City of Richmond

Report to Council

To:	Parks Recreation & Cultural Services Committee	**Date:**	September 12, 2002
From:	Mike Redpath Manager, Parks - Programs, Planning & Design	**File:**	7200-01
Re:	**Minoru 2 Artificial Turf Playing Field User Fees**		

Staff Recommendation

1. That the *Artificial Turf Sports Field Fees and Charges Schedule* as detailed in Attachment 1 be approved for the October 2002 season.

2. That 60% of the revenue collected from the Minoru 2 Artificial Turf user fees be designated for future field replacement, and deposited in the capital building and infrastructure reserve sub-fund called the Special Sports Reserve Fund, and the remainder of the annual revenue be directed to the Parks operational and administration budgets to off set revenue collection and annual field maintenance costs.

3. That staff be directed to bring forward a phased process for the implementation of outdoor sports field user fees for natural grass playing fields for consideration by Council in 2003.

M. Redpath

Mike Redpath
Manager, Parks - Programs, Planning & Design

Att. 5

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Staff Report

ORIGIN

At the March 25, 2002 Regular Council Meeting, staff were given the following referral R02/6-5 as part of the report: 2002 Operating Budget:

> ***"That the charging for use of existing playing fields, for implementation in 2002, be referred to the Sports Council for review, with consideration being given to implementing fees for the use of the new all-weather field at Minoru Park."***

At the July 22, 2002 Regular Council meeting, the report: *Award of Contract T15390- The Supply and Installation of Artificial Turf Sports Field* was approved. The installation of an artificial turf field at Minoru is now underway with an expected opening scheduled for late October 2002.

The purpose of this report is to first outline a *Potential Sports Field User Fee Model*, second to recommend a *Proposal for the Minoru 2 Artificial Turf Field User Fee Introduction*, and third to present information on the *Considerations for the Implementation of Future Sports Field User Fees.*

ANALYSIS

1. Potential Sports Field User Fee Model

Current fee structure in Richmond

The City of Richmond currently does not charge for use of its outdoor sports fields. Currently in the Lower Mainland, the City of Richmond is the only community, which does not have a field usage fee structure in place. The existing policy #8500 adopted in March, 1978 simply reads:

"It is Council policy that:

The allocation of all outdoor sports playing surfaces including soccer fields, ball diamonds, tracks, tennis courts, and lacrosse boxes, will be coordinated through the Community Services Division in order to:

1. Avoid conflicts of use, double bookings, and overuse;

2. Establish equitable allocation of playing surfaces and facilities to maximize benefits to all concerned."

The City of Richmond and the School District #38 Richmond collectively have over 200 playing field facilities in the cumulative inventory. Collectively the facilities serve the same clientele, and the current harmonized allocation system whereby the City of Richmond allocates, maintains, and monitors usage of the entire inventory simplifies the allocation and maintenance

of these sports field facilities as part of the provision of multi-use neighbourhood and or City owned community parks.

Issues & Challenges

The main issues facing the introduction of user fees are:

- The need for equity in developing the fee structure,
- The need to ensure accessibility to the facilities,
- The need for a detailed program for registration and cost collection,
- The possible ramifications to the City's relationship with existing users and partners.

In consultation with Sports Council (see letter Attachment 2) the demand for high quality, well-drained and lighted facilities is in highest demand in the fall winter season. Sports Council is also opposed to the installation of user fees for field usage.

As part of the Parks, Recreation and Cultural Services Needs Assessment, the community focus groups and survey reported that the implementation of user fees for sports fields received lower support from those between the ages of 35 and 54, and from those who were 65 and over.

