

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 21, 2017

Item 1, Report No. 2, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on February 21, 2017.

1

CORPORATE PARTNERSHIP UPDATE & PLAN

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Corporate Initiatives and Intergovernmental Relations, dated February 6, 2017:

Recommendation

The Chief Corporate Initiatives and Intergovernmental Relations, recommends:

1. THAT the Corporate Partnerships Inventory List and consolidated Corporate Partnerships Policy be approved as presented; and
2. THAT any necessary by-laws be introduced.

Contribution to Sustainability

With an approved Corporate Partnerships Inventory List and Corporate Partnerships Policy, the Municipal Partnerships Office can pursue corporate support as an alternative revenue source to contribute to the sustainability of City programs, services and infrastructure.

Economic Impact

Municipal Partnerships Office established through Innovation Reserve, fully funding itself after initial five years with no impact to taxation

All costs associated with the creation of the Municipal Partnerships Office were approved by Council through the 2014/15 budget process. The Innovation Reserve was used to build the program without direct impact to taxation. By 2026, it is anticipated that the Office will have allocated \$2.5M of sponsorship revenue to City programs, services and facilities. Once the obligations to repay the Innovation Reserve are completed in 2026, the office will generate more than \$1M gross on an annual basis.

In order to achieve the goals as stated in the Municipal Partnership Strategy, a revenue allocation model was created to ensure a portion of each sponsorship dollar earned will be allocated to what is being sponsored. This model is important for department's to see a direct benefit to running the sponsorship program and for the public to see a direct impact from sponsorship.

Communications Plan

For major investment partnership opportunities, such as naming rights, an ad will be placed in local newspapers advising potential partners of upcoming opportunities. Furthermore, these opportunities will be communicated through Biddingo and in our Economic Development's e-Business Link newsletter to ensure the business community is aware of possibilities to partner with the City.

A dedicated Corporate Partnership webpage will be created on vaughan.ca outlining available opportunities, and provide contact information for the Municipal Partnerships Office. The Municipal Partnerships Office will work with Corporate Communications to highlight this page on vaughan.ca when the Corporate Partnership program launches, and periodically as new opportunities are available.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 21, 2017

Item 1, Finance Report No. 2 – Page 2

A comprehensive marketing and advertising plan is being developed to support the Partnership Program. A combination of marketing tactics will be explored. A corporate prospecting event with members of the business community will be planned in 2017 to promote the new Municipal Partnerships Office and build awareness and interest for new partnership opportunities.

Purpose

The purpose of this report is to provide Council with the Partnership Opportunities that will be areas of focus for the Office in 2017 and seek Council approval for a newly created Corporate Partnerships Policy.

Background - Analysis and Options

As identified in the approved Marketing Partnership Strategy and Implementation Plan, a Manager of Municipal Partnerships was hired in February 2016 to take a strategic and coordinated approach toward the City's partnership and sponsorship efforts and tracking systems. Using the Marketing Partnership Strategy and Implementation Plan as a foundation, the Manager began by engaging with relevant departments to determine specific City assets that were conducive to sponsorship property development. Once assets were reviewed, each was compared to other municipal sponsorship programs (Markham, London, Ottawa, Toronto) to determine level of appeal and success (i.e. arts programming, green initiatives, etc.).

Naming Rights play an integral role in the success of the program as identified in the Marketing Partnership Strategy and Implementation Plan

A consultant was engaged to evaluate city facilities for Naming Rights revenue potential. This was an area of interest outlined in the Marketing Partnership Strategy and Implementation Plan. The consultant, Judy Haber of the Performance Sponsorship Group, is highly regarded in the sponsorship sector with years of experience working with municipalities across Canada, with a specialty in Property Naming Rights.

Initial research and valuation, Vellore Village Community Centre and the City Playhouse are recommended as the two priorities for immediate Naming Rights

After reviewing all viable facilities based on site inspections, aesthetic appeal, uniqueness of offering, traffic levels and exposure, four properties were selected to be formally valued by the consultant – City Playhouse Theatre, Maple Community Centre, Vellore Village Community Centre, and North Thornhill Community Centre, with the plan to value Vaughan Metropolitan Community Centre and Block 11 Community Centre when data becomes available to do so.

In consultation with the Staff Partnership Working Group and Corporate Management Team, the following plan has been identified in order to prioritize sponsorship properties in 2017:

Naming Rights

City Playhouse Theatre and Vellore Village Community Centre are the two priorities identified for immediate Naming Rights partnership. These facilities would be considered a "soft" introduction to Naming Rights for the community. The Manager of Municipal Partnerships has discussed this with the two local Councillors as per the protocol outlined in the Marketing Partnership Strategy and Implementation Plan, and both are supportive of the facilities being named.

