

## **Naming Rights and Sponsorship Policy for Community Services Facilities**

### **1. Introduction**

- 1.1. Council owns and operates a number of community facilities, some of which may be of interest to businesses or other organisations seeking sponsorship exposure within the Nelson area. Whilst Council acknowledges the contribution that many organisations make towards the construction of these facilities, it also takes responsibility for the ongoing running, maintenance and depreciation costs. Revenue generated by Council from naming rights and sponsorship agreements will be used to offset these costs.
- 1.2. Council recognises the benefits of adopting a collaborative approach with community groups towards developing new sponsorship opportunities. Council staff will, when appropriate, work with community representatives to ensure maximum benefits from this approach for the whole Nelson community.

### **2. Objective**

- 2.1. This policy provides guidance on appropriate sponsorship, advertising and naming to be undertaken at Council owned facilities.

### **3. Delegations**

- 3.1. Staff are delegated to enter into agreements in relation to temporary signage, fixed signage and acknowledgements of financial contribution to capital costs, where these are consistent with the guidance contained in this policy.

#### **4. Definitions**

- 4.1. Naming rights – the right to name a piece of property, building (whole or part), or other physical asset. This policy does not cover naming rights for events, activities or other intangibles.
- 4.2. Naming rights in consideration – naming rights allocated on the basis of a contractual agreement between Council and a sponsor. These agreements will be time limited.
- 4.3. Naming rights in recognition – naming rights allocated on the basis of an individual's contribution to the Nelson community, rather than as part of a sponsorship agreement.
- 4.4. Sponsorship – financial support for a Council facility in return for a beneficial association with the facility, usually including some visual acknowledgement of the sponsor at the facility, display of company logos or other advertising. Such visual acknowledgements are deemed signage for the purposes of this document.
- 4.5. Facility – any physical asset provided by Council for community use. This includes libraries, performing arts facilities, community halls, swimming pools, sports fields, courts, tracks, stadia and arenas, and the associated supporting infrastructure such as roads, pavilions and changing facilities.
- 4.6. Temporary signage – refers to signage that is movable and is not permanently fixed to any building or other structure.
- 4.7. Fixed signage – refers to signage (including that associated with naming rights agreements) and structures (including scoreboards, clocks, television panels etc.) that are fixed in place either permanently, or for a set contractual period.

#### **5. Principles**

- 5.1. In all cases naming/sponsorship activities must show clear net benefit to the community; this may include a financial contribution to construction costs of a facility, ongoing maintenance and operations costs, promotional costs, and costs faced by user groups involved in the facility.
- 5.2. Naming/sponsorship agreements will only be undertaken with businesses and other organisations whose values/practices/products are not in conflict with Council objectives and policies.

#### **6. Criteria pertaining to all agreements**

- 6.1. All contracts and agreements regarding naming/sponsorship /acknowledgement must contain a clause explaining that at times Council may be required to provide facilities and locations clear of all advertising in order to comply with requirements of significant events such as World Cups, and there will be no compensation for periods where sponsorship has to be removed or covered for this reason.
- 6.2. Size, type, appearance and location of advertising and sponsor signage is controlled by Council, with consistency an important consideration. Signage must comply with any design manual or design guidelines governing a facility.
- 6.3. Signage must be maintained to ensure that it remains of a standard consistent with the condition when first installed.

- 6.4. Signage must not be placed in such a way that it forms an obstruction to the viewing of activities taking place in and around the facility.
- 6.5. Signage must not significantly detract from the visual amenity of a facility or distract from directional, health and safety or other important messaging.
- 6.6. Signage must comply with the relevant regulatory requirements set out in the Nelson Resource Management Plan, and with policies set out in relevant reserve or asset management plans.

## **7. Naming rights in consideration**

- 7.1. All decisions relating to the allocation of naming rights in consideration are to be made by Council.
- 7.2. Contracts relating to naming rights are to be undertaken between Council (as the facility owner) and the sponsor.
- 7.3. All naming agreements are to be negotiated by Council unless there is prior written agreement for a third party to be involved. The scope and responsibilities of the sponsor and Council will be outlined in a contract.
- 7.4. First preference for naming a facility is to use the opportunity to raise funds through sponsorship to offset cost to ratepayers.
- 7.5. First priority for funds raised from naming rights agreements is building costs and immediate fit out of the facility to allow it to commence operation.
- 7.6. Second priority for funds raised is for ongoing operational costs.
- 7.7. Naming rights agreements that include Maori names will require approval of iwi.

## **8. Naming rights in recognition:**

- 8.1. All decisions relating to the allocation of naming rights in recognition are to be made by Council.
- 8.2. Applications for allocation of naming rights in recognition will be considered by Council on a case by case basis.

## **9. Temporary signage:**

- 9.1. Applications to display temporary signage should be made to the Manager Parks and Facilities. Applicants will be advised of the maximum number of signs permitted per facility, the dates on or between which the signage will be displayed, and the maximum permitted dimensions.
- 9.2. One-off, time-limited sponsorships for a specific purpose may be covered by an exchange of written communications outlining the agreement in lieu of a formal contract.
- 9.3. Funds generated by Council from temporary sponsorship agreements should be used for ongoing operational costs.
- 9.4. Funds generated by community groups from temporary sponsorship agreements should go towards ongoing operational costs of that group, and should benefit Nelson residents.
- 9.5. Contracts and agreements must be time limited, and temporary signage should no longer be displayed when such agreements expire.

**10. Fixed Signage:**

- 10.1. Contracts relating to fixed signage are to be undertaken between Council (as the facility owner) and the sponsor.
- 10.2. All fixed signage agreements are to be approved by the Divisional Manager Community Services.
- 10.3. Contracts for fixed signage will generally be time limited, will specify the location of the signage and outline the scope and responsibilities of the sponsor and Council. Signage should no longer be displayed when such agreements expire.
- 10.4. First priority for funds raised from fixed signage agreements is building costs and immediate fit out of the facility to allow it to commence operation.
- 10.5. Second priority for funds raised is for ongoing operational costs.
- 10.6. Community groups wishing to negotiate with sponsors for fixed signage rights must seek prior approval from the Divisional Manager Community Services. The contract relating to the sponsorship agreement will be made between Council and the sponsors. 90% of the contract value will be returned to the relevant community group, with the remainder being held by Council and used to fund capital and operational costs.

**11. Acknowledgment of financial contributions to capital costs:**

- 11.1. Funding bodies and donors that make a significant contribution to the capital costs of a facility may be acknowledged with appropriate signage. Any agreements relating to acknowledgement of grants should be approved by The Manager, Parks and Facilities.
- 11.2. Council will ensure that each new facility has a designated area for acknowledgments.
- 11.3. Acknowledgement signage will generally remain in place for the lifetime of the facility.