

VETERANS MEMORIAL/COMMUNITY CENTER BUILDINGS REPORT



CLOVERDALE



COTATI



GUERNEVILLE



OCCIDENTAL



PETALUMA



SANTA ROSA



SEBASTOPOL



SONOMA

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Introduction /Purpose of Report

The County owns and operates eight Veterans/Community Center buildings. Seven of these buildings are dedicated Veterans memorials with legal requirements and limitations. Generally, the buildings are old (ranging in age from 33 to 57 years old) and some of them suffer from worn out equipment, inadequate building systems and other deficiencies. Substantial and expensive repairs, replacements and improvements are required to protect the assets, keep the buildings operational and bring them up to current standards. However, the building sites are located throughout the county and quite valuable due to their size and location. Veterans associations use these buildings for their meetings and events, and other groups and individuals use the buildings for a variety of events, meetings, and functions. Because of their age and condition, they do not compete well with the newer venues such as local wineries or convention centers. However, they provide an economical and convenient community resource for veterans groups, County departments, non-profit organizations, private gatherings, and commercial users. Operating revenue from the buildings has never covered the cost of their operation and other County funding must be used to help pay expenses. The purpose of this Report is to describe the use of these buildings and their physical and financial condition,

Overview of Veterans/Community Buildings

General Description

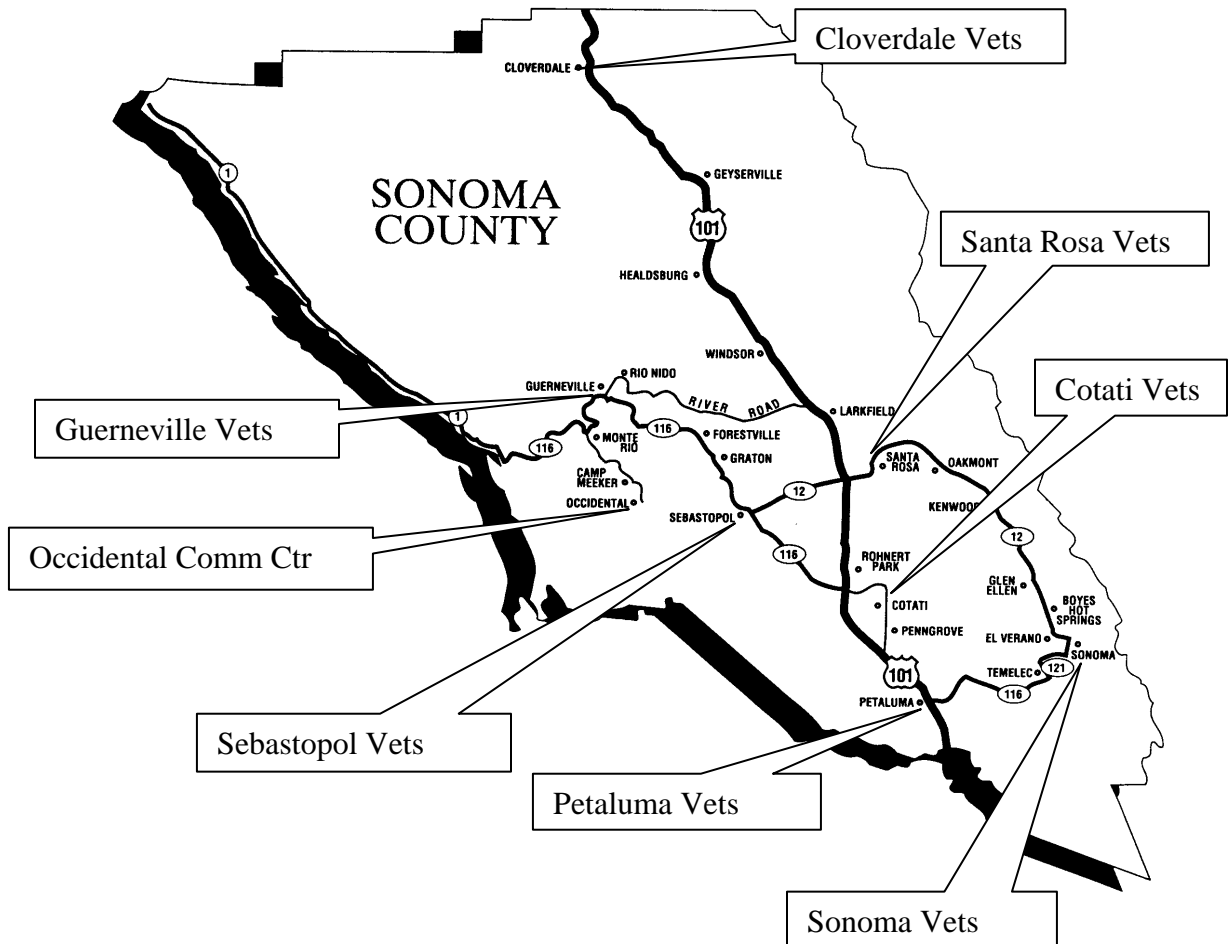
The Veterans Memorial and Community Center Buildings have been serving residents of Sonoma County for a variety of purposes since their construction began following World War II. The buildings are located throughout Sonoma County on sites ranging in size from 0.9 acre (Guerneville) to 10.2 acres (Sonoma) for a total site area of 28.8 acres. The 8 buildings vary in size from 5,420 square feet (Cotati) to 45,650 square feet (Santa Rosa), and have a total floor area of 137,778 square feet. The buildings typically have a large auditorium, meeting rooms, kitchens and support spaces with offices. However, each building is unique. For instance: Guerneville Vets shares its building with the Sheriff's Substation; Cloverdale Vets has a 100,000 gallon public swimming pool; Occidental is a recreation center while all of the others are typically a meeting place and events venue; Sonoma Vets is adjacent to a Memorial Cemetery, while Cotati and Sebastopol are adjacent to city parks; and so on. Most of the buildings were constructed between 1950 and 1961. The Occidental Community Center was built in 1974, and the Guerneville Veterans hall is an older school building that was acquired by the County in 1948. See table and map on next page for location, age and size of these buildings.

Operation and maintenance responsibilities

Responsibility for operating the buildings transferred to the Regional Parks Department in 1978 and since then their use and operation have been managed by the Regional Parks Department, which handles all the marketing, booking and collection of rental fees. In the mid 1990's, building maintenance responsibility was transferred to the Facilities Operations Division of the General Services Department. The grounds are maintained by Regional Parks. Capital projects are managed by the General Services Architecture Division and funded through the Capital Project Budget, with most of the capital funding coming from the County's General Fund.

Location	Year Built	Site Area (acres)	Building Area (square feet)	Dedicated Memorial
Cloverdale 205 W. 1 st Street	1961	1.1	6,860	Yes
Cotati 8505 Park Ave.	1961	1.2	5,420	Yes
Guerneville First & Church	Acquired 1948	0.9	9,296*	Yes
Occidental 3920 Bohemian Hwy.	1974	1.6	7,752	No
Petaluma 1094 Petaluma Blvd. So.	1959	3.7	23,800	Yes
Santa Rosa 1351 Maple Ave.	1950	8.0	45,650	Yes
Sebastopol 282 High Street	1958	2.1	17,800	Yes
Sonoma 126 First Street W.	1952	10.2	16,200	Yes
Total Areas		28.8	132,778	

*Sheriff Substation occupies 2,548 square feet and the remainder (6,748 sf) is used as the Veterans Building



Building Descriptions

The Veterans/Community Center Buildings range in age from 57 years old (Santa Rosa) to 33 years old (Occidental). Guerneville is an older school building acquired in 1948. Most of them are more than 40 years old. The buildings have reached an age and condition that require major repairs and replacements in order to protect the asset and continue their operation. The following table indicates the architect who designed the building, year it was built, and its construction type and occupancy classification as defined by the California Building Code.

Building	Architect	Built	Construction Type	Occupancy Group (per Building Code)
Cloverdale	J. Clarence Felciano	1961	V-1 hr: Wood Frame throughout.	A3
Cotati	J. Clarence Felciano	1961	V: Wood frame throughout	A2.1
Guerneville	J. Clarence Felciano	Acquired 1948	V-1 hr: Wood frame throughout. 1976: Lieb & Quaresma: Added Sheriff's office.	A2.1
Occidental	Steele & Van Dyk	1974	V-1 hr: Wood frame throughout. Heavy timber posts with glu-lam beams. Steel beam at proscenium.	A2
Petaluma	J. Clarence Felciano	1959	V-1 hr: Tilt up conc. auditorium with cast conc. surrounding walls. Wood frame roof supported by steel and conc. columns. Concrete block at lobby.	A1
Santa Rosa	C.A. Caulkins	1950	V-1 hr: Cast in place concrete walls and floor slab. Conc. roof deck with steel purlins	A1
Sebastopol	C.A. Caulkins	1958	V-1 hr: One story wood frame. Auditorium: steel columns, steel trusses with wood frame between.	A2
Sonoma	J. Clarence Felciano	1952	V-1 hr: One story concrete walls and wood frame. Bowstring trusses in auditorium. Roofs: diagonal sheathing over wood joists.	A2

The County has been busy over the last several years trying to catch up with the needed repairs and improvements. However, much still needs to be done. As part of this report, the Architecture Division conducted a survey of the buildings to determine the extent and scope of the required and recommended work. The survey also identified a number of improvements that should be done to bring these facilities up to current standards. The following summarizes the findings of this effort.

Structural: All Veterans/Community Center Buildings were structurally evaluated in the early 1990's and seismic retrofitting was done to several of them. However, the seismic evaluation standards have subsequently changed and the current standards, including evaluation methodology and loads are more stringent and conservative. Santa Rosa Veterans Building was recently re-evaluated and was found to be deficient. Seismic

bracing was immediately installed to mitigate the deficiencies, but more permanent retrofitting is recommended and included in the proposed work. See a more detailed description under Building Condition Assessment. Re-evaluating the rest of the buildings for seismic strength is beyond the scope of this report but is recommended when resources and funding are available.

Guerneville: The Guerneville Veterans Building shares the same structure with the Sheriff's Substation. Because of the importance of the Substation in responding to emergencies, it is being evaluated under the newly adopted Sonoma County Hazard Mitigation Plan. While the structure was seismically retrofitted in 1996, it was not done per the standards associated with an essential services facility. Evaluation of the structure under these standards may determine that additional structural retrofitting is necessary.

Building	Seismic Study	Consultant	Seismic Upgrade
Cloverdale	Mar. '92	ZFA	Aug. '96:Upgrade
Cotati	June '92	Winsler/Kelly	Oct. '95: Metal plates & bolts added at diaphragm connections
Guerneville		Winsler/Kelly	Mar. '96: Strap ties, angle bracing, anchor bolts, shear panels, foundation dowels.
Occidental.	June '92	Winsler/Kelly	Sept. '95: Holdowns, connections, bracing
Petaluma	Aug. '91	MKM	Oct. '96: Strap ties at roof/wall connections added.
Santa Rosa	June '92	MKM	Engineer recommends only seismic anchoring of non-structural items. No structural recommendation to building.
	Aug. '02	Interactive Resources	Nov. '02: Insufficient rebar placement. Installed temporary shoring until completion of full lateral analysis for full seismic retrofit.
	May '04	Interactive Resources	Seismic analysis recommends replacing lower roof diaphragms and ceilings (has not been implemented).
Sebastopol		MKM	Aug. '96: Holdowns, anchor bolts, straps, plywood shear walls.
Sonoma	Feb. '91	MKM	May '91: Seismic retrofit. Columns, holdowns, shear walls. Sept. 97: MKM steel beams added under wood trusses. Steel columns added.

Heating, Ventilating and Air Conditioning: Typically, the buildings are equipped with the original heating systems installed at time of construction and are now approaching or exceeding 50 years old. Some have multiple systems that have been upgraded as the older units fail. Eventually all heating systems will need to be replaced. Recently, one of the main heaters that serve the Santa Rosa Veterans Auditorium failed and was replaced as an emergency. Only a few of the buildings have air conditioning (see table below). Lack of air conditioning tends to make these buildings less attractive to their customers and

may contribute to lower use. New heating systems will be more energy efficient and the addition of chilled water coils for air conditioning should be considered as the existing units are replaced. Each building should be analyzed for energy savings. If windows are replaced, dual-glazing and additional insulation should be considered.

Fire and Life Safety: All buildings have fire extinguishers. All kitchens are equipped with fire suppression systems over the gas ranges. Sonoma, Cloverdale and Guerneville have fire alarm panels with detectors that are monitored by the local Fire Districts. Some of the buildings have fire sprinklers throughout or in the stage area. Cotati and Sebastopol have none. Some of the proposed projects in this report may trigger additional Fire and Life Safety upgrades such as fire sprinklers as required conditions of other improvements. Fire codes may require adding a sprinkler system if the floor area of an existing building is increased and fire-rated area separation walls may be required if there is a change of occupancy.

