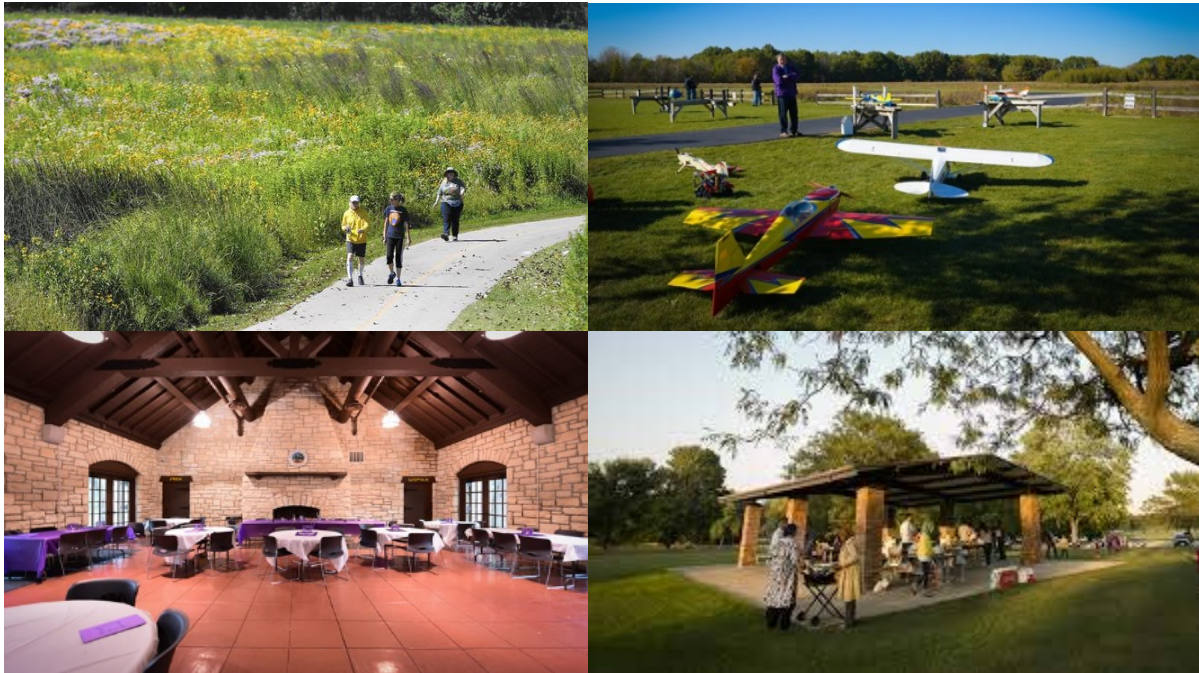


Part 1: Permits and Rentals Master Plan

Forest Preserve District of Cook County Chicago, Illinois



Contract 16-40-416



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September 19, 2016

Karen Vaughan
Director of Permits, Rentals and Concessions,
Forest Preserves of Cook County
536 North Harlem Avenue
River Forest, IL 60305

Dear Karen,

CHM Government Services ("CHMGS") and its project partner BRONNER Group ("Project Team"), are pleased to present the Final Part 1: Report for the Permits and Rentals Master Plan for the Forest Preserve District of Cook County ("FPDCC"). This report covers the final recommendations for the Permit Master Plan. The Concession Master Plan will be delivered under separate cover at a later date. The Final Combined report will include a tactical roadmap for FPDCC consideration. This report has been developed under CHMGS's Contract #16-40-416. This report summarizes the research and analysis conducted to meet the requirements of the Task Order provided by the FPDCC. It has been a pleasure to be of service to FPDCC and we appreciated the opportunity to be part of this interesting and important project.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'G Baekey'.

Geoff Baekey
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A. EXECUTIVE SUMMARY

The FPDCC engaged CHM Government Services and its partner BRONNER (“Project Team”) under a Services Agreement to undertake the Permits, Rentals, and Concessions Master Plan. The Plan shall serve as a strategic roadmap for a ten-year period that articulates an overall vision for the Permit, Rentals and Concession Department. This Executive Summary provides the summary findings of the Part 1: Permits and Rentals Master Plan.

CHMGS has analyzed the historical financial and operating performance of the current permit and rental fees as well as the FPDCC’s existing concessions program. In addition, CHMGS has conducted market research for comparable and competitive operations within the area, forecasted financial metrics, and provided specific recommendations to improve/expand the permit and rental program for the purposes of attracting new users, generating new business, and increasing revenue.

PLANNING FRAMEWORK

FPDCC provided the project team with four key planning documents: Next Century Plan, Recreation Master Plan, Gateway Master Plan and Campground Master Plan. These plans were reviewed and consulted and served as the overall framework for the Permit and Master Plan to work within. The completion of the Part 1: Permits and Rental Plan provides findings that shaped the Permits and Rentals Action Plan. That document provides implementation guidance for the Permits, Rentals and Concession Program over the next five years.

COMMUNITY PROFILE AND DEMOGRAPHICS

The market for recreational services within Cook County as a whole possesses above average income and is ethnically diverse; however, each subarea is unique diverse and has varying levels of average to below average household incomes. As the project team considered financial sustainability strategies and how pricing impacts policy, the economic profile differences within the County were taken into consideration. Overall, the community profile and demographic data illustrates the importance of evaluating demand and usage trends by sub area. This analysis also informed recommendations regarding recreational offerings and pricing strategies that serve the needs of all FPDCC residents.

LOCAL, STATE AND NATIONAL RECREATION DEMAND TRENDS

Local, State and National Recreational demand trends support the need for continuation of the existing supply of recreational services and facilities that the FPDCC provides. The Community Needs Survey conducted as part of the Recreation Master Plan confirmed the important role that the FPDCC recreational settings play in resident’s life’s as evidenced by the high rate of participation and repeat visitation. The Community Needs Survey also identified that much of the recreational usage is occurring close to home and does not involve major movement between subareas. Residents identified new opportunities that appropriately build on the existing programs and settings including more rental amenities at trails, water and picnic locations, desire for more winter activities, and guided instruction and programs. Access to sites and within sites remains a barrier for participation but is a high priority identified within the Gateway Plan. The residents appear to realize that FPDCC cannot provide all recreational services and identifies partnerships with other public and nonprofit agencies as a strategy for delivering services.

The State Comprehensive Outdoor Recreation Plan (“SCORP”) supports the important role that Forest Preserves play in providing the supply of recreational settings to meet the recreational demand within

the state. Specifically, the SCORP findings support the role of City Parks of County Preserves in meeting the needs of outdoor team sports, which indicates the ongoing demand for outdoor athletic field space. The SCORP recognized that aquatic facilities within the state play an important role. In the last year, FPDCC entered into a management contract with Swim Chicago for daily operational oversight of all their outdoor aquatic facilities.

National trends identify that ensuring that existing FPDCC facilities and landscapes that support trails is critical to meeting the long term needs of FPDCC residents. The greatest recreational participation is occurring along trail systems (e.g. hiking, biking, running). Camping remains a highly popular recreational activity and the recent launch of camping facilities and programs within the FPDCC would support this national trend. Athletic fields for events are critical to meet both the high participation rates for traditional athletic events (e.g. baseball, softball, soccer, etc.) as well as field events with growing participation rates such as rugby and field hockey. National recreation trend data indicates that the reasons for recreation participation were consistent across ethnic groups with the highest priority being “provides for exercise” followed by “keeping physically fit” and “being with family and friends”. The family and friend priority was second priority for African Americans.

PERMIT AND RENTAL ANALYSIS

There are nine permit types available for purchase to those wishing to access FPDCC to host special events, programs, and activities. The tenth category of permits are memberships are required for dog, equestrian, and snowmobile owners to use FPDCC for these purposes and access certain designated sites. FPDCC boasts a large and diverse portfolio. The diverse permit and rental portfolio accommodates both groups hosting events, as well as individuals wishing to experience nature at a FPDCC location. FPDCC Sites are Easily Accessible. Cook County residents and visitors may access activity areas and trail systems in each of FPDCC's twelve divisions.

The project team conducted in-depth analysis of FPDCC permit data to capture an accurate understanding of site usage patterns, user types, event types, and revenue generated by each of the permit types. This detailed analysis assists the project team in developing an accurate pricing strategy ensuring that sites, permits, and memberships are capturing all possible revenue. The source data for 2014 and 2015 came from the data generated from ACTIVE Net, which is the reservation system provider for FPDCC. In order to understand the most recent trends for permit use, the project team decided it was best to analyze data sets that included both 2014 and 2015 data. When undertaking cost recovery analysis, the project team only used 2015 data.

Based upon the data provided by FPDCC, there were approximately 15,906 permits issued for the period 2014-2015. For 2014, the data provided by FPDCC indicated approximately 7,732 permits issued and in 2015 approximately 7,364 permits. While there are multiple subcategories of permits, all permits can be grouped into six major categories: Athletic Permits <400 and 400 +, Basic Picnic Permits, Special Event Permits <400 and 400 + people, Indoor Room Rentals and Memberships. Based upon the most recent year of data (2015), the largest category of permits is the Basic Picnic Permit at 88 percent. The second largest category is Indoor Room Rentals at six percent. The remaining category is Memberships. This includes permits for equestrian, snowmobile and dog parks.

Residents comprise nearly all permit users at FPDCC. Approximately 90% of permits are purchased by Cook County residents. Summer months represent the highest peak usage periods during the year. June, July, and August (10,705 combined permits), are the main period followed by May (1,538 permits) and September (1,772 permits). The winter months (277 combined permits), particularly

December and January, experience an extremely low usage rate. Weekends represent the highest peak usage during the week. Saturday and Sunday represent the busiest days of the week for permitted events at FPDCC with Saturdays representing 50% of permits (7,554 permits), Sundays approximately 38% (5,616 permits), and Fridays 5.8% (888 permits). The remaining weekdays maintain approximately the same rate of usage. Inducing weekday demand may be possible during the evenings or during the day for corporate outings and other targeted events, but otherwise it may be difficult to grow midweek demand.

FPDCC OPERATIONAL OBSERVATIONS- USER AND MANAGEMENT EXPERIENCES

The project team conducted FPDCC operational observations through a combination of new and existing survey analysis, key stakeholder engagement, and documentation and study of current marketing efforts and the permit booking process. The assessment aimed to gain a comprehensive understanding of user experiences from the perspective of FPDCC customers, as well as staff and leadership. Key findings from these assessments converged around the following themes: overall satisfaction with FPDCC staff; an overview of the typical FPDCC customer; satisfaction levels with the cleanliness of FPDCC sites and facilities; recommendations on marketing and communications strategy; and feedback on technology usage and information sharing.

In all surveys, an overwhelmingly majority of respondents felt FPDCC is a great asset to the community. Staff provide a welcoming environment and the programs and facilities provide a fair or good value to the community. Most District users stay close to home and do not travel far across the county to other FPDCC areas, with the highest usage area being the North region. Users are typically individuals or families visiting FPDCC one to two times per year, book permits online, and travel to the FPDCC via car. The majority of FPDCC users reported that they had a positive experience using FPDCC sites and facilities. The most common complaints received included outdoor areas not being cleaned after previous occupants, insufficient garbage cans, lack of water access, and dirty shelters and/or restrooms.

Users noted that more information on FPDCC assets should be provided, as users were not aware of the entire suite of facilities and programs offered by the FPDCC. While word of mouth is the most common method of referral, users identified the FPDCC website, social media, and digital communication as important methods of sharing information and advertising services. An overwhelming majority of users cited the FPDCC website as lacking clear information and permit registration process as extremely or somewhat challenging. Clearer, more concise information on FPDCC assets, as well as permit application instructions should be provided on the website. The permit application process should be improved to be more user-friendly and provide clearer information.

COMPETITIVE MARKET

There are 95 park districts operating in Cook County. While the facilities and recreational activities offered by local park districts are complementary to FPDCC, these entities are also major competitors. To accurately assess the recreational activities and locations available throughout Cook County, which compete for the interest of potential FPDCC users, the project team identified a total of 36 competitive municipal price points. After compiling the previous list of municipalities and collar counties, the project team analyzed the pricing methodology of each of the park districts, as well as their inventory of sites available for rent. The project team then utilized this data to compare competitor pricing and inventory to that of the District. Additionally, the portfolio of recreational activities and inventory of locations available at Forest Preserve Districts surrounding Cook County.

DuPage, Kane, Will, and Lake Counties were evaluated. The Chicago Park District is included in this list of competitors, because it is the largest municipality and park district in Cook County.

The analysis identified that while FPDCC has a larger inventory of outdoor sites, park districts have a larger inventory of indoor facilities available for rent. Indoor recreational activities operated by park districts typically have additional space available for private events. The types of facilities available in FPDCC's portfolios are the same as those available for rent through municipal park districts. However, there are significantly fewer of each site type available for rental within the municipalities. Park Districts have a more diverse portfolio of recreational activities, facilities, and programs, which increase opportunities for exposure to Park District amenities. Generally, the same types of permits are offered by FPDCC and the local park districts. Equestrian and snowmobile permits are limited, or have no availability at the municipal park districts. Average permit pricing for FPDCC facilities is approximately 35% less expensive than park district locations.

In order to gain an understanding of the level of complexity, user-friendliness, and overall efficiency of the online permit application process in comparable park districts and preserves, five peer collar counties processes were examined for comparison. As all of these organizations use ACTIVE Net as their software solution. For all the entities, the online booking process was similar in the order of steps required and user interfaces were similar. However, the length of time involved with obtaining an FPDCC permit on line versus another agency was longer, based on the number of requirements and individual permits that may need to be purchased for a single event within the FPDCC.

COMPARABLE ANALYSIS

The project team conducted interviews with ten comparable forest preserves, park districts, and parks and recreation departments across the country to gain a better understanding of their program scope, operations, and best practices. A key area of comparison was the Operations and Process of other entities permits and rentals program. Nearly all organizations use a rolling application process and only a few used an online reservation and permit purchase (ActiveNet and RecTrac). Most use phone, in-person, or email/fax submission of forms due in part to their size. For all agencies, insurance is required and typically special event staff works closely with users. All entities were using their permit data to make operational decisions. Marketing was a high priority for all programs and they relied on their marketing teams to develop marketing campaigns to increase awareness and drive attendance.

Every agency interviewed considers public benefit vs. private benefit in setting program prices. "Value-added" programs and recreational activities are required to be revenue-generating at many locations, while those which provide a larger service to the community (i.e. nature centers and hiking day camps) are subsidized greater than the others. To increase exposure and utilization of facilities and locations, lower-income areas may be subsidized more than others.

Annual price reviews are conducted to maintain sustainable practices. Cost recovery models are typically reviewed on an annual basis. Results of the cost recovery analysis, changing trends, and planned future investments or new programs or services contribute to the revision or approval of the existing pricing strategies.

COST RECOVERY ANALYSIS

FPDCC provided to the project team their preliminary cost recovery analysis. The cost recovery process employed by FPDCC mirrors an approach that is based upon research completed in 1986 by Dr. John Crompton and Dr. Charles Lamb in their book, "*Marketing Government and Social*

Services”. Over the last thirty years, the concepts outlined in this book regarding equity, cost recovery and the pricing policy of public services, have been widely accepted and used by public recreational agencies in the development of agency fee/pricing policy.

Crompton and Lamb tie the idea of cost recovery to the idea of “equity”. In applying an equity concept to visitor services, it is essential that one differentiate between public and private type of visitor services. They each sit on opposite sides of a spectrum and much of the debate on pricing public services revolves around whether a visitor service provided has characteristics of a public or private service. When setting pricing for visitor services, understanding who is benefiting and who is paying for the service must be factored into the fee/pricing policy. In general, the idea is that “public” services should be primarily subsidized through taxes.

The classification of a service affects how the service shall be treated from a subsidy and cost recovery standpoint. As such, all services provided FPDCC need to be evaluated against this criteria and assigned a location on the service spectrum. As a public agency, FPDCC must consider whether specific services being delivered to the community are considered standard or public (e.g. mission-critical), merit (mix of mission and private) or private (e.g. value add). In order to allocate public funds, and determine prices for those services that do not receive significant funding from public sources it is necessary to determine what level of public subsidy should exist for various services for which user fees are charged. Fee/pricing strategy evolves from this process.

The introduction of a fee/pricing framework begins with recognition of the goals of this process. All stakeholders need to understand that financial sustainability requires appropriate use of public funds. As such, FPDCC must understand and communicate to all of its stakeholders that:

“Raising revenue is not the goal of the fee/pricing policy framework. Rather the goal is establishing a rational basis for fee setting and public funding that will provide for greater long term financial sustainability for FPDCC”

It is of the opinion of the project team that the Permits, Rentals and Concession program offerings lie predominantly on the merit and private end of the spectrum/pyramid. Other program areas within FPDCC lie within the public and merit side of the spectrum/pyramid (e.g. Conservation and Experiential Programming and Resource Management). The recreation benchmark comparable analysis also supports this premise. The project team suggest that the following services under Permit, Rentals and Concession Program are considered public, merit and private:

- **Public Services:** Open access to picnic areas for groups below 25 people and use of paved trail systems for individual health and wellness.
- **Merit Services:** shared use of trails for snowmobiles and equestrian use; use of athletic fields for youth sports.
- **Private:** Private exclusive use of picnic pavilions, indoor room rentals, athletic fields for adults, dog parks, model airplane fields; special event use including use of areas for private benefit in the form of commercial filming or photography, equipment rental.

The cost recovery analysis focused on the following eight permit types: Athletic Permits, Basic Permits, 400+ permits, Indoor Room Reservations, Special Events, Memberships (i.e. Equestrian, Snowmobile, and Dog).

FPDCC provided to the project team their internally desired subsidy goals, which are the inverse or their expected cost recovery. Based upon the analysis and research conducted by the project team, the subsidy goals are in line with the expectations for services that primarily provide a private benefit.

The project team is of the opinion that FPDCC could consider a higher subsidy level for Athletic Permits for Adults, and Basic Picnic Permits as well as Equestrian Memberships.

Based upon the combination of data sources analyzed, the project team has identified that in 2015, FPDCC executed 20,855 transactions. According to data provided to the project team, these permits generated \$1,222,423 in revenue. Total operating costs for the permit and rental program are approximately \$2,558,986. The majority (65%) of operating costs lie in the area of direct personnel expenses: (27%) PRC Staff Costs, (17%) Staff Maintenance Costs, Unscheduled Maintenance Staff Costs (8%) and (13%) Police Costs. Based upon the # of permits issues, resultant revenue and allocated costs, the FPDCC Permit and Rental program is currently operating at a 48 percent cost recovery ratio resulting in a subsidy of 52 percent for this program.

The 48 percent cost recovery ratio is below overall programmatic goals. The largest contributor to the cost recovery ratios is the Basic Permit category. Identifying the proper pricing for this permit will have the largest impact on overall cost recovery and long term financial sustainability. A new pricing strategy is necessary to begin to increase cost recovery and meet future financial sustainability.

The project team has developed the pricing recommendations beginning with the prices which resulted from the recreation industry benchmarks. The project team then evaluated these prices against the position of the resultant prices against the surrounding competitive market prices. This provided the project team and understanding of what level of price increases would be market acceptable based upon both the current FPDCC pricing positions and the competitive market. In most cases, this resulted in the project team lowering the cost recovery threshold below the recreation industry benchmarks.

In developing the recommended prices, the project team evaluated both the overall increase in prices from the current price position as well as the potential number of years it may take to achieve the price position in the future. In general, the project team is of the opinion that it is market acceptable to increase all prices initially at a larger increment and then plan for increases either annually or triennially. These annual increases should equate to the average long term CPI average for Urban Consumers in the U.S. As such, considering a 10 to 25 percent one-time increase followed by a two percent increase per year thereafter would provide for the total price movement of approximately 30 to 40 percent. The project team has developed the demand and financial model to allow for changing both the cost recovery percentages as well as the initial and annual increases should the project team recommended price points not be supported by FPDCC decisions.

In addition to recommended pricing by category, the project team also developed other recommendations including embedding the application fee within the Picnic Rental fee but keeping it separate for Special Events, Athletic and Indoor Facilities. Additionally, the project team was supportive of continuing the resident and nonresident rates since this pricing strategy is common in the market. The project team recommends that FPDCC consider a 50 percent premium to resident rates as the standard that should be implemented by FPDCC.

DEMAND AND FINANCIAL ANALYSIS

The project team developed a comparative Cost Recovery model ("Future CR") to compare the existing costs recovery from 2015 to a proposed cost recovery with the project team recommended prices. The analysis identified that that the proposed pricing recommendations could result in an additional \$301,000 of revenue. Overall costs change negligibly and the overall imputed cost recovery increases from 48 percent to 60 percent.

B. PROJECT BACKGROUND AND OBJECTIVES

The purpose of this report is to summarize the results of Part 1: Final Report for the Permits, Rentals and Concession Master Plan performed by CHM Government Services (“CHMGS”) and its project partner BRONNER Group (“BRONNER”) (“Project Team”) to support the Forest Preserve District of Cook County’s (“FPDCC”) Permits, Rentals, and Concession Master Plan (“Plan”).

The FPDCC engaged CHMGS and its partner BRONNER under a Services Agreement to undertake the Permits, Rentals, and Concessions Master Plan. The Plan shall serve as a strategic roadmap for a ten-year period that articulates an overall vision for the Permit, Rentals and Concession Department. CHMGS has analyzed the historical financial and operating performance of the current permit and rental fees as well as the FPDCC’s existing concessions program. In addition, CHMGS has conducted market research for comparable and competitive operations within the area, forecasted financial metrics, and provided specific recommendations to improve/expand the permit and concession program for the purposes of attracting new users, generating new business, and increasing revenue. This summary memo represents a Final Part 1: Report for the Permits, and Rentals. This Final represents the preliminary recommendations for the Permit Master Plan Only. The Concession Master Plan Components will be provided in the Part 2: Concession Master Plan.

C. PLANNING FRAMEWORK

FPDCC provided the project team with four key planning documents: Next Century Plan, Recreation Master Plan, Gateway Master Plan and Campground Master Plan. These master plans created a framework for the project team to build upon for the Permit, Rental and Concession Master Plan. Each document discusses ways for FPDCC to be sustainable for the next generation of park users.

POLICY FRAMEWORK

The recommendations of this report are framed within the initial land use recommendations issued for the Forest Preserve in 1929. These recommendations include the desire to maintain an 80/20 balance in its land use with 80 percent of the FPDCC’s land to be kept in as natural condition as possible and 20 percent to be available for the development for recreation that is compatible with the FPDCC’s Mission. This overarching mandate both for land area use and recreation that is compatible for a preserve provides a “sidebars” for the recommendations. The project team was cognizant of these sidebars and has attempted to consider them within their recommendations.

NEXT CENTURY PLAN

The Next Century Plan outlines the vision for FPDCC over the next 100 years to restore the preserves to health. This plan has provided four key goals and priorities to set as a foundation for the future. The goals include the following:

1. Nature
2. People
3. Economy
4. Leadership

Overall, this plan calls for transforming the forest preserves to places that foster diversity of plants, animals and habitats and welcome diverse people. In addition, this plan focuses on maximizing public and private resources such as permit and concession use for activities to create a sustainable financial program for the future. The project team considered this plan the overall framework for which our recommendations should be considered.

RECREATION MASTER PLAN

The goal of the Recreation Master Plan is to provide a vision and set of strategies to guide the development of expanded outdoor recreation opportunities in response to evolving community trends, needs, and interests. The plan helps set forth recommendations for the next 5-10 years to make FPDCC a regional and national leader in outdoor recreation by integrating recreation and environmental education and incorporating best management practices. This plan helped guide the project team in their decision about concession and permit opportunities available at the forest preserves.

GATEWAY MASTER PLAN

The goal of this master plan is to define a class of special gateway sites evenly distributed throughout the FPDCC to encourage people to enter the preserves. The Gateway sites were first conceived as part of the 2013 Centennial Campaign plan noted above. The Gateway sites were chosen for their high visibility in high-traffic locations throughout Cook County. Gateway sites may include well-marked trailheads and trails, outdoor concessions or technology that provides information on ways to engage with that site. The Gateway sites outlined in the Gateway Master Plan were evaluated for potential concession sites due to their high visibility within the county. In addition, the master plan addressed permit specific activities to be considered at the gateway sites.

CAMPGROUND MASTER PLAN

The Campground Master Plan looks at ways to integrate the camping program into a system-wide offering for FPDCC. This plan outlines a strategy of offerings to serve youth, families, groups and individuals of all ages, interests, and backgrounds. In addition, the plan looks at enhancing facilities at existing campgrounds as well as new sites by offering a variety of overnight accommodations to create a unique camping experience. The Campground Master Plan provided insight to the intent of the camping program and as well as ways the camping assets could be leveraged to meet other planning and programmatic goals.

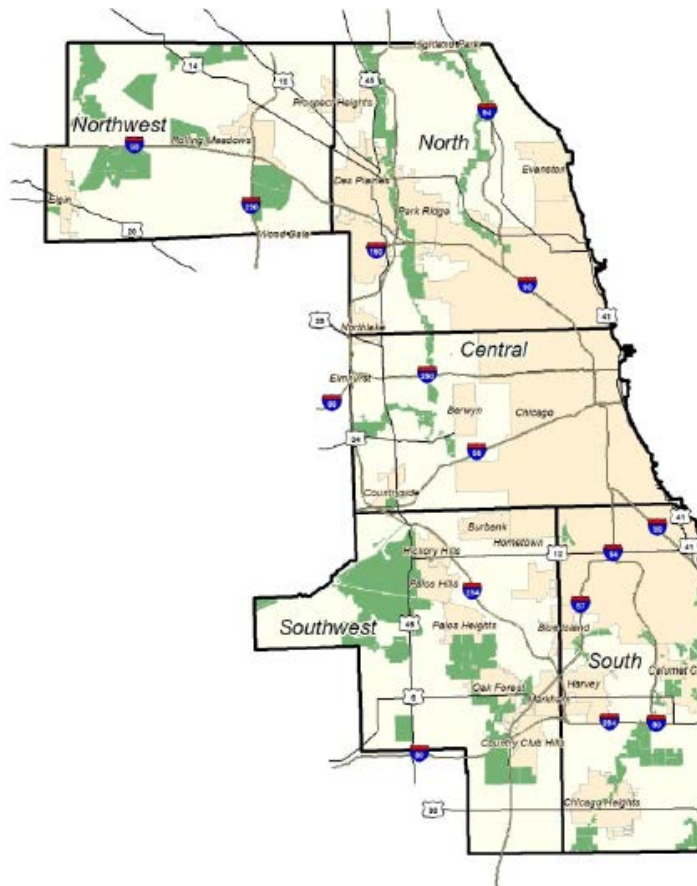
D. COMMUNITY PROFILE AND DEMOGRAPHICS

The Permit, Rentals and Concessions Master Plan requires an understanding of the community for which the FPDCC provides services. According to the U.S. Census, the population of Cook County in 2010 was 5,194,675 and 5,238,216 in 2015. The population has slightly increased by 0.8 percent over the past five years. The Chicago Metropolitan Agency for Planning (CMAP) 2040 Forecast of Population, Households and Employment projects that Cook County will reach 6,182,487 by 2040 – a 17 percent increase in the next thirty years from 2010 to 2040, adding over 987,800 new residents. (This calculation is based on 2000 U.S. Census data).

COUNTY SUBAREAS

Understanding the community profile of the FPDCC requires recognition of the unique sub communities that are part of the FPDCC. As part of the Recreation Master Plan, FPDCC evaluated the economic and demographic profile of five subareas of the FPDCC. Exhibit 1 below illustrates each subarea: North, Northwest, Central, South, and Southwest.

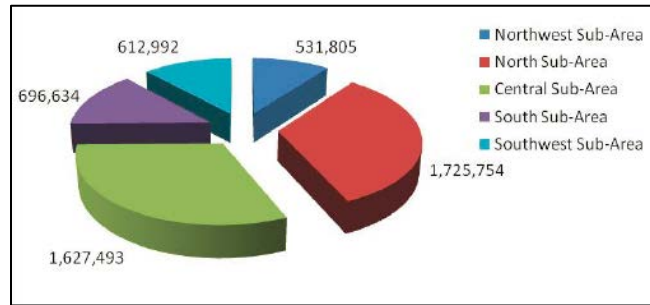
Exhibit 1 - Cook County Subareas



Source: FPDCC Recreation Master Plan, March 2013, Chapter 2 Community Needs Assessment

The population distribution represented in Exhibit 2 shows that the North subarea ranks highest in population (1,725,754) followed closely by the Central Subarea (1,627,493). The South subarea ranks 3rd (696,634), followed by the Southwest subarea (612,992), while the Northwest subarea has the lowest population within Cook County (531,805) according to the U.S. 2010 census. Research from the Recreation Master Plan as well as the Gateway Plan identified that many people utilize the Preserve areas closet to home. As such, it is important to note that the demand for recreational activities may vary by subareas.

Exhibit 2 - 2010 Cook County Subarea Population



Source: ESRI Business Information Solutions, 2016.

Household age can affect the nature of recreational activities that residents participate. Exhibit 3 provides subarea median age, average household size, median income and population distribution. This data would appear to indicate that the largest age differential is between the Central and the Southwest and for the household sizes between the North and the South. Overall, this analysis would appear to indicate that there is no major differences in areas with significantly younger vs. older population. If there were this would need a consideration in proposed selection of types of recreational activities (e.g. younger residents’ athletic fields, older residents, more passive activities).

