

Town of Discovery Bay Recreation and Community Center



Potential Funding Sources

Action Plan



Introduction

The Town of Discovery by Community Services District is responsible for providing recreational activities to the residents of the District. In meeting that responsibility, the Discovery Bay Community Center opened its doors to the public in January 2014 offering a wide-variety of programs for all ages and is tasked with development of programming that will stimulate, educate and enrich the lives of people living in Discovery Bay.

The Town of Discovery Bay Recreation and Community Center is unique in that it is currently only funded through Lighting and Landscaping Zone 8 Appropriations and revenue generated from classes, the community swim team, a variety of community-wide events, and park and facility rentals. Therefore, identifying as many potential funding sources or options for Discovery Bay Recreation and Community Center is critical to the future success of operations.

Utilizing the Consulting Services of GreenPlay, LLC, the following list of potential funding sources was created from a list of over 100 potential funding sources compiled over 35 years of consulting with various agencies across the United States. After this Special Workshop conducted in February 2018 with the Town Board of Directors conducted in February, 2018,

Staff has taken this Town specific list to create a working action plan that will provide an annual road map, focusing on identifying as many potential funding sources or options as possible for Discovery Bay Recreation and Community Center.

These funding sources are currently being used or could easily be used by the Town of Discovery Bay Recreation and Community Center to create the existing budgets for capital and operational expenditures.

Property Tax (Zone 8 Appropriations): Property tax revenue often funds park and recreation special districts and may be used as a dedicated source for capital development. When used for operation funding, it often makes the argument for charging resident and no-resident fee differentials

Current:

- o Currently recreation services and the community center operations are funded directly from Zone 8 Lighting and Landscaping budget.

Proposed:

- o Staff is currently working on a proposal letter to a local consultant on various options related to the current Zone Funding.....

Daily Admission and Annual Pass Sales: Daily and annual pass fees can apply to regional parks and aquatics centers. The consultant team recommends consideration of bulk discount buying of daily admission fees marketed as "monthly, seasonal, 3-month, 6-month, and/or annual passes."

Current:

- o The Community Center pool is currently the sole Town program utilizing a daily admission fee. Although there is an annual Family Pass component for use of the Community Center pool, it is currently not in use due to the limited days per week that the pool is open to the public during the course of the season.

Proposed: There are currently no additionally proposed plans.

Registration Fees: This revenue source is for participating in programs, classes, activities, and events which typically require pre-registration to ensure a place. These services may or may not have limited space. These participant fees attempt to recover most if not all of the direct expenses and are often revue positive due to market demand.

Current:

- o This is the largest category of revenue for the Town's recreation programs. Contract Instructors set their own fees with the Town currently working on a 75/25 split of the fee.

Proposed: There are currently no additionally proposed plans.

Advertising Sales: Advertising sales are a viable opportunity for revenue through the sale of tastefully and appropriate advertising on items such as program guides, scoreboards, dasher boards, and other visible products or services. This could be a viable strategy in the future if appropriate opportunities present themselves, such as the acquisition of scoreboards, etc. Current sign codes should be reviewed for conflicts or appropriate revisions.

Current:

- Staff currently solicits and produces revenue from the sale of 2-3 Ad's per Activities Guide. Generally, Ad sales are based on remaining available space within the layout of each quarter's Activities Guide.

Proposed: There are currently no additionally proposed plans.

Fundraising: Many park and recreation agencies have special fundraisers on an annual basis to help cover specific programs and capital projects. This can include selling bricks, benches, pavers, tiles, and commemorative tree plantings, etc.

Current:

- Since last summer, "Summer Jam" outdoor concerts, in partnership with the Discovery Bay Lions Club have become a significant producer of capital funds for improvements to the Community Center. Since the programs inception last year, over \$11,000 have been generated that were utilized to purchase a new outdoor movie screen and sound system for the "Movie in the Park" program, and initial renovation work to the group BBQ area.
- This past April, an inaugural "Paws on Parade" event was held at the Community Center, in partnership with the Discovery Bay Lions Club which raised over \$4,000 for improvements to the dog park.

Proposed: There are currently no additionally proposed plans.

Grants: Grants often supplement or match funds that have already been received. For example, grants can be used for program purposes, information technology infrastructure, planning, design, seed money, and construction. Due to their infrequent nature, grants are often used to fund a specific venture and should not be viewed as a continuous source of funding.

