



Revenue and Funding Strategies

The following sources are financial options that the City of Chesterfield either currently implements or to consider in supporting the recommendations outlined in the Comprehensive Master Plan. Some of these funding sources are already in use by the City. This list is intended to serve as a resource to fit a variety of projects, operational needs, or partner-specific initiatives as well as provide inspiration in considering other strategies beyond these suggestions.

EXTERNAL FUNDING SOURCES

Corporate sponsorships

This revenue-funding source allows corporations to invest in the development or enhancement of new or existing facilities in park systems. Sponsorships are also highly used for programs and events. The City currently implements this funding strategy.

Crowdfunding

Fairly new web-based source which aggregates funds from a group of people who are willing to support a specific project, be it program related or facility related. Some sites that successfully do that are www.kickstarter.org and www.razoo.com etc. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Partnerships

Partnerships are joint development funding sources or operational funding sources between two separate agencies, such as two government entities, a non-profit and a governmental entity, or a private business and a governmental entity. Two partners jointly develop revenue producing park and recreation facilities and share risk, operational costs, responsibilities and asset management, based on the strengths and weaknesses of each partner. The City currently implements this funding strategy.

Conservancies

These are organized fund raising and operational groups who raise money for individual signature parks and or attractions such as zoo's, regional parks. There are over two thousand conservancies in the United States now. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Foundations / gifts

These dollars are raised from tax-exempt, non-profit organizations established with private donations in promotion of specific causes, activities, or issues. They offer a variety of means to fund capital projects, including capital campaigns, gifts catalogs, fundraisers, endowments, sales of items, etc. The City currently implements this funding strategy when opportunities are available.

Friends Groups

These groups are formed to raise money typically for a single focus purpose that could include a park facility or program that will better the community as a whole and their special interest. The City currently implements this funding strategy when opportunities are available.

Volunteerism

The revenue source is an indirect revenue source in that persons donate time to assist the organization in providing a product or service on an hourly basis. This reduces the organization's cost in providing the service plus it builds advocacy into the system. The City currently implements this funding strategy.



Private Donations

Private Donations may also be received in the form of funds, land, facilities, recreation equipment, art or in-kind services. Donations from local and regional businesses as sponsors for events or facilities should be pursued. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Irrevocable Remainder Trusts

These trusts are set up with individuals who typically have more than a million dollars in wealth. They will leave a portion of their wealth to the City in a trust fund that allows the fund to grow over a period of time and then is available for the City to use a portion of the interest to support specific park and recreation facilities or programs that are designated by the trustee. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Special Fundraisers

Many park and recreation agencies have special fundraisers on an annual basis to help cover specific programs and capital projects. The City currently implements this funding strategy and can be enhanced.

CAPITAL FUNDING SOURCES

Capital Fees

Capital fees are added to the cost of revenue producing facilities such as golf courses, pools, recreation centers, hospitality centers and sports complexes and are lifted off after the improvement is paid off. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Impact Fees / Retail Impact Fees

These fees are on top of the set user rate for accessing facilities such as golf courses, recreation centers and pool facilities to support capital improvements that benefit the user of the facility. Retail Impact fees are based on retail development like hotels on parks system land. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Development and redevelopment fees

These fees are assessed for the development of residential properties with the proceeds to be used for parks and recreation purposes, such as open space acquisitions, community park site development, neighborhood park development, regional park acquisition and development, etc. Additionally, redevelopment fees are attained from the property tax increase that comes from the development of trails, signature parks and destination facilities. (E.g. Atlanta / Charlotte). The City has identified this as a funding strategy that should be explored further to determine if it is feasible.

USER FEES

Fees and Charges

The Department must position its fees and charges to be market-driven and based on both public and private facilities. The potential outcome of revenue generation is consistent with national trends relating to public park and recreation agencies, which generate an average 35% to 50% of operating expenditures. This could include daily fees for access to public owned facilities and parks. The City currently implements this funding strategy.



Permits (Special Use Permits)

These special permits allow individuals to use specific park property for financial gain. The City either receives a set amount of money or a percentage of the gross service that is being provided. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Reservations

This revenue source comes from the right to reserve specific public property for a set amount of time. The reservation rates are usually set and apply to group picnic shelters, meeting rooms for weddings, reunions and outings or other types of facilities for special activities. The City currently implements this funding strategy.

Equipment Rental

The revenue source is available on the rental of equipment such as tables, chairs, tents, stages, bicycles, roller blades, kayaks, boats etc. that are used for recreation purposes. The City currently implements this funding strategy.

Recreation Service Fees

This is a dedicated user fee, which can be established by a local ordinance or other government procedures for the purpose of constructing and maintaining recreation facilities. The fee can apply to all organized activities, which require a reservation of some type or other purposes, as defined by the local government. Examples of such activities include adult basketball, volleyball, tennis, and softball leagues, youth baseball, soccer, football and softball leagues, and special interest classes. The fee allows participants an opportunity to contribute toward the upkeep of the facilities being used. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Ticket Sales / Admissions

This revenue source is on accessing facilities for self-directed activities such as pools, ice skating rinks, ballparks and entertainment facilities. These user fees help off-set operational costs. The City currently implements this funding strategy.

GRANTS

Land & Water Conservation Fund (LWCF)

LWCF is a grant administered by the North Carolina Department of Natural Resources. The funds come from the Federal Government that is received for drilling rights off the cost of the United States. Up to 50 percent reimbursement for outdoor recreation projects. North Carolina reviews LWCF grant applications and submits recommended projects to the National Park Service for final approval. All recommended projects must be in accord with North Carolina's SCORP priorities. The City has applied for this grant in the past and intends to apply again.

