

**City of Phoenix
Parks and Recreation Board Policy**

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| Number 3.11 | Sponsorship Policy | Adopted:2/25/2021 |
| | | Revised: |

1.0 PURPOSE

This policy and its guidelines and procedures are intended to guide the Parks and Recreation staff and any partner organization responsible for engaging in sponsorship activities in public parks and preserves.

2.0 BACKGROUND

The City of Phoenix and its residents pride themselves on their extensive park and recreation system. Now, financial and in-kind support is even more critical as the investment needed to sustain and expand parks, facilities, and programs continues to increase. Like other Park and Recreation Departments across the nation, the Phoenix Parks and Recreation Department (Department) is pursuing more sophisticated business partnerships, in the form of event, program, project, and facility/amenity sponsorships. These mutually beneficial business agreements provide an important marketing venue for partners and an opportunity for them to align themselves with the Department's public mission. In turn, the City can build new and exciting programs and places while sustaining the Phoenix Parks system.

Note: This policy does not apply to Margaret T. Hance Park. Hance Park sponsorships are guided by Parks and Recreation Board (Board) Policy 2.10, Hance Park Sponsorship Policy.

3.0 DEFINITIONS

3.1 Sponsorship. Sponsorship is financial or in-kind support from a for-profit or non-profit entity for a specific program, event, project, or site, and for a specific period of time, in exchange for tangible and intangible benefits to the sponsor. For the sponsor that can include but is not limited to:

- a) marketing opportunities (product promotion and temporary advertising) on City property,
- b) authorization by the Department for the business to promote its investment with the Department, and association with Department programs, and
- c) name association ("name title") for an event or program. Sponsorship is a negotiated business agreement between the sponsor and the Department.

3.1.1 Any naming rights must comply with Parks and Recreation Board Policy 3.3, Park Naming

3.2 Gift/Donation. Any donation must comply with the Parks and Recreation Board Policy on Donations. A gift or donation is a freely given donation of goods, cash, or real property to the Department, with no expectation of return or "condition" to the gift. Gifts may be designed for a specific purpose or may be general in nature. Recognition for donations is determined by the City.

3.3 Advertising. Advertising is the physical signage created by the sponsoring entity (usually placed in designated, purchased space) to promote a product. Advertising generally is not allowed in designated flatland parks, mountain preserves, natural areas, outside recreation facilities, or outside other park buildings. The permanent placement of a corporate logo, brand, or product placement in a public park or facility is considered advertising and not allowed unless approved by the Board.

3.4 Temporary Advertising. Temporary advertising is the temporary display of corporate logos, branding, or advertising copy at a Department approved event or on collateral materials associated with an event or program.

3.5 Events. Events are one-time activities for the public organized or facilitated by the Department and held on City property that generally last less than a week.

3.6 Projects. Projects are one-time Departmental efforts, often with a physical improvement project as the result.

3.7 Programs. Programs are on-going, organized activities led by the Department for the public and generally involve staff supervision.

3.8 Sites. Sites are specific places, varying in scale from individual features or areas within a park or recreation center.

3.9 Marketing benefits. These are opportunities given to the sponsor to have their branding, their products, their name and logo given temporary visibility on City property or materials. The details of those opportunities are specific to each sponsorship, detailed in the agreement, and must meet City laws and Departmental policies.

4.0 SPONSORSHIP CATEGORIES

4.1 Sponsorships are appropriate for four broad types of Department activities and places:

4.1.1 Event Sponsorship. Event sponsorship is the financial or in-kind support for a Department organized event on City property. An event includes a one-time occasion and usually lasts less than a week. Sponsors may be recognized with anything relating to the event. Depending upon the details of the agreement, the sponsor's

name may be directly associated with the event (e.g. "title" sponsorship) and the sponsor may have a variety of temporary advertising and marketing opportunities.

