

# CITY OF WHITEHORSE

## COUNCIL POLICY

**POLICY:** Indoor Facility Sponsorship Policy

**PURPOSE:** The purpose of this policy is to create an authorized environment for the practice of entering into sponsorship agreements and partnerships in the city's indoor recreation facilities, namely the Canada Games Centre, Takhini Arena, and the Mount McIntyre Recreation Centre, in accordance with the City's Purchasing and Sales Policy.

**AUTHORITY:** Council Resolution 2008-24-03 dated November 24, 2008

## INDOOR FACILITY SPONSORSHIP POLICY

### **Policy Statement**

The purpose of the Indoor Facility Sponsorship Policy and procedures is to:

1. Protect the City of Whitehorse from risk.
2. Provide employees with guidelines and procedures based on best practices.
3. Uphold the City's stewardship role to safeguard the City's assets and interests.
4. Provide enhanced financial sustainability.

### **Definitions**

**Donation** means an unsolicited contribution to the City. A donation is similar to a gift in that it is essentially given as a gift and no reciprocal commercial benefits are expected. If reciprocal commercial benefits are given and a business relationship exists with a corporate donor, the principles of this policy apply.

**Gift** means an unsolicited contribution to the City for which there is no reciprocal commercial benefit expected or required from the City. As gifts are unsolicited and do not involve a business relationship, they are separate and distinct from sponsorship.

**Marketing Sponsorship** means a mutually beneficial business arrangement between the City and a third party, wherein the third party provides cash and /or in kind services to the City in return for access to the commercial marketing potential associated with the City. Marketing sponsorships may include sponsorships of one or more of the City's services, projects, events, facilities or activities.

**Naming Rights** means a type of sponsorship in which a corporation purchases the exclusive rights to name an asset or venue. Usually naming rights are considered in a commercial context; the naming right is sold or exchanged for significant cash or other revenue support. The agreement is usually documented in an agreement signed by the interested parties and has a specified end date to the contractual obligations.

**Naming Rights Agreement** means the sale of the right to name or re-name City owned facilities or land is evidenced in a written contract that contains terms acceptable to the City. In most cases, indemnification and termination clauses would be required as part of the agreement.

**Request for Sponsorship Proposal** means an open and competitive process whereby corporations and organizations may express their interest in participating in sponsorship opportunities with the City of Whitehorse. Requests for sponsorships should include a summary of the sponsorship opportunity, benefits for participation, and a description of the open and competitive procedure for expressing interest in participating in sponsorship opportunities.

**Sponsorship Agreement** means a mutually beneficial, contractual agreement that reflects the business arrangement for the exchange of marketing benefits and the external organization for a specified time period.

**Sponsor** means a corporation or organization that enters into a sponsorship agreement with a “property” and pays cash or value-in-kind in return for access to exploitable commercial potential associated with the property.

**Value-in-kind** means a sponsorship received in the form of goods and/or services rather than cash.

### **Principles**

1. The City of Whitehorse supports the ongoing practice of entering into marketing and sponsorship agreements with third parties (corporations) where such partnerships are mutually beneficial to both parties in a manner that is consistent with all the applicable policies set by the City. Under the conditions of this policy, City staff may continue to solicit such marketing sponsorships.
2. The City of Whitehorse recognizes and supports marketing sponsorships as a revenue generating strategy that balances the benefit of entering into a sponsorship agreement with the City’s role as steward of public assets and interests.
3. It is necessary for the City of Whitehorse to remain to be recognized as the owner of the structure regardless of the sponsor’s identity being displayed in the Facility. Clear and permanent identification of the City will be displayed in adherence to guidelines established by the City.
4. The City shall not relinquish to the sponsor any aspect of the City’s right to manage and control the City’s assets or facilities.

### **Procedures**

5. The general procedure for developing sponsorships will be as follows:
  - (1) Concept approval for sponsorship projects will be obtained from the Manager of Parks and Recreation before potential sponsors are approached or agreements are made.

