



City of Lloydminster

Policy

Policy Title:	Sponsorship and Advertising Policy	Policy Number:	130-01
Date of Adoption:	December 17, 2018	Motion Number:	365-2018
Date of Amendment:	July 18, 2022	Motion Number:	288-2022
Sponsoring Department:	Recreation and Cultural 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. Definitions:

Administration	An employee, contract employee or volunteer of the City of Lloydminster.
Adult Entertainment	Means any company or organization where live performances, the main feature of which is the nudity or partial nudity of any person, are performed. For the purposes of this Policy, partial nudity includes less than completely covered or opaquely covered areas of human breasts, the genitals and/or buttocks.
Advertising	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.
Asset Owner	The Manager responsible for the operations of the Assets.
Assets	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.
Banner	A lightweight, flexible fabric or material mounted to a pole, structure or building used to advertise an event or product.
City	The corporation of the City of Lloydminster.
Contra	An exchange of Goods or Services for the exchange of Goods or Services from another business.
Event	A planned public or social occasion.
Event Marketing	A promotional strategy linking a company to an event to support corporate objectives.
External Agency	Corporations, clubs, societies, organizations, and any other entity not part of the City.
Facility Authority	Director, Senior Manager, or delegate of City facility.

Gift In Kind	Contributions, other than cash, including corporate products, services and /or other assets without charge or purchase, usually in return for published acknowledgment.
Inventory	A catalogue of all physical and non-physical Assets owned by the City that may be available to sponsors.
Market Value	An estimate of the monetary and/or in-kind that a sponsor is willing to pay for the commercial rights to an asset.
Media Buyer	A third-party company that sells sponsorship/advertising on behalf of External Agencies.
Member of Council	An individual elected pursuant to <i>The Local Government Election Act (Saskatchewan)</i> as a Member of Council.
Naming Rights	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.
Program	A planned event or series of events.
Sponsorship	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.

3. Scope:

- 3.1. 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.
- 3.2. This Policy does not apply when the City:
 - 3.2.1. Acts as the Sponsor to an External Agency;
 - 3.2.2. Is one of the multiple partners involved in hosting an event;
 - 3.2.3. Considers naming Assets for commemorative, honorable or historical purposes;
 - 3.2.4. Leases or rents Assets to an External Agency; or
 - 3.2.5. Is providing donor recognition as part of a donation or gift to the City.

4. Sponsorship and Advertising:

- 4.1. The City shall consider all ideas and Assets for potential Sponsorship.
- 4.2. The City reserves the right to decline any Sponsorship or Advertising proposal.
- 4.3. All Sponsorship and Advertising shall be:
 - 4.3.1. In both the public interest and the overall interest of the City;
 - 4.3.2. For a set term, Event or time period not to exceed ten (10) years unless otherwise approved by Council;
 - 4.3.3. Documented in a written agreement;

- 4.3.4. Free from any expectation of preferential treatment from the City in present or future dealings with the sponsor;
 - 4.3.5. Monitored and reported on annually;
 - 4.3.6. Complimentary to the City brand;
 - 4.3.7. Free from any perceived or real conflict of interest; and
 - 4.3.8. Offered to the public.
- 4.4. Any Sponsorship and Advertising related to tobacco, cannabis and/or alcohol advertising shall abide by all provincial and federal legislation and shall be subject to the approval of the City Manager or delegate.
- 4.5. All Sponsorship and Advertising shall not:
- 4.5.1. Condone any form of discrimination;
 - 4.5.2. Be of religious nature;
 - 4.5.3. Be of political nature;
 - 4.5.4. Be of Adult Entertainment;
 - 4.5.5. Entitle any sponsor or advertiser to influence any business decision made by the City;
 - 4.5.6. Duplicate or sound as if they duplicate other Assets' names or are otherwise confusing.
- 4.6. Banners may be permitted within City facilities or on City property at the discretion of the Facility Authority or designate to promote an event.
- 4.6.1. Banners shall adhere to Section 4 above, and shall only be considered;
 - 4.6.1.1. For booked events with written approval; or
 - 4.6.1.2. If there is a sponsorship agreement in place, which allows for advertising with a Banner.
 - 4.6.2. Banners shall;
 - 4.6.2.1. Not cover any other advertisement or sponsorship signage;
 - 4.6.2.2. Not cause any damage to City infrastructure or property; and
 - 4.6.2.3. Be at the sole expense of the individual requesting the Banner.
 - 4.6.3. Banners related to nonprofit facility user groups are exempt for the following:
 - 4.6.3.1. Championship Banners;
 - 4.6.3.2. Promoting Banners for their home facility; and
 - 4.6.3.3. Any other user group signage approved in writing by the Facility Authority or designate.

5. Pricing:

- 5.1. The City Manager or designate shall determine prices for the Sponsorship of City Assets based on Market Value.
- 5.2. Market value shall be determined by utilizing internal and external assessments and shall include tangible and intangible benefits.
- 5.3. Sponsorships that impact City facility admission rates shall be calculated to ensure that the sponsorship amounts recoup all lost admission plus a minimum revenue of five percent (5%).
- 5.4. Approvals for all Sponsorships shall be based on total value of the entire agreement, and shall be approved by the Asset Owner as follows:
 - 5.4.1. Senior Manager or Manager or delegate up to \$50,000;
 - 5.4.2. Directors or delegate up to \$75,000;
 - 5.4.3. Executive Manager or delegate up to \$100,000;
 - 5.4.4. City Manager or delegate up to \$200,000;
 - 5.4.5. Council greater than \$200,000.
- 5.5. 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.
- 5.6. Revisions to Sponsorship or Advertising agreements are subject to the same approval as the original agreement.

6. Gift In Kind Sponsorships:

- 6.1. Notwithstanding anything in the Procurement and Purchasing Policy Administration may actively seek sole source Gift in Kind Sponsorship and Advertising opportunities that have a value of less than \$5,000.
- 6.2. Administration may RFP Sponsorship and Advertising Gift in Kind opportunities of \$5,000 or more to help reduce overall expenses.
- 6.3. Contra agreements shall not be allowed under any circumstance.

7. Allocation of Sponsorship and Advertising Funds:

- 7.1. Advertising and Sponsorship revenues for programs and events shall be allocated to the City general revenue fund.
- 7.2. Advertising and Sponsorship revenues for City facilities owing a debenture may be allocated to the operational budget toward paying the debenture.
- 7.3. Advertising and Sponsorship revenues from facilities without debentures may be allocated to a recreation and culture reserve and used to enhance recreation and culture facilities.
- 7.4. The Facility Authority shall determine the allocation of revenues based on options 7.2. and 7.3. as listed above.

7.4.1. Notwithstanding 7.4. revenues from the Sponsorship of Facility Assets shall be allocated by Council based on options 7.2. and 7.3. as listed above.

7.5. Sponsorship revenues received as lump sum capital investments shall be allocated to the designated capital project.

8. Penalty:

8.1. Any member of Administration 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 verbal warning to dismissal with cause.

8.2. 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*."

9. Responsibility:

9.1. City Council shall review and approve all policies.

9.2. Administration shall administer this Policy through the use of a supporting procedure.

9.3. Sponsoring Department shall be responsible for creating and amending a supporting procedure.