Americans with Disabilities Act (ADA): Substantial work has been done at all Veterans/Community Center Buildings and most, if not all, of the known deficiencies have been corrected. A significant amount of ADA work has just been completed in the last 5 years at Cloverdale, Cotati, Occidental, Santa Rosa and Sonoma with the funding support from the Community Development Block Grant program. At this point, the Architecture Division believes that all of the buildings are compliant with the ADA. Confirmation of compliance will be done as part of a new survey to prepare an updated countywide ADA Transition Plan.

The following table shows the systems and features by building:

	CLOVERDALE	COTATI	GUERNEVILLE	OCCIDENTAL	PETALUMA	SANTA ROSA	SEBASTOPOL	SONOMA
Age of Roof	2003	2005	2002	2002	1985	1985	1989	1996
Stage Area	no	yes	no	yes	yes	yes	yes	yes
Sound System	yes	no	no	no	yes	yes	yes	yes
Theatrical Lighting	no	no	no	no	yes	yes	no	yes
Air-conditioned	full bldg	none	none	none	club room	none	none	dining/auditorium
Fire Sprinklers	full bldg	none	full bldg	stage	stage	stage	none	full bldg
ADA Compliant	yes	yes	yes	yes	yes	yes	yes	yes
Special Features	New paint, Swimming pool	City park	Disaster Recovery, Assessor Sheriff, minimal parking,	Operated by YMCA, tennis courts	Full bar, patio, BBQ, seating system	County use, Full bar, good location, shelter	Shelter; adjacent city park & pool. Roof currently being replaced	New paint, adjacent cemetery, seating system

Building Condition Assessment

Methodology: Staff from the Architecture Division made site visits to each facility and conferred with on-site staff from Regional Parks to ascertain the building's condition and to identify proposed projects in a room-by-room survey. Regional Parks staff meets with veteran building advisory committees on a regular basis and the veterans' concerns are typically communicated to facility staff and, therefore, are assumed to be accounted for. This data was coordinated with building assessments prepared by Facilities Operations as well as projects included in the 5-Year Capital Project Plan. The projects were combined into one summary of proposed projects and identified as either a major repair and replacement or an improvement. Projects that have been funded, including projects funded in the FY 06/07 Budget are not included. Projects included in the proposed FY 07/08 Budget remain on the list, the largest of which is the Sebastopol Reroof project for \$600,000.

A second series of site visits was made which included a construction cost consultant. The projects identified in the summary of proposed projects were reviewed at the site to determine the scope of the work required.

A third series of site visits were conducted that included mechanical and electrical consultants and staff from Facilities Operations and Regional Parks. The purpose of these site visits was to ascertain the condition of the existing plumbing, heating and air conditioning systems and survey the existing electrical service at each location. Emphasis was placed on determining the presence of code violations.

Assessment Summary: Based on site inspections, engineering evaluations and feed back from Regional Parks and Facilities Operations staff, a number of deficiencies were identified as well as a number of improvements that would make these facilities more marketable and usable. The cost of these items was then estimated and developed into a project budget estimate. The estimates have been escalated to June 2007.

The total project cost for all items identified at all buildings is \$19,172,965. The individual building totals range from a high of \$11,949,854 for Santa Rosa to a low of \$298,280 for Cloverdale. Santa Rosa has the highest cost due to its size, age and condition and the work includes some expensive and disruptive work including a seismic retrofit to the structure and replacement of most of the major building systems including heating, ventilating and electrical. The project cost for these repairs, replacements and improvements at Santa Rosa average almost \$262 per square foot, which suggests that replacement with a new building should be studied because it might be a more cost effective alternative, although the cost for a new building has not been estimated.

Santa Rosa: The Santa Rosa Veterans Building, which is the oldest of the buildings (built in 1950), is in need of significant and costly renovation and repair. In 2002, the building was structurally evaluated and several deficiencies were identified that reduce the building's capacity to resist earthquake forces. The engineer concluded that the lower roofs on both sides of the main auditorium were not adequately connected to the walls and, in the event of a significant earthquake, the walls could pull away from the structure leading to a collapse of the lower roofs. The County took immediate steps to strengthen

the building by installing steel bracing to hold the walls in place to mitigate the potential of collapse. However, the steel bracing does not bring the building up to a “life safety performance level.” Permanent seismic strengthening, which has not been implemented, needs to be done to bring the building up to that performance level. “Life safety performance level” is defined as “building performance that includes significant damage to both structural and nonstructural components during a design earthquake, though at least some margin against either partial or total structural collapse remains. Injuries may occur, but the level of risk for life-threatening injury and entrapment is low.” Specifically, the engineer is concerned that in the event of a “design earthquake” (i.e. an earthquake that might occur once every 500 years) the poorly reinforced lower concrete roofs may break apart and fall on the occupants causing severe injury or fatality. The recommended solution is to completely rebuild the lower roofs by demolishing them and replacing them with new roof structures. This will require closing the building down for an extended period of time during construction.

The building also suffers from old and deficient building systems including the major electrical and heating systems. In fact, the part of the heating system that serves the main auditorium failed recently and had to be replaced, which caused inconvenience and discomfort for the building users. Since the building needs to be closed during the seismic retrofit, replacement of the other systems should be done at the same time to take advantage of the closure. Along with the replacement of the major systems, staff has also identified a number of other replacements, repairs and improvements that will help maintain the current level of use. All together, the seismic retrofit plus all the proposed replacements and improvements are estimated to cost \$11.9 million, which is almost 70% of what it would cost to replace the building. Because of the safety issues surrounding the seismic retrofit and the pending failure of many of the major systems, this work should be done as soon as possible. However, given how the cost of the work compares to building a new building, the County should seriously consider a new building.

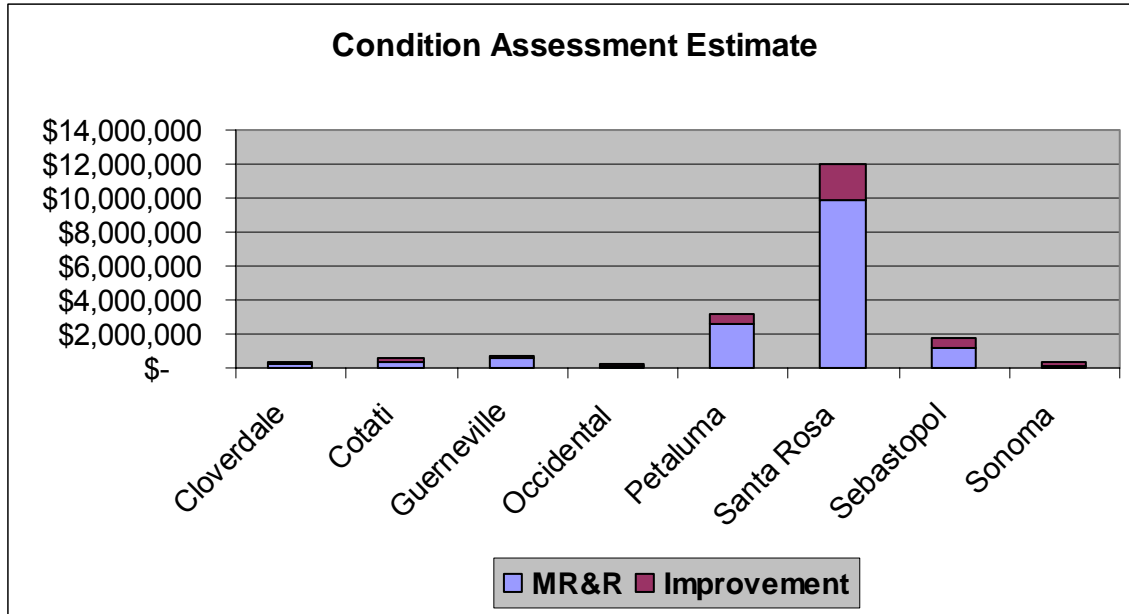
The table below displays the totals for each of the eight facilities with projects listed as “Major Repairs & Replacements (MR&R),” which maintain the use, value or useful life of an asset and “Improvements,” such as new construction or remodeling which increase the use, value or useful life of an asset. Several small items could be done as maintenance projects but the major items will have to be funded as capital projects. Loss of rent revenue due to disruption of service for construction has not been figured into these costs.

Building Condition Assessment Summary					
Building	M R & R		Improvements		Total
	Major Items	Total Cost (all items)	Major Items	Total Cost (all items)	
Cloverdale	Interior Finishes, HVAC	\$189,827	HVAC, Plumbing, Lighting	\$108,453	\$298,280
Cotati	Plumbing, Heating & Ventilation, Interior Finishes	\$399,726	Plumbing, Heating, Ventilation, Stage and Auditorium Lighting	\$191,519	\$591,245
Guerneville	Interior Finishes, Windows, Exterior Painting; Site Work	\$593,731	Plumbing, Heating, Ventilation	\$100,828	\$694,559
Occidental	Site Work, Exterior Doors	\$127,508	Plumbing , Kitchen Exhaust	\$97,200	\$224,708
Petaluma	Auditorium Seating, Roof, Heating & Ventilation, Kitchen Equipment	\$2,566,506	Plumbing, Electrical, Lighting Upgrades	\$631,864	\$3,198,370
Santa Rosa	Seismic retrofit, VAT Abatement, Reroof, Paint Exterior, Heating & Ventilation, Electrical, Paving	\$9,889,977	Sound System Upgrade, HVAC, Fire Alarm System	\$2,059,877	\$11,949,854
Sebastopol	Interior Finishes, Roof, Heating & Ventilation, Electrical	\$1,223,305	Plumbing, Sound System Upgrades, Heating and Ventilation Improvements	\$589,505	\$1,812,810
Sonoma	Interior Finishes, Plumbing, HVAC	\$131,186	Plumbing, Heating, Ventilation	\$271,953	\$403,139
Totals		\$15,121,766		\$4,051,199	\$19,172,965

Notes:

1. Estimated costs are escalated to June 2007.
2. Costs are total project costs including construction, design, management, permits, etc.
3. Costs do not include loss of revenue due to building disruption during construction

The following chart shows the comparison of costs between the buildings. By far, the biggest challenge facing the Veterans/Community Center Buildings is the age, condition and cost to cure the deficiencies at the Santa Rosa Veterans Memorial Building.



Another way to look at the costs to cure the deficiencies is to compare them to the cost to replace the entire building. Assuming that the cost to replace these buildings is \$375 per square foot (see note below table), the following table shows that Cloverdale, Occidental and Sonoma are in pretty good condition, whereas Cotati, Guerneville, Petaluma and Sebastopol are in fair condition with some significant work to do. Under this measurement, Santa Rosa would have to be considered in poor condition where the cost to cure the deficiencies is roughly 70% the cost to replace. Replacement of Santa Rosa may be a more financially viable option compared to the proposed work.

Condition Assessment Estimate					
	MR&R	Improvement	Total	\$/SF	% Replace*
Cloverdale	\$ 189,827	\$ 108,453	\$ 298,280	\$ 43.48	12%
Cotati	\$ 399,726	\$ 191,519	\$ 591,245	\$109.09	29%
Guerneville	\$ 593,731	\$ 100,828	\$ 694,559	\$ 74.72	20%
Occidental	\$ 127,508	\$ 97,200	\$ 224,708	\$ 28.99	8%
Petaluma	\$ 2,566,506	\$ 631,864	\$ 3,198,370	\$134.39	36%
Santa Rosa	\$ 9,889,977	\$ 2,059,877	\$11,949,854	\$261.77	70%
Sebastopol	\$ 1,223,305	\$ 589,505	\$ 1,812,810	\$101.84	27%
Sonoma	\$ 131,186	\$ 271,953	\$ 403,139	\$ 24.89	7%
Total	\$15,121,766	\$ 4,051,199	\$19,172,965	\$144.40	39%

*Percentage of replacement cost is for comparison only and assumes replacement project cost of \$375/sf. Actual replacement cost will vary depending on the size, scope, quality and time of construction.

Project Priority and Capital Project Funding: All together, the total estimated cost for the proposed renovations at all the facilities is \$19 million. The highest priority work is the Santa Rosa Veterans Building seismic retrofit. As explained above, the building also suffers from old and deficient building systems that need to be replaced, and since a lot of this work will disrupt use of the building, it is recommended that it be packaged and done as one project. Most of the work listed under Major Repairs and Replacements is also high priority work necessary to meet current health and safety standards or to protect the assets from deterioration. The high priority repairs and replacements, including the seismic retrofit at Santa Rosa, are estimated at \$15 million.

