

City of Piedmont
COUNCIL AGENDA REPORT

DATE: May 2, 2022

TO: Mayor and Council

FROM: Sara Lillevand, City Administrator

SUBJECT: Consideration of the Adoption of a Donation and Naming of City-Owned Facilities Policy

RECOMMENDATION

By motion, adopt the proposed policy entitled “Acceptance of Donations & Naming of City-Owned Facilities.”

BACKGROUND

Over the years, the City of Piedmont has engaged in many successful public-private partnerships to improve different parts of our city. These projects have included the construction of the playschool building at Hampton Field, the renovation of Hampton Field, and the Corey Reich Tennis Center among others. Though the City has undertaken these partnerships through the years, best practices for doing so have changed and it would be wise to adopt an updated policy to guide the process of accepting of donations.

Given the City Council’s desire to facilitate the acceptance of donations for the Piedmont Community Pool project, at its meeting on April 4, 2022, the Council directed staff to develop and return to the City Council a policy on this topic. The proposed policy attached to this report was prepared by the City Attorney’s office in consultation with staff to fulfill Council direction.

The proposed policy sets procedures and criteria for the acceptance of donations as well as setting required record keeping standards. It authorizes the City Administrator to accept donations valued at up to \$75,000 and reserves the decision to the City Council for donations greater than this amount. The policy also provides that all naming requests submitted for a facility or capital project, or any renaming requests, must be reviewed by the City Council.

**City of Piedmont
POLICY & PROCEDURE**

Policy No. ___
Section: City Council

SUBJECT: Acceptance of Donations & Naming of City-Owned Facilities

1. PURPOSE

The City encourages Public-Private Partnerships that provide donations to support and enhance City services and facilities. The purpose of this policy is to establish uniform procedures for the receipt of donations to the City of Piedmont and establish a process to consider requests for naming City-owned facilities.

2. SUBMISSION, REVIEW, AND GUIDELINES FOR PROPOSED DONATIONS AND SPONSORSHIPS

- A. The Council may at any time approve exceptions to the policy as set forth herein.
- B. Definitions.
1. Amenity: An improvement located on City property, including, but not limited to a wall, a plaza in front of a City building, a trail located along City property, room or rooms in a City building, gazebos, archways, paths, decks, patios, athletic facilities, playing fields, aquatic facilities, picnic areas, play structures, hard courts, and trail segments.
 2. Donation: A person or entity providing the City with financial support or property of a value exceeding the City's payment for such item. Furthermore, a donor typically does not expect to receive a substantial return or recognition from the City in return for the donation. A donation may consist of an amenity, cash, real property (land), in-kind donation, or work of art. Donations may be unrestricted or restricted by the donor.
 3. Donor: A company, organization, or individual, who provides the City a donation without expectation of significant return or recognition.
 4. In-Kind Contributions: A contribution of an item or object other than cash or real property, which would serve a useful purpose in the provision of City services. Examples may include equipment, materials, or services.
 5. Restricted Donation: A donation made to the City where the donor has restricted its use to a specified purpose. Any proposed restrictions must be made in writing.
 6. Sponsor: A company, organization, or individual who provides the City with funding support for a program, activity, or facility in the form of a sponsorship, and who expects more than nominal recognition in return.

7. Sponsorship: A sponsorship typically means a person or entity that provides the City with financial support for an activity, City program, or City facility, typically in exchange for the City providing more than nominal recognition of its financial support, which distinguishes a sponsorship from a donation. Financial assistance provided by a sponsor may consist of cash and/or in-kind contributions.
8. Sponsorship Agreement: A negotiated agreement between the City and a company, organization, or individual who provides a sponsorship whereby the City agrees to provide a sponsorship opportunity to a company, organization, or individual in exchange for recognition rights related to certain identified City-owned commercial or marketable assets. A Sponsorship Agreement may permit a limited form of advertising opportunity for a company, organization, or individual in exchange for the fee paid to the City.
9. Unrestricted Donation: A donation made to the City where the donor has placed no limitation on its use.
10. Works of Art: Includes, without limitation, physical art that may be an integral part of a public site or building, or that may be integrated with the work of other design professionals. Examples of public works of art include: sculptures; murals and paintings; earthworks; neon; glass; organic materials; mosaics; photographs; prints; film; and any combination of media forms or hybrids of any media.

