

Bill No. 3734-08

No. 08-08-OR

AN ORDINANCE

An Ordinance amending and supplementing the Allegheny County Code of Ordinances, Division 1, entitled "Administrative Code," through the creation of a new Article 705, entitled "Naming Rights," in order to establish uniform County policies for the disposition of naming rights relative to County property.

WHEREAS, jurisdictions throughout the United States have had varying degrees of success in leveraging revenue and/or in-kind services from the private sector in exchange for placing signage or granting exclusive naming rights for government property to private entities; and

WHEREAS, while there have been discussions regarding offering naming rights for sale within Allegheny County, no formal policies have yet been promulgated; and

WHEREAS, it is the desire of Council to both stimulate consideration of the sale of naming rights for County property and to establish a set of uniform policy guidelines for such sales;

The Council of the County of Allegheny hereby enacts as follows:

SECTION 1.

The Allegheny County Code of Ordinances, Division 1, entitled "Administrative Code," is hereby amended through the creation of a new Article 705, entitled "Naming Rights," and comprised of the following new sections:

Article 705 Naming Rights

§5-705-1. Philanthropic Naming Rights

A. Scope of Policy:

The philanthropic naming rights policy contained within this Section is established to provide guidance in approving philanthropic naming rights for County owned or controlled property or facilities, recognizing financial contributions by any individual or entity. This policy shall not apply to corporate naming rights, which are addressed as provided in the Allegheny County Sponsorship Policy or Honorary Naming Rights Policy.

B. Definitions:

For the purposes of this Section, the following words will have the meaning ascribed to them herein:

1. “civic or charitable group” shall mean a nonprofit entity, family, or group that has made a substantial contribution to the community, either through civic involvement, involvement in historic events relevant to specific County property, or to the geographical location of specific County property; or made a financial and/or in-kind donation to support a specific public service or County property. For-profit entities of any type shall not be considered a civic or charitable group.
2. “individual” shall mean a person who has made a financial and/or in-kind donation to support a specific public service or County property.
3. “honorary naming rights” shall mean the naming of County property to honor the service, commitment, or other type of participation by an individual, or civic or charitable group. Honorary naming rights are addressed as provided in the Allegheny County Honorary Naming Rights Policy.
4. “philanthropic naming rights” shall mean the naming of County property due to a charitable donation from an individual, civic or charitable group, or other entity or organization that is intended to enhance the community by financial and/or in-kind support for a specific public service or County property.
5. “corporate naming rights” shall mean a mutually beneficial business arrangement between the County and an external entity (individual, for-profit, or not-for-profit organization), wherein the external entity provides goods, services, or financial support to the County in return for access to the commercial and/or marketing potential associated with the public display of the external entity’s name on Allegheny County property. Corporate naming rights are addressed as provided in the Allegheny County Sponsorship Policy.
6. “County property” shall mean County owned or controlled real property, public facilities such as buildings or parks, features or attributes of a facility such as a bench, tree, bridge, walkway, hallway or room, or other public venue.

C. Process.

The process to establish philanthropic naming rights for County property shall be as follows:

County departments, boards or agencies may develop philanthropic naming rights opportunity plans, in conjunction with the County Manager or his/her designee, to be implemented as approved by the County Council by resolution. For philanthropic naming rights not covered by an approved naming rights opportunity plan, a philanthropic naming rights plan shall be developed. In developing said plans, or in reviewing nominations for philanthropic naming rights as provided herein, the following criteria shall be complied with:

1. Philanthropic naming rights opportunity plans shall establish an aggregate campaign goal. Factors to be considered in development of the goal shall include, but not be limited to, capital costs, annual operating and maintenance costs, and desirability and marketability of the opportunity. Each campaign goal shall be developed on a case-by-case basis.
2. All assets for which naming opportunities will be offered shall be valued as a function of the aggregate campaign goal within the philanthropic naming rights opportunity plan. Factors to be considered in the valuation of each asset shall include desirability and marketability, exposure associated with the naming of the asset, and relative value as compared with other assets that are part of the campaign.
3. In-kind donations of real property shall be valued at the fair market value of the real property. In-kind donations of personal property shall be valued at 50% of the retail cost of the personal property; provided, however, if the property donated was budgeted for acquisition by the County, the personal property shall be valued at the County's cost to acquire the personal property.
4. All naming rights shall be approved for a specific term, which shall not be longer than the useful life of the property or facility, as determined by the County, unless otherwise established in the naming rights opportunity plan or in a donor contract approved by the County and the donor.
5. Naming rights opportunity plans shall establish a review process either by a standing committee (the composition shall be identified in the plan) or by department employee(s), and shall be approved by the County Council by resolution before implementation of the plan, and specific grants of naming rights under the terms of this section shall be accomplished by ordinance of County Council made in consideration of the review committee's recommendations.
6. The review committee established in the plan shall consider compliance with the established naming rights policy; whether the donation is from a potentially controversial source (e.g. tobacco, alcohol, etc.); appropriate signage; compliance with the required approval process for accepting donations; whether a donor contract is appropriate, and if so, the terms thereof; citizen input; and any other relevant factors.