The General Fund has been the primary funding source for capital projects at these facilities. Since FY 03/04 the total annual contribution from the General Fund to the Capital Projects Budget has been \$3.9 million or less for all general government facilities, including radio communication sites, criminal justice facilities, administration and others. This money has been used for a variety of purposes, including major repairs and replacements, hazardous material abatement, ADA improvements, hazard mitigation, planning and remodeling. While the funding has remained flat for several years, construction cost escalation has grown significantly, effectively reducing the value of the funding. Most of the facilities it pays for are aging and in need of major capital renewal. Veterans/Community Center Buildings must compete with other important purposes, including public safety, for the use of the limited capital project funding and it is unlikely that the General Fund can pay for much of the recommended work by itself, especially the major renovation of Santa Rosa Veterans Building, without taking funding away from the higher priority projects.

Dedicated Veterans Memorials

All of the buildings except the Occidental Community Center are dedicated veterans memorials under Section 1266 of the California Military and Veterans Code. All of the memorials, except for the Guerneville Veterans Memorial Building, were constructed with funds raised through a mill tax authorized by Section 1262 of the Code. Sections 1262 and 1266 provide:

- Provision of the facility and acceptance of the facility by a veterans' association constitutes a dedication of that property to a public purpose.
- Dedication may not be revoked so long as the veterans' association has not violated the terms and conditions of the dedication, unless
 1. The County dedicates a substitute facility, or
 2. The veterans' association has consented to the proposed County action, or
 3. The veterans' association has abandoned its use of the facility.

At the time of this report, no veterans' association has used the Guerneville Veterans Memorial building since December 2003 (see discussion under Building Use/Veterans Associations). Veterans' associations continue to use the other Veterans Memorial Buildings in the county. County Counsel has not found any case law as to what constitutes abandonment of veterans' buildings under the Military and Veterans Code. Refer to Building Use for a list of which veteran associations use which building and for what purposes.

Interpretation of the law by the State Attorney General's office and by the California court of appeal in the *Gridley* case (referenced below) indicates that Section 1262 allows use of these buildings by non-veterans and allows "incidental" use as long as the use does not interfere with the primary use or purpose of the building. Case law also established that once the Board of Supervisors undertakes the obligation to provide maintenance of a constructed dedicated memorial, the obligation becomes mandatory (*Captain Charles V. Gridley Camp No. 104, United Spanish War Veterans v. Board of Supervisors of Butte County*, 98 C.A. 585 (1929)).

Section 1264 codified the interpretation regarding incidental use stating that the Board of Supervisors may provide use of veterans memorial facilities by non-veteran organizations, either free or for charge, for any purpose not inconsistent with the continued use by veterans, when such use does not unduly interfere with the reasonable use by veterans associations. While the Code does not specifically state that veterans associations must be allowed free use of Veterans Memorial facilities, veterans associations in Sonoma County are allowed to use such facilities for meetings and veterans business free of charge.

County Counsel also advises that case law concludes that the government cannot close a Veterans Memorial facility even if it is deemed unsafe. Thus, the government entity has a duty to maintain and repair the memorial, or it must dedicate a substitute facility acceptable to the veterans associations. This obligation would pass to a city if the city purchases the building from the county (*VFW v. City of El Paso de Robles*, 62 Cal App. 4th 1077 [1998]).

Building Use

Veterans Associations



Veteran groups use the buildings for meetings, veterans business, events and ceremonies. The uses vary and include monthly meetings and socials, Veterans and Memorial Day celebrations, holiday parties, remembrance events and installation ceremonies. The veterans also hold liquor licenses at Petaluma and Santa Rosa (see discussion below) and have clubrooms in these buildings for their exclusive use. Santa Rosa has the heaviest use by veterans groups with standing commitments for their use of one or more rooms for 257 days per year, not including an office that is used by the Veterans Council year round. Petaluma is next with standing commitments for 81 days per year not counting an office used by the Vietnam Veterans of America year round. The other commitments for veterans' use include 52 days per year at Cloverdale, 37 days per year at Cotati, 36 days per year at Sonoma and 29 days per year at Sebastopol.

28 veteran associations actively use the Veterans Memorial Buildings. Santa Rosa has the most veteran use with 15 associations, followed by Petaluma with 5, Cotati with 3, Sonoma and Cloverdale with 2 each, Sebastopol with 1 and, since December 2003, Guerneville has none. The two veterans associations that had used Guerneville have disbanded: American Legion Post 430 disbanded in 1988 with its remaining members joining Sebastopol Post 39; and Veterans of Foreign Wars Post 9291 disbanded in 2004 with its remaining members joining Sebastopol Post 3919. Occidental is not a Memorial and has no veteran association users.

The following table identifies the specific veterans associations that use each of the Veterans Memorial Buildings:

Veterans Organizations	Cloverdale	Cotati	Guerneville	Occidental	Petaluma	Santa Rosa	Sebastopol	Sonoma
8 and 40 Salon						#338		
American Legion Post		#338						#489
American Legion Post and Auxiliary	#293	#103			#28	#21		
Disabled Americans Veterans Chapter and Auxiliary					#117	#41		
La Societe des 40 Hommes et 8 Chevaux Voiture						#338		
La Societe des Femmes Cabane						#338		
Marine Corps League Detachment						#686		
Military Order of the Purple Heart						#78		
National Order of Trench Cats/Alley Rats						#525		
Pearl Harbor Survivors Chapter						#23		
Veterans of Foreign Wars Post		#3237						
Veterans of Foreign Wars Post and Auxiliary	#9268				#1929	#1844	#3919	#1943
Vietnam Veterans of America Chapter					#563	#223		
Building Advisory Committee					•	•		
Daughters of the American Revolution						•		
Navy League of the United States - Sonoma County Council						•		
United Veterans Council						•		
Number of Organizations	2	3	0	0	5	15	1	2

Liquor Licenses

Veterans associations hold liquor licenses at two Memorial Buildings, which are issued and monitored by the California State Department of Alcoholic Beverage Control (ABC).

Santa Rosa: American Legion Post 21 holds two liquor licenses at the Santa Rosa Veterans Memorial Building:

- “48 License On Sale General- Public Premises” allows sale of beer, wine and distilled spirits to the general public for consumption on the premises where sold, and the sale of beer and wine for consumption off the premises where sold. Minors are not allowed to enter and food service is not required. This license applies to the Club Room only.
- “58 License Caterer Permit” allows serving and sale of alcoholic beverages for special events at a specific location or for events held off-premises. Use of this license requires written authorization from the ABC.

Through a license agreement with the County, Post 21 also has the exclusive liquor concession for events held in the building. Under this agreement, Post 21 may, at its discretion, provide liquor service for events, or may waive their exclusive right, for a fee (at their discretion), allowing another caterer or non-profit organization with appropriate license and authorization to serve liquor. In any event, Post 21 does not have to surrender its license.

Petaluma: Veterans of Foreign War Post 1929 holds two liquor licenses at the Petaluma Veterans Memorial Building, which apply to the entire building:

- “52 License – Veterans Club” allows sale of beer, wine and distilled spirits to members and guests only (not to the general public) for consumption on the

premises, and sale of beer and wine to members and guests only for consumption off premises. Minors are allowed on the premises; food service is not required.

- “58 License Caterer Permit” allows serving and sale of alcoholic beverages for special events held at a specific location or for events held off-premises. Use of this license requires written authorization from the ABC.

The license agreement between the County and Post 1929 allows them to provide liquor concession to other groups but does not give them exclusive concession rights and requires the Post to surrender their liquor license if the renter wishes to use another caterer or if the event sponsor is a non-profit organization with its own daily license.

Through the license agreement with American Legion Post 21, a portion of the Santa Rosa liquor sale proceeds is shared with the County and counted as revenue. The shared amount is calculated by first deducting sales to veterans, offsite sales, permits, licenses, and sales tax. A percentage of the balance is then shared with the County. The percentage has declined over the years. Between 1981 and 1996, the County received 18% of the balance. Between 1996 and 2002, the percentage dropped every year to 6%, where it has remained since 2002. Since 2002, the average annual revenue the County received from Santa Rosa veteran liquor sales is approximately \$2,160.

Other Users

The buildings are also used for non-profit fundraisers that support important community programs, including senior citizens’ programs, youth programs and educational programs for at-risk teens. The buildings also provide meeting and trade show venues for business groups and spaces for County outreach efforts, employee training, departmental meetings and special community events.



SR Kiwanis Rotary



Guerneville Coffee Concert



Petaluma Fashion Show

In addition, they are used for private cultural, educational, recreational and celebratory events. Some serve as emergency operations centers and shelters. All eight buildings serve as polling places for the Registrar of Voters, and several are used as training sites for precinct volunteers.

Classification: There are three classifications of renters: commercial, non-commercial and non-profit. In addition, there are groups that use the buildings free of charge, including veterans, Board approved fee waivers and internal use. Internal use includes time blocked out to set up for or clean up after a major event, down time for repairs and maintenance and time used for Regional Parks meetings or training. Veteran groups use the Buildings for meetings and veterans business, free of charge. They also use the Buildings for events and ceremonies, but must reserve the rooms and pay rent the same as other non-profit users. Non-profit users make up the largest percentage of use. The following user breakdown is for FY 2003/04:

Customer Type	Bookings	%	Reservation Hours	%
Non-Profit*	2008	47.65%	11,408.58	39.85%
Internal	630	14.95%	7,839.15	27.38%
Veterans (official business)*	982	23.30%	5,061.50	17.68%
Non-Commercial	211	5.01%	1,852.50	6.47%
Commercial	162	3.84%	1,132.50	3.96%
Free Use	99	2.35%	648.50	2.27%
Other County Departments	80	1.90%	451.00	1.58%
BOS Free	34	0.81%	136.00	0.48%
City of Sonoma Free Day	8	0.19%	98.00	0.34%
Totals	4214	100.00%	28,627.73	100.00%

*Veteran events, which are not official business or meetings, are handled as non-profit customers

There are regular groups who rent the facilities on a consistent basis every year. These groups include non-profit organizations hosting fundraisers, which make up the highest percentage of users on the weekends. The highest percentage of one-time events is non-commercial, including wedding receptions, anniversaries, Quinceañeras, and other family celebrations. The two groups that make up the highest percentage of renters can be classified as non-profit organizations and renters looking for the most economical event venue. The Sonoma Veterans Building lost many of the regular user groups when the facility was closed down in 1996 for 14 months due to structural repairs. Prior to the shut down, Sonoma had 12 regular users and 19 annual users. Following the reopening, only 6 of the regular users and 12 of the annual users returned. Currently there are still only 6 regular users but the annual users have increased to 16. . The Department is going to use this facility for a pilot Marketing Program in an attempt to increase use and revenue.

Local community organizations are the primary users of the Cloverdale and Guerneville Veterans buildings, due to their location. In both facilities, renters are primarily comprised of local non-profit groups and governmental agencies. The Sonoma County YMCA utilizes the Occidental Community Center for adult programs and sports activities, through an agreement with the County. The YMCA also operates the Cloverdale Veterans Building pool through a license agreement with the City of Cloverdale. Both agreements are at no cost to the YMCA. However, at Cloverdale, the YMCA provides lifeguard staff, runs the swim programs, provides equipment to run the pool and provides janitorial services for the pool and locker rooms. At Occidental, the YMCA runs the daily programs and provides day-to-day operations and janitorial services.

Emergency Use: Guerneville, Sebastopol and Santa Rosa Veterans Buildings have been used for emergency shelters, disaster response and post disaster recovery. Any of the Veterans/Community Center Buildings can be used for similar functions in an emergency, depending on their condition at the time they are needed.

The following table identifies the many types of use and users for all of the buildings..

