



TOWN POLICY NAME:

POLICY NO:

**RECREATION FACILITY NAMING,
SPONSORSHIP & ADVERTISING**

004/2021

RESOLUTION:

ADOPTED BY:

SUPERSEDES:

March 9, 2021
Res 2021-118

Town Council

RESCINDS:
008/2010

PREPARED BY:

Administration

EFFECTIVE DATE:

March 9, 2021

POLICY STATEMENT

The Town of Rocky Mountain House welcomes and encourages Sponsorships and Advertising to assist in the provision of Town services and projects. All Sponsorships and Advertising shall be consistent with the Town of Rocky Mountain House's vision, mission and values and must not compromise or contradict any bylaw or policy of the Town or reflect negatively on the Town's public image. All Sponsorships and Advertising agreements shall be established in a manner that ensures access and fairness, results in the optimal balance of benefits to the Town of Rocky Mountain House.

This Policy applies to all relationships between the Town of Rocky Mountain House and businesses, organizations, and individuals that contribute either financially or in-kind to Town programs, services, spaces or facilities in return for recognition, public acknowledgement, or other promotional considerations.

This Policy applies to the following:

- Naming/Renaming of Municipal Property, Buildings, Spaces and Structures,
- Program and Event Partnerships,
- Paid Advertising on Municipal Property, at Town Events, and in Municipal Publications,
- All other Corporate Partnerships and Advertising opportunities that currently exist or that may arise in the future will be governed by this Policy.

1.0 PURPOSE

To increase the opportunities for revenue generation for the Town of Rocky Mountain House, while safeguarding the Town's corporate values, image, assets and interests.

2.0 SCOPE

This Policy applies to all relationships between the Town of Rocky Mountain House, businesses, organizations and individual that contribute either financially and/or in-kind to Town programs, services or facilities in return for recognition or promotional considerations. The policy applies to the following without limiting the generality of the foregoing:

- Program and Event Sponsorship
- Naming Rights for Town property, buildings and structures
- Paid Advertising on Town property/vehicles, at Town Events, and in Town publications

All Sponsorships and Advertising agreements that are in effect prior to this policy are exempt from the operation of the policy; however, all future Sponsorships and Advertising agreements must comply with this policy.

3.0 DEFINITIONS

- 3.1 **Advertiser** – A person or organization that has been approved to display and Advertisement on a Town asset. The Advertiser is not entitled to any additional benefits other than those accruing from access to the space and schedules purchased.
- 3.2 **Advertising/Advertisements** –Any message, the content of which is aimed at influencing, educating or inform the public, usually paid for by the advertiser and with no implied association between the advertiser and the organization offering the advertising opportunity.
- 3.3 **Assets** – The visible, promotional areas that are owned by a property and that are of worth to a Sponsor. Assets are normally tangible in nature (e.g. an arena).
- 3.4 **Benefits** - Benefits are normally promotional in nature (e.g. having a logo on the arena ice surface). Benefits will normally be bundled into packages for sponsorships to purchase as part of a Sponsorship agreement.
- 3.5 **Town** – The Town of Rocky Mountain House.
- 3.6 **Event** - An activity with a defined start and end date that is organized or endorsed by the Town.
- 3.7 **In-Kind** – A transaction involving goods or services that is provided to a project where no money is exchanged between the two organizations. In-kind services may be in the form of a sponsorship or a donation.
- 3.8 **Legacy Naming Rights** – If a person’s name is to be considered the individual’s contribution must be very significant to the community over a period of time. The naming of a Recreation facility or amenity after a person or family shall be considered when the individual or family, name is reflective of the region’s heritage, geographical features, community spirit or another attribute that is representative of the Town or region.
- 3.9 **Naming Rights** – Naming rights are a type of Sponsorship where an external company, organization, enterprise, association or individual purchases the exclusive right to name an Asset (e.g. a sports facility or part of a facility such as an ice pad withing a multi-pad facility etc.) for a fixed period of time. Naming rights are usually sold or exchanged for significant cash and/or other considerations under a long-term agreement. A physical property, event, or initiative where a sponsor’s name is added as a prefix to the name of the property or activity.
- 3.10 **Naming Rights Agreement** – The sale of the right to name or re-name a Town-owned asset that is evidenced in a written contract, with a specified end date to the contractual obligations. All such agreements shall be approved as per the Signing Authority Policy.

