The City-Parish Council approved a measure to give the Cajundome an additional $250,000 subsidy for the 2008-09 fiscal year, which ends Oct. 31. The funding will help the facility meet its operating expenses, Cajundome Director Greg Davis said.

Davis said a combination of insurance rate increases, canceled concerts and sales taxes put the Dome in financial straits.

The Cajundome has received an influx of money from Lafayette Consolidated Government as it attempts to make it through the current fiscal year.

On Tuesday, the Lafayette City-Parish Council voted to give the arena up to an additional $250,000 for the 2008-09 fiscal year, which ends Oct. 31.

LCG already gives the Cajundome up to $500,000 per year as a subsidy, but the arena typically uses only about $300,000 of that amount.

Voting against the additional money was Councilman William Theriot.

Cajundome Director Greg Davis said he hopes the arena will not need the entire $750,000 before the end of October and hopes that only about $600,000 of that might be used.

“We have a lot of time between now and Oct. 31,” Davis told the council. “The way things are looking right now, I would be comfortable telling you I’m optimistic we can probably beat that ($750,000) scenario.”

This marked the first time
Although the Cajundome has weathered tough times recently, Director Greg Davis says the facility's situation seems to be improving, citing new scheduled events and proposed sales tax legislation.

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Cajundome

Cajundome officials had asked the council for additional funds, a request Davis attributed to a variety of issues. “We have been hit with several financial situations that are outside of our control, all at the same time in this fiscal year,” he said. “Our property insurance went up about $375,000 per year. We had 11 concerts on the books for this fiscal year, and by January, four of those concerts decided they would not come. We believe it had something to do with the national recession. We now have to pay about $400,000 a year in sales tax. A combination of all of those things put us in a position where we downsized our operating budget by 20 percent.”

Councilman Kenneth Boudreaux applauded the efforts of Davis and other Cajundome officials for trying to cut costs before asking the council for additional money. However, Boudreaux said he would like to see LCG’s involvement recognized in some form in the arena. “I have yet to see anything that says LCG, but we’re one of the top three contributors to the Dome,” Boudreaux said. “I’d just like for our contribution to be acknowledged.”

Davis agreed, saying the arena has the technology and resources to meet such a request.

Theriot asked several questions about the intergovernmental agreement between LCG and UL, noting that at the time of the arena’s construction in the early 1980s, the city paid 25 percent of the costs while the state sold bonds to cover another portion of it. That agreement was designed to expire whenever the state bonds were paid off or after 25 years. Theriot said he spoke to a state Treasury Department representative this week who said the Cajundome bonds had been paid off “some time back,” raising questions of the legality of the agreement.

City-Parish Attorney Pat Ottinger noted that the annual $500,000 subsidy is included in the LCG annual budget, which is voted on by the council.

“I believe that would be a constitutional payment of money,” Ottinger said. “It’s not gratuitous because of the value to the community at large.”

Davis said things do appear to be improving at the arena. Several events have been scheduled for the coming months, and legislation is pending that may allow the Cajundome not to charge a sales tax, he said.

“That would be a major step forward in our ability to not to have to do any more reductions going into fiscal year 2010,” he said.

Councilman Don Bertrand said he’s spoken with several residents who have various ideas on how to continue making the Cajundome a viable arena. “I think everyone here agrees that the viability of the Dome and your work and what you do in the Cajundome is huge to the city of Lafayette and the Acadiana region,” Bertrand said. “People had ideas for you. I’d like to sit down and share some of those. I’m hopeful we can use some creative thinking and help you fill the Dome, fill the seats and fill the coffers.”