The subarea median income indicates a wide variance. The Northwest subarea has the highest and the South subarea has the lowest. The North and the Southwest subareas are somewhat similar. Median income is one indicator of the ability but not necessarily the willingness to pay for recreational services. As the project team undertook research and recommendations, they focused on evaluating distribution and usage patterns within subareas to gain insight as to whether there appeared to be any impact on usage that may be in part associated with ability to pay. The project teams work in communities across the nation has identified that willingness to pay is not always associated with ability to pay especially for day use activities that provide for family gatherings around special family events/celebrations. Further discussion of these factors occurs later in the permit and concession demand analysis sections.

The distribution of population may affect the demand for activities depending on the supply of FPDCC facilities and competitive options. As noted earlier, the Southwest and Northwest areas have the lowest population density. Understanding how demand patterns are impacted by population density is a consideration of the project team.

Exhibit 3 - Subarea Demographic Overview

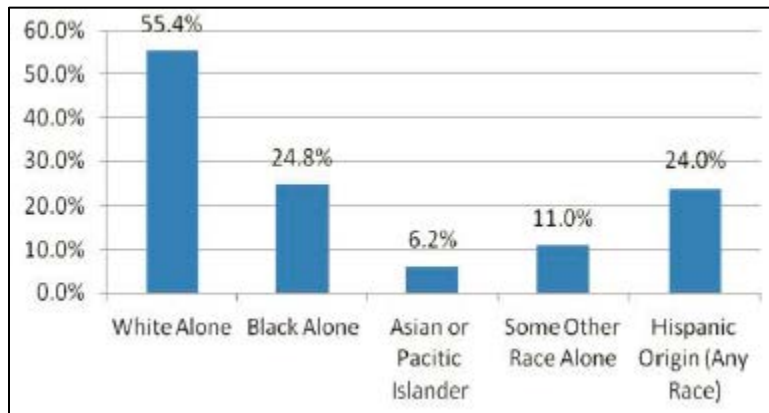
Cook County Subareas	Median Age (2010)	Average Household Size (2010)	Median Income (2016 forecast)	% of County Population (2010)
North	35.7	2.5	\$62,370	33%
Central	32.5	2.7	\$48,769	32%
South	36.7	2.8	\$40,065	13%
Southwest	39.2	2.7	\$63,015	12%
Northwest	38.0	2.6	\$74,822	10%

Source: ESRI Business Information Solutions, 2016.

RACE/ETHNICITY

The racial composition of the County shows that a high percentage of residents (55.4 percent) are White; the next largest racial group is Black or African American at 24.8 percent then Hispanic at 24 percent. The following exhibit exemplifies the racial composition of population.

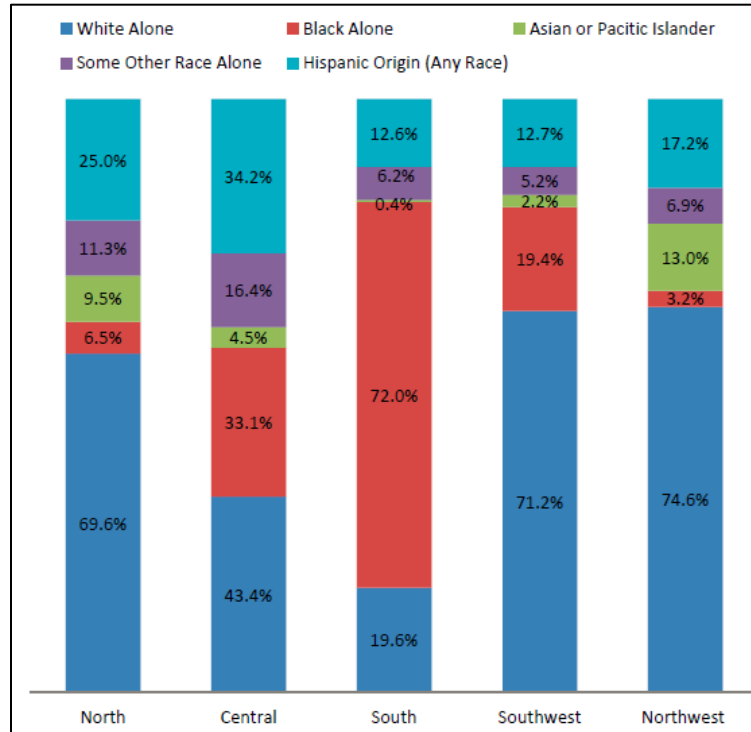
Exhibit 4 - Cook County Ethnicity



Source: ESRI Business Information Solutions, 2016.

Although the highest percentage of residents are white for the County, a breakdown of the racial demographics by subarea shows a more thorough portrayal of the racial makeup. The exhibit below shows greater diversity in the Central subarea, with blacks making up the majority of the population in the South subarea and Whites the majority of the population in the North, Southwest, and Northwest subareas.

Exhibit 5 - Ethnicity by Cook County Subarea



Source: ESRI Business Information Solutions, 2016.

The ethnicity data is important to note in consideration of existing and potential usage of types of recreational activities occurring within FPDC. The CHMGS project team analysis will evaluate usage rates for activities within each of the subareas and identify if there are any usage trends that relate to ethnicity that should be noted in developing recommendations

SUMMARY

This data indicates that the market for recreational services within the County as a whole possesses above average income and is ethnically diverse; however, each subarea is ethnically diverse and has varying levels of average to below average household incomes. As the project team considers financial sustainability strategies and how pricing impacts policy, the economic profile differences within the County will be considered. Overall, the community profile and demographic data illustrates the importance of evaluating demand and usage trends by sub area. This analysis should also inform recommendations regarding recreational offerings and pricing strategies serve the needs of all FPDC residents.

E. LOCAL, STATE AND NATIONAL RECREATION DEMAND TRENDS

The project team evaluated multiple recreational demand indicators that may support the need for permits and concession activities. These included information from the Community Recreational Needs Survey conducted as part of the Recreation Master Plan, State Comprehensive Outdoor Recreation Plan (SCORP) surveys, and information from the Outdoor Recreation Participation Topline Reports.

LOCAL

A Community Recreational Needs Survey was conducted as part of the Recreation Master Plan study during the summer of 2012. The purpose of the survey was to assist in establishing priorities for future capital improvements, programs, and services within the FPDCC. Key survey findings concluded that 74.5 percent of respondents said that they or a household member had visited a Cook County Forest Preserve picnic grove, nature center, trail, golf course, or other amenity during the past year, and 25.5 percent said they had not. These findings indicate a high percentage of usage for FPDCC preserves and other amenities. This suggests that the FPDCC is an important recreational provider to residents. Data suggested that over 20 percent of the respondents were frequent users of FPDCC preserves and amenities coming more than eight times a year. As such, understanding how price point may influence future usage will be important to consider in any recommendations.

The five regions that define the geographic area of the FPDCC that were visited by respondents were relatively even, with the northern region being visited the most often. This data was further analyzed to the areas visited by residents within each specified region, which concluded that many residents chose to stay within their region to utilize forest preserve programs and amenities. This data further supports the need to understand usage rates of activities within each respective region.

Outdoor Participation in Recreational Activities

Respondents to the Community Recreational Needs Survey were asked to identify outdoor activities in which they or someone in their households had participated. The following list provides a ranking order of the top five activities in terms of participation.

- Hiking or walking (37%)
- Bicycling (34%)
- Picnicking (24%)
- Running (12%)
- Golf (11%)

Most Important Recreational Use

When respondents were asked to pick their top priorities from a list provided to them in the survey, fishing and fitness rose to the top five.

- Bicycling (13%)
- Hiking/running (13%)
- Picnicking (7%)
- Fishing (5%)
- Fitness (4%)

Most Important New Recreational Facility

Respondents were asked to select the most important new recreational facility out of a list of 12 choices. The top five uses selected were as follows.

- Winter recreational areas (9%)
- Outdoor movies (9%)
- Toboggan/snow tube (9%)
- Amphitheaters (9%)
- Natural Play Areas (8%)

Public and Stakeholder Input

In addition to the surveys, several community and stakeholder input opportunities were provided resulting in input from over 300 people. Themes from the responses to questions about current strengths, issues/barriers, and opportunities are summarized in the following tables.

Exhibit 6 - Recreation Master Plan Community Survey Findings: Strengths & Issues and Barriers

Strengths	Issues and Barriers
<ul style="list-style-type: none"> • Diversity of locations, space, and patrons • Natural Resources • Well Maintained • Trails • Staff • Variety of activities - canoeing, bird watching, biking, etc. • Collaboration with other groups • Volunteer network • New leadership and improved communication 	<ul style="list-style-type: none"> • Lack of awareness • Transportation and access • Fear of the outdoors • Safety perceptions • Concerns about disturbing natural areas • Lack of hook/interest to attract new users • Being open to new ideas • Nature deficit • Lack of staff • Maintain what you have

Source: FPDCC Recreation Master Plan, March 2013, Chapter 2 Community Needs Assessment

Exhibit 7 - Recreation Master Plan Community Survey Findings: Ideas for New Activities

Ideas for New or Expanded Activities

- Expand activities - canoe/kayaking, nature programs/interpretation, camping, fishing dog friendly areas, trails including mountain biking and equestrian uses, winter recreation, special events, arts and culture (photography, painting), golfing, portable recreation, historic site interpretation, races (fun runs, triathlons)
- Pursue new activities - archery, disc golf, nature play areas, challenge course, climbing, ice skating, paddleboarding, geocaching, etc.
- Make activities attractive to youth and families
- Add more nature exploration programs and outreach
- Create year-round opportunities
- Provide concessions and rentals (bikes, canoe/kayaks, cross country skis/snowshoes, food)
- Offer guided tours (river, hiking) as well as self-guided tours (QR codes, GPS)
- Connect picnickers to educational and recreational opportunities

Opportunities for Improvement

- Market and promote existing amenities and programs - build awareness campaign
- Integrate environmental education into recreation activities
- Enhance trail connections, trailheads, and safe crossings
- Increase water access
- Outreach to underserved communities
- Incorporate sustainable practices
- Expand partnerships - schools and universities, volunteers, municipalities, businesses, youth organizations, environmental groups, user groups, art organizations, transportation groups, museums, community organizations, public health
- Add wayfinding and interpretive signage

Source: FPDCC Recreation Master Plan, March 2013, Chapter 2 Community Needs Assessment

Community Recreational Needs Survey Conclusions

The community puts a strong emphasis on traditional outdoor recreation activities such as biking, hiking, and running all activities occurring within the extensive trail system that FPDCC offers. Picnicking also was a high use and important recreational activities for all residents. The top activities including trail use and picnicking are all relatively low cost activities. It is also important to note that the top interests in new recreation opportunities include winter activities, art and culture events, and nature play areas. The new recreation options provide FPDCC the opportunity to provide concession rentals for cross country skis, boats, bikes, etc. FPDCC has a strong and frequent user base with visitors that come primarily from their direct subarea. This is an opportunity for FPDCC to emphasize recreation priorities per subarea to meet the needs and wants of the surrounding community.

STATE

The State Comprehensive Outdoor Recreation Plan (“SCORP”) is a plan that evaluates the outdoor recreation needs of Illinois citizens and determines how best to meet these needs, considering the state’s natural resources, recreational lands and facilities and socioeconomic factors. The SCORP’s first and most basic purpose is maintaining Illinois’ eligibility for receipt of federal Land and Water Conservation Fund (LWCF) monies.

The SCORP identifies the supply of and demand for recreational activities. Included in most plans are survey of residents regarding their most frequently participated in activities as well as their typical length of stay in recreational areas. The SCORP survey categorized recreational participation rates by statewide, urban and rural. Since FPDCC is an urban area, CHMGS identified in the following exhibit recreation participation rates for both the state and for urban areas.

Exhibit 8 - SCORP Recreation Participation Rates

SCORP 2013 - 2014		
% of household where one person participated in given activity	All	Metro
Pleasure walking	81%	81%
Picnicking	47%	47%
Observing wildlife/Bird watching	43%	42%
Use a playground	40%	40%
Bicycling-roads	38%	40%
Swimming-outdoor pool	36%	37%
Visit amphitheatre/band shell	33%	36%
Hiking	31%	32%
Fishing	31%	29%
Bicycling-trails	30%	33%
Running/Jogging	23%	25%
Golfing	22%	23%
Swimming-lake/river	22%	23%
Motor boating	18%	17%
Softball/baseball	17%	17%
Baggo/Bag toss	15%	16%
Tent camping	14%	14%
Hunting	14%	11%
Canoeing/Kayaking	13%	14%
Horseshoes	12%	12%
Outdoor Basketball	11%	12%
Camping (RV)	11%	10%
Soccer	10%	11%
Off-road vehicle use	10%	9%
Equestrian	9%	10%
Tennis	9%	11%
Ice Skating	8%	9%
Bocce ball	8%	8%
Water skiing	7%	6%
Mountain biking	6%	6%
Cross-country skiing	6%	6%
Sailing	5%	5%
In-line skating	5%	5%
Trapping	5%	4%
Snowmobiling	4%	4%
Pickleball	2%	2%
Lacrosse	2%	2%

Source: Illinois SCORP 2015 – 2019

The exhibit supports a strong interest in picnicking, potential for nature/forest orientated playgrounds, and swimming at an outdoor pool. Additionally, there is a fair level of participation in bicycling, hiking, fishing, and golfing. The survey did indicate lower levels of participation in snow activities such as cross-country skiing, snowmobiling, and ice-skating, all of which had participation rates below ten percent. In general, this is typically related to the length of the winter recreation season. Overall, CHMGS is of the opinion that the most recent SCORP survey results are a positive indicator for existing and proposed summer outdoor recreation activities.

The 2013-2014 Illinois Outdoor Recreation Survey is the basis for much of the 2015 SCORP demand assessment. The survey involved three surveys of Illinois residents conducted in the fall of 2013 and spring of 2014. The fall 2013 administration included a random sample survey of Illinois residents conducted by the Western Survey Research Center for the Illinois Department of Natural Resources. A random sample of 6,200 Illinois residents resulted in 1,335 responses. A follow-up survey was conducted with a subsample of this group to obtain additional information. A sample of young people in Illinois was obtained by administering a survey to college students throughout the state in the spring of 2014. The outdoor recreation survey gathered information about Illinoisans' participation in thirty-seven different activities, including how often and where they participate. 2013-2014 participation rates for various core activities can be compared with earlier rates going back to 1985.

The survey queried statewide residents about how far residents go to participate in activities, specifically at City Parks or County Preserves. The exhibit below highlights the top ten activities residents participate in at a City Park or County Preserve. Unlike the overall participation rates in Exhibit 6, more people participate in winter activities such as cross-country skiing and ice skating at City or County Preserves, thus suggesting a demand for winter activities at FPDCC. In addition to winter activities, organized sports such as softball/baseball, tennis, and soccer remained the highest use of City or County Preserves.

Exhibit 9 - SCORP Survey – Recreation at City Park or County Preserve

SCORP 2013 - 2014	
% of residents participating in given activity at City Park or County Preserve	
Visit Amphitheatre/band shell	60.1%
Softball/Baseball	59.8%
Tennis	53.2%
Soccer	52.6%
Mountain biking	47.2%
Picnicking	45.7%
Bicycling-trails	44.9%
Cross-country skiing	42.6%
Ice Skating	38.6%
Outdoor Basketball	38.2%

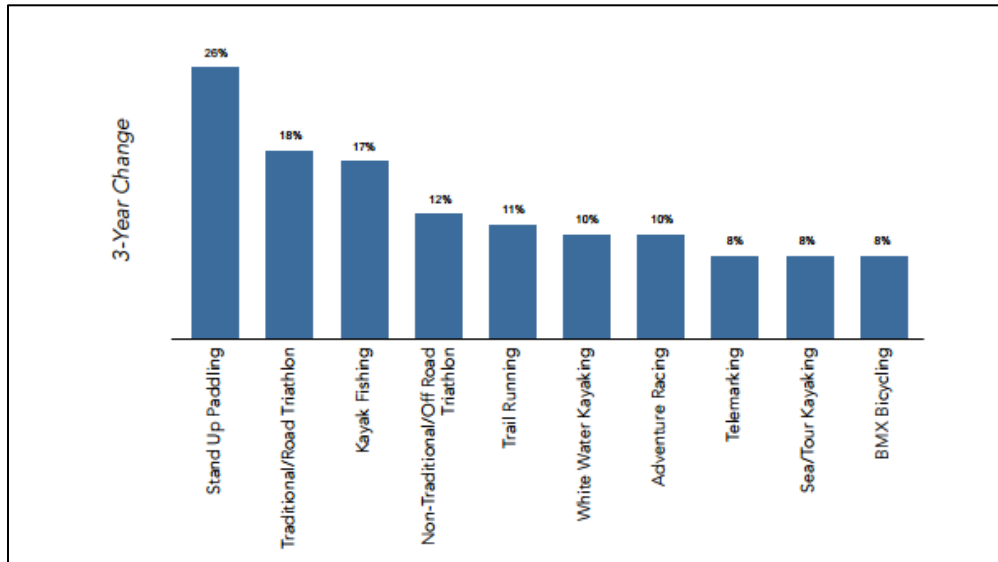
Source: Illinois SCORP 2015 – 2019

The SCORP included a section on Specialized Recreational Facilities Trends and identified several areas. The SCORP identified that the game of pickle ball has seen a resurgence in popularity among older adult populations. Many park districts across the state have converted unused tennis courts into pickle ball courts in recent years. Additionally there has been an interest in Frisbee golf, or disc golf, that the SCORP attributes to an increased interest in alternative physical recreational activities. The SCORP also identified that some aquatic facilities are shifting from traditional outdoor community swimming pools to new accessible splash pads and/or larger aquatic centers with multiple water elements.

NATIONAL

Nationwide, the top five outdoor activities adults participate in align with the FPDCC activities, which include running, fishing, hiking, bicycling, and camping. Emerging recreational participation trends indicate that stand up paddling, triathlons and kayak fishing are those activities that have experience the greatest growth in participation in the last three years. Stand up paddle boarding was the top activity growth increasing participation an average of 26 percent from 2012 to 2015. The exhibit below highlights the top activity trends in the nation.

Exhibit 10 - Top Outdoor Recreational Activities for Growth



Source: Outdoor Recreation Participation Report 2016 by Outdoor Foundation

The Outdoor Industry Foundation evaluates outdoor recreation participation amount diverse groups. The exhibit below illustrates the most popular activities by ethnicity. The reasons for recreation participation were consistent across ethnic groups with the highest priority being “provides for exercise” followed by “keeping physically fit” and “being with family and friends”. The family and friend priority was second priority for African Americans. The activities identified are now all possible within the FPDCC with the creation of the new urban campground locations.

Exhibit 11 - Outdoor Recreation Participation Activity Popularity by Ethnicity

African Americans

Ages 6+

1. Running/Jogging and Trail Running **17%**
2. Road Biking, Mountain Biking and BMX **11%**
3. Freshwater, Saltwater and Fly Fishing **9%**
4. Car, Backyard, Backpacking and RV Camping **4%**
5. Birdwatching/Wildlife Viewing **3%**

Asian/Pacific Islanders

Ages 6+

1. Running/Jogging and Trail Running **23%**
2. Birdwatching/Wildlife Viewing **16%**
3. Road Biking, Mountain Biking and BMX **15%**
4. Car, Backyard, Backpacking and RV Camping **13%**
5. Freshwater, Saltwater and Fly Fishing **10%**

Caucasians

Ages 6+

1. Running/Jogging and Trail Running **18%**
2. Road Biking, Mountain Biking and BMX **17%**
3. Birdwatching/Wildlife Viewing **16%**
4. Freshwater, Saltwater and Fly Fishing **15%**
5. Car, Backyard, Backpacking and RV Camping **15%**

Hispanics

Ages 6+

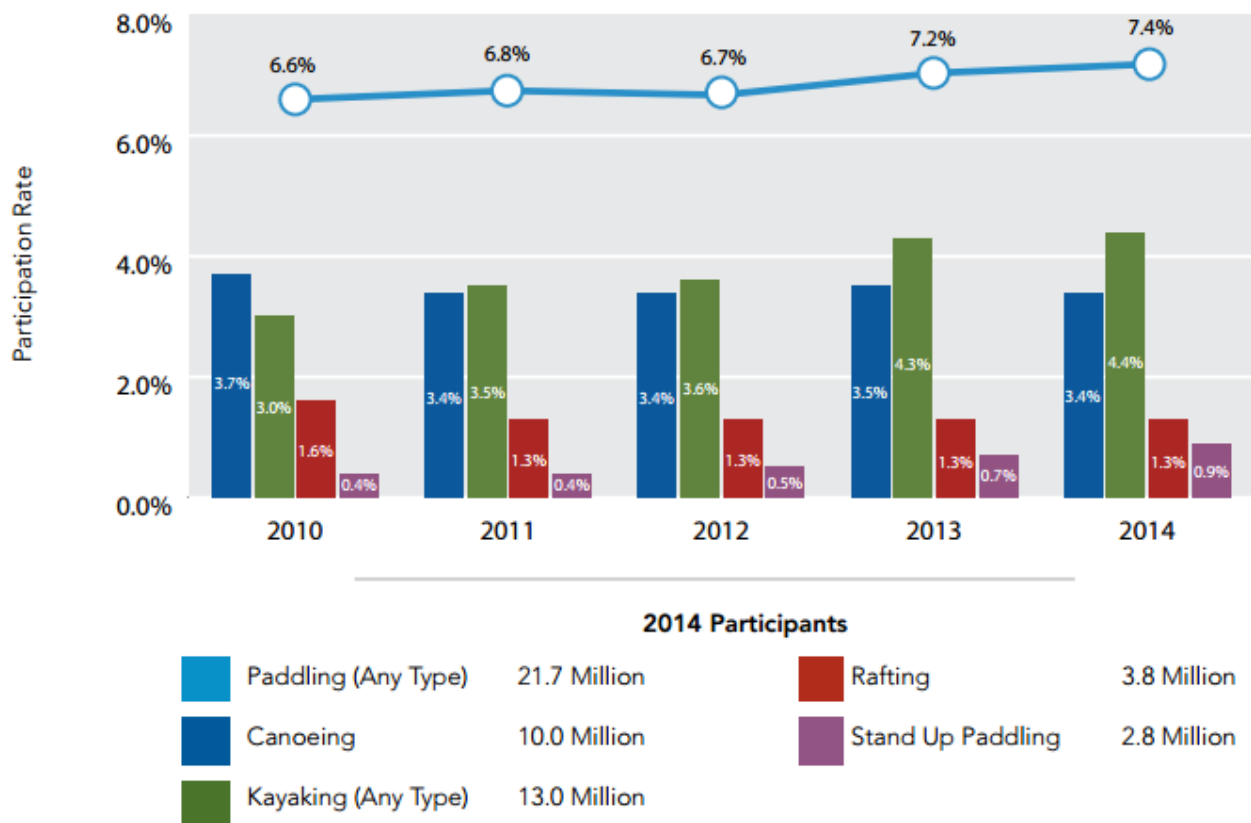
1. Running/Jogging and Trail Running **23%**
2. Road Biking, Mountain Biking and BMX **15%**
3. Birdwatching/Wildlife Viewing **15%**
4. Freshwater, Saltwater and Fly Fishing **14%**
5. Car, Backyard, Backpacking and RV Camping **10%**

Source: 2016 Outdoor Recreation Participation Report by Outdoor Foundation

With water-based activities such as SUP and kayaking on the rise, this trend provides an opportunity for FPDCC to capitalize on boat rentals at their water locations. The Outdoor Industry Foundation undertook a paddle sports participation study in 2015 and the findings support continue growth in water based activities. Nationwide, kayaking continues to be the highest category of participation with participation rates highest amount the Caucasian population at 80 percent followed by Hispanics at 8 percent, Asian/Pacific Islander at 4 percent and African Americans at three percent. Nationwide canoeing participation rates are 82 percent Caucasian, followed by Hispanics at 6 percent, African Americans at five percent and Asian/Pacific Islander at four percent. Nationwide, Stand Up paddling, participation rate is 73 percent Caucasian, 12 percent Hispanic, 8 percent Asian/Pacific Islander and five percent African American.

The project team’s on site research confirmed that at this time Stand Up Paddle sports is not possible on FPDCC lakes due primarily to the lake systems within the FPDCC not meeting state swimming water standards. In addition, there is uncertainty regarding whether there are hazards associated with the natural vegetation in the lakes. FPDCC is currently evaluating what would be required to meet the state water quality standards. Since kayaking and canoeing involve a low risk of entering the water, they are allowed and these activities remain popular on FPDCC lakes.

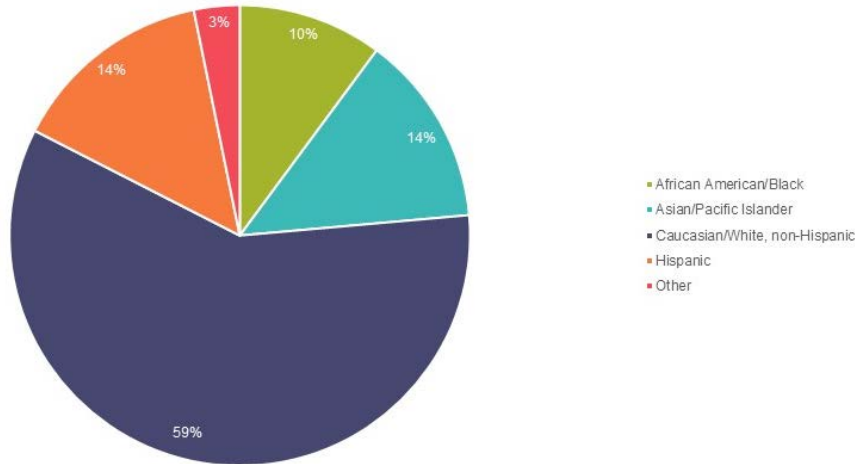
Exhibit 12 - Participation in Paddle sports Ages 6+



Source: 2015 Special Report on Paddle sports 2015 by Outdoor Foundation

In addition to overall outdoor recreation trends, CHMGS evaluated winter recreation trends. In a 2014 report, Snow Sports Industries (SIA) provided data on annual growth rates for cross country skiing and snowshoeing. SIA found that there was an increase from 2013 to 2014 of 30 percent for cross country skiing, but a decrease in snowshoeing of (10.6) percent. In addition, the study noted the ethnic demographics of winter recreation provided in the exhibit below.

Exhibit 13 - Ethnic Demographics for Winter Recreation



Source: SIA/Physical Activity Council 2014 Participation Study

The racial composition of winter recreation is primarily dominated by the White population at 59 percent; the next largest racial group being Asian and Hispanic at 14 percent then African American at 10 percent. This data indicates that the market for winter recreation in the South subarea, which is predominately African American, may not support as high a demand for winter recreation facilities for cross country skiing and snowshoeing.

Athletic Fields are a major permit category for the FPDCC. Nationwide, the project team reviewed data from the Sports, Fitness & Recreational Activities Topline Participation Report 2014 to understand activities that may contribute to growth or contraction in field usage. Since 2009, rugby (77.2%) has seen strong growth as well as field hockey (42.6%). Baseball has seen a decrease of 8.9 percent and softball slow pitch has experienced a decrease of 22.9 percent. Over the last five years, outdoor soccer has seen decreases (-9.8%) and touch football has seen a large decrease (-32.3%). In terms of total participants, the most popular activities in the general sports category in 2014 include golf (24.7 million), basketball (23 million), tennis (17.9 million), baseball (13.1 million), and outdoor soccer (12.6 million). Although four out of five of these sports have been declining in recent years, the sheer number of participants demands the continued support of these activities.

SUMMARY

Local, State and National Recreational demand trends support the need for continuation of the existing supply of recreational services and facilities that the FPDCC provides. The Community Needs Survey conducted as part of the Recreation Master Plan confirmed the important role that the FPDCC recreational settings play in resident's life's as evidenced by the high rate of participation and repeat visitation. The Community Needs Survey also identified that much of the recreational usage is occurring close to home and does not involve major movement between subareas. Residents identified new opportunities that appropriately build on the existing programs and settings including more rental amenities at trails, water and picnic locations, desire for more winter activities, and guided instruction and programs. Access to sites and within sites remains a barrier for participation but is a high priority identified within the Gateway Plan. The residents appear to realize that FPDCC cannot provide all recreational services and identifies partnerships with other public and nonprofit agencies as a strategy for delivering services.

The SCORP supports the important role that Forest Preserves play in providing the supply of recreational settings to meet the recreational demand within the state. Specifically, the SCORP findings support the role of City Parks of County Preserves in meeting the needs of outdoor team sports, which indicates the ongoing demand for outdoor athletic field space. The SCORP recognized that aquatic facilities within the state play an important role but that many communities are determining if changes are needed to either simpler (spray pads) or more complex (aquatic centers) facilities. In the last year, FPDCC entered into a management contract with Swim Chicago for daily operational oversight of all their outdoor aquatic facilities. The Concession Master Plan will include an evaluation of the effectiveness of third party management of FPDCC aquatic centers and what can be done to continue to serve this important need. The SCORP also identifies and does the Community Survey that alternative recreational activities such as disc golf and archery are emerging as desirable within communities.

