

City of Southlake  
Policies and Procedures

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**Policy:** Sponsorship Policy  
**Source:** City Council  
**Category:** Community Services Department

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I. Purpose

The purpose of the policy is to provide specific guidelines for developing and managing sponsorships for City parks, facilities, events, programs and services.

II. Policy Statement

It is the policy of the Southlake Community Services Department to actively pursue sponsorships for City parks, facilities, programs, services, and events from individuals, foundations, corporations, nonprofit organizations, service clubs, and other entities in order to enhance and sustain Southlake's parks and recreation system, community facilities, community programs, community services, and community events. All such sponsorships shall comply with the guidelines established by this policy. The City Council, at its discretion, may grant variances to this policy.

In reciprocation for the sponsorship, it is the policy of the Southlake Community Services Department to provide sponsors appropriate acknowledgement of their contributions. All such recognition must adhere to the aesthetic values established within the Southlake 2030 Parks, Recreation & Open Space / Community Facilities Master Plan, and by the Southlake City Council.

III. Authority

The City will maintain authority, management, operation and control over the planning and execution of sponsorship activities.

IV. Community Services Department Responsibility

The Community Services Department is responsible for marketing City sponsorship opportunities, and for soliciting, negotiating and administering all sponsorships and agreements. Staff approving sponsorship proposals must ensure that all relevant by-laws and policies are adhered to, appropriate consultation and approval authorities are respected, and where applicable that insurance, indemnification, ethical scans, business good standing status, and permits have been obtained. The Department shall abide by the Finance Standard Operating Procedure for sponsorship contributions, as required by the City's Finance Chief Financial Officer, and issue a written acknowledgement of the agreement to each sponsor upon full payment.

**V. Guidelines for Establishing Sponsorship Relationships**

All proposed sponsorship relationships will be considered on an individual, case-by-case basis, and should be consistent with the City's Mission, Values and/or Strategic Plan.

A. The following criterion form the basis of the City's consideration when establishing sponsorship relationships:

1. Is the mission of the sponsor organization consistent with the City's Mission, Values and/or Strategic Plan?
2. Are the products, services and marketing goals of the potential sponsor compatible with the City's Mission, Values, policies and ordinances?
3. Does the sponsorship enhance the City's community facilities, community programs, community events, community services, and/or the parks and recreation system?
4. Are the tangible and intangible benefits balanced for both the sponsor and the City?
5. Are the conditions of the sponsorship consistent with the standards, aesthetic values, and visual integrity of City property and expectations of users?
6. Does the sponsorship commit the City to additional responsibilities, legal liability, operations and maintenance costs?
7. Does the sponsorship create a conflict of interest for the City?
8. Does the sponsorship in any way invoke future consideration, influence, or perceive to influence the day-to-day operations of the City?
9. Is the sponsorship opportunity appropriate to the target audience?
10. Will the results of the sponsorship relationship deliver a positive and desirable image for the City?

B. Additional considerations when establishing sponsorship relationships include:

1. Agreements shall not limit the City's ability to seek other sponsors.
2. The sponsorship cannot be made conditional on the City's performance.
3. There shall be no actual or implied obligation to purchase the product or services of the sponsor.
4. The sponsorship must not result in, or be perceived to result in any competitive advantage, benefit or preferential treatment for the sponsor outside of the sponsorship agreement.

5. The evaluation of the potential sponsor shall include, but not be limited to the individual's or the organization's values and principles; products and services offered; record of environmental stewardship and social responsibility; rationale for its interest in partnering with the City; expectations; and ability, timeliness, and readiness to enter into an agreement.
6. Ineligible sponsorships include, but are not limited to any potential sponsor whose primary products or services are substantially derived from the sale of alcohol, drugs, tobacco, gambling, firearms, sexually explicit or inappropriate materials, or failure to pay a previously committed amount.
7. The City will not solicit nor accept sponsorship from individuals, foundations, corporations, nonprofit organizations, service clubs, or other entities whose reputation could prove detrimental to the city's public image. The City will not allow advertising, either directly or through third party arrangements, which present demeaning or derogatory portrayals of individuals or groups or contain anything, which, in light of generally prevailing community standards, is likely to cause deep or widespread offense. The City may, at its discretion, bring any proposals to City Council for their approval even if they do not meet the guidelines of this Policy. The City Council may also consider any proposal or direct staff to pursue any opportunities for sponsorship that do not strictly adhere to this Policy.

C. The City retains the right to accept or reject any sponsorship submitted for approval. If the proposal is rejected, a notification of refusal will be sent outlining the reasons.

