

CITY OF MITCHELL

MUNICIPAL SPONSORSHIP AND NAMING RIGHTS POLICY

Purpose.

To establish for the City of Mitchell, South Dakota (the "City") a formal procedure and criteria for the receipt or solicitation of, selection of, and agreements with, persons or entities for Municipal Sponsorships, Co-Sponsorships, Sole Sponsorships and Marketing Arrangements, (including Facility Naming Rights), the following Municipal Sponsorships and Naming Rights Policy (this "Policy") is hereby adopted by the Mayor and Council of the City (the "City Council").

This Policy is intended to set forth the process for the City to participate in Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship and Marketing Arrangement programs to give valuable support to important City programs, facilities and services for public benefit by (i) providing funding for City events from private businesses and (ii) allowing the City to partner with activities provided by outside entities. In doing so, the City must ensure its actions are consistent and appropriate to the City's vision, mission and values. This Policy is not intended to apply to Bequests or Donations (each as defined below).

This Policy shall:

Establish Procedures. Establish consistent procedures and practices for receipt or solicitation of Municipal Sponsorships (as defined below), Co-Sponsorships (as defined below), Sole Sponsorships (as defined below) and Marketing Arrangements (as defined below) by City staff.

Encourage Sponsorships. Encourage solicitation of Municipal Sponsorship opportunities such as Facility Naming Rights, Sole Sponsorships, Co-Sponsorships, Marketing Arrangements and similar agreements that generate revenue (financial or in-kind) in support of existing and new City facilities, projects, programs or services.

Encourage Partnerships. Develop public/private alliances to provide programs, events, venues and services within the City.

Encourage Staff Innovation. Empower City departments to seek Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship and Marketing Arrangement opportunities to provide funds for programs, events, venues or services they might not otherwise be able to provide to City residents and visitors.

Safeguard City Interests and Goals. Ensure that Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship and Marketing Arrangement activities (1) safeguard the City's assets and interests, (2) support the City's goals of service to the community and (3) remain responsive to the public's needs and values.

Establish Naming Framework. Provide a framework within which requests to name public facilities are considered and evaluated.

1. Scope. This Policy shall govern all City departments regarding the solicitation of, and the unsolicited offers/requests from third parties related to, Municipal Sponsorships, Co- Sponsorships, Sole Sponsorships and Marketing Arrangements for City programs, projects, events, venues, facilities and services. Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship and Marketing Arrangement solicitations shall be in furtherance of the City's needs and conducted in accordance with the provisions in this Policy. All City staff responsible for, or otherwise involved in, Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship and Marketing Arrangement activities on behalf of the City or their respective departments shall adhere to the policies, procedures and guidelines set forth herein.

2. Third Party Solicitation. Subject to the conditions of this Policy, City staff may solicit or respond to solicitations from third parties for such Municipal Sponsorships, Co-Sponsorships, Sole Sponsorships or Marketing Arrangements for the City.

Fair Compensation. At all times, recognition for Municipal Sponsorships or Marketing Arrangements must be evaluated to ensure the City is receiving fair and competitive compensation and that such recognition is consistent with the scale of each Sponsor or Marketing Arrangement's contribution.

Outside the Scope of this Policy. This Policy shall not apply to:

- (1) Funding obtained through formal grant programs or through intergovernmental agreements with other political subdivisions of the State.
- (2) City support of external projects where the City provides funds to an outside organization (examples include, but are not limited to, grants to Nonprofit Organizations).
- (3) Gifts, Bequests, or unsolicited Donations to a City department or the City where no reciprocal commercial benefit is given or expected and no business relationship exists.

2. Definitions.

Bequest. A gift or contribution of cash, goods or services given voluntarily and expressed in writing through a will or other testamentary document.

Co-Sponsorship. Participation by the City (via direct funding, waived fees, staff coordination or technical assistance) in an event that is provided by an outside entity and that is closely aligned with or furthers a core City program or service.