Use	Cloverdale	Cotati	Guerneville	Occidental	Petaluma	Santa Rosa	Sebastopol	Sonoma
Number of regular users	10	11	5	1	40	100+	28	35
Building Use								
Private cultural, educational and celebratory events	●	●	●		●	●	●	●
Election Polling Place	●	●	●	●	●	●	●	●
Election Training		●			●	●	●	●
Emergency Shelter						●	●	
Emergency Staging and Recovery Area			●			●	●	
Emergency Food Preparation						●		
YMCA Swim Program (License Agreement with Cloverdale)	●							
Public Swimming and Lessons	●							
Pool Rentals	●							
Assessors Office			●					
Rampart High School and Youth Programs			●					
River Child Care			●					
Food Give Away Programs			●		●	●		
Free Meals Program			●					
Sheriff Substation (operated by Sheriff)			●					
YMCA Programs (License Agreement with YMCA)				●				
Youth and Teen Programs				●				
Evening Adult Sports				●				
Gymnasium Activities				●				
Tennis Courts				●				
Liquor License					●	●		
Business and Trade Shows						●	●	●
County Employee Training and Testing		●				●	●	
Senior Citizen Programs							●	●
Local Performing Art Organization "Chorale" Performances								●
Youth Football League Utilities "Dressing Rooms"								●
Blood Drives								●
Parking Lot Use								
Ticket Sales /Johnson's Beach - Blues and Jazz Festivals			●					
Farmer's Market						●		
Flea Markets						●		
Swap Meets						●		
Motorcycle Safety Training						●		
Drive Thru Flu Shot Clinic						●		
Fairgrounds Event Parking (License Agreement)						●		
Memorial Hospital Employee Parking (Contract)						●		
Rose Parade Staging Area						●		
Staging Area for 4th of July and Vintage Festival Parades								●
Parking for Veterans Funerals at Veterans Cemetery								●

Levels of Use

Over the years, the buildings have aged and become outdated in terms of amenities offered to renters. Since these buildings were constructed, newer event venues have been built around the county, including many winery venues and a few convention centers. Many of these new facilities cater to a high-end market of renters looking for “wine country” atmosphere with state-of-the-art amenities. While most of these newer facilities offer air conditioning, most veterans buildings have no air conditioning, or are only partially cooled in certain rooms. The newer facilities have up-to-date audio-visual systems, whereas the theatrical lighting and sound systems in most of the veterans buildings are outdated and unusable for many events’ presentational needs. The veterans buildings also lack many of the high tech amenities that other venues offer, such as wireless networks. Nonetheless, the Veterans/Community Center Buildings seem to fill a need that other venues don’t provide, and their use has remained relatively steady for years.

Regional Parks measures the use of the Veterans/Community Center Buildings through two key indicators:

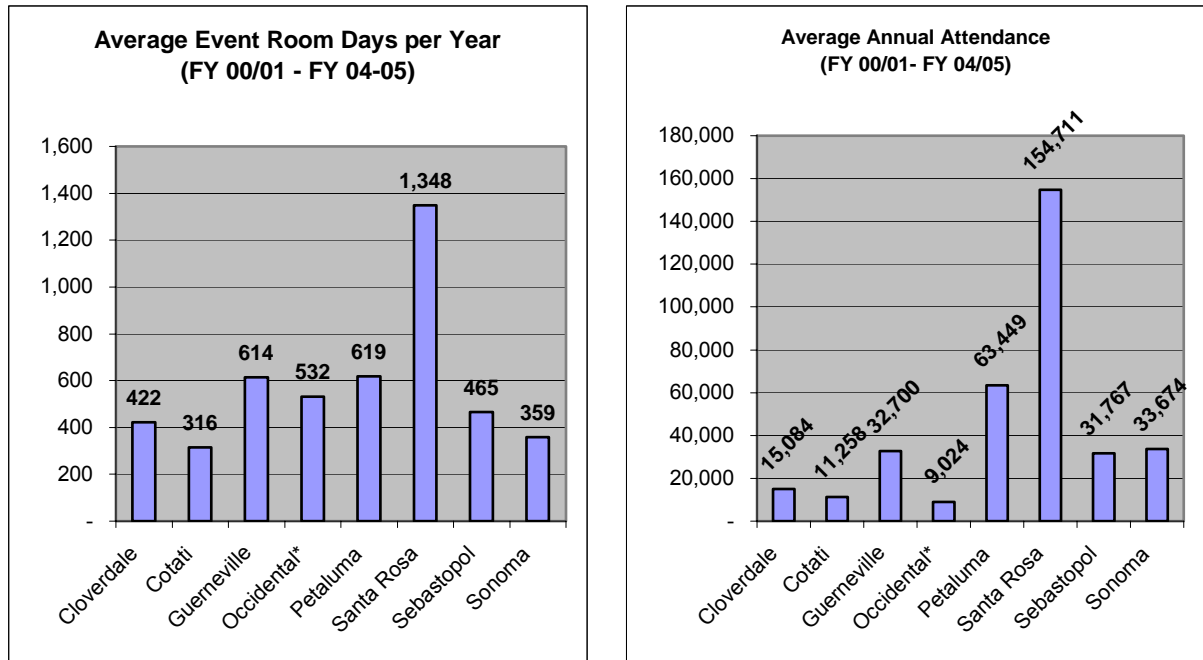
1. Attendance: The total number of people using the building each year, estimated by Parks staff each day, including all use, free or paid. Attendance at parking lot events is also included.
2. Event Room Days: the number of rooms and the number of days these rooms are used for each separate event. This includes all rooms available for use including kitchens, small meeting rooms and rooms dedicated to the veterans.

The chart on the following page compares these indicators for each of the buildings for FY 00/01 through FY 04/05. All buildings together had an annual average of 4,675 Event Room Days with an average annual Attendance of 351,667. The Santa Rosa Veterans Building is by far the most heavily used building in the group, with an average estimated Attendance of 154,711 (44% of the total) and 1,348 Event Room Days (29% of the total). The least used building in terms of Event Room Days is the Cotati Veterans Building with an annual average of 316 (6.8% of the total). In terms of Attendance, Occidental is the least used, with an annual average of 9,024 (2.6% of the total)

Attendance at Cloverdale includes swimming pool use, although Event Room Days data does not. The swimming pool, which is operated by the Sonoma County YMCA, is open for public use from Memorial Day weekend through Labor Day and has an average annual Attendance of 2,560.

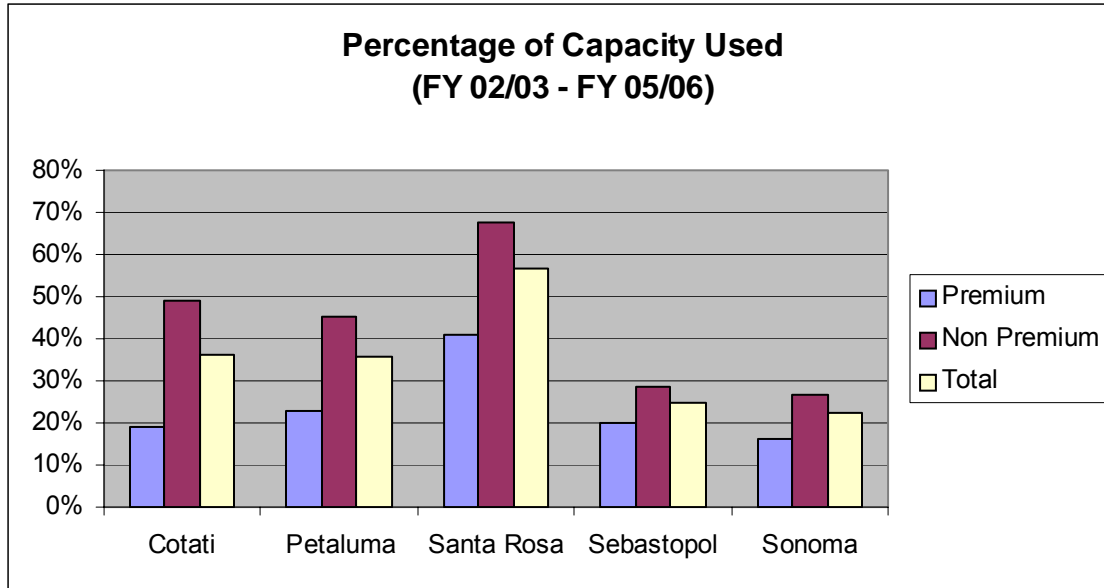
Occidental Community Center: This year (FY 05/06), Occidental has seen a drastic reduction in Event Room Days and Attendance due to changes in two of its primary users. Harmony Elementary School and the Sonoma County YMCA have used Occidental for years for school programs, after school programs and summer programs. Harmony recently closed, with its students transferring to Salmon Creek School and its property sold to a local developer. The license agreement allowing Harmony School to use the facility has been terminated. Also, the YMCA discontinued its after school program and now uses the building for 2 after school classes with much lower attendance. As a result, Occidental Community Center is only used for evening adult sports activities and the 2 YMCA classes. The facility is not in use at all during the

daytime or weekends during fall, winter and spring. However, the facility is used every weekday during the summer for YMCA Youth Summer Camp.



*Occidental usage dropped significantly in FY 05/06 – see discussion above

Another measurement of use is the percentage of the total capacity being used. “Capacity” for the building is difficult to define because all of the buildings have a number of rooms for use and the level of use varies between rooms. In order to establish a meaningful measurement, staff defined “annual capacity” as the total number of major rooms available for rent multiplied by 365 days a year (i.e. “event room days” available). Not included in this calculation are kitchens, rooms dedicated to veteran use (such as the Club Room at Santa Rosa) or small or insignificant rooms (such as the conference room at Santa Rosa). Capacity is reduced by events that preclude the use of the building (such as the use of the Santa Rosa parking lot during the Fair) or for internal use. “Annual use” is the total number of rooms used for each event multiplied by the number of days they are used (i.e. “event room days”). It is possible that a room is used by more than one event per day, in which case its use would exceed capacity for that day. Parking lot use is not counted as either capacity or use, although parking lot use at Santa Rosa is a significant use and source of revenue (see note below). Both capacity and use were divided into Premium Event Days (Friday, Saturday and Sunday) and Non-Premium Event Days (Monday through Thursday). The following chart and table shows the summary of the data that has been collected daily by the Regional Parks Department for fiscal years 2002/03 through 2005/06. Because there is no dedicated staff at Guerneville, Cloverdale or Occidental, daily data was not collected and these buildings are not included in this capacity study.



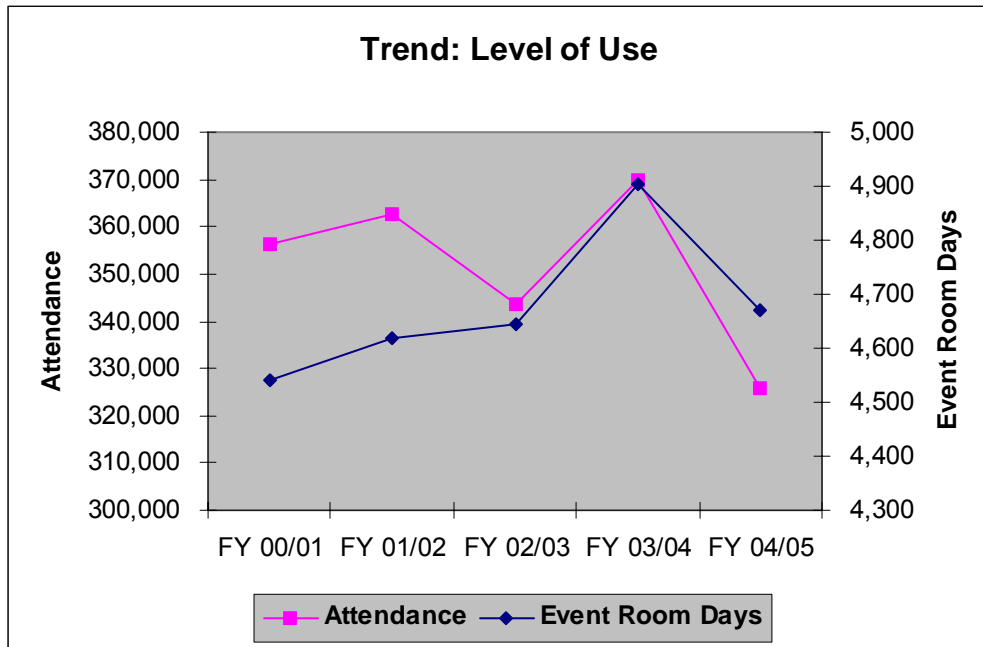
Capacity and Use - FY 02/03 through FY 05/06									
Building	Premium			Non-Premium			Total		
	Capacity	Use	% Used	Capacity	Use	% Used	Capacity	Use	% Used
Cotati	1,210	233	19%	1,623	799	49%	2,833	1,032	36%
Petaluma	2,407	552	23%	3,244	1,466	45%	5,651	2,018	36%
Santa Rosa	2,262	929	41%	3,139	2,122	68%	5,401	3,051	56%
Sebastopol	2,407	480	20%	3,269	937	29%	5,676	1,417	25%
Sonoma	1,806	293	16%	2,443	650	27%	4,249	943	22%
Total	10,092	2,487	25%	13,718	5,974	44%	23,810	8,461	36%

The capacity study indicates that the buildings are not being used to fullest extent possible and that premium time use is well below the non-premium use. For the 5 buildings in the study, there was a total capacity of 23,810 event days over the 4 years but only 8,461 event days used (36% of the capacity). Santa Rosa has the highest usage at 56% overall and Sonoma has the lowest use at 22% overall. However, staff is still researching to find a benchmark to judge this usage against. It is improbable that a building could be used at 100% of its capacity.

