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The Maryland-National Capital Park and Planning Commission Prince George's County Planning Board

POLICY ON NAMING RIGHTS, ADVERTISING RIGHTS, AND SPONSORSHIP BENEFITS Approved March 21, 2024

I. PURPOSE AND SCOPE

The purpose of this policy ("Policy") is to establish guidelines to govern The Maryland-National Capital Park and Planning Commission / Prince George's County Department of Parks and Recreation and the Prince George's Planning Board in the development and management of a program in Prince George's County pursuant to which a Legal Entity (defined below) provides financial or material in-kind support for a Park Asset or Park Program (defined below) and receives one or more of the following:

- A. Naming Right;
- B. Advertising Right;
- C. Sponsorship Benefit.

In each such situation, the Commission would enter into a Definitive Agreement (defined below) with the Legal Entity.

This policy is not applicable to gifts, grants, or unsolicited donations of \$25,000 or less and those undertaken for charitable purposes without a Definitive Agreement and does not apply to individuals or to Legal Entities that have been issued a park permit for a specific event.

On March 21, 2024, the Planning Board adopted a companion "Individual (Commemorative and Philanthropic) Naming and Dedication Policy" that does not relate to the Legal Entities covered under this policy.

This Policy supersedes Directive No. PR-5, as amended and restated on October 3, 2002.

II. <u>KEY DEFINITIONS</u>

Advertising Right: A commercial benefit of specified duration that: (a) is established subject to the terms of a Definitive Agreement which conforms to this Policy and (b) obligates the Commission to allow the promotion of the services, products or activities of a designated Legal Entity within the property of the Park Asset(s) or during a Park Program specified in the Definitive Agreement.

<u>Commission</u>: The Maryland-National Capital Park and Planning Commission.

<u>Department</u>: Maryland-National Capital Park and Planning Commission / Prince George's County Department of Parks and Recreation.

<u>Definitive Agreement</u>: The binding written agreement made by and between the Commission and the Legal Entity to confer a Naming Right, Advertising Right, and/or Sponsorship Benefit in compliance with this Policy.

<u>Director</u>: Director of the Department.

Executive Director: The Executive Director of the Commission.

Governmental Entity (Entities): The Government of the United States, the State of Maryland, another state, or agency, unit, political subdivision or instrumentality thereof, or municipality, but not the government of a foreign country unless it is a Sister City¹ of Prince George's County.

<u>Legal Entity (Entities)</u>: A corporation, unincorporated association, limited liability company, partnership, trust, foundation, or other legal entity (whether organized for profit or not), organized in the United States of America, that is engaged in commercial activity and is not an individual or a Governmental Entity.

Naming Right: A commercial benefit of specified duration that: (a) is established subject to the terms of a Definitive Agreement which conforms to this Policy and (b) obligates the Commission to signify the name, trade name or trademark of a designated Legal Entity as part of the name of the Park Asset(s) or Park Program(s) specified in the Definitive Agreement.

<u>Park Asset</u>: Parks amenities such as recreation/athletic fields, playgrounds, pavilions, trails, structures and other facilities, buildings, rooms, landscaping, art or other physical features, geographic areas, historic sites, in each case owned, operated or managed by the Commission in Prince George's County, Maryland, operated by the Department, and deemed eligible jointly by the Commission and the Department for Naming Rights and/or Advertising Rights and by the Department for Sponsorship Benefits. Parks themselves are not eligible for Naming Rights, Advertising Rights, or Sponsorship Benefits.

<u>Park Program</u>: (a) Recreational, educational, or interpretive programs, services or similar events that are operated or managed by the Commission in Prince George's County, Maryland or (b) functions, programs or services provided by the Department in connection with Department operations and deemed eligible by the Department for Naming Rights, Sponsorship Benefits and/or Advertising Rights.

¹ As designated by Sister Cities International, Prince George's County's Sister Cities are Royal Bafokeng Nation, South Africa; Rishon LeZion, Israel; and Ziguinchor, Senegal.

<u>Planning Board</u>: The Prince George's County Planning Board of The Maryland-National Capital Park and Planning Commission.

<u>Secretary/Treasurer</u>: The Secretary/Treasurer of the Commission.