Donation. A gift or contribution of cash, goods or services given voluntarily toward an event, project, program or corporate asset where no reciprocal commercial benefit is given or expected. If reciprocal commercial benefits are given or a business relationship exists with a corporate donor, the contribution will be a Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship or Marketing Arrangement, as applicable, and the principles of this Policy will apply.

Facility Naming Rights. The naming of City-owned and/or operated buildings, structures, natural features and recreational facilities, whether in whole or portions thereof (hereafter referred to

individually as a "Facility" or collectively as "Facilities"), and streets, roads or any public rights-of-way (hereafter referred to individually as a "Street" or collectively as the "Streets") within the corporate limits of the City. Portions of a Facility may have names other than that of the entire Facility and features may be dedicated to or in honor of a person such as "Smith Beach" or "Jones' Amphitheater," subject to the provisions of this Policy.

In-Kind Contribution. A contribution received in the form of goods and/or services rather than cash as part of a Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship or Marketing Arrangement.

Marketing Arrangement. A mutually beneficial business arrangement between the City and a third party, wherein the third party provides cash and/or in-kind services to the City in return for access to the commercial marketing potential associated with the City. Marketing Arrangements may include Municipal Sponsorship or Sole Sponsorship of one or more of the City's programs, projects, events, Facilities or activities.

Municipal Sponsorship. A business relationship in which the City and another entity exchange things of value, including a public display of support. This value can be financial, in-kind or benefits related to visibility/exposures, publicity or market reach. It should not be confused with Donations (as defined above), the sale of advertising or innovative approaches to purchasing goods or services. Municipal Sponsorships include funds, products or services provided by a company or individual to the City, in consideration of the opportunity for the company or individual to promote its name, product or service in conjunction with a City program, project, event, venue or activity.

Nonprofit Organizations. Organizations designated under the Federal Tax Code as 501(c)(3).

Request for Proposals ("RFP"). An open and competitive process whereby the City invites companies, subsidiaries or individuals to express their interest in participating, and submit proposals to participate, in Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship or Marketing Arrangement opportunities with the City.

Sole Sponsorship. A business relationship in which a company, subsidiary or individual has paid to be the only Sponsor of a City program, project, event, venue or activity.

Sponsor. A company or individual that provides the City with a Municipal Sponsorship and that enters into a Municipal Sponsorship agreement with the City to promote itself and/or its products or services.

Standards of Responsibility. The requisite standards to enter into a Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship or Marketing Arrangement with the City. Factors to be considered in determining whether the standards have been met include, but are not limited to, whether a prospective sponsor: (i) has available (or the ability to obtain) the appropriate financial, material, equipment, Facility, personnel resources and expertise necessary to indicate its capability to meet all contractual requirements; (ii) is able to comply with required or proposed delivery or performance scheduling; (iii) has a satisfactory record of performance; (iv) has a satisfactory record of integrity and business ethics; and (v) is qualified legally to contract with the City.

3. Restrictions.

In general, the following industries and products are not eligible for Municipal Sponsorships, Co-Sponsorships, Sole Sponsorships or Marketing Arrangements, including Facility Naming Rights, with the City, but the City may elect to enter into Municipal Sponsorships, Co-Sponsorships, Sole Sponsorships or Marketing Arrangements with these restricted industries or products when it is deemed appropriate by the City Council acting in its sole discretion.

- A. Prohibited or Restricted Products. A company, subsidiary and association with products or services that are prohibited or restricted by City Code or other governing laws and policies.
- B. Adult Products. A company or subsidiary whose business is substantially derived from the sale or manufacture of tobacco products, products prohibited under federal law or sexual/adult-oriented products.
- C. Alcohol Sponsor at Youth-Related Events. Alcoholic beverages when the intended audience of or participants in the Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship or Marketing Arrangement are youth under the legal drinking age.
- D. Parties not Deemed Responsible. Parties that are not deemed responsible under the Standards of Responsibility.
- E. Parties to Litigation. Parties involved in a lawsuit with the City.
- F. Separate Contracts. Parties involved in any stage of negotiations for a City contract unless the contract is directly linked to a Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship, Marketing Arrangement or Facility Naming Rights opportunity.
- G. Conflicts of Interest. Individuals or commercial enterprises having past, present or pending business agreements or associations with the City, if a Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship or Marketing Arrangement Agreement would create an appearance of impropriety.
- H. Pending Land-Use Approval. Parties with an active case for any land-use approval before the City.
- I. Religious or Political Entities. Religious or political associations or candidates running for any political office.