## VI. Types of Sponsorships

Sponsorships are negotiated and tailored to each event, program, facility, or service. A hierarchy of benefits is associated with the different types of sponsorships, often providing more branding and visibility with the higher levels of support. Each type of sponsorship will have specific levels detailing the value of the sponsorship.

### A. Naming Rights Sponsorship

A type of sponsorship in which an individual, foundation, corporation, nonprofit organization, service club, or other entity purchases the exclusive right to name an asset, or venue (i.e., athletic field, sports complex, parks and recreation amenity, or community facility) for a fixed period of time. Usually naming rights are considered in a commercial context, in which the naming right is sold or exchanged for significant cash and/or other considerations under a long-term arrangement. This arrangement is usually documented in a written agreement signed by the interested parties and has a specified end date to the contractual obligations.

The following specific guidelines shall be applied when entering into a naming rights agreement for city-owned, city-operated assets, such as an athletic field, athletic complex, parks and recreation amenity, playground, pavilion, gymnasium or community facility.

1. The proposed naming rights purchaser must support the image, values and corporate objectives of the City of Southlake and the Southlake community.
2. The City shall not relinquish to the purchaser any aspect of the City's right to manage and control the asset or facility.

3. Signage, branding, publicity and advertising shall conform to all applicable City policies, ordinances and plans.
4. Staff will forward a report with recommendations to the City Council regarding the naming rights opportunity.
5. The name should advise the purpose of the facility.
6. The name should consider historical and community significance.
7. The sponsor shall have ongoing responsibilities to adhere to the standards set forth herein and the agreement shall have termination provisions in the event of the failure to comply.
8. Costs for promotion of the renaming of a facility shall be incorporated into the naming rights agreement and not funded in the City's annual operating budget.
9. Names that are similar to existing parks, properties or facilities within the City should not be considered in order to minimize confusion.

#### B. Events, Programs and Services Sponsorships

##### 1. *Title Sponsorship*

A type of sponsorship in which an individual, foundation, corporation, nonprofit organization, service club, or other entity purchases the exclusive right to be named as the Title Sponsor of an event, program or service.

The following guidelines shall be applied when entering into a title sponsorship agreement for City events, programs and services:

- i. Recognition as Title Sponsor for a specific event, program or service
- ii. Mention in media releases and promotional material as Title Sponsor for the event, program or service
- iii. Title Sponsor signage/display at the event or program location for a period not to exceed the length of the event
- iv. Recognition as Title Sponsor on event/program website
- v. Category/product exclusivity for the event, program or service
- vi. Other possible benefits as negotiated

## 2. *Cash Sponsorship*

A type of sponsorship in which an individual, foundation, corporation, nonprofit organization, service club, or other entity provides cash in support of a City event, program or service.

The following guidelines shall be applied when entering into a cash sponsorship agreement for City events, programs and services:

- i. Recognition as a Sponsor for a specific event, program or service
- ii. Appropriate mention in media releases and promotional material as a Sponsor for the event, program or service
- iii. Appropriate Sponsor signage/display at the event or program location for a period not to exceed the length of the event
- iv. Appropriate recognition on event/program website as a Sponsor for the event, program or service
- v. Other possible benefits as negotiated

## 3. *In-Kind Sponsorship*

A type of sponsorship in which an individual, foundation, corporation, nonprofit organization, service club or other entity provides a good or service in exchange for sponsorship recognition of a City event, program or service. There is no monetary exchange within this agreement. Firms agree to provide a good or service in exchange for sponsorship recognition.

The following guidelines shall be applied when entering into an in-kind sponsorship agreement for City events, programs and services:

- i. Recognition as a Sponsor for a specific event, program or service
- ii. Appropriate mention in media releases and promotional material as a Sponsor for the event, program or service
- iii. Appropriate Sponsor signage/display at the event or program location for a period not to exceed the length of the event
- iv. Appropriate recognition on event/program website as a Sponsor for the event, program or service
- v. Other possible benefits as negotiated

VII. Procedures for Establishing Sponsorship Relationships

Sponsorship relationships are established primarily through initiation by the City informally or formally via a Request for Sponsors process, or through initiation by a potential sponsor.

Interested sponsors are encouraged to contact the Community Services Department at any time to discuss potential sponsorship opportunities. A completed Sponsorship application must be submitted along with a letter detailing the specifics of the proposed sponsorship.

Additionally, sponsorship relationships for a specific park, facility, project, program, service or event may be initiated by organizations that the City partners with via Community Services Agreements or Facilities Utilization Agreements; however, they must be turned over to the City for processing and negotiating once initiated. At no time shall the organization speak on behalf of, or negotiate on behalf of the City. A finder's fee equivalent to 10% of the agreement amount may be given to the organization as compensation for their part in initiating the relationship.

