

# RESTON COMMUNITY CENTER

PROJECT UPDATE



BRAILSFORD & DUNLAVEY

INSPIRE. EMPOWER. ADVANCE.

# AGENDA

- ◆ Community Recreation Philosophy
- ◆ Case Study
- ◆ Capacity /Demand Analysis
- ◆ Program Review
- ◆ Financial Model
- ◆ Next Steps

# COMMUNITY RECREATION

- Benefits of Community Recreation
- Public vs. Private Model
- Trends
- Existing Conditions

# COMMUNITY RECREATION

- ◆ Parks and recreation centers have something to offer all members of the community
  - ◆ Infants – Classes for infants to participate with their mothers/fathers, preschool activities
  - ◆ Youth – Various classes, learn to swim program, sports leagues
  - ◆ Adults – Fitness, sports leagues
  - ◆ Seniors – Fitness, Art/Educational opportunities
- ◆ Promotes quality of life
- ◆ Promotes community

# COMMUNITY RECREATION

- **Whether You're 7 or 70...** Live Here or Work Here... There's Something Just for You!
- If you live or work in Reston, you are part of the vibrant and diverse community that RCC serves. And you're sure to find activities that you'll enjoy. We've created programs to meet the needs and interests of a wide variety of groups, with more than **1,800 opportunities every year for learning, improving your health and fitness, developing new skills...**
- ...and relaxing, having fun, and **celebrating community** with your family, friends and neighbors!

# COMMUNITY RECREATION

Category	Public	Private
Market Focus	All Ages and Abilities	Focus on specific market segment (adult market)
Service and Ethics Origin	Accessibility and promoting community access through a broad program	Consumer desire and willingness to pay
Accessibility	Affordability (typically below market rates)	Profit-making business
Financial Base	Tax Revenue / Fee Revenue	Private capital plus fee revenue

# COMMUNITY RECREATION

- Trends
  - Recent economic times have it made it more challenging for parks and recreation departments to receive proper funding
  - More pressure to develop financially sustainable operations
    - *Mandate to achieve break-even operations*
  - Provide amenities similar to private facilities
  - Wider range of “membership” types

# COMMUNITY RECREATION

- Project Economics
  - Majority of community recreational facilities, particularly ones with large aquatic venues, are subsidized across the country to keep user fees, programs, and services at a more affordable price point for residents



# COMMUNITY RECREATION

Total SF 110,000

Revenue Function	Total SF		Per/SF
	FY 13 Actual	% of Total	
<b>Revenue</b>			
Daily Admissions	415,968	10%	\$3.78
Corporate Memberships	65,918	2%	\$0.60
Membership Sales	2,122,116	50%	\$19.29
Facility Rental	62,748	1%	\$0.57
Aquatic Pool Rentals	416,052	10%	\$3.78
Aquatic Instruction	489,467	11%	\$4.45
Children's Programs	162,411	4%	\$1.48
Fitness Programs	234,732	6%	\$2.13
Sports & Recreation Programs	183,330	4%	\$1.67
Child Care	45,172	1%	\$0.41
Locker Rental	21,041	0%	\$0.19
Pro Shop	14,988	0%	\$0.14
Other	24,876	1%	\$0.23
<b>Total Revenue</b>	<b>4,258,820</b>		<b>\$38.72</b>

- Regional facility Financials

Expenses Function	Total SF		Per/SF
	FY 13 Actual	% of Total	
<b>Expenses</b>			
<b>Personnel:</b>			
Administration	3,074,736		\$27.95
<b>Total Personnel Expense</b>	<b>3,074,736</b>	<b>68%</b>	
<b>Non-Personnel Expenses</b>			
General	845,574	59%	\$7.69
Aquatic Services	88,204	6%	\$0.80
Utilities	502,329	35%	\$4.57
<b>Total Non-Personnel</b>	<b>1,436,107</b>	<b>32%</b>	
<b>Total Operating Expense</b>	<b>4,510,843</b>		<b>\$41.01</b>

