

City of St. John's Corporate and Operational Policy Manual
Draft for Discussion Only
Last Updated: 2023-02-28

Note: Proposed revisions displayed in red text below

Policy Title: Sponsorship Policy	Policy #: 09-17-01
Last Revision Date: N/A	Policy Section: Community Services> Sponsorship
Policy Sponsor: Deputy City Manager, Community Services	

1. Policy Statement

The purpose of this policy is to create a Sponsorship framework that allows the City of St. John's to:

- a) maintain and/or enhance City programs, events, or services with revenue received from sponsorship, without additional cost to taxpayers;
- b) provide clear direction to Employees who have Sponsorship responsibilities;
- c) assess opportunities for requests for the City to enter into Sponsorship agreements;
- d) ensure fairness, transparency, and accountability; and
- e) ensure that activities and agreements covered by the policy do not negatively affect the City's image, nor are contrary to its interests.

2. Definitions

“City Asset” means an item, object, thing, or real estate property owned by the City and includes, but is not limited to, City-owned buildings, parks and open spaces, vehicles, equipment, structures, or part thereof, events, services, programs, activities, and intellectual property.

“Committee Administrator” means the Employee appointed by the Sponsorship co-chairs with administrative and/or coordination responsibilities for the Sponsorship Committee.

“Donation” means a cash or In-kind contribution (goods or services) for which no reciprocal commercial benefits are given or expected. May also be referred to as a ‘gift’.

“Employee” means any person employed by the City of St. John’s as a permanent, term, part-time, casual, contract, seasonal, temporary, or student worker.

“In-kind” means a Sponsorship received in the form of goods and/or services, rather than cash.

“Naming Rights” means a type of Sponsorship in which a sponsor receives the exclusive right to name (or rename) a City Asset under specific terms outlined in an agreement.

“Request for Sponsorship Proposal” means an open process where parties may express their interest in participating in Sponsorship opportunities.

“Sponsorship” means a contractual arrangement between the City and a sponsor where one party contributes cash and/or In-kind goods or services to the other party in return for commercial marketing potential.

“Sponsorship Committee” means an Employee committee to oversee policy implementation, co-chaired by the Deputy City Manager, Community Services and City Clerk, who may appoint members of the Committee and designates to act on the co-chairs’ behalf.

3. Policy Requirements

3.1 General Principles

The City may seek Sponsorship opportunities with external parties that align with the City’s vision and values.

Any Sponsorship:

- a) shall be compatible with the nature of the sponsored program, event, or City Asset and compatible with the target audience, both as determined by the City in its sole discretion;

- b) shall take into consideration City staffing and financial capacity implications, including any potential long-term impacts;
- c) shall not compromise the City's ability to carry out its functions fully and impartially;
- d) shall not cause an Employee or Member of Council to receive any benefit, product, service, or money for personal gain or use;
- e) shall not relinquish to any sponsor the City's right to manage and control a City Asset, unless authorized by the City;
- f) shall not detract from the character, integrity, aesthetic quality, or safety of a City Asset, or interfere with its enjoyment or use;
- g) shall not interfere with the terms and conditions of existing City Sponsorship agreements; and
- h) shall comply with the [Canadian Code of Advertising Standards](#), where applicable, as determined by the City.

3.2 Eligibility and Restrictions

The City shall not enter into any type of Sponsorship agreement with external parties:

- a) that discriminate based on any prohibited grounds as defined by the Human Rights Act, 2010;
- b) that advertise tobacco/cannabis products or promote tobacco/cannabis use;
- c) that advertise or promote the use of illegal substances or weapons;
- d) that promote religious or political messaging;
- e) with whom the City is in litigation, which in the opinion of the City, would materially affect entering into an agreement;
- f) that, in the City's sole opinion, does not align with the City's vision and/or values as expressed in its Strategic Plan and/or would reflect negatively on the City.

3.2.1 City Discretion

The City reserves the right to:

- a) reject any unsolicited Sponsorships that have been offered to the City and to reject any Sponsorships that may have been solicited by the City;
- b) terminate an existing Sponsorship agreement should conditions arise that make it no longer in the interest of the City to continue the agreement;

- c) refuse any proposal, including, but not limited to, those submitted by third parties whose activities, products, and/or services are perceived, at the sole discretion of the City, to be incompatible with the City's goals, values, or strategic plan; and/or
- d) provide an individual, organization, project, and/or event with a Donation or Sponsorship (including in-kind contributions), other than in accordance with Section 3.3.2 (a) and (b), where it has been determined, in Council's sole discretion, that it is in the best interest of the City.

3.3 Sponsorship Administration

- a) The Deputy City Manager (DCM), Community Services (or designate) and City Clerk (or designate) shall serve as co-chairs of the Sponsorship Committee ("the Committee").
- b) A Member of Council may be a member of the Committee.
- c) The co-chairs may appoint Employees as members of the Committee, including a Committee Administrator.
- d) Employees shall not participate in the solicitation, negotiation, and/or administration of individual Sponsorships unless authorized by the Committee.

