

Presentation to City Council December 16, 2014

Presented by
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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 Div.:

- The Recreation Division comprised of 5 program staff including JoAnne Plummer and Mario Guerrero Jr. 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 Div. (contd.):

- **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?**
- 1. Local resources have been largely exhausted. This includes small and large business sponsorships and donations
- 2. 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
- 3. 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 misc. 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, waste-water and sewer