VIII. Approvals

A. The City Council will approve all sponsorships related to:

1. Sponsorships that exceed \$50,000; or
2. Naming Rights

B. The City Manager will approve all sponsorships related to:

1. Sponsorships valued between \$10,001-\$49,999; or
2. Service Delivery

provided that City Council approval is not otherwise required.

C. The Director of Community Services will approve all sponsorships related to:

1. Sponsorships valued between \$3,001-\$10,000; and
2. Community Events; and
3. Community Programs; and
4. Parks and Recreation System
5. Agreements that exceed three (3) years in length of term

provided that neither City Council approval nor City Manager approval is not otherwise required.

D. The Community Relations Manager will approve all sponsorships related to:

1. Sponsorships valued up to \$3,000; and
2. Community Events; and
3. Community Programs; and
4. Parks and Recreation System

provided that neither City Council approval, City Manager approval nor Director of Community Services approval is not otherwise required.

- E. If the application is approved, the applicant will be contacted by the Director of Community Services, or his/her designee, to confirm the terms of sponsorship. The Community Services Department will work closely with successful applicants to ensure the sponsorship payment process progresses smoothly.
- F. A Letter of Understanding will be sent to the successful applicant setting out agreed terms, and the process of fulfilling the sponsorship agreement will begin.

IX. Sponsorship Payment

A. Long-Term Agreements (>1 Year):

1. The City requires a 50% deposit of the first annual payment on all long-term agreements. This deposit must be submitted with the signed Sponsorship Agreement.
2. The remaining 50% for year one payment should be paid within thirty (30) days of execution of the agreement.
3. For each year after, 100% of the annual payment should be received on the anniversary date of the establishment of the agreement.

B. Short Term Agreements (<1 Year):

1. The City requires full payment within ten (10) days of the execution of the agreement or prior to the event date, whichever occurs earlier.
2. For an agreement providing sponsorship recognition through media or other marketing medium, the City requires full payment prior to the development of the written materials or mention in an auditory medium.

X. Revenue Allocation

All revenues received from Naming Rights Sponsorships will be deposited into the City's special revenue fund for sponsorships. The City Council, as part of the City's annual budget process will determine how funds collected for Naming Rights sponsorships will be allocated.

All revenues received from Events, Programs and Services Sponsorships will be deposited into the City's special revenue fund for sponsorships. The Community Services Department will utilize funds collected for Events, Programs and Services Sponsorships to offset City Events, Programs and Services expenses as they occur or utilize funds to enhance Events, Programs and Services.

XI. Recognition of Sponsors

Sponsorship recognition messages may identify the sponsor but should not promote or endorse the individual, foundation, corporation, nonprofit organization, service club or its products or services. Statements shall not 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. Ordinarily, only the following content will be deemed appropriate:

- A. Legally recognized name of the sponsor
- B. Sponsor's organizational logo and slogan if it identifies rather than promotes the organization or its products and services
- C. Sponsor's product or service line, described in brief, generic, objective terms - generally, only one product or service line may be identified
- D. Brief contact information for the sponsor's organization, such as phone number, address and/or website, and must be stated in a manner that avoids an implication of urging the reader to action

The City will not make any statements that directly or indirectly advocate or endorse a sponsor's organization, 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 the City of Southlake's name, marks, or logo may be issued without written approval from the Office of Marketing and Communication, or their designees. Submissions must be turned in to allow for a five (5) day approval process.

## XII. Termination of Sponsorships

- A. The City of Southlake reserves the right to accept or reject any sponsorship proposal submitted for approval, and while every intention is to accept and fulfill all sponsorship agreements, the City reserves the right to terminate the agreement at any time if, in the City's sole discretion, continuation of the sponsorship is determined not to be in the best interests of the City. If the City elects to terminate the agreement, any funds, unused materials or services, or other compensation received by the City prior to such termination will be refunded by the City, unless such termination is due to a material breach of the agreement by the sponsor, in which case the City may retain all or a part of the compensation if the City determines that such is necessary to compensate the City for any losses incurred by the City due to such material breach.
- B. The Sponsor reserves the right to withdraw the sponsorship proposal at any time during the approval process.
- C. The Sponsor may also withdraw from the agreement within ten (10) days of execution of the agreement. However, no refund will be given on any funds received by the City prior to receipt of the notification of withdrawal.

<i>Policy Approval:</i>	<i>September 18, 2012</i>	<i>Approved by:</i>	<i>City Council</i>
<i>Revised Policy Approval:</i>	<i>June 6, 2017</i>	<i>Approved by:</i>	<i>City Council</i>