



City of Riverside

City Council Memorandum

HONORABLE MAYOR AND CITY COUNCIL

DATE: October 8, 2002

ITEM NO: 20

SUBJECT: CITY COUNCIL POLICY ON SPONSORSHIPS

BACKGROUND:

The City is often asked to provide support, both in-kind and financial, to assist organizations bring to fruition special events, programs, or projects that provide a benefit to the general public. Such sponsorship activity may range from financial support for the Orange Blossom Festival to police services for the Ramona High School Parade.

The City firmly believes that sponsorship activity serves to enhance a City's character and quality of life. Special events and programs encourage community identity and pride and promote the city as a desirable place to live and do business in. However, although in full recognition of the unique role special events play in the life of a city, staff has cause for concern over the increase in the number of requests and associated costs of such support. At times, confusion arises over what the city ought to sponsor or ought not to sponsor due to the lack of clearly defined criteria for such support. Conversely, applicants seeking sponsorship support are unaware of the process and duties incumbent upon them to provide the kind of information the City needs to be accountable for the expenditure of public funds.

With both budgetary considerations and accountability concerns in mind, on September 23, 2002, staff brought forth a draft City Council Policy on Sponsorships for Finance Committee review. The draft City Council Policy on Sponsorships sets forth criteria and guidelines for governing the granting of City of Riverside funds or in-kind services for local festivals, special events, community projects or programs. The Policy delineates a set of reporting requirements that will enable the City to better perform cost-benefit analyses and assess whether the program is meeting the criteria set forth in the Policy.

The draft City Council Policy on Sponsorships also seeks to address the various concerns and interests of all city departments, most notably Public Utilities and Development, whose goals and objectives, as well as requirements, often differ from the requirements considered when granting General Fund resources toward sponsorship activity. For example, the City has often not been interested in sponsoring an event or program with General Fund monies, but Public Utilities or the Development Department have felt such sponsorship beneficial to meet their goals. One example of a specific instance might be an event where significant communication of public benefit programs to electric customers could occur.

Public Utilities is required by state law to operate and promote specific programs and often utilizes community events to promote these programs, usually energy conservation and low-income assistance. Sponsorship activities are also often initiated by the city for strategic marketing purposes, such as tables at business expos, to promote business attraction, expansion, and retention in the City. Viewed more as a marketing activity, this kind of sponsorship does not fall under the purview of this Policy, nor do events or programs put on by city departments as part of their everyday mode of doing business.

A draft City Council Policy on Sponsorships is attached to this report for your review (see Exhibit A). Highlights include: Purpose of the Policy; Goals and Objectives; General Requirements, Eligibility Criteria, and Conditions; Application/Award Process, and Reporting Requirements. Similar policies from other jurisdictions, such as Los Angeles, Santa Barbara, San Diego, and Pasadena, were examined during the construction of this draft policy.

FISCAL IMPACT:

There is no fiscal impact associated with approval of the City Council Policy on Sponsorships. The granting of funds toward sponsorship activity will be approved during the adoption of the Annual Budget.

ALTERNATIVES:

The City Council could choose to modify this draft City Council Policy on Sponsorships or forego enacting any such Policy.

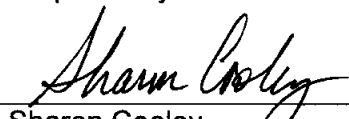
STAFF RECOMMENDATION:

That the City Council approve the City Council Policy on Sponsorships.

FINANCE COMMITTEE RECOMMENDATION:

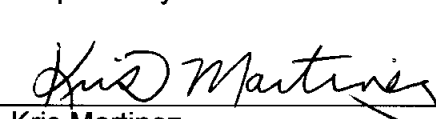
With all members present at its September 23 meeting, the Finance Committee recommended that the City Council approve the City Council Policy on Sponsorships.