- **Facilities and Equipment Grants:** These grants help buy long-lasting physical assets, such as a building. The applicant organization must make the case that the new acquisition will help better serve its clients. Fund providers considering these requests will not only be interested in the applicant's current activities and financial health, but they will also inquire as to the financial and program plans for the next several years. Fund providers do not want allocate resources to an organization or program only to see it shut down in a few years because of poor management.
- **Matching Grants:** Many grant makers will provide funding only on the condition that an amount equal to the size of the grant can be raised from other sources. This type of grant is another means by which foundations can determine the viability of an organization or program.
- **Planning Grants:** When planning a major new program, an agency may need to spend a good deal of time and money conducting research. A planning grant supports this initial project development work, which may include investigating the needs of constituents, consulting with experts in the field, or conducting research and planning activities.

Current:

- The use of Measure WW monies from East Bay Regional Park District provided an opportunity for the Town to upgrade and modernize the Community Center, Swimming Pool, and Tennis Courts prior to the facility opening its doors to the public in 2014.

Proposed: There are currently no proposed plans.

Security and Clean-Up Fees: An agency may charge groups and individuals security and clean-up fees for special events or other type of events held at facilities.

Current:

- Town policy currently requires a \$50 refundable deposit for the rental of Town picnic areas, parks, and various facilities, with the only exception being the Cornell Park Baseball Field which requires a \$100 refundable deposit.

Proposed: There are currently no additionally proposed plans.

Partnership Opportunities: Partnerships are joint development funding sources or operational funding sources between two separate agencies, such as two government entities, a non-profit and a government agency, or a private business and a government agency. Two partners jointly develop revenue producing park and recreation facilities and share risk, operation costs responsibilities, and asset management based on the strengths and weaknesses of each partner.

Creating synergy based on expanded program offerings and collaborative efforts can be beneficial to all providers as interest grows and people gravitate to the type of facility and programs that best suit their recreation needs and schedules. Potential strategic alliance partnerships where missions run parallel, and mutually beneficial relationships can be fostered and may include the following:

- Kiwanis, Optimists, VFW's, Elks Rotary, and other service and civic organizations
- Chamber of Commerce
- Youth Sports Associations
- Adult Sports Associations.

Current:

- The Town currently has developed a formal agreement with the Town of Discovery Bay Lions Club. This partnership has made it possible to raise over \$15,000 in FY17/18 towards improvements at the Discovery Bay Community Center.
- The Town currently has developed a formal agreement with a local boy scout troop that utilizes the Community Center on Monday evenings throughout the year at no cost. In exchange, the boy scouts complete a variety of mutually agreed to projects in and around the Community Center. Projects are agreed to annual by the Parks & Landscaping Manager.
- The Town Currently has developed a formal agreement with the local Monarch Butterfly chapter who has created a Monarch Butterfly Way Station/Garden area outside the front of the Community Center.

Proposed: There are currently no additionally proposed plans.

These funding sources are potential funding opportunities the Town of Discovery Bay Recreation and Community Center definitely would consider for additional funding of capital and operational expenditures.

Ticket Sales/Admissions: This revenue source is for accessing facilities for self-directed or spectator activities such as splash parks, ballparks, and entertainment activities. Fees may also be assessed for tours, entrance or gate admission and other activities, which may or may not be self-directed. These user fees help offset operational costs or apply to new projects.

Land and Water Conservation Fund: Reauthorized by Congress in December 2015 for 3 years. Generally during this short period, the level of funding allocated to states for outdoor recreation land acquisition and facility development is anticipated to rise. Every state runs their State and Local Assistance Program in a slightly unique manner.

Corporate Sponsorships: An agency can solicit this revenue-funding source itself or work with agencies that pursue and use this type of funding. Sponsorships are often used for programs and events where there are greater opportunities for sponsor recognition

Crowdfunding: Is the practice of funding a project or venture by raising many small amounts of money from a large number of people, typically via the internet. Park and Recreation agencies are beginning to incorporate crowdfunding efforts alongside traditional fundraising strategies. MRPA has implemented a Fund your Park crowdfunding platform. It's free to members, donations are tax deductible and you have all the support you need from MRPA

General Purpose or Operating Grants: When a grant maker gives an operating grant, it can be use to support the general expenses of operating. An operating grant means the fund provider supports the overall mission and trusts that the money will be put to good use. Operating grants a generally much harder to procure than program or support grants.

Management or Technical Assistance Grants: A technical assistance grant does not directly support the mission-related activities of an agency, instead supporting management or administration and the associated fundraising, marketing, and financial management needs.

