



Council Communication

Office of the City Manager

Date	April 23, 2007
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Agenda Item No.	64
Roll Call No.	07-
Communication No.	07-227
Submitted by: Donald M. Tripp, Park and Recreation Director	

AGENDA HEADING:

Approval of Sponsorship Agreement with Toyota of Des Moines for support of various Park and Recreation Department programs.

SYNOPSIS:

Recommend approval of the Sponsorship Agreement with Toyota of Des Moines negotiated by Intemark, Inc. on behalf of the Park and Recreation Department. In exchange for sponsorship advertising at various Park and Recreation Department venues and events, Toyota will provide the City with cash and in-kind support totaling \$70,125.

FISCAL IMPACT:

Amount: Toyota's total commitment under the Sponsorship Agreement is \$82,500. This amount includes \$49,500 in cash and a \$33,000 value-in-kind of free one-year leased vehicles (hybrids and trucks) to replace existing vehicle fleet within the Park and Recreation Department.

Intemark, Inc. will receive a 15% commission (\$12,375) for securing and negotiating the agreement with Toyota of Des Moines. Therefore, the city's net benefit from this action is \$70,125.

Funding Source: Funding shall be deposited in and dispersed from the Park and Recreation Department, Marketing, GE001 PKS011200, page 134 in the Fiscal Year 2006-07 Operating Budget.

ADDITIONAL INFORMATION:

In 2005 the City Council approved an Agreement with Intemark, Inc. (Minneapolis, MN), to secure partnerships of cash and "in-kind" contributions to support park and recreation programs and facilities.

A Sponsorship Agreement, which is on file in the City Clerk's office, between the City of Des Moines and Toyota of Des Moines provides a total value of \$82,500 for one year with one, two-year renewal option upon mutual agreement of both parties. The total value is broken down in a 60/40 split of cash (\$49,500) and value-in-kind (\$33,000 free lease value of hybrids and trucks to replace existing Park and Recreation Department fleet vehicles). It is anticipated that Park and Recreation will receive six (6) leased vehicles (four hybrids and two trucks). The Park and Recreation Department has worked through the disposition of the existing vehicle inventory with Fleet Management, which will reallocate and/or dispose of vehicles depending on the overall fleet needs of the City.

As recognition for this partnership, the City shall designate Toyota of Des Moines as “presenting sponsor” for the Nitefall on the River concert series. Toyota will receive vehicle displays at various special events and athletic tournaments, on-site banners at the James W. Cownie Baseball Park, a static message at the Free Flicks movie series and opportunities to display vehicles at various park locations throughout the term of this agreement. Additionally, a special decal shall be placed on the free leased vehicles to recognize this contribution, subject to City Manager approval on the final design.

This partnership will allow the Park and Recreation Department to enhance existing programs and save money in the following ways:

- By using the cash to secure larger-crowd-drawing entertainers at the Nitefall concerts.
- By marketing programs and services.
- By reducing maintenance costs due to the new free leased vehicles.

PREVIOUS COUNCIL ACTION(S):

Date: October 24, 2005

Roll Call Number: 05-2598

Action: Approving Sponsorship Marketing Agreement with Intemark, Inc. to secure partners (cash and “in-kind”) for the Park and Recreation Department. Payment for these services shall be 15% of all cash and value-in-kind with pre-authorization by the Park and Recreation Director. (Council Communication No. 05-587) Moved by Hensley to adopt. Motioned carried 7-0.

BOARD/COMMISSION ACTION(S): NONE

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

Approval of two-year renewal upon mutual agreement of both parties by March 2008.