Sponsorship Benefit: A commercial benefit of specified duration that: (a) is established subject to the terms of a Definitive Agreement which conforms to this Policy and (b) obligates the Commission to identify the name, trade name or trademark of a designated Legal Entity as a sponsor of the Park Asset(s) or Park Program(s) specified in the Definitive Agreement.

III. POLICY STATEMENT: AUTHORITY, DELEGATION OF AUTHORITY; PREFERENCE FOR GEOGRAPHIC NAMING FOR PARK ASSETS; PURPOSE OF POLICY

A. <u>Authority</u>; <u>Delegation of Authority</u>. The Commission has the exclusive right² to name or rename Park Assets and Park Programs. Except as set forth below, it has delegated this right to Planning Board.³ Planning Board retains such authority even if a Park Asset is managed or operated by a third party such as a Commission lessee, unless the lease provides otherwise.

As to Park Assets:

<u>Naming Rights and Advertising Rights</u>. The Commission retains its authority to declare Park Assets eligible for Naming Rights and Advertising Rights.

Sponsorship Benefits. The Commission has delegated to the Planning Board the authority to declare Park Assets as eligible for Sponsorship Benefits. Pursuant to this Policy, the Planning Board delegates to the Department the authority to declare Park Assets as eligible for Sponsorship Benefits.

As to Park Programs:

Naming Rights, Advertising Rights, and Sponsorship Benefits. The Commission has delegated to the Planning Board the authority to confer Naming Rights, Advertising Rights, and Sponsorship Benefits for Park Programs. Pursuant to this Policy, the Planning Board delegates to the Department the authority to confer Naming Rights, Advertising Rights, and Sponsorship Benefits for Park Programs.

- B. <u>Preference for Geographic Naming for Park Assets</u>. The Planning Board strongly encourages naming each Park Asset with a geographic name, generally, to assist the public in associating the Park Asset positively within a relevant named community or significant place.
- C. <u>Purpose of Policy</u>. In certain instances, it may be desirable to grant a Naming Right, Advertising Right, or Sponsorship Benefit which would provide revenue to the Commission for the benefit of the Department that is essential to develop, maintain, improve, expand,

² Md. Code Ann., Land Use § 17-101(a) and (c) ("The Commission may acquire property... to carry out the Commission's general plan for the physical development of the [park district]" and "controls the maintenance and operation of [such] property").

³ Maryland-National Capital Park and Planning Commission Practice 1-10.

support, preserve, fund, encourage and sustain its Park Assets and Park Programs for the fiscal benefit of users and the community at large.

In an effort to utilize and maximize the community's resources, it is in the best interest of the Commission to create and enhance relationships with corporations and other organizations through naming arrangements, advertising arrangements, and sponsorships. This goal can be accomplished by providing local, regional, and national businesses and other commercial enterprises a method to become associated and involved with the many Park Assets and Park Programs provided by the Commission and the Department. The Commission delivers quality, life-enriching activities to a broad base of the community. This translates into exceptional visibility for a Legal Entity / Governmental Entity and its supporters. It is the goal of this Policy to further these opportunities for the ultimate benefit of the public.

IV. NAMING RIGHTS AND ADVERTISING RIGHTS CONFERRED BY DEPARTMENT

- A. Eligibility of Park Assets for Naming Rights and Advertising Rights. As to Park Assets, as set forth above, the Commission retains its authority to declare these eligible for Naming Rights and Advertising Rights. Should the Department receive a request for Naming Rights or Advertising Rights pertaining to Park Asset, the Department will not proceed with consideration of the request unless or until the Commission determines the Park Asset eligible for such Naming Rights or Advertising Rights.
- <u>B.</u> Limitations on Naming Rights. Naming Rights will not be considered for entire parks regardless of classification. Only Park Assets that are facilities within parks (such as dog parks, ice rinks, playgrounds, etc.) will be eligible for Naming Rights.
- C. Fiscal Benefit.
 - 1. Park Asset. The Department will grant a Naming Right or Advertising Right for a Park Asset only if (a) the fiscal benefit derived by the Commission is substantial and commensurate with the value of the specific Park Asset involved, its physical or geographical significance, or the cost to repair, renovate, or maintain such Park Asset, and (b) it does not conflict with or impair compliance with any outstanding or potential tax-exempt bond obligation related to the Park Asset as determined by the Secretary-Treasurer for Commission-issued bonds or by the County Finance Director for County-issued bonds.
 - 2. Park Program. The Department will grant a Naming Right or Advertising Right for a Park Program only if the fiscal benefit derived by the Commission is appropriate in relation to the cost of operating the Park Program. The sufficiency of any fiscal benefit to be derived for a Naming Right or Advertising Right will be determined at the discretion of the Director in consultation with the Secretary-Treasurer of the Commission, as appropriate.