Ninety-two percent of the survey respondents indicated that they had used outdoor spaces in Richmond in the past year and 21% claimed to use Richmond's playing fields for organized sports. The following bullets below indicate how survey respondents feel that operating costs for parks, recreation and cultural services can be reduced:

"Support for Reductions In Operating Costs:

- Increase corporate sponsorship 71%
- Increase commercial advertising 62%
- **Implement user fees for sport fields 28%**
- Increase rental charges for facilities 23%
- Increase fees for programs 18%
- Increase admission fees 16%
- Reduce hours of facility operations 15%
- Implement pay parking in parks and facilities 9%

These findings represent a 95% level of confidence, +/- 4.5% - well within industry standards for this type of survey - and means that if the survey were conducted 20 times, the results would be similar 19 times out of 20. (Source: Community Needs Assessment 2002.)"

User Fees

User fees will reduce the reliance on taxes, enhance services above basic level, enhance sustainability of facilities, encourage consistent participation, reflect the true usage of the facilities, provide for additional programs as needs increase, and target resources to high priority needs.

The rising demand for fields and diamonds, and the constraints of limited facilities, requires options designed to balance equitable use of the fields with sustainable use over time. The most viable option is the introduction of sports field user fees.

The literature regarding user fees indicates four general approaches for setting fees and charges;

- the traditional approach, where past precedent is used to justify such fees;
- the recover rate approach, which attempts to recoup a predetermined portion of the expenses for providing and/or operating a facility or program;
- the market driven approach, which is favoured by the private sector and based on what the market will bear; and
- the benefit based approach, where users paying fees to the extent of the benefit they gain from using the facility or program.

Essentially, the more exclusive a facility or program, the more likely a user fee is acceptable. Regardless of the method used, decision-makers must explain and justify their rationale for fee introduction to ensure long-term equitable use and the sustainability of the facility or program.

2. Proposed fee structure for Minoru 2 Artificial Turf Field

Fee Structures in other Municipalities

Table 1 summarizes the fee schedules specific for artificial turf fields at selected municipalities from the Lower Mainland. The predominant approach to charging for user fees in each of the selected municipalities is an hourly charge based on user group type and quality of facility. These municipalities were selected for comparison given that each has a similar artificial turf field installation similar to the one being installed in Richmond.

Table 1 Artificial Turf User Fee Comparison by Lower Mainland Municipalities

City	Commercial		Adults		Youth	
	Non-Prime	Prime	Non-Prime	Prime	Non-Prime	Prime
Coquitlam	$36.50	$50.50	$30.50	$33.70	$23.50	$27.40
North Vancouver	$34.00	$34.00	$24.00	$24.00	$24.00	$24.00
Port Moody	$25.00	$25.00	$25.00	$25.00	$5.50	$5.50
Vancouver	$54.10	$72.10	$27.85	$36.60	$13.65	$18.05
Average	**$37.40**	**$45.40**	**$26.84**	**$29.82**	**$16.66**	**$18.74**
Proposed Richmond	**$37.00**	**$45.00**	**$27.00**	**$30.00**	**$16.00**	**$19.00**

Annual Operating and Life Cycle Sustaining Capital Costs for Minoru 2 Turf Field

The annual operating and maintenance costs for the Minoru 2 turf field are estimated to be approximately $1500.00 per annum. It is interesting to note that while the turf field will allow for 12 months of operation, in comparison the individual sandfield annual maintenance costs at 10 sites are approximately $17,500 a site per annum and are only operational 6 months of the year.

Over the expected 10 to 15 year life expectancy of the artificial turf surface, replacement costs are projected to be $250,000. Combined operational and capital replacement costs for the field over a 10 year period is estimated at $265,000 to $300,000 based on replacing the turf surface, excluding possible inflationary increases.

Based on potential usage for the 2002 fall 28 week season at only 65% capacity usage of the Minoru 2 field, *Table 3* outlines the conservative potential revenue that can be generated using the user fee structure as proposed in table 2. It should be noted that these revenue projections do not include potential commercial revenue, or full field utilisation since demand will only be established after one year of field operation.

