



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: NOVEMBER 5, 2019**

FROM: PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT **WARDS: ALL**

SUBJECT: RESOLUTION TO REVISE PARKS, RECREATION AND COMMUNITY SERVICES DEPARTMENT FEES AND CHARGES

ISSUE:

Adopt a Resolution revising the Parks, Recreation and Community Services Department fees and charges.

RECOMMENDATIONS:

That the City Council:

1. Adopt a Resolution revising the Parks, Recreation and Community Services Department fees and charges; and
2. Increase estimated revenue for Fiscal Year 2019/2020, as detailed in the Fiscal Impact section.

COMMITTEE RECOMMENDATION:

The Community Services and Youth Committee met on August 14, 2019, with Chair Conder, Vice Chair Perry and Member Adams present, to consider revisions to the Parks, Recreation and Community Services Department Fees and Charges. After discussion, the Committee unanimously voted to recommend that the City Council approve the revised fees and charges for the Parks, Recreation and Community Services Department (Attachment 2).

BACKGROUND:

On June 21, 2011, the City Council adopted a resolution approving Fiscal Year (FY) 2010/11 user fees and charges adjustments, which included the implementation of market-based rental park fees and charges. Market based fees were proposed for various facilities and equipment operated by the Parks, Recreation and Community Services Department (PRCSD), in order to charge an appropriate amount for the private or exclusive use of these resources and to ensure that they are maintained.

On January 17, 2017, City Council approved a fee increase for certain service areas. The fees updated at that time included Picnic Facility Rentals, Community Center Rentals, and Private Youth Group Field Lighting.

DISCUSSION:

In FY 2017/18, PRCSD staff began a comprehensive review of fees and charges, and conducted an updated market analysis. During the review, fees were calculated for new programs, activities, and facilities, and were added to the list of proposed fees. For example, Youth Innovation Center at Arlington Park is a new facility that will offer new and expanding programming. Foot golf at Fairmount Park Golf course and disc golf at Martha McLean Park are also new additions. The updated market analysis indicated current fees for certain categories were below average. The review also provided the department with the opportunity to make revisions to language used in fees and charges to ensure accuracy and clarity. A separate fee study will be conducted to assess cost recovery rates and potential revenue to be generated from implementing parking fees at the larger parks, and to ensure the department is within industry standards.

Total revenue generated by PRCSD in FY 2017/18 was \$3,488,248. Approximately half of the revenue generated was from contract classes in the amount of \$875,975, and from cost recovery programs in the amount of \$779,769. The remaining half was from other services the department offers such as facility rentals, golf, field rentals, etc. PRCSD is funded by the General Fund and revenue is allocated to offset General Fund operating expenses, including the PRCSD operating budget. As the maintenance needs of facilities and personnel costs to provide services increase, revenue amounts would be insufficient to cover these costs, and resources from other programs and services would be reduced to offset these cost increases.

The National Parks and Recreation Association (NRPA) conducts an annual Performance Report for participating Park and Recreation Departments. The NRPA analysis indicates the nationwide median average of revenue collected is 28% of operating expenditures; the City of Riverside PRCSD revenue recovery rate was 15.6% in 2018 and 17.1% in 2017. The proposed fee increases will generate additional revenue for facility maintenance and to offset costs for providing services, but will not reach the 28% revenue target. This revenue target would require PRCSD to produce an additional \$2.5 million in revenue, and a sharp fee increase to reach this target would likely result in reduced participation. The fees the Department is proposing will offset some costs, allow the Department to stay competitive, and allow PRCSD to maintain its customer base.

The proposed fees identified in this report were presented to the Park and Recreation Commission on May 20, 2019. Meetings were also held with athletic field users and Youth Innovation Center stakeholders in June 2019. The department received no negative feedback as a result of the proposed fee changes. Notification of potential increases will be placed at the golf course in September 2019, to provide a long lead time before the fee changes take effect.