Cost Recovery	94%
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Demographic Characteristics	NOVA	Reston
<b>Age</b>		
Under 6	6.6%	6.9%
6-13	14.5%	10.9%
14-17	6.3%	4.5%
18-24	4.3%	4.7%
25-54	40.6%	46.8%
55-64	13.3%	13.6%
65 or older	14.4%	12.7%
<b>Education Attainment</b>		
Some high school, no diploma	5.7%	7.8%
High school diploma, or GED	15.8%	10.2%
Some college, no degree	13.0%	14.6%
Associates degree	4.6%	4.6%
Bachelor's degree	30.5%	33.8%
Graduate/Professional	30.4%	28.9%
<b>Household Income</b>		
Less than \$25,000	6.3%	8.5%
\$25,000-\$34,999	3.3%	4.1%
\$35,000-\$74,999	15.5%	22.8%
\$75,000-\$99,999	11.8%	13.5%
\$100,000-\$149,999	22.5%	22.6%
\$150,000 or more	40.6%	28.5%
<b>Housing Occupancy</b>		
Owned	81.4%	62.6%
Rented	18.6%	37.4%

# CASE STUDY

- B&D recently conducted a survey of a local community in Northern Virginia

# COMMUNITY RECREATION

<b>How important are the following factors to your household's participation in recreation or fitness activities?</b>	<b>Very Important / Important</b>
Convenient location of facilities	93.3%
Facilities and equipment are always available when I want to use them	82.6%
High quality facilities and equipment	81.3%
Conveniently located parking	80.8%
Availability of a variety of programs and classes for adults	71.8%
Availability of wellness programs	50.7%
Availability of a variety of programs and classes for children	45.6%
Availability of a variety of programs and classes for seniors	31.3%
Availability of a variety of programs and classes for teens	29.5%
Physically accessible facilities	28.9%
Availability of drop-in facilities for children	25.0%

# COMMUNITY RECREATION

	Activity	Depth	Breadth
1	Cardiovascular fitness machines	35.3%	59.6%
2	Recreational or leisure swimming	26.9%	54.6%
3	Weight machines	25.6%	49.8%
4	Lap swimming	25.5%	49.9%
5	Group fitness classes	25.4%	55.8%
6	Indoor jogging or walking	24.1%	47.0%
7	Free weights	23.6%	48.0%
8	Mind Body Classes	22.4%	57.6%
9	Water classes	11.1%	35.9%
10	Theapeutic Aquatics	10.5%	28.9%
11	Basketball	7.9%	28.3%
12	Volleyball	3.0%	20.5%



# COMMUNITY RECREATION

Activity	Priority Category	Peak Accommodation	Space Type	Peak Demand	Space Allocation Based on Prioritization of Demand		
1 Cardiovascular fitness machines	first	75% to 85%	Sq. Ft.	9,184	6,900	to	7,800
2 Recreational or leisure swimming	first	75% to 85%	Sq. Ft.	25,605	19,200	to	21,800
3 Weight machines	first	75% to 85%	Sq. Ft.	11,212	8,400	to	9,500
4 Lap swimming	first	75% to 85%	Lanes	43	32	to	37
5 Group fitness classes	first	75% to 85%	Sq. Ft.	12,923	9,700	to	11,000
6 Indoor jogging or walking	second	55% to 65%	Sq. Ft.	7,817	4,300	to	5,100
7 Free weights	second	55% to 65%	Sq. Ft.	10,352	5,700	to	6,700
8 Mind Body Classes	second	55% to 65%	Sq. Ft.	12,103	6,700	to	7,900
9 Water classes	third	40% to 50%	Sq. Ft.	8,072	3,200	to	4,000
10 Theapeutic Aquatics	third	40% to 50%	Sq. Ft.	6,778	2,700	to	3,400
11 Basketball	fourth	25% to 35%	Courts	13	3	to	5
12 Volleyball	fourth	25% to 35%	Courts	5	1	to	2
<b>1 COMBINED 1:</b> (Fitness Machines, Free Weights and Weight Machines)	<b>Cross-Training</b> Overlap Factor:	44%		<b>13,500</b>	<b>9,200</b>	<b>to</b>	<b>10,500</b>
<b>2 COMBINED 2:</b> (Group Fitness and Instructional Fee Based Programs)	<b>Fitness</b> Overlap Factor:	70%		<b>17,500</b>	<b>11,400</b>	<b>to</b>	<b>13,200</b>