Prepared By:



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Prepared By:



Kris Martinez
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Approved by:



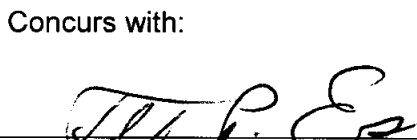
George A. Carvalho
City Manager

Concurs with:



James Smith, Jr.
Management and Budget Director

Concurs with:



Thomas P. Evans
Interim Assistant City Manager
Public Utilities Director

Concurs with:



Frank Schiavone
Finance Committee Chair



City Council Policy on Sponsorships

I. Purpose of the Policy

The purpose of this sponsorship policy is to set forth guidelines and criteria governing the granting of City of Riverside funds or in-kind services for the purpose of supporting local festivals, special events, community projects or programs. Although the City makes a concerted attempt to limit the amount of General Fund monies expended toward such sponsorship activity, the City recognizes that sponsorships play an important role in supporting our community to market and promote the products and services of the Riverside Public Utilities (RPU), as well as to promote the tourism and economic development efforts of the City. For this reason, certain criteria and application requirements may slightly differ for organizations applying for sponsorships from Riverside Public Utilities. It should also be noted that the City Council Policy on Sponsorships does not apply to sponsorship activities *initiated* by the city for strategic marketing purposes to promote business attraction, expansion, and retention.

II. Goals and Objectives

Sponsorship of funds or in-kind services (includes, but is not limited to, contributions of staff, equipment or other services, booth participation, utility bill insertion, bottled water* or promotional items) will be considered for special events, community projects or programs designed to accomplish one or more of the following goals and objectives:

- *Promote the City of Riverside as a desirable place to live, visit and do business in.*
- *Promote the City of Riverside as a visitor destination and/or bring tourism-associated revenue to the City.*
- *Enhance the quality of life and well-being of the citizenry.*
- *Advance the City's commitment to and pride in being a multicultural community.*
- *Encourage the development of neighborhood identity and pride.*
- *Promote cultural and artistic awareness among the citizenry.*

Additionally, applicants to Riverside Public Utilities for sponsorship of special events, community projects or programs must further the City's goals and objectives in one or more of the following areas:

- *Customer Education and Information:* Increases customer awareness through community involvement to educate and inform them of the department's electric and water low rates, supply and reliability, current energy and water issues, customer services, safety, research and development projects, renewable energy resources, conservation measures, incentive programs, and other utility related efforts.
- *Customer Relations/Communications/Branding:* Strengthens the department's ties and support of its residential and business customers as well as legislative members within our community by building better customer relations, communications and branding of our locally controlled public power and water utility, and the benefits it provides to the community.

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- *Public Benefit Programs:* Promotes one or more of the department's energy programs on conservation, low-income assistance, renewable resources, or research and development that offer incentives or education to all of our customers in the city of Riverside.
- *Water Programs:* Promotes the department's programs on water conservation, water quality and system reliability offering incentives or education on how to save money and precious resources to all of our customers in the city of Riverside.
- *School Educational Programs:* Educates students and their parents about our local customer-owned utility, energy and water related issues, programs and career opportunities.
- *Economic Development:* Communicates the department's ability of providing low rates, reliable service, incentive programs and assistance to encourage significant expansion of existing businesses and attract new businesses to the city of Riverside for the benefit of enhancing electric sales, local jobs and the economic health of the community.

The granting of City funds or in-kind support is evaluated according to the effectiveness and impact the particular special event, community project or program has on the community-at-large. Special attention is paid to sponsorships that promote the attractiveness of the City as a place to visit and/or live, celebrate the heritage of the City and its environs, and/or enrich the character and quality of life of its citizens. It is not the intention of the City to be a title sponsor or single top contributor to any community event.

III. General Requirements, Eligibility Criteria and Conditions

The applicant for sponsorship of funds or in-kind services for special events, community projects or programs must meet all of the following requirements, eligibility criteria, and conditions:

1. The applicant shall be a registered non-profit corporation or organization with tax exempt status.
2. The special event, community project or program supports the aforementioned goals and objectives.
3. Event and promotion must take place within the city of Riverside limits. Some limited exceptions will be made. *Reason(s) for not holding the proposed event or promotion in the City of Riverside must be stated on the application. Exemption from this requirement will be provided on a case-by-case basis and will favor activity promoting the City of Riverside as a desirable place to live, visit and do business in.*
4. The recipient of funds or in-kind services shall provide recognition as a sponsor in exchange for the City's funds or in-kind services in a method consistent with other sponsors. In no event shall the recognition for the department's funds or in-kind services be less than that provided to other sponsors who have contributed the same total financial or in-kind support.
5. The non-profit corporation must be ready, willing and able to enter a contractual agreement for sponsorship with the City and provide a certificate of liability insurance or proof of self-insurance, if applicable.
6. The non-profit corporation will comply with the City's Special Events Ordinance (Municipal Code, Chapter 2.28), if applicable, wherein standards and procedures for the issuance of special events permits are set forth.

