



**City of  
Lloydminster**

***Policy***

<b>Policy Title:</b>	Sponsorship and Advertising Policy		<b>Policy Number:</b>	130-01	
<b>Date of Council Approval:</b>	December 17, 2018	<b>Motion No.:</b>	365-2018	<b>Year of Review:</b>	2020
<b>Department Sponsored by:</b>	Community Development Services				

**1. Purpose:**

- 1.1. To increase the opportunities for revenue generation for the City of Lloydminster, while safeguarding the City’s corporate values, image, assets and interests.

**2. Objective:**

- 2.1. To ensure that the sale of sponsoring of City owned Assets achieve market value while balancing the community and social benefits to the community.
- 2.2. To provide a means of generating new revenues and alternative resources to assist in the construction, maintenance, support and/or provisions of Assets and events.

**3. Definitions:**

<b>Advertising</b>	The sale or lease to an External Agency, or individual of advertising or signage space on City Assets. The advertiser is not entitled to additional benefits beyond the space purchased.
<b>Assets</b>	City property that may be of worth to a Sponsor. This includes but is not limited to City facilities, programs, promotions, print material and services.
<b>City</b>	Means the corporation of the City of Lloydminster.
<b>Event</b>	A planned public or social occasion.
<b>Event Marketing</b>	Is a promotional strategy linking a company to an event to support corporate objectives.
<b>External Agency</b>	Corporations, clubs, societies, organizations and any other entity not part of the City.

<b>Market Value</b>	An estimate of the monetary and/or in-kind that a sponsor is willing to pay for the commercial rights to an asset.
<b>Gift In Kind</b>	Contributions, other than cash, including corporate products, services and /or other assets without charge or purchase, usually in return for published acknowledgment.
<b>Inventory</b>	A catalogue of all physical and non-physical Assets owned by the City that may be available to sponsors.
<b>Media buyer</b>	A third party company that sells sponsorship/advertising on behalf of External Agencies.
<b>Naming Rights</b>	A form of sponsorship that provides a sponsor the right to name a piece of a City Asset, granted in exchange for cash or Gift In Kind.
<b>Program</b>	A planned event or series of events.
<b>Sponsorship</b>	A cash/or Gift In Kind paid by a sponsor to the City in return for the commercial rights related to a City owned asset.

**4. Scope:**

- 4.1. This policy shall apply to all members of Administration that manage relationships between the City and External Agencies, including individuals, that pay either by cash or by Gift In Kind towards City Assets in return for recognition or promotional considerations.
- 4.2. This Policy does not apply when the City:
  - 4.2.1. Acts as the sponsor of an External Agency;
  - 4.2.2. Is one of multiple partners involved in hosting an event;
  - 4.2.3. Considers naming municipal assets for commemorative, honorable or historical purposes;
  - 4.2.4. Leases Assets to an External Agency;
  - 4.2.5. Is providing donor recognition as part of a donation or gift to the City.

**5. Sponsorship and Advertising**

- 5.1. The City shall consider all ideas and Assets for potential Sponsorship.
- 5.2. The City reserves the right to decline any Sponsorship or Advertising proposal.
- 5.3. All Sponsorship and Advertising shall be:
  - 5.3.1. In both the public interest and the overall interest of the City;

- 5.3.2. For a set term, Event or time period not to exceed 10 years unless approved by Council;
  - 5.3.3. Documented in a written agreement;
  - 5.3.4. Reserved for businesses who comply with the Business License Bylaw;
  - 5.3.5. Free from any expectation of preferential treatment from the City in present or future dealings with the sponsor;
  - 5.3.6. Monitored and reported on annually;
  - 5.3.7. Complimentary to the City brand;
  - 5.3.8. Free from any perceived conflict of interest; and
  - 5.3.9. Offered to the public.
- 5.4. Any Sponsorship and Advertising related to tobacco and/or cannabis advertising shall abide by all provincial and federal legislation and shall be subject to the approval of the City Manager.
- 5.5. All Sponsorship and Advertising shall not:
- 5.5.1. Condone any form of personal discrimination;
  - 5.5.2. Be of religious nature;
  - 5.5.3. Entitle any sponsor or advertiser to influence any business decision made by the City;
  - 5.5.4. Duplicate or sound as if they duplicate other Assets' names or are otherwise confusing.

## **6. Pricing:**

- 6.1. The Manager, Programming & Events or designate shall determine prices for the sponsorship of City Assets based on Market Value.
- 6.2. Market value shall be determined by utilizing internal and external assessments and shall include tangible and intangible benefits.
- 6.3. Sponsorships that impact City facility admission rates will be calculated to ensure that the sponsorship amounts recoups all lost admission plus a minimum revenue of 5%.
- 6.4. Approvals for all Sponsorships shall be based on total value of the entire agreement, and shall be as follows:
  - 6.4.1. Manager of Programs and Events or delegate up to \$50,000;
  - 6.4.2. Director of Recreation and Culture or delegate up to \$75,000;
  - 6.4.3. Executive Manager, Community Development Services or delegate up to \$100,000;
  - 6.4.4. City Manager or delegate up to \$200,000;
  - 6.4.5. Council greater than \$200,000.

- 6.5. City Council approval shall be required for any sponsorship that is outside the scope of this Policy, is sensitive in nature and for all opportunities involving Naming Rights of City Assets.
- 6.6. Revisions to Sponsorship or Advertising agreements are subject to the same approval as the original agreement.

## **7. Gift in Kind sponsorship**

- 7.1. Notwithstanding section 6.6 of the Procurement and Purchasing Policy Administration may agree on Gift in Kind Sponsorship and Advertising opportunities for City hosted Events, City operated Events and City run Programs:
  - 7.1.1. Administration will actively seek sole source Gift in Kind sponsorship/advertising opportunities.
  - 7.1.2. Administration will only agree on sole source Gift in Kind sponsorship/advertising opportunities of value less than \$5,000.
  - 7.1.3. Administration may RFP sponsorship/advertising Gift in Kind opportunities of \$5,000 or more to help reduce overall expenses.

## **8. Allocation of Sponsorship and Advertising Funding**

- 8.1. After cost recovery, Advertising and Sponsorship revenues shall be allocated to general revenue.

## **9. Penalty:**

- 9.1. Any staff member found to be in violation of this policy may be subjected to a disciplinary action. Such action may be dependent upon the nature of the breach of this policy; discipline may range from a written warning to dismissal with cause.
- 9.2. Any Member of Council found to be in violation of this policy may be dealt with utilizing the "*Code of Conduct Bylaw*" or provisions of "*The Lloydminster Charter*."

## **10. Responsibility:**

- 10.1. City Council shall review and approve all policies.
- 10.2. City Administration shall administer the policy through the use of a supporting procedure.
- 10.3. Sponsoring Department shall be responsible for creating and amending a supporting procedure.