

Vancouver Public Library

# MANAGEMENT REPORT

Date:	April 16, 2019
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Meeting Date:	April 24, 2019
TO:	Library Board
FROM:	Kurt Heinrich, Chair, CRPD Committee
SUBJECT:	City Sponsorship Policy

#### **SUMMARY**

This report provides information about a proposed City of Vancouver Sponsorship Policy and considerations for the Library's alignment with the policy.

#### **PURPOSE**

This report is for decision.

#### RECOMMENDATION

That the Library Board Chair send a letter to City Council providing feedback on the City's draft Sponsorship Policy.

#### POLICY

The Library's existing <u>Sponsorship Policy</u> was approved by the Board in 2004. The <u>Donor</u> <u>Recognition Policy</u> is also relevant to the discussion, and was last revised September 26, 2018. The VPL Donor Recognition Policy restricts donations from two industries: tobacco and arms manufacturing. The Library also limits sponsorship of children's programs and services if products cannot legally be sold to children, or are inappropriate for use by children. In general, the Library and VPL Foundation have preferred using alignment with the Library's values and goals as a guide to sponsorships, rather than specifying industries or business categories to exclude.

# BACKGROUND

City Council discussed a <u>draft Sponsorship Policy</u> at its April 2, 2019 meeting. The policy includes that "The Vancouver Police Board, Vancouver Park Board, Vancouver Public Library Board, and City Affiliates, will be provided with this Policy, and encouraged to adopt this Policy, or a policy comparable in spirit and intent."

During the meeting, the proposed policy was amended to add sections f, g, and h below, identifying that fossil fuel corporations, pharmaceutical corporations, large property owners, developers, and corporations that stand to derive financial benefit from rezonings would also be ineligible (see <u>Council Minutes</u> of April 2, 2019). Section 6.2 of the amended draft policy following discussion by Council reads:

Any person or party that engages in the following business is ineligible to be a Sponsor:

- a. producing, distributing or selling products and services that may be considered harmful to the health of the target audience such as gaming, tobacco, liquor or cannabis unless explicitly authorized by the City Manager, or
- b. manufacturing of armaments and weapons, or
- c. producing and selling pornography, or illegal sexual services, or
- d. any other categories as reasonably determined by the City Manager;
- e. Fossil fuel corporations;
- f. Pharmaceutical corporations;
- g. large property owners, developers, and corporations that stand to derive financial benefit from rezonings.

Council voted to refer the report and pending amendments to City staff to provide information on how the pending amendments will affect the implementation of the proposed sponsorship policy. The Library Board will be encouraged to adopt the policy, seeking alignment with Council's intentions and taking the Library and VPL Foundation context into consideration. There is an opportunity to provide feedback to Council on the Library Board's existing Sponsorship Policy and implications for Library fundraising before it is approved by Council.

## **DISCUSSION**

The Community Relations, Planning and Development Committee discussed the proposed ineligibility criteria in the City Sponsorship Policy and how this could affect the Library and VPL Foundation's fundraising and sponsorship. The Committee noted that by specifying exclusions, rather than focusing on alignment with the Library's values and interests, the policy has the

potential to inhibit conversations with donors and sponsors who may deem themselves excluded based on different criteria than the Library Board would apply.

Library staff and trustees are not participants in zoning or development decisions, and therefore a limit on sponsorship or donation from large property owners or developers would not be recommended as it would be unnecessary in a library context, and would significantly restrict opportunities for sponsorship and donation that would benefit the community. The lack of definition of large property owner is challenging, as many individuals and businesses could be considered large property owners. In the recent Capital Campaign, donations of \$10 million total could fit into this category as coming from large property owners.

The Library rarely has sponsorship arrangements, however, sponsorship is key to the success of events like the VPL Foundation gala, and other events of this nature. The total value of sponsorships at the VPL Foundation gala was \$330,000, and this could be affected by the ineligibility criteria. While these sponsorships are through the VPL Foundation, which is a separate legal entity from the Library, the policy is relevant to the environment for fundraising associated with the Library. In the case of the 2018 VPL Foundation gala, sponsorship is typically obtained for the wine served at the event, and this is common for celebratory events. The City's proposed policy identifies that sponsorship from businesses related to alcohol requires specific approval.

The Community Relations, Planning and Development Committee agreed to send a letter to Council from the Board Chair, as well as to consider asking trustees to discuss sponsorship and fundraising with individual councillors in their liaison roles.

## FINANCIAL IMPLICATIONS

Excluding the proposed industries and businesses from consideration as sponsors in a policy has the potential to affect the VPL Foundation's success in future fundraising. Within more than \$12 million raised within the Storeys that Transform Capital Campaign, \$10 million could be affected by the ineligibility of "large property owners" and others referred to in the amendment, and the sponsorship of alcohol served at fundraising events could be affected.

# FINAL REMARKS

Vancouver Public Library welcomes and encourages the business community, other organizations, and individuals to support the Library through sponsorships and philanthropic gifts that enable the Library to enhance programs, services and spaces. The Library finds that sponsorship and donation activities are closely linked, and the policies that are in place for each area influence the success of the other.

The Library and VPL Foundation are cautious about limiting sponsorships and gifts on the basis of broad industry categories, as this has the potential to unduly limit potential sponsor and donor interest in working with the library before an opportunity can be explored. The VPL Foundation and Library Board have found that a focus on alignment with values and interests, and consideration of the circumstances for each individual situation, best serves the interests of the donor/sponsor and the community the Library serves.