- 3.11 **Fair Market Value** – An estimate of the monetary and/or in-kind value that an unpressured Sponsor is willing to pay to the Town. Fair market value is set by the Town, using external and /or internal assessment and a Formal Asset Valuation process.
- 3.12 **Formal Asset valuation** – A formal process which uses a combination or industry best practices and Sponsorship valuation formulas to capture the tangible and intangible value of an Asset.
- 3.13 **Fulfillment** – Delivery of the Benefits promised to the Sponsor in the Sponsorship agreement, in exchange for the good(s) promised to the Town.
- 3.14 **Partnership** - Any form of cooperation or collaboration between individuals or organizations that enables the sharing of financial, material intellectual, or human resources in order to achieve objectives of a common project.
- 3.15 **Program** – A series of activities managed by the Town that deliver services and information over time (e.g. Skating lessons).
- 3.16 **Sponsor** – The Sponsor is an external party that enters into a Sponsorship agreement and pays cash and/or values-in-kind in return for defined Benefits associated with the Town-initiated Events, programming, and/or facilities.
- 3.17 **Sponsorship** – A mutually agreed upon, marketing-oriented contract between the Town and an external company, organization, enterprise, association or individual evidenced in writing whereby the external party (Sponsor) contributes money and/or value in kind to a Town facility, program, project, or special Event in return for recognition, acknowledgment, and/or other promotional considerations or Benefits. This does not include donations and gifts, or advice to the Town where no business relationship or association is contemplated or is required, and where no reciprocal consideration is being sought. Sponsorships can come in the form of financial assistance, non-cash goods, or contribution of skills or resources. Sponsorships are not eligible for charitable income tax receipts.

4.0 RESPONSIBILITIES

- 4.1 The CAO will formally designate (including any conditions) all Town employees which have authority to enter into Sponsorships and Advertising contracts on behalf of the Town.
- 4.2 The CAO or designate, is ultimately responsible for approval of all Town-owned facility Sponsorships and Advertising including:
 - a) the management and interpretation of this policy;
 - b) implementation and management of the Town’s Municipal Sponsorship program;
 - c) soliciting, negotiating and administering program Sponsorships (cash and/or in kind);
 - d) soliciting and negotiating Advertising opportunities;
 - e) coordinating with Town departments to develop/maintain efficiencies relating to protocol for contacting and the acquisition of Sponsorship opportunities;
 - f) fulfillment of all Town responsibilities detailed in Sponsorship and Advertising agreements;
 - g) management of the Town’s Municipal Sponsorship program in accordance with other relevant policies including but not limited to:
 - Personnel Policy 008/2020;
 - Procurement and Purchasing Policy 004/2020;
 - Corporate Brand and Communications Policy 011/2020;
 - Signing Authority Policy 003/2020.
- 4.3 The CAO or designate, will provide Council with a short list of facility naming right opportunities for their unfettered consideration, prior to engaging in negotiations, notwithstanding item 4.2.
- 4.4 Town Department Directors are responsible for the following:

- a) coordinating with the CAO or designate agreements, activities, and fulfillment related to potential and active Sponsorships in their respective area;
 - b) administering program and event sponsorships that are valued at or less than \$5,000 (cash and/or in-kind over the term or the contract) that are not in contravention of other sponsorship agreements that may be in place;
 - c) maintaining a log of all active Sponsorships and related activities within their department, and providing the CAO or designate with an updated version of the log;
 - d) submitting a summary of new Sponsorships valued at or less than \$5,000 (cash or in-kind) as they happen, to the CAO or designate.
- 4.5 Employees are responsible for understanding and complying with this policy and all policies, procedures and guidelines affecting municipal Sponsorship and Advertising including but not limited to:
- Personnel Policy 008/2020;
 - Procurement and Purchasing Policy 004/2020;
 - Corporate Brand and Communications Policy 011/2020;
 - Signing Authority Policy 003/2020.

5.0 REVIEW PERIOD

This policy will be reviewed on a five (5) year basis by the CAO or designate and will determine if changes are required and make recommendations to the Director of Corporate Services and the Legislative Services Clerk, who will be advised of the outcome of the review.

6.0 SPONSORSHIP CATEGORIES

All Sponsorship activities involving the Town will fall into one of these four categories:

- 6.1 Legacy Naming Rights: see Section 3.8 ("Definitions").
- 6.2 Naming Rights: see Section 3.9 ("Definitions").
- 6.3 Town-initiated Program, Service or Event: The financial and/or value in kind support for Town organized activities. The Sponsor's name may be directly associated with the activity (i.e., "presenting" or "title" Sponsorship) and the Sponsor will be provided a variety of temporary marketing opportunities.
- 6.4 Exclusivity Agreements: A contract between the Town and an external supplier, evidenced in writing and provides the Town with property or supply of goods and/or services, in exchange for monetary compensation of value in-kind. Exclusivity Agreements can be developed with suppliers that have bid on opportunities offered to tender.

