



CITY OF RAPID CITY

300 SIXTH STREET
RAPID CITY, SOUTH DAKOTA 57701

LF060204-03

PARKS AND RECREATION DEPARTMENT

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Parks and Recreation Memo

Date: May 25, 2004

To: Legal and Finance Committee

From: Jerry W. Cole

Subject:

Summary: On May 21, 2004 the CIP Committee unanimously voted to direct the Parks and Recreation Director to develop a funding policy to handle requests from organizations that needed help in updating or renovating City owned facilities. This policy was to be presented at the next Legal and Finance Committee meeting Wednesday, June 2, 2004. The attached documentation is the results of that policy research.

Recommendation: Staff recommends that \$50,000 per year be appropriated from the Parks and Recreation CIP budget to establish a grant program which would provide a funding source to organizations that lease City owned property. This grant program would be implemented in 2005 and carried through each year thereafter as long as funds were available in the CIP budget.

Analysis/Background: In looking over the history of funding projects at the City owned/leased facilities it was recognized that there were two types of distinct projects that were being funded in the past.

The first type of project was a renovation/update of existing infrastructure facilities. Projects funded under this distinction were usually parking lots, water mains, sewer lines, major field reconstruction, and lighting costing more than \$50,000.

The second type of project was under \$50,000 and usually included fencing, irrigation, building updates or renovations. These projects according to the lease were the responsibility of the organizations to fund.

Although history has shown that some of the funding for these updates and projects came from the City through the CIP budget.

What has happened in some of these facilities is that the organizations have run short with fund raising and have put off some of the projects in order to provide the basics to play. In short there are facilities in Rapid City that are do for major renovations which could have been avoided if money was available to fix some of the smaller problems earlier in the process.

The City of Rapid City holds contracts with more than twenty-four (24) organizations for City owned facilities. Some of these facilities have been in use in Rapid for many years. Some, for only a short time, but what they all have in common is that they are getting heavy use.

Rapid City is fortunate to be home to many excellent sports facilities. Public investment in such community projects is important because they help to bolster community development.

Sports facilities provide economic stimulus by:

- Creating economic impacts;
- Encouraging consumer spending;
- Serving as tourist attractions;
- Reducing crime and delinquency;
- Providing youth, adult and seniors with vital, physical activity that greatly benefits the quality of life.

Over the years organizations change as they change people and sometimes change focus. They can't keep their leased facility in top shape. As expenses increase and funds become tight, decisions to hold off spending for that broken fence or run down building will take a back seat to just providing the kids with uniforms. What we would like to do is to allow these sports organizations to concentrate on what they do best but also provide them with the incentive to develop that renovation project they have been holding off on and to be able to again take pride in all of our facilities.

With the hundreds of park and recreation facilities in Rapid City the City can no longer stand by and allow these precious commodities to be rundown to a point where only major hundred thousand dollar renovation projects are the norm. We must look ahead and be proactive with our policies and this policy establishing a grant funding component to the CIP budget will do just that.

CITY OF RAPID CITY SPORTS FACILITY GRANT POLICY

Mandate and Functions

One of the objectives is to enhance the quality of life of residents through the development, encouragement, establishment, co-ordination, implementation, and promotion of sport and recreational programs and services; and develop excellence in programs, services, and facilities which preserves and develops the traditional values, quality of life, and environment of all Rapid City residents.

In establishing the Sports Facility Grant and providing funding for sports organizations to renovate, develop and maintain their lease facilities the primary goals are to:

- Improve deteriorating sports facilities within the City of Rapid City.
- Increase and maintain safe facilities for our community and provide opportunities for healthy physical activity. Also providing infrastructure for regional, national, and international tournaments and festivals.
- Provide equitable criteria for assigning CIP funding to community projects.
- Increase knowledge and skills of leaders in sport, recreation, and fitness. Strengthening volunteer skills and enhancing resources available to their organizations will result in improved sport, recreation, and fitness opportunities.
- Improve positive values and ethics associated with sport, recreation, and fitness such as safety, environmental ethics, equity, and partnerships.
- Increase awareness of the benefits of these Rapid City facilities.
- Develop planning and policy initiatives with regard to a number of issues including municipal role in recreation, voluntarism, and resource allocation.
- Develop partnerships between the citizens, organizations and City Government.

WHICH ORGANIZATIONS WILL WE CONSIDER GRANTING FUNDS TO?

The Rapid City Sports Facility Grant fund is set up to be used by and for voluntary, non profit making organizations which lease City owned facilities, primarily for residents of Rapid City. These include, for example, community sports associations, youth and adult organizations and service clubs.

We will not normally fund:

- * individuals
- * business organizations whose aim is profit
- * charities

GRANTS

The Council wishes to encourage voluntary organizations to maintain, improve and develop their facilities to keep them as safe and up to date as possible. Grants will only be awarded up to \$25,000 per project. CIP Committee will budget up to \$50,000 per year, and only if money is available within the CIP budget for that year.