National trends identify that ensuring that existing FPDCC facilities and landscapes that support trails is critical to meeting the long term needs of FPDCC residents. The greatest recreational participation is occurring along trail systems (e.g. hiking, biking, running). Camping remains a highly popular recreational activity and the recent launch of camping facilities and programs within the FPDCC would support this national trend. Athletic fields for events are critical to meet both the high participation rates for traditional athletic events (e.g. baseball, softball, soccer, etc.) as well as field events with growing participation rates such as rugby and field hockey.

Outdoor activities at the FPDCC include hiking, biking, fishing, camping, equestrian use, model airplane, model boating, zip line, cross country skiing, swimming, day use picnicking and dog activities and boating. In addition, access to water and proximity to population centers are key features of the FPDCC park system. All of these recreational activities survey as ones that the public uses and finds as important. Recommendations that build upon maintaining, enhancing and expanding facilities that support these activities will continue to meet the recreational demand trends of the residents of FPDCC.

F. PERMIT AND RENTAL ANALYSIS





SUPPLY/INVENTORY OF DISTRICT PERMITS







FPDCC is home to more than 70,000 acres of land including natural areas like woodlands, wetlands, prairies, and savannas. In addition, the FPDCC has a number of recreational amenities including, but not limited to, numerous lakes for boating or fishing, ten sledding hills, six nature centers, five campgrounds, nine model airplane flying fields, more than 300 picnic groves, and three off-leash dog areas. It is estimated that approximately 40 million visitors enjoy the FPDCC each year to enjoy nature and take advantage of the recreational amenities offered.




Facilities Summary

The following chart provides an overview of the thirteen types of FPDCC permitted areas/facilities available through the FPDCC permit program.

Exhibit 14 - FPDCC Facility Summary Available through Permit Program

Category	Description	Quantity	Sample
Athletic Fields	Areas for organized groups and/or sports leagues to conduct games, practices events and classes.	48	 <p>Dan Ryan Woods</p>
Indoor Room Rentals	Historical indoor locations that are available to rent year-round for weddings, birthday parties, baby showers and much more.	4	 <p>Thatcher Woods Pavilion</p>
Lakes	Lakes, fishing walls, boat launches, reservoirs and sloughs.	38	 <p>Busse Main Lake</p>
Large Capacity Event Areas	Areas with the infrastructure to accommodate events with more than 400 patrons or other large special events. If available, these area are released to smaller groups 21 days out.	13	 <p>LaBagh Woods</p>

<p>Large Groves with Shelter</p>	<p>Picnic areas that can accommodate up to 399 patrons and have a shelter.</p>	<p>83</p>	 <p>Harms Woods</p>
<p>Large Groves without Shelter</p>	<p>Picnic areas that can accommodate up to 399 patrons but have no covered space.</p>	<p>6</p>	 <p>Forty Acre Woods</p>
<p>Model Airplane Fields</p>	<p>Open, mowed areas away from other facilities with pilot control stations, wind socks, seating for observation, parking, and restroom facilities. Some have concrete runways.</p>	<p>9</p>	 <p>Morrill Meadow Model Flying Field</p>
<p>Non- Picnic Permit Areas</p>	<p>Locations within the Forest Preserves that can be reserved by staff on a case by case basis but do not appear on the website for the general public to book themselves.</p>	<p>17</p>	 <p>Perkins Woods</p>
<p>Off Leash Dog Areas</p>	<p>Off-leash dog areas are spaces for dogs to run, fetch and play uninhibited and unrestrained in the forest preserves. The use of these areas requires a dog membership.</p>	<p>3</p>	 <p>Bremen Off Leash Dog Area</p>
<p>Paved Trails</p>	<p>Trails are available for rental throughout the FPDCC for walks, runs, triathlons and other trail related events. There are a total of 146 miles of paved trails throughout the FPDCC.</p>	<p>13</p>	

			Busse Woods Trail
Small Groves with Shelter	Small groves with shelter have the most locations available for rental with locations available throughout the FPDCC. These groves can accommodate up to 200 patrons.	104	 <p>Deer Grove</p>
Small Groves without Shelters	Picnic areas that can accommodate up to 200 patrons but do not have any shelter.	87	 <p>Eggers Grove</p>
Unpaved Trails	Unpaved trails are available for rental throughout the FPDCC for walks, runs, triathlons and other trail related events. There are a total of 201 miles of unpaved trails throughout the FPDCC.	10	 <p>Sag Valley Trail</p>

Source: FPDCC

Permit Type Summary

There are several permit types available for purchase to those wishing to access FPDCC to host special events, programs, and activities. Additionally, memberships are required for dog, equestrian, and snowmobile owners to use FPDCC for these purposes and access certain designated sites. The listing of types of permits is presented below in alphabetical order.

1. **Athletic (Sporting) Event and Field Permits:** Athletic (Sporting) Permits are intended for spectator sports-based events, events with designated routes, tournaments, etc. and may be open to the general public. League Permits are required for activities by organized groups and/or sports leagues, regardless of attendance, that take place on FPDCC designated fields and are available on an hourly basis. Sports include, but are not limited to games, practices, events, and classes.
2. **Day Camp:** FPDCC currently offers permits for summer camps, non-profit groups, and recreation organizations to host day camps.
3. **Education Permit:** Education permits are available to academic institutions for school field trips, and research opportunities. These are free permits that are handled by the FPDCC's Department of Resource Management.
4. **Filming/Photography (Commercial/TV/Low Budget/Student):** Filming permits are available for purchase to reserve designated locations.
5. **Indoor Room Rental (Banquet/ Meeting- Training/Theater):** The Forest Preserves of Cook County have four indoor rental locations, the Matthew Bieszczat Volunteer Resource Center, Thatcher Woods Pavilion, Dan Ryan Woods Pavilion and Swallow Cliff Pavilion. The Swallow Cliff Pavilion is a recent addition to the indoor inventory and Rolling Knolls is expected to come online in 2017.
6. **Model Airplane:** Model airplane areas are provided in partnership with local enthusiasts. There are nine model airplane flying fields throughout the FPDCC. These areas typically occupy an open, mowed area away from other facilities and consist of pilot control stations, wind socks, seating for observation, parking, and restroom facilities. Some, but not all, have concrete runways. Permits are not required for recreational use of the fields, but are needed to host model airplane events.
7. **Overflow Parking:** Overflow parking is available for rent for events that are not held on Forest Preserve property, but require additional parking.
8. **Picnic:** Picnic permits are required for events and groups with 26-399 people in attendance. Picnic permits include, but are not limited to, corporate, family, religious, and social events. Picnic permits are the most commonly purchased permits at FPDCC.
9. **Special Event:** Special Event Permits are intended for large events with 400+ attendees, which may be open to the general public, a participation fee is assessed, and/or tickets are sold, such as festivals, fundraisers, and corporate outings. Special event permits are issued for events with fewer than 400 attendees if they meet certain, specialized criteria.
10. **Membership Permits:** Additionally, FPDCC offers membership permits for dogs, snowmobiles, and horses.
 - a. **Off-Leash Dog Memberships:** FPDCC currently operates the Beck Lake, Bremen Grove and Miller Meadow Off-Leash Dog Areas for visitors to let their dogs enjoy the preserves without a leash. These are the only locations within the Forest Preserves where off-leash dogs are allowed and require purchase of an annual membership. The annual membership includes one membership card and one key to enter any of

- the Forest Preserves' Off-Leash Dog Areas. Veterinarian Health Reports are required for all permitted dogs.
- b. **Equestrian Memberships:** The Forest Preserves offer more than 200 miles of multi-use trails ideal for experiencing the woods and grasslands of Cook County on horseback. Day passes and annual packages are available to riders.
 - c. **Snowmobile Membership:** Available during the winter only, snowmobiling is allowed at four designated locations in FPDCC when the soil is frozen, with a minimum snow depth of four inches and temperatures are constant 20 degrees or less. All snowmobiles operated on Forest Preserve property must be properly registered with the FPDCC and Illinois Department of Natural Resources (IDNR).

Additions to Supply

In 2013, FPDCC initiated the development of key site improvements at Rolling Knolls and Swallow Cliff locations as priority initiatives in the 2013 Recreation Master Plan and the 2013-2017 Capital Improvement Plans. Upgrades at both Rolling Knolls and Swallow Cliff align with FPDCC's mission by maintaining the practice of light, restorative, and sustainable construction to minimize disturbances in natural areas.

▪ **Rolling Knolls, Elgin**

Rolling Knolls is a recent acquisition for the FPDCC. Once the Rolling Knolls Country Club, the 55 acre property operated a golf course and banquet facility and was the location of several residential homes. Major renovations began Spring 2014, with an expected late 2016 completion. Draft plans have been developed to include a renovation of the former golf course club house into a welcome center and lodge building. Repurposed space in the welcome center can accommodate guests seeking classroom, theater, or banquet style space; a multi-use room, and a new scenic overlook. Potential use for indoor rental, recreational hub or expanded use for concessions are possible options at this location.

▪ **Swallow Cliff Warming Shelter, Palos Park**

Best known for its 100-foot bluff and demanding stair workout, Swallow Cliff also astounds with natural riches." In October of 2015, FPDCC completed the construction of Swallow Cliff Pavilion and upgrades to the recreation spaces. At approximately 3,000 sq. ft., the Swallow Cliff facility includes an indoor rental space/warming shelter, outdoor patio, and restrooms. Additionally, this building includes a newly constructed concession space sells food and beverages. With more than 8 miles of unpaved trails and 800 acres of recreation space, Swallow Cliff is heavily utilized for recreation and fitness. In addition to the new pavilion, FPDCC upgraded features including the sledding hill and the addition of a second set of stairs to accompany the original 125 step staircase that is used for fitness activities weekday and weekends during the summer months. This location has recently become available as part of the indoor rental inventory. Expanded use for concessions are another possible option at this location.



Recreation Master Plan

With extensive public outreach, Forest Preserves of Cook County developed its first Recreation Master Plan in March 2013. For each recreation type, a list of recommendations was developed, with the intention to: introduce new people to the forest preserves in order to develop a lifelong love of nature

and outdoor recreation; promote the health benefits of outdoor recreation; and, provide a variety of quality outdoor recreational opportunities in collaboration with others. The following strategic recommendations were proposed for picnicking:

- Develop a strategic approach to enhance existing picnic facilities, add new shelters, and repurpose underperforming facilities.
- Consider diversifying picnic areas by adding smaller areas to accommodate families or smaller groups and non-reservation drop-in use.
- Offer rental activity options through the picnic permit process (e.g., “rent a ranger,” recreation activities like volleyball, etc.).
- Provide information about site recreational amenities through the picnic permit process and through signage.
- Refine picnic business plan and cost recovery strategy.
 - Review the rental history and revenue generation for specific locations.
 - Consider modifications to the pricing structure for picnic shelters that would allow for differential pricing and the positioning of some shelters as premium ones.

Key Findings for Supply/Inventory Analysis

Preliminary findings based on analysis of FPDCC's current inventory of sites and permit types highlight the following trends:

- **Inventory of Locations**
 - **FPDCC boasts a large and diverse portfolio.** FPDCC is one of the largest Forest Preserve organizations in the country. The diverse permit and rental portfolio accommodates both groups hosting events, as well as individuals wishing to experience nature at a FPDCC location. As the FPDCC expands its inventory and upgrades each site, it continues to increase the recreational, educational, and exposure opportunities to FPDCC visitors.
- **Distribution of Locations**
 - **FPDCC Sites are Easily Accessible.** Cook County residents and visitors may access activity areas and trail systems in each of FPDCC's twelve divisions. In many of these areas, there are additional spaces operated by the FPDCC's strategic partners, offering concessions for additional specialty activities.
- **Strategic Planning**
 - **FPDCC is acting on its Recreation Master Plan.** Though developed in 2013, several of the goals and initiatives identified in the Recreation Master Plan are in the process of implementation. The scope of services of this engagement are part of the initiatives recommended.

DEMAND FOR FPDCC PERMITS

Permit Analysis

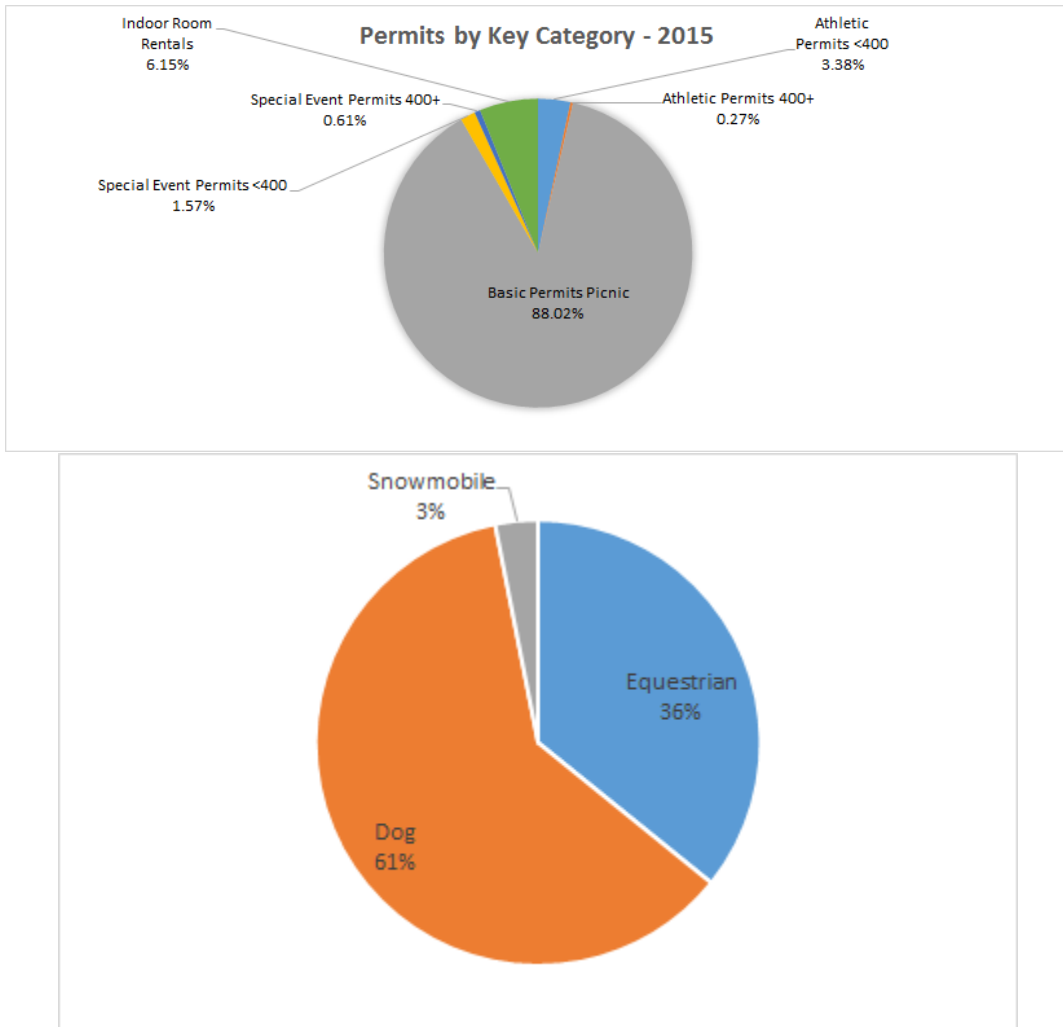
The project team conducted in-depth analysis of FPDCC permit data to capture an accurate understanding of site usage patterns, user types, event types, and revenue generated by each of the permit types. This detailed analysis assists the project team in developing an accurate pricing strategy ensuring that sites, permits, and memberships are capturing all possible revenue.

FPDCC provided the project team all the data for the permit analysis. The source data for 2014 and 2015 came from the data generated from ACTIVE Net, which is the reservation system provider for FPDCC. Prior to 2014, FPDCC managed an internal MS Access database. The project team used the MS Access database from 2010 to 2013 to conduct some of the analysis. In order to understand the most recent trends for permit use, the project team decided it was best to analyze data sets that included both 2014 and 2015 data. When undertaking cost recovery analysis, the project team only used 2015 data. Revenue data by permit type was not available for full analysis based upon limitations in developing data reporting from the ACTIVE Net systems. FPDCC was able to provide revenue data for special events above 400+ by permit. However, for the other categories, it was only available in aggregate by permit type. The following paragraphs provide overview of key metrics that informed our recommendations.

- **Total Number of Permits by Type:** Based upon the data provided by FPDCC, there were approximately 15,906 permits issued for the period 2014-2015. For 2014, the data provided by FPDCC indicated approximately 7,732 permits issued and in 2015 approximately 7,364 permits. While there are multiple subcategories of permits, all permits can be grouped into six major categories: Athletic Permits <400 and 400 +, Basic Picnic Permits, Special Event Permits <400 and 400 + people, Indoor Room Rentals and Memberships.

Based upon the most recent year of data (2015), the following exhibit illustrates that the largest category of permits is the Basic Picnic Permit at 88 percent. The second largest category is Indoor Room Rentals at six percent. Within Memberships, the largest percentage of permits for equestrian is related to day passes, as these are sold to stables for trail riders who do not own their own horses.

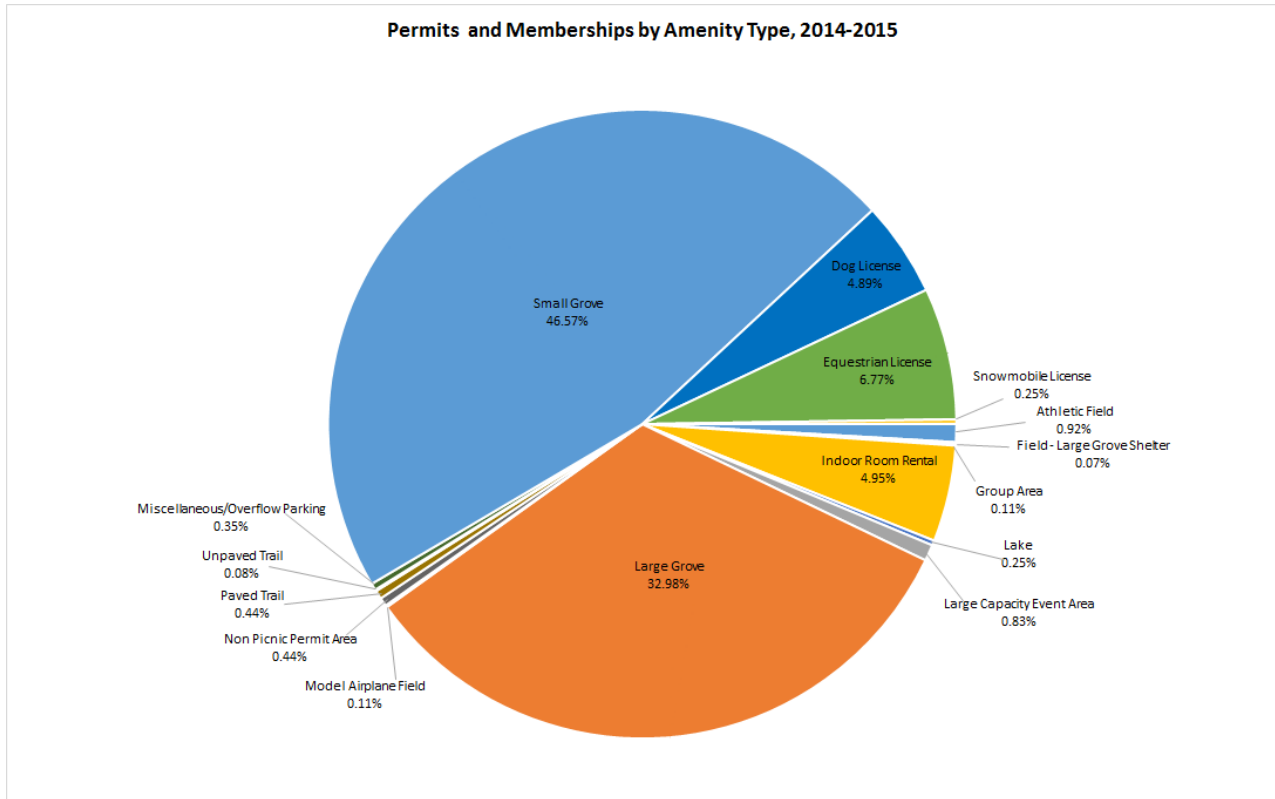
Exhibit 15 - Permit Distribution by Key Category (2015 Only)



Source: FPDCC, Bronner Group

- Permit Use by Amenity Type:** There are multiple permit locations and types as well as memberships available for purchase to host events at FPDCC sites, to access off-leash dog parks, and to ride snowmobiles and horses on FPDCC properties. The locations for which the majority of permits were issued were small groves (46.57%) and large groves (32.98%). These locations are tied to the picnic permit category. Membership permits constituted the next largest category at eight percent (all membership categories combined) followed by indoor room rentals (4.95%). The percentage distribution is slightly different from the 2015 only data due to the larger data set.

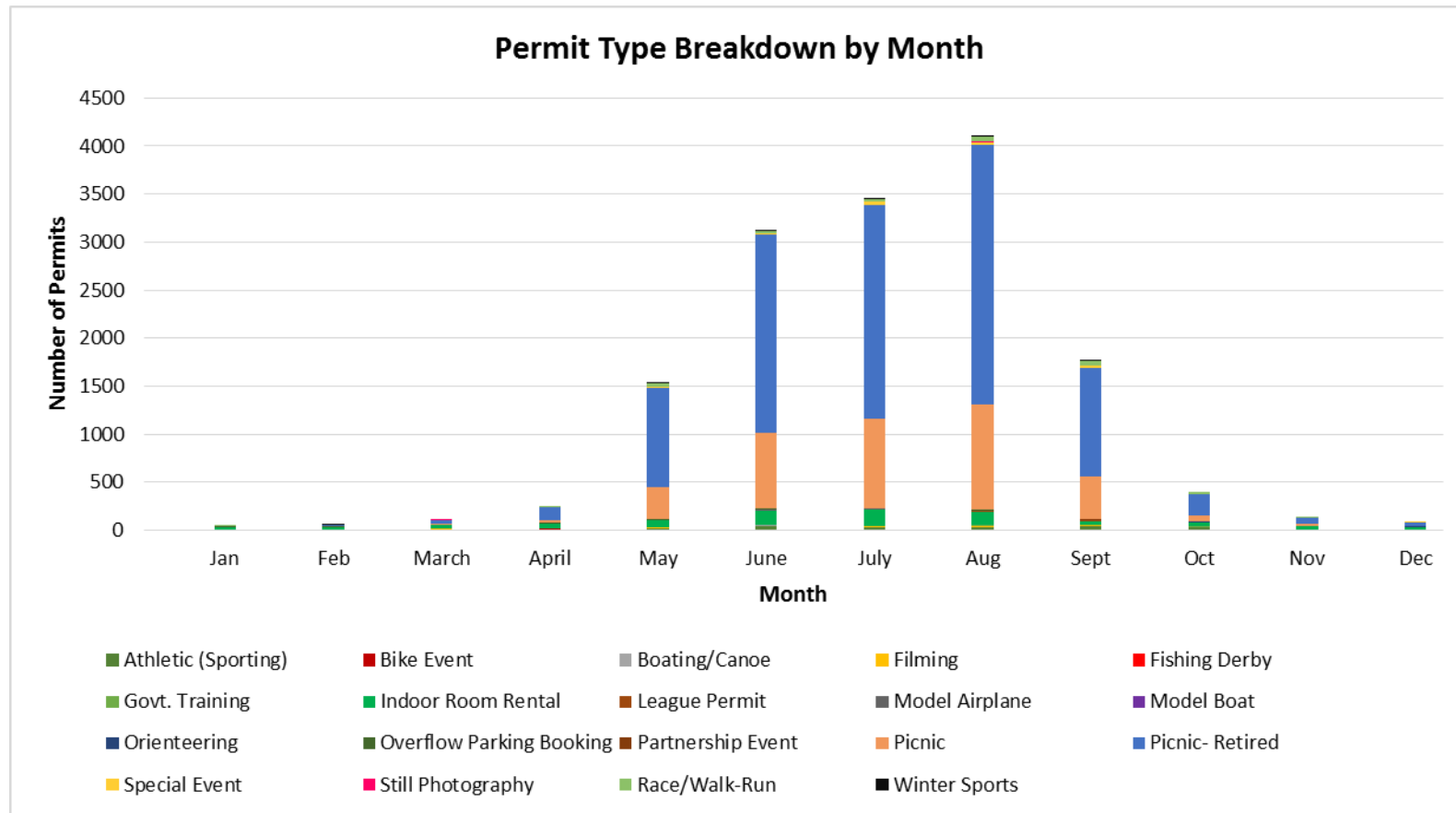
Exhibit 16 - Percentage of Permits and Memberships by Amenity Type (2014-2015)



Source: FPDCC, Bronner Group

- Permit Use By Month:** To understand seasonal use of permits, an analysis of usage dates of permits occurred for the period January through December. More than 13,500, approximately 80 percent, of events took place from May through September, with the majority of permits purchased for picnics and athletic events.

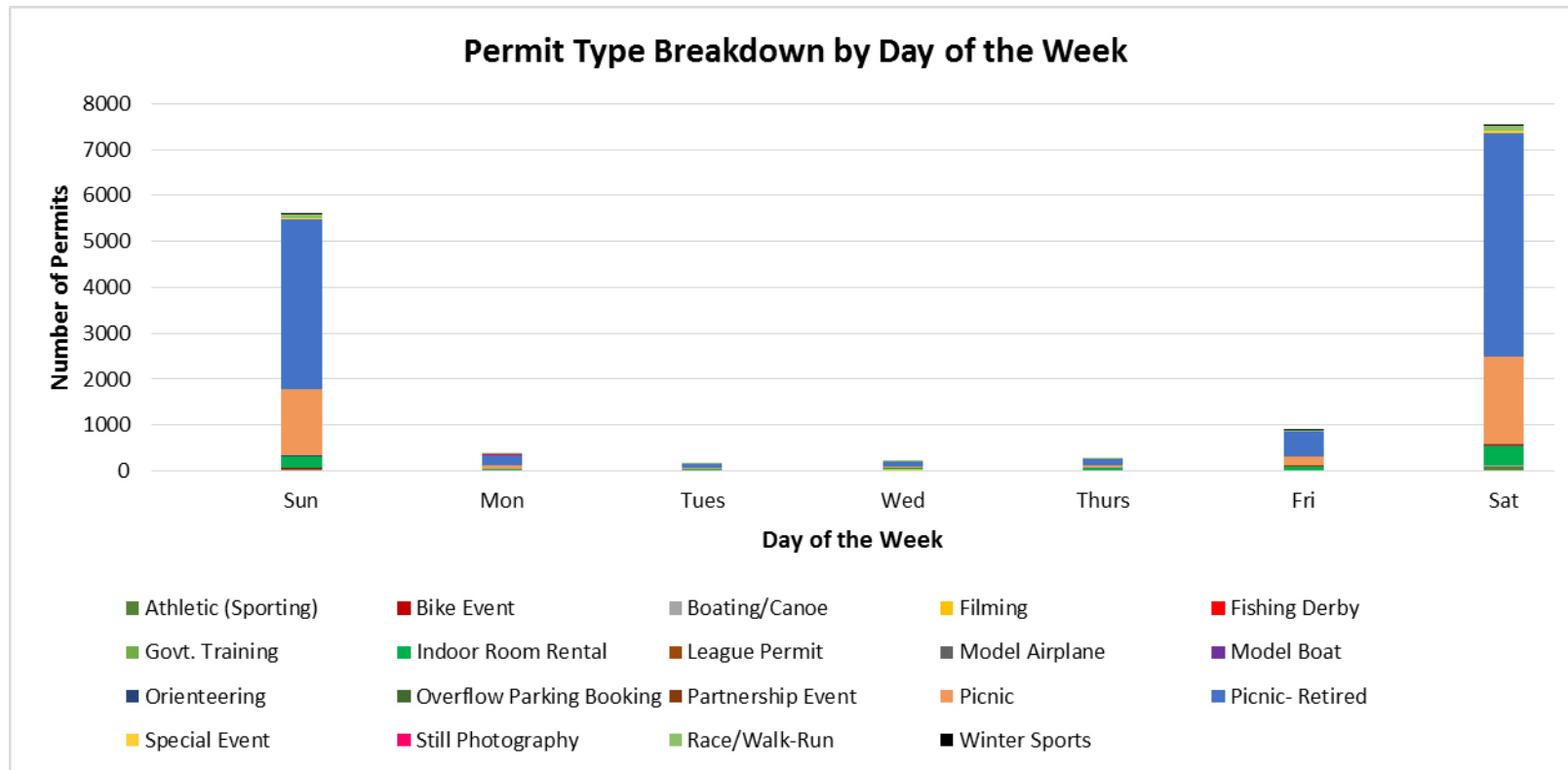
Exhibit 17 - Permit Use by Month (2014-2015)



Source: FPDCC, Bronner Group

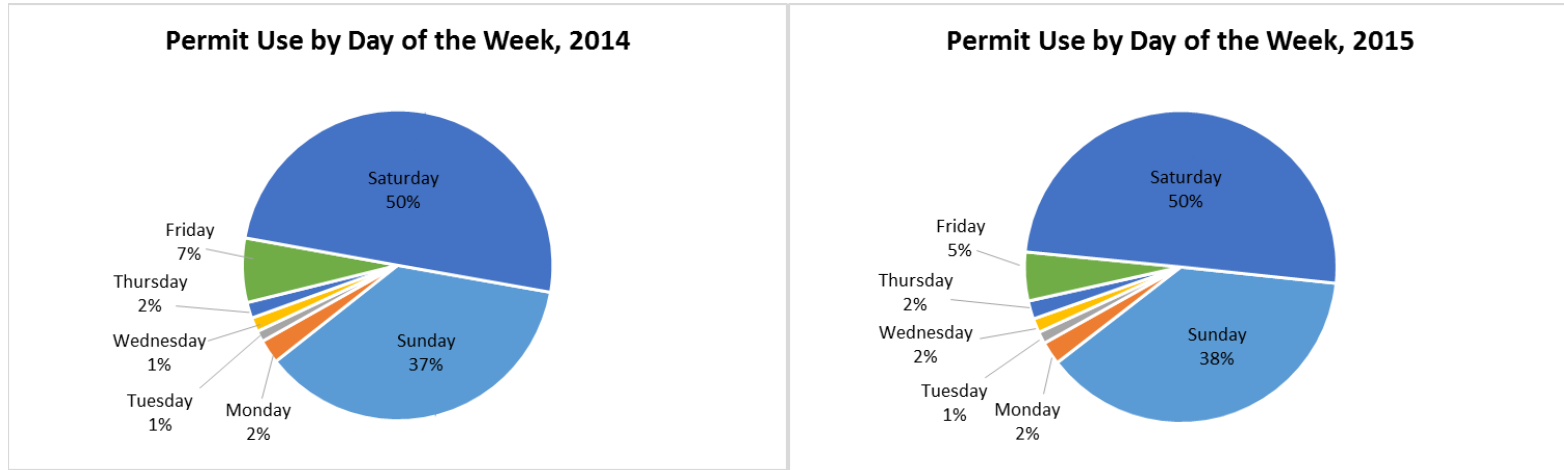
- Permit Use by Day of the Week:** To understand usage patterns across the week, an analysis of weekday usage patterns was completed. Saturday and Sunday experienced more than four times the amount of permit usage than any other day of the week, with an overwhelming majority of permits purchased for picnics, followed by athletic events.