7.0 GENERAL CONDITIONS – SPONSORSHIP AND ADVERTISING

- 7.1 Sponsorship or Advertising agreements will adhere to the criteria and guidelines of this overall corporate policy, as well as incorporate terms and conditions outlined in the contractual agreements specific to the Sponsorship or Advertising opportunity.
- 7.2 All Sponsorship and Advertising agreements must comply with federal and provincial statutes, municipal by-laws, and the standards set out by the Canadian Advertising Standards Council (CASC) administered by Advertising Standards Canada.
- 7.3 Sponsorship or advertising will not result in, or be perceived to result in, any competitive advantage, benefit, or preferential treatment outside of the agreement. The relationship must not cause a Town employee to receive any product, service or assets for personal gain or use.
- 7.4 Available Sponsorship and Advertising opportunities will be promoted annually or as contract terms expire, using open processes including competitive bidding. Sponsorship

sales will be responsibility of the CAO or designate. The CAO or designate will evaluate the following when deciding on whether to accept an offer from a Sponsor: the Fair Market estimate, how complete/open the process for that specific Sponsorship opportunity has been, and the intangible benefits to the Town not contemplated by the Fair Market Value.

- 7.5 Unsolicited Sponsorship and Advertising proposals received by the Town will be reviewed and evaluated by the CAO or designate as per the provisions of the policy. The Town reserves the right to reject any unsolicited Sponsorships or Advertising agreement that has been offered to the Town and to refuse to enter into agreements for any Sponsorship or Advertising that originally may have been openly solicited by the Town.
- 7.6 Naming Rights must be for a specified term and never for perpetuity.
- 7.7 Legacy Naming Rights can be a specified term or in perpetuity.

8.0 SPECIAL CONDITIONS – SPONSORSHIP AND ADVERTISING

The Town supports the practice of entering into Sponsorships and Advertising agreements with third parties where such partnerships are mutually beneficial in a manner that is compatible with the Town’s missions, values, and policies.

The Town shall not relinquish to the Sponsor or Advertiser any aspect of the Town’s right to manage and control the Town’s assets or property through any Facility Naming Rights, Program or Event Sponsorship, or Advertising agreement.

Sponsorship recognition must not detract from the physical attributes, character, integrity, or safety of Town initiated Events, and/or Town owned facilities and respect the use of the Town brand.

Sponsorship rights are non-transferable, without the written consent of the Town.

Sponsorship rights may be automatically cancelled by a bankruptcy receivership or illegal activity of the Sponsor or activity deemed unethical by the Town.

- 8.1 Naming Rights: The following specific guidelines shall be applied when entering into naming right agreements for Town owned property.
 - a) The Town will consider Naming Rights for Town owned Assets or venues when there is a significant revenue opportunity for the Town and where the proposed naming does not detract from the description of proposed use of the building;
 - b) The cost and impact of changing the existing signage and marketing materials, rebuilding community recognition, updating records, and the Town’s corporate values and public image must be considered before a property is renamed;
 - c) The costs for promotion of the renaming of a property shall be incorporated into the Naming Rights Agreement and not the Town’s annual operating budget;
 - d) The Town does not endorse the products, services, or ideas of any Sponsorship or Naming Rights holder and Naming Rights holders are prohibited from implying that their products, services, or ideas are sanctioned by the Town.
- 8.2 Legacy Naming Rights: The following specific guidelines shall be applied when entering into a legacy naming rights agreement for the Town owned property:
 - a) Volunteers that give extraordinary help or care to individuals, families, or groups, or supports community services or humanitarian causes.
 - b) Historical names that celebrate a historic event or moment in time.
 - c) Individuals who have risked their life to save or protect others.
 - d) Outstanding contribution by an individual to the Town or area.

- e) An individual, organization or business entity may become a title sponsor of an amenity or municipal facility in recognition of funds, goods and services, and or service or support.
- f) Supporting documentation may be required to verify the contributions of an individual or family and the agreement of the individual or family or next of kin in the case of deceased individuals.

8.3 Advertising Conditions:

- a) Advertising must not condone any form of personal discrimination, including discrimination on a prohibited ground pursuant to the Canadian Human Rights Act and the Province of Alberta's Human Rights Code.

Advertising of a political or religious nature is permitted provided that it meets the requirements of the Canadian Code of Advertising Standards. All political advertising will indicate that the advertisement is paid for by a party or candidate so as to avoid giving the impression that the Town is supporting a given party or candidate.

