

## **Sponsorship Policy**

### **Part 1: Purpose**

**The Township of Asphodel-Norwood welcomes mutually beneficial Sponsorships as a mechanism to:**

- Generate new non-tax revenue streams to help fund municipal priorities and offset municipal costs by leveraging Township investments in community programs and facilities.
- Support Sponsors and stakeholders in achieving their business objectives, increasing their visibility in the community, and reaching customers in unique environments.

**This Policy, together with the related procedures, provides a clearly defined framework for Sponsorship development that:**

- Supports the Township's compliance with relevant federal, provincial, and municipal laws and regulations.
- Ensure openness, accountability and transparency while protecting the best interests of the Township of Asphodel-Norwood.
- Provide clear direction to Township staff who have Sponsorship responsibilities.
- Establishes clear roles, responsibilities, and requirements for the Township and its Sponsor to follow when entering into Sponsorship Agreements.
- Sets clear roles, responsibilities, and expectations within the Corporation for identifying, soliciting, developing, managing, and approving Sponsorships

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### **Part 2: Application**

#### **This Policy applies to:**

- All Sponsorship Assets, as defined within this Policy.
- All Township staff involved in or responsible for generating, managing and/or approving Sponsorships involving Sponsorship Assets.
- All third-party agreements for use of a Facility by a Sponsor. Third-party agreements, relating to the use of Sponsorship Assets, may contain exceptions to this Policy.

#### **Sponsorship activities are coordinated by the Manager of Community Centre, Parks & Facilities in conjunction with the CAO and Township staff.**

- The Manager of Community Centre, Parks & Facilities is responsible for Sponsorship Solicitation; managing relationships with Sponsors and prospective Sponsors; negotiating, administering, and activating Sponsorship Agreements; and ensuring that Sponsorships are in accordance with the Policy.
- Approval of Sponsorship Assets for Sponsorship solicitation will be in accordance with Part 7 of this Policy.
- Approval of Sponsorship Agreements will be in accordance with Part 7 of this policy.

#### **This Policy does not apply to:**

- Recognizing significant local events, people, or geographic features through the naming of streets, parks, and municipal buildings/facilities for which the Township has an “Asset Naming Policy”.
- Unsolicited donations, philanthropic donations or Gifts which are eligible for an income tax receipt.

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## Sponsorship Policy

### Part 3: Definitions

**Activation** – The activities undertaken to leverage the Sponsorship rights purchased (e.g. communications, marketing, production)

**Advertising** – A type of Sponsorship activation whereby space on Township property is used by a third party for placement of a message or communication for a specific period.

**Approval Authority** – The level of approval required within the Township to:

1. Approve a Sponsorship Asset into the Township's Sponsorship Asset Inventory, which is then available for Sponsorship Solicitation.
2. Approve a Sponsorship Agreement relating to a Sponsorship Asset.

**Asset Bundling** – The grouping together of Sponsorship Assets into a package which offers added value to the Sponsor; creates efficiencies and increases revenue to the Township.

**Audience Fit** – Alignment of a Sponsor's target market and the audience associated with a Sponsorship Asset.

**Chief Administrative Officer (CAO)** – The most senior staff position in the Township's administrative structure.

**Township** – The Corporation of the Township of Asphodel-Norwood.

**Council** – The Council of the Township of Asphodel-Norwood duly elected.

**Designate** – The authorized designate of a person identified in this Policy who has specific approval or signing authority. Authorization to become a designate is effective only when made in writing by the person delegating the authority and must be approved by the Manager – Community Centre, Parks & Facilities or by the Chief Administrative Officer/Clerk/Treasurer

**Facility** – A Township property that houses a building, park, recreational structure, or other Township infrastructure.

**Fulfillment** – The specific activities the Township must complete to fulfill its obligations under an approved Sponsorship Agreement.

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**Gift (Donation)** – A voluntary contribution, in the form of cash or an In-Kind Contribution, to the Township for which there is no reciprocal commercial benefit expected or required from the Township.

**In-Kind Contribution** – A contribution received in the form of goods and/or services rather than cash. In-Kind Contributions can be a Gift or included in a Sponsorship Agreement.

**Manager**– The Manager of Community Centre, Parks & Facilities and is the position within the municipal corporation that has decision- making authority and responsibility for operating a Township facility, program, or service.