Exhibit 18 - Permit Use by Day of the Week (Permit Type Breakdown) (2014-2015)



Source: FPDCC, Bronner Group

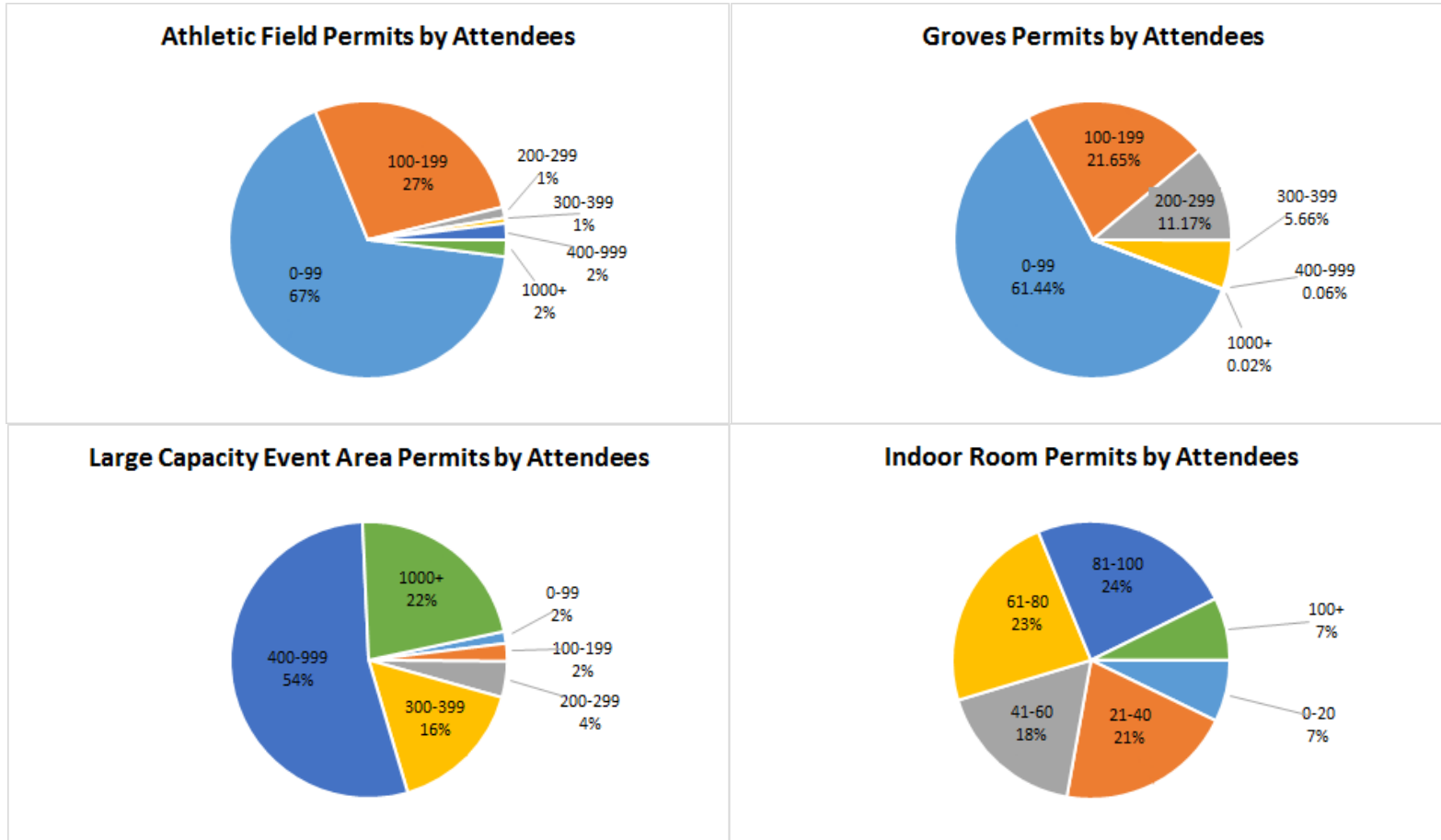
Exhibit 19 - Permit Use by Day of the Week (Percentage Breakdown by Day) (2014 and 2015)



Source: Bronner Group

- **Attendees by Permit Type:** While attendance size is limited according to different facility capacities and restrictions, the following analysis provides an overview of the breakdown of attendance size for each permit type. The large capacity areas are restricted to groups over 400+ until three weeks before the date; however, after that point, they are available for smaller groups.

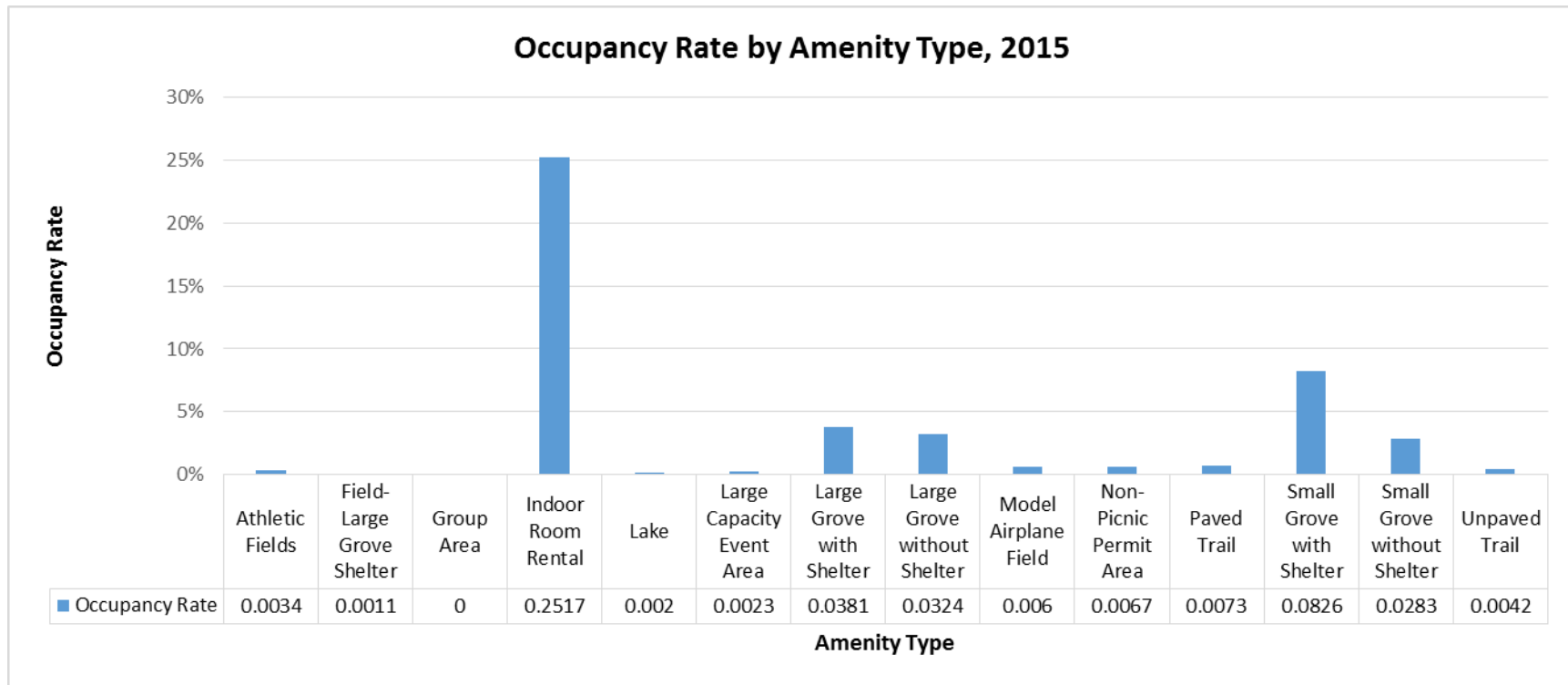
Exhibit 20 - Attendee Percentage by Permit Type: Athletic Fields, Grove, Large Capacity and Indoor Room (2014-2015)



Source: FPDCC, Bronner Group

- Facility Utilization:** FPDCC outdoor locations are available for rent 365 days of the year and indoor spaces 360. However, site availability can be impacted by closures due to weather or maintenance and repairs. Indoor room rentals, athletic fields and groves experience the highest usage rates of any facility type. The project team developed occupancy by facility type considering the availability of the facility for 360 days per year. If a location had multiple facilities (e.g. multiple fields, or multiple room rentals) then we developed the denominator for occupancy by factoring in the # of facilities times 360 days. This data supports the seasonal and the weekly use pattern data presented previously.

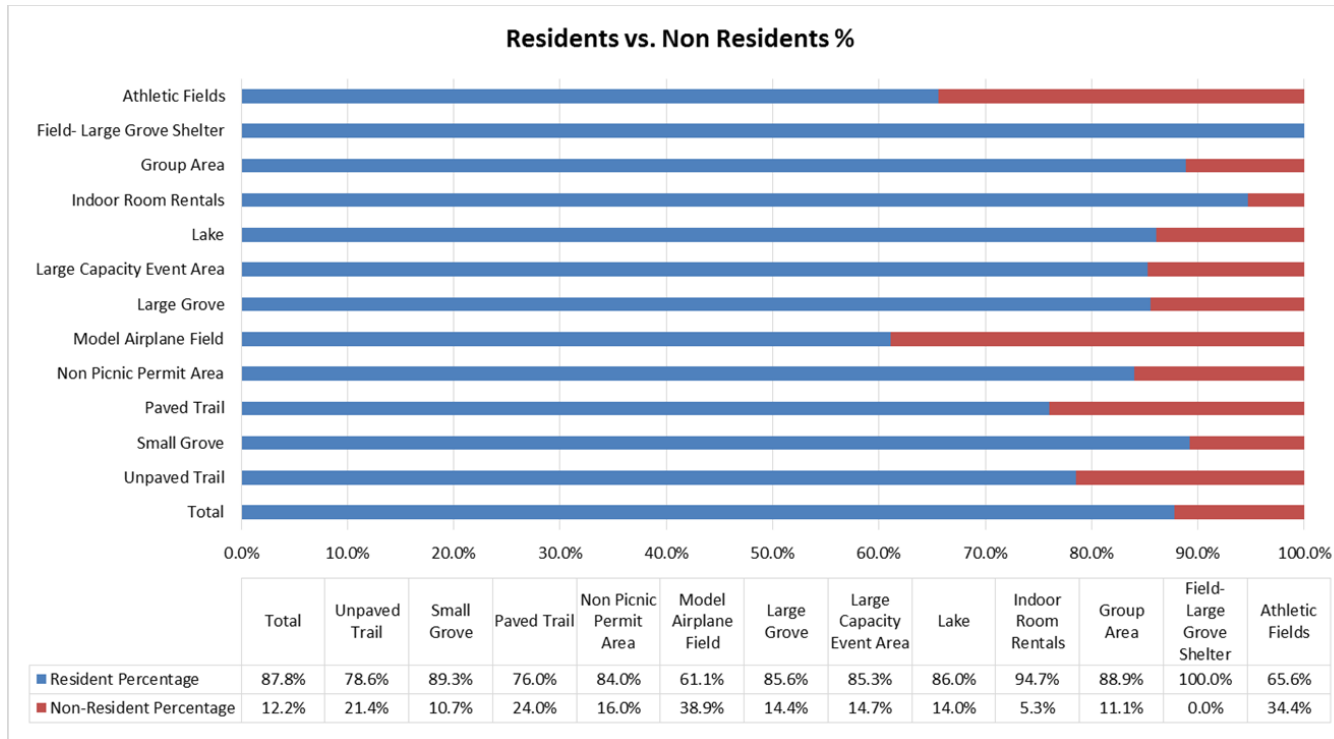
Exhibit 21 - Permit Use by Facility Type (2015)



Source: FPDCC, Bronner Group

- Permit Use by Residency Status:** FPDCC divisions share borders with Kane, Will, DuPage, McHenry, and Lake Counties in Illinois and the State of Indiana to the west. Site rentals and membership rates are determined whether a customer is a resident of Cook County at the time of application, with higher rates applied to customers residing outside of Cook County. Approximately ten percent of the use comes from non-residents. The largest categories of non-resident use is in the model airplane field, non-picnic permit area, large grove and athletic fields.

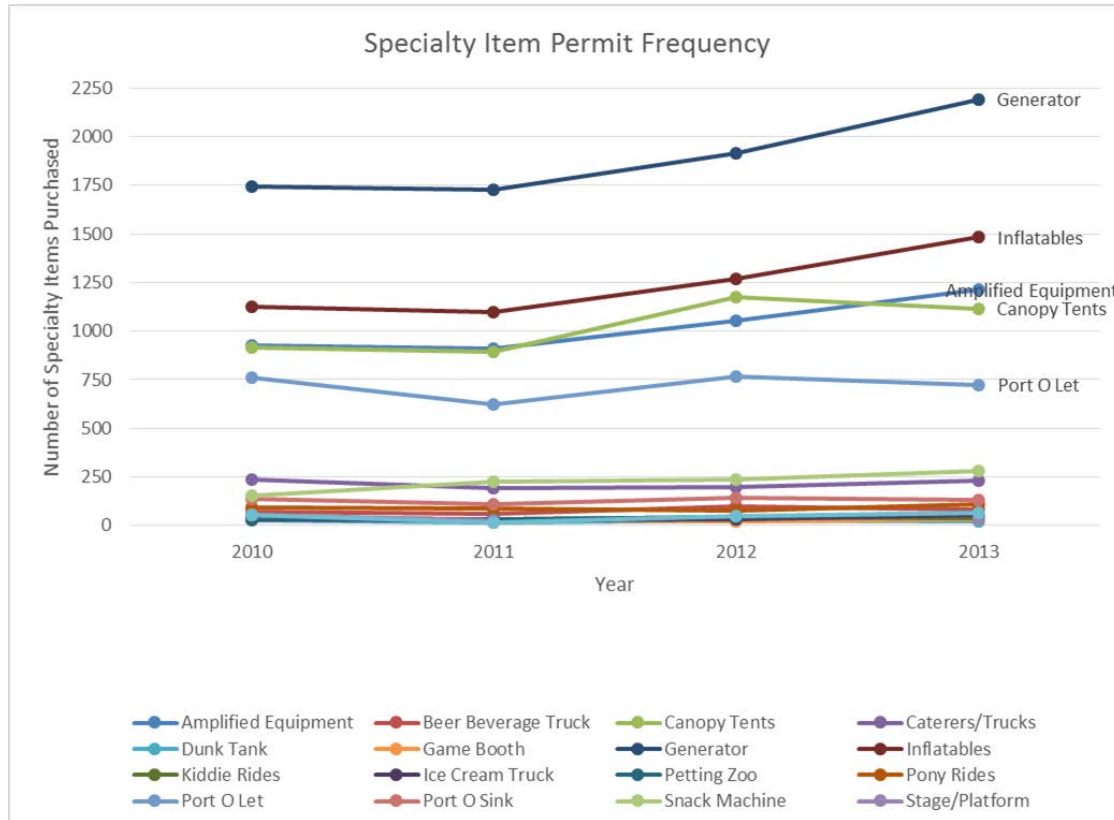
Exhibit 22 - Permit Use by Residency Status (2014-2015)



Source: FPDCC, Bronner Group

- Historical Use of Specialty Items:** Historical data was available from 2011-2013 for specialty item use and is outlined below. The data indicates that the top four rental items are generators, inflatables, amplified equipment and canopy tents. The project team has considered the types and frequency of use of these specialty items in developing pricing recommendations.

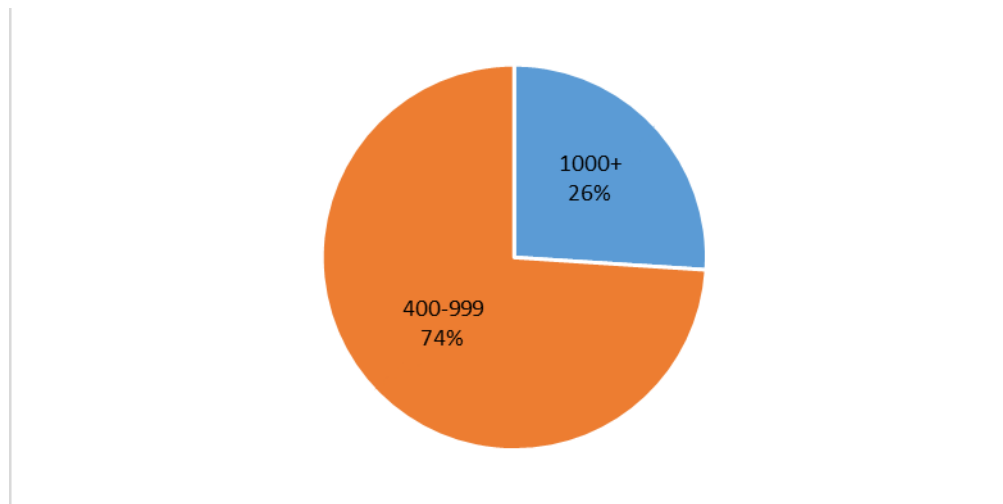
Exhibit 23 - Specialty Item Use Trends (2011-2013)



Source: FPDCC, Bronner Group

- Large Special Event Analysis:** Special events have 400 or more attendees hosted in one of FPDCC’s large capacity event areas. The permit analysis identifies that in the 2014 to 2015 period there were 73 events with >400 attendees, including 54 events with attendance between 400 and 999 and 19 events with attendance above 1,000. The project team reviewed the permit applications of these groups and identified that approximately 30 percent of these events are either an athletic event/fundraising walk/run. The remaining 70 percent is split evenly between cultural special events and organizational events for religious entities or families reunions.

Exhibit 24 - Special Event Analysis (2014-2015)



Source: FPDCC, Bronner Group

- Permit Usage by Entity:** Analysis by permit type identified the top locations for permit demand in 2014 and 2015. This analysis illustrates how there are high use areas within each facility type. The high use areas should be evaluated to ensure that adequate parking exists. Additionally, the high use areas could be evaluated as destinations to market for off-season use based upon their desirability. Finally, the low use areas should be evaluated for potential removal from the rental inventory and conversion to general use areas.

Exhibit 25 - Permit Usage by Entity (2014 and 2015)

Name of Location	Number of Permits	Percent of Total Permit Type
Small Grove (With Shelter)		
Arie Crown Grove	166	3%
Bemis Grove	146	2%
Bunker Grove	102	2%
Busse Grove	845	14%
Catherine Chevalier Grove	182	3%
Dan Ryan Grove	334	5%
Deer Grove	149	2%
LaBagh Grove	228	4%
North Creek Grove	105	2%
Robinson Grove	155	2%
Schiller Grove	264	4%
St. Paul Grove	106	2%
White Eagle Grove	143	2%
Willow Springs Grove	116	2%
Other (Groves With <100 Permits)	3193	51%
Total Small Grove (With Shelter) Permits	6,234	100%
Large Grove (With Shelter)		
Bemis Grove	279	5%
Buffalo Grove	187	3%
Bunker Grove	511	9%
Bur Oak Grove	113	2%
Busse Grove	568	10%
Carl R. Hansen Grove	133	2%
Dan Ryan Grove	379	7%
Deer Grove	177	3%
Harms Grove	253	5%
LaBagh Grove	102	2%
Midlothian Grove	130	2%
Schiller Grove	339	6%
Sunset Bridge Grove	104	2%
Other (Groves <100 Permits)	2,233	41%
Total Large Grove (With Shelter) Permits	5,508	100%
Small Grove (No Shelter)		
Busse Grove	253	14%
Dan Ryan Grove	265	15%
Schiller Grove	233	13%
91st and Prospect Grove	52	3%
Bemis Grove	68	4%
Caldwell Grove	52	3%
Harms Grove	72	4%
Other (Groves With <50 Permits)	752	43%
Total Small Grove (No Shelter) Permits	1,747	100%

Name of Location	Number of Permits	Percent of Total Permit Type
Indoor Room Rentals		
Dan Ryan Woods Pavilion	148	17%
Matthew Bieszczat	406	48%
Thatcher	295	35%
Total Indoor Room Rental Permits	849	100%
Athletic Fields		
Schiller Woods/Playfield	70	45%
Busse (Ned Brown)	21	13%
147th and Ridgeland	13	8%
Dan Ryan	9	6%
Thatcher	8	5%
River Rd and Lawrence	7	4%
Other	29	18%
Total Athletic Field Permits	157	100%
Large Grove (No Shelter)		
National Grove	45	31%
White Eagle Grove	34	24%
Pioneer Grove	25	17%
Maple Grove	16	11%
Rubio Grove	15	10%
Forty Acre Grove	8	6%
Total Large Grove (No Shelter) Permits	143	100%
Large Capacity Event Area		
Busse	58	41%
St. Paul	32	22%
Green Lake	15	10%
Midlothian	10	7%
Miller Meadow	10	7%
Other	18	13%
Total Large Capacity Event Area Permits	143	100%
Non-Picnic Permit Area		
Schiller Grove	26	35%
Forest Way Grove	22	29%
Deer Grove	8	11%
Whistler Grove	8	11%
Maple Grove	4	5%
Other	7	9%
Total Non-Picnic Permit Area Permits	75	100%

Name of Location	Number of Permits	Percent of Total Permit Type
Paved Trail		
Busse	28	37%
North Branch	18	24%
Yankee	5	7%
Other (Trails With <5 Permits)	24	32%
Total Paved Trail Permits	75	100%
Lake		
Busse	13	30%
Arrowhead	3	7%
Midlothian	5	12%
Tampier	5	12%
Tower Rd	3	7%
Skokie Lagoon	3	7%
Other	11	26%
Total Lake Permits	43	100%
Model Airplane Fields		
Kickapoo Woods	1	6%
Morrill Meadow	7	39%
Ned Brown Meadow	3	17%
Poplar Creek	2	11%
Schiller Woods	1	6%
Thorn Creek	1	6%
Tinley Creek	3	17%
Total Model Airplane Field Permits	18	100%
Group Area		
Bullfrog Lake Grove	18	100%
Total Group Area Permits	18	100%
Unpaved Trail		
Deer Grove	3	21%
Des Plaines	5	36%
North Branch	2	14%
Poplar Creek	2	14%
Sag Valley	2	14%
Total Unpaved Trail Permits	14	100%
Field - Large Grove Shelter		
Dan Ryan	10	83%
Busse	1	8%
Harms	1	8%
Total Field-Field - Large Grove Permits	12	100%

Source: FPDCC, Bronner Group

Key Findings from Demand Analysis

The following provides detailed analysis from the demand analysis by permit type for the years 2014 and 2015. At the end of this section, there are consolidated findings presented that will inform the permit and rental analysis.

Small Groves

- Small Groves represented the majority of permits issued at FPDCC, totaling 7,981 representing 46.57% of total permits. Small Groves with Shelter totaled 6,234 permits issued and Small Groves without Shelter represented 1,747 permits issued.
- For Small Groves with Shelter, permit usage was spread somewhat evenly across facilities. Busse Grove comprised 14% (845 permits), Dan Ryan Grove 5% (334 permits), with LaBagh and Schiller at approximately 4% each (228 permits and 264 permits, respectively), Catherine Chevalier and Arie Crown at approximately 3% each (182 and 166 permits, respectively), and Bemis (146 permits), Bunker (102 permits), Deer (159 permits), North Creek (105 permits), Robinson (155 permits), St. Paul (106 permits), and Willow Springs (116 permits) at 2% each. The remaining groves comprise 51% of total permits issued but issued <100 permits each.
- For Small Groves without Shelter, permit usage was also spread somewhat evenly across facilities. Dan Ryan comprised 15% (265 permits), Busse 14% (253 permits), Schiller 13% (233 permits), with Bemis and Harms at 4% each (68 and 72 permits, respectively) and 91st and Prospect and Caldwell at 3% each (52 permits each). The remaining groves comprise 43% of total permits issued but issued <50 permits each.
- 75.1% of rentals (6,058 permits) occurred during three summer months (June, July, and August).
- The majority of Small Grove permits issued were for attendance with <100 (6,023 permits), followed by 100-199 (1,855 permits). Attendance from 200-299 comprised 96 permits and >300 comprised 7 permits issued.

Large Groves

- Large Groves represent the second highest number of permits issued at FPDCC, totaling 5,651 representing 32.98% of total permits. Large Groves with Shelter comprised the majority of Large Grove Permits, totaling 5,508 permits issued, and Large Groves without Shelter represented 143 permits issued.
- For Large Groves with Shelter, permit usage was spread somewhat evenly across facilities. Busse Grove comprised 10% (568 permits), Bunker 9% (511 permits), Dan Ryan 7% (379 permits), Schiller 6% (339 permits), Bemis and Harms approximately 5% each (279 and 253 permits, respectively), Buffalo and Deer at approximately 3% each (187 and 130 permits, respectively), and Bur Oak (113 permits), Carl R. Hansen (133 permits), LaBagh (102 permits), Midlothian (130 permits), and Sunset Bridge (104 permits) at approximately 2% each. The remaining groves comprise 41% of total permits issued but issued <100 permits each.
- For Large Groves without Shelter, more than half of permits issued were comprised by National (31%) (45 permits) and White Eagle (24%, 34 permits), followed by Pioneer (17%, 25 permits), Maple (11%, 16 permits), Rubio (10%, 15 permits), and Forty Acre (6%, 8 permits).
- 72.8% of rentals (4,114 permits) occurred during three summer months (June, July, and August).
- The majority of Large Grove permits issued were for attendance with <100 (2,352 permits), followed closely by 100-199 (2,107 permits). Attendance from 200-299 comprised 983 permits and >300 comprised 209 permits issued.

Indoor Room Rentals

- Regarding facilities, Matthew Bieszczat represented nearly half of permits issued at 48% (406 permits), with Thatcher at 35% (295 permits) and Dan Ryan Woods Pavilion at 17% (148 permits).
- Indoor room rentals did not have much variance during the three major renting seasons, as summer (June, July, August) (28.7%, 244 permits), spring (March, April, May) (26.9%, 228 permits), and fall (September, October, November) (26.6%, 226 permits) rented at similar rates.
- Total picnic events represented the highest proportion (43%, 365 permits) of Indoor Room Rental permits. Banquet-style events represented the second highest proportion at 37.1% (315 permits), followed by Meeting-Training Style at 13.55% (115 permits).
- 93% of permits (787 permits) were for 100 or fewer attendees, followed by 81-100 (24%, 203 permits), 61-80 (23%, 199 permits), 41-60 (18%, 149 permits), 21-40 (20%, 175 permits), and 20 or less (7%, 61 permits). Only 7% of permits (62 permits) were for >100 attendees.

