



City of Las Cruces®

PEOPLE HELPING PEOPLE

Council Action and Executive Summary

Item # 14

Ordinance/Resolution# 16-122

For Meeting of _____
(Ordinance First Reading Date)

For Meeting of December 7, 2015
(Adoption Date)

Please check box that applies to this item:

QUASI JUDICIAL

LEGISLATIVE

ADMINISTRATIVE

TITLE: A RESOLUTION ADOPTING THE CITY OF LAS CRUCES EVENT SPONSORSHIP POLICY.

PURPOSE(S) OF ACTION:

Establish an event sponsorship policy for the City.

COUNCIL DISTRICT: ALL		
<u>Drafter/Staff Contact:</u> Jennifer Bales	<u>Department/Section:</u> Community and Cultural Services/ Convention & Visitors Bureau	<u>Phone:</u> 541-2258
<u>City Manager Signature:</u>		

BACKGROUND / KEY ISSUES / CONTRIBUTING FACTORS:

As previously presented at the August 10 and October 12, 2015 City Council work sessions, recommendations were given for a policy on City of Las Cruces (City) sponsorships of community events. At that time, it was determined that staff should proceed with developing a sponsorship program for events that either improve or enhance quality of life or that generate substantial economic impact to the City.

Staff developed the draft sponsorship policy that is attached to the proposed resolution with criteria based on either quality of life or economic impact generated from each proposed event. A committee appointed by the City Manager will review all applications and will make recommendations to City Council for final approval. Budget considerations will be made at a later date.

SUPPORT INFORMATION:

1. Resolution.
2. Exhibit "A", City Event Sponsorship Policy.

(Continue on additional sheets as required)

SOURCE OF FUNDING:

Is this action already budgeted? N/A	Yes	<input type="checkbox"/>	See fund summary below
	No	<input type="checkbox"/>	If No, then check one below:
	<i>Budget Adjustment Attached</i>	<input type="checkbox"/>	Expense reallocated from: _____
		<input type="checkbox"/>	Proposed funding is from a new revenue source (i.e. grant; see details below).
	<input type="checkbox"/>	Proposed funding is from fund balance in the _____ Fund.	
Does this action create any revenue? N/A	Yes	<input type="checkbox"/>	Funds will be deposited into this fund: _____ in the amount of \$ _____ for FY _____.
	No	<input type="checkbox"/>	There is no new revenue generated by this action.

BUDGET NARRATIVE

N/A

FUND EXPENDITURE SUMMARY:

Fund Name(s)	Account Number(s)	Expenditure Proposed	Available Budgeted Funds in Current FY	Remaining Funds	Purpose for Remaining Funds
N/A	N/A	N/A	N/A	N/A	N/A

OPTIONS / ALTERNATIVES:

1. Vote "Yes"; this will establish the event sponsorship policy for the City.
2. Vote "No"; this will not establish the event sponsorship policy for the City.
3. Vote to "Amend"; this would require City Council to provide direction on amending the event sponsorship policy for the City.
4. Vote to "Table"; this would require City Council direction to staff on how to proceed.

REFERENCE INFORMATION:

N/A

RESOLUTION NO. 16-122

A RESOLUTION ADOPTING THE CITY OF LAS CRUCES EVENT SPONSORSHIP POLICY.

The City Council is informed that:

WHEREAS, the City of Las Cruces (City) is asked to sponsor numerous community events on an annual basis, the majority of which are coordinated by outside private partners; and

WHEREAS, the City has deemed it necessary to enact a set of guidelines in order to handle sponsorships of outside events in a fair and coherent manner; and

WHEREAS, the City Council gave recommendations for a city-wide event sponsorship policy at two work sessions, directing staff to develop a document with enhancing quality of life and improving economic impact in mind; and

WHEREAS, if adopted, a committee will be appointed by the City Manager to review and recommend sponsorship funding in accordance with the policy for review and approval by the City Council.

NOW, THEREFORE, Be it resolved by the governing body of the City of Las Cruces:

(I)

THAT the City of Las Cruces Sponsorship Policy for General Revenue Funding, as shown in Exhibit "A", attached hereto and made part of this Resolution, is hereby adopted.