Private Grant and Philanthropic Agencies: Many resources are available which provide information on private grant and philanthropic agency opportunities. A thorough investigation and research on available grants is necessary to ensure mutually compatible interest and to confirm the current status of available funding

Program or Support Grants: Is given to support a specific or connected set of activities that typically have a beginning and an end, specific objectives, and predetermined costs.

Seed Money or Start-up Grants: These grants help a new organization or program in its first few years. The idea is to give the new effort a strong push forward, so it can devote its energy early on to setting up programs without worrying constantly about raising money. Such grants are often for more that one year, and frequently decrease in amount each year.

Naming Rights: Many agencies throughout the country have successfully sold the naming rights for newly constructed facilities or when renovating existing buildings. Additionally, newly developed and renovated parks have been successfully funded through the sale of naming right. Generally, the cost of

naming rights offsets the development costs associated with the improvement. People incorrectly assume that selling the naming rights for facilities is reserved for professional stadiums and other high-profile team sport venues. This trend has expanded in recent years to include public recreation centers and facilities as viable naming rights sales opportunities.

Flexible fee strategies: This pricing strategy would allow an agency to maximize revenues during peak times and premium sites/areas with high fees and to fill in excess capacity during low use times with lower fees to maximize play.

Cost Avoidance: An agency must maintain a position of not being everything for everyone. It must be driven by the market and stay with its core businesses. By shifting roles away from being a direct provider of facilities, programs, or services, an agency may experience additional savings.

Green Practices:

- Update to energy efficient ballast, motors, appliances
- Go paperless
- Seek available Grant Funding and Initiative Awards

These funding sources are potential funding opportunities the Town of Discovery Bay Recreation and Community Center *could consider in the future* for additional funding of capital and operational expenditures. These funding sources may not be available currently in Discovery Bay or an agreement may be necessary for implementation. These funding sources may meet with some resistance and be more difficult to implement.

Gift Catalogs: Gift catalogs provide organizations the opportunity to let the community know what their needs are on a yearly basis. The community purchases items from the gift catalog and donates them to an agency.

Current:

- There is currently no existing program in place.

Proposed:

- Staff is developing a draft Gift Catalog Program that would provide for a variety of opportunities for individuals and businesses to purchase smaller items such as benches, sign boards, trees, etc.

Local Improvements Districts: Different from cities that are direct beneficiaries of these funds, Special Districts (or local improvement districts) are the beneficiaries of pass-through funding from cities or counties, which have responsibility for their interest. Special Districts cannot exact or collect the land dedication or the fee-in-lieu on their own.

Privatization – Outsourcing the Management: Typically used for food and beverage management, golf course operations, or ball field/sports complex operation by negotiated or bid contract

Philanthropic: Philanthropy can be defined as the concept of voluntary giving by an individual or group to promote the common good and to improve the quality of life. Philanthropy generally takes the form of donor programs, capital campaigns, and volunteers/in-kind services.

Foundation/Gifts: These dollars are received from tax-exempt, non-profit organization. The funds are private donations in promotion of specific causes, facilities, or issues. They offer a variety of means to fund capital projects, including capital campaigns, gifts catalogs, fundraisers, endowments, etc.

Friends Association: These groups are typically formed to raise money for a single purpose that could include a park facility or program that will benefit a particular special interest population or the community as a whole.

Volunteer Programs/In-Kind Services: This revenue source is an indirect source in the person donate time to assist an agency in providing a product or serve on an hourly basis. This reduces cost in providing the service, plus it builds advocacy for the system. To manage a volunteer's program, an agency typically dedicates a staff member to oversee the program for the entire agency. Programs such as adopt-a-park may be created with and supported by the residents, businesses, and/or organization located in the park's vicinity. These programs allow volunteers to actively assist in improving and maintaining parks, related facilities, and the community in which they live.

Capital Improvement Fees: These fees are on top of the set user rate for accessing facilities such as sport and tournament venues and are used to support capital improvements that benefit the user of the facility.

Concession Management: Is the retail sale or rental of soft goods, hard good, or consumable items. Through contracting, the agency either receives a percentage of the gross sales or the net revenue dollars from the revenue above direct expenses. Net proceeds are generally more difficult to monitor.

Merchandising Sales or Services: This revenue source comes from the public or private sector on resale items from gift shops, pro-shops restaurants, concessions, and coffee shops for either all of the sales or a defined percentage of the gross sales. Typically, agencies engage in the type of service as a convenience to their patrons and as a means to enhancing overall operational cost recovery.

Booth Lease Space: Some agencies sell booth space to sidewalk vendors in parks or at special events for a flat rate or based on volume of pre-cut sold. The booth space can also be use for supporting events and tournaments.