Athletic Fields

- Regarding facilities, Schiller Woods stood as the most frequently rented facility by a wide margin (45% of permits issued, 68 permits). The next highest facility was Busse (13%, 21 permits), followed by 147th and Ridgeland (8%, 13 permits), Dan Ryan (6%, 9 permits), Thatcher (5%, 8 permits), and River Road and Lawrence (4%, 7 permits). The remaining facilities constituted 20% of total permits (31 permits).
- A high proportion of Athletic Field rentals took place in spring (47.1%, 74 permits). FPDC issues comparable numbers of permits in summer (27.4%, 43 permits) and fall (24.8%, 39 permits). Only one permit was issued for a winter event.
- A majority of permits (48%, 75 permits) classified as Athletic (Sporting) Event, followed by total Picnics (41%, 65 permits).
- The American Youth Lacrosse Organization was the most frequent permit buyer, with 19.7% of the total permits (31 permits).
- A majority of permits issued were for attendance <200 (94%, 148 permits), with 0-99 at 67% (105 permits) and 27% at 100-199 (43 permits). Only 2% of permits were for events greater than or equal to 1,000 (3 permits).
- Lacrosse (24.2%, 38 permits) and soccer (19.1%, 30 permits) represented the largest shares of athletic field permits. No permits were listed for baseball and softball usage.

Large Capacity

- Regarding facilities, Busse Large Event Area was used for 41% of permits (58 permits), St. Paul Large Event Area 22% (32 permits), Green Lake 10% (15 permits), and Midlothian and Miller Meadow 7% (10 permits) each. The remaining facilities constituted 13% of permits issued (18 permits).
- 61% of rentals (87 permits) occurred during three summer months (June, July, and August).
- A majority of the permits were for Special Events (56%, 80 permits), followed by Walks, Runs, and Cross-country meets for a total of 22% (33 permits), and total Picnics at 17% (24 permits).
- Punjabi Sports Club and Elim Romanian Pentecostal Church were the most frequent permit buyers. Each organization bought 5 permits for Large Capacity Event Areas.
- Attendance ranged from 10 to 4,000. Seventy-seven permits were issued for events 400-999 and 32 permits for events >1,000. Twenty-three permits were issued for events 300-399 and 1 permit was issued for events <300.

Non-picnic

- Regarding facilities, Schiller Grove was used for 35% of permits (26 permits), Forest Way Grove 29% (22 permits), Deer Grove and Whistler Grove 11% (8 permits) each, Maple Grove 5% (4 permits), and the remaining facilities represented 9% of permits issued (7 permits).
- 87% of permits (65 permits) were rented in three summer months (June, July, and August).
- The majority of Non-picnic permits issued by event type were for Picnic-Retired (59%, 44 permits) and Picnic (33%, 25 permits).
- Attendance ranged from 25-400 attendees. Sixty-eight permits were issued for events up to 100 attendees, with the remaining seven permits for events >100.

Paved Trail

- Regarding Facilities, Busse held the majority of events with 28 permits issued or 37%, followed by North Branch (24%, 18 permits) and Yankee (7%, 5 permits). The remaining locations held fewer than five events each, for a total of 24, representing 32% of Paved Trail permits.
- Aside from Athletic Fields and Model Airplane, Paved Trails issued the most permits to nonresidents (24%, 18 permits).
- 32% of permits (24 permits) were rented in three summer months (June, July, and August).
- The event type for 33% of permits was Picnic-Retired (25 permits), 23% Walk/Run (17 permits), and 21% Picnic (16 permits).
- Attendance ranged from 3-900 with 21 events <100, 31 events 100-199, 32 events 200-399, and 5 events >400.

Unpaved Trail

- Regarding facilities, Des Plaines was used for 36% (5 permits) of events, Deer Grove 21% (3 permits), and the remaining three sites were each used for 14% (2 permits each).
- Aside from Athletic Fields, Model Airplane, and Paved Trails, Unpaved Trails issued the most permits to nonresidents (21%, 3 permits).
- 28.6% of permits (4 permits) were rented in three summer months (June, July, and August).
- The event type break-out was 36% Walk/Run (5 permits), 43% total Picnic (6 permits), and 7% (1 permit) each for Athletic, League, and Filming.
- Attendance ranged from 6-499 with eight of fourteen permits for events >100 attendees.

Summary Findings for Overall Permit Demand

- **Seasonal Peak Usage:** Summer months represent the highest peak usage periods during the year. June, July, and August (10,705 combined permits), and to a lesser extent May (1,538 permits) and September (1,772 permits), represent the busiest months of the year in terms of permitted events at FPDCC. The winter months (277 combined permits), particularly December and January, experience an extremely high drop in usage.
- **Weekly Peak Usage:** Weekends represent the highest peak usage during the week. Saturday and Sunday represent the busiest days of the week for permitted events at FPDCC with Saturdays representing 50% of permits (7,554 permits), Sundays approximately 38% (5,616 permits), and Fridays 5.8% (888 permits). The remaining weekdays maintain approximately the same rate of usage (1-2%, 170-370 permits), regardless of day. Inducing weekday demand may be possible during the evenings or during the day for corporate outings and other targeted events, but otherwise it may be difficult to grow midweek demand.
- **Groves are the most frequently used facilities.** The most frequently purchased permits are groves (13,682 permits), representing nearly 80% of permits issued (small groves at 46.57% (7,891 permits) and large groves 32.98% (5,651 permits)). Equestrian memberships (6.77%, 1,022 permits), indoor room rentals (4.95%, 849 permits), and dog memberships (4.89%,

738 permits) were the next largest representation. The highest occupancy, or usage rates, are comprised by indoor room rentals (25.17% occupancy rate), small groves with and without shelter (5.99% occupancy rate), and large groves with and without shelter (8.86% occupancy rate). FPDCC fields are desired for athletic leagues and special events. The majority of the permits for athletic events and fields appear to be adult leagues vs. youth. This should be considered when developing pricing recommendations.

- **Memberships provide a unique value to users.** The FPDCC has created exclusive use areas for dogs, and provides trail maintenance for equestrian and snowmobiles. There is high resident utilization of dog memberships and equestrian memberships.
- **Residents comprise nearly all permit users at FPDCC.** Approximately 90% of permits (13,103 permits) are purchased by Cook County residents. However, within some permit types are larger percentages of non-residents. The following permit categories have the largest percentage of non-residents: Model Airplane (39%, 7 non-resident permits), Athletic Fields (34%, 54 non-resident permits), and paved (24%, 18 non-resident permits) and unpaved trails (21%, 12 non-resident permits).
- **Specialty item use is increasing.** For the majority of specialty use item permits issued by FPDCC, overall there has been a trend of increased usage from 2011 - 2013. Generators, inflatables and canopy tents experienced the steadiest increases.

G. FPDCC OPERATIONAL OBSERVATIONS – USER AND MANAGEMENT EXPERIENCES

The project team conducted FPDCC operational observations through a combination of new and existing survey analysis, key stakeholder engagement, and documentation and study of current marketing efforts and the permit booking process. The assessment aimed to gain a comprehensive understanding of user experiences from the perspective of FPDCC customers, as well as staff and leadership.

SURVEY FINDINGS

Surveys Assessed

2016 Group Permit User Survey

As part of this assessment, the project team conducted a permit user survey to assess the permit application process and obtain suggestions for improvements, receiving 1,011 responses. A complete summary of findings from this Survey are provided in the Appendix. Key findings include the following:

Permit User Profile

- 75% of permit purchasers were individuals or families, who purchased permits online. Approximately 15% of users purchased permits in-person at an FPDCC site. The balance (10%) did not indicate where they had purchased their permit.
- 85% of users purchased one permit per year and 14% of users purchased a permit 2-6 times per year. The remaining 1% of users purchased permits from 7-12 times per year.
- 86% of users purchased regular permits; 14% purchased dog or equestrian memberships.

Special Event Booking

- **Groves:** Site availability on the user's desired event date was the most important element in purchasing a permit, with 96% of respondents ranking it as important or very important. Site availability was followed by picnic tables at the site, geographic proximity of the site to home/other location, size/capacity of site, bathroom proximity, parking proximity. The least important elements included availability of running water, grills and recreational amenities nearby.
- **Indoor Room Rental:** Site availability on the user's desired event date was the most important element in purchasing a permit, with 88% of respondents ranking it as important or very important. Site availability was followed by size/capacity of the room, geographic proximity to home/other location, availability of tables and chairs, proximity of parking, condition of bathrooms, price, and to a lesser extent availability of kitchen facilities. The least important elements included recreational amenities near the site.
- **Athletic Fields:** Site availability on the user's desired event date was the most important element in purchasing a permit, with 83% of respondents ranking it as important or very important. Site availability was followed by geographic proximity to home/other location, size/capacity of the site, permit fees, condition of the facility, and availability of bathrooms at or near the site. The least important elements included proximity of parking and availability of running water.
- **Special Requirements:** 85% of respondents found the requirements associated with these special event permits non-problematic.

Ability to Book and Pricing

- **Location Availability:** 87% of respondents found space available at a time that worked for them. For the 13% who could not, 49% did not reserve space anywhere, 33% reserved a different time, 9% selected a different FPDCC location, and 9% booked at a non-FPDCC site.
- **Pricing:** 61% of respondents felt FPDCC is similarly priced to other places, 21% felt fees were less expensive, and 18% felt FPDCC prices were higher in comparison. However, 70% of users felt the value received was good value, 17% felt they received an exceptional value, and 12% felt they received a poor value, worth less than what they paid.

Customer Retention

- 91% of users would return to FPDCC for a future permit or membership experience.
- 79% of users were very likely or likely to recommend FPDCC to a friend or colleague, with 14% neutral and 7% unlikely or very unlikely to recommend FPDCC.

The project team reviewed the following previously conducted surveys, in addition to conducting the user survey above.

- **2015 Anonymous Insights Secret Shopper Program:** In 2015, Anonymous Insights, Inc. conducted 140 onsite shops and 86 telephone shops at 18 locations over a six month period for FPDCC.
- **2015 Openlands User Survey:** In 2015, Openlands conducted a user survey to assess usage of outdoor space, attitudes and behaviors, and communication preferences of 306 FPDCC users.
- **2015 Cook County 13th District User Survey:** In 2015, FPDCC Commissioner Suffredin conducted a picnic user survey of 151 constituents in the 13th District to measure user satisfaction and identify needed improvements.
- **2013 Trail User Survey:** In 2013, 1,495 onsite and online surveys were conducted as part of the development of the FPDCC Trail Master Plan to gain an understanding of trail use and make future decisions about infrastructure improvements, expansions, and connections.
- **2012 FPDCC Survey Report:** In 2012, Public Research Group conducted a community recreational needs survey as part of the Recreation Master Plan, receiving 4,047 household responses.

Key Findings from Analysis.

Key findings from these assessments converged around the following themes: overall satisfaction with FPDCC staff; an overview of the typical FPDCC customer; satisfaction levels with the cleanliness of FPDCC sites and facilities; recommendations on marketing and communications strategy; and feedback on technology usage and information sharing.

- **Overall Satisfaction**
 - **FPDCC is an asset to the community.** In all surveys, an overwhelmingly majority of respondents felt FPDCC is a great asset to the community. Staff provide a welcoming environment and the programs and facilities provide a fair or good value to the community.
- **Typical FPDCC Users**
 - **FPDCC users stay close to home and care about the preserves.** Most District users stay close to home and do not travel far across the county to other FPDCC areas, with the highest usage area being the North region. They are typically individuals or families visiting FPDCC one to two times per year, book permits online, and travel to the FPDCC via car.
- **Cleanliness of Sites and Facilities**
 - **Sites are maintained relatively well.** The majority of FPDCC users reported that they had a positive experience using FPDCC sites and facilities. The most common complaints received included outdoor areas not being cleaned after previous occupants, insufficient garbage cans, lack of water access, and dirty shelters and/or restrooms.
- **Marketing/Communications**
 - **Marketing can be improved and digital media should be utilized.** Users noted that more information on FPDCC assets should be provided, as users were not aware of the entire suite of facilities and programs offered by the FPDCC. While word of mouth is the most common method of referral, users identified the FPDCC website, social media, and digital communication as important methods of sharing information and advertising services.

- **Technology/Information Sharing**

- **The FPDCC website and permit application process need improvement.** An overwhelming majority of users cited the FPDCC website as lacking clear information and permit registration process as extremely or somewhat challenging. Clearer, more concise information on FPDCC assets, as well as permit application instructions should be provided on the website. The permit application process should be improved to be more user-friendly and provide clearer information.

STAKEHOLDER ENGAGEMENT

THE PROJECT TEAM conducted a series of interviews and focus groups with FPDCC internal office staff, field staff, and senior leadership to assess the strengths and weaknesses of the permit application process, gain an understanding of the strategic vision for the permit program, and develop recommendations for improvements to the permit program.

- **Stakeholders Engaged:**

- **Internal Office Staff:** The project team conducted eight one-on-one telephone interviews with internal office staff to assess the permit application process, internal operations, and user-staff interactions.
- **Field Staff:** The project team facilitated a focus group with four division superintendents to develop an understanding of on-the-ground operations leading up to and the day-of an event.
- **Senior Leadership:** The project team convened a focus group with seventeen FPDCC senior leadership and relevant external stakeholders, as well as conducted six one-on-one telephone interviews with senior staff and FPDCC Commissioners, to gain an understanding of the overall strategic vision for the permit program and identify any existing or future political or administrative barriers.

Key Findings from Analysis:

The following summaries provide an overview of the feedback and recommendations received from stakeholders, which focus on strategic vision and development, operations and process, and permit pricing considerations.

Exhibit 26 - Summary of Stakeholder Feedback and Recommendations

Strategic Vision and Development
<ul style="list-style-type: none"> • Ensure the mission and values of FPDCC are maintained with any programmatic changes • Engage the community in any strategic development process to obtain input and achieve buy-in • Consider and adopt, but thoroughly vet new recreational activities and offerings • Engage new markets and target audiences, especially to increase usage during non-peak periods • Expand marketing and communications efforts to reach new audiences and inform constituents of full suite of services • Ensure all constituents have the opportunity to enjoy FPDCC regardless of economic background • Ensure customers receive a high-quality user experience from beginning to end
Operations and Process
<ul style="list-style-type: none"> • Consider a rolling application process • Improve the online application process, including calendar and availability search functions, site information, and clarity of application requirements • Allow for full online submission and eliminate any in-person requirements or document submission • Offer a list of preferred vendors that comply and are familiar with FPDCC policies, guidelines, and requirements • Increase knowledge of facility inventory and ongoing capacity challenges • Consider changing various staff schedules to be available during hours more convenient to customers • Increase availability of locations to purchase permits • Increase staffing to handle current and potential increased future workload, specifically landscape and maintenance crews, front line desk personnel, and marketing/communications staff • Continue utilizing customer and user feedback on a regular basis

Permit Pricing

- Create peak and non-peak pricing levels (days of week/seasonal/holiday)
- Bundle/package commonly grouped specialty item purchases
- Require security deposits for all events
- Increase fines for overcapacity; sometimes the violation fees are less than the increased permit price
- Incorporate insurance into permit applications
- Offer/require labor and maintenance as a fee-for-service for corporate/large users instead of "volunteer clean-up crews"
- Implement cost recovery for non-basic FPDCC services
- Increase prices for more frequently used facilities

Source: Bronner Group

MARKETING INITIATIVES

During stakeholder engagement, THE PROJECT TEAM assessed current marketing strategies and initiatives and obtained input on future recommendations for this area to gain an understanding of challenges and opportunities for FPDCC in sharing information and marketing FPDCC programs and services.

- **Current Marketing Strategy:** The current marketing strategy includes a combination of mixed media approaches to share information on FPDCC programs and services.
 - **Standard Marketing Engagement Tools:**
 - **Newsletter:** FPDCC issues an annual newsletter to users providing an update on news and events. Email addresses are obtained during permit applications.
 - **Radio Ads:** Radio ads are utilized when permits go on sale at the beginning of each year and throughout the year to market FPDCC generally.
 - **Press Releases:** Press releases are utilized only a few times a year, including when permits go on sale at the beginning of the year.
 - **Billboards:** Outdoor ads promoting the Forest Preserves.
 - **Social Media:** Social media (i.e. Facebook, Twitter, website, etc.) is utilized to promote permit sales, programs, and other events on an ongoing basis. Individual departments work with the communications team to provide content.
 - **Business Development:** Targeted business development and new market expansion is not conducted or assessed on a regular basis.
- **Budgetary Considerations:** FPDCC has a basic staff level for Marketing and Communication that hasn't shifted substantially in the last two years despite the existence of new facilities. (E.g. campgrounds, etc.). While marketing and communications improvements can be conducted without a major increase in non-personnel financial resources, they will require an increase in staff time. Financial resources may be required if FPDCC considers increasing staff size, investing in marketing materials, developing targeted market outreach, or enhancing in-person outreach efforts.

Key Findings from Analysis:

Nearly all stakeholders felt marketing and communications efforts should be improved/expanded, with targeted business development a key opportunity area for growing the permit program.

- **Current marketing strategies should be maintained.** Standard marketing methods should be continued, as the user base and public communication outlets expect these forms of messaging and elimination would have an adverse effect on FPDCC promotion and user experience.
- **Social media is key to engagement and should be used more.** Social media is an expected communication tool in the 21st century and key to engaging a younger audience and should continue to be engaged as a major tool for promoting FPDCC news and activities. FPDCC should consider additional social media tools, such as Snapchat. In addition, social media should be considered as a method for new engagement strategies, such as facilitating contests and challenges to grow the user base.
- **Targeted business development is essential to growing the permit program.** Targeted business development is a needed and necessary investment area in order to grow the permit program, particularly in strategic areas such as increasing usage during off-peak times and growing a preferred vendor base. The most natural candidates for increasing usage are in the area of indoor room rentals and picnic pavilions for corporate functions. This initiative cannot occur without dedicated staff and focused marketing.
- **Investment in staff resources for marketing and communications may be necessary to grow the permit program.** FPDCC may need to consider investing in additional staff and/or non-personnel resources as they expand marketing and communications efforts.

BOOKING PROCESS ANALYSIS

During the operational assessment and stakeholder engagement, THE PROJECT TEAM documented and evaluated the current permit application process. While FPDCC is ahead of many other forest preserves in terms of having an online booking system, the current system exhibits a number of ongoing challenges for both staff and users.

- **Existing System:** FPDCC currently uses ACTIVE Net, a recreation software management system, to manage the online permit application system and handle internal data storage and reporting. The system was implemented in 2014 to handle all FPDCC permits approved for online registration.
 - **Online Booking Process:** The online permit booking process requires approximately 23 steps from when a user first logs on to the FPDCC website to the final step of saving/printing receipt of the permit reservation confirmation. This includes creating an account, choosing a site/facility, identifying an available date, noting additional add-on or special use items, submitting required documents, signing a waiver, and providing payment. An overview of booking process can be found in the Appendix.
 - **Process/System Challenges:** Stakeholders and user survey respondents were consistent in identifying common challenges associated with the online booking process.
 - **Unclear Information:** Many users felt instructions on how to use the application system were unclear and could be simplified. In addition, additional information should be provided on each of the sites and facilities, with supporting materials such as photos and available amenities added.
 - **Confusing Reservation Process:** A common complaint involved the challenges associated with identifying dates and times that sites were available. This was related to website input requirements to check availability that differed from the permit or event hours. In addition, the user-friendliness of checking site availability, maps, and going back and forth between different sites were cited as areas for needed improvement.
 - **Burdensome In-person Requirements:** Users felt that the online experience wasn't completely online, since certain application components still required an in-person visit, such as nonprofit organizations being required to submit required documents in person versus online upload.
 - **Inflexible Interface:** Many changes or upgrades to the ACTIVE Net system required band aids or one-off adjustments that can be time-consuming and/or costly for FPDCC. A common complaint is that the system was not originally designed for an organization such as FPDCC, which caused many challenges, both operational and budgetary, when attempting to tailor the system to meet the FPDCC's needs.

- **In-person Booking Process:** Overall, users were satisfied with the in-person application experience at FPDCC offices and on the telephone with FPDCC staff. Staff were courteous and patient while working with customers. Most frustration arose when users were forced to call due to difficulty using the online system or long wait times during high peak times of the day or season. Certain users remain more comfortable applying for permits in-person and would continue to apply at the FPDCC offices regardless of the ease of use of the online system.

Key Findings from Analysis:

- **ACTIVE Net works, but could work much better.** Functionally, ACTIVE Net is able to issue permits and accept payments on a regular basis without major technical interruptions. However, because it was not intended to serve an organization with the various assets and services offered by FPDCC, it is not considered user-friendly by customers and the process itself is not intuitive even for the savvier technology user. Internal user reporting also appears to be challenging. Specifically the ease of generating management level reporting and accounting reconciliation. Upgrades and changes are costly and not always effective.
- **Information provided to users must be improved.** The permit application process must be simplified and improved for the user. This should include general information provided on the FPDCC website about services and assets as well as the steps involved with the reservation process itself.
- **It is essential to maintain personal touches and quality in-person customer service.** While customers appreciate the latest in technology and the convenience of not having to make a special trip out of their way to obtain a permit, the ability to pick up the phone to have a question answered or a friendly face at the counter was noted as a key component of the overall permitting experience.

H. COMPETITIVE MARKET

SUPPLY AND PRICING ANALYSIS

There are 95 park districts operating in Cook County. While the facilities and recreational activities offered by local park districts are complementary to FPDCC, these entities are also major competitors. While cautious of adverse environmental impacts, parks and recreation districts have greater freedom in developing new recreational sites and activities that meet community needs, trends, and interests. Additionally, residents are generally more familiar with park district locations and amenities, as they are located directly in the community.

To accurately assess the recreational activities and locations available throughout Cook County, which compete for the interest of potential FPDCC users, the project team identified three municipal park districts in each of the twelve districts resulting in a total of 36 competitive municipal price points. The following municipalities were identified for benchmarking:

Alsip	Arlington Heights	Bartlett	Barrington Hills
Buffalo Grove	Burr Ridge	Calumet City	Cicero
Country Club Hills	Des Plaines	Dixmoor	Elgin
Elk Grove Village	Evanston	Evergreen Park	Franklin Park
Harvey	Hinsdale	Homewood	LaGrange
Lemont	Lincolnwood	Morton Grove	Mount Prospect
Niles	Northbrook	Oak Forest	Oak Park
Olympia Fields	Orland Park	Palos Park	Rosemont
Sauk Village	South Holland	Stickney	Chicago Park District

Additionally, the project team assessed the portfolio of recreational activities and inventory of locations available at Forest Preserve Districts surrounding Cook County. DuPage, Kane, Will, and Lake Counties. The Chicago Park District is included in this list of competitors, because it is the largest municipality and park district in Cook County.

Competitor Comparison

Each of the competitors pricing should be developed based upon a revenue strategy tied to each municipality's financial strategy. The project team queried the surrounding Forest Preserves and the Chicago Park District and only Lake County has adopted a pricing strategy tied to a pricing policy of cost recovery.

While it is helpful to understand FPDCC's price position within the market, it is not reasonable to suggest that the competitive market is similar to FPDCC in its revenue and financial strategies. Even if cost recovery was the basis for competitors pricing policy, the cost structures of each respective municipality would likely vary. As such, the project team views the competitive market as an element that should "influence" the pricing strategy but not form the basis for setting prices.

The following pages provide an overview of the pricing for the Forest Preserves and the Chicago Park District. A full listing of all the 36 municipalities pricing is presented in the Appendix.

Exhibit 27 - Summary of Competitive Market Offerings and Pricing in Comparison to FPDCC For Collar Counties – Picnic, Special Event and Athletic Fields

Municipality	Division	Shelter			Picnic Area			Special Events				Athletic Fields		Method of Registration	
		Number/ Type of Facilities	Resident Price	Non-Resident Price	Number of Facilities	Resident Price	Non-Resident Price	Special Events Permit	Special Event Packages		Athletic Fields Permit				
		Number/ Type of Facilities	Resident Price	Non-Resident Price	Number of Facilities	Resident Price	Non-Resident Price	Number/ Type of Facilities	Price	Number/ Type of Facilities	Price	Number/ Type of Facilities	Price		
FPDCC Inventory and Pricing		191 Small Large	\$53/day \$105/day	\$105 \$105	106 Small Large	\$37/day \$105/day	\$90 \$90	ALL	\$175/ Day			48	\$175 \$550 \$960	Online, In-Person	
Collar Counties	Lake County	Forest Preserve	25	\$70-\$220	\$140-\$290	25	\$70-\$220	\$140-\$290	n/a	n/a	n/a	n/a	3	Pricing Varies by Location	Online, In-Person
	Will County	Forest Preserve	5	\$60-\$350	\$70-\$700	2	\$35	\$70	Weddings, All Inclusive	\$2,350	n/a	n/a	Soccer Baseball Volleyball Cross Country	Weekdays: Free Weekends: Variable	In-Person
	Kane County	Forest Preserve	2	\$35 or \$50	\$50 or \$75	2	\$35 or \$50	\$50 or \$75	n/a	n/a	n/a	n/a	Golf Courses	Rates at Each Golf Course	In-person
	DuPage County	Forest Preserve	Small Large	\$45 \$55	\$60 \$70	Small Large	\$35 \$70	\$45 \$90	n/a	n/a	n/a	n/a	n/a	n/a	Online, In-Person
City of Chicago	Chicago Park District	Park District	42 Picnic Groves	Price Levels Set by Attendance: \$145-\$1550		Picnic- Corporate	\$145-\$12,880		Commemorative Events	\$480-\$1,025	Festivals/Performances	Up to \$326,024 (Add-Ons Not Included)	Football/Soccer Baseball/Softball	Annual:\$415 \$520-\$200	Online, In-Person

Exhibit 28 - Summary of Competitive Market Offerings and Pricing in Comparison to FPDCC For Collar Counties – Indoor Room Rental and Memberships

Entity		Division	Indoor Room Rentals			Memberships		
			Number/ Type of Facilities	Resident Price	Non-Resident Price	Dog Parks Membership Price	Equestrian Memberships Price	Snowmobile Membership Price
FPDCC			5 Classroom Community Room Large Space	\$15- \$30/Hour \$30- \$50/ Hour \$40- \$70/ Hour	\$25- \$45/ Hour \$50- \$60/Hour \$65- \$95/ Hour	\$55/ Dog	Annual (\$30R/ \$45NR) Day Pass (\$4R/ \$5NR)	\$25 Resident \$50 Non-Resident
City of Chicago	Chicago Park District	Park District	230	\$150-\$3,000		Dog-Friendly Area Dog Tags	\$5	
Collar Counties	Lake County	Forest Preserve	4	Rates Vary by Venue have Weekday and Weekend Rates and In and Off Season Rates	Varies	Annual: \$50/ 1 dog/ (\$20 Additional)-R Annual: \$150/ 1 Dog/ (\$75/Additional)- NR Daily: \$10/Dog (<3)-R Daily:\$20/Dog (<3)- NR	5 Trails Annual: \$50/Horse(R) /\$100/Horse (NR) Daily: \$24/Horse(R) /\$50Horse (NR)	Dog Sled: \$50(R)/\$100(NR) Horse Drawn Trails: \$35(R)/\$70(NR)
	Will County	Forest Preserve	6	4 Hour: \$225- \$1400 Full Day: \$350- \$2800		\$40 annual permit for 1 dog		Snowshoes: \$10/day Tubing: \$1/Day
	Kane County	Forest Preserve	3	Prime Hours: \$100- \$800 Non-Prime Hours: \$200- \$600		4: Free Access	14: Free Access	4: Free Access
	DuPage County	Forest Preserve	5	Rates vary by Venue: Have Prime and Non Prime Hours and 4 hour minimum.		\$8- R/Day \$20- NR/Day		

Source: FPDCC, Respective Municipalities, Park Districts, and Bronner Group

Analysis of Local Municipalities' Relation to FPDCC Inventory and Pricing

After compiling the previous list of municipalities and collar counties, THE PROJECT TEAM analyzed the pricing methodology of the each of the park districts, as well as their inventory of sites available for rent. THE PROJECT TEAM then utilized this data to compare competitor pricing and inventory to that of the District.

- **Facilities:**

- While FPDCC has a larger inventory of outdoor sites, park districts have a larger inventory of indoor facilities available for rent. Indoor recreational activities operated by park districts typically have additional space available for private events.
- The types of facilities available in FPDCC's portfolios are the same as those available for rent through municipal park districts. However, there are significantly fewer of each site type available for rental.
- Whereas FPDCC has 293 picnic locations available, Elk Grove Village and Orland Park have the largest picnic locations available with 37 and 34, respectively.
- Park Districts have a more diverse portfolio of recreational activities, facilities, and programs, which increase opportunities for exposure to Park District amenities.

- **Permit Types**

- Generally, the same types of permits are offered by FPDCC and the local park districts.
- Unique permits issued by FPDCC: Equestrian and snowmobile permits are limited, or have no availability at the municipal park districts.

- **Pricing**

- Average permit pricing for FPDCC facilities is approximately 35% less expensive than park district locations.

Booking Process Analysis

In order to gain an understanding of the level of complexity, user-friendliness, and overall efficiency of the online permit application process in comparable park districts and preserves, five peer collar counties processes were examined for comparison. As all of these organizations use ACTIVE Net as their software solution, the online booking process was similar in the order of steps required and user interfaces were similar. The length of time involved with obtaining an FPDCC permit on line versus another agency was longer, based on the number of requirements and individual permits that may need to be purchased for a single event. Process maps of these agencies permit registration processes can be found in the Appendix.

