

# City of Pompano Beach Sponsorship Policy

## Purpose and Scope of Policy

Pompano Beach, Florida ("The City") will seek sponsors that further the City's mission by providing monetary or in-kind support for the City in a manner that respects the spirit of the City's property and services. The public's trust, including the public's perception of the City's fairness and impartiality, and the City's reputation (sometimes collectively referred to as 'public trust'), may be damaged by sponsorships that are aesthetically displeasing, politically oriented, inconsistent with the City's public mission and core services, or otherwise inappropriate for, or offensive to, the audience or segments of its citizenry. The City permits certain sponsorship of certain property, facilities, events, activities, programs and services (collectively 'facilities and services') in limited circumstances. The City exercises sole discretion over who is eligible to become a sponsor according to the terms of this policy.

Whenever possible, sponsorships should be linked to a specific facility or service. The City will neither seek nor accept sponsors that manufacture or provide services or products or take positions inconsistent with local, state or federal law or with City ordinances, policies or positions.. The establishment of a sponsorship does not constitute an endorsement by the City of the sponsor, its organization, products or services.

This policy sets 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. 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.

This policy is also designed to manage certain risks as follows:

- o Ensure an open and fair public process for soliciting and considering sponsorship opportunities;
- o Provide the City with full and final decision making authority on any sponsorship opportunity, thus protecting its integrity and the integrity of its facilities and services;
- o Allow eligible outside entities interested in sponsorship opportunities ('potential sponsors') to easily view and understand the various sponsorship opportunities available;
- o Help potential sponsors, City staff and the public to better understand the procedures for sponsorship.

## Definition of Sponsorship

'*Sponsorship*' is financial or in-kind support from an outside person or entity, including other governmental or quasi-governmental organizations, (collectively "outside entity") to associate outside entity's name, logo, products or services with a City facility or program. Sponsorship is a business relationship in which the City and the outside entity exchange goods, and/or financial remuneration for the public display of an agreed-upon sponsorship recognition message.

### City Discretion and Approval Authority

The City possesses sole and final decision-making authority for determining the appropriateness of a sponsorship. All sponsorship opportunities must be approved by the City Commission and as such, the City shall not be obligated as to any sponsorship opportunity unless first approved by the City Commission via resolution. The City has and reserves the right to refuse any offer of sponsorship. All offers of sponsorship will be reviewed in accordance with this policy.

Unless other provisions are made in a standard procedure or contract with an outside independent contractor, each department director may initially receive offers of sponsorship for eligible facilities and services of his or her department. Each department director should also determine, for offers that might involve exclusivity, whether there are active or potential sponsorships in the same category and identify such other sponsorships. All sponsorship opportunities should be presented to the City Manager or his designee for consideration, in accordance with this policy. The City Manager or his designee will then make a determination as to whether a Sponsorship Agreement will be presented to the City Commission for consideration.

### Responsibility of Sponsorship Approval:

All offers of sponsorship, regardless of length of term or value of consideration, shall be ultimately approved by the City Commission.

### Public Access to Sponsorship Opportunities

Public access to information about sponsorship opportunities is important:

- i. to create an open and fair process and to protect against disputes related to sponsorships that are category exclusive;
- ii. to market available sponsorship opportunities in an open and efficient manner allowing both the potential sponsor and the City to negotiate efficiently; and
- iii. To ensure an open and fair process with transparency to the public.

Unless other provisions are made by standard procedure, each department with sponsorship opportunities should endeavor to make information about potential sponsorship opportunities available through the City's website and other appropriate means.

### Criteria for Attracting/Review of Sponsors and Offers of Sponsorship

The City recognizes and confirms that entering into a sponsorship agreement is not an endorsement of that sponsor or its services or products, though sponsorships do imply some affiliation between the City and the sponsor. As discussed in the Purpose and Scope of Policy, such perceived affiliation can affect the public trust and the City's ability to govern equitably, efficiently and effectively. Therefore, no potential sponsor and no offer of sponsorship will be approved that might compromise the public trust or the public's perception of the City's ability to act in the public interest, that might create a conflict of interest for the City and/or the Sponsor, or that the City deems might have a negative impact on its mission, image or values. The City also intends to preserve its right and discretion to exercise full editorial control over the placement, content, appearance, and wording of all sponsorship recognition messages. The City may make distinctions on the appropriateness of sponsors on the basis of the sponsorship recognition message but not on the potential sponsor's viewpoint.

Potential sponsors shall not be businesses associated with products the City considers immoral, lascivious, obscene, indecent, in bad taste or in violation of the community standards of decency.

## Restricted Sponsorships

For purposes of clarity, Sponsorships and outside entities that the City deems to be unsuitable for the specific audience or contrary to the community standards of appropriateness for a facility or service, are prohibited, 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.

Every sponsorship offer shall also be evaluated by taking into consideration the personalities and characteristics of the average attendee of each facility or service proposed for sponsorship and the mission, values, and image of the City.