All fees, with the exception of the Youth Innovation Membership fees, will be effective in January 2020. The Youth Innovation Center will open in late January 2020, and will need membership fees in place by opening day. Currently, as there is no fee category for membership fees, a public hearing will be required and two notices in the newspaper will be required to create the fee category and approve the Youth Innovation Center Membership Fees. Stakeholders such as Image One, Business Network International, Kids that Code and other partners are aware that a membership fee will be proposed for the Youth Innovation Center. Membership will allow

for access to discounted classes, staff training, and access to and training on equipment.

The following is a summary of the proposed fee changes, additions, and language revisions:

Stewarts Boathouse Rental Fees

Additional rental fees for Stewarts Boathouse were added to offer more service levels to users, and included half hour rates for pedal boats, group discounts, and additional motorized boat permits, giving users additional options beyond the current 30-day permit options. The rate for current monthly non-motorized boat permit increased from \$5.00 to \$7.00. Current pedal boat rates did not increase.

Boathouse Rental Fees Changes and Additions	
Fee	Rate
Residents Pedal Boat Rental (Per Half Hour)	\$8.00
Non- Residents Pedal Boat Rental (Per Half Hour)	\$11.00
Pedal Boat Discount (Riverside Groups of 10 or More)	20% Discount per pedal boat per hour
Non-Motorized Boat Permit Fee 1 Month	\$7.00
Non-Motorized Boat Permit Fee 3 Month	\$15.00
Non-Motorized Boat Permit Fee 6 Month	\$36.00
Non-Motorized Boat Permit Fee Annual	\$66.00

Facility Rental Fees

No increase is proposed for current facility rental rates. However, additional facilities were added to this fee category and upgrades made to existing facilities justify changing their tier category within the existing fee structure. The Youth Innovation Center, which is currently under construction, was added to the tier one facility group. The Bobby Bonds Park, Orange Terrace Community Park, and Springbrook Courtyards, Gazebo at White Park, and Rose Garden at Fairmount Park were added to the list of facility rentals at a \$110.00 rental rate per hour. The fee was based on current rates for facilities of similar size.

Fairmount Park Golf Course Fees

Fees for Fairmount Park Golf Course are based on a market study (Attachment 4) conducted by staff. Annual rate increases are proposed to meet the market average. Additional fees were added for golf club rentals. Comparable golf courses included in the market study were Van Buren Golf Course, General Old Golf Course, El Prado Golf Course, Jurupa Hills Golf Course and Whispering Lakes Golf Course. These courses were selected as they have similar rate categories and affordability compared to other courses in the Inland Empire. Only one other course offered resident rates, which is Whispering Lakes Golf Course, serving residents of Ontario and Upland. Fairmount Golf Course rates were under the market study average in every category, justifying the proposed fee adjustments. The City Council approved a previous rate adjustment on June 1, 2016, authorized by Resolution 22994.

The goal of PRCSD is to offer competitive pricing to customers that is within the market average. Staff proposes incremental rate increases over the course of two to three years until rates are within market average (Attachment 5). Based on the proposed rates, golf course revenues will increase by an estimated 7%, or \$31,365, in FY 2019/20 with a modest fee increase beginning January 2020 identified below.