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 21, 2017

Item 1, Finance Report No. 2 – Page 3

Secondary Inventory

All other packages created will be considered 'Secondary Inventory', and only included in partnership packages when a company expresses interest in something else, or when companies come forward with unsolicited partnership proposals. This approach will be taken to manage staff resources, as well as a means of being prepared to be able to respond to companies in a timely manner with targeted partnership opportunities already built that would appeal to them. Specific properties available for sale are identified in the Corporate Partnerships Inventory List (Attachment 1), however new properties may be developed based on specific interests of the corporate community, and/or new programs or services that are introduced by the City throughout the year. These new partnership properties would be developed and pursued based on the authorization levels outlined in the new Corporate Partnerships procedures.

POLICY CONSOLIDATION

Current City Policy is not reflective of the needs required by the Council endorsed Municipal Partnership Strategy.

For the Municipal Partnership program to be successful, City Policy must be aligned to meet the goals of the Strategy. The Manager of Municipal Partnerships identified the following policies that impact the work undertaken by the office:

- Policy No. RC – 003 – Partnerships Policy (97.04.14)
 - As a 20 year-old document, a new policy is required to align with the current corporate partnership landscape and Municipal Partnership Strategy.
- Policy No. TPF – 006 – Naming City Parks, Open Spaces, Community Facilities and other Municipal Buildings and Properties (10.06.08)
 - A new policy must be used to govern corporate naming rights of facilities to align with the Municipal Partnership Strategy. Individuals, families, community service organizations, and foundations will still abide by this policy.
- Policy No. PS – 003 – Consolidated Purchasing Policy (12.10.30)
 - The Procurement Services department was consulted and it was agreed that the process for procurement and partnership are different, and so the guidelines should be as well. Corporations pursued for the purpose of partnership would be exempt from the application of the Purchasing Policy and should follow the Corporate Partnerships Policy. However, in the interest of being transparent and fair, major opportunities for partnership would be promoted on bidding sites to advise the business community at large and allow companies to express their interest, as per the "Communications Plan" section of this report.

Each policy listed above has been referenced in the new consolidated Corporate Partnerships Policy to show how these policies interact with the new policy.

Working in consultation with the Staff Partnership Working Group and the Policy Committee of the Corporate Management Team, a Consolidated Policy was created to better align the outcomes that are laid out in the Strategy

Prior to consultation with the Staff Partnership Working Group, Corporate Management Team, and the Policy Committee, the corporate partnership policies used by other municipalities were reviewed by the Manager of Municipal Partnerships to ensure the new consolidated policy had updated industry standard language, and covered the elements required to implement the new Municipal Partnership Strategy. Once the new policy was drafted, it was reviewed with the Staff

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 21, 2017

Item 1, Finance Report No. 2 – Page 4

Partnership Working Group to ensure the policy was clear and useable for all affected departments, with feedback incorporated prior to consulting with the Corporate Management Team and Policy Committee. The Policy Committee is a newly formed committee created by the City Manager to review all new policies, and a presentation on the consolidated Corporate Partnerships Policy was completed on December 1, 2016. With the support of the Policy Committee to replace RC - 003 - Partnerships Policy with this new policy, and as per AD – 016 – Policy on Corporate Policy Development that requires all policy changes to be brought to Council for approval, you will find the new Corporate Partnerships Policy included in this report for your review (Attachment 2).

Relationship to Term of Council Service Excellence Strategy Map (2014-2018)

This report relates to the Term of Council Priority of meeting Council tax rate targets (no greater than 3%), and the Service Excellence Strategic Initiative of Financial Sustainability as this program will build a non-taxation revenue source for the City.

Regional Implications

Opportunities may arise in the future that could include involvement with the Regional Municipality of York as a partner. For any of these opportunities, a report will be brought to Council outlining what the opportunities are and any related implications for Council input and approval.

Conclusion

A strategic and client-driven approach has been taken in developing the Corporate Partnerships Program to be competitive in the area of sponsorship. With a dedicated Municipal Partnerships Office to streamline efforts, sponsorable properties approved for naming rights, and a consolidated policy to follow for Corporate Partnerships organization-wide, we will be in a position to maximize revenue generation for the City.

Attachments

Attachment 1: Corporate Partnership Inventory List
Attachment 2: Corporate Partnerships Policy

Report prepared by:

Katie Maginn, Manager of Municipal Partnerships

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the Office of the City Clerk.)