



Policy No.: A09 – Sponsorship, Naming Rights and Advertising Policy
Date Enacted: June 27, 2023
Amended By:

Subject

This Policy encourages revenue generation through the development of Sponsorship and Advertising opportunities as a means to enhance or sustain service delivery and to complement the overall objectives of the Municipality.

Purpose

The purpose of this Policy is to provide guidance related to Sponsorships, Naming Rights and Advertising while ensuring that the Municipality's corporate image, assets and interests are safeguarded.

Scope

This Policy shall apply to all relationships between the Municipality and External Parties who wish to submit Proposals or purchase Advertising. This Policy excludes relationships which are the subject of the A09 – Donation Policy and A09 – Recognition Policy.

Definitions

1. The following words shall have the following meanings:
 - a) **Advertising** means the rental of space in connection with a Municipal Event or Municipal Facility by an External Party for the purposes of posting material, including but not limited to promotional, informational and/or educational material.
 - b) **Benefit** means the commercial benefit, including but not limited to publicity, promotional consideration and/or merchandising opportunities provided by the Municipality to a Sponsor and, in connection with a Municipal Facility, includes Naming Rights.

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- c) **Conflict of Interest** means any interest or relationship that would result in the disqualification of a member of Council in accordance with the Municipal Conflict of Interest Act or policy of the Municipality.
- d) **Payment** means money (which may be based on a Fee), goods, services or other in-kind contributions provided by a Sponsor to the Municipality.
- e) **Council** means the Council of the Municipality.
- f) **Director** means a Director of a department of the Municipality or their delegate.
- g) **External Party** means a person, group, corporation or organization external to the Municipality and, for greater clarity:
 - i) includes employees of the Municipality and members of Council; but
 - ii) does not include committees established by Council nor the Municipality's local boards, as defined in section 1(1) of the Municipal Act, 2001, except the Uptown Leamington Business Improvement Area Board of Management.
- h) **Fee** means the relevant fee set within the Municipality's Fees and Charges By-law as may be in effect from time to time.
- i) **Municipality** means The Corporation of the Municipality of Leamington.
- j) **Municipal Event** means an event organized by the Municipality as part of its day-to-day operations or as a special event.
- k) **Municipal Facility** means real or personal property of the Municipality or under the jurisdiction of the Municipality, whether all or part thereof, including, but not limited to, buildings, structures, streets, bridges, parks, vehicles, and equipment.
- l) **Naming Rights** means a form of Benefit whereby a right is granted by the Municipality to an External Party to name a Municipal Facility.
- m) **Proposal** means an offer by an External Party to make a Payment in exchange for Benefit.
- n) **Sponsorship** means an approved Proposal and **Sponsor** shall have a corresponding meaning.

Policy

Guiding Principles for Sponsorships

2. Sponsorships shall;
 - a) be compatible with, complementary to, and reflective of the Municipality's vision, mission and values;
 - b) not conflict with any municipal program objectives, by-laws, administrative procedures and requirements, and operating policies or procedures;
 - c) if applicable, promote products, services and/or events that are age-appropriate, and, where possible, relate to the nature of the sponsored Municipal Event or Municipal Facility;
 - d) not confer any personal benefit or create a Conflict of Interest in connection with any member of Council or employee of the Municipality; and
 - e) not interfere with or be contrary to any existing contractual obligations.

Guiding Principles for Advertising

3. Advertising shall:
 - a) not conflict with any municipal program objectives, by-laws, administrative procedures and requirements, and operating policies or procedures;
 - b) not confer any personal benefit or create a Conflict of Interest in connection with any member of Council or employee of the Municipality;
 - c) not interfere with or be contrary to any existing contractual obligations;
 - d) be only in places permitted for Advertising by the Municipality;
 - e) be for a specific duration; and
 - f) be subject to the payment of a Fee.

Sponsorships and Advertising Not Permitted

4. No Sponsorship nor Advertising shall include, be in connection with or relate to any of the following:
 - a) tobacco and/or cannabis;

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- b) beer, wine or other alcohol except Advertising if the Advertising is located in an area of a Municipal Facility which is subject to a licence for the sale of alcohol issued by the Alcohol and Gaming Commission of Ontario;
- c) pornography, adult entertainment, or sexual services;
- d) weapons and other harmful or dangerous products;
- e) religious organizations;
- f) political parties, elected representatives or candidates from any level of government and/or partisan organizations;
- g) an issue that is or is likely to be politically charged or divisive;
- h) discriminatory or stereotypical depictions of groups or individuals;
- i) the promotion of hatred, contempt or violence; and/or
- j) illegal products, services or activities.