§5-705.02. Honorary Naming Rights.

A. Scope of Policy.

The honorary naming rights policy contained within this Section is established to provide guidance in approving honorary naming rights for County owned or controlled property or facilities, honoring individuals or civic or charitable groups, as defined herein. This policy shall not apply to corporate naming rights, which are addressed as provided in the Allegheny County Sponsorship Policy or Philanthropic Naming Rights Policy.

B. Definitions.

For the purposes of this Section, the following words will have the meaning ascribed to them herein:

1. “civic or charitable group” shall mean a nonprofit entity, family, or group that has made a substantial contribution to the community, either through civic involvement, involvement in historic events relevant to specific County property, or to the geographical location of specific County property; or made a financial and/or in-kind donation to support a specific public service or County property. For-profit entities of any type shall not be considered a civic or charitable group.
2. “individual” shall mean a person who has made a substantial contribution to the community, either through civic involvement, involvement in historical events relevant to the specific County property, or to the geographical location of specific County property. Such person must have been deceased for a period of five (5) years or more.
3. “honorary naming rights” shall mean the naming of County property to honor the service, commitment, or other type of participation by an individual, or civic or charitable group.
4. “philanthropic naming rights” shall mean the naming of County property due to a charitable donation from an individual, civic or charitable group, or other entity or organization that is intended to enhance the community by financial and/or in-kind support for a specific public service or County property. Philanthropic naming rights are addressed as provided in Pinellas County Philanthropic Naming Rights Policy.
5. “corporate naming rights” shall mean a mutually beneficial business arrangement between the County and an external entity (individual, for-profit, or not-for-profit organization), wherein the external entity provides goods, services, or financial support to the County in return for access to the commercial and/or marketing potential associated with the public display of the external entity’s name on Allegheny County property. Corporate naming rights are addressed as provided in the Allegheny County Sponsorship Policy.

6. "County property" shall mean County owned or controlled real property, public facilities such as buildings or parks, features or attributes of a facility such as a bench, tree, bridge, walkway, hallway or room, or other public venue.

C. Process.

The process to establish honorary naming rights for County property shall be as follows:

Any nomination for honorary naming rights shall be considered as provided in this subsection. Any independently elected County official, citizen, group of citizens, or entity or organization may submit an honorary naming rights proposal to name County property after an individual, civic or charitable group, or other entity or organization. The naming rights proposal shall be in writing and shall be reviewed by the County Manager or his/her designee, and if found to be in compliance with applicable County policies, shall be referred to a naming rights committee established as provided herein, to consider the nomination as follows:

1. The County Manager shall establish an ad hoc honorary naming rights committee ("Committee"), including designating the chair, to review and make a recommendation on the nomination. Existing boards or committees shall be designated whenever possible, i.e., the Councils of Friends, for nominations involving park facilities. If an existing board or committee is not appropriate, the membership of the Committee shall be comprised of representatives from departments, advisory groups, or friends, foundations, or recognized support groups with an interest in the property or facility to be named. The Committee chair shall convene meetings as necessary. The Committee shall complete its review process within 90 days of its establishment and report its recommendation to the County Council, and disband when Commission action is taken to accept or reject the recommendation of the Committee.
2. The Committee shall hold at least one (1) advertised public meeting in the vicinity of the County property or facility to secure public input on the nomination. A Notice of Intent to Consider Honorary Naming of County Property shall be published in a newspaper of general circulation for the noticed public meeting posting. The notice shall indicate the location of the property or facility, any historical significance of the property or facility, and inform the public of the time, date and place of the noticed public meeting.
3. Prior to making a final recommendation, the Committee shall fully investigate the nomination, and shall consider compliance with this policy and any other factor the Committee deems relevant to the nomination.
4. The final recommendation of the Committee shall be for either approval or denial of the nomination. The Committee may also recommend conditions, including the specific term, for the naming rights. A recommendation for approval shall require an affirmative vote of a majority plus one of the total Committee membership.