Key Findings from Analysis

▪ **Permit Types and Pricing**

- **Equestrian Memberships:** There are few park districts within Cook County that permit horse trails and issue equestrian memberships. Of the collar counties, Lake County is the only to offer equestrian memberships.
- **Dog Memberships:** While many of the collar counties do not charge for access to off-leash dog parks, the park districts have a base fee for one dog tag and a discounted fee for each additional dog.
- **Discounts:** Non-profit entities and residents receive a 'discounted' rate. There are also a number of park districts that offer senior discounts. Resident fees are typically 50% less than non-resident fees.
- **Average Permit Price by Facility:** Park Districts typically charge an hourly rate for outdoor shelters, whereas FPDCC charges a flat fee for the day. For permits with a capacity of 99 people, FPDCC's picnic (shelter and non-shelter) permits are less expensive than a time sensitive permit at the other park districts.
- **Indoor Room Rentals:** Most Park Districts do not rent by the hour, but set their total usage fee based on an approximate hourly rate equating to a half or full day.

▪ **Inventory of Facilities**

- Picnic pavilions are a common amenity at comparable districts throughout the county, however the number of pavilions available at FPDCC is much larger than at other agencies.

▪ **Best Practices Observed**

- Increase locations to purchase permits and membership types
- Offer special event packages that cater to specific uses such as birthday parties and weddings
- Expansion of strategic partnerships to expand the portfolio of facilities, permits, and recreational activities
- Development of recreational programs that utilize the sites and locations within each district
 - Summer camps and after school programs
 - Outdoor fitness classes
 - Athletic leagues
 - Recreational lessons
 - Themed events for families, young children, and teens

I. COMPARABLE ANALYSIS

BENCHMARKING PROCESS AND FINDINGS

Comparable Analysis Methodology

The project team conducted interviews with ten comparable forest preserves, park districts, and parks and recreation departments across the country and spoke with senior staff at seven of the ten agencies below to gain a better understanding of their program scope, operations, and best practices. These entities were selected based on the following criteria:

1. Existence of a permits and/or rentals program
2. Portfolio of various sites, programs, and recreational activities
3. Proximity to or serving large metropolitan cities
4. Similar size and demographic diversity of user group

Exhibit 29 - Public Agencies Benchmarked

City	State	Name of District or Department	Population	Median Income
Cook County	IL	Forest Preserve District of Cook County	5,246,546	\$56,648
Los Angeles	CA	LA County Department of Parks and Recreation	3,928,864 (10,170,292 county)	\$49,682 (\$55,870 county)
Phoenix	AZ	Maricopa County Department of Parks and Recreation	1,563,025 (4,167,497 county)	\$48,621 (\$53,689 county)
Miami	FL	Miami-Dade County Parks, Recreation, and Open Spaces Department	441,003 (2,496,435 county)	\$48,100 (\$43,099 county)
Minneapolis	MI	Three Rivers Park District	410,939 (1,223,149 county)	\$50,767 (\$65,033 county)
Cleveland	OH	Cleveland Metroparks	388,072 (1,255,921 county)	\$26,179 (\$44,203 county)
Chicago	IL	Chicago Park District	2,720,546 (5,238,216 county)	\$47,831 (54,828 county)
Will County	IL	Forest Preserve District of Will County	687,263	\$76,142
Kane County	IL	Forest Preserve District of Kane County	530,847	\$70,514
Lake County	IL	Lake County Forest Preserves	703,910	\$77,873
DuPage County	IL	Forest Preserve District of DuPage County	933,736	\$79,016

Source: U.S Census and The project team Group

The following exhibit provides key observations gathered from discussions with comparable agencies. The findings are focused on: program scope, operational processes, program management and the challenges and opportunities facing each organization.

Exhibit 30 - Comparable Agencies Permit Analysis Findings**Program Scope**

- **Municipal Park Districts**
 - Primarily serves residents of the municipality
 - Manage city parks and recreation facilities and spaces, public beach and waterfront access points, golf courses, urban forests, visitor's centers, and campgrounds, zoos
 - Permits, rentals, and concessions opportunities
- **Forest Preserves and Parks and Recreation Departments**
 - County agencies serve the entire county, as well as collar counties
 - Larger parks and recreation departments may serve up to the majority of a state
 - Manage campgrounds, trails, open spaces, and preserves
 - Permits, rentals, and concessions opportunities

Operations and Process

- Nearly all organizations use a rolling application process
- Only a few use an online reservation and permit purchase (ActiveNet and RecTrac); most use phone, in-person, or email/fax submission of forms
- Insurance is required by nearly all agencies
- For special events, staff work closely with users
- Onsite staff during events typically includes maintenance, police, and permit/operations staff
- High rate of data collection of each user group to make operational decisions
- Organizations possess strong marketing teams who develop marketing campaigns to increase awareness and drive attendance

Source: Bronner Group

Key Findings from Analysis

■ Operations and Process

- **ACTIVE Net is effective but flawed.** A majority of the agencies who utilize an online reservation system have contracts with ACTIVE to meet each organization's needs. Interviews with the comparables indicated that their major areas of concern are in regards to management reporting and system upgrade support.
- **Every organization provides additional support.** In addition to the online reservation processes, where available, central office and on-site personnel are available to answer questions via phone, email, and in person.
- **Capturing attendance accurately is a common challenge.** Similar to FPDCC, agencies have a difficult time developing a model which accurately issues a permit according to the actual attendance at an outdoor event.
- **Cost Recovery Models**
 - Every agency considers public benefit vs. private benefit. "Value-added" programs and recreational activities are required to be revenue-generating at many locations, while those which provide a larger service to the community (i.e. nature centers and hiking day camps) are subsidized greater than the others. To increase exposure and utilization of facilities and locations, lower-income areas may be subsidized more than others.
 - Annual reviews are conducted to maintain sustainable practices. Cost recovery models are typically reviewed on an annual basis. Results of the cost recovery analysis, changing trends, and planned future investments or new programs or services contribute to the revision or approval of the existing pricing strategies.
- **Marketing**
 - Agencies maintain strong use of technology for information sharing. All of the comparable Districts have a website, and at least one social media account with Facebook, Instagram, Twitter, or Pinterest. While many Districts are moving away from printed and mass-distributed media, there are a number of Districts that still mail seasonal program guides to reach the entire county.
 - New target markets continue to be identified. Through frequent data collection of the user groups patronizing programs and services, the following groups have been identified as potential audiences to target strategic marketing initiatives.
 - Millennials
 - Fitness and extreme sports enthusiasts
 - Young families

- **Organizations strive for high visibility.** Many agencies make themselves visible at events to engage with target audiences and to promote visibility of the organization itself.
 - Wedding/bridal trade shows
 - FPDCC can advertise in wedding/bridal magazines or publications or attend trade and trunk shows to promote wedding facilities.
 - Organization hosted events
 - FPDCC can explore sponsoring their own public events, such as run/walks.
 - Community/cultural/social events and fairs
 - FPDCC staff can attend community events to spread the word about the resources, events, and facilities at the Forest Preserve.
 - Public events hosted by external entities held onsite (i.e. run/walks, etc.)
 - For example, FPDCC staff can volunteer at public events held onsite, dressed in FPDCC-marketed clothes and gain exposure.

J. COST RECOVERY ANALYSIS

BASIS FOR POLICY

FPDCC provided to the project team their preliminary cost recovery analysis. The cost recovery process employed by FPDCC mirrors an approach that is based upon research completed in 1986 by Dr. John Crompton and Dr. Charles Lamb in their book, “*Marketing Government and Social Services*”. Over the last thirty years, the concepts outlined in this book regarding equity, cost recovery and the pricing policy of public services, have been widely accepted and used by public recreational agencies in the development of agency fee/pricing policy. Two recreational consulting firms, GreenPlay LLC and Pros Consulting, have implemented these ideas in conjunction with recreational agencies across the country. Lake County Forest Preserve has instituted this strategy in their pricing.

Crompton and Lamb tie the idea of cost recovery to the idea of “equity”. Crompton and Lamb state, that “the term *allocation* implies that different amounts of a service are assigned to a select group on the basis of a principle or standard. The generally accepted standard for allocating public services is equity.”¹ They further identify that “Equity address the question of, “is the allocation of services in this jurisdiction fair?”². The authors identify that since equity involves value judgement, there needs to be an entity that makes this judgement. They state that the public representatives are therefore the arbiter of this issue. Specifically they identify that these value judgements occur through:

1. Community priorities and values that are articulated by citizens, who;
2. Influence elected representatives, who;
3. Convert various demands into formal policies, that;
4. Agency personnel endeavor to carry out.

The value judgements are part of the process in determining allocation of public resources for visitor services. As such, a fee/pricing policy equity framework needs to take into consideration the values

¹ Crompton and Lamb, *Marketing Government and Social Services*. New York, J Wiley & Sons, 1986, p 149

² *Ibid*, page 155

of the community as well as the perspectives of the public agency personnel. Typically, public engagement is included in the development of a fee/pricing framework.

In applying an equity concept to visitor services, it is essential that one differentiate between public and private type of visitor services. They each sit on opposite sides of a spectrum and much of the debate on pricing public services revolves around whether a visitor service provided has characteristics of a public or private service. When setting pricing for visitor services, understanding who is benefiting and who is paying for the service must be factored into the fee/pricing policy. In general, the idea is that “public” services should be primarily subsidized through taxes. The question is how to define what a public vs. private service is? A key differentiating factor between public and private services is the concept of “exclusion”. Typically, a public good is defined as one that is NOT subject to exclusion and is subject to jointness in its consumption of use.³ These ideas are outlined in the exhibit below.

Exhibit 31 - Public vs. Private Services

Criteria	Public Services	Private Services
Statutory/Mission	Requirement or law for public access or service.	No legal requirement to provide.
Payment/Access	Difficult to exclude someone who doesn't pay. Access is open to all.	Easy to exclude someone who doesn't pay. Access is limited to those who pay.
Choice	Individual has no choice in quality of services.	Individual has ability to choose quality of services.
Competition	Limited supply of services in the competitive market.	Available supply of services in the competitive market.

Source: Ostrom V. and Ostrom E.

An example of a spectrum for public to private services is illustrated in the following exhibit. On this spectrum there is a middle category entitled “merit”. This category represents a service type that has a combination of public and private benefits.

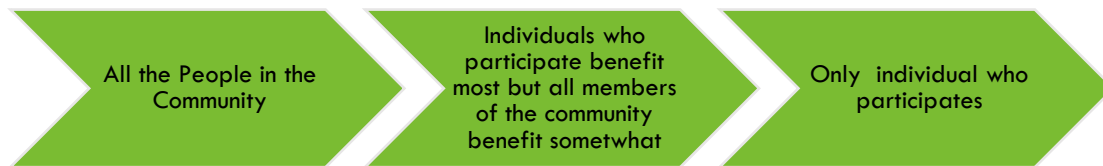
³ Ostrom,V and Ostrom E. “Public Goods and Public Choices”, p. 1

Exhibit 32 - Type of Program or Service Continuum ⁴

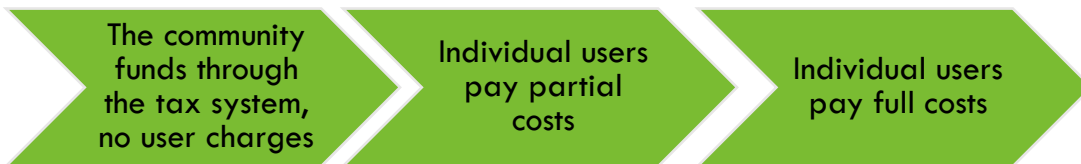
How is the Service Classified?



Who Benefits?



Who Pays?



Source: *Crompton and Lamb*

The classification of a service affects how the service shall be treated from a subsidy and cost recovery standpoint. As such, all services provided FPDCC need to be evaluated against this criteria and assigned a location on the service spectrum and/or cost pyramid in the case of the GreenPlay LLC model. As a public agency, FPDCC must consider whether specific services being delivered to the community are considered standard or public (e.g. mission-critical), merit (mix of mission and private) or private (e.g. value add).

⁴ Crompton and Lamb, *Marketing Government and Social Services*. New York: J Wiley& Sons, 1986, p. 324

Crompton and Lamb identify that, “equity means that a price should be fair”. Therefore, a fee/pricing policy must address where the visitor service sits on the continuum of services, and answer the question of who benefits and therefore who pays. In order to allocate public funds, and determine prices for those services that do not receive significant funding from public sources it is necessary to determine what level of public subsidy should exist for various services for which user fees are charged. Fee/pricing strategy evolves from this process.

Analysis Structure for Fee/Pricing Policy Framework

Classification of Services and Cost Recovery Thresholds

The introduction of a fee/pricing framework begins with recognition of the goals of this process. All stakeholders need to understand that financial sustainability requires appropriate use of public funds. As such, FPDCC must understand and communicate to all of its stakeholders that:

“Raising revenue is not the goal of the fee/pricing policy framework. Rather the goal is establishing a rational basis for fee setting and public funding that will provide for greater long term financial sustainability for FPDCC”

Ideally, FPDCC should apply the service spectrum/cost pyramid across its entire recreational service offerings and determine the costs to deliver FPDCC’s full recreation program (i.e. including Conservation and Experiential Programming and Resource Management). The cost recovery thresholds for all program elements would then define the financial sustainability for the FPDCC in its entirety. However, the scope of this engagement requested evaluation of the financial sustainability of the Permits, Rentals and Concession Program only. As such, the focus of the recommendations will consider the application of the classification of services and cost recovery for only this program area.

It is of the opinion of the project team that the Permits, Rentals and Concession program offerings lie predominantly on the merit and private end of the spectrum/pyramid. Other program areas within FPDCC lie within the public and merit side of the spectrum/pyramid (e.g. Conservation and Experiential Programming and Resource Management). The recreation benchmark comparable analysis also supports this premise. The project team suggest that the following services under Permit, Rentals and Concession Program are considered public, merit and private:

- **Public Services:** Open access to picnic areas for groups below 25 people and use of paved trail systems for individual health and wellness.
- **Merit Services:** shared use of trails for snowmobiles and equestrian use; use of athletic fields for youth sports.
- **Private:** Private exclusive use of picnic pavilions, indoor room rentals, athletic fields for adults, dog parks, model airplane fields; special event use including use of areas for private benefit in the form of commercial filming or photography, equipment rental.

Recognizing these classifications, the next requirement to address is the cost recovery goals for these activities. In general, public services do not seek to generate revenue and have higher subsidy levels. Merit services have mix of public and private orientations and as such, are partially funded by public sources. Private or value added services typically seek to at a minimum break even and potentially generate additional revenue to help offset the merit services.

The project team undertook a literature review of other pricing and cost recovery studies completed for municipal agencies. In a recently completed study completed by Pros Consulting as part of the Shawnee County Parks and Recreation Plan⁵, comparison data was referenced regarding cost recovery thresholds. The study referenced data assembled from a 2012 National Benchmarking Fee Policies and Program Costs Recovery study published by Leisure Vision. This survey included 139 park and recreation agencies across the country. Cost recovery in the survey was identified as the percentage of direct costs recouped through program fees so no values over 100 were depicted. Also, the survey asked for ranges; therefore no averages were calculated. Elements of the findings related to Athletic Fields, Rentals and Special Events are provided in the exhibit below.

Exhibit 33 - 2012 National Benchmarking Survey of Fee Policies and Program Costs

Core Program Area	National Median
Athletic - Youth	76 to 99%
Athletic- Adults	76 to 99%
Rentals	100%
Special Events	76 to 100%

Source: Leisure Vision and Pros Consulting

Additionally, studies completed for local and national counties support these medians. A review of a dozen cost recovery thresholds completed by GreenPlay, LLC for large urban park systems, support these medians but also indicate a focus on cost recovery plus (125 to 150%) for picnic rental programs and special events.

Elements of Analysis

The cost recovery analysis focused on the following eight permit types.

Exhibit 34 - 2015 Cost Recovery Analysis: Permits Assessed

Permit Type	
Athletic Permits	Special Event Permits (Winter Sports, Walk-Run, Still Photography, Overflow Parking, Orienteering, Model Boat, Model Airplane, Fishing Derby, Filming, Equestrian and Dog Events)
Basic Permits	Equestrian Memberships
400+ Picnics	Snowmobile Memberships
Indoor Room Reservation	Dog Memberships

Source: FPDC

⁵ Shawnee County Parks and Recreation, Pros Consulting, Shawnee County Parks and Recreation Master Plan. Kansas, July 2014, p. 71

In conducting a cost recovery analysis, the ultimate goal is to make certain the FPDCC accounts for all contributing ongoing operating expenses, anticipated or planned future investments, and any outside or additional financial constraints or considerations. Direct and Indirect Program costs are elements of the cost recovery analysis. Elements included under these categories are provided below and explained in detail in the following paragraphs.

- **Direct Costs** include specific expenses directly associated with providing a service or facility. These expenses include salaries, wages and benefits for full time and seasonal staff, any contracted equipment, supplies or services and any equipment or supplies associated with the activity.
- **Indirect Costs** include services that support the execution of the direct activities. These include FPDCC overhead including administrative program staff for the permit, rental and concession program, market services and supplies, contracts that support the permit program (e.g. ACTIVE Net), marketing, support from finance, accounting and risk management and recapitalization costs for facility components that are necessary to ensure long term asset life.

The following exhibit outlines which expenses were assessed and their category. Following the exhibit is additional information on the expenses.

Exhibit 35 - 2015 Cost Recovery Analysis: Operational Costs Assessed

Personnel – Direct Support	Personnel – Indirect Support	Non-personnel - Indirect
<ul style="list-style-type: none"> ▪ Permit and Rental Staff ▪ Police ▪ Maintenance and Resource Management ▪ Unscheduled Maintenance (Cleanup) 	<ul style="list-style-type: none"> ▪ Marketing and Communications (Staff) ▪ Overhead (Finance/Legal/Human Resources) 	<ul style="list-style-type: none"> ▪ Port A Let Rental Costs ▪ Garbage Dumping Fees ▪ Utilities ▪ ACTIVE Net ▪ Marketing and Communications (Non-personnel) ▪ Picnic Pavilion Recapitalization

Source: Bronner Group

- **Permit and Rental Staff:** Includes Permit and Rental department staff time spent on different aspects of the permit program, including benefits.
- **Police:** Law Enforcement is estimated as follows:
 - Athletic Permits, Basic Permits and Special Event Permits: Police presence is required at all events and includes a portion of staff time spent at these permitted events. This cost is allocated for all permits except for Special Events >400, as police costs are paid for separately by the user. Assumes 100% of police time dedicated to permits on summer weekends from Memorial Day to Labor Day.
 - Off Leash Dog Areas: one officer for one hour per location per day
 - Equestrian: Eight police checks for two shifts per day for one hour from Memorial Day to Labor Day. Due the equestrian users being a subgroup of trail users, the total salaries were divided by one-third

- Indoor Room Rentals: One officer per hour per shift for the 2nd and 3rd watch
- **Maintenance:** Maintenance staff are involved in landscaping, clean-up, and are onsite at scheduled events. These staff were estimated as follows:
 - Athletic Permits, Basic Permits and Special Event Permits: Two Laborers each working one hour per event (Set-up, Clean-Up, etc.)
 - 400+ Picnics and Special Events: Four Laborers each working one hour per event
 - Off Leash Dog Area: 4 labor hours/week (cleaning and trash pick-up).
 - Snowmobile: Snowplowing and winter port-o-let rental at four sites
- **Unscheduled Maintenance (Cleanup):** Unscheduled maintenance includes an allocation of budget for maintenance staff that were not properly allocated for an event and estimates the gap in staff for events that are typically understaffed. Used only for Athletic Fields Events <400, Basic Permits, and Special Events <400.
- **Resource Management:** One-third of the unpaved trail maintenance costs (equestrians are one-third of users)
- **Overhead:** (Finance/Legal/Human Resources): Includes a portion (7%) of staff time spent on supporting the permit program, including benefits based on their percentage of the overall FPDCC budget.
- **Marketing and Communications (Non-personnel and Staff):** Twenty percent of the General Office promotional budget and one-third of Communications staff time.
- **Port A Let Rental Costs:** Cost included for the provision of Port A Lets onsite at events. Port A Let costs are only included for Athletic Fields, Basic Permits, Special Events <400, and Dog and Snowmobile Memberships. This costs reflects 50 percent of the total port-a-let costs. The balance is part of the general costs for providing general public access.
- **Garbage Dumping Fees:** Includes costs associated for additional FPDCC efforts in removing garbage and waste from events. Garbage dumping fees are only included for Athletic Fields, Basic Permits, Special Events <400, and Indoor Room Rentals. This cost reflects 75 percent of the total garbage dumping fees. The balance is part of the general costs for providing general public access.
- **Utilities:** Utility costs associated with Indoor Room Rentals, such as electricity and running water.
- **ACTIVE Net:** Costs associated with running and maintaining the permitting software program on an annual basis as 6.5% is applied for each transaction
- **Picnic Pavilion Revitalization:** \$100,000 is allocated annually per the FPDCC's Capital Improvement Plan for pavilion and general maintenance related to the picnic pavilions

FPDCC provided to the project team their internally desired subsidy goals, which are the inverse or their expected cost recovery. Based upon the analysis and research conducted by the project team, these subsidy goals are in line with the expectations for services that primarily provide a private benefit. The project team is of the opinion that FPDCC could consider a higher subsidy level for Athletic Permits for Adults, and Basic Picnic Permits as well as Equestrian Memberships.

Exhibit 36 - Subsidy Goals Provided by FPDCC by Permit Type

Type	Current Subsidy Target	Cost Recovery
Athletic – Youth	0-25%	75-100%
Athletic – Adult	0-25%	75-100%
Basic Permit	0-25%	75-100%
400+ Picnics	<0%	100 -125%
Special Event (400-999)	<0%	100 -125%
Special Event (1,000+)	<0%	100 -125%
Indoor Room	<0%	100 – 125%
Filming	<0%	100 -125%
Still Photography	<0%	100 -125%
Model Airplane	<0%	100 -125%
Overflow Parking	<0%	100 -125%
Flying Field	0%	100%
Memberships		
Dog Membership	0%	100%
Snowmobile Membership	<0%	100- 125%
Equestrian Membership	50-75%	25 to 50%

Source: FPDCC, CHMGS and Bronner Group

VALIDATION OF ANALYSIS

The Cost Recovery framework provided by FPDCC is the framework that the project team built upon. The project team evaluated the initial assumptions and over the course of the engagement clarified and refined the assumptions, making necessary changes where appropriate

Revenue Assessment: Based upon the combination of data sources analyzed, the project team has identified that in 2015, FPDCC executed 20,855 transactions. According to data provided to the project team, these permits generated \$1,222,423 in revenue. It is important to note that the large number of permits associated with equestrian membership includes both annual memberships and day passes; day passes are sold to stables for individual trail riders and represent 98% of equestrian memberships.

Exhibit 37 - 2015 Cost Recovery Analysis: Revenue Assessment

Permit Type	Permits Sold	Total Revenue Received
Athletic Permits <400	248	\$ 146,138
Athletic Permits 400+	20	\$ 18,828
Basic Permits	6,485	\$ 701,995
Special Event Permits <400	115	\$ 55,242
Special Event Permits 400+	45	\$ 40,323
Dog Memberships	838	\$ 54,265
Equestrian Memberships	12,656	\$ 57,025
Snowmobile Memberships	27	\$ 1,200
Indoor Room Reservation	451	\$ 147,407
Total	20885	\$ 1,222,423

Source: FPDCC, Bronner Group and CHMGS

Total Operating Costs: Total operating costs for the permit and rental program are approximately \$2,558,986. The majority (65%) of operating costs lie in the area of direct personnel expenses: (27%) PRC Staff Costs, (17%) Staff Maintenance Costs, Unscheduled Maintenance Staff Costs (8%) and (13%) Police Costs.

Subsidy Goal Assessment: Based upon the # of permits issues, resultant revenue and allocated costs, the FPDCC Permit and Rental program is currently operating at a 48 percent cost recovery ratio resulting in a subsidy of 52 percent for this program.

Exhibit 38 - 2015 Cost Recovery Analysis: Operating Costs

Permit Type	Permits Sold	Total Revenue Received	PRC Staff Cost	Staff Maintenance Costs	Port A Let Costs	Garbage Dumping Fees	Unscheduled Maintenance (Cleanup)	Police Costs	Utilities	Applied Overhead (Finance/Legal/H R)	ACTIVE Net	Marketing (Staff)	Marketing (Nonpersonel)	Picnic Pavilion Recapitalization	Total Operating Cost
Athletic Permits <400	248	\$ 146,138	\$ 40,748.06	\$ 9,920	\$ 8,746	\$ 7,853	\$ 7,515	\$ 58,610		\$ 10,776	\$ 9,499	\$ 14,680	\$ 3,885		\$ 172,233
Athletic Permits 400+	20	\$ 18,828	\$ 4,357.19	\$ 800		\$ 633		\$ 6,512		\$ 1,114	\$ 1,224	\$ 1,891	\$ 501		\$ 17,033
Basic Permits	6,485	\$ 701,995	\$ 169,879	\$ 259,400	\$ 137,022	\$ 205,342	\$ 196,520	\$ 65,123		\$ 68,010	\$ 45,630	\$ 70,520	\$ 18,664	\$ 97,592.17	\$ 1,333,701
Special Event Permits <400	115	\$ 55,242	\$ 68,055	\$ 4,600	\$ 5,345	\$ 3,641	\$ 3,485	\$ 65,123		\$ 11,016	\$ 3,591	\$ 5,549	\$ 1,469	\$ 1,730.62	\$ 173,605
Special Event Permits 400+	45	\$ 40,323	\$ 90,466	\$ 3,600						\$ 7,127	\$ 2,621	\$ 4,051	\$ 1,072	\$ 677.20	\$ 109,613
Dog Memberships	838	\$ 54,265	\$ 27,633	\$ 12,480	\$ 1,458			\$ 45,881		\$ 6,851	\$ 3,527	\$ 5,451	\$ 1,443		\$ 104,723
Equestrian Memberships	12,656	\$ 57,025	\$ 21,518	\$ 133,333				\$ 52,612		\$ 15,289	\$ 3,707	\$ 5,729	\$ 1,516		\$ 233,703
Snowmobile Memberships	27	\$ 1,200	\$ 15,403	\$ 8,880	\$ 2,429			\$ 28,987		\$ 3,915	\$ 78	\$ 121	\$ 32		\$ 59,845
Indoor Room Reservation	451	\$ 147,407	\$ 246,553			\$ 14,281		\$ 19,637	\$ 22,558	\$ 23,194	\$ 9,581	\$ 14,808	\$ 3,919		\$ 354,530
Total	20885	\$ 1,222,423	\$ 684,611	\$ 433,013	\$ 155,000	\$ 231,750	\$ 207,520	\$ 342,484	\$ 22,558	\$ 147,292	\$ 79,457	\$ 122,800	\$ 32,500	\$ 100,000	\$ 2,558,986
Costs Percentage by Category			27%	17%	6%	9%	8%	13%	1%	6%	3%	5%	1%	4%	100%

Source: FPDCC, Bronner Group and CHMGS

Exhibit 39 - 2015 Cost Recovery Analysis: Subsidy Goal Assessment

Permit Type	Permits Sold	Total Revenue Received	Total Operating Cost	Net Loss/Gain	Average District Cost to Patron/Event Holder	Average Cost Per Patron/Event to District	Percentage of Cost Recovery	Subsidy Level	Subsidy Level Goal	Currently Meeting Subsidy Goal?
Athletic Permits <400	248	\$ 146,138	\$ 172,233	\$ (26,096)	\$ 589.26	\$ 694.49	85%	15%	0-25%	Yes
Athletic Permits 400+	20	\$ 18,828	\$ 17,033	\$ 1,795	\$ 941.40	\$ 851.64	111%	-11%	0-25%	Yes
Basic Permits	6,485	\$ 701,995	\$ 1,333,701	\$ (631,706)	\$ 108.25	\$ 205.66	53%	47%	0-25%	No
Special Event Permits <400	115	\$ 55,242	\$ 173,605	\$ (118,363)	\$ 480.36	\$ 1,509.61	32%	68%	<0% (Revenue Generating)	No
Special Event Permits 400+	45	\$ 40,323	\$ 109,613	\$ (69,290)	\$ 896.07	\$ 2,435.85	37%	63%	<0% (Revenue Generating)	No
Dog Memberships	838	\$ 54,265	\$ 104,723	\$ (50,458)	\$ 64.76	\$ 124.97	52%	48%	0% (Break Even)	No
Equestrian Memberships	12,656	\$ 57,025	\$ 233,703	\$ (176,678)	\$ 4.51	\$ 18.47	24%	76%	25%-50%	No
Snowmobile Memberships	27	\$ 1,200	\$ 59,845	\$ (58,645)	\$ 44.44	\$ 2,216.47	2%	98%	0% (Break Even)	No
Indoor Room Reservation	451	\$ 147,407	\$ 354,530	\$ (207,122)	\$ 326.85	\$ 786.10	42%	58%	<0% (Revenue Generating)	No
Total	20885	\$ 1,222,423	\$ 2,558,986	\$ (1,336,563)	\$ 58.53	\$ 122.53	48%	52%	N/A	

Source: FPDCC, Bronner Group and CHMGS

Key Findings from Analysis

The recreation industry recognizes the concept of equity informing financial sustainability and the classification of services to encompass public vs. private benefit. The cost recovery framework provided by FPDCC is sound. The project team identified several costs that were not included and updated the cost recovery model to align with industry best practices. The resulting analysis identified that the overall cost recovery framework for the permits and rental programs is 48 percent, which is below the initial programmatic goals. The largest contributor to the cost recovery ratios is the Basic Permit category. Identifying the proper pricing for this permit will have the largest impact on overall cost recovery and long term financial sustainability. Key findings from conducting the cost recovery analysis include:

- **An Inclusive Cost Recovery Framework is Essential for Accurate Planning.** The initial cost recovery analysis conducted by FPDCC included most, but not all, of the operational costs associated with the permit program. Underestimating the expenses associated with each of the permits has an impact not only on the day-to-day budget and cost recovery, but will also impact demand forecasting and long-term investment planning.
- **Operating Costs are higher than Previously Assumed.** Actual costs for managing the permit and rental program were higher than originally estimated in the initial cost recovery exercise. The addition of both direct and indirect expenses identified the importance of recognizing all the costs associated with the program area. This is a key communication message for stakeholders involved in future pricing decisions. The user impacts are real and the costs must match the impacts.
 - The direct cost of stewarding the areas (e.g. Staff Maintenance, Port A Lets, Garbage Dumping fees, and Unscheduled Maintenance) represent forty percent of the overall costs for the program. These costs are a critical element of ensuring FPDCC stewardship and natural resource protection. FPDCC ability to lower these costs while maintaining similar stewardship levels, would enhance overall cost recovery.
- **The Permit and Rental Program is Currently Operating with a Net Loss.** Based upon the cost recovery assessment conducted for 2015, the permit and rental program is currently operating with a net loss of nearly \$1.3 million, while bringing in annual revenue of nearly \$1.2 million through the sale of permits and rentals and operating with estimated costs of \$2,558,986 annually.
- **Subsidy Goals are Not Being Met.** Of the nine categories of evaluation in the cost recovery analysis, only the Athletic Permit category is meeting its desired cost recovery goal. The majority of subsidy goals are over 100 percent short of their goals.
- **A New Pricing Strategy is Necessary to Ensure Financial Stability.** With a current net operating loss of more than \$1.3 million for the permit program, it is critical for FPDCC to develop a new pricing strategy in order to recoup operating expenses, much less generate revenue where desired. Of the nine permit types assessed, eight operate with a net loss. Continuing to operate within the current pricing framework is not sustainable for a successful permit program moving forward.