Recreational Trails Program

For development of urban trail linkages, trail head and trailside facilities; maintenance of existing trails; restoration of trail areas damaged by usage; improving access for people with disabilities; acquisition of easements and property; development and construction of new trails; purchase and lease of recreational trail construction and maintenance equipment; environment and safety education programs related to trails. The City has applied for this grant in the past and intends to apply again.

MPRA Scholarship Program

MPRA offers annually a professional development scholarship to one person from each MPRA region to attend the Annual Conference & Expo. The City has applied for this grant in the past and intends to apply again.



NRPA Grant & Funding Resources

The National Recreation and Park Association (NRPA) periodically posts information about grant and fundraising opportunities that are available for park and recreation agencies. Grant opportunities are posted in areas of conservation, environmental/habitat, programming, social issue initiatives, Art and facility/amenity development. The City is already regularly reviewing these opportunities, but need to make sure the cost benefit is present for the agency before applying.

Local Nonprofit Foundation Grants

These nonprofit foundations raise money through community foundations for parks and help support local park foundations on a local and regional level. The City currently implements this funding strategy. **Some notable efforts are St. Louis County Health Dept., SLCML, RAC & MAC - arts (need acronyms spelled out).**

Land Trust

Many systems have developed land trusts to help secure and fund the cost for acquiring land that needs to be preserved and protected for greenway purposes. This could be a good source to look to for acquisition of future lands. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Partnership Enhancement Monetary Grant Program

Partnership Enhancement Monetary Grant Program, administered by the National Tree Trust. Matching grants are available on a 50/50 cost share basis. Funds are available for projects which promote public awareness in support of tree planting, maintenance, management, protection and cultivation of trees in rural, community and urban settings. These are small grants ranging from \$500 to \$20,000. The City currently implements this funding strategy.

TAX FUNDING SOURCES

Lease of Development Rights

Lease land for fiber optics, utilities alongside of trails to support operations trails. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Hotel/Motel Tax

Tax based on gross receipts from charges and meal services, which may be used to build and operate sports fields, regional parks, golf courses, tennis courts, and other special park and recreation facilities. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Special Improvement District/Benefit District

Taxing districts established to provide funds for certain types of improvements that benefit a specific group of affected properties. Improvements may include landscaping, and acquisition of art, and supplemental services for improvement and promotion, including recreation and cultural enhancements. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Sales Tax

This existing revenue source has been very successful in funding the park system in Frisco, TX. This tax is very popular in high traffic tourism type cities and with county and state parks. The City currently implements this funding strategy and it may be worth exploring the level of support for an increase to fund the park system residents asked the City to build from the survey results.



Food & Beverage Tax

The tax is usually associated with convention and tourism bureaus. However, since parks and recreation agencies manage many of the tourism attractions, they receive a portion of this funding source for operational or capital expenses. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

FRANCHISES AND LICENSES

Catering Permits & Services

This is a license to allow caterers to work in the park system on a permit basis with a set fee or a percentage of food sales returning to the City. Also, many cities have their own catering service and receive a percentage of dollars off the sale of their food. The City currently implements this funding strategy.

Pouring Rights

Private soft drink companies that execute agreements with organizations for exclusive pouring rights within facilities. A portion of the gross sales goes back to the organization. The City of Westfield, IN just signed a 10 year, \$2 million pouring rights deal at their sports complex with Pepsi. This funding strategy is an opportunity for the City of Chesterfield to explore the feasibility of implementation. The City currently implements this funding strategy. Request for Bids are being developed to update the agreements.

Concession Management

Concession management is from retail sales or rentals of soft goods, hard goods, or consumable items. The City either contracts for the service or receives a set amount of the gross percentage or the full revenue dollars that incorporates a profit after expenses. The City currently implements this funding strategy.

Private Concessionaires

This funding source is a contract with a private business to provide and operate desirable recreational activities financed, constructed and operated by the private sector, with additional compensation paid to the organization. The City currently implements this funding strategy.

Greenway Utility

Greenway utilities are used to finance acquisition of greenways and development of the greenways by selling the development rights underground for the fiber optic types of businesses. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Naming Rights

Many cities and counties have turned to selling the naming rights for new buildings or renovation of existing buildings and parks for the development cost associated with the improvement. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Leasebacks

Leasebacks are instances whereby a private individual or company builds a community center or sports complex and the revenue earned comes back to pay the development costs. This funding strategy is an opportunity for the City to explore the feasibility of implementation.



Easements

This revenue source is available when the City allows utility companies, businesses or individuals to develop some type of an improvement above ground or below ground on their property for a set period of time and a set dollar amount to be received by the City on an annual basis. The City currently implements this funding strategy.

Land Leases

This includes options where developers / agencies lease space from City-owned land through a subordinate lease that pays out a set dollar amount plus a percentage of gross dollars for recreation enhancements. These could include a golf course, marina, restaurants, driving ranges, sports complexes, equestrian facilities, recreation centers and ice arenas. This funding strategy is an opportunity for the City to explore the feasibility of implementation.

Advertising Sales

This revenue source is for the sale of tasteful and appropriate advertising on park and recreation related items such as in an organization's print materials, on scoreboards, dasher boards and other visible products or services that are consumable or permanent and exposes the product or service to many people. The City currently implements this funding strategy.

Inter-local Agreements

Contractual relationships entered into between two or more local units of government and/or between a local unit of government and a non-profit organization for the joint usage/development of sports fields, regional parks, or other facilities. The City currently implements this funding strategy.