

NAMING RIGHTS POLICY
Adopted 11/28/06

I. PURPOSE

- A. The City of San Angelo City Council establishes the following Naming Rights Policy to provide guidance in approving sponsorships for City owned, leased or controlled sports or entertainment related properties or facilities and recognizing financial contributions by any individual or entity. The aim of this policy is to create an environment for entering into Naming Rights Agreements with third parties where such Agreements are mutually beneficial to both parties in a manner that is consistent with all applicable policies set by the City of San Angelo. The purpose of this Policy and related procedures as outlined is to:
 - 1. uphold the City's stewardship role to safeguard the City's assets and interests;
 - 2. provide employees and interested parties with guidelines and procedures based on best practices; and
 - 3. protect the City from risk
- B. This policy provides an enabling environment for the City to enter into agreements within set guidelines and procedures for the purpose of optimizing non-tax revenue sources. Under the conditions of this policy, City staff may solicit such agreements.
- C. The City shall not relinquish to the sponsor any aspect of the City's right to manage and control the City's assets or facilities except as detailed in certain Lease Agreements for specific City property or facility.

II. SCOPE

- A. This policy applies to all City owned, leased or controlled properties and facilities which are used for sports or entertainment venues.
- B. This policy does not apply to:
 - 1. Independent foundations or registered charitable organizations from which the City may receive benefit.
 - 2. Philanthropic contributions, grants or unsolicited donations in which no benefits are granted to the naming right holder and where no business relationship exists.
 - 3. Funding obtained from other government sectors through formal grant programs.

III. DEFINITIONS

- A. "Sponsorship" shall mean a mutually beneficial business arrangement between the City and a third party who provides cash and/or in-kind services to the City in return for access to the commercial and/or marketing potential associated with the City. Sponsorships may include sponsorship of one or more of the City's properties or facilities.
- B. "Sponsor" shall mean a third party that enters into a sponsorship agreement with the City.
- C. "In-Kind Sponsorship" shall mean a sponsorship received in the form of goods and/or services rather than cash.
- D. "Request for Sponsorship" shall mean an open and competitive process whereby third parties may express their interest in participating in sponsorship opportunities with the City. Requests for Sponsorship should include a summary of the sponsorship opportunity, benefits for participation, and a description of the open and competitive procedure for expressing interest in participating in sponsorship opportunities.
- E. "Naming Rights" shall mean a type of sponsorship in which a third party purchases the exclusive right to property or a facility as described in Section III (G). The naming of a component of property (e.g. bench in a park) or a facility (e.g. specific room in a building) is not considered to be naming rights for the purposes of this policy. Sponsorship naming rights are considered in the commercial context only, where the naming right is sold or exchanged for significant cash or other revenue support. This

arrangement must be documented in an agreement signed by the interested parties and shall have a specified end date to the contractual obligations.

- F. "Naming Rights Agreement" shall mean a mutually beneficial, contractual agreement that reflects the business arrangement for the exchange of commercial and/or marketing benefits between the City and a third party for a specified period of time. Such agreement shall be a written contract evidencing the right to name or re-name City owned, leased or controlled property or facility that contains terms acceptable to the City. In most cases, indemnification and termination clauses would be required as part of the agreement. All such agreements are to be reviewed by the City Attorney prior to finalization to ensure that the City's legal interests are protected.
- G. "City Property or Facility" shall mean City owned, leased or controlled real property, public facilities such as buildings or parks, features or attributes of a facility such as a ball field, concession area, fountain or other public venue.

IV. RESTRICTIONS

- A. In general, the following industries and products are not eligible for sponsorships with the City of San Angelo: police-regulated businesses; faith-based and political organizations; companies whose business is substantially derived from the sale of alcohol, tobacco, firearms or adult use. Sponsorships by sponsors that fall into one of the above stated categories shall be subject to review and approval by the City Council.
- B. The City shall reject advertising related to the sponsorships addressed in this policy that does not comply with the standards set forth in this policy. All full advertising graphic designs must be submitted in sufficient detail to determine content and final general appearance to the City Manager or his/her designee for review and approval before application. The approval process for advertising design shall not exceed ten (10) business days from time of submittal.
- C. The following standards for advertising are adopted and will not be displayed:
 - 1. Is false, misleading or deceptive
 - 2. Relates to an illegal activity
 - 3. Is explicit sexual material, obscene material, or material harmful to minors
 - 4. Advertises alcohol , tobacco or firearm products
 - 5. Includes language which is obscene, vulgar, profane or offensive to accepted standards of decency
 - 6. Relates to instruments, devices, items, products or paraphernalia that are designed for use in connection with illegal or sexual activities
 - 7. Depicts violence and/or anti-social behavior