Note: Parking lot use is not included in the capacity study. This is a significant facility use at the Santa Rosa Veterans Building. Over the 4 years of the study, the Santa Rosa Veterans parking lot was used for 1,335 event days (497 premium event days and 838 non-premium event days). The total capacity for the parking lot over the 4 years was 1,460 event days, which indicates that the parking lot is used for over 91% of its capacity.

Trends

Overall: Between FY 00/01 through FY 04/05, the Veterans/Community Center Buildings were used for 23,377 Event Room Days with attendance of almost 1.8 million people. Overall total attendance for all eight buildings over the past five fiscal years does not indicate a clear trend, with the numbers growing one year and then dropping the next. There was a significant drop in Attendance in FY 04/05, primarily because of a drop in Attendance at Santa Rosa and Sebastopol. In the 5-year period, annual Attendance varied a little more than 44,000 (13% variation). The number of Event Room Days shows a steady growth between FY 00/01 and FY 03/04, with a drop off in FY 04/05. In the 5-year period, annual Event Room Days varied by 362 (8% variation). Drop in both Attendance and Event Room Days is, in part, the result of a drop-off in non-profit organization events. Organizations that would normally sponsor 2-3 events each year now sponsor only one due to a variety of factors.



	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	Total	Average
Attendance	356,502	362,719	343,447	369,863	325,804	1,758,335	351,667
Event Room Days	4,540	4,618	4,646	4,902	4,671	23,377	4,675

Individual Buildings: While the overall annual Attendance and Event Room Days do not show a clear trend over the study period, the data for the individual buildings indicate variations with some building usage following consistent patterns from FY 00/01 to FY 04/05. The following is a summary of the individual building trends:

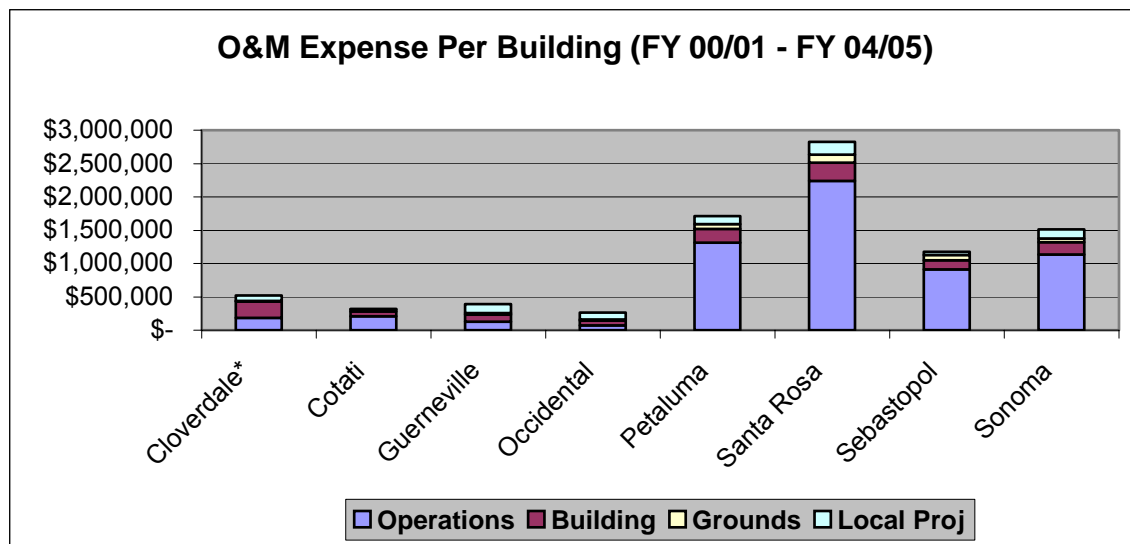
- Cloverdale: Attendance and Event Room Days have remained fairly flat over the study period with a slight trend towards growth.
- Cotati: Attendance appeared to be growing from 10,500 in FY 01/02 to 13,700 in FY 03/04 but fell back to 10,200 in FY 04/05. Event Room Days, on the other hand appears to be dropping from 362 in FY 00/01 to 304 in FY 04/05.
- Guerneville: Attendance and Event Room Days both gradually increased over the study period.

- Occidental: Both Attendance and Event Room Days declined during the study period. There has been further decline in FY 05/06 (see discussion under Levels of Use)
- Petaluma: There is no clear trend in usage. Both Attendance and Event Room Days have increased, then decreased over the study period.
- Santa Rosa: Both Attendance and Event Room Days increased from FY 01/02 through FY 03/04, but both fell in FY 04/05 with Attendance experiencing a 12% decline from 166,056 in FY 03/04 to 147,000 in FY 04/05.
- Sebastopol: There is no clear trend in usage. Both Attendance and Event Room Days have increased, then decreased over the study period.
- Sonoma: While there is variation over time, the trend appears to be declining for Attendance (from 42,730 in FY 00/01 to 25,000 in FY 04/05) and Event Room Days (from 410 in FY 00/01 to 300 in FY 04.05).

Expenses

Operating and Maintenance (O&M) Expense

The Regional Parks Department's operating budget pays for the salaries and benefits for building personnel, services, supplies and utilities to keep the buildings operational and grounds maintenance. The General Services Facilities Operations operating budget pays for building maintenance, which includes routine and preventative maintenance, and "local projects," which are usually less than \$25,000 and primarily address repairs and replacements that are outside normal routine maintenance. From FY 00/01 through FY 04/05, the annual average O&M cost for all the buildings was \$1,745,415, ranging from a high of \$565,299 for Santa Rosa to a low of \$53,527 for Occidental. In terms of annual cost per square foot, Sonoma is the most expensive at \$18.69/sf followed by Cloverdale at \$15.12/sf. The least expensive per square foot are Occidental at \$6.90/sf and Guerneville at \$8.47/sf. The O&M costs for Guerneville includes the cost of utilities for the Sheriff's Substation, although the Sheriff reimburses the Regional Parks Department for utilities, which is included in the Revenue. The O&M cost varied from building to building as shown in the following chart:



	Operations	Building	Grounds	Local Proj	Total	Annual Ave.	Cost/SF/Yr
Cloverdale*	\$ 180,580	\$ 249,792	\$ 12,510	\$ 75,810	\$ 518,692	\$ 103,738	\$ 15.12
Cotati	\$ 211,352	\$ 72,385	\$ 28,132	\$ 11,993	\$ 323,862	\$ 64,772	\$ 11.95
Guerneville	\$ 130,188	\$ 104,072	\$ 22,824	\$ 136,388	\$ 393,472	\$ 78,694	\$ 8.47
Occidental	\$ 73,765	\$ 71,008	\$ 15,139	\$ 107,722	\$ 267,634	\$ 53,527	\$ 6.90
Petaluma	\$1,314,369	\$ 201,942	\$ 73,357	\$ 119,715	\$1,709,383	\$ 341,877	\$ 14.36
Santa Rosa	\$2,242,257	\$ 273,009	\$ 115,756	\$ 195,472	\$2,826,494	\$ 565,299	\$ 12.38
Sebastopol	\$ 915,656	\$ 135,785	\$ 73,726	\$ 48,809	\$1,173,976	\$ 234,795	\$ 13.19
Sonoma	\$1,135,423	\$ 187,130	\$ 54,016	\$ 136,994	\$1,513,563	\$ 302,713	\$ 18.69
Totals	\$6,203,590	\$1,295,123	\$ 395,460	\$ 832,903	\$8,727,076	\$ 1,745,415	\$ 13.15

*O&M expense for Cloverdale includes swimming pool expenses.

Capital Projects

In addition to the ongoing operating and maintenance cost of these buildings, the County has also funded several capital projects over the years to keep them operational. Most of the funding for these projects has come from the County's General Fund, with some funding from various grants for specific types of work.

Capital Projects are more than \$25,000 and address major repairs and replacements of worn out equipment or components, such as reroofing or replacing mechanical equipment, or improvements, which provide remodeling, upgrades or new features to these facilities. These projects are funded through the County's Capital Project Budget.

Between FY 00/01 and FY 04/05, the County spent \$3,447,788 on capital projects at the Veterans/Community Center Buildings. The total cost ranges from \$38,632 at Sebastopol to \$1,106,608 at Santa Rosa. In terms of average annual cost per square foot, Cloverdale had the highest cost at \$11.63/sf followed by Sonoma at \$10.74/sf. Sebastopol average annual cost per square foot at \$0.43/sf is unusually low by comparison to the rest. However, the amount shown for Sebastopol does not represent less spending because capital projects occur at irregular intervals. Over \$300,000 worth of capital projects was done at Sebastopol just prior to the 5-year range of the study and projects to reroof the building and improve some interior conditions are underway.

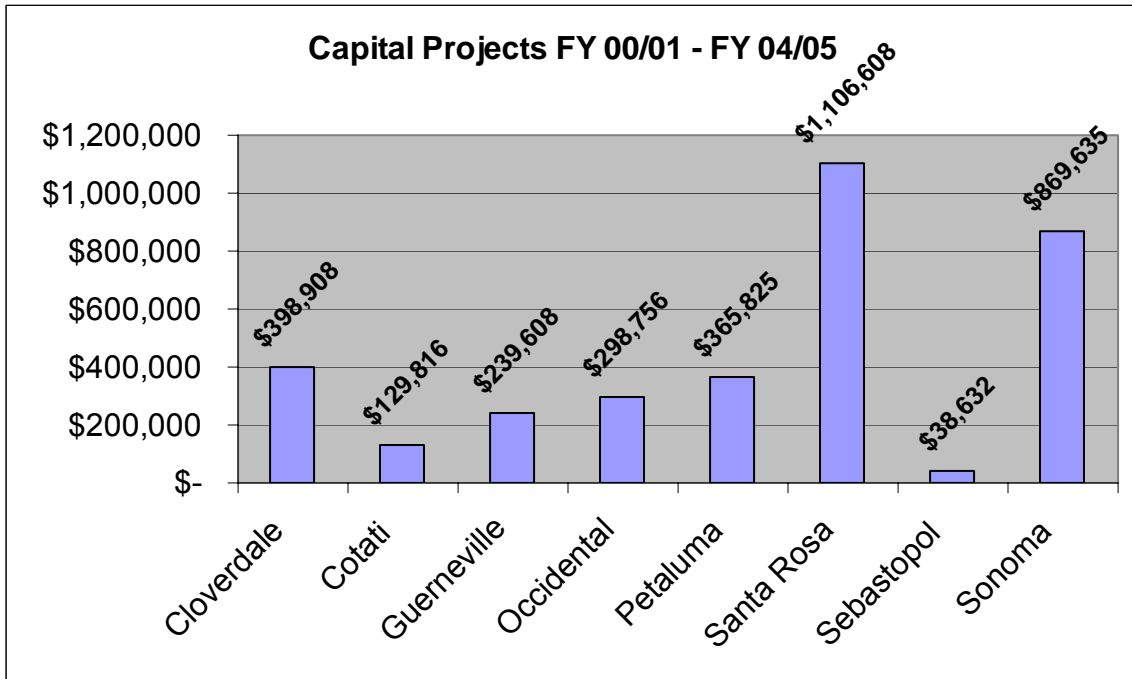
Capital projects completed during this period include the following:

- Santa Rosa Vets Seismic Bracing
- Cloverdale Vets ADA Upgrades
- Sonoma Vets ADA Upgrades
- Cotati Vets ADA Upgrades
- Occidental Community Center ADA Upgrades
- Kitchen Equipment Replacement at several buildings
- CAL OSHA upgrades at several buildings
- Floor refinishing at several buildings
- Santa Rosa Vets Light Bar Replacement
- Petaluma Vets Paving Phase I
- Occidental Community Center Reroof
- Occidental Exterior Repairs and Painting
- Guerneville Vets Reroof
- Cloverdale Vets Reroof
- Cotati Vets Reroof
- Cloverdale Pool Repairs

A number of capital projects are funded and underway at these buildings including:

- Petaluma Vets Paving Phase II
- Sonoma Vets Paving
- Sebastopol Vets Janitor Closet Code Corrections
- Sebastopol Vets Reroof
- Continuation of the floor refinishing and kitchen equipment replacement.

