

# Presentation to City Council December 16, 2014

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# Recap from last presentation...

- **Finance (Revenues):**

- TOT taxes recap as of **October 31, 2014**:
- TOT back taxes from hotel #1:
- Total to be collected: **\$175,000** by June 2015 per contract
- Total paid as of October 31, 2014: **\$116,000**
- Owed: **\$58,189** (this includes interest)
  
- Hotel # 2 has paid principal + interest for the months of Jan. 2014, Feb. 2014, and March 2014 in the amount of **\$32,843**. They owe **\$303,525.89** in back taxes which is pending in bankruptcy

# Findings within the Recreation Div.:

- **Why Recreation is vital to a community: A quick snapshot:**
- **Higher quality of life for people within the community:**
  - A city's quality of life is more important than purely business related factors
  - Provide extraordinary facilities, events & venues for city residents and increase tourism opportunities
  - Increase in property values, which leads to healthier and close-knit relationships within communities

# Findings within the Recreation Div.:

- **Tourism as an economic development strategy:**
  - Strategic investments such as sports & cultural venues. (e.g., Lompoc Aquatic Center, J M Park Facilities, Civic Auditorium)
  - City invests in supporting sports tourism events (e.g., swim meets, baseball, softball, and basketball tournaments)
  - Large commercial events generate return on investment through bed tax (e.g., dog show, Criterium, the Triathlon, several athletic competitions, and the Flower Festival to name but a few)

# Findings within the Recreation Div.:

## Why Recreation is vital to a community: A quick snapshot (continued):

- **Tourism as an economic development strategy:**
  - Generate additional and sustainable revenue through facility use fees
  - Hotel/TOT Tax
  - Strategically partner with business community
  - Showcase Lompoc as a sports, travel, events, and family destination
- **Business Attraction & Retention:**
  - Businesses will be attracted and retained in Lompoc through some key components such as infrastructure, living costs, safety, education, recreation and culture

# Highlights of activities for Lompoc Recreation Division:

- The Recreation Division comprised of 5 program staff have achieved major milestones with limited resources
- **Aquatic Center: 2013-2014**
  - Overall occupancy was 149,155
  - 35 competitive events held
- **Dick Dewees Community & Senior Center: 2013-2014**
  - Senior program served 39,188 seniors
  - The Senior nutrition program served 6,600 meals
  - Recreation collaborated with 30 different partnering organizations to offer a plethora of senior programs

# Highlights of activities for Lompoc Recreation Division (continued):

- **Sports programs: 2013-2014**
  - Number of Adult Leagues: 11 – 1500 participants
  - Number of Division Youth Leagues: 8 – 226 participants
  - Sports Camps: 13
- **Youth programs: 2013-2014**
  - Classes/Workshops: 114
  - Specialty Camps: 18
  - Family Fun Runs: 4
  - Community Special Events: 19
- **Adult programs: 2013-2014**
  - Includes exercise, craft, leisure and cooking classes: served 283 participants

# Recommendations:

## Revenue generation and 501(c)(3) non-profit status:

### **How would the City of Lompoc Recreation Division benefit from a 501(c)(3) non-profit organization?**

- Local resources have been fully utilized. This includes small and large business sponsorships and donations.
- Opens up new doors and more of a global reach by being able to have access to corporate sponsorships, national foundation and non-profit grants, media marketing grants, high net worth angel investors, and internet based crowd-funding opportunities to name just a few.
- Recreation can offer much more in terms of programs, scholarships, equipment repair/replacement with new forms of revenue generation.



# EDC Statement of goals:

- According to the 5 year strategic plan presented by the Lompoc Economic Development Committee in 2012, at the very top of the nine point priority list is a goal of “**maximized potential as a recreational destination.**”

# Recommendations:

## **Examples of funding as a form of revenue generation for 501(c)(3)'s:**

1. National Recreation and Park Association provides free crowd-funding platforms for fundraising
2. Large corporate sponsors: Gatorade, Nike, Coca-Cola, Pepsi and numerous others, including public-private partnerships
3. Local opportunities in the form of organizations such as LogicMonitor, The Towbes Group, The Santa Barbara Foundation, Deckers Outdoors Corp, and many others
4. Media marketing grants

# Use of funds generated through the 501(c)(3):

- Funds can be used for Parks and Recreation facilities and programs
- Used for things such as keeping program costs down via sponsorships and scholarships
- Purchase equipment, either new or replace equipment
- Start new programs or events
- Funds for miscellaneous supplies for camps, lane lines for a pool, or even purchasing a vehicle



# Examples of Successful Parks & Recreation 501(c)(3) foundations:

- **City of Santa Maria: Play Inc.:** Since PLAY, Inc. was founded in 1997, **over \$600,000** has been raised through grant funding and private donations
- **City of San Antonio:** The San Antonio Parks Foundation is a 501(c)(3) organization that has raised **well over \$10+ million** since its inception in 1981
- **City of Indianapolis:** The Indianapolis Parks Foundation, established in 1991 has received **more than \$30 million** through individuals, corporations and foundations

# Conclusion:

- Questions?
- Project at hand currently: Doing a thorough audit of the utility rates, and payments in our computer system. This includes looking at broadband, solid waste, electric, wastewater and sewer.