The Rapid City Council by resolution adopted basic criteria to define the purpose of the "Sports Facilities Grant Fund":

1. The funds shall be made available to develop, renovate, or repair City owned sports facilities.
2. A sports facility is defined as any structure or field that is intended to be used primarily for athletic purposes.

In addition, the Council requested that this program do the following:

3. Encourage the leveraging of funds from other sources;
4. Hold an annual request-for-proposal (RFP) process; and
5. Minimize administrative costs.
6. Continue supporting other infrastructure renovations for our sports facilities (sewer, water, parking, etc.) out of other CIP funds through the five year planning process.

The match must meet the following requirements:

- At least 25% of the total 50% match must come from the sports organization itself and be in cash. The other 25% can be in volunteer labor or donated materials.
- A match may include cash, volunteer labor, donated supplies, equipment, or professional services such as design work.
- Assistance or funds from other City of Rapid City funding will not be accepted as part of a match, nor will any Federal Community Development Block Grant funding.
- The amount and type of match must be appropriate to the needs of the proposed project. The applicant must be prepared to justify that each element of the match, in the amount proposed, is required to complete the proposed project.
- The proposed match elements must be expended during the proposed project's implementation.
- All unskilled volunteer labor will be valued at Step 1 (\$6.26) for unskilled labor of the City of Rapid City's salary and wage matrix. Volunteer time devoted to fundraising and completing the project application is not considered part of the match.
- Professional services shall be valued at the reasonable and customary value of the product or service contributed by the professional to the proposed project. Any professional services claimed as a match must be directly related to the project.

The match contribution may be pledged by the donors as opposed to being actually collected and in-hand at time of application. However, the pledged match must be secure; that is, the applicant must have written evidence to support each element of the match from each donor.

All applications will be checked against the list of match requirements. If the match, as described in the application, does not meet this definition, the application will be considered ineligible.

Match resources must only be used after the project is actually awarded funds, if it is awarded funds. Awarded applicants can begin spending match once they are informed by letter they have been awarded.

Section III. Evaluation and Rating Criteria

Parks and Recreation staff will evaluate the applications and rank them by score. Using a projection of total funds available, the Parks and Recreation Sub-Committee will recommend which projects should receive funds and how much should be left in reserve (in case total funding falls short of projections). These recommendations will be forwarded to the CIP Committee who will approve or deny and send to the Rapid City Council. The Rapid City Council will make the final decisions.

Proposed projects which meet the match requirements above will be evaluated and rated based on the criteria below:

A. Quality of Match

The proposed match is **secure and ready** to expend:

+ 0 to 10 points

This criterion evaluates the realism of the applicant's proposed match and its availability. Maximum points will be awarded to applicants who demonstrate convincingly that they have the entire match amount readily available. For example, evidence of a secure match consisting of cash could be a bank statement and a resolution from the organization reserving a specific amount for the project. If the match is volunteer time, pledge sheets of individual commitments with specific time amounts totaling the proposed match is convincing evidence that the match is secure.

B. Neighborhood/Community Impact

The proposed project addresses a **severe deficiency and high need** for the particular type of sports facility:

+ 0 to 10 points

Maximum points will be awarded to projects addressing a high priority neighborhood/community sports facility need. A project will receive no points if the need for the project is not documented.

C. Proposed Project

Proposed project is well planned and ready for implementation:

+ 0 to 15 points

Maximum points will be awarded to projects that are carefully planned and clearly ready to proceed as soon as a grant award is available. The elements of a good plan include a well-defined scope of work, clear and measurable objectives, activities that will accomplish the objectives within a detailed time frame, indication that the applicant has provided for any specialized knowledge or expertise necessary to accomplish the objectives, and evidence that there is well-established coordination between the joint applicants.

D. Project Budget

The proposed **budget** is a reliable representation of the project's expenses:

+ 0 to 15 points

Maximum points will be awarded to projects with budgets that provide a detailed, line item breakdown of project expenses and revenues and indicate the source of the information used to develop the estimates.

E. Excess Budget Request

Project request exceeds \$25,000:

- 5 points for each additional increment of \$10,000

For example, a request of \$25,001 to \$35,000 will have 5 points deducted; a request of \$45,001 will have 10 points deducted. (Total Possible Points - 50)

F. Bonus Points

Five (5) bonus points will be awarded if:

- It is the only application from one of the five wards of the City.
- It is an application that was submitted previously and applicants were advised to make revisions in the project, and they have done so in the current application.

Fifteen (15) bonus points will also be awarded if:

- The project is located in a low/moderate-income area as determined by the latest Census.

RESOLUTION TO ESTABLISH SPORTS FACILITY GRANT FUND

WHEREAS, the City of Rapid City CIP Committee has recommended that a Sports Facility Grant Program be established within the Parks and Recreation CIP Fund; and

WHEREAS, a line item be established and budgeted for, starting in 2005, within the Parks and Recreation CIP Fund; and

NOW, THEREFORE, BE IT RESOLVED by the City of Rapid City to authorize the Sports Facility Grant Program as outlined in the attached policy.

Dated this ____ day of June, 2004.

CITY OF RAPID CITY

By: _____

ATTEST:

Finance Officer

(SEAL)

05/24/04cnd