7. The purpose of the special event, community project or program is not organized around political or religious themes, but serves as a benefit to the City of Riverside community as a whole.
8. The non-profit corporation will not discriminate on the grounds of race, religious creed, color, national origin, ancestry, age, physical disability, mental disability, medical condition including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex or sexual orientation. Further, the organization must agree to conform to the requirements of the Americans with Disabilities Act.
9. All the application requirements under this policy have been followed.

IV. Application/Award Process

1. An application for sponsorship is required for all organizations requesting city funding or in-kind services from the City of Riverside. Applications and approval for sponsorship are administered by the Office of Management and Budget, with the exception of organizations seeking sponsorship by Riverside Public Utilities. The receipt of city funding from more than one city funding source, including the City Arts Grants Program administered through the Riverside Arts Council, is typically discouraged. All targeted funding sources must be listed on the application, as well as all the levels of sponsorship/recognition opportunities from \$50, if available, and above. Funding allocation may be adjusted if additional funds are obtained from other city departments.
2. Applications for sponsorship are due on or before December 1 in the year prior to the fiscal year for which funding is sought (e.g., December 1, 2002 for funding to be used toward an event, program, or project occurring between July 1, 2003 and June 31, 2004). One application will be accepted per organization per fiscal year. Some limited exceptions may be made.
3. Approval for any sponsorship is not guaranteed, and is subject to the availability of funds or in-kind services. The City Manager will make the recommendation for funding to the City Council for consideration and approval through the Annual Budget process. Budget adoption will signal the approval of funding.

If funds set aside for sponsorships are still unprogrammed after budget adoption, applications will be accepted for consideration on a first-come basis until funds have been exhausted. The City Manager, or his or her designee, will have approval authority in accordance with Administrative Manual Policy Number II-5.

4. Organizations must apply each year according to the City's application requirements for funds or in-kind services, unless a multi-year sponsorship agreement is executed. With certain exceptions for start-up programs it is not the intention of the City to be a continuing title sponsor or single top contributor for any special event, community project or program.
5. All applications will be reviewed and evaluated according to the sponsorship guidelines stated herein or the organization's ability to advance the City's goals and objectives and meet all the criteria. Special attention is given to the number of city of Riverside customers reached, the direct feedback received from customers as a result of participation, and the ability to enrich the character and quality of life of its customers. Additionally, the value of the Riverside Public

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Utilities' presence versus another electric or water provider will be a consideration for granting funding or in-kind services by Riverside Public Utilities. Prior year performance and demonstrated fiscal responsibility will also be considered in the decision.

6. Sponsorships in the form of in-kind police services shall be provided at the amount approved in the budget process, regardless as to whether the Chief of Police, or his or her designee, requires an alteration to the Security Plan to provide greater security measures. Police services required up and above the granted amount shall be covered at the applicant's expense and in accordance with Special Events Ordinance (Municipal Code, Chapter 2.28).
7. For sponsorship consideration, an application must be sent to one of the following:
 - a. City of Riverside, Office of Management and Budget, Attn: Sponsorships, 3900 Main Street, Riverside, California 92522
 - b. City of Riverside, Riverside Public Utilities, Attn: Sponsorships, 3900 Main Street, Riverside, California 92522

**Bottled water from the Riverside Public Utilities is also available for purchase at cost. Upon approval of purpose, the requesting agency may purchase bottled water with Riverside Public Utilities label at cost with proceeds benefiting the approved cause. Contributions to other city departments for bottled water will be made as deemed appropriate by Riverside Public Utilities and may exceed the donation limit of 10 cases.*

V. Reporting Requirements

The City of Riverside is accountable to the citizens it serves for ensuring appropriate use of funds and in-kind services. In an effort to ensure appropriate quality control of funds and in-kinds services and monitor the non-profit organization's intended outcomes are achieved, the City may conduct site visits and attend the sponsored events.