The capital project amount spent at each individual building varies as shown on the chart below:



Capital Project Cost by Building			
FY 00/01 - FY 04/05			
	Total	Average	Ave cost/sf
Cloverdale	\$ 398,908	\$ 79,782	\$ 11.63
Cotati	\$ 129,816	\$ 25,963	\$ 4.79
Guerneville	\$ 239,608	\$ 47,922	\$ 5.16
Occidental	\$ 298,756	\$ 59,751	\$ 7.71
Petaluma	\$ 365,825	\$ 73,165	\$ 3.07
Santa Rosa	\$ 1,106,608	\$ 221,322	\$ 4.85
Sebastopol	\$ 38,632	\$ 7,726	\$ 0.43
Sonoma	\$ 869,635	\$ 173,927	\$ 10.74
Totals	\$ 3,447,788	\$ 689,558	\$ 5.19

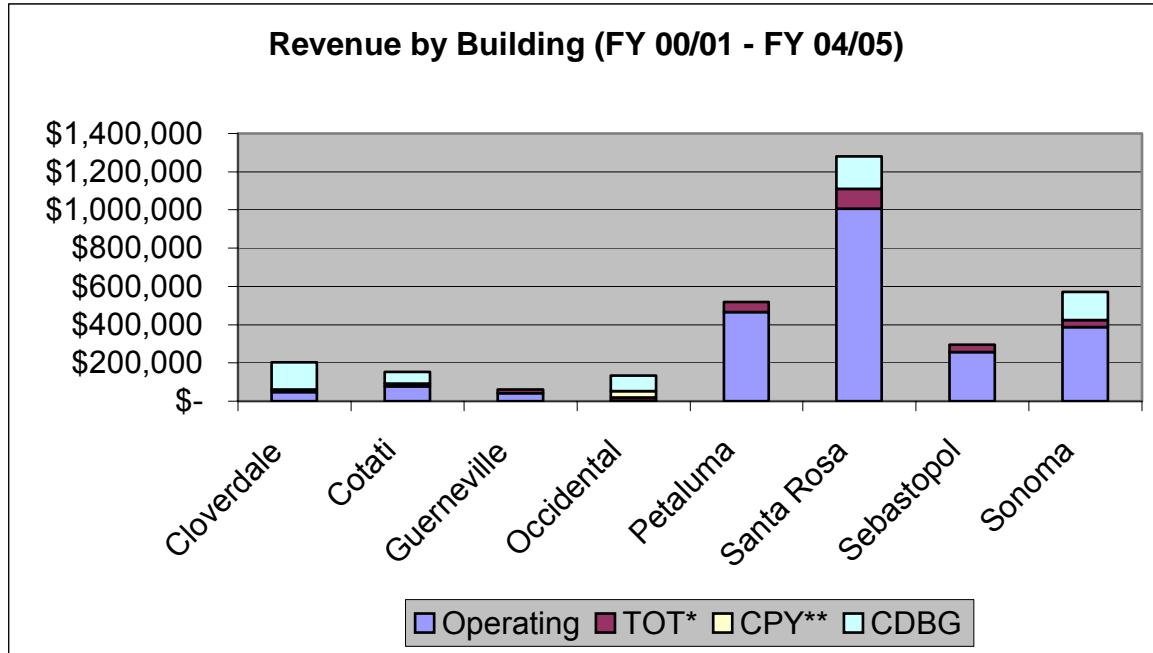
Revenue

From FY 00/01 through FY 04/05 there were four sources of revenue for the Veterans/Community Center Buildings:

1. **Operating Revenue:** Operating Revenue is generated mostly through rental fees, with a few other minor funding sources. :
 - a. Rent Revenue: Individual rooms are rented on an hourly rate, with minimums of 4 hours for auditoriums (8 hours for the Santa Rosa auditorium Friday through Sunday) and 2 hours for other rooms. Non-profit agencies and renters looking for economical venues make up the highest percentage of user groups who rent the buildings. This is largely because the rental rates are relatively low compared to other event venues in the community. Between FY 00/01 and FY 04/05, the revenue collected from all Veterans/Community Center Buildings has averaged \$456,897 per year.
 - b. Free Use: The buildings are also used free of charge in some cases. Emergency and disaster response, General Fund departments, Veteran's groups (for business and meetings) and the Board of Supervisors can use the buildings free of charge. When the Board waives rent, the General Fund reimburses Regional Parks' budget (which is not counted as revenue in this report). Also, there are eleven groups "grand fathered" in for free use, and the Board of Supervisors can waive rental fees.
2. **Transient Occupancy Tax (TOT):** TOT funds were contributed to the Veterans/Community Center Buildings starting in FY94/95. The money was appropriated through the Capital Budget and was normally used to replace worn out furniture and equipment. During the period under study in this report, \$150,000 in TOT funds was contributed to the Capital Budget in FY 00/01 and FY 01/02. In FY 02/03, the contribution of TOT funds to the Veterans/Community Center Buildings was discontinued.
3. **Community Development Block Grants (CDBG):** Grant funding from the CDBG program has been used for Santa Rosa, Cloverdale, Cotati, and Sonoma. These funds were used for American with Disabilities Act access upgrades. Close to \$600,000 has been granted since FY 00/01. The County signed a "Change of Use Certification" as part of the grant funding. This Certification requires the County to reimburse the Community Development Commission (CDC) for the funding if the County decides to change the use of the property to a new use that is not in compliance with "one of the national objectives established in 24 CFR Part 570.208." CDC has explained that the if a building is converted to general government use, such as offices, the CDBG would have to be reimbursed. CDC was unable to say if it would require reimbursement of the full amount or only a prorated portion.
4. **Community Partnerships for Youth (CPY):** Two grants from the County were awarded to the Sonoma County YMCA for repairs and improvements at Occidental. The first grant (CPY I - FY 95/96) was for \$29,535 plus \$6050 in matching funds donated by the community (\$35,585 total) and was used for a patio, tennis/handball practice court, door and window replacement and bleachers. This grant occurred prior to the study period and is not included in that analysis. The second grant (CPY II - FY 03/04) was for \$30,940 plus \$2800 matching

funds donated by the community (total \$33,740) and was used for exterior and interior repairs and painting, and new flooring. These grant funds were supplemented by the General Services Local Project budget, which has been included in the O&M Expenses.

Between FY 00/01 and FY 04/05, the Veterans/Community Center Buildings had total revenue of \$3,215,380, which was distributed among the buildings as follows:

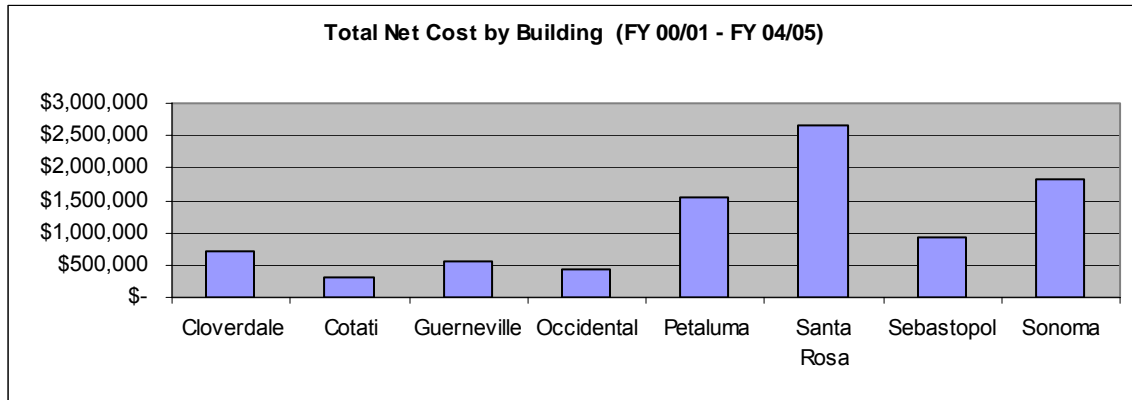


Total Revenue (FY 00/01 - FY 04/05)					
	Operating	TOT*	CPY**	CDBG	Total
Cloverdale	\$ 46,998	\$ 15,500	\$ -	\$ 140,000	\$ 202,498
Cotati	\$ 78,996	\$ 12,246	\$ -	\$ 60,904	\$ 152,146
Guerneville	\$ 41,132	\$ 21,003	\$ -	\$ -	\$ 62,135
Occidental	\$ 2,086	\$ 17,515	\$ 33,740	\$ 80,000	\$ 133,341
Petaluma	\$ 464,941	\$ 53,774	\$ -	\$ -	\$ 518,715
Santa Rosa	\$ 1,006,732	\$103,142	\$ -	\$ 170,000	\$1,279,874
Sebastopol	\$ 255,720	\$ 40,218	\$ -	\$ -	\$ 295,938
Sonoma	\$ 387,881	\$ 36,602	\$ -	\$ 146,250	\$ 570,733
Totals	\$ 2,284,486	\$300,000	\$ 33,740	\$ 597,154	\$3,215,380
*Assumes TOT funds are distributed prorated per building area					
**CPY revenue includes community donations for matching funds					

Net County Cost

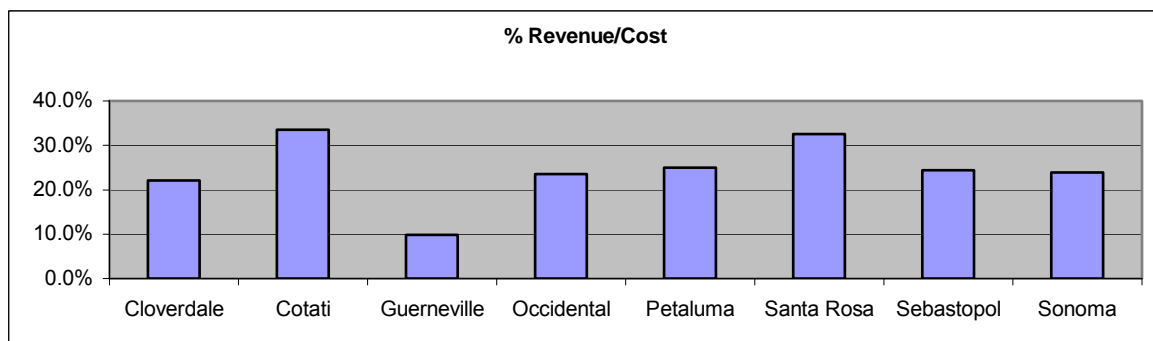
Total Net Cost By Building

On the average, from FY 00/10 through FY 04/05, total annual revenue offset only about 26% of the total annual cost to operate and maintain the facilities, including the Capital Projects. Not surprising, the Santa Rosa Veteran's Building has the largest revenue and is the most expensive to operate. The following chart and table shows the total net cost by building during the study period:



	Total Cost	Total Revenue	Net Cost	Annual Ave	\$/SF/YR	Rev/Cost
Cloverdale	\$ 917,600	\$ 202,498	\$ 715,102	\$ 143,020	\$ 20.85	22.1%
Cotati	\$ 453,678	\$ 152,146	\$ 301,532	\$ 60,306	\$ 11.13	33.5%
Guerneville	\$ 633,080	\$ 62,135	\$ 570,945	\$ 114,189	\$ 12.28	9.8%
Occidental	\$ 566,390	\$ 133,341	\$ 433,049	\$ 86,610	\$ 11.17	23.5%
Petaluma	\$ 2,075,208	\$ 518,715	\$ 1,556,493	\$ 311,299	\$ 13.08	25.0%
Santa Rosa	\$ 3,933,102	\$ 1,279,874	\$ 2,653,228	\$ 530,646	\$ 11.62	32.5%
Sebastopol	\$ 1,212,608	\$ 295,938	\$ 916,670	\$ 183,334	\$ 10.30	24.4%
Sonoma	\$ 2,383,198	\$ 570,733	\$ 1,812,465	\$ 362,493	\$ 22.38	23.9%
Totals	\$ 12,174,864	\$ 3,215,380	\$ 8,959,484	\$ 1,791,897	\$ 13.50	26.4%

Between FY 00/01 and FY 04/05, the total cost to own and operate Santa Rosa was \$3,933,102 with the total revenue of \$1,279,874, which is 32.5% of its cost. Cotati has the highest ratio of revenue to expense with revenue averaging about 33.5% of the cost, which is the result of an influx of CDBG funds for construction projects. Guerneville has the worst revenue to expense ratio of 9.8%. The following chart compares the ratio of total revenue to total expenses for all the buildings:



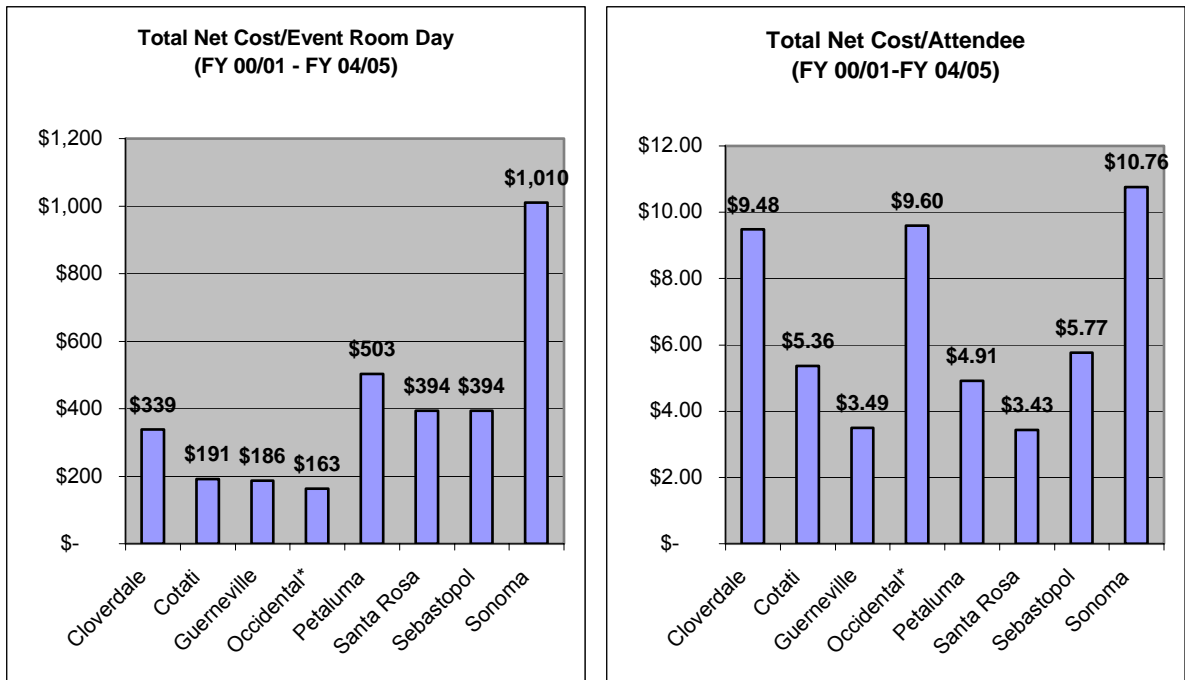
Net Cost Compared to Use

Another way to compare the cost of these buildings is to consider the net County cost relative to the building use. This provides a way of measuring the relative cost to provide this service to the community. Two methods of comparing cost to use were developed:

1. Average Net Cost Per Event Room Day (ERD), which divides the average net cost between FY 00/01 and FY 04/05 by the average number of Event Room Days during that same period.
2. Average Net Cost Per Attendee, which divides the average net cost between FY 00/01 and FY 04/05 by the average number of Attendees during that same period.

Compared in these terms, Occidental shows the lowest net cost per Event Room Day whereas Santa Rosa shows the lowest net cost per Attendee. Occidental's low cost per Event Room Day is the result of relatively low O&M and Project costs coupled with CDBG and CPY funds for some of the Capital costs. While Occidental's net cost is higher than Cotati, Occidental had more Event Room Days during the study period resulting in a lower cost per ERD. However, recent changes in FY 05/06 at Occidental have reduced both Event Room Days and Attendance – see discussion under Levels of Use. The low cost per Attendee for Santa Rosa is the outcome of the huge number of attendees that use the building. Sonoma has the highest cost per Attendee and per Event Room Day.

The following charts show how the buildings compare regarding cost for use.

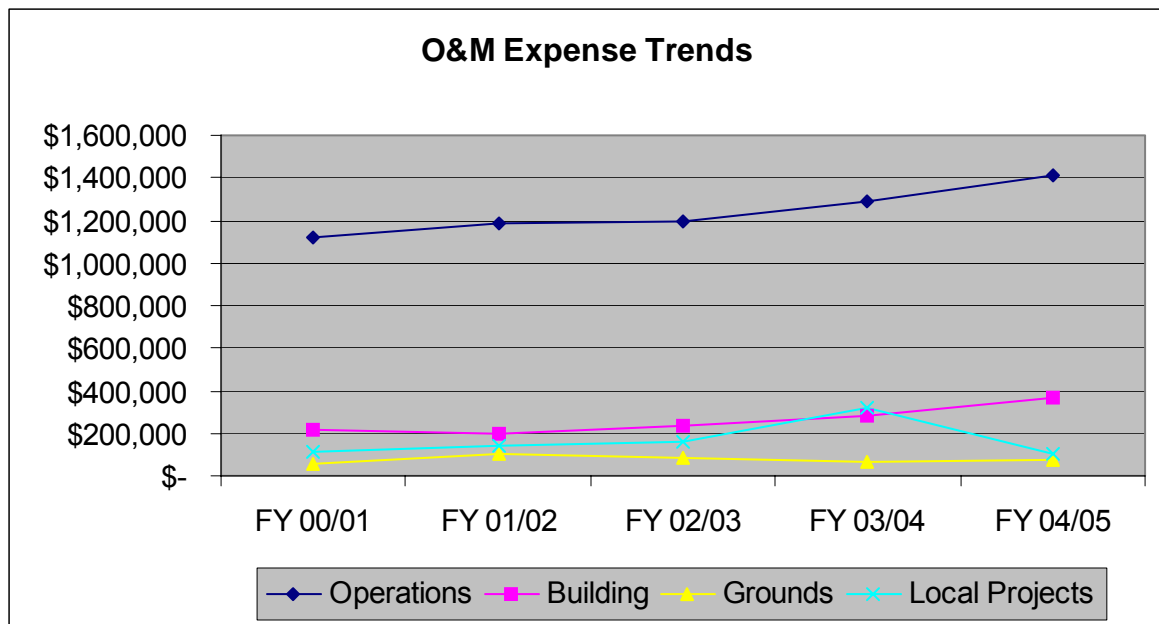


*Occidental usage dropped significantly in FY 05/06, which will have an impact on its relative cost– see discussion under **Levels of Use** above

Trends

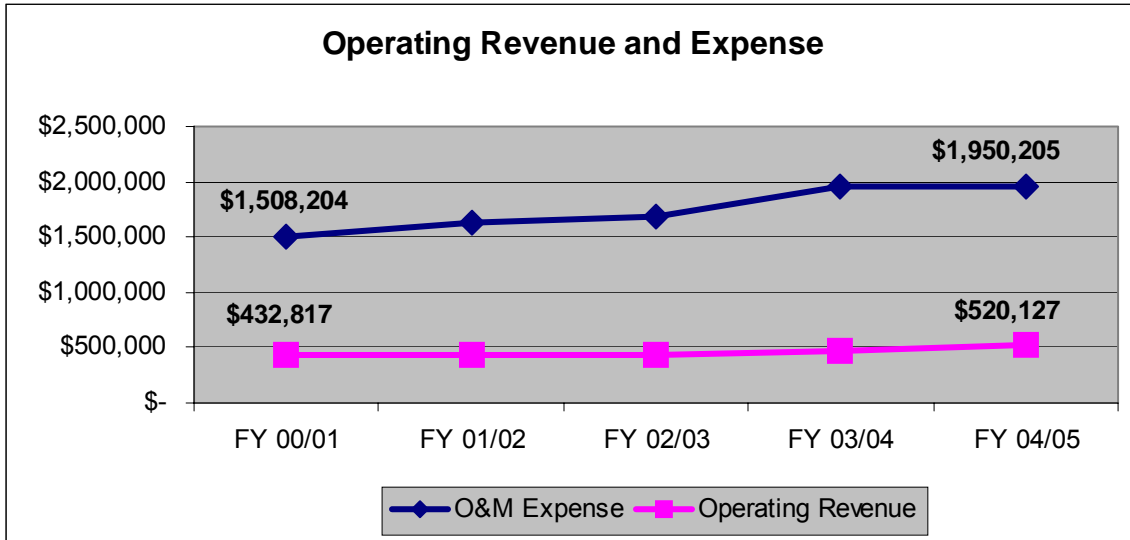
Revenue has not paid for expenses for many years. The following charts indicate the trends in cost and revenue over the last five years. To better understand the trends, the ongoing costs and revenues (i.e. O&M expense and operating revenue) are analyzed without the costs and revenues associated with Capital Projects. Capital Projects tend to occur at irregular intervals and would skew the trends if they were included in the analysis.

O&M Expense: Operating costs in FY 04/05 are 26% higher than FY 00/01 and appear to be steadily growing. Building maintenance cost is 72% higher and also appears to have a steady growth trend. Grounds maintenance and local projects have an irregular pattern. All together, the total O&M cost grew 29.3% between FY 00/01 and FY 04/05, or about 5.9% per year.



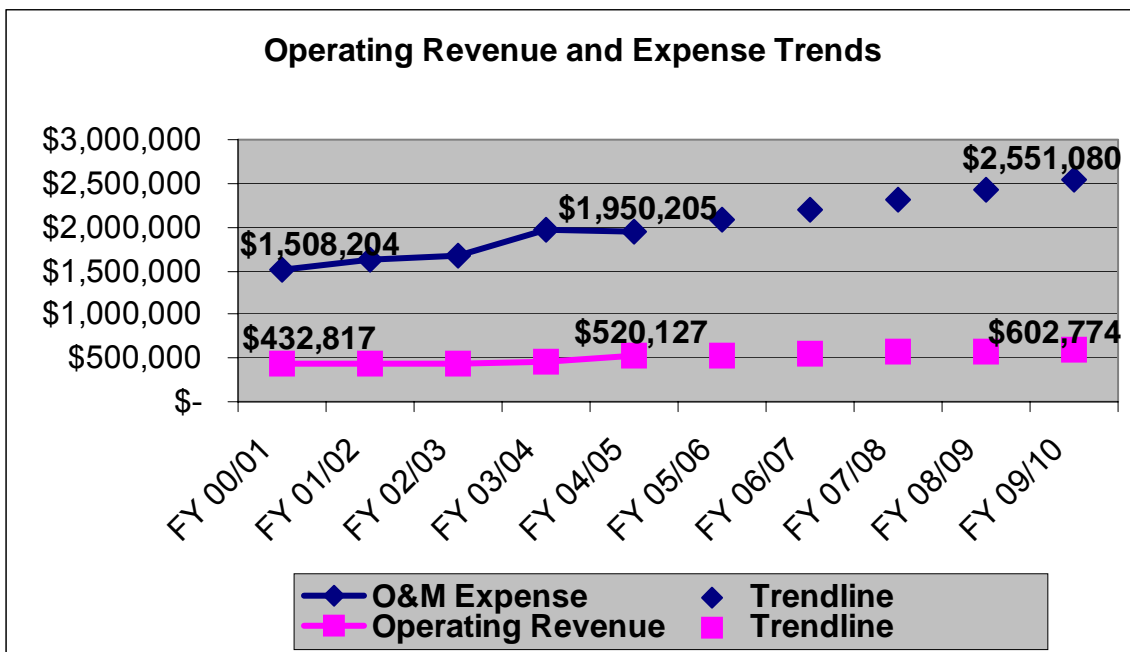
Total O&M Expenses							
	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	Total	Average
Operations	\$1,118,146	\$1,187,415	\$ 1,197,731	\$ 1,289,510	\$1,410,788	\$ 6,203,590	\$ 1,240,718
Building	\$ 213,491	\$ 195,477	\$ 239,901	\$ 279,043	\$ 367,211	\$ 1,295,123	\$ 259,025
Grounds	\$ 59,117	\$ 104,680	\$ 88,275	\$ 70,224	\$ 73,164	\$ 395,460	\$ 79,092
Local Projects	\$ 117,450	\$ 137,665	\$ 156,302	\$ 322,444	\$ 99,042	\$ 832,903	\$ 166,581
Total O&M	\$1,508,204	\$1,625,237	\$ 1,682,209	\$ 1,961,221	\$1,950,205	\$ 8,727,076	\$ 1,745,415

Operating Revenue: Operating revenue in FY 04/05 was 20% higher than in FY 00/01, a growth of about 4% per year. As shown on the following chart, O&M Expense is growing faster than Operating Revenue:

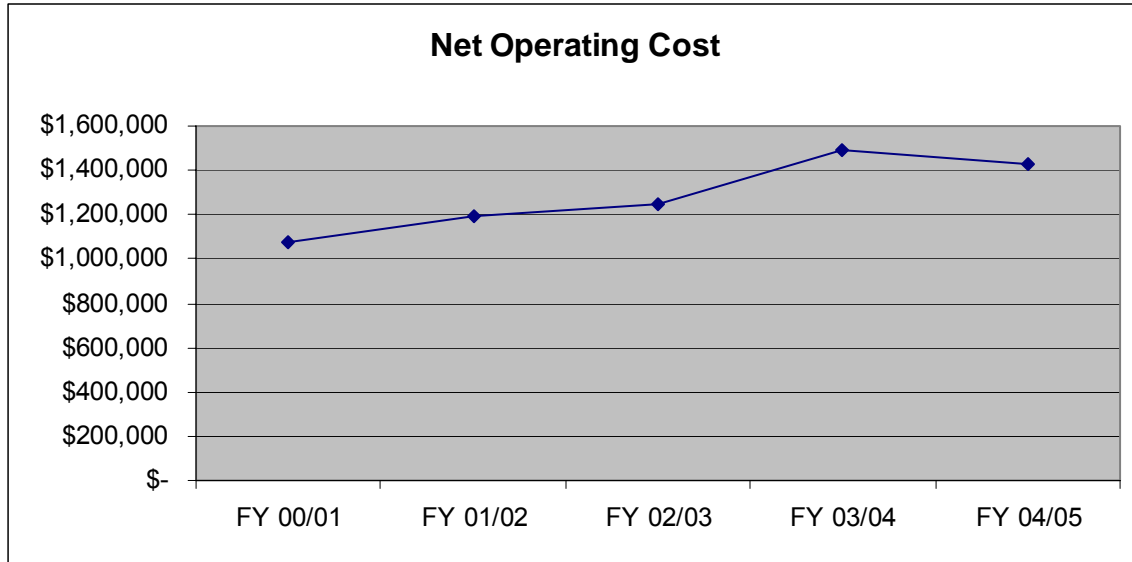


	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05
O&M Expense	\$1,508,204	\$1,625,237	\$1,682,209	\$1,961,221	\$1,950,205
Operating Revenue	\$ 432,817	\$ 433,950	\$ 431,510	\$ 466,082	\$ 520,127

If O&M expenses and operating revenue continue to grow at the same rate they did between FY 00/01 and FY 04/05, the total expense will be \$2,551,080 and the total revenue will be \$602,774 by FY 09/10 as shown on the following graph.