**Naming Right (Naming)** – A sponsorship for the exclusive right to name a Township Facility, part of a Facility, a service, program or event.

**Sponsor** – a signatory to a Sponsorship Agreement. Sponsors can be individuals, businesses, community groups, foundations, and other governments. Sponsors can be for-profit, or not-for-profit entities.

**Sponsorship** – A mutually beneficial arrangement between the Township and a Sponsor wherein the Sponsor contributes cash or an In-Kind Contribution to the Township in exchange for defined rights to a Sponsorship Asset.

**Sponsorship Agreement (Agreement)** – A binding contract between the Township and one or more Sponsors.

**Sponsorship Assets (Assets)** – Tangible or intangible property of the Township, which may include, but is not limited to: Township programs, services, events, facilities, structures, parks, signage, publications, websites, social media platforms for which Sponsorship rights are approved for solicitation.

**Sponsorship Asset Inventory (Asset Inventory)** – An approved listing of Sponsorship Assets that have value to potential Sponsors and for which the Township may wish to sell rights and enter into a Sponsorship Agreement. The Inventory provides the Asset details, the estimated value, and the Asset term.

**Strategic Fit** – The extent to which there is alignment in goals, values, and strategic direction between a potential Sponsor and the Township.

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## **Sponsorship Policy**

### **Part 4: Sponsorship Guiding Principles**

#### **General Guidelines**

- 4.1 Maximize non-tax revenues and target sustainable revenue growth.
- 4.2 Enhance and improve Township facilities and services without adding to the tax burden.
- 4.3 Enrich the lives of residents by improving their overall experience and enjoyment of Township facilities or services.
- 4.4 Safeguard and promote the Township's brand, values, image, and Assets.
- 4.5 Support business development and investment in the community.
- 4.6 Align Sponsorship Assets with Sponsors to ensure Audience Fit and Strategic Fit that adds to a user experience.
- 4.7 Optimize revenue growth through innovative and responsive approaches to Sponsorship development.

#### **Sponsor Benefits and Commitments**

- 4.8 Sponsorship benefits are limited to those expressly stated in the Agreement.
- 4.9 Sponsorships must not result in any competitive advantage, benefit, or preferential treatment for the Sponsor outside of the terms of a Sponsorship Agreement.
- 4.10 Sponsors are prohibited from implying that their products, services, or ideas are sanctioned or endorsed by the Township.
- 4.11 Activation and Fulfillment costs of a sponsorship are above and beyond the Sponsorship rights fees and will be at the Sponsor's expense, unless otherwise identified in the Agreement.

#### **Sponsorship Costs, Expenditures, and Revenues**

- 4.12 Sponsorships must not create ongoing financial obligations for the Township.
- 4.13 Sponsorships must not result in any added costs or expenditures for the Township outside of the terms of the Sponsorship.

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- 4.14** When Activation or Fulfillment of Sponsorships results in a tangible product, ownership of that product will default to the Sponsor, unless specifically stated otherwise in the Sponsorship Agreement.
- 4.15** When Activation or Fulfillment of a Sponsorship results in an intangible product or benefit, ownership of benefit will default to the Township, unless specifically stated otherwise in the Sponsorship Agreement.
- 4.16** Expenses for products purchased from a Sponsor, where the Sponsor is the supplier or manufacturer of the product(s), may be single sourced where it is specifically stated with in a Sponsorship Agreement.
- 4.17** In-Kind sponsorships will be administered and accounted for in a way to ensure Canada Revenue Agency tax compliance.
- 4.18** In evaluating potential Sponsorships, the Township will consider all costs to be incurred when determining the viability of the revenue including, but not limited to, operating, maintenance, production/design fees, disposal value and disposal costs. Where appropriate, the net value of the annual revenues/costs will be considered.

### **Accessibility**

- 4.19** The Sponsor should ensure accessibility design, criteria and features be incorporated into any Sponsorship. Examples include, but are not limited to:
  - a) Public Spaces: The Sponsor should ensure that sponsorship activations in public spaces complies with the Design of Public Spaces Standards made under Part IV.1 of the Integrated Accessibility Standards, or “IAS” regulation, as amended.
  - b) Buildings: The Sponsor should ensure sponsorship activations in buildings complies with the accessibility requirements of the Ontario Building Code, or “OBC”, as amended.
- 4.20** If any requirements cannot be met, the Sponsor will provide explanation, if requested.