D. Duration.

1. Park Asset. Each Definitive Agreement granting a Naming Right or Advertising Right pertaining to a Park Asset must specify an appropriate term.

- 2. Park Program. Each Definitive Agreement granting a Naming Right or Advertising Right pertaining to a Park Program (including an event) should be of an appropriate duration determined in relation to the specific program involved and the fiscal benefit derived by the Commission.
- <u>E.</u> Commercial Content for Advertising. Subject to the eligibility criteria set forth elsewhere in this Policy, the design, layout and content of any advertising messages must be commercially reasonable under the circumstances and approved by the Department prior to placement.

V. SPONSORSHIP BENEFITS CONFERRED BY DEPARTMENT

A. Fiscal Benefit. The Department will grant Sponsorship Benefits for a Park Asset or Park Program only if the fiscal benefit derived by the Commission is appropriate. The sufficiency of any fiscal benefit to be derived for a Sponsorship Benefit will be determined in the discretion of the Director of the Department in consultation with the Secretary/Treasurer. The fiscal benefit derived from any sponsorship should, at a minimum, be sufficient to cover:

- 1. All or a proportionate percentage of annual maintenance and/or program expenses for the Park Asset or Park Program being sponsored during the full term of the sponsorship;
- 2. Direct expenses incurred by the Department, including design, production and installation costs for signage and other recognition benefits.
- B. Commercial Content for Sponsorships. Sponsorship recognition messages may identify the Legal Entity but must not constitute advertising. Subject to the eligibility criteria set forth elsewhere in this Policy, the following content is ordinarily deemed appropriate:
 - 1. The legally recognized name, trade name, or trademark of the sponsoring organization.
 - 2. The Legal Entity / Governmental Entity's organizational slogan.
 - 3. The Legal Entity / Governmental Entity's product or service line, described in brief, generic, objective terms.
 - 4. Brief contact information for the Legal Entity / Governmental Entity's organization, such as phone number, address, or website.

C. Duration.

1. Park Asset. Each Definitive Agreement granting a Sponsorship Benefit pertaining to a Park Asset must specify an appropriate term.

2. Park Program. Each Definitive Agreement granting a Sponsorship Benefit pertaining to a Park Program (including an event) should be of an appropriate duration determined in relation to the specific program involved and the fiscal benefit derived by the Commission.

VI. <u>GENERAL PROVISIONS APPLICABLE TO NAMING RIGHTS</u>, ADVERTISING RIGHTS, AND SPONSORSHIP BENEFITS

A. <u>Eligibility Criteria</u>.

- 1. As to a Legal Entity: Naming Rights, Advertising Rights, or Sponsorship Benefits
 - a. must be for a commercial purpose. The promotion of any non-commercial enterprise is not permitted in the limited forum created by this Policy.
 - b. are limited to the promotion or recognition of commercial enterprise and commercial activities that do not compete, impair, or conflict with the mission, policies, goals, or operations of the Commission, the park system or designated Park Assets or Park Programs.
- 2. As to a Governmental Entity: Naming Rights, Advertising Rights, and Sponsorship Benefits may be considered for non-commercial purposes, including proprietary and governmental functions of the Government Entity involved; provided, however, that any promotion or recognition of a Governmental Entity must not compete, impair, or conflict with the mission, policies, goals, or operations of the Commission, the park system or designated Park Assets or Park Programs, and must otherwise comply fully with the conditions and requirements applicable generally in this Policy to a Legal Entity.
- B. Combinations Authorized. A Definitive Agreement may include all of the following: Naming Rights, Advertising Rights, and Sponsorship Benefits.
- C. No Abrogation of Governmental Authority. A Definitive Agreement shall not confer on any person the enforceable power to direct, or implied power to direct, the Commission, the Department, the Planning Board, or any Commission employee on matters of policy or any other governmental process, and any provision in such an agreement which purports otherwise is void *ab initio*.
- D. No Property Interest in Park Assets. A Definitive Agreement shall not confer on any person an enforceable right, entitlement, or other property interest of any sort relating to the use, possession, or control of any Park Asset, real or personal property (including, without limitation, an exclusive right to use any Park Asset), except as to a limited and non-exclusive right to use Commission trademarks or other intellectual property which may be authorized in the Definitive Agreement. The specific or periodic use of any Park Asset by a party to a Definitive Agreement may only be authorized by park permit evaluated and approved by the Department in the ordinary course, and such use shall be subject to the party's strict compliance with the terms of any such permit and the