# CAPACITY / DEMAND ANALYSIS

- B&D examined a series of key factors in order to frame the issues what would affect demand and financial feasibility of a new project:
  - *Capacity Analysis – Understanding of what the facility could support in terms of usage*
  - *Demographics – Correlation between demographics and standard participation levels*
  - *Market Reconciliation – Impact of private market into demand analysis*

# CAPACITY / DEMAND ANALYSIS

- ◆ Program Overview
  - ◆ 50M Competition Pool (with diving well)
  - ◆ Small Leisure/Teaching Pool
  - ◆ Weight and Fitness Space
  - ◆ Two-Multipurpose Rooms (Fitness/Community)
  - ◆ Two Multi-Activity Courts (Gymnasium)
  - ◆ Indoor Track
  - ◆ Rooftop Field

# CAPACITY / DEMAND ANALYSIS

- Capacity Analysis
  - Determines number of participants and utilization based on specified program

Activity	Units	Quantity	Allocation		Total
			Units Per NASF	Units	
Leisure Pool	Square Feet	1	55	People	73
Gymnasium	Courts	2	15	Square Feet	30
Wet Classrooms	Square Feet	1	15	Square Feet	40
Weight/Fitness	Square Feet	1	55	Square Feet	155
Multipurpose Room	Square Feet	2	45	Square Feet	100
Competition Pool	Lanes	14	3	People	42
Community Rooms	Square Feet	0	100	Square Feet	0
Snack Bar/Vending	Square Feet	0	50	Square Feet	0
Lockers	Square Feet	4	35	Square Feet	123
Walking/Jogging Track	Lanes	3	10	People	30
<b>Maximum Participants at One Time</b>					<b>592</b>



# CAPACITY / DEMAND ANALYSIS

- Utilization Analysis
  - Based on B&D's experience, peak utilization takes place in the early morning and evening hours

Activity	Hours					
	5 AM -9 AM	9 AM -Noon	Noon - 1 PM	1 PM -5 PM	5 PM -7 PM	7 PM -9 PM
<i>Utilization Rate</i>						
Leisure Pool	45%	50%	75%	60%	90%	65%
Gymnasium	25%	50%	75%	50%	90%	50%
Wet Classrooms	25%	50%	50%	50%	90%	50%
Weight/Fitness	65%	50%	75%	50%	90%	75%
Multipurpose Room	65%	50%	75%	50%	90%	75%
Competition Pool	75%	50%	75%	50%	90%	75%
Community Rooms	25%	25%	25%	50%	90%	50%
Snack Bar/Vending	25%	5%	40%	50%	90%	30%
Lockers	25%	10%	25%	50%	90%	50%
Walking/Jogging Track	65%	50%	50%	50%	90%	50%

# CAPACITY / DEMAND ANALYSIS

- Capacity Analysis
  - Facility could support 1,800 user per day

Activity	Hours						Total
	5 AM -9 AM	9 AM -Noon	Noon - 1 PM	1 PM -5 PM	5 PM -7 PM	7 PM -9 PM	
<i>Utilization Rate</i>							
Leisure Pool	33	36	55	44	65	47	280
Gymnasium	8	15	23	15	27	15	102
Wet Classrooms	10	20	20	20	36	20	126
Weight/Fitness	100	77	116	77	139	116	626
Multipurpose Room	65	50	75	50	90	75	405
Competition Pool	24	16	24	16	28	24	131
Community Rooms	0	0	0	0	0	0	0
Snack Bar/Vending	0	0	0	0	0	0	0
Lockers	15	6	15	31	55	31	154
Walking/Jogging Track	10	8	8	8	14	8	53