(II)

THAT City staff is hereby authorized to do all deeds necessary in the accomplishment of the herein above.

DONE AND APPROVED this _____ day of _____, 20_____.

APPROVED:

Mayor

ATTEST:

City Clerk

(SEAL)

Moved by: _____

Seconded by: _____

VOTE:

Mayor Miyagishima:	_____
Councillor Gandara:	_____
Councillor Smith:	_____
Councillor Pedroza:	_____
Councillor Eakman:	_____
Councillor Sorg:	_____
Councillor Levatino:	_____

APPROVED AS TO FORM:



City Attorney

EXHIBIT "A"**Introduction**

The City of Las Cruces (City) is frequently called upon to contribute to various worthwhile causes or events. However, under the Anti-Donation Article of the New Mexico State Constitution, municipalities are prohibited from making contributions or donations. There may be instances when the City is called upon to support a specific event or activity where equal or greater value is derived for its investment. In these cases, depending on budgetary limitations, the City may choose at its discretion to sponsor a specific event or activity. It is incumbent on the City to clearly define a fair and equitable sponsorship program where qualified events and activities may be supported. As a result, the City Manager set up a task force to review sponsorship policy.

Sponsorship Task force

Rusty Babington	Jennifer Bales	Rob Caldwell	Monica Campbell
David Dollahon	Barbara DeLeon	Chris Faivre	Andy Hume
Phil San Filippo			

On August 10, 2015; a report was given to the City Council. At that time, it was determined that the Las Cruces Convention and Visitors Bureau (CVB) shall proceed with its program for tourism-related sponsorships that is currently in place; while additional information on past sponsorships funded through the General Fund revenue needed further definition. Specifically, the committee has been tasked to come back to an additional work session to review previous outlays in both direct and indirect expenses taken from General Fund revenues and propose a policy for future sponsorship requests that fall into the economic impact or quality of life categories. Exhibit A shall provide a breakdown of General Fund revenue used the past few years.

Meanwhile, the CVB is in the process of collecting applications for tourism-related sponsorships for the remainder of this fiscal year. A press release was sent out to the press and an advertisement was placed in the Legal Notice section of the Las Cruces Bulletin and the Las Cruces Sun-News. All applications must be submitted by 5:00 pm on October 22.

Scope of Policy

The City of Las Cruces recognizes two types of events. City-run events are those that are initiated, planned, organized, and funded by any City department(s). These events are covered in City Manager Policy (CMP) #2.1 "Sponsorship of City Programs and Initiatives".

City-sponsored events are those initiated and operated by organizations, groups and individuals outside of the City's organizational structure. This policy only covers City-sponsored events.

Overview

The number of sponsorships and amount of funding are restricted and may vary from year-to-year depending on budgetary limitations. City sponsorships shall not be considered as a long-

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term commitment in order to encourage independent viability of events as well as support new initiatives. An organization can apply for funds for up to four consecutive years; however there are no guarantees that a sponsorship will be carried over from one year to another. Sponsorships that continue beyond one year should normally expect a 25% decrease in funding each year. An exception may be made if the event organizer can clearly demonstrate through measurable results that the event or activity is substantially increasing its return on the City's investment.

Sponsorships may include in-kind services, direct cash payment; or a combination of both. Due to New Mexico anti-donation laws, gifts are not permitted. There must be a clear value received for any sponsorship from the City. For example, groups or individuals coordinating and executing a public event or activity shall accomplish at least one of the following objectives:

- Promote tourism by bringing in overnight guests to our hotels or RV parks.
- Improve or enhance the quality of life for the citizens of Las Cruces.
- Creates direct economic impact to the city.

Definitions of the types of City-sponsored Events

1. Tourism-related: (funded through Lodgers Tax receipts) - Eligibility shall be determined solely on the potential of overnight visitors that can be expected to come to Las Cruces and stay in our hotels or RV parks.
2. Quality of Life: The term "quality of life" is used to describe many different things. For the purpose of the City's sponsorship program, it is recommended that a "quality of life event" meet all of the following criteria:
 - A. Readily open and accessible to all or most Las Cruces residents.
 - B. Provides a cultural, educational or civic experience.
 - C. Measures its success both qualitatively and quantitatively.
3. Economic Impact: Eligibility is determined solely on the measurable economic impact that can be attributed to an event. The impact could be achieved by the incremental Gross Revenue Taxes derived or real dollars saved.