4.1.2. Project sponsorship. Project sponsorship is financial or in-kind support of a specific Department project which is usually a one-time effort and results in a physical improvement. Projects may vary in size and scope such as a sponsorship of a piece of skate park equipment or a multi-million corporate sponsorship for a playground or community center. Depending upon the details of the agreement, the sponsor's name and logo could be attached directly to the product along with other marketing opportunities.

4.1.3 Program Sponsorship. Program sponsorship is financial or in-kind support of a Department led program for the public. A program includes a series of on-going activities (e.g., youth sports leagues, after-school programs, or special interest classes) organized by the Department. Recognition of the sponsor may continue throughout and after the program's duration. Depending upon the details of the agreement, a sponsor's name can be associated directly with the program.

4.1.4 Site Sponsorship. Site sponsorship is financial or in-kind operating support of a specific Department place or feature (e.g. a community garden, dog park, a new playground). Marketing opportunities and recognition of the sponsorship are negotiated in the agreement.

Note: A sponsorship may fall into more than one category. For example, the AARP Fit Lot sponsorship resulted in a physical facility (Fit Lot) and programming.

4.2 This policy also impacts several partner relationships:

4.2.1 Community sports teams. These sponsorship policies do not apply to teams and leagues that often solicit their own sponsorship and enter into private agreements. However, written approval must be obtained from the Department for any public display within parks and recreation facilities of private sponsorships (e.g. banners, flags, signs), except for team uniforms.

4.2.2 Concessionaires. Some City facilities are operated by private Concessionaires such as golf course food and beverage areas, sports complex fixed concessions, etc. As private entities, these Concessionaires are permitted to obtain corporate sponsorships as they relate to their operation. However, any marketing materials displayed outside of the physical boundary of the Concession site but within a park must be approved by the Department.

4.2.3 Non-profit partners/Cultural Institutions. Associated park conservancies, foundations, and non-profit organizations are under long term agreements to provide services in specific parks (e.g. Phoenix Zoo, Desert Botanical Garden, Japanese Friendship Garden, Tovrea-Carraro Society, Grant Park Barrio Youth Project Corporation). The level of management responsibility by the group for the specific park is detailed in each individual agreement with the City. Most of these groups will be implementing their own sponsorship, gift, and naming efforts. These individualized plans must meet Departmental and City policies.

5.0 GUIDELINES FOR ACCEPTING SPONSORSHIPS

5.1 A sponsorship is an opportunity to enhance parks and recreation services as long as the sponsorships are consistent with City and Department policies and regulations; respect the aesthetic of public spaces; and reaffirm the Department's mission and core services. In considering any proposal for sponsorship of a Department activity or place by a sponsor, the following guidelines should be considered individually and collectively:

5.1.1 The Sponsor's products, services, and marketing goals are compatible with the Department's mission, values, and policies, and with City policies, laws, rules, and regulations.

5.1.2 The proposed sponsorship enhances current priorities, programs, and core services of the Department.

5.1.3 The conditions of the sponsorship (especially in terms of marketing benefits and temporary advertising) shall not compromise the design standards, visual integrity of the parks and recreation facilities, or the experience of park users.

5.1.4 The sponsorship shall not commit the Department to additional operating and maintenance responsibilities and costs, unless approved by the Director.

5.1.5 The Parks and Recreation Director (Director) or designee has concluded that the tangible and in-tangible benefits are balanced for both the sponsor and the Department.

5.1.6 The sponsorship does not create any conflict of interest for the Department or City.

5.1.7 The Sponsor must be in good financial standing with any previous sponsorships with the City or the Department.

5.1.8 Any costs associated with the sponsorship shall be borne by the sponsor, unless otherwise approved by the Director or designee.

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

5.2 The following industries and products are not eligible for sponsorships: companies whose business is substantially derived from the sale of alcohol, tobacco, firearms or pornography; sexually oriented businesses; religious and political organizations; and may only be eligible for sponsorship with written authorization from the Director.