5. The County Council shall consider the Committee recommendation. The approval of any honorary naming rights nomination shall be by ordinance of the County Council.

§5-705.03. Sponsorship Policy.

A. Purpose.

The aim of this policy is to create an authorized environment for entering into sponsorship agreements with third parties where such sponsorships are mutually beneficial to both parties in a manner that is consistent with all applicable policies set by Allegheny County. The purpose of the policy and procedures as outlined is to:

1. Uphold the County's stewardship role to safeguard the County's assets and interests;
2. Provide employees with guidelines and procedures based on best practices; and
3. Protect Allegheny County from risk.

This policy provides an enabling environment for the County to enter into sponsorship agreements within set guidelines and procedures for the purpose of optimizing non-tax revenue sources. Under the conditions of this policy, the Allegheny County Chief Executive or his designee(s) may solicit such sponsorship agreements. The County shall not relinquish to the sponsor any aspect of the County's right to manage and control the County's assets or facilities. This policy is not applicable to philanthropic contributions, grants, or unsolicited donations in which no benefits are granted to the sponsor and where no business relationship exists.

B. Scope.

1. This policy applies to all County business units, departments and divisions.
2. This policy does not apply to:
 - a. Independent foundations or registered charitable organizations from which the County may receive benefit.
 - b. Philanthropic contributions or unsolicited donations to the County.
 - c. Funding obtained from other orders of government through formal grant programs.
 - d. County sponsorship support of external projects where the County provides funds to an outside organization.
 - e. Third parties who lease County property or hold permits with the County for activities or events.

C. Definitions.

1. “sponsorship” shall mean a mutually beneficial business arrangement between the County and a third party, wherein the third party provides cash and/or in-kind services to the County in return for access to the commercial and/or marketing potential associated with the County. Sponsorships may include sponsorship of one or more of the County’s services, projects, events, facilities or activities.
2. “sponsorship agreement” shall mean a mutually beneficial, contractual agreement that reflects the business arrangement for the exchange of commercial and/or marketing benefits between the County and a third party for a specified period of time.
3. “sponsor” shall mean a third party that enters into a sponsorship agreement with the County.
4. “in-kind sponsorship” shall mean a sponsorship received in the form of goods and/or services rather than cash.
5. “request for sponsorship (RFS)” shall mean an open and competitive process whereby third parties may express their interest in participating in sponsorship opportunities with the County. Requests for sponsorship should include a summary of the sponsorship opportunity, benefits for participation, and a description of the open and competitive procedure for expressing interest in participating in sponsorship opportunities.
6. “naming rights” shall mean a type of sponsorship in which a third party purchases the exclusive right to name a whole asset or venue. The naming of a component of an asset or venue (e.g. – bench in a park, specific room in a building) is not considered to be naming rights for the purposes of this policy and would be categorized as per subsection F (Type 1, 2 or 3). Sponsorship naming rights are considered in the commercial context only, where the naming right is sold or exchanged for significant cash or other revenue support. This arrangement must be documented in an agreement signed by the interested parties and shall have a specified end date to the contractual obligations. This policy shall not apply to honorary and philanthropic naming rights, which are addressed as provided in the Allegheny County Honorary and Philanthropic Naming Rights Policy.
7. “naming rights agreement” shall mean a written contract evidencing the right to name or re-name County-owned facilities or land that contains terms acceptable to the County. Indemnification and termination clauses should be required as part of the agreement. All such agreements are to be reviewed by the County Attorney prior to finalization to ensure that The County’s legal interests are protected. Dates indicating the term of the agreement should be indicated.
8. “philanthropic contribution” shall mean a contribution to Allegheny County from a third party for which there is no reciprocal commercial and/or marketing benefit expected or required from the County. Such contributions are separate and distinct from sponsorship and shall be governed by a separate County policy.