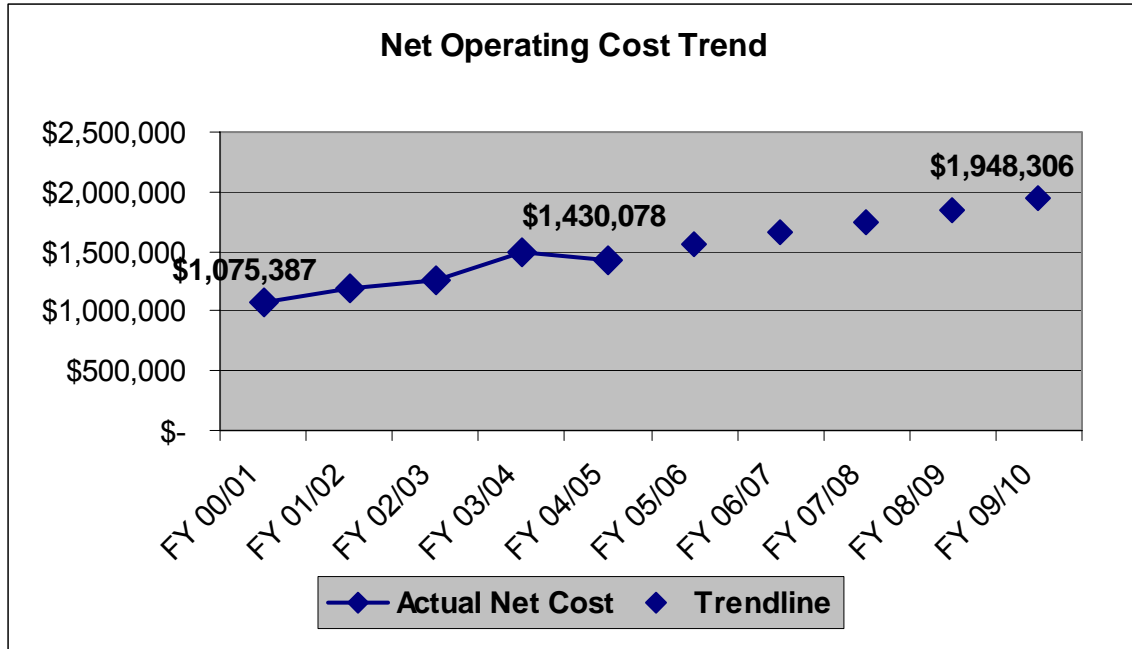
Net Operating Cost: While there has been a gradual increase in both operating revenue and O&M expenses over the last five years, expenses have increased at a faster rate. As a result, the net Operating cost to the County (expenses minus revenue, not including Capital Projects) has increased 33% from \$1,075,387 in FY 00/01 to \$1,430,078 in FY 04/05, an average increase of 6.6% per year.



Net Operating Cost						
	FY 00/01	FY 01/02	FY 02/03	FY 03/04	FY 04/05	Totals
O&M Expense	\$ 1,508,204	\$ 1,625,237	\$ 1,682,209	\$ 1,961,221	\$1,950,205	\$ 8,727,076
Operating Revenue	\$ 432,817	\$ 433,950	\$ 431,510	\$ 466,082	\$ 520,127	\$ 2,284,486
Net Operating Cost	\$ 1,075,387	\$1,191,287	\$ 1,250,699	\$ 1,495,139	\$1,430,078	\$ 6,442,590

The Net Operating Cost is shared between the operating budgets for the General Services Department and the Regional Parks Department. Regional Parks receives the operating revenue, which lowers its net cost. Nonetheless, for the five years of the study, most of the Net Operating Cost (\$4,314,564) was paid through the Regional Parks budget. The General Services budget paid \$2,128,026 towards the Net Operating Cost, which went for building maintenance and local projects. .

In FY 04/05, the net operating cost (not including Capital Projects) for all the buildings was \$1,430,078. If net operating costs continue to increase at the same rate they have since FY 00/01, the total annual net operating cost to the County will be over \$1.9 million in FY 09/10 (not including Capital Projects) as shown on the following chart:



Steps have been taken to mitigate the growing deficit by reducing costs. For the last 5 years the Regional Parks Department has been deferring maintenance and improvements to the facilities to stay within its Net County target. It has also been keeping services and supplies costs beneath the annual growth factor through major cutbacks in utilities, sanitation and maintenance. To reduce staff costs, the Regional Parks Department has issued keys to regular renters and contracted with outside organizations to assist in the maintenance of outlying facilities. Staff at these buildings has been cut back to a minimum. Currently, four buildings – Cloverdale, Cotati, Guerneville, and Occidental – have no assigned staff at all and users are given keys to these buildings on an honor system. Petaluma, Sebastopol and Sonoma have only one full time staff assigned to each and Santa Rosa has 2 full time staff. Despite all these efforts, expenditures continue to exceed revenues and net County cost continues to grow.

In an attempt to increase revenue, the Regional Parks Department has in the past five years streamlined the contract process for renting the buildings, marketed the facilities to expand usage, and educated the community regarding this valuable resource. The Department is a member of all Chambers of Commerce in the county, and is in direct contact with Visitor Bureaus and Event Coordinators throughout the County as a way to network and increase business. There has been ongoing advertising of the facilities, along with updating & distributing brochures and expanding the Veterans Halls website. A computerized room-reservation system was installed two years ago, and all rental information forms and guides have been translated into Spanish. The Marketing Coordinator is working closely with businesses and other governmental agencies in Sonoma to increase usage of the facilities. The Department is also in the process of updating the Marketing Plan.

As seen above, operating revenue increased 20% over the 5-year study period. Revenue for FY 05/06 increased even more. Between FY 02/03 and FY 05/06 revenue increased 31% from \$431,510 to \$567,366. This increase may be the result of the Department’s proactive approach to marketing.

Rental rates

One approach to increasing revenue might be raising the rental rates. However, if rental rates were dramatically increased, some of the current customer base might be lost. Room rental rates were not increased since FY 93/94, which, may help explain the current financial condition of the program. In FY 03/04, the Board of Supervisors approved a two-year phase-in of increased room rental rates, and in FY 05/06, the Board authorized a yearly Cost of Living Adjustment (COLA) increase. In addition to these increases, starting in FY 01/02 other fees were added or adjusted to help offset expenses, such as processing, alcohol, set-up and equipment rental fees. However, there has been a conscious effort to keep fees reasonable in comparison to other, more modern venues in order to maintain a viable market for the Veterans/Community Center Buildings.

Comparison of rental rates for similar meeting spaces indicates that the rates charged for the Veterans/Community Center Buildings are competitive in some cases and not in others. Overall, the comparison suggests that if rates were raised, these buildings would be less competitive and may suffer a decrease in use.



Santa Rosa Vets Big Band Night



Santa Rosa Vets Orchid Show

Building	Size (SF)	2005 Rental Rate (per hour unless noted otherwise)*		
		Commercial	Private	Non-Profit
Cloverdale/Windsor				
Windsor Senior Center	1,400	\$105	\$57	\$27
Cloverdale Veterans Bldg Auditorium**	2,028	\$55	\$40	\$30
Cloverdale Citrus Fair - Tea Room	2,275	\$200/day		
Cloverdale Citrus fair – Warner Hall	4,500	\$300/day		
Cloverdale Citrus Fair - Auditorium	6,400	\$400/day		
Cloverdale Citrus Fair – Exhibit Hall	6,930	\$400/day		
Cotati				
Cotati Veterans Bldg Auditorium**	2,204	\$55	\$40	\$30
Guerneville				
Guerneville Vets Bldg Auditorium**	2,520	\$45	\$35	\$25
Petaluma/Rohnert Park				
Rohnert Park Community Center - Multi	4,324	\$130	\$80	\$55
Petaluma Community Center - Assembly	4,473	\$105	\$55	\$35
Sonoma Marin Fair – Herzog Hall	6,358	\$650/day	\$600/day	\$600/day
Petaluma Veterans Bldg Auditorium**	6,984	\$75	\$55	\$45
Santa Rosa				
Steele Lane Hub Room	2,132	\$35	\$29	\$24
Steele Lane Dohn Room	2,805	\$79	\$64	\$54
Finley Community Center	3,712	\$107	\$86	\$72
Sonoma County Fair – E.C. Kraft	7,200	\$700/day		
Santa Rosa Vets Bldg Auditorium**	9,890	\$85	\$65	\$55
Sonoma County Fair – Finley Hall	11,200	\$760/day		
Sebastopol				
Sebastopol Veterans Bldg Auditorium	4,774	\$65	\$55	\$40
Sebastopol Community Center Main Hall	4,800	\$500/day	\$62.50	\$62.50
Sonoma				
Sonoma Veterans Bldg Auditorium**	4400	\$65	\$55	\$40

*Rooms listed with a cost per day must be rented for the entire day.

**The Veterans Bldg Auditoriums have a minimum rental of 4 hours, except Santa Rosa which has a minimum of 8 hours Friday through Sunday and 4 hours the rest of the week.

Strengths, Weaknesses, Opportunities and Challenges

Strengths: The Veterans Buildings are dedicated to a public purpose in the memory of the men and women who have defended our nation. While the Occidental Community Center is not a dedicated memorial, it still serves a public purpose. A strength of these facilities is their connection to the community – to the veterans who live in Sonoma County and to the public that uses the buildings for a variety of purposes. They have served the community well over the years because they are located where people live. Their location is one of their most important strengths. The size and location of the sites are valuable resources. Most of them have substantial parking. The buildings are clean and well-maintained and are competitively priced compared to other venues.

Weaknesses: In general, the Veterans/Community Center Buildings suffer two significant weaknesses: their physical condition and their financial condition. The buildings are old and worn out, and it will take expensive renovation and improvements to bring many of them up to current standards. Santa Rosa is the heaviest used and has the most expensive needed work. They all suffer from aging and archaic equipment as well as lack of air conditioning (except Sonoma and Cloverdale). None of them generate enough revenue to pay for their expenses and if the trend of the last five years continues, the cost to the County and the General Fund will increase. Cloverdale, Guerneville and Occidental receive almost no revenue.

Opportunities: Since the Veterans/Community Center Buildings are located throughout Sonoma County, they may represent an opportunity for County outreach programs. Many details would have to be worked out, including consistency with laws governing veterans memorials, coordination with veterans associations, compatibility with other uses in the building and financial issues. There may be an opportunity to partner with cities or other government and/or non-profit entities to manage the buildings in a more efficient and effective way that better meets the specific needs of the communities they serve. The location and value of the properties may offer an opportunity to generate revenue by selling some in order to fund consolidation or improvement for others.

Challenges: Identifying additional sources of funding for the major renovation and ongoing operation and maintenance costs. In particular, funding to renovate or replace the Santa Rosa Veterans Building is a major financial challenge. Replacing the old and antiquated equipment with state of the art equipment at all buildings is a financial challenge. Increasing utilization and the revenue associated with use is a challenge at all of the buildings, including adjusting building use to business and economic fluctuation. The Regional Parks Department is implementing a pilot marketing plan for Sonoma that might increase its use. Marketing and increasing use of the outlying buildings is especially difficult. As with other departments and programs, hiring and retaining well-qualified staff to manage and operate the buildings is always a challenge.