4. Roles and Responsibilities.

- A. Responsibilities of City Departments.
 - (1) **Initiating City Department.** The initiating City department shall
 - (a) ensure adherence to the principles and guidelines outlined in this Policy,
 - (b) prepare a proposal setting forth the scope of the program or project as provided in Subsection 6(A) below and
 - (c) work with the City Administrator to ensure appropriate budgeting of revenues and expenditures and with the City Attorney's Office to ensure the integrity of the procurement process and the legal sufficiency of contractual obligations.
 - (2) **Finance and Budget.** The City Administrator shall provide general guidance, cost/benefit analysis, and direction relating to the appropriate budgeting of revenues and expenditures in a manner that maximizes the benefits of each Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship, Marketing

Arrangement or Facility Naming Rights arrangement for the initiating City department, the City and the Sponsor.

- (3) **Procurement.** When applicable, the Mayor or authorized designee shall oversee the preparation of the RFP or other competitive solicitation for Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship, Marketing Arrangement and Facility Naming Rights opportunities.
- (4) **City Attorney.** The City Attorney's Office shall provide legal review of any RFP or other competitive solicitation for Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship, Marketing Arrangement and Facility Naming Rights opportunities and oversee the preparation of all Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship, Marketing Arrangement and Facility Naming Rights agreements.
- (5) **Mayor.** The Mayor shall review all Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship and Marketing Arrangement activities, including interim reports provided from time to time by City departments. The Mayor also shall be responsible for determining the frequency of reports by City departments.

5. Procedures. The City's participation in Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship, Marketing Arrangement and/or Facility Naming Rights activities shall be according to the procedures set forth below. For Municipal Sponsorships, Co-Sponsorships, Sole Sponsorships, Marketing Arrangements and/or Facility Naming Rights arrangements initiated by the City, subsections 6(A) - (G) shall apply; for Municipal Sponsorships, Co-Sponsorships, Sole Sponsorships, Marketing Arrangements and/or Facility Naming Rights arrangements initiated by another person or entity, subsections 6(8), (D), (E), (F) and (G) shall apply.

- A. **Prepare a Proposal.** A City department considering a potential Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship, Marketing Arrangement or Facility Naming Rights arrangement shall prepare a proposal setting forth the scope of the program or project, including a description of the community benefit, financial goals, means of recognition, potential interested Sponsors, and general marketing strategy if a Marketing Arrangement is involved. The proposal shall be submitted to the Department Director for review and approval. If Facility naming Rights are involved and will result in a name change to an existing Facility, the history and legacy of the current municipal Facility should be considered and/or incorporated within the new proposed name. All Facility or Street Naming shall be in accordance with the additional procedures set forth in Sections 8 and 9 below.
- B. **Estimate Value.** If the proposed Municipal Sponsorship or Marketing Arrangement includes Facility Naming Rights or granting Sole Sponsorship, the Department Director shall provide a reasonable basis for determining the value of the Municipal Sponsorship, Marketing Arrangement or Facility Naming Rights opportunity. At the Mayor's discretion, a qualified third party may be used to establish value.

- C. Develop and Implement Solicitation. The applicable City department, working with the City Attorney, shall develop an RFP for each Municipal Sponsorship, Co- Sponsorship, Sole Sponsorship or Marketing Arrangement opportunity valued greater than \$30,000 and all Facility Naming Rights opportunities and the most beneficial, qualified response shall be submitted to City Council with a recommendation for approval.

