and policies
- g) Administration will forward a report with recommendations to Council regarding the naming rights opportunity. The report process will be led by the appropriate department manager with participation from all other departments affected
- h) The naming should consider historical and community significance
- i) Costs for promotion of the renaming of a facility shall be incorporated into the naming rights agreement and not the Town's annual operating budget

- 5.7 Pricing of sponsorships over \$50,000 should be done in conjunction with the Manager of Corporate Services and Manager of Communications and Marketing to ensure industry value standards are applied where available based on market research conducted on behalf of the Town of Banff.
- 5.8 Solicitation and negotiation of sponsorships will be conducted by Town staff that is trained in sponsorship practices. All Town sponsorship agreements will be negotiated in good faith and represent the Town in a professional manner.
- 5.9 Use of the Town's logo in combination with the sponsor logos will be in keeping with the Town's Visual Identity Guidelines.
- 5.10 Use of sponsor logos and direct links from the Town's website are permitted within the standard guidelines for web content. Any requests for non-standard use will be considered jointly by the sponsorship strategist and the website administrator.
- 5.11 Council will be advised annually, by confidential memo, a summary of all refusals and sponsorships of over \$50,000. The Town will only enter into agreements with sponsors who are compatible with the Town's values, mandate and policies.
- 5.12 All bylaws of the Town of Banff will be adhered to.
- 5.13 All provincial and federal laws governing sponsorship including those regarding the issuing of charitable donation receipts will be adhered to.

6.0 RESPONSIBILITIES:

Parties involved in sponsorship negotiations and decisions undertake the following specific responsibilities:

- 6.1 Town Council, will:
 - approve The Town of Banff Sponsorship Policy and guidelines as necessary

approve sponsorship agreements over \$100,000 or that involve the sale of naming rights

- 6.2 Appropriate Manager:
asset evaluation and pricing of sponsorships over \$50,000 in conjunction with the Manager of Corporate Services reviewing and assisting in the development of sponsorship opportunities as requested
- 6.3 Manager of Corporate Services
providing guidance to all Town departments regarding the interpretation and application of the sponsorship policy monitoring/auditing corporate-wide sponsorship projects
managing the Town’s sponsorship business for the Town of Banff
- 6.4 Appropriate Department Manager:
 - concept approval for sponsorship projects before sponsors are approached or agreements are made
 - authorization of sponsorship agreements in accordance with guidelines
 - annual tracking and reporting of all Town of Banff sponsorship agreements over \$1,000
 - ensure that representatives of the Town of Banff entering into sponsorships are aware of, and act in accordance with the sponsorship policy

7.0 RELATED POLICIES

C099 Purchasing
C013 Naming of Parks and Recreation Facilities

8.0 ACCOUNTABILITY

Adherence to policy is a Town employee requirement and non-compliance will be addressed as per all Town policies and procedures.

9.0 ATTACHMENTS

- 9.1 Appendix 1: Definitions
- 9.2 Appendix 2: Inventory of Assets Approved for Sponsorship
- 9.3 Appendix 3: Inventory of Assets Not Approved for Sponsorship

Karen Sorensen
Mayor

Robert Earl
Town Manager

APPROVAL HISTORY

Approved:	2012.04.10	COU12-80
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Appendix 1: Definitions

- 1. Donation**
Similar to a gift in that it is essentially given as a gift and no reciprocal commercial benefits are given or expected. If reciprocal commercial benefits are given and a business relationship exists with a donor, the principles of this policy apply.
- 2. Gift**
An unsolicited contribution to The Town of Banff for which there is no reciprocal commercial benefit expected or required from The Town. As gifts are unsolicited and do not involve a business relationship, they are separate and distinct from sponsorship.
- 3. Marketing Sponsorship**
A mutually beneficial business arrangement between The Town and a third party, wherein the third party provides cash and/or in-kind services to The Town in return for access to the commercial marketing potential associated with The Town. Marketing sponsorships may include sponsorship of one or more of The Town's land, facilities, structures, services, programs or events.
- 4. Naming Rights**
A type of sponsorship in which a corporation purchases the exclusive right to name an asset. Usually naming rights are considered in a commercial context; that is the naming right is sold or exchanged for significant cash or other revenue support. This arrangement is usually documented in an agreement signed by the interested parties and has a specified end date to the contractual obligations.
- 5. Naming Rights Agreement**
The sale of the right to name or re-name a Town asset is evidenced in a written contract that contains terms acceptable to The Town. In most cases, indemnification and termination clauses would be required as part of the agreement. All such agreements are to be reviewed by the Town Solicitor prior to finalization to ensure that The Town's legal interests are protected. Dates indicating the term of the agreement should be indicated.
- 6. Request for Sponsorship Proposal**
An open and competitive process whereby corporations, groups or individuals may express their interest in participating in sponsorship opportunities with The Town of Banff. Requests for sponsorship should include a summary of the sponsorship opportunity, benefits for participation, and a description of the open and competitive procedure for expressing interest in participating in sponsorship opportunities.
- 7. Sponsor**
A corporation, organization or individual that enters into a sponsorship agreement involving a Town asset and pays cash or value-in-kind in return for access to commercial potential associated with the asset.
- 8. Sponsorship Agreement**
A mutually beneficial, contractual agreement that reflects the business arrangement for the exchange of marketing benefits between The Town and an external organization for a specified period of time.
- 9. Value-in-kind**
A sponsorship received in the form of goods and/or services rather than cash.

Appendix 2: Inventory of Assets Approved for Sponsorship

Fenlands Banff Recreation Centre

Arena 1
Arena 2
Curling Rink
Curling Lounge
Meeting Room 1
Meeting Room 2
Concourse
10 Dressing Rooms
2 Officials Rooms
Outdoor Rink
Meadow

Phase 3 – Gym, Fitness Centre, Program Space (Future)

Phase 4 – Leisure Pool (Future)

Banff Seniors Centre

Banff Recreation Grounds

Rugby-Soccer Pitch
3 Softball Diamonds
3 Covered Picnic Shelters & Multiple Picnic Sites
2 Children's Playgrounds
1 surfaced Basketball Court
2 surfaced tennis courts
Public Washroom Building
Community Greenhouse
Framed Ramp Skateboard Park
Mtn. Bike Park

Community Parks/Playgrounds/Day Use Areas/Trail & Open Space Amenities

Central Park
Middle Springs Neighbourhood Park
Park Avenue Playground
Jasper Way Tot Lot
Dog Park (Design stage)
Banff Community High School Field (Jt. Use – with permission of CRPS)
Banff Elementary School Field (Jt. Use – with permission of CRPS)
Bow Avenue Trail
Bow Falls Parking/Day Use Area
Pedestrian Bridge (design/pre-construction phase)
Public Washroom Buildings

Programs/Events

Summer Day Camp Program
Seniors Transportation Program
Canada Day Celebrations
Spring/Summer Concert Series

After-School Programming
Seasonal Flower Planter and Basket Program

Public Art

Appendix 3: Inventory of Assets Not Approved for Sponsorship

Town Hall

Fire Hall & Fire Department Vehicles

Cemeteries

Waste Water Treatment Plant

Sean Frackleton Memorial Basketball Court (previously named – funds for re-surfacing could be accepted with alternate consideration for recognition required)

Buffalo Mountain Reservoir

Pump Houses

Operations Compound