Specific Criteria Related to Proposals

5. Proposals shall meet the following criteria:
 - a) any costs to the Municipality associated with the proposed Sponsorship must be within the approved operating and capital budgets;
 - b) the proposed Benefit must comply with all federal and provincial statutes and all municipal policies and by-laws and shall not unduly detract from the character, integrity, aesthetic quality or safety of the Municipal Facility or Municipal Event;
 - c) the proposed Benefit shall not include recognition on any municipal uniform unless the uniform is designed specifically for a Municipal Event which is the subject of the Sponsorship; and
 - d) the proposed Benefit shall be of a value consistent with the proposed Payment.

Specific Criteria Related to Naming Rights

6. The External Party shall not be involved in litigation with the Municipality or in arrears of any obligation to the Municipality or acting contrary to any by-law of the Municipality.
7. The External Party, and if the External Party is a corporation, any officer or director of the corporation, shall not be:

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- a) charged with or have been found guilty of a criminal offence; or
 - b) be involved in activities that are contrary to the values of the Municipality, that may represent a reputational risk to the Municipality.
8. The External Party shall bear all costs associated with the Naming Rights.
9. Naming Rights shall:
- a) be for a term:
 - i) not exceeding the useful life of the Municipal Facility; and
 - ii) consistent with the proposed Payment; and
 - b) not include the right to name a Municipal Facility that has been previously named to commemorate a legacy.
 - c) not include the right to name a Municipal Facility in a manner that is contrary to any provision within this Policy.

Sponsorship Agreement

10. Except where the Payment is exclusively a Fee, Sponsorships shall be evidenced by an Agreement, which shall include, but not be limited to the following provisions:
- a) length of the term of Sponsorship;
 - b) nature of Payment and terms related to the same, including any payment schedule;
 - c) nature of Benefit and terms related to the same;
 - d) the provisions of indemnifications and insurance by the Sponsor; and
 - e) the effect of default and rights of termination, including the right of the Municipality to terminate the Sponsorship in the event:
 - i) the Sponsor becomes involved in litigation with the Municipality or in arrears of any obligation to the Municipality or is acting contrary to any by-law of the Municipality; or
 - ii) the Sponsor, or if the Sponsor is a corporation, any officer or director of the corporation:

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- 1) is charged with or is found guilty of a criminal offence; or
 - 2) becomes involved in activities that are contrary to the values of the Municipality,
- that may represent a reputational risk to the Municipality.

Solicitation and Review of Proposals

11. The solicitation and review of Proposals for compliance with this Policy if such Proposals include Naming Rights as Benefit shall be undertaken by the Manager of Communications and Public Relations.
12. In connection with the solicitation of Proposals that include Naming Rights as Benefit, the Manager of Communications and Public Relations may procure the services of a third party for the purposes of any one (1) or all of the following:
 - a) developing an inventory of Municipal Facilities;
 - b) placing a value on each Municipal Facility;
 - c) identifying potential External Parties who may be in a position to submit a Proposal;
 - d) soliciting Proposals and negotiating the terms of Sponsorships.
13. The solicitation and review of Proposals for compliance with this Policy if such Proposals do not include Naming Rights as Benefit shall be undertaken by the Director responsible for the Municipal Event or Municipal Facility.
14. Unsolicited Proposals shall be referred to the Manager of Communications and Public Relations or the relevant Director in accordance with sections 10 or 12 as the case may be.

Solicitation and Review of Advertising

15. The solicitation, if any, and review of proposed Advertising for compliance with this Policy shall be undertaken by the Director responsible for the place where the Advertising is permitted.

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Approval

16. Unless such authority has been delegated, Council shall approve all Sponsorships.

Revenue

17. The revenue from Sponsorships that include Naming Rights as Benefit shall be directed to General Government department.

References and Related Policies

- Code of Conduct – Members of Council and Local Boards
- Delegation of Powers and Duties By-law
- A09 – Recognition Policy
- A09 – Donation Policy
- F17 – Purchasing Policy
- M00 – Visual Identity Standards Policy
- Visual Identity Guide

(Report COM-01-23)