The following criteria shall be considered in evaluating any potential sponsorship or sponsorship offer:

- i. The extent and prominence of the sponsorship recognition message.
- ii. The aesthetic characteristics of the sponsorship recognition message.
- iii. The importance of the sponsorship to the mission, values and image of the City.
- iv. The level of support proposed to be provided by the sponsor.
- v. The cooperation necessary and degree of support from City departments to implement the sponsorship.
- vi. The nature of the facility or location of the proposed sponsorship benefits, including, but not limited to the age and background of the persons normally utilizing the facility and its services.
- vii. The value of the resources that is provided to the City in fulfilling its overall mission.
- viii. Other factors that might affect or undermine the public trust or public confidence in the City's impartiality or interfere with the efficient delivery of City services or operations, including, but not limited to, the existence of, or possibility for, conflicts of interest between the sponsor and City officers, employees, or City affiliates; the potential for the sponsorship to tarnish the City's reputation or standing among its citizens, or the potential to otherwise impair the ability of City to govern its citizens and employees in accordance with its mission.

## Suitable Sponsorship Activities/Message Formats

Generally used forms of branding and signage including, but not limited to, those set forth below, are generally consistent with this policy:

- o Building and/or facility naming rights, as approved by the City;

- o Field and portions of building naming rights, in accordance with this policy;
- o Signage including:
  - o Fencing fabric and/or fence signage
  - o Light pole and building banners
  - o Certain interior walls
  - o Scoreboards
- o PA audio and visual messages
- o Inclusion on printed materials of the City
- o Inclusion on City maintained facility web-pages
- o Inclusion on bulletin boards
- o Inclusion on information kiosks
- o Inclusion in or on a facility or service marketing and promotional materials, items, and messages (including electronic messages, new media and other forms of communication that may arise in the future)

#### Permissible Recognition Messages

Sponsorship recognition messages may identify the sponsor or product, including the use of sponsor or product logos and marks, but should not promote or endorse the sponsor or its products or services. Except as otherwise permitted herein, statements that advocate, contain price information or an indication of associated savings or value, request a response or contain comparative or qualitative descriptions of products, services, or organizations will not be accepted.

Other proposed forms of sponsorship recognition messages, and other signage will be considered on a case by case basis, consistent with this policy.

#### Sponsorship Agreement

Upon approval of an offer of sponsorship, the sponsor and City shall enter into a Sponsorship Agreement, subject to City Commission approval. A standard procedure should set forth a standard form and other matters related to sponsorship, such as a rate chart, 'sponsorship activation' checklist and schedule.

The City will not make any statements that directly or indirectly advocate or endorse a sponsor, their products, or services.

No materials or communications, including –but not limited to – print, video, internet, broadcast, or display items developed to promote or communicate the sponsorship using City's name, marks, or logo, may be issued without prior approval from the City Commission, as part of the Sponsorship Agreement.

Sample content of such a sponsorship agreement and the benefits for potential sponsorship are attached to this Policy as Appendix A.

## Appendix A – Sample Sponsorship Term Sheet

As the nature of any Naming Rights agreement will differ, the Terms of each sponsorship opportunity must be refined to the specifics of the program. A template term sheet will help to ensure consistency of format and increase the ability to monitor addition/removal of important clauses. The following provides an overview of some of the important elements that one would expect the template to include:

### Benefit Specifications

This section of the Agreement sets out the specifications of proposed signage and other exposure entitlements. Pompano Beach representatives will work with the Naming Sponsor to develop the design of signage which includes the Naming Sponsor name designation or logo. A summary of the proposed benefits is provided below. These should be discussed and agreed with the target Naming Rights partner and developed as a detailed Schedule to the Naming Rights agreement.

### Signage Exposure

- Sponsor ID on External Signage at <Facility> Entry
- Sponsor ID on External <Facility> Signage
- Sponsor ID on Internal Sponsorship Signage
- Sponsor ID on <Facility> Scoreboard/Field Signage
- Sponsor ID on Site Directional Signage
- Sponsor ID on Highway/Roadway Directional Signage to <Facility>

### Sponsor ID in Additional Marketing Materials

- Sponsor ID included in all Printed/Published Materials
- Sponsor ID on tickets, schedules and staff uniforms

### Online Exposure

- Sponsor ID on City of Pompano Beach websites
- Sponsor ID on City of Pompano Beach Facebook, Twitter and other social media

### Licenses to Use Trademarks and Service Marks

- a. Subject to the terms of the Agreement and so long as the Naming Sponsor is not in breach of any term or condition hereof, City may grant the Sponsor non-exclusive and royalty-free right to use trademarks/service marks/logos. Any and all materials produced by the Sponsor using City marks and/or logos would be submitted to the City for review and prior approval, which approval shall not be unreasonably withheld or delayed.
- b. All rights of approval of the use of a trademark, service mark, logo or other identification of a party (the "Marks") should be a continuing right so that any party may later object to the use of Marks that had

been previously approved should circumstances change or other reasons arise that, in the reasonable judgment of the party objecting, make continued use potentially damaging to reputation or image of the Marks or to the objecting party.