3.3.1 Request for Sponsorship Proposals Process

- a) A Request for Sponsorship Proposals process shall be used when the City solicits Sponsorship involving a value greater than \$10,000 for the term of the agreement.
- b) Potential sponsors shall bear all costs associated with the preparation and submission of any Sponsorship proposal, and the City shall, in no case, be responsible or liable for those costs.
- c) All proposals received become the property of the City.
- d) For unsolicited Sponsorship offers received from third parties, a Request for Sponsorship Proposals shall not be mandatory.

3.3.2 Sponsorship Evaluation and Exclusions

- a) The City may consider providing funding or in-kind contributions to organizations for events within the City of St. John's that have budgets greater than \$100,000, as detailed in the **Sponsorship Procedures**.

- b) The City shall not provide to an individual, organization, project, and/or event any Donations or Sponsorship (including in-kind contributions), other than in accordance with Section 3.3.2(a).
- c) Sponsorship proposals shall be evaluated by the Sponsorship Committee in accordance with the criteria detailed in the **Sponsorship Procedures**.
- d) Any sponsorships considered in (a) above shall:
 - i. be from an organization that is a registered not-for-profit corporation or for-profit entity in good standing with the Provincial Registry of Companies or federally registered under the Corporations Act;
 - ii. provide an element of the event open to the general public;
 - iii. exclude conferences, conventions, and/or trade/consumer shows; and
 - iv. have funding support from other levels of government and/or private funding sources.
- e) In addition to the exclusions listed in Section 3.2, and with the exception of potential sponsorship noted in (a) above, the City shall not enter into Sponsorship agreements where an individual, organization, project, and/or event is seeking Sponsorship or Donations (including in-kind contributions) from the City.

3.4 Agreements

All Sponsorship agreements:

- a) that are over \$100,000 shall require final approval from Council;
- b) shall be in writing and shall be executed as required by the City;
- c) shall have a fixed term; and
- d) shall not result in any competitive advantage, benefit, or preferential treatment for the external party outside of the agreement.

The determination of the value of any agreement shall be the aggregate of all monies and value of goods and/or services that might be given over the term of the agreement.

4. Application

This policy applies to the following, unless specifically excluded in Section 4.1:

- a) all relationships that involve Sponsorship rights between the City (including any designated third parties acting on the City's behalf) and external parties;
- b) all Employees and/or agents involved in or responsible for Sponsorship; and
- c) City Assets when designated by Council as being included in the policy.

4.1 Exclusions

The policy does not apply to:

- a) City assets that are excluded by a contract or agreement with a Third Party;
- b) advertising that is not part of a Sponsorship Agreement;
- c) philanthropic contributions, gifts, or Donations to the City;
- d) any grants, subsidies, or contributions provided by the City under the authority of other City policies or programs;
- e) community engagement/support that aligns with the services of the St. John's Regional Fire Department;
- f) any financial contributions (including, but not limited to, grants or program funding) received from other levels of government;
- g) street names; or
- h) Sponsorship agreements that pre-date this policy.

5. Responsibilities

5.1 City Council is responsible for:

- a) approving the identification of City Assets for Sponsorship opportunities; and
- b) approving any agreement that:
 - i. relates to Naming Rights or renaming of a City building; and/or
 - ii. is valued for an amount over \$100,000.

5.2 The DCM, Community Services and City Clerk (as the Sponsorship Committee co-chairs) are responsible for:

- a) managing the overall implementation of this policy;
- b) at their discretion, appointing designates to act on their behalf; and
- c) appointing members of the Sponsorship Committee.

5.3 DCMs and City Manager are responsible for:

- a) ensuring that all City Assets (including programs, events, activities, etc.) in their departments are reviewed for their Sponsorship potential.

- b) supporting Sponsorship activities as required and ensuring that their Employees abide by the provisions of the policy.

6. References

- [Canadian Code of Advertising Standards](#)
- 09-17-01-01 Sponsorship Procedures

7. Approval

- Policy Sponsor: DCM, Community Services
- Policy Writer: Policy Analyst
- Date of Approval from
 - Corporate Policy Committee: May 8, 2019
 - Senior Executive Committee: December 6, 2019
 - Committee of the Whole: December 11, 2019
- Date of Original Approval from Council: January 13, 2020
- **Date of Amendment Approval from Council: TBD**

8. Monitoring and Contravention

The Sponsorship Committee co-chairs and/or designate(s) shall monitor the application of this policy.

Any contravention of the policy may be brought to the attention of the appropriate DCM(s), the Sponsorship Committee and/or co-chairs, the Department of Human Resources, the Office of the City Solicitor, and/or the City Manager for further investigation and potential follow up disciplinary or legal action.

9. Review Date

Initial Review: three years, Subsequent Reviews: five years