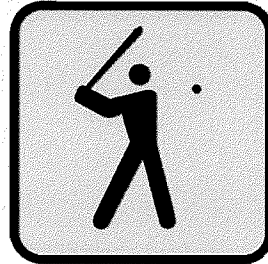


# Section 8

## Funding Recommendations



# Funding Recommendations

Citizens of Decatur have grown accustomed to a high standard of living. City services and an excellent school system are factors that continue to make Decatur a highly desirable place to live. In order to maintain this standard of living, city residents pay one of the highest property tax rates in the region. The athletic facility improvements outlined in this report total \$18,003,788. Innovative strategies, forward-thinking, and joint partnerships are the essential components needed to fund the recommended facilities. Project partners and community members must work together to complete the facility goals this document has identified.

The various types of funding available to the project partners should be collaborated to benefit the city as a whole. For example, the Recreation and Community Services Department has funding options that are different from that of the school system. These funding opportunities range from federal and state resources to private donations. This range of possibilities offers a greater flexibility in spending.

## Existing City Funds

The City of Decatur has a Capital Improvement Fund in place to fund various city projects and needs. In the year 2000-2001, this fund had \$490,490 in its budget for improvement projects throughout the city. Dollars appropriated towards park-related projects included \$318,000 as shown below:

- \$118,000 for Clairemont Sidewalk Improvements, emergency HVAC repairs, Mead Road Park Improvements, and for the reimbursement of the Hickory Street sewer relocation
- \$200,000 for professional services for the Streetscape Grant match

The 2001-2002 Capital Improvement Fund proposed \$404,200 in capital outlays which included the following projects:

- \$20,000 for E-Government Implementation Software
- \$10,000 for Renovation to Fire Station #2 (1st of 3 payments)
- \$5,000 to Paint the Decatur Recreation Center
- \$33,000 to Resurface Ebster Pool
- \$21,000 for Tennis Court Patching
- \$10,000 for Painting for Decatur Recreation Offices
- \$300,000 for Streetscape Match

This information indicates that park-related capital improvement projects received \$369,000 of the fund. The Total Capital Outlay fund received 3% of the General Fund Expenditures in the fiscal year 2001-2002 Budget. Measures to generate more money in the Capital Improvement Fund have been suggested in the 2002-2003 City of Decatur Budget because of the imminent need to renovate and improve many of the city's aging park facilities.

Ideas from the 2002-2003 City of Decatur Budget involve the City Commission reestablishing the one mill assessment for capital improvements and establishing a Capital Improvement Task Force to review capital improvement needs and recommend future funding sources. A one mill assessment would generate approximately \$725,000 for capital projects.

Another existing fund that supports the facility needs of the Recreation and Community Services Department is the Economic Development Fund. This fund uses its money to make aesthetic improvements including banner installation and landscape maintenance. In 2000-2001, \$25,750 was collected in revenues and \$21,000 was expenditures. The proposed 2001-2002 budget showed revenues of \$16,000 and expenditures of \$11,000. As detailed in the phasing section of this document, consistent reliable funding from the city will be necessary to successfully implement these recommendations.

According to the fiscal year 2001-2002 Budget, Departmental Expenditures, Recreation and Community Services receives 13.01% of the General Fund, placing third behind Public Safety (42.75%) and Sanitation and Motor Maintenance (14.14%). Currently, sources of revenue for the General Fund come primarily from property taxes (51.12%) and Charges for Services account for 5.30%.

Revenue generation could be increased if more fee-based programs were offered by the Recreation and Community Services Department. New facility developments and existing facility improvements will offer the opportunity to increase revenues over existing incomes. Improvements at the Decatur Recreation Center and Glenlake Park offer opportunities for greater revenue production over what is currently collected at these facilities.

## **Bond Program**

A common funding mechanism employed by many communities for completing needed capital improvement projects is through general bond programs paid back with tax revenue and other sources of facility revenue. The city currently has a very high bond rating due to an excellent credit history and a very low existing debt. The only existing large debt held by the city of Decatur is on the conference center and parking deck. The city holds an estimated \$8.5 million in revenue bonds with an approximate yearly obligation of \$750,000. The bond is due to be retired in 2008. The advantage to a bond program is it allows a community to fund large capital improvements over a short period of time. Funding large capital improvements through a bond also offers the potential to improve opportunities for revenue generation in new facilities thereby assisting in repayment of construction or funding operation costs.

Recommended improvements for Decatur facilities total approximately \$18 million dollars. An \$18 million dollar bond would have an estimated annual repayment of \$1.5 million for fifteen years. Lengthening that repayment period by five or ten years would decrease the yearly obligation. The estimated capital improvement costs of over \$18 million dollars have not taken into account the potential for joint public and private partnerships. Therefore, the actual bonded indebtedness that the city would be required to assume could be considerably less with private funding.

## Community Fund-raising

Because Decatur does have a significant portion of the population with a higher income, fund-raising is another option to accrue money for the recommended improvements. Special interest groups have expressed the willingness to financially support their facility needs. The Preservation Alliance has the capabilities to act quickly to acquire historic properties for the city. The Decatur Business Association is consistently involved in the community, granting money to groups who submit project proposals. The Decatur Booster Club has recently restructured - increasing membership and interest in the athletic needs of the school system. These organizations could expand their interests and new organizations could be formed to increase the level of fund-raising, which could prove fruitful for the Citywide Athletics Master Plan.

## Corporate Sponsorships

Private corporations are often an excellent source of funds for recreation improvements. The City of Decatur is a unique urban community - the type of community that corporations prefer to sponsor for the following reason: Decatur has made great efforts to create an excellent quality of life for citizens of both high and low incomes. In addition, the cooperation that brought this master plan into being will lead to innovative techniques to develop athletic facilities for the shared use of public and private agencies.

## Grants

The improvements outlined in this document could also be funded through grants. The federal government has several different grant programs associated with the TEA-21 transportation budget. The TEA-21 program offers several funding sources for greenway development and preservation of historic transportation facilities. The grant is awarded for alternative transportation, including pedestrian and bicycle trails. A 20 percent match is required from the city, county, or parks department.

Other grants are available through the Land and Water Conservation Fund, the Greenspace Fund, Environmental Protection Agency, the Trust for Public Land, and through the Rivers, Trails, and Conservation Assistance program sponsored by the Department of the Interior, National Park Service.

The Federal Transit Administration's Livable Communities Initiative provides funding for projects that promote pedestrian needs and public transit. More information about this program can be found at <http://www.fta.dot.gov/library/planning/livbro.html>. The National Recreation and Parks Association provides information about grant opportunities for various types and sizes of projects at <http://www.nrpa.org/archives.cfm>.

## Benefits

The most essential component of funding the Citywide Athletic Master Plan is to develop a clear division of responsibility between the project partners. The primary user of the facility should be responsible for the larger contribution of funds to make park improvements. Long-term commitments should be agreed upon to ensure proper and fair distribution of maintenance duties.



The implementation of the Citywide Athletic Master Plan will be of great benefit to the City of Decatur. These facility improvements will provide a high quality of life for all residents and increase Decatur's appeal to future residents. These improvements are an investment that will be enjoyed for many years to come.



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