City-originated Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship or Marketing Arrangements valued at \$30,000 or below and revenue producing or "no-cost" Municipal Sponsorship, Co Sponsorship, Sole Sponsorship or Marketing Arrangement opportunities that involve the provision of commodities or services provided either to the City or the Mitchell community in support of City operations, functions or programs through which the provider will benefit monetarily, must be awarded using a competitive process that is appropriate to the value, complexity and profile of the business opportunity.

Municipal Sponsorship, Co- Sponsorship, Sole Sponsorship or Marketing Arrangement proposals forwarded to the City are not subject to competitive solicitations if the proposed Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship, Marketing Arrangement or Facility Naming Rights opportunity is determined through a good faith effort to be unique and without interested competitors.

- D. Evaluate Submissions. The applicable City department shall review and analyze all responsive submittals received and shall provide a recommendation of approval or denial to the Mayor. The submittals shall be reviewed against selection criteria that may include, but are not limited to:

- (1) Consistency of the prospective entity's products, customers and promotional goals with the City's character, values and service priorities, including the most recently adopted City Council goals.
- (2) The ability for the City to retain its identity as owner/operator of the Facility or principal provider of the service.
- (3) The prospective entity's historical participation and association with community projects, events and continued willingness to participate.
- (4) The operating and maintenance costs to the City associated with the proposed sponsorship.
- (5) Anticipated public perception of the association with the City and the prospective entity and community support for, or objection to, the prospective entity.
- (6) The prospective entity's regard for and demonstrated success in valuing diversity.
- (7) The prospective entity's regard or and demonstrated success in environmental stewardship.

- E. Develop Agreement. In the event a Municipal Sponsorship, Co- Sponsorship, Sole Sponsorship, Marketing Arrangement or Facility Naming Rights proposal is

recommended for approval, the City department will work with the City Attorney's Office to prepare an agreement consistent with all applicable City Codes, policies and ordinances.

The agreement shall contain a provision granting the City the right to suspend or terminate the Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship, Marketing Arrangement or Facility Naming Rights agreement if, in the sole discretion of the Mayor or the City Council (whichever approved the agreement), the continued arrangement would no longer satisfy the selection criteria by which the arrangement was initially approved.

- F. Mayor Review; Council Approval. The Mayor shall review all Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship and Marketing Arrangement proposals and shall submit all Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship or Marketing Arrangement Agreements with an aggregate value greater than \$30,000 and all agreements involving Facility Naming Rights to the City Council for final approval. Municipal Sponsorship, Co-Sponsorship, Sole Sponsorship or Marketing Arrangement Agreements with an aggregate value to the City of \$30,000 or less may be approved by the Mayor.
- G. Record Financial Transaction. In the event a Municipal Sponsorship is received as an "in-kind" donation of goods or services, the Finance Division shall create and retain a record of that donation and any associated revenue or expense to the City to document the financial transaction to the City.

6. **Co-Sponsorship Requests.** The City actively supports the efforts of Nonprofit Organizations, other governmental agencies and Sister Agencies whose events are (i) held in City parks and Facilities and (ii) further City core program goals and services. Such support may include fee waivers, reduced fees, reduced rental charges and co-sponsorship. All permit fee waivers and reductions, reduced Facility rentals and Co-Sponsorship agreements must comply with the guidelines and procedures set forth below.

- A. Fees. The City charges everyone a fee to permit and have priority use of any park, amenity, stage or recreation Facility. This fee is to cover extra operational expenses associated with the use or event and to guarantee the space for the permittee. Fees are based upon the purpose and size of the event. Additional fees are charged as a damage deposit. Fees may be modified as follows:
 - (1) Any Nonprofit Organization that meets the guidelines set forth below may receive a 50% reduction in fees or rentals.
 - (2) The City may further reduce or waive an outside organization's permit or rental fees for an event on City property, as determined by the Mayor or designee, that (a) has close association with the City's core program goals and services and (b) provides the City with positive marketing exposure.
- B. Requirements for Reduced Fees. Any Nonprofit Organization applying for a City permit or Facility rental may be granted a 50% reduction in fees if the following criteria are met:

(1) The mission of the Nonprofit Organization does not conflict with the City's regulations, mission or policies.