D. Restrictions.

1. In general, the following industries and products are not eligible for sponsorships with Allegheny County: police-regulated businesses; faith-based and political organizations; companies whose business is substantially derived from the sale of alcohol, tobacco, firearms or adult use. Sponsorships by sponsors that fall into one of the above-stated categories shall be subject to review and approval by the County Council.
2. Allegheny County shall reject advertising that does not comply with the standards set forth in this policy. All full advertising graphic designs must be submitted in sufficient detail to determine content and final general appearance to the County Manager or his/her designee for review and approval before application. The approval process for advertising design shall not exceed ten (10) business days from time of submittal.
3. The following standards for advertising are adopted and will not be displayed:
 - a. Is false, misleading or deceptive;
 - b. Relates to an illegal activity;
 - c. Is explicit sexual material, obscene material, or material harmful to minors;
 - d. Advertises Tobacco products;
 - e. Includes Language which is inappropriate for the proposed setting;
 - f. Depicts violence and/ or anti-social behavior.

E. Limitation.

Sponsorships will not result in any loss of Allegheny County jurisdiction or authority.

F. Sponsorship Categories.

1. Type 1: Individual Sponsorship: Sponsorship of an individual Allegheny County event, program or asset. Events, programs or assets shall be limited to those coordinated or managed by a single departmental entity.
2. Type 2: Multiple Sponsorship: Sponsorship of a series of Allegheny County events, programs or assets or sponsorship of an individual event, program or asset coordinated or managed by multiple departmental entities.
3. Type 3: Naming Rights Sponsorship: Any sponsorship that falls into the definition for Naming Rights.

G. Procedures and Authority.

1. All sponsorship projects must be submitted in writing by County department heads to the County Administrator or his/her designee.
2. A Request for Sponsorship (RFS) shall be developed and forwarded to County Manager or his/her designee for approval. Upon approval, RFS must be publicly noticed for a minimum of ten (10) business days prior to any designated closing date for submission of proposals. Public notice shall consist, at a minimum, of posting on the County's web site.
3. All sponsorship proposals must be submitted in writing.
4. All approved sponsorship agreements must include:
 - a. Signatures by authorized representatives of the County and the sponsor.
 - b. Term of the agreement, including provisions for termination.
 - c. Details of the exchange of benefits, including what will be provided to the County by the sponsor and what will be provided by the County to the sponsor.
6. A report summarizing each approved sponsorship agreements shall be submitted to County Council, together with an ordinance approving the agreement, in accordance with Article IV, Section 2(k) of the Home Rule Charter of Allegheny County.
7. Solicitation and negotiation of sponsorships will be conducted by County staff who are specifically designated by the Chief Executive, who shall be responsible for ensuring that staff understand the requirements of this policy and that they are provided with appropriate guidance and/or training related to sponsorship practices.

SECTION 2. *Severability.*

If any provision of this Ordinance shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Ordinance which shall be in full force and effect.

PRIMARY SPONSOR: COUNCIL MEMBER BURN

**CO-SPONSORS: COUNCIL MEMBERS DROZD, FRAZIER, FINNERTY,
FITZGERALD, FUTULES, MACEY, & ROBINSON**

Enacted in Council, this 4th day of March, 2008,

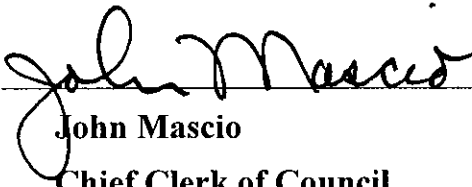
Council Agenda No. 3734-08



Rich Fitzgerald

President of Council

Attest:

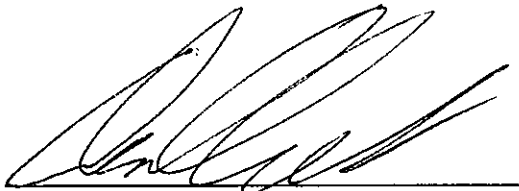


John Mascio

Chief Clerk of Council

Chief Executive Office MARCH 13, 2008

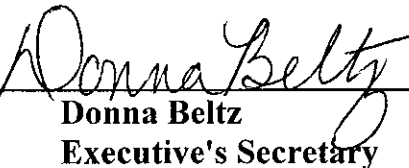
Approved:



Dan Onorato

Chief Executive

Attest:



Donna Beltz

Executive's Secretary