# CAPACITY / DEMAND ANALYSIS

- Demographic Utilization
  - Correlation between demographics and standard participation levels based on:
    - Gender
    - Age
    - Household Income
    - Education Attainment
  - Estimated potential demand for user passes

<b>Potential Market</b>	<b>Total</b>
Gender, 18 years and over	7,149
Age	4,931
Household Income	5,910
Educational Attainment, 25 years and over	6,557
<b>Average</b>	<b>6,137</b>

# CAPACITY / DEMAND ANALYSIS

Demographic Group		2013 Population <sup>1</sup>	Standard Participation Levels <sup>2</sup>	Estimated User Pass Potential
Gender, 18 years and over	Men	22,449	15%	3,457
	Women	24,615	15%	3,692
Total				<b>7,149</b>
Age	18-24 years	5,569	18%	1,002
	25-29 years	4,477	22%	985
	30-49 years	19,457	12%	2,335
	50-64 years	12,625	3%	379
	65-74 years	5,139	3%	154
	75 and above	2,544	3%	76
		49,811	Total	<b>4,931</b>
Household Income	\$75,000 and over	16,911	27%	4,566
	\$35,000 to \$74,999	5,960	17%	1,013
	Less than \$35,000	3,306	10%	331
Total				<b>5,910</b>
Educational Attainment, 25 years and over	College graduates	29,789	17%	5,064
	College incomplete	6,474	15%	971
	High school graduate	4,525	10%	453
	Less than H.S. grad.	3,452	2%	69
Total				<b>6,557</b>

<sup>1</sup> Data from 2000-2010 Census

<sup>2</sup> IHRSA Health Club Trend Report data

# CAPACITY / DEMAND ANALYSIS

- Demand Analysis

- Market Reconciliation – Impact of private market into demand analysis

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## Reston Private Facilities

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Sport & Health Club- Reston  
Bikram Yoga  
Pure Joe Pilates Studios  
Fitness First  
Fairfax County YMCA- Reston  
Lady of America Fitness Center  
LifeTime Fitness  
Crunch Fitness

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**Estimated  
Potential  
Remaining  
Market:  
1,500-1,700**

# CAPACITY / DEMAND ANALYSIS

## Benchmarking Analysis

- Average capture rates of local facilities: .06% - 6.4%
  - Freedom Aquatic
  - Fairfax
  - Herndon
  - Ida Lee
  - Claude Moore
- RCC estimate: 1.8%

# FINANCIAL ANALYSIS

- ◆ Objective of the model is to develop operating costs and revenue projections to determine estimated Cost Recovery.
  - Model relies on benchmark data, information provided by RCC, demographic data, B&D internal research
- ◆ Analyze the financial impact of various operating strategies, membership structures and rates, staffing, and other operating assumptions

# MODEL INPUTS

- ◆ Building Program / Hours of Operations
- ◆ Access/Program Fees
- ◆ Rate Structure
- ◆ Operating Revenues
- ◆ Operating Expenses
  - Personnel
  - Non-Personnel
- ◆ Net Cost Recovery



# PROGRAM REVIEW

## ◆ Program Overview

- ◆ 50M Competition Pool (with diving well)
- ◆ Small Leisure/Teaching Pool
- ◆ Weight and Fitness Space
- ◆ Two-Multipurpose Rooms (Fitness/Community)
- ◆ Two Multi-Activity Courts (Gymnasium)
- ◆ Indoor Track
- ◆ *Rooftop Field*

Total SF: 87,600

Project Cost: \$35M-\$40M

(does not include site acquisition cost)

