

Date: September 5, 2018

To: Mayor and City Commissioners

From: Suzette Sibble, Assistant City Manager



Via: Greg Harrison, City Manager

Re: Request for Approval of City of Pompano Beach Sponsorship Policy

In April 2017, the City issued a solicitation (RFP No. L-28-17), *Development & Implementation of a Citywide Corporate Marketing & Sponsorship Program*. The selection committee selected The Superlative Group, Inc. (Superlative) to serve as the City's partner in exploring this initiative, a national firm that has been working on similar initiatives for over twenty (20) years, specifically specializing in working with municipalities and other local governments. The City Commission subsequently approved, on July 11, 2017, a Phase 1 contract with Superlative, which encompassed the following scope of services:

1. Development of a Marketing Asset Inventory and Valuation report, including an estimate of the potential sponsorship financial value (**See Exhibit B**);
2. Development of a proposed Comprehensive Sponsorship Policy (**See Exhibit A**); and
3. Development of a Strategic Plan for Marketing Assets, inclusive of a detailed plan to maximize the corporate sponsorship potential for the City (**See Exhibit B**).

A major deliverable, to lay the foundation for the City's consideration to continue with a relationship with Superlative (Note: an agenda item is being presented on the September 11, 2018 agenda for the City Commission's consideration of a Phase 2 contract with Superlative) or for the City to independently consider other sponsorship opportunities in the future, was the development of a Sponsorship Policy (the "policy") for the City Commission's consideration. This policy would set forth the standards, guidelines and approval criteria for solicitation, consideration and acceptance of sponsorships. This policy is designed to protect the mission, image and values of the City, to protect the image and value of its facilities and services, to protect the City from risk and to uphold the City's stewardship role to safeguard City assets and interests. The policy states that no sponsorship shall be approved that will compromise or damage the public trust or conflict with or compromise the City's reputation, mission, image, values or aesthetic interests. As such, the policy explicitly precludes sponsorship relationships that the City deems to be unsuitable for a specific audience or contrary to the community standards of appropriateness for a facility or service, including the following subject matters:

- i. Alcoholic beverages, and establishments that are licensed to sell and primarily do sell alcoholic beverages, including bars; provided, however, that food service establishments

or places of lodging may be authorized as sponsors only when the sale of alcohol is incidental to providing food service or lodging. Limited sponsorships that include alcohol pouring rights may be considered for events or facilities at which alcoholic beverages are sold.

- ii. Tobacco products.
- iii. Promotion of firearms and ammunition.
- iv. Medical marijuana products and services.
- v. Political and policy issues, candidates and campaigns.
- vi. Profanity, obscenity and hate speech.
- vii. Promotion or depictions that demean or disparage an individual or group of individuals on the basis of race, color, religion, national origin, ancestry, gender identity or expression, pregnancy, age, disability, ethnicity or sexual orientation.
- viii. Sexually oriented businesses, products, activities, or materials.
- ix. Persons, organizations or matters dealing with issues involving race, religion, ethnicity or sexual orientation.
- x. Depiction in any form of illegal products, activities or materials or the promotion or encouragement or the appearance to promote or encourage, or appear to promote or encourage, unlawful or illegal goods or services.
- xi. Religious entities.
- xii. Any message that may adversely impact the mission, image and values and goals of the City.

Of utmost importance, as outlined in the proposed policy, is the requirement that the City Commission must approve all sponsorship agreements. What this means, is that should City staff identify a potential sponsorship opportunity, it would first be vetted with the City Manager and then ultimately presented to the City Commission for consideration, should it be determined that bringing forth an item for the City Commission's consideration would be in the best interest of the City.

Staff recommends approval of the proposed Sponsorship Policy. It should be noted that in June 2018, the City Commission unanimously approved the City's updated Strategic Plan, which included action steps necessary to bring forth this initiative. This initiative falls within the City's Strategic Plan objective to provide ***Quality and Affordable City Services***. Staff's goal is to pursue alternative revenue sources to reduce its reliance on property taxes (reduce tax burden for our residents) or to replace any lost revenue sources due to legislative mandates, in order to maintain or increase service levels for our residents. Past and future potential legislative mandates from the State of Florida have demonstrated that it is even more imperative than ever that the City look at innovative ways of subsidizing or replacing its traditional funding streams. Over the past five (5) years, the Florida legislature has either passed or considered the following:

- Set specific parameters for millage rate increases
- Eliminating or reducing business tax receipts – City receives \$2.1 million/year
- Elimination of towing franchise fees – City receives \$190,000/year
- Reduction in the allocation of communication service taxes to local governments –City receives \$5 million/year

- Mandating the use of certain mortality tables for pension obligation calculations - \$4 million impact to the City in 2018
- Additional Homestead Exemptions — \$1.4 million impact
- Eliminating or reducing the tax deductibility of interest on local government obligations (tax exempt debt). Did not move forward in the past.

Many of the issues that did not pass this year or in the past will likely be debated during next year's session.