COUNTY OF SAN DIEGO

Cost Recovery, Resource Allocation, and Revenue Enhancement Plan

Prepared for the Department of Parks and Recreation
5500 Overland Avenue, Suite 410
San Diego, CA 92123

Prepared by Greenplay LLC
211 North Public Road, Suite 225
Lafayette CO 80026

October 2011
Table of Contents

Executive Summary ............................................................................................................................................. 1
Introduction to the Study ................................................................................................................................. 9
Study Timeline .................................................................................................................................................. 12
Community Profile .......................................................................................................................................... 15
  Background on the County and DPR ............................................................................................................. 15
  Community Profile ....................................................................................................................................... 15
Development of Values .................................................................................................................................. 19
  Identifying the Values of Parks and Recreation, and Refining DPR's Vision Statement .............................. 19
  Review and Analysis of Organizational Values, Vision, and Mission ......................................................... 19
  DPR Mission Statement ............................................................................................................................... 20
  Resulting Values and Vision Statements .................................................................................................... 20
  The Values and Visioning Process ............................................................................................................... 22
Core Service Identification and Provision Strategies ..................................................................................... 23
  Identifying the Core Services and Provision Strategies .............................................................................. 23
  The Public Sector Services Assessment ....................................................................................................... 23
  Service Assessment Process ......................................................................................................................... 24
  Service Assessment Findings ......................................................................................................................... 25
  Service Assessment Management and Provision Strategy Recommendations ........................................... 25
  Recommended Provision Strategies - Defined .................................................................................................. 25
  The Core Service Identification and Provision Strategies Process ................................................................. 26
Financial Resource Allocation Philosophy, Model and Policy .................................................................... 27
  Developing the Financial Resource Allocation Philosophy, Model and Policy .............................................. 27
  Developing a Resource Allocation Philosophy: The Pyramid Methodology .................................................. 27
  The DPR Consensus Pyramid ........................................................................................................................ 29
  Cost Center Pyramids .................................................................................................................................... 29
Traditional Parks and Recreation Operations and Capital Development Funding Sources ........................ 35
  Traditional Tax and Exactions-Based Funding Resources ........................................................................ 35
Traditional Parks and Recreation Earned Revenue Resources .................................................................. 37
  Fees and Charges ......................................................................................................................................... 37