Table 3 Revenue Based on Proposed Fees for Minoru 2 Artificial Turf Field:

User Group	User Fee	Estimated 2002 Fall weekly usage	Weekly revenue	Total Revenue @ 28 Week Season
Adult Non- Prime Time	$27.00	N/A	N/A	N/A
Adult Prime Time	$30.00	13 hours	$390.00	$10,920.00
Commercial Non Prime Time	$37.00	N/A	N/A	N/A
Commercial Prime Time	$45.00	N/A	N/A	N/A
Youth Non- Prime Time	$16.00	16	$256.00	$7,168.00
Youth Prime Time	$19.00	22	$418.00	$11,074.00
Potential Revenue Totals	N/A		$1,064.00	$29,162.00

3. Considerations for the Implementation of future Field User Fees – Attachment 3

Attachment 3 presents future considerations for implementation of user fees for natural grass outdoor sports facilities. Also included are participation statistics and a facility inventory. Current maintenance and lighting costs for these facilities are over $350,000 per annum.

FINANCIAL IMPACT

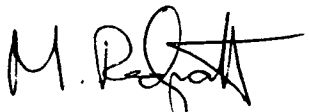
With the implementation of user fees for the 2002 fall/winter playing season at the artificial turf playing field at Minoru Park, potential estimated revenue is approximately $29,000. It is recommended that 60% of the user fees collected be directed to the capital building and infrastructure sub-fund called Special Sports Reserve, which will fund the eventual infrastructure replacement cost of the artificial turf field, and that the remaining 40% be directed towards the annual maintenance and administration costs of operating the facility.

While there are administrative costs associated with implementing and operating the fee schedule, they can be incorporated as part of the existing procedures for fields and diamond bookings.

CONCLUSION

The limited number of sports fields in Richmond coupled with the growing population and participation in outdoor play requires efforts to balance the needs of the residents with ensuring adequate supply of good quality playing fields.

The introduction of user fees for the Minoru 2 artificial turf field will allow the City to financially recover the operating costs and eventual capital replacement cost of the artificial turf field surface. Staff will being forward options for the potential implementation of a recommended user fee structure in 2003 for natural grass facilities. A well thought out fee structure for these facilities will enable the City to provide a wide range of outdoor leisure opportunities through better use of its expertise and resources.



Mike Redpath
Manager, Parks - Programs, Planning & Design

Parthi Krishnan
Research Officer

Attachment 1

Artificial Turf Sports Field Fees and Charges Schedule

Effective October 2002 the following user fee schedule will apply for the Minoru 2 Artificial Turf Playing Field: (**Prime Time=Lit Field **Non-prime Time=Unlit Field)*

Adult: *Prime time: $30.00 /hour, **Non prime time: $27.00 /hour

Commercial: *Prime time: $45.00 /hour, **Non prime time: $37.00 /hour

Youth: *Prime time: $19.00 /hour, **Non prime time: $16.00 /hour

1. ***User fees and charges will be levied so as to recover all or a portion of overall operating costs.***

   - To ensure the user pays all or a portion of the direct operating costs for most recreation services.

2. ***All rates and charges will be adjusted to accommodate the changes in operating and maintenance costs and market place.***

   - To ensure justification is provided for fee charges.

4. ***The General Manager of Parks Recreation and Cultural Services or designate will have the authority to waive or reduce fees and alter fees for services for promotional purposes and to quickly establish fees for experimental services.***

   - To permit the General Manager or designate to make allowances for unusual circumstances.
   - To ensure citizens of Richmond have access to basic services provided by the City regardless of ability to pay.

5. **User Classifications are as follows:**

Community Organizations: A registered not for profit community organization having it's society or association based in Richmond having a minimum of 60% Richmond residents.

Commercial:	**A private organization, business or non-Richmond based organization.**
Adult:	**A community based sports group comprised of participants 19 to 64 years of age inclusive**
Youth:	**A community based sports group comprised of participants 5 to 18 years inclusive**

- To determine the correct charge by age or status of the participant

Attachment 2

LETTER FROM RICHMOND SPORTS COUNCIL TO FINANCE SELECT COMMITTEE

Richmond Sports Council
c/o 6331 Bouchard Court
Richmond BC
V7C 5W3

Finance Select Committee
City of Richmond
British Columbia, Canada

Re: Minutes of the meeting of the Finance Select Committee held on Thursday, July 26th, 2001 -- Item 6 Council Term Goals - Alternative Revenue Options - It was moved and seconded:
That the issue of charging of fees for the use of playing fields be referred to the Sports Council for their input and development of a suggested policy, for report to the Finance Select Committee by October 31st, 2001.