(2) No fundraising activities are involved as a part of the program or event. Any exceptions must be approved by the Mayor or designee.

(3) The Nonprofit Organization permit-holder must remain responsible for damage fees and other costs, including, but not limited to, general liability insurance, police coverage, player/team fees, electrical fees, lights, overnight security, concessions, toilet/trash service agreements, fencing and any other additional needs and agreements pertaining to the event. Damage deposits are never waived for events conducted by organizations from outside of Mitchell. Events at the Desert Vista Skate Park require an additional damage deposit in addition to the regular park permit procedure.

(4) Except for Municipal Sponsorship Agreements, any fee reductions for athletic field permits should be limited to youth tournaments and events only. Youth programs must be based in the City of Mitchell and primarily serve Mitchell residents. The permit-holder is responsible for the damage deposit and any athletic field light fees.

C. Requests for Co-Sponsorships of Non-Governmental Entities. The City has a limited in-kind budget each year to actively co-sponsor events. Primarily, the City can provide limited staff coordination and technical assistance. Organizations still must fund other associated costs, including, but not limited to, the cost of additional dumpsters, portable toilets, lighting, etc. When evaluating proposals from organizations, the following criteria are used:

(1) The event/program should promote beneficial use of the park, Facility, or program.

(2) The event/program should be free and open to the public.

(3) The event/program should support the City's core recreation programs, mission and goals.

(4) The event/program should demonstrate community pride and involvement.

(5) The event/program should not have a religious or political purpose.

(6) Priority should be given to events/programs that support or positively impact youth.

(7) The sponsoring organization should clearly recognize the City as a co-sponsor (including logo) on all materials and announcements associated with the event or program, subject to the City's prior, written approval of the use of the City logo or trademarks. The City may display its banners at all co-sponsored events.

D. Requests for Co-Sponsorship of Other Governmental Entities

(1) If another governmental entity (i.e. Mitchell School District) is only a supporting sponsor for another outside organization that other outside organization still must apply for City co-sponsorship.

- (2) If another governmental entity or Sister Agency is the primary organizer for a public program or event, generally the City will grant a request to be a co-sponsor. Like sponsorship of outside organizations, the governmental entity or Sister Agency still is responsible for all other costs associated with the program or event.
- (3) The governmental entity or Sister Agency holding the program or event must clearly acknowledge the City as a co-sponsor on all written materials associated with the event, subject to the City's prior, written approval of any use of the City logo or trademarks.

7. Facility Naming General Policies.

- A. Recommendations to Other Bodies. This Policy should be followed in reviewing or preparing the City's official comments or recommendations to State, Federal, and/or intergovernmental boards taking actions regarding geographic names, naming or renaming of Facilities or Streets.
- B. City Request; City Council Consideration. The Mayor, three members of the City Council, or the Mayor may request the naming or renaming of a Facility or a Street. Thereafter, the City Council shall discuss the requested renaming at a public meeting.
- C. Bond-Financed Facilities or Streets. If a bond-financed Facility or Street is proposed or requested to be named or renamed, bond counsel must review and approve the request or proposal before consideration at a City Council meeting.
- D. Public Notice. The City Council shall provide appropriate public notice of any Street or Facility naming actions in conjunction with other agenda items for regularly- scheduled meetings.
- E. Changes to Approved Names. Once a name has been officially approved by the City Council, changes should be strongly resisted.
- F. City Council Discretion. In all cases, the City Council reserves the right to accept or reject any proposal to name or rename a Street or Facility, in its sole discretion.
- G. Mayor Duties. The Mayor, upon approval of the naming or renaming action by the City Council, shall implement names or name changes of Facilities or Streets. The Mayor shall notify those who have submitted the suggestion as well as other appropriate offices and agencies. Upon City Council denial of a name or name change, the Mayor shall notify those who requested the name change.