C. Procedure.

1. All public requests for donation or sponsorships must be submitted to the City Administrator.
2. The City Administrator is authorized to approve proposed donations and/or sponsorships of up to \$75,000 in accordance with the criteria listed in Paragraph 2.D “Criteria for Acceptance” of this policy. City Council approval is required if a proposed donation or sponsorship is greater than \$75,000. Where City Council approval is required, the City Administrator will submit a report with a recommendation for City Council consideration.
3. Accepted donations shall be acknowledged in the form of a thank you letter on behalf of the City from the City Staff responsible for accepting the donation.
4. Unaccepted donations will be returned to the donor. The City shall retain the absolute discretion to decline to accept any donation or sponsorship proposal.
5. A recognition plaque or marker may be installed as part of a donation so long as the total value of the donations for the project has a monetary value (including costs of plaque or marker and installation costs) greater than or equal to \$5,000. This amount can be inclusive of a one-time donation or may be provided to the City in installments. The minimum value of donations eligible for a recognition plaque or marker shall be

automatically increased annually to reflect inflation as measured by changes in the San Francisco Area Consumer Price Index for All Urban Consumers (CPI-U).

6. Once a proposed donation is accepted, it becomes City property and can be utilized at the City's discretion, unless a restricted donation provides otherwise.
7. All monetary, cash, and cash equivalent donations shall be deposited and recorded with the Finance Department and deposited in accordance with Departmental policies.
8. After the approval of a sponsorship by the City, the terms of the Sponsorship, including any expectation of a significant return or recognition shall be set forth in a written Sponsorship Agreement between the sponsor and City. The agreement must be approved as to form by the Office of the City Attorney.

D. Criteria for Acceptance. While acceptance of donations is within the complete discretion of the City, in reviewing a proposed donation or sponsorship ("proposal") for acceptance, the City shall consider, amongst others, criteria set forth in this policy, including, but not limited to, the following:

1. The proposal advances key City priorities;
2. The proposal supports the City's ability to increase revenue and partnerships;
3. The proposal provides a significant enhancement to the City, enhances or reduces costs the City would incur in the absence of its acceptance, or otherwise benefits the City;
4. The proposal directly enhances the City's ability to provide goods or services to the public or for another valid public purpose;
5. Whether the donation is unrestricted or restricted, as the City prefers unrestricted donations; and
6. Whether the benefits of restrictive donations of real property warrant the acceptance of the donation.

E. City Record Keeping. The City shall maintain records that provide an audit trail for the receipt of all donations and sponsorships, and shall comply with the following requirements:

1. Monetary contributions for donations or sponsorships shall not be paid in cash unless approved, in advance, by the City Administrator and receipt of cash is properly documented.
2. A record of all donations or sponsorships, including name, type, contact name, amount, and disposition of sponsorship shall be kept up-to-date and accurate.
3. The City shall maintain records for the receipt of all donations and shall comply with all reporting requirements and regulations including, but not limited to, FPPC Regulation

18944.2 [Gifts to an Agency]. Within 30 days of acceptance of the donation, the City Clerk must report the payment on Form 801 and forward it to the City Clerk.

F. Disclaimers.

1. Different forms of contributions to the City present different opportunities and challenges. Therefore, it is not possible to establish blanket guidelines to cover all types of donations or sponsorship activity that the City may decide to pursue.
2. Unless expressly stated otherwise, the City does not intend to modify or change the non-public forum status of any City property by providing donor or sponsorship foundation recognition on City property.
3. The City by accepting a donation or sponsorship, will not provide any extra consideration to the donating party sponsoring party in relation to any City procurement, any regulatory activities of the City, or other City business.
4. No City employee or other City Official is authorized to offer any such extra consideration to a donor or sponsor.
5. The City encourages donation of materials with the understanding that such items have a useful life, and that the City assumes no responsibility for replacement or upkeep. Once a donation is accepted, it becomes City property and the City may maintain, replace, relocate, or dispose of the item, unless the donation is explicitly restricted.
6. The City cannot guarantee the tax deductibility of a donation.

3. **NAMING OF CITY-OWNED FACILITIES**

A. It is the policy of the City of Piedmont to consider all requests for naming of City-owned land and facilities, by following the procedures as set forth below. All requests for naming or re-naming of City-owned land and facilities shall be reviewed in light of the following considerations:

1. Naming which enhances the values and heritage of the City of Piedmont and that will be compatible with community interest;
2. Naming which recognizes distinct geographic, environmental, or other prominent geographic features, which provide easy and recognizable local reference points for the City's residents and users;
3. Recognition and honoring of individuals who have made significant civic contributions to the City, community, or of historical significance;
4. Naming as early in the capital planning and development process as possible; and

5. Sponsorship through significant funding support from private donors for the construction and/or ongoing maintenance and operations of City lands and facilities in exchange for naming options.

B. Process.

1. All naming requests for a facility or capital project, and any renaming requests, must be approved by the City Council.
2. The City Council may approve, modify or reject the naming or re-naming request at its discretion.

4. **CONFLICTS**

If a previous City policy is in conflict with this policy, the previous policy is superseded and the provisions of this policy prevail.

Initiated by: City Attorney

Approved by: City Council

Date: