



INFORMATION REPORT

TO:	Chair and Members General Issues Committee (Budget)
COMMITTEE DATE:	February 3, 2023
SUBJECT/REPORT NO:	Revenue Generation through Sponsorships and Partnerships (CM23009) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Brian MacDonald (905) 973-1527
SUBMITTED BY:	Cyrus Tehrani Chief Digital Officer & Director of Innovation City Manager's Office
SIGNATURE:	

INFORMATION

At the January 10, 2023 General Issues Committee (Budget) meeting council requested additional information regarding revenue generated for City's programs and services.

The City of Hamilton has several ways in which it raises revenues which include:

- fees, charges, and dividends from municipal corporations and Local Hydro Corporation;
- revenue from other levels of government;
- revenue from taxes;
- miscellaneous revenue/sponsorships that are directly departmentally managed (e.g. flowerbed planting sponsorship, City Bike Share);
- revenue and sponsorship managed via the Strategic Partnerships team which is the focus of this report.

The Strategic Partnership team (formerly Revenue Generation) was formed via Council Report FCS14069, September 24, 2014 with Council's direction to develop both new and incremental revenues. Based on that mandate, the two staff have focused on enterprise-wide opportunities, both toward reducing the Tax Levy burden and by providing enhanced revenue to various departments to support department program enhancements or

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augment operational budgets. Program and sponsorship revenue in some cases is directly recognized within the department to which the sponsorship most closely benefits.

The team operates under a self-funded model (not budgeted through the direct Tax Levy funding) and consists of two staff members.

The team currently has a revenue target of \$400,000 in addition to covering all operating expenses, which for 2023, is forecast to be \$261,093.

The work is governed by policies and procedural guidelines including Council approved City of Hamilton's Sponsorship and Advertising Policy (See Appendix "A"). This policy was approved by City Council on June 11, 2008, (Public Works Committee Report 08-010) as well as the City's Procurement Policy By-Law Sections 3, Section 4.2 and Schedule B that have been summarized in Appendix "B" as approved on September 28, 2022.

In addition, all opportunities that exceed \$50,000 are brought forward for Senior Leadership Team approval as part of the program's existing governance and approval oversight.

2022 Year in Review

Despite continued challenges caused by COVID in terms of how partners wish to participate with the City of Hamilton, the team was successfully able to retain all of the existing client portfolio. The team was able to renew and find new revenue and sponsorship opportunities.

In 2022 staff achieved over \$1,600,000 in contributions, including funding departmental related costs, direct tax levy reduction, event funding and significant in-kind contributions. This included \$1,351,854 in direct revenue and \$325,000 in-kind non-monetary value contributions.

Included below is a detailed accounting of revenue activity in 2022:

Category	Revenue (yr)	In-Kind Contribution* (yr)	Program	Description / Details
Program Enhancements / Sponsorships				
Departmental Sponsorships	\$176,000		<ul style="list-style-type: none">Boards & Agencies (Hamilton Farmer's Market)Healthy and Safe Communities (Indigenous Relations)	<ul style="list-style-type: none">Meridian's sponsorship of the Farmer's Market (Jan-April)Rogers new sponsorship role at the Farmer's Market supporting various events and activities

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			<ul style="list-style-type: none"> • Finance & Corporate Services (IT) • Public Works (Various) • Planning & Economic Development (Tourism) 	<ul style="list-style-type: none"> • Coca Cola support of Truth and Reconciliation activities including sponsoring The Social Music Festival at Gage Park and the City's Orange Shirt Campaign • Chartwell Title Sponsor of both Seniors Kick Off and Award Events • ORNGE Ambulance data backup storage agreement for hosted data centre space. • TD general sponsorship <ul style="list-style-type: none"> ○ Fall Mum Show ○ Art Awards ○ Winterfest ○ Urban Linear Park • RBC General Sponsorship <ul style="list-style-type: none"> ○ Newcomer Week ○ Jr. Golf / Golf Programs ○ Youth Summit / Youth Engagement
Advertising / Miscellaneous Contracts				
Animal Services Gift Card Program		\$175,000	<ul style="list-style-type: none"> • Planning & Economic Development (Animal Licensing) 	<ul style="list-style-type: none"> • Ren's Pets \$20 gift voucher provided for all animal services licenses bought by the public – assisting adoption of animal licensing by general public
Bus Shelter Advertising	\$175,000		<ul style="list-style-type: none"> • Public Works (HSR) 	<ul style="list-style-type: none"> • Bus Shelter advertising contract – RFP renewal to take place in 2023
Digital Signage	\$375,694	\$150,000	<ul style="list-style-type: none"> • City Manager's Office / General Corporate Reserves 	<ul style="list-style-type: none"> • Outfront Media digital sign portfolio revenue contract and City's use of digital signage advertising
Digital Signs Permit Fees	\$20,000		<ul style="list-style-type: none"> • Planning & Economic Development (Licensing) 	<ul style="list-style-type: none"> • Licensing fees from Digital Sign portfolio
Metrolinx Transit Data Sharing	\$100,000		<ul style="list-style-type: none"> • Public Works (HSR) 	<ul style="list-style-type: none"> • Metrolinx procurement of anonymous ridership data to assist with transit planning
Street Lighting Banner Program	\$55,160		<ul style="list-style-type: none"> • City Manager's Office /Levy 	<ul style="list-style-type: none"> • Revenues generated from management and installation of

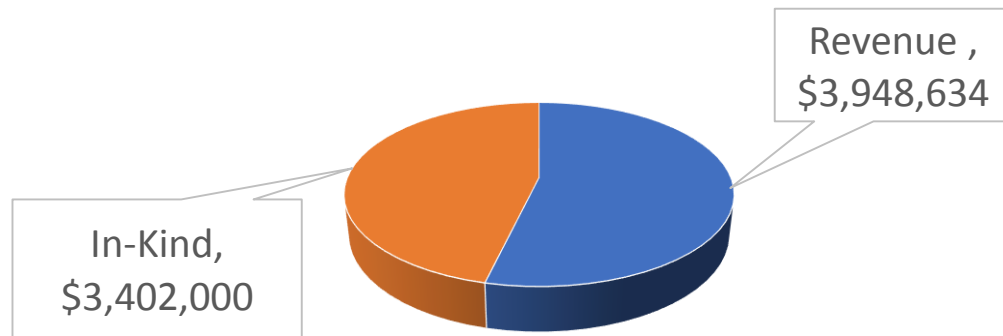
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				street light post banner signs program
Transit Advertising	\$450,000		• Public Works (HSR)	• Advertising contract and client management for interior and exterior advertising on HSR buses
Total	\$1,351,854	\$325,000		

*In-Kind is defined as goods and services provided in lieu of monetary contribution

Below is a 5-year summary (2018-2022) of corporate wide impact:



APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report CM23009 – City of Hamilton Policy for Commercial Advertising and Sponsorship

Appendix “B” to Report CM23009 – City of Hamilton Procurement By-law Sections Extract Related to Revenue Generating Contracts