9. Facility Naming Criteria.

A. For Facilities and Streets Generally. Recognizing that the naming or renaming of a Facility or Street should be approached cautiously with forethought and deliberation, the following criteria are hereby established:

(1) To avoid duplication, confusing similarity or inappropriateness, the City Council, in considering name suggestions, shall review existing Facility and/or Street names, as applicable.

(2) In naming Facilities and Streets, consideration shall be given to geographic location, historical or cultural significance and natural or geological features. In the construction of a Facility, the address designation shall be used until the formal naming of the Facility. Whenever possible, naming shall be made prior to the completion of construction of a Facility or Street.

(3) Facilities and Streets may be named only for a deceased individual or individuals if (i) the individual or individuals has/have enhanced the quality of life within the City and (ii) two years or more has elapsed between the consideration for naming and the time of death of the individual or, in the case of related individuals, two years after the death of one of the individuals. The deceased individual shall have performed outstanding service in one or more of the following categories:

- (a) Maintained involvement in a leadership role in civic organizations that are devoted to community improvement.
- (b) Provided assistance to the underprivileged, economically disadvantaged or physically and/or mentally handicapped.
- (c) Actively promoted and directed community events and activities that have clearly added to the enrichment of the quality and quantity of cultural life within the community.
- (d) Actively promoted and implemented effective programs and activities within the community for the City's youth.
- (e) Actively promoted and implemented effective programs and activities within the community for the City's senior citizens.
- (f) Assumed an active leadership role in developing and implementing programs directed to the improvement of the visual aesthetic appearance of the community at the commercial, public or residential level.
- (g) Assumed an active leadership role in developing programs and Facilities directed toward the improvement of community social and health needs as well as programs directed toward humanitarian purposes.

B. Additional Criteria Applicable to Streets. In considering the renaming or naming of a Street, the City Council shall consider the following:

(1) Street names, plats, specific sites and places and natural features indicated on general usage maps for 50 years or more (age criteria applied by the National Register of Historic Places) should be changed only under exceptional circumstances.

Street names shall not be similar in spelling or pronunciation to a presently-existing major collector or arterial road in the Phoenix Metropolitan area.

No Street shall be named by number only according to the street numbering grid (i.e. 150th Street) unless the Street follows a straight north-south alignment.

(2) Attention should be paid to maintaining sequential, numerical and alphabetical naming patterns when considering any Street name changes or additions. All Streets shall be named and numbered consistently with the County-wide street numbering system and no such name or change of name shall take effect until (a) the affected public safety agencies have been notified and (b) all impacted public safety dispatch maps have been amended. Any extensions of presently-existing Streets within or into the City shall bear the same name as the existing roadway. No Street name shall contain a homonym.

(3) New Streets shall be named according to the following guidelines:

(a) In most cases, the Street name will be proposed by the property owner, reviewed by the City staff and approved by the City Council as part of its consideration of a final plat for a development within the City.

(b) If an unnamed private Street is dedicated to the City, the name may be suggested by the property owners thereon, but the City Council shall make the final determination.

(4) No Street shall be renamed unless:

(a) The new Street name is not one already well-known in the Mitchell area.

(b) There are no (or very few) buildings or other addressed Facilities presently existing along the Street.

(c) The new Street name will not be confused with other existing Streets in the City.

(d) The new Street name shall not be the same as a specific living person within the Mitchell area.

C. Historical Reference. Changes of names for Facilities or Streets should be approved only when they do not violate historical or common usage names. Facilities and Streets may be named after research reveals that the area around the Facility or Street has been commonly, yet unofficially, named by the residents in the area.

D. Donor Naming. Facilities and Streets may be permanently named for an individual (alive or deceased), organization, or business if that individual, organization or business has made a

donation of money, land or other goods and/or services to the City equal to at least half the full cost of the Facility or Street, either for purposes of developing a particular Facility or Street or for the City 's Capital Fund. Such arrangements will be called "Permanent Naming." Permanent Naming proposals that are not in accordance with Section 4 of this Policy shall not be considered.