K. PROPOSED RECOMMENDATIONS

STRATEGIC ISSUES

- **Cost Inclusion and Monitor/Management:** There needs to be agreement that the cost elements included in the cost recovery analysis are appropriate for cost recovery and benchmarks can be set and will be appropriately managed and monitored.
- **Cost Offsets/Other Funding Sources:** The cost recovery model has assumed cost recovery thresholds assuming merit and private benefits. If FPDCC desires to cover some of these costs through other funding sources (e.g. grants, sponsorships, etc.) outside of tax-based income, these funding sources must be identified, secured, and factored into future analysis.
- **Identify and Focus on Revenue Drivers:** Over fifty percent of the revenue comes from the Basic Permit category. Commitment to focusing on ensuring this programmatic area is priced appropriately will be key to future financial sustainability. This programmatic area not only provides fifty percent of the revenue, but also represents fifty percent of the permit program's total operating costs. As such, focusing on ways to enhance and improve this area is key.
- **Policy Changes Take Time and Must Survive Organizational and Political Change:** Pricing and fee policy changes cannot happen overnight. Commitment to moving forward with price increases through an incremental process requires the support of changing political administrations in order to be successful.
- **Managing a 100 Percent Cost Recovery Model Requires Strong Management Practices and Flexible Business Management Infrastructure to Make Decisions:** The permit and rental program is being charged with becoming financially sustainable to the greatest degree. As such, there needs to be a focus on managing all aspects of this program (e.g. staffing, service contracts, support services) in a more dynamic fashion. This means that staffing should align with demand, and supporting services contracts (e.g. garbage, port a lets, etc.) should expand and contract as demand merits. Additionally, the business reporting systems need to be dynamic and allow for monitoring of how progress against revenue goals is occurring.
- **FPDCC Culture Change:** Any changes to the permit and rental program, at both the strategic and operational levels, require all staff within both the program area and supporting the program area to understand the changes in philosophy, approach, and implementation plan. Ensuring that all related staff understand performance metrics and the role they can play in achieving success will be a critical component of success.

TACTICAL RECOMMENDATIONS

- Permit Pricing Cost Recovery Thresholds:** The project team suggest the cost recovery thresholds outlined in the following exhibit for consideration by FPDCC in the development of their pricing structure. The stated cost recovery goals and their resultant rates are a starting point. The resultant prices/rates are then compared to prices/rates charged by other public agencies in the competitive market to evaluate market sensitivity. If cost recovery cannot be achieved immediately due to market factors, the project team recommends that price/rate increases should occur over a minimum of a six to eight year period to achieve the cost recovery goals identified.

Exhibit 40 - Subsidy Goals Recommended by Project Team based upon Recreation Industry Benchmarks

Type	Current Subsidy Target	Cost Recovery
Athletic – Youth	25%	75%
Athletic – Adult	25%	75%
Athletic 400+	25%	75%
Basic Permit	0-25%	75-100%
Special Events <400	<0%	100-125%
Special Events 400+	<0%	125%
Indoor Room	<0%	125%
Filming	<0%	125%
Still Photography	<0%	125%
Model Airplane	<0%	125%
Overflow Parking	<0%	125%
Flying Field	<0%	125%
Memberships		
Dog Membership	0%	100%
Snowmobile Membership	0%	100%
Equestrian Membership	25-50%	50-75%

Source: FPDCC, CHMGS and Bronner Group

- **Resultant Pricing Based upon Recreation Industry Benchmarks:** The project team used the FPDCC cost recovery findings and developed a pricing model based upon the Recreation Industry Benchmarks for the types of activities in the FPDCC permit program. These price points are strictly a function of recreation industry benchmarks to illustrate what the prices should be in order to achieve the FPDCC cost recovery thresholds that are considered suitable for the permit types. These resultant prices are starting point for consideration in the development of recommended prices. The resultant prices are provided in the exhibit on the following page.

Exhibit 41 - Resultant Prices with Cost Recovery Thresholds Based Upon Recreation Industry Benchmarks Applied to FPDCC Permit Categories

Athletic Event Pricing	25-99	Current Application Fee (1)	100%	75%	100-399	100%	75%
Athletic	\$ 175.00	\$ 10.00	\$ 332.48	\$ 233.33	\$ 175.00	\$ 332.48	\$ 233.33
	400-999	Current Application Fee (1)	100%	75%	1000+	100%	75%
Athletic	\$ 550.00	\$ 10.00	\$ 648.21	\$ 486.16	\$ 960.00	\$ 1,131.43	\$ 848.57

Picnic Permit Pricing	25-99	Current Application Fee (1)	100%	75%	100-399	100%	75%
Small Picnic (With Shelter)	\$ 53.00	\$ 10.00	\$ 100.69	\$ 70.67	\$ 105.00	\$ 199.49	\$ 140.00
Small Picnic (Without Shelter)	\$ 37.00	\$ 10.00	\$ 70.30	\$ 49.33	\$ 90.00	\$ 170.99	\$ 120.00
Large Picnic (With Shelter)	\$ 105.00	\$ 10.00	\$ 199.49	\$ 140.00	\$ 105.00	\$ 199.49	\$ 140.00
Large Picnic (Without Shelter)	\$ 90.00	\$ 10.00	\$ 170.99	\$ 120.00	\$ 90.00	\$ 170.99	\$ 120.00

Special Events	25-99	Current Application Fee (1)	100%	125%	100-399	100%	125%
Special Events Below 400	\$ 175.00	\$ 10.00	\$ 549.96	\$ 687.45	\$ 175.00	\$ 549.96	\$ 687.45
	400-999	Current Application Fee (1)	100%	125%	999+	100%	125%
Special Events Above 400 +	\$ 550.00	\$ 10.00	\$ 1,495.11	\$ 1,868.89	\$ 960.00	\$ 2,609.65	\$ 3,262.06

# Hours of Rental	4.00 Half Day					
	M-TH	100%	125%	F/S/SN	100%	125%
Indoor Room Rental Half Day Rates						
Indoor Room Rental (Dan Ryan) (120)	\$ 200.00	\$ 481.02	\$ 601.28	\$ 280.00	\$ 673.43	\$ 841.79
Indoor Room Rental (Thatcher Woods)						
East (Large) (80)	\$ 200.00	\$ 481.02	\$ 601.28	\$ 280.00	\$ 673.43	\$ 841.79
West (Small) (40)	\$ 160.00	\$ 384.82	\$ 481.02	\$ 240.00	\$ 577.22	\$ 721.53
Both	\$ 360.00	\$ 865.84	\$ 1,082.30	\$ 520.00	\$ 1,250.65	\$ 1,563.32
Indoor Room Rental (M. Bieszczat Center)						
Classroom (40)	\$ 60.00	\$ 144.31	\$ 180.38	\$ 100.00	\$ 240.51	\$ 300.64
Community Room (100)	\$ 120.00	\$ 288.61	\$ 360.77	\$ 200.00	\$ 481.02	\$ 601.28
Both	\$ 180.00	\$ 432.92	\$ 541.15	\$ 300.00	\$ 721.53	\$ 901.91
# Hours of Rental	8.00 Full Day					
	M-TH	100%	125%	F/S/SN	100%	125%
Indoor Room Rental Full Day Rates						
Indoor Room Rental (Dan Ryan) (120)	\$ 400.00	\$ 962.04	\$ 1,202.55	\$ 560.00	\$ 1,346.86	\$ 1,683.57
Indoor Room Rental (Thatcher Woods)						
East (Large) (80)	\$ 400.00	\$ 962.04	\$ 1,202.55	\$ 560.00	\$ 1,346.86	\$ 1,683.57
West (Small) (40)	\$ 320.00	\$ 769.63	\$ 962.04	\$ 480.00	\$ 1,154.45	\$ 1,443.06
Both	\$ 720.00	\$ 1,731.67	\$ 2,164.59	\$ 1,040.00	\$ 2,501.31	\$ 3,126.63
Indoor Room Rental (M. Bieszczat Center)						
Classroom (40)	\$ 120.00	\$ 288.61	\$ 360.77	\$ 200.00	\$ 481.02	\$ 601.28
Community Room (100)	\$ 240.00	\$ 577.22	\$ 721.53	\$ 400.00	\$ 962.04	\$ 1,202.55
Both	\$ 360.00	\$ 865.84	\$ 1,082.30	\$ 600.00	\$ 1,443.06	\$ 1,803.83

Other	25 to 399	Current Application Fee (1)	100%	75%	400-499	100%	75%
Day Camp Rates	\$ 30.00	\$ 10.00	\$ 57.00	\$ 42.75	\$ 550.00	\$ 1,495.11	\$ 1,121.33
Model Airplane Rates	\$ 20.00	\$ 50.00	\$ 62.85	\$ 47.14	\$ 550.00	\$ 1,495.11	\$ 1,121.33
	M-F-Day	Current Application Fee (1)	100%	75%			
Overflow Parking	\$ 20.00	\$ 50.00	\$ 62.85	\$ 47.14			
	Sa/Sn/Day	Current Application Fee (1)	100%	75%			
Overflow Parking	\$ 175.00	\$ 10.00	\$ 549.96	\$ 412.47			
	Hourly	Current Application Fee (1)	100%	75%			
Filming (Commercial/TV)	\$ 125.00	n/a	\$ 392.83	\$ 294.62			
Still Photography	\$ 55.00	n/a	\$ 172.84	\$ 129.63			
Memberships		Unit	100%	75%			
Dog Memberships		\$ 55.00	\$ 106.14	\$ 79.61			
Snowmobile Memberships		\$ 25.00	\$ 1,246.77	\$ 935.07			
Equestrian							
Annual Package		\$ 34.00	\$ 139.34	\$ 104.51			
Rider License		\$ 4.00	\$ 16.39	\$ 12.29			
Day Pass		\$ 4.00	\$ 16.39	\$ 12.29			

Additional Fees	Unit
Event Clean-Up Service	\$ 75.00
Specialty Items	
Specialty Items (Up to 5 Items)	\$ 30.00
Specialty Items (+ Five Items)	\$ 75.00

Note (1) Current Application Fees are not included in estimated future price. They would be remain as an additive cost.

Source: FPDCC, Bronner Group and CHMGS

- **Recommended pricing frameworks.** Multiple pricing strategies were considered and evaluated as part of the recommended pricing framework. The following outlines those considered and overall priority thoughts on recommendations.
 - Develop Pricing Strategy Group Size Ranges that Better Reflect Actual Group Size
 - **Concept:** Groups routinely underestimate visitor group size. Changing the visitor group size pricing range would narrow the range for choice.
 - **Pros:** Uses existing reported data to create a category of use that may capture increased group sizes.
 - **Cons:** Groups may still underreport.
 - Recommendation: High Support
 - Change in Policy for Security Deposit
 - **Concept:** Groups typically under represent usage at events. Security deposit language policy and language changed to cover all permit violations including underreporting of group size. For those in violation, the security deposit will be withheld.
 - **Pros:** This policy language may promote additional compliance and potential increase in revenue for proper permit size.
 - **Cons:** Compliance staffing for group size validation would need to be instituted on a random basis to ensure market understands that the FPDCC is serious about this term in the permit application.
 - Recommendation: High Support.
 - Eliminate “Volunteer Clean Up” Crews for 400 + Groups
 - **Concept:** FPDCC desires to encourage compliance with volunteer cleanup crews for large events in the interest of public stewardship and cost containment for clients. However, typically the volunteer cleanup crew does not meet the quality standards expected of FPDCC. As such, this option would be eliminated and a cost would be estimated for this service and added to the contract.
 - **Pros:** Provides for greater certainty of maintenance for large events and also a source of cost recovery for services being provided.
 - **Cons:** Groups may desire to help in mitigating costs.
 - Recommendation: High Support

- Development of Indoor Room Rental Pricing based upon Half Day or Full Day Use
 - **Concept:** Develop pricing to align with actual usage of facilities. Typical blocks midweek could be half day (5 hours) or full day (10 hours). Weekend blocks would likely be full day rates. Weekend rates for facilities would be premium rates.
 - **Pros:** Comparable market and interviews with FPDCC on site staff suggested this is a more market oriented pricing strategy. Provides for appropriate set up, event and breakdown time and would allow for appropriate FPDCC staff planning. Additionally, weekend use is typically for special onetime events where demand is high and market opportunity is greatest.
 - **Cons:** May provide cost prohibitive to some market groups. Could consider scaling three indoor facilities prices (e.g. some facilities provide higher quality elements and fixtures, those would be priced higher) to allow for variable pricing within this segment to support all user groups.
 - **Recommendation:** High Support
- Evaluation of whether Indoor Room Inventory Provides Greater Value as Concession vs. Rental Offering
 - **Concept:** Several of the indoor facilities could be marketed as meeting and wedding destinations that could be placed under an event planner for a share of the proceeds from the event.
 - **Pros:** May result in positive revenue position after evaluating revenue and costs associated with this program area.
 - **Cons:** Unknown as this time
 - **Recommendation:** High Support for Evaluation
- Non Resident Premium
 - **Concept:** Continue the practice of non-resident premiums but evaluate if the ratio should be raised.
 - **Pros:** Competitive market appears to have greater non resident premium. Though market is relatively small, the premiums should match the market.
 - **Cons:** Relatively low based upon small market segment.
 - **Recommendation:** High Support
- Develop Peak and Off Peak Usage Pricing
 - **Concept:** Variable Demand Pricing by Seasonality
 - **Pros:** Recognizes peak use patterns and prices these amenities during peak usage and provides for discounts in off peak periods.
 - **Cons:** Preponderance of usage for all groups is during peak season. Public may not perceive demand pricing as a function of a public agency.
 - **Recommendation:** Medium support for discounting midweek use to spur demand.
 - **Recommendation:** Low Support for Holidays and weekend use.

- Create Prices for Bundles of Specialty Items
 - **Concept:** Specialty items are a typical part of most picnic permit rentals. There are four of five items that are commonly requested. By providing an “up to # of specialty items”, there is an opportunity to create a simpler booking process and additional revenue and service provision for client.
 - **Pros:** Client focused process that provides ease of one stop shopping for the customer. Potential for increased revenue due to “breakage” due to non-booking of total number of items indicated.
 - **Cons:** Clients with lower specialty items purchases may feel like they are being penalized.
 - **Recommendation:** Medium Support
- Provide Critical Permit items directly through FPDCC such as Port a Let and Insurance provision that provides for ease in booking event.
 - **Concept:** Port a Lets are frequently requested item for picnics and special events and FPDCC currently has a service contract for Port a Let rental. By leveraging this relationship and providing a direct referral to a preferred vendor, the FPDCC can provide a nominal surcharge on this element and provide a customer service to the user. Additionally, securing insurance is an issue that many users expressed frustration with as part of the booking process, specifically locating a firm that can understand the issues required and quickly issue a certificate of insurance. FPDCC currently is in discussions with an existing insurance provider to determine a suitable rate and process for implementation.
 - **Pros:** Client focused process that provides ease of one stop shopping for the customer for critical resource protection issue. Potential for increased revenue by providing a surcharge for this service provision.
 - **Cons:** The provision of these two services may require additional reprogramming of the web page and training for staff. There will be internal start up time required to familiarize staff with these attributes and ensure proper compliance remains.
 - **Recommendation:** Medium Support
- Development of a “preferred” vendor lists where vendors volume may result in a benefit to the FPDCC in a percentage of sales
 - **Concept:** Evaluate the current supply of specialty item vendors and identify if an RFP could be issued to provide for standard practices and minor fees to FPDCC for the right to provide services within the FPDCC
 - **Pros:** Provides for a more limited list of vendors, which may provide ease for potential permittees. Could result in opportunity for concession revenue.
 - **Cons:** Would need to ensure vendors were available and equally represented geographically throughout the FPDCC. Also, need to evaluate if margins are large enough to provide for revenue share.
 - **Recommendation:** Medium Support
- Include Costs for Booking On Line Reservations as Separate Cost vs Recovering with Cost Recovery

- **Concept:** The costs associated with providing an on line reservation system are a critical element of a permit and rental systems. The public has experience with paying for services that are available on line. Most public agencies that use reservation systems for overnight accommodations such as campgrounds have a “reservation fee” or “processing fee” included either as a separate line item in the process or embed the costs within the overall price. Presently, the costs of the reservation service are not identified as a separate fee on the permit reservation. As FPDCC evaluates costs recovery, there is an option to take this cost out of the cost recovery and directly ensure that it is recovered through a direct fee.
 - **Pros:** All users of reservation system software, recognize cost of the convenience of the reservation. Provides for 100 percent cost recovery on this expense.
 - **Cons:** Users may consider this a service charge/tax and therefore FPDCC should consider a whole pricing strategy.
 - **Recommendation:** Medium Support
- Consider Decommissioning of Picnic Shelters or Removing from Inventory Lower Use to Reduce Requirement for High Quality Maintenance
 - **Concept:** Presently, the availability of shelters in the inventory create requirements for cleaning and maintaining. A review of permit rentals identifies that some shelters should likely not be used for rentals and would be better off providing availability without rental. FPDCC could experiment with this and identify if usage would be shifted or abused. This would require an evaluation of usage of pavilions and low use pavilions could be taken out of the rental inventory.
 - **Pros:** Provides for lower potential maintenance costs.
 - **Cons:** Could potentially result in misuse by public.
 - **Recommendation:** Medium Support

- Test Concept of “Rent a Naturalist/Interpreter” or “Special Event Ranger” as Part of Birthday Party Packages at Picnic Areas of Shelters.
 - **Concept:** Provide a 30 minute interpretive experience at locations which provide for high levels of natural interpretation and/or adjacent to nature centers. Develop the pricing as an all-inclusive packages and ensure that pricing for ranger services are fully cost recovered.
 - **Pros:** Provides a way for parents to easily include services for a birthday party that relate to the natural environment. Locate at destinations that leverage qualified staff to support. Could provide cost recovery for conservation and experiential programming.
 - **Cons:** Availability of staff from conservation and experiential programming and requirement to focus programs on short interpretive experiences.
 - Recommendation: Medium Support
- Develop “Enclosed Pavilions” through Additional Investment in Tarp and Tenting Systems for Existing Sample of Pavilions
 - **Concept:** There is a small inventory of enclosed structures. Relatively low cost canvas tenting systems can be added to existing pavilion structures.
 - **Pros:** Provides for picnic shelter environments that can be used in shoulder seasons. Relatively low cost experiment which may result in increased revenue.
 - **Cons:** Investment may not pay back and would require alteration of some shelters.
 - Recommendation: Medium Support

- **Program Expansion Opportunities:** The following are preliminary ideas for expanding the market for the permit and rental program including target markets, users, and engagement strategies. The Master Plan will include a prioritization of these options. The goal of this program expansion would be to attract corporate and nonprofit users during the week.

Exhibit 42 - Program Expansion Opportunities

Target Market Areas	Target Market Users	Engagement Strategies
<ul style="list-style-type: none"> • New programs/ services • Geocaching • Adventure-related activities (i.e. zipline) • Major events (run/walks, fundraisers) • Weddings as a destination • Educational tours 	<ul style="list-style-type: none"> • Millennials • Conservation and environmental groups • Seniors • Corporate/business groups • Educational and nonprofit organizations • Youth organizations 	<ul style="list-style-type: none"> • Engage target market publications and events (i.e. wedding magazines and bridal shows) • Utilize social media to facilitate contests or competitions • Have FPDCC staff volunteer at onsite events to promote the District

Source: CHMGS and Bronner Group

- **Operations and Process Change Recommendations:**

- **Technology Changes**

- **Update existing software functionality.** The greatest technology challenge cited by customers and users was the difficulty in using ACTIVE Net to search the calendar for available dates and times for sites. As this is noted as the first element customers are looking for and want to be able to interact with a friendly, easy to maneuver interface, it is essential that a working calendar, with indiscriminate time requirements, be provided. In addition, clear, step-by-step directions for the online permit application process should be provided on the website in an easy-to-find location for customers in order to provide a clear overview and avoid upfront frustration with confusing clarity of application requirements. Current instructions could be tested for feedback with users and the development of tutorial videos could be considered. Additionally, the program management reporting functions from this software for account reconciliation and permit reporting including demand and revenue need to be simplified.
 - **Expand and clarify program information provided online.** Customers often cited difficulty in finding information on sites, facilities, and amenities on the FPDCC website. It is difficult to compare and contrast sites in order to determine what will be a better fit for the customer's needs, as well as determine if a particular site is suitable for the event they are planning. The District should conduct a review of information presented online and redraft as needed in order to provide a complete and user-friendly representation of service information.
 - **Allow for a full online submission process.** Most of the current online permit application process is fully integrated into the ACTIVE Net system. However, various pieces require separate document submission either in-person or via fax or email. Thus, what should be a completely automated, streamlined process that can be completed in one step, is broken up into multiple, separate steps and causes a delay in the application and approval process. It is recommended FPDCC review their submission process and streamline for a full online submission process where possible.

- **Consider other software options.** If the needed changes cannot be made to the ACTIVE net software management system, FPDCC may want to consider other recreation management software systems as a replacement. Other reservation system providers such as Itinio and USdirect could be queried as part of an RFI process to identify if system solutions provide for more effective customer and client interaction and use. Presently, FPDCC is being charged on a per transaction basis based upon the type of transaction made and dollar value. This transaction costs includes the services provided by Active Network including the merchant fees for managing all credit card transactions as well as the provision of the software solution and support. This per transaction fee provides upside for Active and limited benefit for FPDCC as prices and/or volume increases. The software system design costs are one-time costs with potential alterations on a yearly basis all of which can be estimated with reasonable accuracy if the system design elements are clearly understood. As such, FPDCC may want to evaluate a reservation system contract that is firm fixed price such that any additional revenue benefits accrue to FPDCC vs. the software provider. This is an acceptable strategy in the reservation system service industry.

➤ **Process Changes**

- **Move to a rolling application process.** A January 1st start date for the permit application process has benefits and challenges. Customers are accustomed to this current process and plan accordingly for the year based on this established process. However, a firm start date can cause day-of technological glitches, long lines at permit counters, and inflexibility for customer scheduling throughout the year. It is recommended that while the transition may be temporarily uncomfortable for customers, moving from a January 1st start date to a rolling application permit process will be ultimately beneficial and ensure a streamlined, smoother application process for FPDCC and its customers.
- **Offer a list of preferred vendors that are familiar and comply with District policies, guidelines, and regulations.** The average person is not familiar with insurance requirements and the policies and procedures associated with renting specialty items, such as inflatables, and may find the regulatory element of the permit process daunting. This may cause customer frustration, slow down the application process, and take up staff time that can be spent elsewhere. Creating a preferred vendor list for specialty items and insurance companies provides customers with a selection of available, but not required, vendors that are already in compliance with and understand the District's policies. While customers remain free to obtain other vendors, this list can save both the customer and staff time and unnecessary aggravation in event preparation. Evaluate whether this function could be shifted to a concession based revenue share strategy.

- **Plan for additional maintenance staff at attendance-based events.** One of the greatest operational challenges presented was customer underestimation of attendance at the time of permit purchase. It is estimated that this occurs approximately eighty percent of the time for attendance-based permits, which means an appropriate level of maintenance staff are not assigned for cleanup post-event for the vast majority of scheduled events. While budgetary losses and other preventative measures are being addressed, the District may want to consider assigning additional maintenance staff to these events as an internal control, to ensure staff aren't scrambling the day of an event and sites and facilities are prepared in time for the following permit holder.

➤ **Staffing**

- **Increase staff knowledge of and familiarity with facility inventory and ongoing capacity challenges.** While most staff are generally familiar with the sites and facilities operated by the District, it would be beneficial for in-house permit staff to spend time in the field to see the amenities in person. This will assist in internal interdepartmental strategy and challenge discussions, as well help staff in assisting customers better through increased knowledge.
- **Alter staff schedules to be available during hours more convenient for customers.** Many customers who utilize District facilities for events and desire to conduct walk-throughs and see the facilities in advance are not readily available to travel to FPDCC during regular 9-5 hours, which is when most staff are scheduled. FPDCC should consider shifting some staff to alternative schedules in order to provide increased availability for customers to meet with them in person and view sites. Additional hours for consideration include moving a few staff to an 11-7 schedule to allow potential customers to visit after work hours.
- **Increase staff levels to handle current and increased future workload.** Existing permit staff are stretched thin, as is supporting staff such as marketing and communications. As FPDCC looks to expand programming and increase permit usage, it should consider increasing staff levels, particularly in the areas of landscape and maintenance, front line permit staff, and marketing/communications.
- **Consider increasing availability of physical locations to purchase permits.** FPDCC currently offers permit purchases online and at two physical locations. As the District seeks to reach additional audiences, it may consider offering the purchase of permits at convenient, high-traffic locations that are conveniently and centrally located in highly trafficked areas. The potential risk here is spreading staff too thin and/or losing economies of scale at a single site.

KNOWN CHALLENGES AND OPPORTUNITIES

- **Political Realities of Proposed Changes:** In speaking with FPDCC staff, senior leadership, and leadership from competitive and comparable markets, there was a consensus that as long as any proposed changes could be substantiated in their greater benefit to the District, its mission and goals, and FPDCC customers, then most political challenges could be overcome.
 - **Engage leadership and the greater community.** As a public agency, FPDCC should engage the community before major changes are implemented. The cost recovery framework is built upon the idea that public representatives reflect the interest of their constituents and that the constituent interests are queried on key issues affecting them. Presently the FPDCC does not have quantitative or qualitative input from the public regarding the public vs. private benefit of specific service types. Gaining confidence that the public perceives the picnic rental program primarily as a private benefit will be a key element to gain confidence prior to recommending price increases. FPDCC can consider targeted user surveys, town halls, and/or community inputs to gain input when considering new or changes to existing services.
 - **Pricing Policy is only a component part of long-term financial sustainability.** While the pricing policy for Permits, Rentals and Concession is the object of this engagement, their needs to be a broader discussion and likely additional analysis to establish a pricing policy and revenue strategy that supports the overall financial sustainability for the entire FPDCC program of recreational services.

The project team recommends that FPDCC undertake cost recovery analysis for its entire recreational program. As part of this process, there should also be consideration of other funding sources that may be available outside of FPDCC resident taxes, and user fees.

In the short term, the findings of this study should be codified in a policy statement with the recognition that additional work is required to evaluate the entire FPDCC recreational services. This policy document should include the rationale behind the pricing policy, how it fits within the overall framework of the FPDCC objectives and includes the pricing strategy goals. Samples of these types of documents can be found in the Appendix.

- **Benefit of two-way engagement:** Gaining input from FPDCC users is beneficial in two ways – obtaining new ideas and constructive feedback on proposed ideas, while also obtaining customer buy-in by involving them in the development process. Continuing to engage customers on a regular basis is effective customer service and will provide guidance and measurement on the FPDCC's performance. Customer engagement can include town hall meetings, focus groups, customer surveys, and open board meetings, as well as providing a regular flow of information and updates via newsletters, social media, and other standard communication methods.

