

Corporate Policy



If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131

Policy Type:	Operational
Subsection:	Community Services
Policy Title:	Naming Rights, Sponsorships and Advertising
Policy #:	F16
Policy Approved By:	Council
Effective Date:	March 14, 2023
Revised:	Replace 05-02-02
Applicable To:	All Staff
Historical Review:	

1. Purpose

This purpose of this policy is to provide standards to guide the review of external sponsorship and advertising materials to determine whether such materials are appropriate to display in association with Municipal activities. Sponsorship and Advertising opportunities shall be undertaken with a view to ensure that advertising on Municipal property, at Municipal programs, and in Municipal media is appropriate and meets specific criteria, while increasing the opportunity to neutralize costs and/or generate revenue.

2. Scope

This policy applies to all relationships between the Municipality of Clarington and external sponsors and advertisers for all:

- Sponsorship Programs and special events
- Sponsorship for Naming/renaming of Municipal properties, buildings, and structures.
- Sponsorship for Branding of City assets
- Paid advertising on Municipal property, at Municipal events and in Municipal publications.

3. Definitions

- **Advertising** – means any paid or in-kind communications that are used to influence, educate, or inform the public. This denotes the sale or lease of advertising or signage space on municipally owned property. This involves the use of public advertising contracted at pre-determined rates for a set period.

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131

- **Sponsorships** – a mutually beneficial arrangement between the Municipality and an external company, organization, or person(s) where the external company, organization, or person(s) contributes funds, goods, or services to the Municipality in return for recognition, acknowledgement, or other promotional consideration. Because of these marketing benefits, a sponsorship partnership does not qualify for a tax receipt.
- **In-Kind Contributions** – non-monetary donation in the form of either goods or services rather than cash. The Municipality is not required to provide sponsorship partnership benefits for in-kind donations.
- **Naming Rights** – means a mutually beneficial contractual agreement where an external company, organization, enterprise, association, or individual purchases the exclusive right (no competing advertising) to name a Municipal Facility (see definition, applies to building envelope) for a fixed period. This is a written agreement signed by the interested parties and has a specified end date to the contractual obligations.
- **Municipal Property** – means all Municipally-owned and controlled properties facilities and amenities. These include but are not limited to indoor and outdoor recreation fields; parkland and trails; buildings and rooms; furniture; equipment and fixtures; vehicles. This does not include streets.
- **Municipal Facility** – the entirety of a facility (building, park) refers the building envelope, inclusive of all amenities.
- **Municipal Amenities** – components that comprise facility. These include but are not limited to rooms, ice pads, pools, pavilions, trails, play structures, ball diamonds, etc.
- **Municipal Programs/Activities** – means any program, activity, or service, which is operated by the Municipality. This includes any Municipal special events.

4. Policy

4.1 Naming Rights, Sponsorship and Advertising

- a) The placement of any naming right, sponsorship, or advertising on Municipal Property, at Municipal programs and/or in Municipal media on behalf of an external party does not represent or imply any legal partnership between the advertiser/sponsor and the Municipality.

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131

- b) It does not imply the Municipality's endorsement of any product, service, person(s), company, organization, beliefs, views, or the contents contained in the advertisement. The advertisement/sponsorship also does not constitute information or communication by or on behalf of the Municipality.
- c) The CAO or designate(s) will have the following specific responsibilities:
 - i. Be responsible for the administration of this Policy, including the development and implementation of guidelines, procedures, and the book of business.
 - ii. Ensure business transactions are conducted ethically and professionally.
 - iii. Prepare or assist the originating department and the Municipal Solicitor in preparation of the agreements when requested.
 - iv. Supply copies of the policies and procedures to all staff that have partnership authority and train staff as required to ensure clear understanding of the Naming Rights, Sponsorship and Advertising policies and procedures.
 - v. Maintain account records as required.
- d) Departments shall have the following responsibilities relating to the Naming Rights, Sponsorship and Advertising potential:
 - i. Ensure that all assets, programs, events, activities etc., are reviewed for their Naming Rights, Sponsorship, or advertising potential.
 - ii. Approve advertising spaces, areas of an asset to be named and Municipal programs, events, and activities to be sponsored. If unsure, a department director will seek direction from the CAO or designate(s) or Council as appropriate.
 - iii. Ensure that all departmental staff are aware of this policy and forward Naming Rights, Sponsorship, and advertising opportunities to the appropriate department.
- e) The Municipality will consider offering naming rights, sponsorship, and advertising opportunities for sale to external businesses based on, but not limited to the following criteria:
 - i. The value of the product, service and cash provided to the Municipality.
 - ii. Whether the relationship is mutually beneficial to both parties.