The stated event objective will determine the source of funds received. Funds for tourism-related requests will be funded from Lodger's Tax revenues. Quality of life or economic impact sponsorships are funded from General Fund revenues.

Budgetary Limitations

Any consideration for sponsorships is predicated on budgetary limitations. General Funds and Lodger's Tax funds are limited. It is essential that prior to making any awards, the appropriate department making the award has the necessary funding to carry out its main mission and objectives. Therefore, the amount set for sponsorships will vary from year-to-year. Once the budgetary limits are depleted, no additional requests will be considered.

Application for Sponsorship Requests

Applications will normally be made twice each year for all sponsorship requests. Since we are still finalizing the framework for the policy; there will only be one (1) funding cycle during this FY2016.

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In all years thereafter; the first submission deadline will be July 15th and the second will be December 15th. Applications for tourism-related sponsorships should be sent to the CVB; while economic impact and quality of life sponsorship applications should be sent to the Office of the City Manager. All applicants shall be notified within thirty (30) days whether or not their program or event has been accepted for funding. Applicants may be called upon to make a formal presentation. Each group or organization making a request for submission will be required to submit a completed application, event budget, as well as plans for permitting and marketing. The request for sponsorship will be ineligible for funding if any section of the application process is incomplete.

Applicants may only apply for funds for one category during any funding cycle. For example, if an organization receives City sponsorship funds in a funding cycle for a quality of life project; the same event is not eligible to apply for an economic impact or tourism sponsorship during the same period.

To be considered for funding from the CVB through its Lodger's Tax collections, one must clearly demonstrate that the event will attract overnight visitors to Las Cruces and positively impact the local economy. Consideration for sponsorship funding for either quality of life or economic impact events or activities from the General Fund; the applicant must demonstrate that the event will clearly enhance the quality of life, as defined in this document; or will enhance the economic impact of the city.

Quality of Life / Economic Impact Events or Activities

It is recommended that the City Council set up a sponsorship fund each year for quality of life and economic impact sponsorships that would be administered by the Office of the City Manager.

Those interested in a sponsorship with General Fund revenue must include the following with their application:

- Each submittal must include a completed application, event budget, a detailed list of all revenue sources; and a strategic plan outlining logistical, marketing, and permitting details.
- The proposed event or activity must enhance the quality of life or generate economic impact for the City of Las Cruces; as previously defined in this document.
- The event should have measurable objectives with clear performance standards that demonstrates the program or event's effectiveness.
- A complete listing of proposed sponsors.

The City Manager shall appoint a staff review committee who will assess all applications and rank them based on the criteria outlined above. Based on the available budget, the committee will make a determination as to which proposals will be selected for sponsorships and the amount each group will receive.



City of Las Cruces®

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COUNCIL ACTION AND EXECUTIVE SUMMARY PACKET ROUTING SLIP

For Meeting of _____
 (Ordinance First Reading Date)

For Meeting of December 7, 2015
 (Adoption Date)

TITLE: A RESOLUTION ADOPTING THE CITY OF LAS CRUCES EVENT SPONSORSHIP POLICY.

Purchasing Manager's Request to Contract (PMRC) {Required?} Yes No

DEPARTMENT	SIGNATURE	PHONE NO.	DATE
Drafter/Staff Contact	<i>Justin Powell</i>	541-2258	11/20/15
Department Director	<i>David Aguilera</i>	X-3060	11/20/2015
Management & Budget Manager	<i>[Signature]</i>	x 2106	11/20/15
Assistant City Manager/CAO	<i>[Signature]</i>	x2078	11/23/15
Assistant City Manager/COO	<i>[Signature]</i>		11/25/15
City Attorney	<i>[Signature]</i>	X 2128	30 Nov 2015
City Clerk - Interim	<i>[Signature]</i>	X2115	12-1-15