

City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: JULY 26, 2016**
FROM: CITY MANAGER'S OFFICE **WARDS: ALL**
SUBJECT: CITY SPONSORSHIP PROGRAM UPDATE AND REVISIONS

ISSUE:

Receive an update and approve the process revisions to the City's Sponsorship Program.

RECOMMENDATIONS:

That the City Council receive an update and approve the process revisions to the City's Sponsorship Program.

COMMITTEE RECOMMENDATION:

The Governmental Affairs Committee met on May 6, 2016, with Chair Melendrez, Member Davis and Councilmember Soubious substituting for Vice Chair Gardner, to receive an update and provide direction for any changes to the City's Sponsorship Program.

Following discussion, the Committee unanimously recommended process changes to the City's Sponsorship Program to include:

1. Organizations demonstrate that they have raised the required in-kind/cash threshold at the time the City issues the sponsorship check (as opposed to providing the information prior to submission of application);
2. All recipients must complete a Post-Event report (Attached) including documentation of the event funding;
3. If applicable, Post-Event reports will also explain how the Riverside Public Utilities sponsorship benefited the rate payer; and
4. A review the City's Sponsorship Program will return to the Governmental Committee in November 2017.

BACKGROUND:

The following are highlights of the most recent actions related to City Sponsorships:

On **November 16, 2015**, the Governmental Affairs Committee met to receive information on the City's Sponsorship program and provide direction regarding desired changes to the program. Direction was provided to staff to respond to requests for additional information and explore several potential changes to the program and report back to the Committee in February 2016.

On **March 2, 2016**, the Governmental Affairs Committee met to receive a presentation and discuss the City's Sponsorship Policy, with a request for staff to return with revisions at the May 4, 2016, Governmental Affairs Committee meeting.

DISCUSSION

Conflict of Interest Rule:

City staff members that volunteer with, or have an immediate family member who is part of an organization that requests sponsorship from the City shall not be allowed to participate in any way during the application process related to the request and shall be recused from said process. If this staff member is authorized to recommend or approve any dollar amount in the application process, the Conflict of Interest rule would provide that the request must be moved up a level, i.e. to the department head, the City Manager's Office, or Board of Public Utilities or City Council as appropriate.

Effective immediately upon adoption by the City Council.

Effective Date for all other Policy Changes:

The implementation of all other policy changes shall begin with the following funding cycle. The funding cycle for the first round of sponsorship funding for fiscal year (FY) 2016/17 started in March 2016. Policy changes, other than the Conflict of Interest, are to be implemented as of the second round for FY 2016/17, the spring cycle with the application deadline of January 31, 2017.

Award Approvals:

The Development Committee shall continue to receive the twice a year recommendations for sponsorship awards. The Development Committee will forward recommendations to the City Council on the Consent Calendar for approval.

Sponsorship Approval Levels:

The sponsorships approval authority was refined and updated after the meeting to recommend removing the authority of a Division Manager and list the amount up to \$10,000 be approved by the City Manager or designee. The revisions to the approval levels are reflected below:

Amount	Approval Levels
Up to \$10,000	Approved by the Director, City Manager or Designee
\$10,000 to \$25,000	Approved by the Board (if applicable), Committee, and City Manager
\$25,000 and Above	Approved by the Board (if applicable), Committee, City Manager and City Council

Fundraising:

All applying organizations are to demonstrate, prior to receipt of the City's sponsorship payment, that they have raised in-kind and/or cash donations of least 10%, 20% or 30% of the sponsorship value the City will be providing to the organization.

Sponsorship Value to be Received from the City	Donations Raised
\$1 - \$9,999	30%
\$10,000 - \$39,999	20%
\$40,000 and more	10%

Post Event Report:

The sponsorship application will include a commitment from sponsorship recipients to complete a post-event report on the number of attendees, how the sponsorship was utilized and how the event benefited the Riverside community. The report will include language respective to Proposition 218; and, if funds or in-kind sponsorship was received from Riverside Public Utilities (RPU), the report will include a description of how the sponsorship benefitted RPU's rate payers.

This information will be collected and reported back to Committee and full Council as a preface to the new round of sponsorship applications.

Table Sponsorships:

Departments that choose to support events relevant to their work, including the purchase of tables at various events, shall include those events and number of seats available at the tables on an event calendar that shall be updated quarterly and made available to City Council. Councilmembers will have the option to attend these events as it meets with the demands of their schedules.

Policy Review:

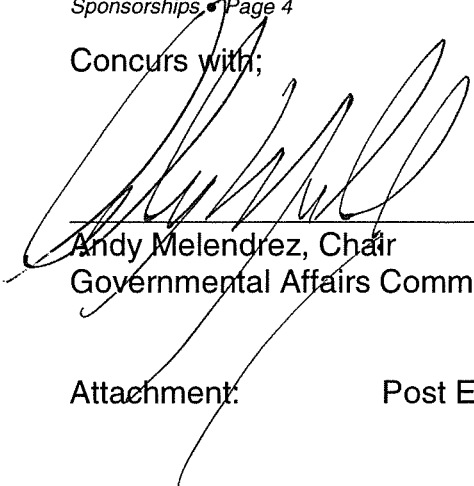
A review of the City's Sponsorship program policies is to be held at the Governmental Affairs Committee in November 2017, with an annual review of the policies thereafter.

FISCAL IMPACT:

The fiscal impact associated with the process revisions are limited to additional staff hours related to the second reports for City Council approval.

Prepared by: Alexander T. Nguyen, Assistant City Manager
 Certified as to
 availability of funds: Scott G. Miller, Interim Finance Director/Treasurer
 Approved by: John A. Russo, City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Concurs with;



Andy Melendrez, Chair
Governmental Affairs Committee

Attachment: Post Event Report