

**CITY OF PEORIA, ARIZONA  
COUNCIL COMMUNICATIONS**

CC: TC  
Amend No. \_\_\_\_\_

Date prepared: October 14, 2009

Council Meeting Date: October 20, 2009

TO: Honorable Mayor and Council  
FROM: Stephen M. Kemp, City Attorney   
SUBJECT: City Council Policy on Affiliate Agencies

**RECOMMENDATION:**

Discussion and possible action for the Mayor and Council to adopt the proposed Council Policy on Affiliate Agencies.

**SUMMARY:**

On October 6, 2009 the City Council held a study session regarding the provision of City of Peoria insurance benefits to full-time employees of Not for Profit organizations that have a unique relationship with the City. Based on that discussion the proposed Council Policy is submitted to Council for its consideration.

The policy is limited only to full-time employees of the Not for Profit organization. Under the Federal Employee Retirement and Income Security Act of 1974 the City could not provide these benefits to Not for Profit organization board members and customers. Under the policy each eligible Not for Profit organization will be required to enter into a written contract with the City governing the terms and conditions under which such benefits will be provided. The contract between the City and the Affiliate Agencies will address any tax implications.

The definition of the affiliate agencies is limited to those which meet one of the following requirements:

1. Is an Arizona Not for Profit Entity that has a contractual relationship with the City to provide Ticket Sales and Support Services for a City Sports Complex, Baseball Facility or other Athletic Facility used for training by a major league sports team.

**CITY CLERK USE ONLY:**

- Consent Agenda
- Carry Over to Date: \_\_\_\_\_
- Approved
- Unfinished Business (Date heard previous: \_\_\_\_\_)
- New Business
- Public Hearing: No Action Taken

ORD. # \_\_\_\_\_ RES. # \_\_\_\_\_  
LCON# \_\_\_\_\_ LIC. # \_\_\_\_\_  
Action Date: \_\_\_\_\_

2. Is an Arizona Not for Profit Entity that has a contractual relationship with the City to provide visitor information services for tourism and services to address city issues and practices of interest to local businesses.
3. Is an Arizona Not for Profit Entity that operates a museum open to the public and provides information of a past, present or future cultural nature and has an affiliate relationship with a national museum.
4. Is an Arizona Not for Profit Entity that promotes the current and future mission of Military Airports or Ancillary Military Facilities which employ Peoria residents as active duty military personnel and civilian employees.
5. Is an Arizona Not for Profit Entity that has a contractual relationship with the City to operate a city owned facility as a performing arts center, theatre, convention center or cultural arts center.

Under these definitions the following agencies would be eligible to approach the City regarding entry into a contract to provide certain City insurance benefits to the employees. These agencies are: Peoria Diamond Club; Peoria Chamber of Commerce; Fighter Country Partnership; Challenger Center of Arizona; Theater Works.

The City will require that each agency enter into a contract governing the conditions under which such benefits will be provided. Under this policy the City reserves its rights not to enter into any contracts should it decide it is in the best interest of the City.

Therefore, it is my recommendation that the Mayor and Council adopt the proposed Council Policy Defining Affiliate Agencies.

**FISCAL NOTE:** (non- applicable)

**ATTACHMENT:**

1. Proposed City Council Policy regarding definition of Affiliate Agencies.



# CITY COUNCIL POLICY

CP-09-

EFFECTIVE DATE:  
November 21, 2009

**SUBJECT:**  
**Definition of Affiliate Agencies**

Sec. 1 Purpose. The purpose of this policy is define those not for profit entities that have a special relationship with the City due to their performance of services and functions which the City is legally empowered to perform and which have been delegated by the City to these entities.

Sec. 2 Definitions.

- A. General Provisions. An Affiliate Agency of the City is a not for profit entity that:
  1. Has a separate contractual relationship with the City involving services other than the receipt of funding.
  2. The service performed by the Affiliate Agency is a service that the City is legally authorized to perform directly.
  
- B. Special Provisions. An Affiliate Agency of the City shall meet one of the following requirements:
  1. Is an Arizona Not for Profit Entity that has a contractual relationship with the City to provide Ticket Sales and Support Services for a City Sports Complex, Baseball Facility or other Athletic Facility used for training by a major league sports team.
  2. Is an Arizona Not for Profit Entity that has a contractual relationship with the City to provide visitor information services for tourism and services to address city issues and practices of interest to local businesses.
  3. Is an Arizona Not for Profit Entity that operates a museum open to the public and provides information of a past, present or future cultural nature and has an affiliate relationship with a national museum.
  4. Is an Arizona Not for Profit Entity that promotes the current and future mission of Military Airports or Ancillary Military Facilities which employ Peoria residents as active duty military personnel and civilian employees.
  5. Is an Arizona Not for Profit Entity that has a contractual relationship with the City to operate a city owned facility as a performing arts center, theatre, convention center or cultural arts center.

Approved as to Form: \_\_\_\_\_

Council Communication No. 6C

Reviewed by City Manager: \_\_\_\_\_

Action Date: April 4, 2006

C. The City may enter into a term contract with an Affiliate entity to cover the entity's full time employees with certain health, medical or related benefits provided through the City's employee benefit program during the term of the contract. Nothing in this policy shall obligate the City to enter into such contracts or to extend such contracts beyond their term. Such contracts shall be signed by the City Manager on behalf of the City and approved as to form and content by the Office of the City Attorney.

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Bob Barrett  
Mayor