Fairmount Golf Course Rate Increases				
Fee Category	Fee	Current Rate	New Rate	Market Average
Weekdays 1 st Rounds				
	Resident	\$10.00	\$11.00	\$14.00
	Non Resident	\$11.00	\$12.00	\$14.25
	Senior Resident (55+)	\$6.00	\$7.00	\$13.50
	Senior Non Resident (55+)	\$8.00	\$9.00	\$13.50
	Junior (17 & under)	\$8.00	\$9.00	\$10.50
	Twilight	\$7.00	\$8.00	\$14.33
	Tournament	\$14.00	\$15.00	\$22.00*
Weekdays 2 nd Round				
	Resident	\$18.00	\$19.00	\$23.60
	Non Resident	\$20.00	\$21.00	\$24.20
	Senior Resident (55+)	\$10.00	\$11.00	\$22.60
	Senior Non Resident (55+)	\$14.00	\$15.00	\$22.60
	Junior (17 & under)	\$14.00	\$15.00	\$14.60
	Twilight	\$12.00	\$13.00	\$19.40
	Tournament	\$26.00	\$27.00	\$33.75
Weekend/Holiday 1 st Round				
	Resident	\$12.00	\$13.00	\$19.00
	Non-Resident	\$14.00	\$15.00	\$19.25
	Senior Resident (55+)	\$12.00	\$13.00	\$18.75
	Senior Non Resident (55+)	\$14.00	\$15.00	\$18.75
	Junior (17 & under) before 12:00 pm	\$10.00	\$11.00	\$14.75
	Junior (17 & under) after 12:00 pm	\$8.00	\$9.00	\$14.75
	Twilight	\$8.00	\$9.00	\$20.00
	Tournament	\$14.00	\$15.00	\$22.00*
Weekend/Holiday 2 nd Round				
	Resident	\$22.00	\$23.00	\$31.40
	Non-Resident	\$26.00	\$27.00	\$32.20
	Senior Resident (55+)	\$22.00	\$23.00	\$32.80
	Senior Non Resident (55+)	\$26.00	\$27.00	\$32.80
	Junior (17 & under) before 12:00 pm	\$18.00	\$19.00	\$24.20
	Junior (17 & under) after 12:00 pm	\$14.00	\$15.00	\$24.20
	Twilight	\$14.00	\$15.00	\$24.80
	Tournament	\$26.00	\$27.00	\$33.75
Golf Rentals				
	Cart Rental	\$6.00	\$7.00	\$7.00
	Pull Cart Rental	\$3.00	\$4.00	NA**
	Small Bucket of Balls	\$5.00	\$5.00	\$5.00
	Large Bucket of Balls	\$8.00	\$8.00	\$9.25

*Note: *9 Hole Tournament pricing was only available on one course.*

Pull Cart comparables were not available from any course in the fee study.

Foot golf is a new recreational activity offered at Fairmount Golf Course and is expected to generate approximately \$2,200 in revenue when implemented in January 2020. This revenue projection is for January – June 2020 only; revenue is expected to increase after tee markers are installed and marketing of foot golf begins. Proposed fees are listed below.

Foot Golf Fees		
Fees	Proposed Rate	Market Rate
Resident	\$11.00	\$11.00
Non-Resident	\$12.00	\$11.00
Junior	\$8.00	\$7.00
Rental Ball	\$5.00	\$5.00

Cart Rental	\$6.00	\$10.25
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Disc Golf Tournament Fees

A new disc golf course was constructed at Martha McLean Park. Use of the course by non-organized groups and individuals is free. For organized groups desiring to hold tournaments, there will be a tournament fee based on a prorated open space fee and time requirements. There will be a \$30.00 per hour base rate for small groups of 36 or fewer participants. Groups of 37 or more will have a rate \$60.00 per hour base rate at 3 – 4 hours, depending on group size. Market pricing was unavailable due to limited disc golf courses available for comparison. Revenue estimated for disc golf is \$1,110 for FY19/20.

Disc Golf Tournament Rates			
Fee	Hours	Base Rate	Rate
Participants 1-36	2	\$30.00	\$60.00
Participants 37-72	3	\$60.00	\$180.00
Participants 73-81	4	\$60.00	\$240.00
All groups additional hour	1	\$30.00	\$30.00
Processing Fee			\$25.00
Deposit			\$250.00

Pool Rental Fees

Based on American Red Cross recommended lifeguard requirements per group of individuals using a swimming pool, fees have changed from two group types to three group types. Staff proposes adding pool rental fees per an additional hour if a rental exceeds two hours, and cost of lifeguard time if additional lifeguards are needed. A market-based study (Attachment 6) was conducted, and identified two types of charging methods currently in use. The first is a rental rate for a pool and actual costs of lifeguards, and the second is an overall rate, which includes lifeguard time. PRCSD will use an overall fee incorporating a pool rental fee of \$60.00 per hour and fully burdened lifeguard costs. The \$60.00 rental rate per hour is highly competitive compared to other agencies.

Current Pool Rates	
Fee	Rate
1-100 People (2 Hour Use)	\$290.00
101-200 People (2 Hour Use)	\$375.00

The chart below illustrates how the new rates were calculated and shows the number of lifeguards required, lifeguard fully burdened costs, and rental rate per two hours, with all fees rounded up. Additional hours are calculated at half the rate of the two-hour rental fee.