Thank you for referring this issue to Sports Council. The motion was on the agenda of the Richmond Sports Council meeting of September 25th. The following were points of discussion:

1. Richmond Sports Council had previously addressed the issue of user fees in 1999 at which time there was a strong negative response from the user groups. They could not see the justification of charging fees for the use of playing fields. This was reinforced by the fact they do not consider Richmond's fields to be of the highest quality throughout their playing seasons.

2. The City of Richmond Parks, Recreation and Cultural Services is conducting a Community Needs Assessment. A part of this assessment is the question of the will of Richmond residents to pay for suggested improvements in the form of increased taxation or fees and charges. The Sport Groups and User Groups will be part of the 25 Focus Groups planned as part of this process and will offer input on these issues.

It was decided that Sports Council would await the outcome of the Community Needs Assessment before offering their input and development of a suggested policy on the charging of fees for the use of playing fields. We trust that this will be acceptable to the Committee.

Kindest regards,

Cheryl Taunton
Chair

244038

Future Considerations for Implementation of User Fees for Natural Grass Outdoor Sports Facilities

Field Inventory

Attachment 4 lists the comparison table of outdoor sports facilities maintained by the City for 1995 and 2000. While the total number of fields and diamonds increased over the years, the usage and demand for them have kept pace, and often exceeded their supply.

Outdoor play must also contend with the weather, which influences the availability of fields and diamonds. Of the total of 108 fields, only 20 at 10 sites are available for play during the winter season, which currently has over 4200 users. Often, inclement weather causes field closures of the 20 fields useable during winter, resulting in seasonal surges in demand for outdoor sports facilities during this season. The artificial turf field at Minoru will not be subject to closures due to inclement weather.

Sports Participation

Attachment 5 summarises the trends in sports participation in Richmond between 1995 and 2000, below are some of the findings:

- Increases in field sports maintained the high demand for good playing facilities.
- Participation in adult soccer rose by 75.5% for men (the average increase for both Senior and Master's Soccer) and 69% for women respectively between 1995 and 2000.
- Field hockey participation has increased by 28%.
- The largest increase in adult participation for both men and women occurred between 1999 and 2000.
- Adults typically demand and generally have the financial resources to address their demands for high quality facilities.

Other Models of Fee Collection

Several other approaches to implementing user fees are available. These can be grouped as follows.

- No charge for usage – This can be across the board, only for certain individuals or communities such as seniors and community based groups, only for certain facilities (fields versus diamonds, and unlit versus lit), and type of event (regular versus tournament).

- Fixed charges – These can be based on the facility used (per field or diamond), time (hourly, daily or per season), participant (per participant or team), and event (per game or tournament, or a fixed percentage of gate admissions).

- Variable charges – These can be based on the type of facility, grade of facility (grass versus artificial turf, unlit versus lit), time (peak versus off-peak or off season period), and participant (community groups versus private groups, local versus non-local users)

1. Sports Field User Fees Options

The City has several options with regards to sports field user fees. The first is to retain the current practise of not charging any fees. However, the growing demand for good quality sports fields will quickly outstrip their supply. A possible solution is to ballot which user groups have use of the fields. Invariably this will marginalize some user groups and can lead to charges of discrimination laid against the City.

The second option is to introduce a sports field user fee structure that is seen as equitable and balancing the demand for the fields with their supply. Only "quality fields" rather than all playing fields should be included in such a fee structure so that users receive appropriate benefits from paying user fees. This would include potential artificial turfs, lit sand cells, and fields with amenities and lining. The exact definition of quality fields must be clarified prior to the fee structure introduction.

There are several alternatives in developing such a fee structure.