6.0 SPONSORSHIP DEVELOPMENT PROCEDURES

6.1 The details of any sponsorship with a cash or in-kind value of more than \$5000, are contained in the Sponsorship Proposal which must accompany each request for sponsorship and be submitted to the Director or designee.

6.1.1 This Proposal shall include the contract relationship; the proposed term; description benefits to the sponsor and the Department, any naming rights requested, proposed fees, commissions, and/or in-kind services provided to the Department.

- a) The value of the sponsorship should have a direct relationship with the sponsorship's term. No sponsorship shall have a term of more than twenty-five (25) years. A general guideline would be one (1) year of sponsorship for every \$1000 of cash or documented in-kind value.

6.2 The Department will review all sponsorship proposals and will make a recommendation to the Director whether to proceed with the development of a Sponsorship Agreement (attached). All such proposals will be reviewed and decided within 30 business days of submittal.

6.2.1 The Sponsorship Agreement will include the contract relationship; the term; description of fees, commissions, and/or in-kind services provided to the Department; the marketing rights and benefits provided to the sponsor; and termination provisions. All contractual language will be consistent with applicable City policies and ordinances and good business practices.

6.2.2 For all sponsorships, the Department will negotiate and develop the Sponsorship Agreement. The Director or designee must obtain Board approval before the sponsorship may be executed.

6.3 The Sponsorship Agreements are managed and tracked by the Parks and Recreation Department/Management Services Division.

7.0 NAMING RIGHTS, SIGNAGE AND RECOGNITION

7.1 Only project sponsorships that meet or exceed the cost of all design, construction, installation, permitting, any other direct or indirect costs associated with the project will be considered for naming recognition under this Policy.

7.1.1 The Sponsor shall agree to bear all costs associated with naming including but not limited to signage, displays, labeling and shall, from time to time, in the judgment of

the Department, agree to fund major maintenance or replacement of the sponsor recognition during the term of the Sponsor agreement.

7.2 Naming recognition applies only to the project and is never to be applied to the name of the park. All policies related to park naming are contained in Board Policy 3.3, Park Naming. The Sponsor shall have the right to recommend any naming recognition, to the Director, who shall have the authority to grant approval in accordance with Parks Board Naming policy. All proceeds and other monetary benefits received from any sponsorship shall be deposited into the Parks Donation Account or another appropriate account as determined by the Director or designee.

7.2.1 The Parks and Recreation Director, upon approval of a sponsor naming, will notify the Parks and Recreation Board, City Council and City Manager's designee.

7.2.2 These naming recognition rights, as defined in 7.1 and 7.2 shall operate as set forth in the contract terms of the Sponsorship Agreement.

7.2.3 Upon expiration of the term of the Sponsorship Agreement without extension or amendment, such naming rights shall then be transferred to the Parks and Recreation Board.

7.3 The sponsor name given to the Park component or area shall not include any reference to any proper geographic name unless such reference is to "Phoenix" or the "City of Phoenix". The City reserves the right to require renaming if a named corporation or organization, ceases to exist or if a named corporation, organization, or individual is conclusively linked to a felony conviction.

7.4 All designs and displays in connection with naming rights will be approved by the Director in consultation with any appropriate park designer, architect or landscape architect involved in project management of the sponsored project.

7.5 Sponsors are not permitted to use any City Mark, the use of which is governed by the Phoenix City Council, including but not limited to the seal, municipal flag, municipal standard, municipal pennant, and municipal badge of the City.

7.5.1 Prior written approval to use the City's marks must be obtained from the Parks and Recreation Director, which shall not be unreasonably withheld.

SPONSORSHIP AGREEMENT

This Agreement is made on the _____ day of _____, 20____, between City of Phoenix Parks and Recreation Board (Board) and its Parks and Recreation Department (Department) and _____ (Sponsor).