Proposed Pool Rates and Calculation				
Pool Guests	Lifeguards Required	Pool Rental Fee (2 Hour Min)	Staffing Costs	Proposed Rate
1-124 (2 Hour)	4	\$120.00	\$236.72	\$360.00
125-150 (2 Hour)	6	\$120.00	\$355.08	\$480.00
150-240 (2 Hour)	8	\$120.00	\$473.44	\$600.00
1-124 (Additional Hour)	4	\$60.00	\$118.36	\$180.00
125-150 (Additional Hour)	6	\$60.00	\$177.54	\$240.00
150-240 (Additional Hour)	8	\$60.00	\$236.72	\$300.00
Additional Lifeguard Per Hour				\$29.50
Security Deposit				\$250.00

The new rates allow PRCSD to cover all personnel costs associated with the rental and offset a

minimum amount of maintenance costs associated with pool rentals. Pool rentals in FY 2017/18 totaled \$41,859; it is estimated that revenue will increase by 5%, or \$2,065, for FY 2019/20 after the new rates are implemented in January 2020. Revenue will be higher in FY 2020/21 when rates are effective for a full fiscal year. The City Council approved a previous pool rental rate adjustment on July 1, 2010, authorized by Resolution 21960.

Field Rental Fees

Field rentals are one of the largest revenue generating activities PRCSD offers, with over 90,000 hours of rental use. The high usage generates higher revenue when compared to other revenue generating services. A market-based study found that PRCSD field rental rates are significantly lower than the market average (Attachment 7). Previous rates were categorized according to practice vs. competitive games. A new structure is proposed for unlit field rentals, lit field rentals, and competitive game rentals. Incremental increases are proposed to be in effect FY 2019/20 through FY 2022/23 for youth groups lit and unlit field rentals. The Competitive Game fee category is for leagues that host non-resident teams. There was no comparison for this category, as other cities charge the non-subsidized rate for competitive games. Incremental rate increases are expected to make the increases easier on the users. A 20% increase of \$69,450 is expected when the new rates are implemented in January 2020. The City Council approved a previous field rental rate adjustment on July 1, 2011, authorized by Resolution 22994. The following summarizes adult and youth field usage:

Adult Field Rental Rates				
User Group	Fee	Current Rate	New Rate	Market Average
Qualified Resident Groups				
	Unlit Field	\$18.00	\$20.00	\$37.30
	Lit Field	\$36.00	\$40.00	\$52.60
Other Adult Groups (Non-Residents, Commercial Businesses)				
	Unlit Field	\$27.00	\$30.00	\$41.55
	Lit Field	\$45.00	\$60.00	\$57.45

Youth rates have a proposed annual incremental increase from FY 2019/20 - 2022/23. In an effort to ensure youth groups will continue to have access to fields, rates are maintained well below market value with minimal increases.

Youth Field Rental Rates							
User Group	Fee	Current Rate	FY 19/20	FY 20/21	FY 21/22	FY 22/23	Market Rate
Qualified Resident Groups							
	Unlit Field	\$2.00	\$2.50	\$2.50	\$3.00	\$3.00	\$18.13
	Lit Field	\$9.00	\$10.50	\$10.50	\$12.00	\$12.00	\$28.19
	Game/Competitive	\$18.00	\$20.00				
Other Youth Groups							
	Unlit Field	\$7.00	\$7.00	\$7.00	\$7.00	\$8.00	\$41.55
	Lit Field	\$25.00	\$25.00	\$26.00	\$27.00	\$28.00	\$57.45
	Game Competitive	\$18.00	\$20.00				

Other Facilities

Additional facility fees have been added to account for amenities that were not previously listed on the fees and charges. The department standard security deposit of \$250.00 for any rental

above \$50.00 was added. Bobby Bonds Park Artificial Turf Fee for use of lights was added in the amount of \$72.00, which is \$20.00 more than the unlit turf fee. Pickleball, sand volleyball, and tennis courts require full court rental and are \$10.00 per hour. Basketball courts can be rented at half court for \$5.00 or full court for \$10.00. The City Council approved a rate adjustment for other facility rates on July 1, 2011, authorized by Resolution 22994.

