

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MAY 23, 2018

Item 5, Report No. 5, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on May 23, 2018.

5 MUNICIPAL PARTNERSHIPS UPDATE

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 May 7, 2018:

Recommendations

1. That this report be received for information.

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

Item:



Finance, Administration and Audit Committee Report

DATE: Monday, May 07, 2018

WARD(S): ALL

TITLE: Municipal Partnerships Update

FROM:

Tim Simmonds, Chief Corporate Initiatives and Intergovernmental Relations

ACTION: FOR INFORMATION

Purpose

To provide the first annual update on revenue generation initiatives completed by the Municipal Partnerships Office as required by the strategy.

Recommendations

1. That this report be received for information.

Report Highlights

- Year one launched and generated awareness and interest in the new Corporate Partnerships Program
- Tracking ahead of schedule for revenue generation with \$102,000 raised in year one
- Net new revenue generated for multiple departments, including funding for RecAssist, a subsidy that provides access to recreation and culture programs to underserved individuals and families in Vaughan
- 72 per cent of corporate partners secured had never contributed to city initiatives in the past
- 88 per cent of corporate partners secured were for initiatives that have never been supported through corporate contributions

Background

As identified in the council approved Marketing Partnerships Strategy and Implementation Plan, new non-taxation revenue generation opportunities were to be pursued through the creation of the Municipal Partnerships Office. The first area of focus related to developing a new corporate partnership program and policy, which was approved by Council in February 2017. This program centralized corporate partnership efforts to have consistency in pricing and approach when pursuing sponsorship across the organization. Opportunities in the program related to a variety of areas such as naming rights, programs and events that spanned multiple departments and interests. Work related to other revenue generation opportunities were also pursued this year related to grant funding and advertising.

Previous Reports/Authority

Work being pursued by the Municipal Partnerships Office is being done according to the Council approved [Marketing Partnerships Strategy & Implementation Plan](#), and subsequent [Corporate Partnerships Update report](#).

Analysis and Options

The first phase of the program was to create awareness and build interest with the corporate community

In launching the corporate partnerships program in March 2017, a number of tactics were used to create awareness:

- establishing and promoting the website vaughan.ca/corporatepartnerships
- mass advertising in newspapers and on the City's digital sign network
- targeted marketing to the local business community through letter campaigns, personal phone calls and emails
- staff attending Vaughan Chamber of Commerce events and other corporate-focused events in the GTA to have direct access to businesses
- small group hosting of corporate prospects

These and other tactics helped staff build relationships with the corporate community so the City is positioned as a viable option for investment of marketing dollars. These tactics resulted in 50 meetings with national and local companies about corporate partnership options with the City of Vaughan.

Although the strategy identified that no revenue was projected in the first year of launching the program; staff were still able to generate \$102,000 for multiple departments

- Naming Rights for a [rejuvenated tennis court at Torii Park](#), which helped support additional upgrades to the space

- Green initiatives such as [20 Minute Makeover](#) and [Environmental Days](#), which helped with operational costs and enhanced the experience for participants
- On the Slate art exhibition [Project 99: Photographs by Stephen Woo](#), which supported the production of this exhibition that revolved around our diverse heritage to celebrate Canada 150
- [Entrepreneurship Programs](#) through Vaughan Business Enterprise Centre, which provided elevated services for small business owners to help grow their business
- [Vaughan Urban Design Awards](#), which supported new elements to raise the profile of the event
- [RECAssist](#), a subsidy to provide access to recreation and culture programs to underserved individuals and families in Vaughan

88 per cent of corporate partnerships generated were linked to programs or events that have historically never been supported through corporate contributions

Likewise, 72 per cent of the companies confirmed in the first year of the program were new to sponsorship of City initiatives and had never supported the City in the past. It was clear in the Marketing Partnerships Strategy to be mindful of existing City event sponsors so as not to shuffle dollars from one area to support another, as this would not raise new revenue and would compromise the stability of existing programming. Therefore, staff focused their efforts on attracting new companies to corporate partnership with the City.

It is important to actively build relationships with companies that have never considered contributing to the City

Being proactive in building relationships with new companies helps grow the revenue pool in new directions and lessens the reliance on existing supporters. With companies contributing to the City for the first time, the sales cycle tends to be longer than with an existing supporter as trust needs to be garnered, and to be a partnership the opportunity needs to match the objectives of the company's marketing, branding, and corporate values. Therefore, most companies have gotten involved with a smaller investment level initially. This has proven to be a more comfortable way for companies to try something new with the City. It is anticipated that these initial investments will be able to grow over time as results of their partnerships are proven and the relationships continue to be developed.

Municipal Partnerships Office has also led the development of a more strategic approach to the City's involvement with grant funding

In addition to the launch of the new Corporate Partnerships program and engaging with the corporate community on possible partnerships, the Municipal Partnerships Office worked alongside the Financial Planning & Development Finance department to

establish a new approach to grant funding with the objective of increasing the volume of grant applications to secure non-taxation revenue that will deliver city infrastructure, programs and services. This resulted in a revised policy, procedures and by-law to better support staff across the corporation in realizing additional grant funding. Of note, the Municipal Partnerships Office now provides more in-depth research and the identification of grant opportunities including a centralized database to track application efforts organization-wide to benchmark volume and success rates. More information on this initiative can be found in attachment 1.

Financial Impact

The Municipal Partnerships Office has generated \$102,000 in non-taxation revenue in its first year. The goal as stated in the strategy for year two is \$136,500. Staff anticipate that this goal will be achieved as the Municipal Partnerships Office works to generate \$1M per year by year six.

Broader Regional Impacts/Considerations

No regional impact to be considered.

Conclusion

Maximizing non-taxation revenue sources is important. Revenue generation opportunities are being sought out, and consistently considered by the Municipal Partnerships Office. This update is intended to inform Council of the work undertaken by the Municipal Partnerships Office in the past year, and the progress to date of the office. We have had a successful year in building new relationships with companies, generating revenue where none was anticipated, and developing a new strategic approach to grant funding. Pursuing non-taxation revenue sources helps contribute to the financial sustainability of the city, allowing Vaughan to continue to grow and deliver quality services to meet the needs of the community.

For more information, please contact: Katie Maginn, Manager Municipal Partnerships, katie.maginn@vaughan.ca, x8841.

Attachments

1. Grant Process Update Report, Corporate Initiatives & Intergovernmental Relations, June 6, 2018
2. Municipal Partnerships Office Brand Promotional Examples, Corporate Initiatives & Intergovernmental Relations, May 7, 2018

Prepared by

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