- **Maintain the FPDCC mission.** Any programmatic, operational, or budgetary changes should first consider its relevance and impact on the FPDCC's mission and goals, within its respective area and overall in balance with the rest of the FPDCC's operations and services. This implies that new services, programs, and approaches may be developed and adopted, but a thorough vetting and thought process must be undertaken before approving, discarding, and finalizing any proposed changes.
- **High-level Messaging:** Above all, the public appreciates and expects a transparent and forthcoming process and provision of substantive information. With this in mind, FPDCC should consider the following approaches while implementing any programmatic, operational, or pricing changes:
 - Be proactive.
 - Be forthcoming with information.
 - Back up decisions with easy to understand reasoning.
 - Continue to obtain user feedback on an ongoing basis.
 - Maintain a firm approach, but remember nothing is permanent.

PRICING RECOMMENDATIONS

The project team has developed the pricing recommendations beginning with the prices which resulted from the recreation industry benchmarks. The project team then evaluated these prices against the position of the resultant prices against the surrounding competitive market prices. This provided the project team and understanding of what level of price increases would be market acceptable based upon both the current FPDCC pricing positions and the competitive market. In most cases, this resulted in the project team lowering the cost recovery threshold below the recreation industry benchmarks.

In developing the recommended prices, the project team evaluated both the overall increase in prices from the current price position as well as the potential number of years it may take to achieve the price position in the future. In general, the project team is of the opinion that it is market acceptable to increase all prices initially at a larger increment and then plan for increases either annually or triennially. These annual increases should equate to the average long term CPI average for Urban Consumers in the U.S. The last 25 years CPI average is 2.3 percent and the most recent ten-year CPI average is 1.8 percent. As such, considering a 10 to 25 percent one-time increase followed by a two percent increase per year thereafter would provide for the total price movement of approximately 30 to 40 percent. The project team has developed the demand and financial model to allow for changing both the cost recovery percentages as well as the initial and annual increases should the project team recommended price points not be supported by FPDCC decisions.

The following exhibits provide the recommended 2017 and 2026 pricing based upon the project teams recommendations and initial input from FPDCC Permits, Rentals and Concession Management team. Following these exhibits is a discussion on nonresident premiums, discussion on off peak pricing and new categories of rates.

Exhibit 43 - Recommended 2017 and 2026 Achieved Prices

Athletic Event Pricing	Current 2016 Prices	No Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026 in 2016 Value Dollars	% Increase from Current Fee
Athletic 25-99	\$ 175.00		\$ 220.00	26%	\$ 250.00	43%
Athletic 99-199			\$ 280.00	n/a	\$ 310.00	n/a
Athletic 200-299			\$ 320.00	n/a	\$ 360.00	n/a
Athletic 300-399			\$ 350.00	n/a	\$ 400.00	n/a
Athletic 400+	\$ 550.00		\$ 690.00	25%	\$ 650.00	18%
Athletic 1000+	\$ 960.00		\$ 1,200.00	25%	\$ 1,000.00	4%

Picnic Permit Pricing	Current 2016 Prices	Current Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026 in 2016 Value Dollars	% Increase from Current Fee
25-99						
Small Picnic (With Shelter)	\$ 53.00	\$ 10.00	\$ 80.00	51%	\$ 80.00	51%
Small Picnic (Without Shelter)	\$ 37.00	\$ 10.00	\$ 60.00	62%	\$ 60.00	62%
Large Picnic (With Shelter)	\$ 105.00	\$ 10.00	\$ 140.00	33%	\$ 150.00	43%
Large Picnic (Without Shelter)	\$ 90.00	\$ 10.00	\$ 120.00	33%	\$ 130.00	44%
100-200						
Small Picnic (With Shelter)	\$ 53.00	\$ 10.00	\$ 100.00	89%	\$ 100.00	89%
Small Picnic (Without Shelter)	\$ 37.00	\$ 10.00	\$ 70.00	89%	\$ 70.00	89%
Large Picnic (With Shelter)	\$ 105.00	\$ 10.00	\$ 170.00	62%	\$ 170.00	62%
Large Picnic (Without Shelter)	\$ 90.00	\$ 10.00	\$ 150.00	67%	\$ 150.00	67%
201-299						
Large Picnic (With Shelter)	\$ 105.00	\$ 10.00	\$ 200.00	90%	\$ 200.00	90%
Large Picnic (Without Shelter)	\$ 90.00	\$ 10.00	\$ 170.00	89%	\$ 170.00	89%
300-399						
Large Picnic (With Shelter)	\$ 105.00	\$ 10.00	\$ 220.00	110%	\$ 220.00	110%
Large Picnic (Without Shelter)	\$ 90.00	\$ 10.00	\$ 180.00	100%	\$ 180.00	100%

Special Events	Current 2016 Prices	No Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026 in 2016 Value Dollars	% Increase from Current Fee
Special Events 25-99	\$ 175.00		\$ 220.00	26%	\$ 250.00	43%
Special Events 99-199	n/a		\$ 280.00	n/a	\$ 310.00	n/a
Special Events 200-299	n/a		\$ 320.00	n/a	\$ 360.00	n/a
Special Events 300-399	n/a		\$ 350.00	n/a	\$ 400.00	n/a
Special Events Above 400 +	\$ 550.00		\$ 690.00	25%	\$ 750.00	36%
Special Events 999+	\$ 960.00		\$ 1,200.00	25%	\$ 1,500.00	56%

Additional Fees	Current 2016 Prices	Application Fee Embedded in Specialty	Proposed 2017 Price
Event Clean-Up Service	n/a		\$ 200.00
Specialty Items	\$10.00 Per Item		
Specialty Items (Up to 3)			\$ 30.00
Specialty Items (Up to 6)			\$ 75.00
Specialty Items (Up to 10)			\$ 100.00
Specialty Items (10+)			\$ 150.00

Indoor Room Rental Half Day Rates M-TH	Current 2016 Prices	No Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026	% Increase from Current Fee
Indoor Room Rental (Dan Ryan) (120)	\$ 200.00		\$ 250.00	25%	\$ 300.00	50%
Indoor Room Rental (Thatcher Woods)						
East (Large) (80)	\$ 200.00		\$ 250.00	25%	\$ 300.00	50%
West (Small) (40)	\$ 160.00		\$ 200.00	25%	\$ 240.00	50%
Both	\$ 360.00		\$ 450.00	25%	\$ 540.00	50%
Indoor Room Rental (M. Bieszczat Center)						
Classroom (40)	\$ 60.00		\$ 75.00	25%	\$ 90.00	50%
Community Room (100)	\$ 120.00		\$ 150.00	25%	\$ 180.00	50%
Both	\$ 180.00		\$ 225.00	25%	\$ 270.00	50%
Indoor Room Rental Half Day Rates F/S/SN	Current 2016 Prices	No Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026	% Increase from Current Fee
Indoor Room Rental (Dan Ryan) (120)	\$ 280.00		\$ 350.00	25%	\$ 400.00	43%
Indoor Room Rental (Thatcher Woods)						
East (Large) (80)	\$ 280.00		\$ 350.00	25%	\$ 400.00	43%
West (Small) (40)	\$ 240.00		\$ 300.00	25%	\$ 350.00	46%
Both	\$ 520.00		\$ 650.00	25%	\$ 750.00	44%
Indoor Room Rental (M. Bieszczat Center)						
Classroom (40)	\$ 100.00		\$ 125.00	25%	\$ 140.00	40%
Community Room (100)	\$ 200.00		\$ 250.00	25%	\$ 290.00	45%
Both	\$ 300.00		\$ 375.00	25%	\$ 430.00	43%

Indoor Room Rental Full Day Rates M-TH	Current 2016 Prices	No Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026	% Increase from Current Fee
Indoor Room Rental (Dan Ryan) (120)	\$ 400.00		\$ 500.00	25%	\$ 600.00	50%
Indoor Room Rental (Thatcher Woods)						
East (Large) (80)	\$ 400.00		\$ 500.00	25%	\$ 600.00	50%
West (Small) (40)	\$ 320.00		\$ 400.00	25%	\$ 480.00	50%
Both	\$ 720.00		\$ 900.00	25%	\$ 1,070.00	49%
Indoor Room Rental (M. Bieszczat Center)						
Classroom (40)	\$ 120.00		\$ 150.00	25%	\$ 180.00	50%
Community Room (100)	\$ 240.00		\$ 300.00	25%	\$ 360.00	50%
Both	\$ 360.00		\$ 450.00	25%	\$ 540.00	50%
Indoor Room Rental Full Day Rates F/S/SN	Current 2016 Prices	No Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026	% Increase from Current Fee
Indoor Room Rental (Dan Ryan) (120)	\$ 560.00		\$ 700.00	25%	\$ 800.00	43%
Indoor Room Rental (Thatcher Woods)						
East (Large) (80)	\$ 560.00		\$ 700.00	25%	\$ 800.00	43%
West (Small) (40)	\$ 480.00		\$ 600.00	25%	\$ 680.00	42%
Both	\$ 1,040.00		\$ 1,300.00	25%	\$ 1,480.00	42%
Indoor Room Rental (M. Bieszczat Center)						
Classroom (40)	\$ 200.00		\$ 250.00	25%	\$ 280.00	40%
Community Room (100)	\$ 400.00		\$ 500.00	25%	\$ 570.00	43%
Both	\$ 600.00		\$ 750.00	25%	\$ 850.00	42%

Other	Current 2016 Prices	No Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026 in 2016 Value Dollars	% Increase from Current Fee
Day Camp 25-99	\$ 30.00		\$ 40.00	33%	\$ 45.00	50%
Day Camp 99-199	n/a		\$ 50.00		\$ 60.00	n/a
Day Camp 200-299	n/a		\$ 60.00		\$ 70.00	n/a
Day Camp 300-399	n/a		\$ 70.00		\$ 80.00	n/a
Day Camp 400 -999	\$ 550.00		\$ 690.00	25%	\$ 750.00	36%
Day Camp 999+	\$ 960.00		\$ 1,200.00	25%	\$ 1,000.00	4%
Other	Current 2016 Prices	No Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026 in 2016 Value Dollars	% Increase from Current Fee
Model Airplane Event Hourly	\$ 20.00		\$ 30.00	50%	\$ 30.00	50%
Model Airplane Day 400-999	\$ 550.00		\$ 690.00	25%	\$ 750.00	36%
Model Airplane Day 1000 +	\$ 960.00		\$ 1,000.00	4%	\$ 1,000.00	4%
Other	Current 2016 Prices	No Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026 in 2016 Value Dollars	% Increase from Current Fee
Overflow Parking M-F	\$ 20.00		\$ 25.00	25%	\$ 30.00	50%
Overflow Parking S-SN	\$ 175.00		\$ 220.00	26%	\$ 280.00	60%
Other	Current 2016 Prices	No Application Fee Embedded in Price	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026 in 2016 Value Dollars	% Increase from Current Fee
Filming (Commercial/TV) Hourly	\$ 125.00		\$ 160.00	28%	\$ 195.00	56%
Still Photography (Hourly)	\$ 55.00		\$ 70.00	27%	\$ 85.00	55%
Low Budget Films (Hourly)	\$ 125.00		\$ 125.00	0%	n/a	n/a
Feature Films (Hourly)	\$ 200.00		\$ 200.00	0%	n/a	n/a

Memberships	Current 2016 Prices	Proposed 2017 Price	% Increase from Current Fee	Future Recommended Price to Achieve Cost Recovery by 2026	% Increase from Current Fee
Dog Memberships	\$ 55.00	\$ 70.00	27%	\$ 80.00	31%
Snowmobile Memberships	\$ 25.00	\$ 30.00	20%	\$ 100.00	75%
Equestrian					
Annual Package	\$ 34.00	\$ 40.00	18%	\$ 70.00	51%
Rider License	\$ 4.00	\$ 10.00	150%	\$ 10.00	60%
Day Pass	\$ 4.00	\$ 5.00	25%	\$ 10.00	60%

Source: FPDCC, Bronner Group and CHMGS

Additional Pricing Recommendations

In addition to recommended pricing by category, the project team developed other pricing recommendations. These are outlined below:

- **Application Fee:** Discussions with FPDCC Permits, Rentals and Concession Fee Management identified that they would like to see the Application Fee embedded within the Picnic Rentals but kept separate for the Special Events, Athletic and Indoor Facilities. The project team is supportive of this strategy and has developed our pricing and forecasting accordingly.
- **Resident vs. Non Resident:** Currently the FPDCC has resident and nonresident rates for some categories. This pricing strategy is common in the market. The project team recommends that FPDCC consider a 50 percent premium to resident rates as the standard that should be implemented by FPDCC.
- **Peak and Off Peak Pricing:** Holiday and weekends are typically the highest use periods for outdoor recreation activities. Typically, the holiday weekends sell out first and have the largest usage rate. Usage data indicates that Saturday and Sundays are peak usage periods. Presently approximately 67 percent of permit demand occurs on Friday, Saturday and Sunday. As such, the project team is of the opinion that premium peak pricing should not be considered but off-peak pricing reductions could be considered. The project team would recommend midweek reductions of up to 25 percent off of the full rates.
- **New Rate Categories:** the project team included several recommendations that result in the creation of new rate categories.
 - **400+ Event Clean up Fee:** This is a requirement that all special events over 400+ have a required cleaning fee. The project team developed this fee by estimating the costs for five staff at 2 hours each at wage grade of \$20.00 for a fee of \$200.00.
 - **Specialty Items:** FPDCC supported a changing in the way that specialty items were charged. For these fees, the special use fee is embedded within the amount and there are four categories (up to 3, up to 6, up to 10 and 10+). The majority of patrons rent approximately three items. Going forward it is recommended that the generator which is necessary for the bouncy structures be excluded in the count of specialty items.
 - **Premium Service Fee for Using Preferred Vendor:** The FPDCC is currently in discussions regarding providing recommended vendors in the areas of port-o lets and insurance. The costs associated with providing these direct services as well as any staffing that are required, need to be determined prior to setting a price for these items.

L. DEMAND AND FINANCIAL ANALYSIS

DEMAND AND FINANCIAL ANALYSIS

Methodology

The scope of services requires the development of a demand and financial model (“model”) to provide FPDCC with insight as to the impact of the proposed pricing recommendations. The project team developed a model that is based upon the demand and pricing positions in place as of 2015, the existing revenue resulting from the pricing positions and the recognition of the costs to deliver these services.

The project team’s model captures both permit demand and proposed pricing. When the project team attempted to recreate the revenue provided by Active by multiplying the # of permits in 2015 against 2015 permit fees it did not yield the 2015 permit revenue. There was a revenue gap of approximately \$331,000. This revenue gap was expected since the Active revenue reports were unable to separate out revenue elements (e.g. application fee, permit fees, special items fees, etc.). Additionally, the project team was unable to identify resident and non-resident revenue separately so our demand model assumes 100 percent resident rates. The demand forecast also does not factor in any discounts provided to certain organizations (e.g. AYSO Soccer is provided discount on field rentals as a long-time partner with FPDCC). Finally, the demand model does not include any revenue from specialty items since the Active data base could not connect # of specialty items to picnic permits.

The project team dealt with these discrepancies by making the assumption that the baseline demand (“2015 DF”) would provide the comparison against the future demand forecast model (“Future DF”). The only items that are changed in the future demand forecast model are the rates and any changes to the way the rates are charged. The one area that the project team was unable implement the changes in the way rates are charged is in the indoor room rentals since there was no available revenue data available identifying indoor room rentals that were half or full days. To deal with this, the project team allocated all indoor room rental to half-day events.

The project team developed a comparative Cost Recovery model (“Future CR”) but it is not possible to compare the 2015 CR to the Future CR since the revenue associated with the Future CR does not include the unknown revenue gap (e.g. Delta between 2015 DF revenue and Active Revenue). Therefore, the project team compared the Cost Recovery on the 2015 DF and Future DF page for analysis purposes.

Provided in the table on the following page is 2015 DF layout that the project team has developed. Following this is the Future DF layout that includes the recommended rates and resultant revenue.

Exhibit 44 - 2015 Demand Forecasting Model

Permit Type	Rate	Number of Permits Purchased	Permit Application Fee	Standalone (Non-attendance Based)				Attendance: 25-99				Attendance: 100-399													
				No. of Permits	Permit Price	M-Fri	Permit Price	Sat/Sun	Permit Price	M-Th	Permit Price	Fri	Permit Price	Sat	Permit Price	Sun	Permit Price								
Athletic (Sporting) Event	Daily	268	\$ 10.00							51	\$ 175.00	5	\$ 175.00	20	\$ 175.00	17	\$ 175.00	95	\$ 175.00	9	\$ 175.00	32	\$ 175.00	19	\$ 175.00
League																		61%		6%		21%		12%	
Adult	Hourly	0	\$ 50.00	0	\$ 20.00																				
Youth	Hourly	0	\$ 50.00	0	\$ 10.00																				
Indoor Room Rental (Dan Ryan)	Hourly	80	\$ 10.00							26	\$ 50.00	8	\$ 70.00	31	\$ 70.00	15	\$ 70.00								
Indoor Room Rental (Thatcher Woods)																									
East (Large)	Hourly	71	\$ 10.00							5	\$ 50.00	9	\$ 70.00	28	\$ 70.00	29	\$ 70.00								
West (Small)	Hourly	20	\$ 10.00							3	\$ 40.00	3	\$ 60.00	5	\$ 60.00	9	\$ 60.00								
Both	Hourly	79	\$ 10.00							34	\$ 90.00	14	\$ 130.00	20	\$ 130.00	11	\$ 130.00								
Indoor Room Rental (M. Bieszczat Center)																									
Classroom	Hourly	30	\$ 10.00							14	\$ 15.00	2	\$ 30.00	10	\$ 25.00	4	\$ 30.00								
Community Room	Hourly	164	\$ 10.00							49	\$ 30.00	24	\$ 40.00	45	\$ 50.00	46	\$ 40.00								
Both	Hourly	7	\$ 10.00							3	\$ 45.00	0	\$ 70.00	3	\$ 75.00	1	\$ 70.00								
Filming (Commercial/TV)	Hourly	19	\$ 10.00	19	\$ 125.00																				
Still Photography	Hourly	4	\$ 10.00	4	\$ 55.00													26%		24%		30.6%		27%	
Model Airplane	Hourly	19	\$ 50.00	19	\$ 20.00													2%		1%		7.1%		3%	
Overflow Parking (M-F)	Daily	6	\$ 50.00			6	\$ 20.00											72%		75%		60.9%		68%	
Overflow Parking (Sat./ Sun.)	Daily	2	\$ 10.00					2	\$ 175.00									0%		0%		1.4%		1%	
																		4%		4%		54%		38%	
Day Camp (Mon- Friday Standard Rates)	Daily	6	\$ 10.00	24 Attendees or Less						2	\$ 30.00		\$ 30.00		\$ 30.00		\$ 30.00	4	\$ 30.00		\$ 30.00		\$ 30.00		\$ 30.00
Small Picnic (With Shelter)	Daily	3012	\$ 10.00	41	\$ -					102	\$ 53.00	116	\$ 53.00	1109	\$ 53.00	939	\$ 53.00	26	\$ 53.00	21	\$ 53.00	403	\$ 53.00	255	\$ 53.00
Small Picnic (Without Shelter)	Daily	740	\$ 10.00	12	\$ -					4	\$ 37.00	10	\$ 37.00	388	\$ 37.00	199	\$ 37.00	2	\$ 37.00	1	\$ 37.00	94	\$ 37.00	30	\$ 37.00
Large Picnic (With Shelter)	Daily	2652	\$ 10.00	14	\$ -					75	\$ 105.00	60	\$ 105.00	492	\$ 105.00	439	\$ 105.00	71	\$ 105.00	66	\$ 105.00	803	\$ 105.00	632	\$ 105.00
Large Picnic (Without Shelter)	Daily	81	\$ 10.00	0	\$ -					1	\$ 90.00	0	\$ 90.00	34	\$ 90.00	15	\$ 90.00	0	\$ 90.00	0	\$ 90.00	19	\$ 90.00	12	\$ 90.00
Special Event Below 400	Daily	65	\$ 175.00	2	\$ -					12	\$ -	6	\$ -	4	\$ -	6	\$ -	13	\$ -	4	\$ -	14	\$ -	4	\$ -
Special Event Above 400 +	Daily	45	\$ 10.00																						
Specialty Items		4864	\$ 25.00	7876	\$ 10.00																				
Dog Memberships	Annually	838		838	\$ 55.00																				
Snowmobile Memberships	Annually	27		27	\$ 25.00																				
Equestrian		0																							
Annual Package	Annually	225		225	\$ 34.00																				
Rider License	Annually	1		1	\$ 4.00																				
Day Pass	Daily	12430		12430	\$ 4.00																				
Total		25754.75																							

Notes:
 Yellow Highlighting indicates data field estimated used in analysis
 Blue Highlighting indicates aggregation of Special Uses
 Light Orange indicates data that was recognized but not used in analysis

Permit Type	Rate	Number of Permits Purchased	Permit Application Fee	Attendance														Revenue			
				Attendance: 400-999							Attendance: 1,000+							Forecasted Gross Revenue	Total Operating Costs		
				M-Th	Permit Price	Fri	Permit Price	Sat	Permit Price	Sun	Permit Price	M-Th	Permit Price	Fri	Permit Price	Sat	Permit Price			Sun	Permit Price
Athletic (Sporting) Event	Daily	268	\$ 10.00	3	\$ 550.00	0	\$ 550.00	5	\$ 550.00	4	\$ 550.00	0	\$ 960.00	1	\$ 960.00	4	\$ 960.00	1	\$ 960.00	\$ 58,790.00	
League																					
Adult	Hourly	0	\$ 50.00																		
Youth	Hourly	0	\$ 50.00																		
Indoor Room Rental (Dan Ryan)	Hourly	80	\$ 10.00																		
Indoor Room Rental (Thatcher Woods)																					
East (Large)	Hourly	71	\$ 10.00																		
West (Small)	Hourly	20	\$ 10.00																		
Both	Hourly	79	\$ 10.00																		
Indoor Room Rental (M. Bieszczat Center)																					
Classroom	Hourly	30	\$ 10.00																		
Community Room	Hourly	164	\$ 10.00																		
Both	Hourly	7	\$ 10.00																		
Filming (Commercial/TV)	Hourly	19	\$ 10.00																		
Still Photography	Hourly	4	\$ 10.00																		
Model Airplane	Hourly	19	\$ 50.00	0	\$ 550.00	0	\$ 550.00	0	\$ 550.00	0	\$ 550.00										
Overflow Parking (M-F)	Daily	6	\$ 50.00																		
Overflow Parking (Sat./ Sun.)	Daily	2	\$ 10.00																		
Day Camp (Mon- Friday Standard Rates)	Daily	6	\$ 10.00		\$ 550.00		\$ 550.00		\$ 550.00		\$ 550.00		\$ 960.00		\$ 960.00		\$ 960.00		\$ 960.00	\$ 240.00	
Small Picnic (With Shelter)	Daily	3012	\$ 10.00																		
Small Picnic (Without Shelter)	Daily	740	\$ 10.00																		
Large Picnic (With Shelter)	Daily	2652	\$ 10.00																		
Large Picnic (Without Shelter)	Daily	81	\$ 10.00																		
Special Event Below 400	Daily	65	\$ 175.00																		
Special Event Above 400 +	Daily	45	\$ 10.00	0	\$ 550.00	0	\$ 550.00	14	\$ 550.00	17	\$ 550.00	1	\$ 960.00	0	\$ 960.00	4	\$ 960.00	9	\$ 960.00	\$ 30,940.00	\$ 109,613.46
Specialty Items		4864	\$ 25.00																		
Dog Memberships	Annually	838																		\$ 46,090.00	\$ 104,723.38
Snowmobile Memberships	Annually	27																		\$ 675.00	\$ 59,844.73
Equestrian																					
Annual Package	Annually	225																		\$ 7,650.00	
Rider License	Annually	1																		\$ 4.00	\$ 233,703.06
Day Pass	Daily	12430																		\$ 49,720.00	
Total		25754.75																		\$ 890,914.20	\$ 2,558,985.80
																					35%

Source: FPDCC, CHMGS and Bronner Group

Exhibit 45 - Future Demand Forecasting Model

Permits and Rentals Demand Forecasting	Rental Rate	Number of Permits Purchased	Permit Application Fee	Standalone (Non-attendance Based)				Attendance: 25-99												Attendance: 100-200					
				No. of Permits	Permit Price	Mon-Fri	Permit Price	Sat/Sun	Permit Price	Monday-Thursday		Friday		Saturday		Sunday		M-Th	Permit Price	Fri	Permit Price	Sat	Permit Price	Sun	Permit Price
										#	Half Day Permit	#	Full Day Permit	#	Half Day Permit	#	Full Day Permit								
Athletic (Sporting) Event	Daily	268	\$ 25.00																						
League																									
Adult	Hourly	0	\$ 50.00	0	\$ 20.00																				
Youth	Hourly	0	\$ 50.00	0	\$ 10.00																				
Indoor Room Rental (Dan Ryan) (120)	Daily	80	\$ 25.00																						
Indoor Room Rental (Thatcher Woods)																									
East (Large) (80)	Daily	71	\$ 25.00																						
West (Small) (40)	Daily	20	\$ 25.00																						
Both	Daily	79	\$ 25.00																						
Indoor Room Rental (M. Bieszczyk Center)																									
Classroom (40)	Daily	30	\$ 25.00																						
Community Room (100)	Daily	164	\$ 25.00																						
Both	Daily	7	\$ 25.00																						
Filming (Commercial/TV)	Hourly	19		19	\$ 160.00																				
Still Photography	Hourly	4		4	\$ 70.00																				
Model Airplane	Hourly	19	\$ 50.00	19	\$ 30.00																				
Overflow Parking (M-F)	Daily	6	\$ 50.00			6	\$ 25.00																		
Overflow Parking (Sat./ Sun.)	Daily	2						2	\$ 220.00																
Day Camp (Mon- Friday Standard Rates)	Daily	6	\$ 13.33							2	\$ 40.00			0	\$ 40.00			0	\$ 40.00			0	\$ 40.00	4	\$ 50.00
Small Picnic (With Shelter)	Daily	3012	\$ 13.33	41						102	\$ 52.50			116	\$ 70.00			1109	\$ 70.00			939	\$ 70.00	26	\$ 65.63
Small Picnic (Without Shelter)	Daily	740	\$ 13.33	12						4	\$ 37.50			10	\$ 50.00			388	\$ 50.00			199	\$ 50.00	2	\$ 46.88
Large Picnic (With Shelter)	Daily	2652	\$ 13.33	14						75	\$ 97.50			60	\$ 130.00			492	\$ 130.00			439	\$ 130.00	45	\$ 121.88
Large Picnic (Without Shelter)	Daily	81	\$ 13.33	0						1	\$ 82.50			0	\$ 110.00			34	\$ 110.00			15	\$ 110.00	0	\$ 103.13
Special Event Below 400	Daily	65	\$ 25.00	2						12	\$ 220.00			6	\$ 220.00			4	\$ 220.00			6	\$ 220.00	5	\$ 275
Special Event Above 400+	Daily	45	\$ 25.00																						
Event Clean-Up Service	Daily	63	\$ 200.00																						
Specialty Items																									
Specialty Items (Up to 5 Items)	Daily	0	\$ 25.00		\$ 30.00																				
Specialty Items (Six or More)	Daily	0	\$ 25.00		\$ 75.00																				
Dog Memberships	Annually			838	\$ 70.00																				
Snowmobile Memberships	Annually			27	\$ 30.00																				
Equestrian																									
Annual Package	Annually			225	\$ 40.00																				
Rider License	Annually			1	\$ 10.00																				
Day Pass	Daily			12430	\$ 5.00																				
Total				20954																					

Notes:
 Blue Highlighting indicates aggregation of Special Uses
 Light Orange indicates data that was recognized but not used in analysis

The findings from the demand and financial analysis requires an evaluation of the revenue differences between the base demand forecast (2015 DF) and the future demand forecast (Future DF) and the resultant changes in the cost recovery percentages.

For this analysis, the project team assumed that the initial delta between the revenue generated from the 2015 DF and the revenue provided from ACTIVE would be the same amount applied to the Future DF model. Since the majority of these items are extras (e.g. additional fees, vendor fees) and the project team did not change the number of permits, it is reasonable to assume that these amounts would stay similar. The project team did not change the # of permits issued based upon any non-market acceptance of price changes. The project team is of the opinion that the demand base for picnic permits is significant and any individuals/entities who chose not to purchase a permit due to price sensitivity could be replaced by another interested individual/entity. On the cost side, the project team has estimated increases in costs that are associated with revenue only (e.g. service fees for Active contract) but has not increased any staff or service fees.

Findings

The exhibit below illustrates that the proposed pricing recommendations could result in an additional \$301,000 of revenue. Overall costs change negligibly and the overall imputed cost recovery increases from 48 percent to 60 percent. The price schedule supporting these is presented in Exhibit 43.

Exhibit 46 - Findings from Demand Forecast 2015 DF vs. Future DF

	Demand Model Imputed Revenue	Delta in Revenue between Active Revenue and Imputed	Estimated Total Revenue (1)	Estimated Costs	Imputed Cost Recovery
2015 DF	\$ 890,914.20	\$ 331,508.66	\$ 1,222,422.86	\$ 2,558,985.80	48%
Future DF 2017 Using % Rate Increase from 2016 to 2017 in 2016 Dollars	\$ 1,191,906.64	\$ 331,508.66	\$ 1,523,415.30	\$ 2,551,521.92	60%
Changes	\$ 300,992.44	\$ -	\$ 300,992.44		12%

Source: CHMGS and Bronner Group