Definitive Agreement. A Definitive Agreement may impose on the Department reasonable operating, maintenance, or performance standards applicable to a Park Asset, and the Department may agree to undertake reasonable efforts to achieve compliance with those standards.

- E. No Rights of Control Over Park Programs. A Definitive Agreement shall not confer on any person the enforceable power to direct or control, or implied power to direct or control, the Commission, the Department, the Planning Board, or any Commission employee or agent, relating to the operation of any Park Program, or otherwise limiting the discretion to operate a Park Program in a manner that comports with applicable laws, best practices, or the Commission's best interests, as determined in the Commission's sole, exclusive, and unreviewable discretion. A Definitive Agreement may impose on the Department reasonable operating or performance standards applicable to a Park Program and the Department may agree to undertake reasonable efforts to achieve compliance with those standards.
- F. Compliance with Law and Regulations Required.
- 1. Park Assets. Department may not grant a Naming Right, Advertising Right, or Sponsorship Benefit pertaining to a Park Asset for any venue unless the use or occurrence of the specific products, services, conduct or activity associated with that name: (1) would be lawful for both Commission employees and patrons, (2) would not violate Commission rules and regulations, and (3) would not conflict with the orderly operation of the Park Asset, all as determined for the specific venue where the Naming Right, Advertising Right, or Sponsorship Benefit is intended for public display or dissemination. By way of illustration, and not in limitation, Department may not grant a Naming Right, an Advertising Right. or a Sponsorship Benefit for a Legal Entity associated with cigarettes, medical or recreational cannabis. or alcoholic beverages for any Park Asset where⁴ smoking or consuming those items is prohibited.
- 2. Park Programs. Department may not grant a Naming Right, Advertising Right, or Sponsorship Benefit pertaining to a Park Program unless the use or occurrence of the specific products, services, conduct or activity associated with that Legal Entity / Governmental Entity: (1) would be lawful for both Commission employees and patrons, (2) would not violate Commission rules and regulations, and (3) would not conflict with the specific Park Program, activity, facility or audience, all as determined for the program or venue where the Naming Right, Advertising Right, or Sponsorship Benefit is directed for public display or dissemination. By way of illustration, and not in limitation, a Sponsorship Benefit for a product with substantial health risks may conflict with a Park Program intended to promote the health of children or youth, and on that basis Department may not grant a Sponsorship Benefit.

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⁴By statute, certain venues such as Prince George's Stadium, Commission-owned golf courses, and Show Place Arena may hold a beer, wine, and liquor license. Park Rules Chapter IV, section 3 governs use of alcohol, controlled substances and smoking on park property.

G. No Endorsement. The Legal Entity which has a Naming Right, Advertising Right, or Sponsorship Benefit shall not imply, suggest or publicize any inference to indicate that the Commission, Planning Board or Department officially or otherwise commercially endorses the purchase and/or consumption of any product, service, activity or conduct. Any permission granted for a Legal Entity to use the Commission's name, logo or other intellectual property in connection with a Naming Right, Advertising Right or Sponsorship Benefit must be non-exclusive and specifically authorized under a Definitive Agreement, and the Legal Entity must expressly warrant its strict compliance with the terms of such use as granted.

H. Disputes. Any applicant for a Naming Right, Advertising Right, or Sponsorship Benefit who is aggrieved by a decision of the Department may appeal that decision to the Planning Board. When hearing such appeal, the Planning Board will not consider an existing or future Naming Right, Advertising Right, or Sponsorship Benefit in connection with the adjudication of any planning, zoning, subdivision or other regulatory activity authorized under the Land Use Article of the Maryland Annotated Code or the Prince George's County Code.

The Planning Board will provide the applicant with an opportunity to be heard and consider the basis of appeal on the merits. After due consideration, the Planning Board will provide its decision on the appeal in writing and that decision will be final.