LEED Gold 3-10% premium

LEED Platinum - +10% premium

# HOURS OF OPERATION

Hours of Operation			
Facility	Operating Hours	Hours/Day	Total Hours
Monday-Friday	5am-9pm	16	80
Saturday	8am-8pm	12	12
Sunday	10am-7pm	9	9
		<b>Total</b>	<b>101</b>
Aquatics	Operating Hours	Hours/Day	Total Hours
Monday-Friday	5am-9pm	16	80
Saturday	8am-6pm	10	10
Sunday	10am-6pm	8	8
		<b>Total</b>	<b>98</b>

Total Operating Weeks F/T

52
50

Total Operating Weeks P/T

# ACCESS TYPES

## ◆ Pass Types

- Daily Admission – Allows access on a daily basis
- Facility Pass – Pay one fee to access all components of the facility
  - Yearly, 3 Month, 20 Visit

Rate Category	FACILITY PASS	
	Reston	Fairfax
<b>Daily Admission</b>		
Adult	\$4.00	\$8.00
Youth/Student	\$2.50	\$5.00
Senior	\$2.50	\$5.00
<b>20 Visit Pass</b>		
Adult	\$65.00	\$130.00
Youth	\$45.00	\$90.00
Senior	\$45.00	\$90.00
<b>3 Months</b>		
Adult Single	\$110.00	\$220.00
Adult 2 Person	\$200.00	\$400.00
Dependent	\$50.00	\$120.00
Youth/Student	\$70.00	\$140.00
Senior Single	\$70.00	\$140.00
Senior 2 Person	\$130.00	\$250.00
Family	\$250.00	\$520.00
<b>Yearly</b>		
Adult Single	\$380.00	\$760.00
Adult 2 Person	\$684.00	\$1,368.00
Dependent	\$150.00	\$350.00
Youth/Student	\$190.00	\$380.00
Senior Single	\$190.00	\$380.00
Senior 2 Person	\$342.00	\$684.00
Family	\$819.00	\$1,683.00

# PROGRAM FEES

- ◆ Aquatic Classes
  - (learn-to-swim, diving classes)
- ◆ Fitness classes
  - Non-members could register for class at a specific fee
- ◆ Aquatic Rentals
  - Lane Rentals
  - Pool Rentals
  - Events
- ◆ Room Rentals
- ◆ Gymnasium (Leagues/Rentals)
- ◆ Birthday parties
- ◆ Other (Locker/Child Watch/Vending)

# OPERATING EXPENSES

## ◆ Personnel (Permanent)

- General Manager
- Assistant Manager - Business
- Assistant Manager – Community Outreach/Programming
- Front Desk / Member Service
- Aquatic Operations Manager
- Assistant Aquatics Operations Manager
- Building Operations Supervisor/Aquatics Engineer
- Aquatics Program Manager
- Fitness Manager

# OPERATING EXPENSES

## ◆ Personnel (Temporary)

- Control Desk Attendant
- Youth Programming
- Head Lifeguards
- Lifeguards – Competition Pool
- Fitness Attendant
- Fitness Instruction
- Personal Trainers
- Aquatic Instructors

# OPERATING EXPENSES

## ◆ Operating expenses

- Advertising/marketing
- General expenses
- Contract Management
- Aquatic supplies
- Utilities
- Repair and Maintenance (General/Preventative)
- Custodial
- Contracted Staff

# PROJECT ECONOMICS

- ◆ The chart represents the cost recovery for the first five years based on a Reston Rate Structure

## Cost Recovery Percentage

Year 1

Year 2

Year 3

Year 4

Year 5

Reston
47%
49%
49%
50%
50%



# PROJECT ECONOMICS

- ◆ The chart represents the cost recovery for the first five years based on a Fairfax Rate Structure

## Cost Recovery Percentage

Year 1

Year 2

Year 3

Year 4

Year 5

Fairfax
68%
70%
71%
71%
71%