V. POLICY

Sponsorships will not result in any loss of City jurisdiction or authority.

VI. SPONSORSHIP CATEGORIES

- A. Type A: City Owned or Controlled Sponsorship: Sponsorship of City owned, operated and controlled property or facility.
- B. Type B: Sponsorship of City owned property or facility leased to a third party under separate agreement.

VII. PROCEDURES AND AUTHORITY

- A. The Request for Sponsorship (RFS) will be developed by the responsible Service Area Director or his/her designee and forwarded to the City Manager or his/her designee for approval. Upon approval, RFS must be publicly noticed for a minimum of ten (10) business days prior to any designated closing date of submission of proposals. Public notice shall consist, at a minimum, of posting on the City's website.

- B. All sponsorship requests must be submitted in writing to the City Manager or his/her designee using the *Sponsorship Project Form* included as Exhibit A of this policy in response to an approved Request for Sponsorship (RFS).
- C. Procedures are as follows for all sponsorships categories addressed in Section VI:
 - 1. Negotiations shall be conducted by designated contact as defined on the RFS. Negotiations may commence after the designated closing date for submission of proposals. If no closing date has been designated, negotiations may commence after the RFS has been publicly noticed for a minimum of ten (10) business days.
 - 2. Upon completion of negotiations, *Sponsorship Project Form* shall be forwarded to the City Attorney for development of a Naming Rights Agreement.
 - 3. All sponsorships, regardless of value, are subject to approval by the City Council.
 - 4. If not approved at any stage of approval process, *Sponsorship Project Form* shall be returned to designated sponsor with explanation for non-approval.
- D. All approved Naming Rights Agreements must include:
 - 1. Signatures by authorized representatives of the City and the sponsor or in the case of Type B Sponsorships, agreements shall include the signature of an authorized representative of the Lessee. Authorized representatives of the City shall be the Mayor of the City Council.
 - 2. Term of the agreement, including provisions for termination.
 - 3. Details of exchange of benefits, including what will be provided to the City or Lessee by the sponsor and what will be provided by the City or Lessee to the sponsor. In the case of Type B Sponsorships, details will also include a 25% royalty fee for naming rights assigned to the leased property. It is understood that the remaining 75% shall be used by the Lessee for the upkeep and maintenance of the leased property and all improvements located thereon for the term of the related Lease Agreement. The City Council is authorized to waive the 25% royalty fee on a case-by-case basis.
- E. A report summarizing approved Naming Rights Agreements shall be forwarded to the City Council at least quarterly and filed with the City Clerk for placement in the Council's official records.
- F. Solicitation and negotiation of naming rights will be conducted by City staff that are specifically designated by the City Manager or his/her designee. The City Manager is responsible for ensuring that such staff understand the requirements of this policy and that they are provided with appropriate guidance and/or training related to sponsorship practices. All City Naming Right Agreements will be negotiated in good faith and represent the City in a professional manner.

Sponsorship Request Form
(For Use in Application of City Property/Facility Naming Rights)



Description/Location of City Property/Facility: _____

Applicant's Name: _____

Applicant's Address: _____

Applicant's Telephone Number: _____ E-Mail Address: _____

Proposed Sponsorship Name: _____

Proposed Sponsorship Fee: _____ Term: _____

I _____, representative of the above named applicant, hereby acknowledge that I have read the City of San Angelo Naming Rights Policy and that the proposed sponsorship submitted meets the criteria outlined in said Policy.¹

(Signature)

(Date)

(Printed Name)

¹ Sponsorship Requests are subject to review by the City Manager or his/her designee and final approval by the City of San Angelo City Council