VII. <u>STANDARDS APPLICABLE TO NAMING RIGHTS, ADVERTISING RIGHTS, AND STEWARDSHIP BENEFITS</u>

- A. Brevity. Where a Park Asset or Park Program is named for a Legal Entity or Governmental Entity, the name used should normally be the shortest name possible.
- B. <u>Editorial Discretion</u>. The Commission intends to preserve its rights and discretion to exercise full editorial control over the placement, content, appearance, and wording of Naming Rights, Advertising Rights, Sponsorship Benefits and related messages. It is the intent of this Policy to provide Legal Entities and Governmental Entities with visibility while avoiding or minimizing adverse impact on park visitors' overall experience and the visual qualities of the park environment.
- C. Naming Rights, Advertising Rights, or Sponsorship Benefits must not include depictions, words, or phrases that are reasonably deemed to be harmful or otherwise developmentally inappropriate for the purpose of communication with, or public display to, children under six (6) years of age. Examples of depictions, words, or phrases that may be rejected under this Policy are those which:
 - 1. Are sexually suggestive or obscene;
 - 2. Denigrate people on the basis of race, ethnicity, religion, or any other classification protected by law;
 - 3. Connote inappropriate violence or intimidation;
 - 4. Relate events, activities, or behaviors that are criminal or otherwise violate law (including without limitation, violations or applicable environmental, controlled substance or safety laws); or

5. Promote activities or products that are reasonably determined to be detrimental to the public health or safety; provided, however, that on a case-by-case basis, the Director may approve a Naming Right, Advertising Right, or Sponsorship Benefit for a Legal Entity that provides an in-kind donation of alcohol for a special event targeted to an adult population.

VIII. ADMINISTRATION; REPORTING

The process for Naming Rights, Advertising Rights, and Sponsorship Benefits will be administered by the Department in coordination with the Commission. This process includes, but is not limited to, marketing opportunities, naming, renaming, advertising, negotiating terms of Definitive Agreements, and presenting those agreements with commercial value of \$100,000 or more to the Planning Board for approval.

If the Naming Right, Advertising Right, or Sponsorship Benefit associated with a park or facility has a commercial value of \$100,000 or more, the Naming Right, Advertising Right, or Sponsorship Benefit may be licensed to a Legal Entity pursuant to Maryland Annotated Code, Land Use Article Section 17-204, provided that selection of any such Legal Entity is made on a reasonably competitive basis and the terms of the license as presented by the Department are approved by the Planning Board.

The Department is authorized to negotiate with a Legal Entity / Governmental Entity per the criteria outlined in this Policy.

Signature authority for Definitive Agreements is designated as outlined below:

- 1. Definitive Agreements for Park Assets that include Naming Rights require signature of the Commission's Executive Director.
- 2. The Commission's Executive Director may delegate in writing to the Director of the Department signature authority for Definitive Agreements for: (a) Park Programs that include Naming Rights, Advertising Rights and/or Sponsorship Benefits and/or (b) Park Assets that include Sponsorship Benefits and/or Advertising Rights.

Each Definitive Agreement must include provisions for termination at will by the Commission with 30 days' notice under appropriate circumstances determined in the sole discretion of the Commission's Office of General Counsel, including without limitation, in the event (a) the Legal Entity or Governmental Entity becomes insolvent or files for bankruptcy, (b) a court or administrative tribunal of competent jurisdiction finds the Legal Entity or Governmental Entity has violated a law or regulation pertaining to unfair business or employment practices, (c) the Legal Entity (or one of its members or owners) or the Governmental Entity is associated with activities involving moral turpitude, (d) the Legal Entity or Governmental Entity does one of the following that does not meet the Eligibility Criteria set forth elsewhere in this Policy: (1) is acquired by a legal entity; (2) develops / acquires a business line; (3) changes its mission and/or values.

Development of tiered sponsorship levels identifying the various Park Assets and Programs available for Sponsorship Benefits and associated recognition benefits and standards will be subject to public review and presented to the Director for approval before the program is implemented.

Commencing six (6) months after the adoption of this Policy by the Planning Board and every quarter thereafter, the Department will provide to the Director a description of the Naming Rights, Advertising Rights, Sponsorship Benefits, and Definitive Agreements that have been approved and of the Park Assets and Park Programs to which they pertain.

The Department is authorized to promulgate appropriate standards, policies and regulations necessary to effectuate the purpose of this Policy.