



## City Council Report

**Date:** March 23, 2015  
**To:** City Council  
**Through:** Kari Kent, Deputy City Manager  
**From:** Marc Heirshberg, Director Parks, Recreation and Commercial Facilities  
**Subject:** Parks, Recreation and Commercial Facilities Department Fees and Charges (Citywide)

### Strategic Initiatives



### Purpose and Recommendation

The purpose of this report is to submit for review and consideration recommended changes to fees and charges for certain services provided by the Parks, Recreation and Commercial Facilities (PRCF) Department.

The PRCF Department, in conjunction with the Parks and Recreation Advisory Board, requests Council approval of changes for the recommended FY14-15 and FY15-16 Schedule of Fees and Charges, as outlined in this report and detailed in the attached Exhibit "A" and Exhibit "B".

### Background

The PRCF Department is designed to offer diversified programs and services at facilities that include parks, recreation centers, swimming pools, a golf course, stadium, convention center, amphitheater and cemetery. The Department relies on its ability to generate revenues via fees and charges to provide these services and maintain its facilities. Fees and charges are continually monitored in order to adapt to current market and economic conditions.

Each year in October, PRCF staff contact neighboring municipalities to gather data to compile a market comparison survey of fees and charges for similar recreation program offerings. The Parks and Recreation Advisory Board Fees and Charges Subcommittee members review and consider changes to the fee schedule and make decisions based on participant capacity, market demands, and fee structures of other cities. The recommended fees as outlined in this report were approved by the Parks and Recreation Advisory Board on January 14, 2015. With the majority of changes being focused on fee structure simplification, terminology/verbiage changes and minor range adjustments to allow for market flexibility the fees were reviewed with the

Audit, Finance and Enterprise Committee Chair on January 29, 2015 and it was suggested to move the changes directly to Council rather than convening the full committee.

## **Discussion**

The Department is proposing ranges for program fees which will allow for maximizing capacity in programs while providing flexibility to adjust fees to achieve cost recovery and respond to changes in market conditions. Detailed below are the related programs with new or adjusted fee ranges recommended for approval.

### **Commercial Facilities:**

There is no fiscal impact with the changes recommended in the Commercial Facilities.

#### ***HoHoKam Stadium***

Remove duplication of certain fees and expand range for League/Tournament Fees and adjust terminology on various fees.

#### ***Dobson Ranch Golf Course***

Adjust fee ranges to allow for flexibility during seasons and as market conditions adjust. Remove specific dates from seasons and move to month only to allow for flexibility.

### **Parks and Recreation:**

The total fiscal impact from the recommended changes to Fees and Charges for Parks and Recreation is estimated to be \$1,300 for FY14/15 and \$480 for FY15/16.

#### ***Aquatics***

*Change Public Swim.* Replace listing of each pool facility separately with "all pools". Adjust the range to accommodate all pools. All of the pools will be the same fee for admission to any of the pools. There is no fiscal impact.

*Change verbiage at FlowRider Rhodes from Hourly Admission - 17 and under to Hourly Admission 17 and YOUNGER and Hourly Admission - 18 and over to Hourly Admission 18 and OLDER;* There is no fiscal impact.

Add the fee *hourly no fence 17 and younger and hourly no fence 18 and older.* This will allow us to meet additional programming requests as usage changes; there is no fiscal impact.

Add *Partnering Group Practice Rental* fee. This fee was mistakenly omitted from the previous schedule. The fee range is \$1-\$10/hour; there is no fiscal impact.

*Pool Rentals* – Simplify fee schedule by creating a single *booking fee* range of \$10-\$100 and add *per guard/per hour range* of \$25-\$80 (resident) and \$30-\$90 (non-resident). This simplifies the fee schedule and allows staff to work with renters to determine appropriate staffing levels based on group size, area of pool to be used and the activities planned; there is no fiscal impact.

*Refund/Cancellation Fee* – Clarify that processing fees are charged for both lesson and reservations. Range is \$3-\$10 to allow flexibility based on changes to merchant processing fees passed on to the City; no fee impact.

### ***Park Use Options***

*Beer Permits range adjustment.* Adding a range (\$20-\$50 – residents; \$24-50 – Non-resident) to allow flexibility to charge prices similar to other communities; there is no fiscal impact.

*Sports Complex use.* Move Fitch Park from Commercial Schedule to Parks and Recreation Schedule and add “unit” (hour) to each fee; there is no fiscal impact.

### ***Recreation Center/Gymnasiums***

*Modify gym rental fees.* Add Non-profit agencies to be the same cost as residents; there is no fiscal impact anticipated.

### ***Red Mountain Multigenerational Center***

*Express Pass restructure.* Remove specific time frames from fee schedule to allow staff flexibility to offer based on visitor use times that vary by season.

*Kids Club 20-Visit Pass.* Reinstating pass as it was accidentally omitted from previous fee schedule; there is no fiscal impact.

*Kids Club Daily Pass.* Add new fee as an additional offering. Range is \$3-\$5; there is no fiscal impact.

*Climbing Wall.* Remove the word mandatory from the Belay certification fee.

*Fitness and Wellness.* Add fees for Enhanced Fitness Services and Wellness Seminars in order to provide additional opportunities for community engagement. There is no anticipated fiscal impact.

*Facility Rental.* Add “units” (hour) to the fee schedule. Clarify the overtime/per hour for a rental is per/staff member required based on size and scope of rental. Allow the outdoor patio to become rentable space at a range of \$76-\$150/hour. There is a \$480 estimated fiscal impact in FY15/16.

### ***Adaptive***

*Summer Camp.* Adjust ranges for both residents and non-residents to allow for the addition of specialty camps and programs. There is a \$1,300 estimated fiscal impact in FY14/15.

**Summer Recreation Activities**

*Teen Leadership Program.* Add non-resident fee and range to schedule; there is no fiscal impact.

*Specialty Camps/Programs.* Add to the fee schedule with a range of \$10-\$200 to allow for additional offerings. There is no fiscal impact.

**Alternatives**

1. Take no action. Maintain the current fees and charges for services provided by the Department. No fiscal impact on current revenue projections based on the existing fee structure would result.
2. Recommend alternative adjustments to the proposed fees and charges. The fiscal impact of this decision would depend on the changes proposed.

**Fiscal Impact**

The total revenues estimated for FY14/15 and FY15/16 resulting from approval of the proposed fee changes is approximately \$1,300 and \$480, respectively.

The adjustments outlined in this report continue to strengthen cost recovery of the PRCF Department's vastly diverse programming while also recognizing Parks and Recreation's role in the community to provide affordable, accessible programs and facilities to its citizens. Staff continues to reassess cost recovery strategies in all programs and also pursues opportunities for maximizing revenue generation through program partnership and sponsors.

**Coordinated With**

The Parks and Recreation Advisory Board concurred unanimously with the recommendations to the Fees and Charges Schedule on January 14, 2015 and by the Audit, Finance and Enterprise Committee Chair on January 29, 2015.