



**TO: HONORABLE CITY COUNCIL**

**FROM: CITY MANAGER**

**DEPT: CITY MANAGER'S OFFICE**

**DATE: FEBRUARY 4, 2008**

**CMR: 133:08**

**SUBJECT: POLICY AND SERVICES COMMITTEE RECOMMENDATION TO CITY COUNCIL FOR DISCUSSION OF WHETHER THE EXISTING POLICY FOR NAMING CITY-OWNED LAND AND FACILITIES SHOULD BE MODIFIED TO ACCOMMODATE NAMING OPPORTUNITIES FOR MAJOR DONORS TO CAPITAL CAMPAIGNS THAT RAISE FUNDS FOR THE CONSTRUCTION OR RENOVATION OF CITY FACILITIES**

### **RECOMMENDATION**

The Policy and Services Committee recommends that the City Council consider the question of whether the City should modify the existing policy on naming City-owned land and facilities to accommodate naming opportunities for major donors to capital campaigns that raise funds for the construction or renovation of City facilities and then refer the item back to Policy and Services for completion of revisions to the naming policy, if so warranted.

### **BACKGROUND**

The success of the private fundraising efforts for the recent renovation of the Children's Library has ignited enthusiasm in several local groups to initiate capital campaigns to supplement the City's funding for the upcoming library/community center and public safety building projects. There has also been an ongoing effort to raise funds for additions and/or improvements to the Art Center. Although it is unlikely that sufficient private funds could be raised to completely fund any of these projects, the contributions raised can significantly increase the City's ability to help make these desired facilities and amenities possible. In order to be successful, these fundraising groups need to have the tools and authority to make commitments to potential donors regarding the benefits of making such a significant financial donation. One of those potential benefits is a naming opportunity, which can be a coveted form of recognition and a major attraction for corporate giving.

The current policy on naming City-owned land and facilities (Attachment A) was most recently updated in 2004 to address the following:

- Development of a process for the re-naming of parks and facilities;
- The inclusion of the Parks and Recreation Commission, or other appropriate commissions in the review process for any facility naming or re-naming;

- Addition of criteria for selecting names; and
- New accommodation for recognizing individuals who have made significant contributions to the community.

At the time of the update, staff did consider the possibility of naming a park or facility after a benefactor business, group or organization, but decided against it because it would be such a significant change in tradition for Palo Alto. Although only three years have passed, project funding has become significantly more challenging. Additionally, non-profit support groups have indicated an interest in re-addressing this issue in relation to their upcoming capital fund-raising campaigns. If a fund-raising body were to secure a donation in an amount significant enough to fund a major portion of a building/project, there is the question of whether a naming opportunity could be made available for that donor.

### **COMMITTEE REVIEW AND RECOMMENDATION**

On October 1, as a part of the Council action approving a Budget Adjustment Ordinance for the Mitchell Park Library and Community Center project, the City Council also voted to refer the facility naming issue to the Policy and Services Committee for review and comment. A report was prepared for the Policy and Services Committee (Attachment B) outlining the various questions in which direction was desired before preparing revisions to the policy for review. Staff also performed research on other agencies' facility naming policies and created a spreadsheet (Attachment C) outlining features of the different policies examined. After reviewing the wide range of questions and issues proposed for comment at its November 14, 2007 meeting, the Policy and Services Committee recommended that the full Council first answer the fundamental question of whether the City is willing to consider the possibility of putting a private or corporate name on a City facility in exchange for a significant financial contribution. This question needs to be answered before any further policy development work is initiated. Once direction is provided on that issue, the Policy and Services Committee would review and provide direction on the remaining questions and options available. Staff would then prepare revisions to the existing policy for the Council's review.

If the Council is willing to consider private or corporate naming, clear parameters would be incorporated into the policy to address such topics as:

- Avoiding names that conflict with the vision and mission of the City;
- Defining the amount/level of donation required to be recognized with a naming opportunity;
- Defining a procedure for approval of naming schedules in advance; and
- Other topics as outlined in the November 14 report to Policy and Services.

If the Council decides against private or corporate naming of facilities, there are still some modifications to the policy related to capital campaign fund-raising that staff would like to propose. Those items would then be re-addressed with the Policy and Services Committee and would return to the full Council for final review and consideration.

### **RESOURCE IMPACT**

If the City Council is willing to consider private or corporate naming opportunities, the proposed modifications to the City policy on naming City-owned land and facilities could result in substantial contributions to the City for projects that involve capital campaigns where significant donations are recognized with naming opportunities.

**POLICY IMPLICATIONS**

These policy modifications, if developed and approved by the City Council, will be incorporated into the policy on naming City-owned land and facilities as procedures for offering naming opportunities in exchange for and/or in recognition of significant contributions to capital campaigns organized and operated by authorized support groups. Any implications to the City's Gift Policy will be clearly stated in the final report.

**ENVIRONMENTAL REVIEW**

This is not a project, under Section 21065 of the Public Resources Code, requiring review under the California Environmental Quality Act.

- ATTACHMENT A: Existing Policy (1-15) for Naming City-Owned Land and Facilities
- ATTACHMENT B: November 14, 2007 Report to Policy and Services Committee
- ATTACHMENT C: Comparison of Facility Naming Policies

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