- **Option 1 – A graduated fee structure based on the type and condition of the field.** This fee structure relates directly to the benefit based approach. Such an option can be introduced incrementally with the best fields (e.g. artificial turfs) first to gauge its success before introducing a total fee structure for all "quality fields".

- **Option 2 – A graduated fee structure based on the type of event.** In this option, a general division of fees based on usage during the regular season versus the tournaments and/or special events can be applied to the whole range of "quality fields". One advantage of this option is that fee collection can be done at the team or league level at seasonal intervals, rather than the per use basis of Option 1. Also, this option can be introduced as a total package applicable to all "quality fields", than the incremental approach suggested for Option 1.

- **Option 3 – A fixed rate structure based on per user**. Administratively, this is the easiest of the three options. Equivalent to a standard levy, it can be collected at the beginning of each season. However, it can prove unpopular if teams and leagues feel that they do not get equal time as others to use the better quality fields. Kamloops appears to be the only municipality that uses this option, and charges $10 per participant per season. For Richmond as an example using the average of 7500 annual field sport users, the annual revenue would be approximately $75,000 per annum.

Attachment 4

TABLE 1: COMPARISON OF OUTDOORS SPORTS FACILITIES (RICHMOND 1995-2000), AND FIELD & DIAMOND STATUS (2000)[1]

City of Richmond Outdoor Sports Facility Inventory

Outdoor Sports Facilities			Field Status (2000)					
Facility Type	**1995**	**2000**	**A+:**	**A:**	**B:**	**C:**	**D:**	**Total**
Field,Mini	37	35	3	0	2	26	4	35
Field, Senior	43	56	7	8	6	29	6	56
Diamond, Junior	52	54	0	8	7	34	5	54
Diamond, Senior	52	57	5	18	3	31	0	57
Tennis Courts	35	54						
Lacrosse Box	3	4						
Track - 400 M	1	1						
High Jump Pit	1	1						
Long Jump Pit	2	2						
Triple Jump Pit	2	2						
Javelin Runway	1	1						
Hammer Cage	1	1						
Discus Cage	1	1						
Shotput Circle	1	3						
Skateboard Park		1						
Roller Hockey Court		1						
Total Facilities	**232**	**274**						

	Field	**Diamond**
A+	sand cell with lights	sand cell with lights
A	sand cell without lights	sand cell or skinned without lights
B	clay field with good drainage and maintenance	maintained by user groups, basic maintenance by parks crews
C	clay field with limited drainage and maintenance	not maintained by user groups, basic maintenance by parks crews
D	clay field with poor drainage	poor quality, poor drainage

[1] From REDMS Document #201922

Attachment 5

COMPARISON OF OUTDOORS SPORTS USERS (RICHMOND 1995-2000)[2]

OUTDOOR GROUPS	1995	2000	Difference	Percentage Difference
Soccer				
Girls Soccer	715	863	148	20.70%
Youth Soccer	1625	1684	59	3.63%
Senior Soccer	500	866	366	73.20%
Senior Women's	120	203	83	69.17%
Master's Soccer	80	152	72	90.00%
Subtotal	**3040**	**3768**	**728**	**23.95%**
Baseball				
Arms League	0	494	494	-
Bantam Midget	300	180	-120	-40.00%
South Richmond Minor	700	340	-360	-51.43%
West Richmond Minor	650	303	-347	-53.38%
Senior/Junior	75	95	20	26.67%
Master's	75	75	0	0.00%
Girl's Softball	1450	1375	-75	-5.17%
Boy's Fastball	600	330	-270	-45.00%
Steveston Men's	100	100	0	0.00%
Steveston Women's	45	0	-45	-100.00%
Subtotal	**3995**	**3292**	**-703**	**-17.60%**
Others				
Field Lacrosse	40	55	15	37.50%
Field Hockey	214	274	60	28.04%
Football	135	141	6	4.44%
Subtotal	**389**	**470**	**81**	**20.82%**
Total (Outdoor Groups)	**7799**	**7530**	**106**	**1.43%**

[2] From REDMS Document #201922