## **Part 5: Standards and Limitations**

**All Sponsorships must comply with the following industry standards and legislation:**

- 5.1** Must meet the Canadian Code of Advertising Standards, as amended from time to time.

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- 5.2** Must comply with the laws, statutes regulations and by-laws in force, as amended from time to time, including the *Canadian Criminal Code* and all Industry Advertising Regulations.

**The Township reserves the right to refuse a Sponsorship with a potential Sponsor that, in the sole discretion of the Township, is an inappropriate Sponsor for the Township. Examples of inappropriate Sponsors may include, but are not limited to those that:**

- 5.3** Do not meet the requirements of this Policy.
- 5.4** Could reflect negatively on the Township's public image or prove detrimental to the Township's integrity and/or reputation.
- 5.5** Present a real or potential conflict of interest for the Township or for the potential Sponsor.
- 5.6** Sponsorships that do not align with the audience or mandate of a specific asset.
- 5.7** Involve a Sponsor who is not in good financial standing with the Township.
- 5.8** Involve a Sponsor that is disqualified from doing business with the Township due to ongoing litigation, prior litigation, or other infringements against the Township.
- 5.9** Involve a Sponsor that produces, distributes, sells or promotes products or services that may reflect negatively on the Township's public image or be detrimental to the Township's integrity or reputation (e.g. pornography or sexual services; products that promote violence, etc.).
- 5.10** Involve a Sponsor that promotes religious, political, or other potentially divisive messages specific to any group or faction.
- 5.11** Involves images or messages that are derogatory, prejudicial, harmful to or intolerant of any specific group or individual.

**The Township, in its sole discretion, retains the right to approve the content of any sponsorship creative, branding, messaging, or other activation to be installed, placed, or deployed on any Township property, including any approved use or reference to the Township brand or logo. All sponsors must obtain prior documented approvals of any proposed creative, branding, messaging, or other activations to be**

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**implemented as part of a sponsorship of a Township program, facility, or service. Township's approvals of sponsors content will be based on the following standards:**

- 5.12** Sponsors must not advocate violence, or terrorism.
- 5.13** Sponsors must not undermine the Township's objectives of providing safe, and welcoming services and programs to the community.
- 5.14** Sponsors must not expose or tend to expose any person or class of persons to hatred, or discrimination.
- 5.15** Sponsors must not promote messages or images that are offensive or disturbing to community standards.
- 5.16** Sponsors must not undertake marketing or communications that are, for any reason, demonstrably justified as being harmful, contradictory, or negatively impacting the delivery of community services or programs by the Township.

## **Part 6: Soliciting Sponsorships**

**The Township recognizes that soliciting Sponsorship is a strategic and competitive activity in which:**

- 6.1** The Township is in competition with other organizations also seeking Sponsorship revenue.
- 6.2** Prospective Sponsors are often overwhelmed with multiple requests and proposals from those seeking Sponsorship revenues.
- 6.3** The alignment of values and goals between Sponsors is paramount to the success and longevity of Sponsorships.
- 6.4** Sponsorship development involves building key strategic relationships over time as well as responding to sudden and unexpected opportunities as they arise.
- 6.5** An open exchange of ideas and expectations is required to determine if there is an alignment between the Township's and the prospective Sponsor's objectives.

**Sponsorships may arise from competitive processes, non- competitive processes, direct solicitation, or unsolicited proposals. Such activities may include, but are not limited to:**

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- 6.6 Formal competitive processes where there are many interested and comparable potential Sponsors.
- 6.7 Direct targeting of prospective Sponsors based on potential Audience Fit and Strategic Fit.
- 6.8 Responding to unsolicited proposals.
- 6.9 Marketing, communications, and promotional activities intending to attract prospective Sponsors.
- 6.10 Formal and informal networking, outreach, and relationship building activities.
- 6.11 To support transparency about Sponsorship activities and potential Sponsorship opportunities, applicable information will be available on the Township’s website.