- c. All uses of Marks by a party shall inure to the benefit of the party granting the license in their own marks and not the licensee. No licensee should make any claim of ownership or other interest in any Mark licensed to them hereunder.

#### Artwork and Media Costs; Installation and Replacement Costs

- a. **Artwork and Media Costs.** The Naming Sponsor should bear the costs of the design and production of the initial signage. In the event the Sponsor determines it is necessary to engage a third party to assist in developing the artwork and media, the Sponsor will bear the third party's fees and other costs.
- b. **Schematics of Signage.** In order for the Sponsor to develop the artwork and media associated with the facility, the City should provide the Naming Sponsor with the schematics of the facility upon execution of the Agreement.
- c. **Installation.** The City should install, at the cost of the Naming Sponsor, any signage developed by the Naming Sponsor pursuant to this Agreement.
- d. **Replacement.** The Naming Sponsor should bear all costs of replacement or repair of the signage.

#### Payment of the Sponsor Fee

In return for the rights granted above, the Naming Sponsor will pay to the City of Pompano Beach:

- (i) a fee in the amount of [x] Thousand/million Dollars (\$[x]) being due within fourteen (14) days after execution of this agreement; and
- (ii) [x] annual fee payments of [x] Thousand/Million Dollars (\$[x]) due and owing by [date] in each consecutive year, collectively, the "The Sponsor Fee." The total sum of The Sponsor Fees is [x] Thousand/Million Dollars (\$[x]) over the course of the Initial Term, which is defined below.

(The Superlative Group recommends inclusion of "Step Up" clauses which would be invoked if/when subsequent expansion phases are completed at facilities resulting in a significant increase in facility space and attendance.)

#### Term

The Term of this Agreement shall be for [x] years commencing on [date] and ending on [date] ("Term"). The City of Pompano Beach agrees that the Naming Sponsor shall have the sole and exclusive option to renew this Agreement, under terms acceptable to the City, at the end of the Term. The Initial Term and any subsequent renewals are collectively referred to as the "Term."

#### Termination

##### **Termination for Breach**

The Agreement will state the initial term and timescales to exercise the option to extend under the same conditions as the original agreement. Termination would be invoked under the following examples:

- i. Breach of a material term or condition of the Contract (30 day notification period);
- ii. The City ceases to operate the Departments/Facilities for any reason;
- iii. If any governmental agency enacts or adopts any law, ordinance regulation or rule restricting or prohibiting the use of branding or certain sponsorship signage on City property;
- iv. Other – as agreed with City of Pompano Beach.

If the contract is terminated by the City in accordance with (i) – (iv) above, City of Pompano Beach may have to reimburse the Contractor for the pro rata received Contract Amount for the term.

The notice of material breach or default should set out the act or omission giving rise to a breach of the Agreement and should specify in detail what is reasonably expected of the breaching party in order to cure the breach. If an alleged breach is a matter of dispute, the parties would attempt to resolve it under the terms of the Dispute Resolution Process Identified below.

#### **Effect of Termination**

Upon termination or expiration of the Agreement:

- i. All rights to use the signage cease and City of Pompano Beach should remove all signage from facilities and other instances where the City had been using signage or brand recognition prior to the termination; and
- ii. All licenses granted in the Agreement would terminate.

#### **Dispute Resolution Process**

- a. The Parties acknowledge that the establishment and operation of the affiliation would require an ongoing commitment by all parties to cooperate and make best efforts. Accordingly, the parties seek to resolve any disputes regarding the Agreement or any other terms of the Agreement. Any party may at any time issue a notice that a dispute exists if such Party believes that another Party has caused a material breach of the Agreement, or a situation or circumstance exists which frustrates, in a material manner, the achievement of the objectives of the Agreement. Such notice would start a process of Progressive Dispute Resolution which would involve a good faith attempt to resolve the dispute for a period not to exceed one hundred twenty (120) days.
- b. The agreement of the Parties to these Progressive Dispute Resolution procedures is for the benefit of the Parties and is not intended to create any legal, equitable, or beneficial interest in any third party or to vest in any third party any interest with respect to the enforcement of performance of these procedures.
- c. The provisions of this clause would survive any termination, amendment or expiration of this Agreement unless all the parties hereto otherwise expressly agree in writing.

The agreement would also include provisions in relation to the following points:

- Warranties;
- Indemnities;
- Insurance coverage;
- Severability; and
- Governing Law.

The specific terms of the agreement would be drafted and negotiated with the sponsorship partner as part of the City of Pompano Beach sponsorship sales program.