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131

- iii. Whether the opportunity enhances the development, awareness, and sustainability of one or more Municipal programs, services, or facilities; and
 - iv. Whether the opportunity optimizes revenue opportunities and results in a net financial benefit to the Municipality.
- f) Naming Rights, Sponsorship and advertising opportunities will be subject to the following:
- i. The Municipality will retain control over the planning and delivery of sponsorship activities.
 - ii. There shall be a written contract between the advertiser/sponsor and the Municipality or the agent of the Municipality.
 - iii. Naming Rights, Sponsorship and Advertising agreements shall not in any way invoke future consideration, influence, or the perception of influence over the decision making of the Municipality.
 - iv. The contents of any advertising/sponsorship materials shall adhere to the Canadian Code of Advertising Standards.
 - v. The advertising/sponsorship does not conflict with any existing Municipal advertising or sponsorship agreements or contracts.
 - vi. The physical placement of any advertising/sponsorship materials shall have no adverse effects on public safety.
 - vii. The advertising/sponsorship materials shall not incite violence or promote hatred.
 - viii. The advertising/ sponsorship materials shall not present demeaning or derogatory portrayals of individuals or groups.
 - ix. The advertising/sponsorship materials shall not be of questionable taste in style, content, or presentation method.
 - x. The advertising/sponsorship materials shall not detract from the image of the Municipality and/or its employees.
 - xi. The advertising/sponsorship materials shall obey all applicable laws and regulations.
 - xii. Naming Rights will be considered for Municipal Facilities, while sponsorships and advertisings will be considered for Municipal Amenities or designated advertising spaces.

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131

- g) The Municipality will not consider Naming Rights, Sponsorship or Advertising proposals from the following:
 - i. Proposal that promotes alcohol, cannabis, or other addictive substances.
 - ii. Promote the sale of tobacco.
 - iii. Promote pornography.
 - iv. Promote the support or involvement in the production, distribution and sale of weapons and other life-threatening products.
 - v. Promote actions that are not aligned with the Corporate Climate Action Plan (i.e., waste) or other Council approved strategies.
 - vi. Present demeaning or derogatory portrayals of individuals or groups or contain any message that is likely to cause deep or widespread offence.
 - vii. Promote religious or political messages that might be deemed prejudicial or other religious or political groups.
 - viii. Convey a religious or political message, promote a political party or election candidate.
- h) The proposed location of the Naming Rights, sponsorship and advertising materials may have an impact when determining whether the criteria of this policy have been met.
- i) Specific advertisers/sponsors will generally be secured from direct solicitation by an agent of the Municipality. Unsolicited requests for advertising/sponsorship will be reviewed and evaluated as per the availability of opportunities and the provisions of this policy.
- j) All advertising/sponsorship contracts shall be evaluated prior to the end of their term for a determination of their continued benefit. The term of an advertising/sponsorship agreement will not exceed 10 years.
- k) All advertising/sponsorship agreements should include provisions allowing for early termination by the parties and should specify the terms and conditions of early termination.
- l) Money obtained through advertising/sponsorship agreements will be budgeted to offset Tax levy requirements.

If this information is required in an alternate format, please contact the Accessibility Coordinator at 905-623-3379 ext. 2131

4.2 Dedication

Naming of facilities for purposes of dedication is restricted to amenities within municipal facilities or a feature in a park (i.e., bench, gazebo, room within a facility). Dedication naming will only be considered when:

- i. It is to recognize the donation or sponsorship contribution of an individual or organization to the facility when an agreement is not in place.
 - ii. Honour the original inhabitants of the facility by using the family name or name used by the original inhabitants to describe the facility.
 - iii. Does not duplicate another name or cause confusion due to similarity to an existing name.
 - iv. Recognizes the historical significance of the area.
 - v. Reflect the unique characteristics of the site, such as ecological or scenic qualities.
- a) Dedications to recognize individuals to honour their contributions to the community should be recognized under the Corporate Civic Recognition Program.

5. Delegated Authorities

- a) Chief Administrative Officer (CAO) – can enter into agreements over \$100,000 up to \$500,000 for a term up to 10 years.
- b) Director – can enter into agreements of up to \$100,000 for a term up to 5 years.
- c) Council – required to approve all facility naming rights (building envelope) and any awards above the dollar or term values listed above.