Additionally, the following documents are required upon completion of the event or at the end of the grant period:

1. Final Narrative Report is required no later than forty-five days after the closing of the special event, community project or program. The Report shall be submitted on the form provided by the City.
2. Financial Report is required upon submittal of the Final Narrative Report. The Report is a detailed financial statement on revenues generated and expenditures.
3. Promotional Materials (fliers, posters, programs, etc.) distributed in marketing the special event, community project or program are also required with the submittal of the Final Narrative Report.

City Funding for Organizational Support and Special Events

Name of Organization	GL KEY	Dept	2002/03 Approved	2002/03 CDBG
Social/Youth Program Support				
Alternatives to Domestic Violence	3100000	PD	20,000	40,000
City/Co Child Care Consortium	5205000	PR	20,000	
Helpline Program--Volunteer Center	1130000	CM	30,000	
National Youth Sports Program	5205000	PR	20,000	
Operation Safehouse	3100000	PD	20,000	6,450
Rape Crisis Center	3100000	PD	20,000	
University Eastside Community Collaborative	5200000	PR	50,000	
Youth Action Office	5205000	PR	25,000	
Youth Action Office	5205000	PR/CM	20,197	
Youth Service Center	1130000	CM	20,000	12,000
Subtotal			245,197	58,450
				303,647
Promotion and Marketing				
Chambers of Commerce: Special Projects	7220000	ND	5,000	
Chambers of Commerce: Small business development	2815000	DV	24,669	
Chambers of Commerce: Business/Community Support	6020000	PU	25,000	
Community Calendar (COC)	7220000	ND	5,000	
KRCB: KRCB Program	7220000	ND	61,461	101,850
KRCB: Tree Project	7220000	ND	12,744	
KRCB: Riverside against Taggers	7220000	ND	15,885	
Mission Inn Foundation	7220100	ND	37,900	
Mission Inn Foundation: collections inventory	7220000	ND	32,000	
Riverside Community On-Line	7220000	ND	40,000	
Visitor Center (EHI)	7220100	ND	55,200	
Subtotal			314,859	101,850
				416,709
Riverside Arts				
Riverside Arts Council	7230000	ND	94,285	
City Arts Grants (thru RAC)	7230000	ND	140,000	
Subtotal			234,285	0

City Funding for Organizational Support and Special Events

Name of Organization	GL KEY	Dept	2002/03 Approved	2002/03 CDBG
Festivals and Special Events				
4th of July (2 sites)	3125000	PD	6,500	
Airshow	3125000	PD	6,500	
Black History Month (2 events)	3125000	PD	3,800	
Black History Month (general oper)	1130000	CM	5,000	
Cinco de Mayo (2 events)	3125000	PD	3,200	
Cinco de Mayo (general oper)	1130000	CM	5,000	
Festival of Lights	3125000	PD	1,500	
Festival of Lights	7220000	DV/ND	7,500	
Festival of Lights	6020000	PU	15,000	
Lester Oaks Parade	3125000	PD	1,800	
Mock Trial Program	7240000	ND	1,800	
North HS Homecoming Parade	3125000	PD	300	
Orange Blossom Festival: general support	7220100	ND	40,000	
Orange Blossom Festival: Policing costs	9729810	PD	50,000	
Orange Blossom Festival: Public Utilities	6020000	PU	35,000	
Poly HS Homecoming Parade	3125000	PD	250	
Ramona HS Parade	3125000	PD	300	
Riverside Comm. Flower Show	7240000	ND	2,667	
Riverside International Film Festival	7220100	ND	5,000	
Riverside Wednesday Night	6020000	PU	20,000	
Riverside Wednesday Night	2800000	DV	16,000	
Unprogrammed Funds	6020*	PU	180,000	
Unspecified Police OT	3125000	PD	7,050	
Villegas Park Festival	3125000	PD	3,300	
Subtotal			417,467	0
Sub Total General Fund:			920,808	
Grand Total:			1,211,808	160,300
Total City Funds:				1,372,108