Alternative Parks and Recreation Operations and Capital Development Funding Sources ........................ 39
  Loan Mechanisms ....................................................................................................................................... 39
  Alternative Service Delivery and Funding Structures .................................................................................... 40
  Partnership Opportunities ............................................................................................................................. 40
  Community Resources ................................................................................................................................. 41
  DPR Grant Opportunities .............................................................................................................................. 44
  Community Service Fees and Assessments ................................................................................................... 45
  Contractual Services ....................................................................................................................................... 48
  Permits, Licensing Rights and Use of Collateral Assets .................................................................................. 48
  Enterprise Funds ............................................................................................................................................. 50
  Funding Resources and Other Options ........................................................................................................... 50
<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Saving Measures, “Greening” Practices, and Strategic Initiatives</td>
<td>53</td>
</tr>
<tr>
<td>DPR and the County's Commitment</td>
<td>53</td>
</tr>
<tr>
<td>Cost Saving Ideas</td>
<td>54</td>
</tr>
<tr>
<td>More Cost Saving Ideas</td>
<td>54</td>
</tr>
<tr>
<td>Green Ideas</td>
<td>54</td>
</tr>
<tr>
<td>Suggested DPR Green Practices Implementation Plan</td>
<td>54</td>
</tr>
<tr>
<td>Green Resources, Practices, and Strategic Initiatives</td>
<td>55</td>
</tr>
<tr>
<td>Benchmark Results</td>
<td>57</td>
</tr>
<tr>
<td>Introduction</td>
<td>57</td>
</tr>
<tr>
<td>Analysis of Benchmarking</td>
<td>59</td>
</tr>
<tr>
<td>Benchmarking Highlights</td>
<td>59</td>
</tr>
<tr>
<td>Survey Results and Future Service</td>
<td>61</td>
</tr>
<tr>
<td>Introduction and Methodology</td>
<td>61</td>
</tr>
<tr>
<td>Service Areas</td>
<td>62</td>
</tr>
<tr>
<td>Resident Profile</td>
<td>62</td>
</tr>
<tr>
<td>Key Results</td>
<td>63</td>
</tr>
<tr>
<td>Implementing the Cost Recovery, Resource Allocation and Revenue</td>
<td>69</td>
</tr>
<tr>
<td>Enhancement Plan</td>
<td>73</td>
</tr>
<tr>
<td>Pricing 101: Developing a Pricing Strategy</td>
<td>71</td>
</tr>
<tr>
<td>Comparative Analysis Criteria</td>
<td>74</td>
</tr>
<tr>
<td>Conclusion and Recommendations</td>
<td>75</td>
</tr>
<tr>
<td>The Resulting Policy Statement is the Service Portfolio</td>
<td>75</td>
</tr>
<tr>
<td>Goals, Objective, and Action Items</td>
<td>77</td>
</tr>
<tr>
<td>Context</td>
<td>77</td>
</tr>
<tr>
<td>Timeline</td>
<td>77</td>
</tr>
<tr>
<td>Broad Vision Themes</td>
<td>78</td>
</tr>
<tr>
<td>Theme 1: Policy Strategies</td>
<td>80</td>
</tr>
<tr>
<td>Theme 2: Service Provision and Management</td>
<td>84</td>
</tr>
<tr>
<td>Theme 3: Cost Savings – Cost Avoidance Strategies</td>
<td>87</td>
</tr>
<tr>
<td>Theme 4: Cost Recovery Alignment</td>
<td>90</td>
</tr>
<tr>
<td>Theme 5: Revenue Enhancement</td>
<td>93</td>
</tr>
<tr>
<td>Theme 6: Future Growth</td>
<td>105</td>
</tr>
<tr>
<td>Appendices A through H</td>
<td>112</td>
</tr>
<tr>
<td>Appendix A – Glossary of Terms</td>
<td>115</td>
</tr>
<tr>
<td>Appendix B – The Pyramid Methodology and DPR Pyramids</td>
<td>125</td>
</tr>
<tr>
<td>Appendix C - Categories of Service</td>
<td>137</td>
</tr>
<tr>
<td>Appendix D – Ability to Pay and Sample Fee Reduction/Waiver or Scholarship Policy</td>
<td>141</td>
</tr>
<tr>
<td>Appendix E – Federal and State Funding Resources and Green Resources, Practices, and Strategic Initiatives</td>
<td>143</td>
</tr>
<tr>
<td>Appendix F - Comparative Analysis Criteria</td>
<td>160</td>
</tr>
<tr>
<td>Appendix G – Service Assessment and Service Portfolios</td>
<td>163</td>
</tr>
<tr>
<td>Appendix H – Survey Results and Maps</td>
<td>251</td>
</tr>
</tbody>
</table>
Executive Summary

