



City of St. Albert
CITY COUNCIL POLICY

Servus Credit Union Place Fund
Development

AUTHORITY	APPROVED	Res. No.	mm dd	REVISED	Res. No.	mm dd
City Council		C231-2006	04 18		Naming 2006 C82-2009	02 05 (2007) 02 17

Purpose

To establish a framework for Servus Credit Union Place (Servus Place) fund development that reflects the values of Council and embraces the long-term viability, growth, stability, and entrepreneurial spirit of Servus Place.

To establish a framework for seeking donations, grants and sponsorships that promote innovation, provide flexibility to seek new partnerships, business opportunities and cost-saving opportunities for Servus Place.

To enable Administration to exercise discretion regarding accepting donations, grants and sponsorships.

To support the generation of revenue-producing and cost-saving agreements, investments and contributions from the private sector and non profit sectors towards the costs of any new capital projects and the ongoing operation of Servus Place including programs, events and equipment.

Policy

Fund development proceeds, unless designated by the donor of the proceeds, shall be applied to the capital and operating budgets for Servus Place.

Council shall approve the minimum level of annual fund development through the annual budget process.

The City may enter into a sponsorship agreement with an external party whereby the external party may contribute, in whole or in part, funds, goods, or services to new facility capital enhancement projects, programs, events or activities in Servus Place, where such sponsorship is mutually beneficial to the external party and the City and complete project funding is in place.

Fund development activities shall safeguard the City's assets and interests. Sponsorship agreements shall result in an optimal balance of overall benefits to Servus Place and the community.

Fund development activities shall not compromise the City's ability to carry out its function fully and impartially.

The City may not relinquish any aspect of its rights to manage and control Servus Place through a sponsorship agreement.



Definitions

"Donate" means to contribute funds, services or gifts in kind without an expectation of return.

"Enhancement Project" means a project that will add value to the Facility.

"Facility" means Servus Credit Union Place.

"Fund development" means the ongoing process to raise funds, the result of which may be a donation, a grant or a sponsorship.

"Grant" means funds dispersed by one party, often a Government Department, Corporation, Foundation or Trust, for a specific purpose.

"Naming rights" means the City grants the right to name or rename portions of/or a property in exchange for financial consideration.

"Sponsorship" is an exchange of funds, services or gifts in kind that is mutually beneficial.

"Sponsorship Fulfillment" means the agreement that was made between the funder and the City with respect to recognition for the donation, grant or sponsorship.

Responsibilities

The City Manager shall have the authority to negotiate agreements related to fund development that fall within the level of approval of revenue contracts delegated to the City Manager. Fulfilling Servus Place's obligations under Sponsorship Agreements shall be the responsibility of the City Manager or designate. The City Manager or designate shall:

1. Determine and document:
 - a. Date and duration of the agreement;
 - b. Sponsor contribution;
 - c. Market value estimate of the contribution;
 - d. Form of recognition the City is making available to the sponsor;
 - e. Comparison of proposals for consistency between sponsor agreements; and
 - f. Allocation of funds to capital or operating budget;
2. Recommend to Council those projects with a value of revenue to the City exceeding the City Manager's authority.
3. Seek concept approval from Council prior to initiating negotiations with a potential sponsor for those projects that may, in the opinion of the City Manager, be sensitive.
4. Establish a process for tracking and reporting all sponsorship agreements.

Standards

1. Fund development activities which include the seeking of grants, donations and sponsorships will be guided by professional practices as outlined in the Alberta Association of Fund Raising Executives' (AAFRE) Professional Practice Standards, The Ethical Fundraising and Financial



Accountability Code as established by The Canadian Centre for Philanthropy, where applicable, and the Association of Fundraising Professionals (AFP) Code of Ethical Principles and Standards of Professional Practice.

2. Fund development will be undertaken in accordance with accepted principles of sound business and financial management and generally accepted accounting principles.
3. Donations, grants and sponsorships shall not result in exclusive use or special user privileges to the existing facility.
4. Funds generated through the fund development process may be allocated to expansion and capital projects or to operations.
5. Where there are costs associated with securing funds and fulfilling the contractual obligations with the sponsor, these costs are reflected in the operating budget.
6. Sponsorship proposals will be assessed using the following evaluation criteria:
 - a. Quality and timeliness of product, and service delivered to the City;
 - b. Cost to the City of sponsorship proposal;
 - c. Value to the City in cash, or in kind, of the proposal;
 - d. Compatibility of products and services with the City policies, standards and the Facility's operating principles;
 - e. Desirability, image and reputation of the proposed sponsor;
 - f. Timelines or readiness to enter into an agreement;
 - g. Term of the agreement; and
 - h. Conformity to facility development enhancement plans and operational goals.
7. Sponsorship agreements shall be in the form of a legal contract that is acceptable to the City's Legal Services Department and shall contain:
 - a. Description of the contractual relationship, specifying the exact nature of the agreement;
 - b. Term of agreement;
 - c. Renewal options;
 - d. Payment schedule;
 - e. Rights and benefits;
 - f. Release, indemnification and early termination clauses;
 - g. Insurance clauses; and
 - h. Confidentiality terms.

Procedures

1. When funds are directed to Facility Naming:
 - a. A corporation or external organization that becomes the namesake of the Facility or elements of the Facility shall be recognized for its financial support, where such support is mutually beneficial to the Sponsor as well as to the City and the community;
 - b. Naming rights agreements shall safeguard the City's assets and interests, enhance access and fairness, and result in the optimal balance of overall benefits to the City and the community;
 - c. A naming rights agreement shall not compromise the City or Servus Place users' and the tenants' ability to carry out their functions fully and impartially;
 - d. Naming rights funding will be allocated to the Servus Place operating budget or designated to a specific Servus Place capital project; and



- e. Naming rights will not be granted in perpetuity.
2. When funds are directed to Operating:
 - a. Funds specifically designated by a sponsor, donor or other municipal jurisdiction to a Servus Place program or event will be applied to the operational cost of that program or event; and
 - b. Funds generated by advertising will be applied to operations.
 3. When funds are directed to a capital project, fund development for capital projects shall result in the funds being directed to the capital cost of that project.

Legal References: *Municipal Government Act*

Cross References: Bylaw 13/2002, City Manager's Bylaw; Policy C-FS-06, Enterprise Organizations

