



THE CORPORATION OF THE MUNICIPALITY OF KINCARDINE REPORT

Subject: Advertising and Partnership Program

Director: Community Services

Manager: Recreation & Community Programs

Report Number: Recreation and Community Programs-2023-12

Meeting Date: Wednesday, August 9, 2023

Recommendation:

That Council approve the Advertising and Partnership Program for the purposes of revenue generating opportunities; and

Further, that a by-law amendment of Sign By-law No. 2015-086 Section 9.0 be approved to permit signs in open space for the purposes of erecting signs on existing fences within active and passive parks for the purposes of the Advertising and Partnership Program; and

That, the Fees and Charges By-law No. 2023-116 reflect the additional fees reflected in the Advertising and Partnership Program.

Date to be considered by Council: Monday, August 14, 2023

Report Summary:

Council directed staff to review potential revenue generating opportunities through advertising and sponsorship sources within municipal parks and facilities. Staff have been reviewing multiple avenues that could increase potential revenue.

Origin: Request by Council to increase revenue by \$25,000 as part of the 2023 budget deliberations.

Existing Policy: DRAFT Advertising Revenue Generation Policy

Background/Analysis:

As part of the 2023 budget deliberations, Council requested staff investigate revenue generating opportunities that would include advertising and sponsorship within municipal facilities and parks.

To date, staff have relaunched the Commemorative Bench and Tree Program, reinstated the sponsored Skate and Swim Program, and have provided for Council's consideration an updated Facility Booking Policy for non-profit organizations. These combined programs slightly increase revenue sources within the existing Community Services operating budget.

The Advertising and Partnership Program is an additional consideration to ensure a fulsome approach in ensuring the Municipality is providing opportunities for businesses and groups to advertise, while at the same time providing a proven successful program that operates in many facilities within our region.

The uniqueness to Kincardine is that portions of the Advertising and Partnership Program have been operational within municipal facilities with user groups receiving 100% of the revenue while utilizing municipally owned space for many years.

In the development of this Program, staff have met with both the Bulldogs Organization as well as the Figure Skating Club in developing a program to gain a better understanding of their existing programs and to discuss what transition may look like.

To date, there has been no formal agreement with these two groups. The Bulldogs organization receives revenue for the rink board advertising while staff have provided the service of hanging the signs at no cost. In staff's review of Southwestern Ontario, no other community has a similar partnership that has responded to our inquiries. Additionally, the method in which the advertising is affixed to the rink boards shortens the life expectancy of the rink boards and (within industry norm) causes concerns for harm and risk to users.

Additionally, the existing method in which rink board advertising is affixed to the rink boards shortens the life expectancy of the rink boards and (within industry norm) causes concerns for harm and risk to users. Ideally rink board advertising should be a vinyl type sign with no lexor applied to the surface which can cause potential harm to users. Due to the existing agreements already in place with the Bulldogs, staff have negotiated a transition process that works for both parties.

The Kincardine Skating Club has been acquiring funds through a third party of the sale of wall space behind the players' benches. This too, is not identified in any formal agreement and staff have also worked with this group to negotiate a shared revenue source.

Staff are sympathetic to the fact that this is an added revenue generation for these groups and in Bulldogs' case, complements some of the special events that they already provide. In the case of the Figure Skating Club, this is their only fundraising source outside of their registration.

Both groups have agreed to enter into a comprehensive agreement that articulates not only their usage within the facility, but also their revenue sources.

While ensuring that these two groups continue to receive a source of funding through a partnership with the municipality, it is prudent of staff to research and review all avenues to find \$25,000 in additional revenue for the Community Services operating budget in 2023.

The Advertising and Partnership Program includes additional opportunities such as fence signage, step risers, ice resurfacers, ice rink decals etc. Staff recognize that this will be additional work by our administration staff in providing the sales expertise in soliciting businesses and organizations to invest in the program.

Staff are committed to reviewing the Program on a regular basis to ensure trends and new opportunities are identified that could be considered revenue generation opportunities.

Signage located on fencing on municipal property requires an exemption of Sign By-law 2015-086 Section 9.0 in order to approve the Municipality to permit signs in open space for the purposes of erecting signs on existing fences boarding active parks for the purposes of this Program only.

Advertising in arenas and parks is an effective way for businesses to connect with our audiences which is a wide demographic. With captive spectators exposed to branding messages for long periods of time, community advertising increases brand awareness, builds authenticity and trust, and capitalizes on positive experiences.

And finally, it is expected that the Advertising and Sponsorship Program may take several years to reap the benefits of its potential based on relationship building within the business community.

Integrated Strategy 2020 – 2025:

REG #4 - Improve organization efficiency and be more innovative.

Financial Implications:

The Program is not expected to reach the \$25,000 capacity of revenue generation in 2023 based on existing practices already occurring within the facilities.

Until the Advertising and Partnership Program is officially launched, it is difficult to determine the uptake that will be received by the business community.

Attachments:

1. Sign By-law 2003-136, as amended
2. Fees and Charges By-law No. 2023-116
3. Advertising and Sponsorship Program Guide

Prepared by: Karen Kieffer, Manager of Community Programs, Jayne K. Jagelewski, Director of Community Services

Submitted by: Jayne K. Jagelewski, Director of Community Services