The primary goal of the County of San Diego Department of Parks and Recreation (DPR) Cost Recovery, Resource Allocation and Revenue Enhancement Plan is to establish organizational sustainability through a logical and thoughtful philosophy that supports the core values, vision, and mission of the department and its community. Due to shrinking tax support, it was critical that DPR conduct this study to ensure the sustainability and the future of our parks and recreation system.

DPR selected GreenPlay LLC to conduct the study because of the proven methodologies and tools developed by the firm. GreenPlay has established the Pyramid Methodology as a model and philosophical approach to allocating the limited taxpayer funds for partial or wholly subsidized services, setting fees, determining partnership or developer contributions, and pursuing alternative funding sources depending on the beneficiary of the service.

Many agencies across the nation are using this methodology, and recognize its benefit and application for all county, municipal, and special district services. Both the Maryland National Capital Parks Planning Commission (M-NCPPC) Montgomery County Department of Parks, and the Montgomery County Department of Recreation recently created their Vision 2030. This plan included a Financial and Service Sustainability Plan for each agency using both the Pyramid Methodology and the Public Sector Service Assessment.

GreenPlay developed the Public Sector Service Assessment as a tool to evaluate an agency’s market strength or weakness for each service within the target market service area. This tool points out duplication of services and where alternate provision strategies may be available. In Utah, Salt Lake County conducted an Organizational Audit in 2009, which included a detailed look at their service portfolio using this tool. In addition, Spokane Washington was one of the first to use this tool.
In addition, the Pyramid Methodology is currently being used in public park and recreation agencies of all sizes and structures across the nation, and is being taught in universities. Arizona State Parks; the Cities of Arlington and Coppell in Texas; South Jordan, Utah; Bismarck, North Dakota; and many others are successfully using this innovative methodology to align taxpayer funding with services.

The Cost Recovery, Resource Allocation and Revenue Enhancement Study included extensive public involvement; benchmarking and research; county-wide needs and market survey; and a critical analysis of current cost recovery, services, and provision strategies. In addition, DPR and the consultant team created a community profile, researched selected “green practices” and cost savings measures, provided information on traditional and alternative funding resources and opportunities, and generated over 100 recommended objectives for 26 goals spanning six themes.

The first step began with a process to identify the value of parks and recreation services for the entire county from the stakeholder’s perspective that meets DPR’s vision for the future:

“A park and recreation system that is the pride of San Diego County”

This study reviewed and assessed all DPR services including programs and facilities, confirmed DPR’s overall mission, created categories of services based upon the level of community versus individual benefit, identified direct and indirect costs, and evaluated current pricing methods.

All of the components of this study directly influence cost recovery and subsidy allocation levels, the establishment of future cost recovery and subsidy allocation goals, and future pricing strategies and methods. This comprehensive review and analysis will assist DPR in refining their service delivery and financial management philosophy as they move forward in efforts to sustain services over both the short and long-term.

Having a Cost Recovery, Resource Allocation and Revenue Enhancement Plan can help DPR answer challenging questions from their stakeholders and governing body. Such questions include:

- Does DPR provide services that align with the community’s values, the vision, and the mission of the organization?
- Does DPR use its resources responsibly, attempt to collaborate with other entities with similar missions, and make efforts to minimize duplication of services when appropriate?
- How will DPR fund services with budget constraints in the future?
- Is DPR using funding in a responsible manner and maintaining a high level of governmental accountability?
- Are DPR services priced to allow for reasonable public access while competing fairly in the market?

**Values, Vision, Mission, and Community Issues**

We conducted a review of the current DPR operating values, vision, and mission, in relation to identified community issues and the perceived value of parks and recreation services regardless of whom or what agency in the county provides the services. Two Leadership Summits were attended by elected and appointed governance leaders, staff and administrative leaders, community advocates, stakeholders, participants, and citizen leaders. The first Summit was held in August 2010 with the goal of providing input that would guide the Cost Recovery, Resource Allocation and Revenue Enhancement Plan’s development.
Having a focused parks and recreation vision and value statements informs both the staff and the public. These fundamental principles guide and direct service provision and resource allocation decision-making. For this reason, the following statements were added to DPR’s Vision Statement.

We will accomplish this vision – “A park and recreation system that is the pride of San Diego County” through the following:

- Increasing awareness of, and appreciation for, the “jewels of San Diego County”: preserves, regional parks, and river valleys.
- Improving the health of San Diego County – environmental, physical, mental, community, and economic.
- Sustaining the current level of service, infrastructure, and a dynamic balance between passive and active recreation.