## Part 7: Approval Authority

### Sponsorship Asset Approval Authority Table

Sponsorship Asset Level	Value	Approval Authority	Term
Naming Rights to the All Wheels Park	Approved annual bid amount for a 10-year term.	Council / CAO	10 years
Olympia End Glass	per Fees & Charges By-law	Manager/CAO	5 years
Platinum Package	per Fees & Charges By-law	Manager/CAO	2 years
Gold Package	per Fees & Charges By-law	Manager/CAO	2 years
Silver Package	per Fees & Charges By-law	Manager	2 years
Bronze Package	per Fees & Charges By-law	Manager	Annual
Starter Package	per Fees & Charges By-law	Manager	Annual
Adult Skate Sponsorship Tuesday 10am-11:30am	per Fees & Charges By-law	Manager	Annual
Adult Skate Sponsorship Thursday 10am-11:30am	per Fees & Charges By-law	Manager	Annual

\* The fees are applicable each year but the space allocated to the sponsor is as per the term.

\* Details of each sponsorship package are outlined in Appendix B.

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## Sponsorship Policy

### Sponsorship Agreement Approval Authority Table

Asset Level	Approval Level
Naming Rights	Council and CAO
Platinum and Gold Olympia End Glass	CAO & Manager
Silver, Bronze, Basic, Starter, Skating Sponsors	Manager or Designate

\* A Sponsorship Agreement comprising multiple Assets from multiple, Approval Authorities is approved according to the highest-Level Asset.

## Part 8: Agreements

**An Agreement is required for any Sponsorship.**

**Although not an exhaustive list, an Agreement typically will include:**

- What the Sponsor is contributing and what the value of the contribution represents.
- The obligations of both the Sponsor and the Township.
- The dispositions and ownership of any assets resulting from the Sponsorship. Includes property that is obtained by the sponsor or from sponsorship proceeds.
- The allocation of responsibility for the maintenance if applicable.
- The duration of the Sponsorship.
- Any payment amounts and schedule of payments.
- Termination and remedy provisions.
- Any other conditions that must be met.

### Agreement Preparation

**8.1** The Manager – Community Centre, Parks & Facilities in consultation with CAO will prepare each Agreement.

### Agreement Signature

**8.2** Notwithstanding the required approval levels outlined above, all Agreements with a value of \$3,000.00 or more must be signed by the Township CAO.

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- 8.3** The Manager of Community Centre, Parks & Facilities or designate can sign Agreement's with a value less than \$3,000.00

### **By-law Coordination**

- 8.4** A specific By-law authorizing the execution of an Agreement is not required if all the applicable requirements of this Sponsorship Policy have been met.
- 8.5** Sponsorship Activation and Fulfillment shall not proceed prior to the execution of an Agreement.

### **Amendments and Renewals of Agreements**

- 8.6** Any amendments, extensions or renewals to an Agreement must be approved by the appropriate Approval Authority as set out in Phase 2 Approval Table
- 8.7** Where an Agreement contains an option for renewal, such option may be exercised, if all the following apply
- a) The Sponsor's terms and conditions have been complied with, in the opinion of the approval authority as outlined in this policy.
  - b) Approval authority as outlined in this policy agree that the exercise of the option is in the best interest of the Township.

## **Sponsorship Policy**

### **Appendix A**

#### **Sponsorship Asset Inventory**

1. All Wheels Park naming rights
2. Lobby locations as defined in the sponsorship packages
3. Olympia End Glass
4. On ice advertisements
5. Wall Boards
6. Rink Boards
7. Public Skating Sponsorships

## **Sponsorship Policy**

### **Appendix B**

#### **Platinum Package:**

- 1 Rink board advertisement
- 1 Ice surface logo advertisement (Inside Away teams blueline)
- 1 Lobby advertisement (above doors exiting Arena)
- 2 Sponsored Public Skates

#### **Gold Package:**

- 1 Rink board advertisement
- 1 Ice surface logo (Below the goal line in the Scoreboard Corner)
- 1 Lobby advertisement (above doorway in lobby to dressing room)
- 2 Sponsored Public Skates

#### **Silver Package:**

- 1 Rink board advertisement
- 1 Ice surface logo (below the goal line in Ref room corner)
- 1 Lobby advertisement (to left of canteen above candy machines)
- 2 Sponsored Public Skates

#### **Bronze Package:**

- 1 Rink board advertisement
- 1 Ice surface logo (below goal line by Olympia door)
- 2 Sponsored Public Skates

#### **Starter Package:**

- 1 Rink board advertisement
- 2 Sponsored Public Skates

#### **Adult Skate Sponsorship**

- Tuesday 10:00 am-11:30 am (32 dates)
- Thursday 10:00 am-11:30 am (32 dates)