In keeping with the Canadian Code of Advertising Standards, in all cases, advertising shall not:

- a) Demean, denigrate or disparage any identifiable person, group or persons, organization, profession, product or service or attempt to bring them into any public contempt or ridicule;
- b) Undermine human dignity, display obvious indifference to or encourage, gratuitously and without merit, conduct or attitudes that offend the standards of public decency among a significant segment of a population;
- c) Appear in a realistic manner to exploit, condone nor incite violence, nor appear to condone, encourage or exhibit obvious indifference to unlawful behavior.

Although the Town is guided by the Canadian Code of Advertising Standards, the Town is the sole and final arbiter in all matters relating to advertising acceptance. The Town may refuse or order removal of any advertising material at any time in its absolute discretion.

Advertisements of alcoholic products maybe accepted so long as permitted by law whether Federal, Provincial or Municipal. Notwithstanding the above, the Town may; at any time, by providing the Company with 90 days' notice, alter its policy on the Advertising of alcoholic products.

Should a change in policy be requested or a question of policy interpretation be raised by potential advertisers, the Town may become involved, at its discretion. The Town continues to be the sole and final arbiter in all matters relating to the Town Advertising acceptance.

8.4 Third Party Agents Selling Advertising/Sponsorships on behalf of the Town:

The Chief Administration Officer may enter into agreements with third party agents to sell advertising or sponsorships on behalf of the Town. The following process shall be applied in case of disagreement between a third-party Company soliciting advertising on behalf of the town and a potential advertiser:

- a) Potential advertisers will deal with the Company directly and the Company shall interpret the Policy. If there is disagreement between the Company and a potential advertiser on policy interpretation, the matter maybe refereed to the CAO or its designate.

- b) A contract must be signed with the Company before the matter will be considered by the Town. IN cases where the content of an advertisement is in dispute, the contract will be signed "subject to approval by the Town",
- c) Should a change in policy be requested or a question of policy interpretation be raised by potential advertisers, the Town may become involved, at its discretion. The Town continues to be the sole and final arbiter in all matters relating to the Town advertising acceptance.
- d) The Company agrees that advertising is to be accepted based on all current or future policies of acceptable advertising and the Town shall not be held responsible for any loss of advertising business as a result of any changes it shall make in its policy regarding the acceptability of certain types of advertising or individual advertisements.

8.5 Fund Allocation:

- a) Sponsorship proceeds received by the Town will be allocated to the Town's general revenue account within the relevant department unless specified in the sponsorship agreement that proceeds received are to be used for a specific purpose. This allocation can be changed if mutually agreed to by both parties.
- b) Proceeds received by a Town initiated Program or Event sponsorship will be allocated directly to support Town initiated events.
- c) Advertising proceeds by the town will be allocated directly to facility/program operating accounts.

9.0 Signing Authority

The CAO is authorized to enter into Sponsorship and Advertising agreements of any value in accordance with the Signing Authority Policy and must be in compliance with item 4.0 of this agreement. When entering into an agreement, the CAO must be cognizant of the Town's public image, when dealing with Naming Rights Sponsorship opportunities, and will seek to provide additional consideration from Council prior to signing a Sponsorship and/or Advertising agreement of larger values. Legacy Naming Rights must be approved by Council.

This Policy rescinds 008/2010, Naming of Recreation Facilities Policy.



Mayor, Tammy Burke



CAO, Dean Krause

SCHEDULE -A-

Town of Rocky Mountain House Sponsorship and Advertising Assets (Assets can be combined based on sponsorship level or advertising negotiations and approvals)

NAMING RIGHTS SPONSORSHIP Term: 5 to 10 years	
Level 1	<ul style="list-style-type: none"> • Recreation Facility Building • Ball Park • Community Centre • Aquatic Centre • Parks (NSRP)
Level 2	<ul style="list-style-type: none"> • Fitness Centre • Ice Surface (x2) • Individual Ball Diamonds (x5) • Splash Park/Skate Park • NSRP Rental Hall • Scoreboard/Clock investment
Level 3	<ul style="list-style-type: none"> • Olympia Ice Resurfacer • Dressing Rooms-Multiple (Arena & Aquatic Centre) • Meeting Rooms • Aquatic Areas (eg; slide, hot tub, swim lane)
GENERAL SPONSORSHIP Term: Annual	
<ul style="list-style-type: none"> • Facility Town Programs and/or Events (eg; public skating/swimming, Town run events) • Visitor Seating/Stair Face 	
GENERAL ADVERTISING Term: Annual	
<ul style="list-style-type: none"> • Ball Park Board Advertising • Arena Board Advertising • On Ice Advertising • Program Guide 	
GENERAL ADVERTISING Term: Weekly	
Digital Highway Sign (e-sign)	