Open-Space Facility Rentals

Open-space facility rentals have been separated into two sets of group rates. One is a grouping of rates for non-fenced parks, and the second is grouping of rates for fenced areas, such as White Park and Arlington Heights Sports Park. An increase in fees was made to the first grouping for non-fenced parks and the second grouping are new rates. The fenced group rates are higher as the gated area allows for privacy and exclusive use of parks. Market rates could not be used for open space rentals, since the City of Riverside offers access to spaces larger than one acre, and other cities have predesignated areas of use that do not exceed one acre; therefore, comparisons would not be valid. A new fee for a Non-Compliance Charge was added and will be used in situations where the user violates a rental agreement. Open-space fees are expected to increase by 6% for FY 2019/20, after fees go into effect in January 2020. The City Council approved a rate adjustment for open-space fees on July 1, 2011, authorized by Resolution 22227.

Open-Space Facility Rentals - Non-Fenced			
Group Type	Fee	Current Rate	New Rate
Group (Qualified Non Profits)	Base Fee (8 Hours)	\$700.00	\$800.00
Group 2 (Resident and Other Non Profits)	Base Fee (8 Hours)	\$850.00	\$950.00
Group 3 (Non-Residents and Commercial Business)	Base Fee (8 Hours)	\$1,200.00	\$1,300.00
All Groups	Non-Compliance Charge		\$50.00

New Open-Space Facility - Rental Fenced Parks		
Group Type	Fee	Rate
Group 1 (Qualified Non Profits)	Base Fee (8 Hours)	\$1,000.00
	Additional Hours (per hour)	\$35.00
Group 2 (Resident and Other Non Profits)	Base Fee (8 Hours)	\$1,120.00
	Additional Hours (Per Hour)	\$45.00
Group 3 (Non Resident and Commercial Businesses)	Base Fee (8 Hours)	\$1,625.00
	Additional Hours (Per Hour)	\$60.00
All Groups	Non Compliance Charge	\$50.00

Youth Innovation Center Membership Rates

The Youth innovation Center at Arlington Park will be opened during FY 2019/20. Research was conducted to develop market-based membership fees (Attachment 8). Ten different facilities with a technology component associated with its rates were researched, including recreation facilities with computer labs and organizations that specialize in maker spaces. Rate structures were found to vary. PRCSD will offer annual memberships rates for residents and non-residents in the categories of adult, youth, senior, and family plans. The rates are highly competitive with other facilities and are affordable and well below market price average. Annual memberships are expected to generate \$35,625 in fiscal year 2019/20 and \$71,250 during the first full year of operation. Rates are proposed as follows:

Youth Innovation Center Annual Membership Fees			
Membership Type	Age Range	Resident	Non-Resident

Adult	19-59	\$25.00	\$37.50
Senior	60+	\$15.00	\$22.50
Youth	18 and under	\$15.00	\$22.50
Family Plan (2 Adults, 2 Youth)		\$68.00	\$102.00
Family Plan Additional Child	18 and under	\$12.75	\$19.00

FISCAL IMPACT:

The fiscal impact of this action is an estimated increase in revenue to the General Fund in the amount of \$143,115 for Fiscal Year 2019/20, and \$286,230 for Fiscal Year 2020/21.

Increase in Estimated Revenue for FY19/20		
Revenue Type	Account	Increased Amount
Golf Course	5215400-343110	\$33,565
Park Rentals	0000101-343200	\$2,065
Park Rentals	0000101-343610	\$71,860
Park Membership	TBD	\$35,625
Total Revenue		\$143,115

Prepared by: Adolfo Cruz, Parks, Recreation and Community Services Director
 Certified as to
 availability of funds: Edward Enriquez, Chief Financial Officer/Treasurer
 Approved by: Rafael Guzman, Assistant City Manager
 Approved as to form: Gary G. Geuss, City Attorney

Attachments:

1. Resolution
2. Community Services and Youth Committee Minutes
3. Proposed Fee Changes
4. Golf Course Market Study
5. Proposed Golf Course Increases
6. Pool Rate Market Study
7. Field Rate Market Study
8. Youth Innovation Center Market Study
9. Presentation