- (2) Sponsorship proposals should be in writing and outline the marketing benefits that will be exchanged between both parties.
  - (3) Sponsorship proposals that potentially include purchasing agreements will be coordinated through the Marketing and Sponsorship Specialist and include the involvement of the Manager of Finance Services.
  - (4) Sponsorship agreements will follow the same approval limits as those in the Purchasing and Sales Policy.
6. The following specific guidelines shall be applied when entering into a naming rights agreement for City-owned, City-operated assets:
- (1) An asset analysis and market evaluation is to be completed to determine the value of the asset in the marketplace. The process is to be done in conjunction with the Marketing and Sponsorship Specialist.
  - (2) A risk/benefit analysis must be completed prior to the acceptance of any naming rights offer
  - (3) The proposed naming rights purchaser must support the image and value of City of Whitehorse and the community
  - (4) The City shall not relinquish to the purchaser any aspect of the City's right to manage and control the asset or facility
  - (5) Signage, branding, publicity and advertising shall conform to all applicable federal and territorial statutes, and to all applicable municipal bylaws and policies
  - (6) Administration will forward a report with recommendations to Council regarding the naming rights opportunity. The report process will be led by the Sponsorship and Marketing Specialist.
7. Solicitation and negotiation of sponsorships will be conducted by the Marketing and Sponsorship Specialist, or by outside contract as approved by the Manager of Parks and Recreation. All City sponsorship agreements will be negotiated in good faith and represent the City in a professional manner.
8. Use of the City's logo in combination with the sponsor logos will be in keeping with the City's Visual Identity Guidelines.
9. The City will only enter into agreements with sponsors who are compatible with the City's values, mandate and policies as follows:

**Code of Ethics for City Transactions**

- (1) To consider first the interests of the City in all transactions and to carry out and believe in its established policies.
- (2) To be receptive to competent counsel from colleagues and to be guided by such counsel without impairing the dignity and responsibility of the City.

- (3) To transact without prejudice, seeking to obtain the maximum ultimate value for each dollar of expenditure.
- (4) To strive consistently for knowledge of the materials and process of manufacture.
- (5) To subscribe to work for honesty and truth in buying and selling and to denounce all forms and manifestations of commercial bribery.
- (6) To accord a prompt and courteous reception, so far as conditions will permit, to all who call on a legitimate business mission.
- (7) To co-operate with all organizations and individuals engaged in activities designed to enhance the development and standing of materials management.
- (8) To not solicit or accept sponsorship or advertising from companies whose reputation could prove detrimental to the City's public image and/or whose main business is derived from:
  - a) The sale of tobacco; or
  - b) Pornography; or
  - c) The support of, or involvement in the production, distribution, and sale of weapons and other life-threatening products.
- (9) To not allow advertising, either directly or through third party arrangements, that:
  - a) Convey a negative religious message that might be deemed prejudicial to religious groups; or
  - b) Promote alcohol and other addictive substances, at venues geared primarily to children; or
  - c) Present demeaning or derogatory portrayals of individuals or groups or contain anything, which, in light of generally prevailing community standards, is likely to cause deep or widespread offence.
10. All bylaws of the City of Whitehorse, including sign regulations as prescribed in the Zoning Bylaw, will be adhered to.
11. All territorial and federal laws governing sponsorship, including those regarding the issue of charitable donation receipts, will be adhered to.

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November 24, 2008

This agreement made effective the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

BETWEEN:

The City of Whitehorse

(hereinafter referred to as "The City")

AND

\_\_\_\_\_

(hereinafter referred to as "the Sponsor")

### **Indoor Facility Sponsorship Agreement**

WHEREAS the City is the registered owner of the **Canada Games Centre**; and

WHEREAS \_\_\_\_\_ has agreed to sponsor \_\_\_\_\_ at the **Canada Games Centre**;

IN CONSIDERATION of the terms and conditions provided herein, the parties themselves, successors and assigns respectively, mutually agree as follows:

- 1) The City grants to the Sponsor title rights to \_\_\_\_\_ within **Canada Games Centre**.
- 2) For the period of the term of this agreement, the \_\_\_\_\_ shall be known as the "\_\_\_\_\_".
- 3) The Sponsor shall pay to the City, the sum of \$\_\_\_\_\_, in an annual payment of \$\_\_\_\_\_, on or before **specify date**, for the years 20\_\_ through 20\_\_ inclusive.
- 4) The term of this agreement shall be for a period of five years from September 20\_\_ through August 20\_\_ (**select applicable months/term/dates**)
- 5) The City shall, subject to its sole discretion, provide the following advertising in respect of the sponsorship:
  - a) a sign featuring the Sponsor's name and logo will be installed on **specify location of sign** for the term of this Agreement;
  - b) the Sponsor's logo will be featured on any promotional materials of **Canada Games Centre**, indicating their sponsorship
  - c) the Sponsor's name and logo will be included in flyers published by the City advertising certain programs
  - d) senior executives of the Sponsor will be invited to participate in **Canada Games Centre** sponsored community events;

## Indoor Facility Sponsorship Agreement

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- 6) The Sponsor hereby grants to the City the full and unfettered right to use, reproduce and associate itself with the logo of the sponsor, in accordance with the terms of this Agreement.
- 7) The City will not use either the logo or any variation thereof as any part of its corporate name or for any other purposes, save and except in accordance with the terms and conditions of the Agreement or as may otherwise be specifically authorized by the Sponsor in writing.
- 8) The Sponsor agrees to indemnify the City against and to reimburse the City for all damages for which it is held liable in any proceedings arising out of the use of any of the trade marks (logos) in compliance with this agreement and for all costs reasonably incurred by the City in the defense of any such claim brought against it or in any such proceeding in which it is named as a party.
- 9) The Sponsor agrees to provide the City with the artwork in respect of the trade marks in an appropriate format, within a reasonable time following the execution of this Agreement.
- 10) The City grants to the Sponsor an option to extend the term of the exclusive title sponsorship agreement for a further period of five years, upon such terms and conditions as are acceptable to the parties. This option is exercisable on written notice to the City three months prior to the end of the term of this Agreement.
- 11) If the parties shall fail to meet their respective obligations hereunder within the respective time prescribed therefore and such failure shall be directly caused or materially contributed to by an act of God, major storms, civil disturbance or any similar major event or occurrence not within the control of a party and which by the exercise of due diligence by such party could not have been prevented (hereinafter referred to as "Force Majeure"), such failure shall be deemed not to be a breach of the obligations of such party, provided however, in such event, such party shall use its best efforts to put itself in a position to carry out its obligations hereunder as soon as reasonably possible. Provided that the lack of funds on the part of such party shall be deemed not to be a Force Majeure.
- 12) It is agreed that there are no representations, warranties, and collateral agreements of conditions affecting this agreement except as expressed in it.
- 13) No waiver by either party to this agreement of any breach or failure to perform any term, covenant or condition contained in this Agreement shall constitute or be deemed a waiver of any subsequent breach of or failure to perform the same or any other term, covenant or condition hereof.
- 14) No change or modification of this agreement shall be valid unless it is in writing and signed by each party.

# Indoor Facility Sponsorship Agreement

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- 15) All notices and communications required by the City shall be in writing addressed to the City of Whitehorse, Manager, Parks and Recreation, 2121 Second Avenue, Whitehorse, Yukon Y1A 1C2, and shall be deemed to be served if delivered personally or sent by certified mail.
- 16) All notices to the Sponsor shall be in writing, addressed to **insert sponsor's contact person and address**, and shall be deemed to be served if delivered personally or sent by certified mail.
- 17) Either party may change its address for service by notifying the other party in the manner set out herein.
- 18) This Agreement shall endure to the benefit of and be binding upon the respective successors and assigns of the parties.
- 19) The parties agree that the terms of the Agreement are confidential to the parties and will not be disclosed in any manner, except as provide in this Agreement. The parties agree that they may disclose the terms of this Agreement only to their respective agents, representatives, or employees who need to know of such terms, or as may be required to be disclosed under the Freedom of Information and Protection of Privacy Act, SA1994,c.F-18.5, as amended.

IN WITNESS WHEREOF the parties hereto have affixed their corporate seal under the hands of their proper officers duly authorized in that behalf.

EXECUTED at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

**1.City of Whitehorse**

Per:\_\_\_\_\_

Per:\_\_\_\_\_

**2.Sponsoring Company's name**

Per:\_\_\_\_\_

Per:\_\_\_\_\_

\_\_\_\_\_  
Witness