RECITALS

The Sponsor is engaged in the business referred to in Item 3 of Attachment A, hereafter referred to as the "Schedule" (Description of Sponsor's Business Activities) and, at the request of the Department, has agreed to provide the Sponsorship set out in Item 4 of the Schedule (Details of Sponsorship), subject to the terms and conditions of this Agreement.

IT IS AGREED as follows:

1. TERM

- 1.1 The term of the Sponsorship shall be for the period set out in Item 4(c) of the Schedule (Term of Sponsorship), unless otherwise extended or terminated in accordance with this Agreement.

2. SPONSORSHIP FEE/PRODUCT

- 2.1 In consideration of the grant of Sponsorship Rights under this Agreement, the Sponsor shall pay and/or provide to the Department, for the term of this Agreement, the sponsorship fee and/or product(s) referred to in Item 4(b) of the Schedule (Sponsorship Fee/Product) at the times and in the manner referred to in that Item.
- 2.2 The Sponsorship Fee/Product shall be the entire amount payable or provided to the Department under this Agreement.
- 2.3 The Department shall only use the Sponsorship Fee/Product for the sponsored activity referred to in Item 4(a) of the Schedule (Sponsored Activity) in a manner consistent with the reasons referred to in Item 4(a) of the Schedule (Sponsorship Rationale).
- 2.4 Should the Sponsorship Fee/Product not be fully used on the Sponsored Activity; the Department shall immediately notify the Sponsor of the balance of the unused Sponsorship Fee/Product and shall comply with the Sponsor's directions concerning the use of the unused Sponsorship Fee/Product.

3. SPONSORSHIP RIGHTS

- 3.1 The Department grants to the Sponsor the non-exclusive sponsorship rights set out in Item 5 of the Schedule (Rights of Sponsor) for the term of this Agreement.
- 3.2 All advertising and promotional material produced, published, broadcast, displayed or exhibited by the Sponsor under Item 5 of the Schedule (Rights of Sponsor) shall first be approved by the City of Phoenix Parks and Recreation Director or designee.

- 3.3 The Department shall, whenever the Sponsored Activity is publicized, acknowledge the Sponsor in accordance with the recognition rights specified in Item 6 of the Schedule (Recognition of Sponsor).

4. USE OF SPONSOR'S NAME AND/OR LOGO

- 4.1 All advertising and promotional material produced, published, broadcast, displayed or exhibited by the Department in respect to the Sponsored Activity shall acknowledge the Sponsor in a manner agreed to by both parties.
- 4.2 The Department shall immediately, on the termination or expiration of this Agreement, cease to use or otherwise refer to the Sponsor's name and/or logo except to the extent otherwise authorized by law or agreement.

5. USE OF THE CITY'S NAME AND/OR LOGO

- 5.1 All advertising and promotional material produced, published, broadcast, displayed or exhibited by the Sponsor in respect of the Sponsored Activity shall acknowledge the Phoenix Parks and Recreation Department, in a manner agreed to by all parties.
- 5.2 The Sponsor shall immediately, upon the termination or expiration of this Agreement, cease to use or otherwise refer to any and all of the City of Phoenix/Phoenix Parks and Recreation Department name(s) and/or logo(s) in any manner that could imply that the Sponsorship under this Agreement is still in effect.

6. INDEMNIFICATION

- 6.1 The Sponsorship Fee is a donation to help fund the design and construction of the Sponsored Activity as described in Attachment A, Item 4(a). Sponsor's role is limited strictly to the donation of funds. The City is the owner of the Park, and it or its contractors will be responsible for the design, construction, and maintenance of the Sponsored Activity. The City will indemnify and hold harmless Sponsor from any and all losses, liabilities, claims, actions, fees, and expenses, including those for personal injury, death, negligence, or property damage arising under, out of or in connection with the design, construction, maintenance, or use of the Sponsored Activity.

7. BREACH AND TERMINATION

- 7.1 If either party breaches any of the terms and conditions of this Agreement and fails to rectify such default in accordance with a written notice by the non-defaulting party within fourteen (14) days after the date of such notice, the non-defaulting party may terminate the Agreement at any time thereafter.
- 7.2 The Department may terminate the Agreement immediately if any of the following events occur:

- (a) The Sponsor is wound up or dissolved, becomes insolvent or enters into an agreement with its creditors, or if a receiver, manager or liquidator is appointed in respect of the Sponsor.
 - (b) The Sponsor's business operations or the business or activities of any associated company are contrary to any City of Phoenix policy(ies).
 - (c) The Department determines that for whatever reason it should no longer use the Sponsorship Fee/Product or be associated with the Sponsor.
- 7.3 If this Agreement is terminated, the Sponsor shall not be required to pay any unpaid installments of the Sponsorship Fee/Product.
- 7.4 The expiration or termination of this Agreement shall not prevent either party from taking action to enforce a term or condition of this Agreement in respect of any breach occurring prior to such expiration or termination.

8. NOTICES

- 8.1 Unless otherwise directed in writing, notices, reports, and payments shall be delivered to the Department at the following address:

Parks and Recreation Director
Phoenix Parks and Recreation Department
200 W. Washington St, 16th Floor
Phoenix, AZ 85003

and to the Sponsor at the address and e-mail address referred to in Item 2 of the Schedule (Address of Sponsor).

- 8.2 A notice forwarded by e-mail shall be deemed to be received by the addressee when recorded by read receipt.

9. AMENDMENTS TO AGREEMENT

- 9.1 Any amendment to this Agreement shall only be valid if the amendment is in writing and signed by both parties.

10. ASSIGNMENT

- 10.1 Neither party shall transfer, change or purport to assign, transfer or change this Agreement or any of its rights or obligations without the prior written consent of the other party, which shall not be unreasonably withheld.

11. CHARITABLE CONTRIBUTION

- 11.1 Board will reasonably cooperate with Sponsor to document Sponsor's charitable contribution as may be required for federal or state income and property tax purposes.

12. GOVERNING LAW

- 12.1 This Agreement shall be governed by and construed under the laws of the State of Arizona, excluding its choice of law principles. Any litigation arising out of this Agreement shall be commenced and maintained in a court of competent jurisdiction sitting in Maricopa County, Arizona.

13. ENTIRE AGREEMENT

- 13.1 This Agreement constitutes the entire agreement of the parties and shall supersede any prior or contemporaneous agreements or negotiations, whether written or oral, between the parties, regarding the subject matter herein.

EXECUTED by the parties on the date first written above.

ON BEHALF OF PHOENIX PARKS AND RECREATION BOARD

Parks and Recreation Director

Date

SPONSOR

(insert company name)

Printed Name

Title

Signature

Date

APPROVED AS TO FORM

ATTEST

Acting City Attorney

City Clerk

ATTACHMENT A - SCHEDULE

1. NAME OF SPONSOR

(Insert name of company or name of individual.)

2. ADDRESS OF SPONSOR

(If a corporate sponsor, insert address and e-mail of its registered office.)

3. DESCRIPTION OF SPONSOR'S BUSINESS ACTIVITIES

(Insert brief description.)

4. DETAILS OF SPONSORSHIP

(a) Sponsored Activity

(Insert brief description.)

Sponsorship Rationale

(Insert brief description.)

(b) Sponsorship Fee

(If money is payable, insert details of amount, installment schedule, etc.)

Sponsorship Product

(If goods are being supplied, insert description.)

(c) Term of Sponsorship

(date) to (date)

5. RIGHTS OF SPONSOR

(For example, the Sponsor is permitted to exhibit/promote their products.)

6. RECOGNITION OF SPONSOR

(For example, the Sponsor's name or logo is displayed at Hance Park by Phoenix Parks and Recreation. Include detail of recognition – where, size, term, etc.)