**Public Outreach**
Throughout the study process, DPR hosted numerous public outreach meetings to gain input from its citizens. Participants were asked to provide feedback on the following areas:

**Key themes for unmet critical needs common within the County of San Diego:**
- Maintain what we have
- Finish what is started and planned
- Build skate parks
- Create dog parks
- Add more trails

**Key themes for the value of parks and recreation:**
- Promotes family
- Contributes to health and fitness
- Brings community together
- Prevents crime
- Increases property values
- Preserves history and environment
- Provides mentorship and volunteerism opportunities
- Gives children something positive to do
- Contributes to the local economy and tourism
- Provides for a legacy for the future
- Creates better citizens

**Service Assessment**
The Service Assessment was an intensive review of all services which led to the development of DPR’s Service Portfolio. The service matrix tool identified those services that are, as well as those that are not, “core” to the values, vision, and mission.

The underlying philosophy of the Service Assessment is based on the assumption that duplication of existing comparable services (unnecessary competition) among public and non-profit organizations can fragment limited resources available, leaving all providers unable to increase the quality and cost-effectiveness of customer services. The Assessment also included identifying management strategies intended to assist DPR in its provision of these services in the future.
The resulting provision strategies for DPR recommend:
- Services to advance or affirm the DPR market position
- Services to pursue collaboration
- Services for complementary development
- Services to invest in to change the market position
- Services to divest

Cost Recovery and Subsidy Allocation
After completion of the Service Assessment, an analysis of current cost recovery and subsidy allocation was conducted. Cost Recovery is the degree to which the operational and maintenance costs of a service is financially supported by user fees and/or applicable funding mechanisms such as grants, partnerships, donations, sponsorships, volunteers, or other alternative funding sources. In contrast, subsidy includes designated parks and recreation or General Fund sources such as sales taxes, property taxes, other taxing mechanisms, or mandatory fees. Subsidy dollars are the community’s investment that provide for the cost of parks and recreation services that are not recovered by either user fees or other forms of alternative funding.

Currently, DPR is projected to operate 18 percent cost recovery, which translates to 82 percent of operations being subsidized by the General Fund and other tax subsidies.

Due to current economic conditions, recent significant reduction in available tax funding, challenges to find capital and maintenance funding, and several major maintenance issues, DPR must find ways to increase its sustainability. A philosophical shift is required to keep pace with current and increasing demands for service and the decreasing subsidy support.

Pyramid Model and Public Involvement
DPR held several public forums where citizen and leadership representatives, along with various stakeholders/user groups representing the San Diego County community, were engaged in workshops. These workshops introduced the Pyramid Methodology, a current best practice approach that assists agencies in identifying a financial management philosophy, which details the level to which all department services should be subsidized, if at all. Participants were asked to rank, in order of the degree of community or individual benefit, and departmental vision and mission, all categorized services for varying populations with varying interests. (DPR’s Pyramid Model is included at the end of this Executive Summary.)

The resulting pyramid model identified minimum target cost recovery percentages for each level intended to account for all direct expenses while working toward increasing the cost recovery of many services. Indirect costs are intended to be covered by taxpayer investment. The intent is to help DPR adjust to the current economic climate and budget reductions, while not decreasing services. Therefore, a heavy reliance on alternative funding sources, as well as aligning pricing strategies, will be warranted.

Service Pricing
As a last step in the financial resources allocation process, DPR staff discussed strategies for service pricing intended to create a consistent, fair, and equitable approach to the development of service fees and charges based upon established cost recovery goals.

The Service Portfolio (Appendix G), details each service, its category of service, recommended provision strategy, cost recovery goal, and pricing strategy.
Cost Recovery, Resource Allocation and Revenue Enhancement Implementation Plan

Lastly, DPR staff developed a measurable multi-year Cost Recovery, Resource Allocation and Revenue Enhancement Plan outlining themes and recommendations intended to put the core service and resource allocation model and pricing strategies into action. This internal working document articulates the goals and objectives that must be achieved to realize the intended results of this comprehensive study. This strategic plan will move DPR forward in a logical and organized way.

DPR’s Cost Recovery, Resource Allocation and Revenue Enhancement Plan will act as an internal work and strategic plan spanning a multi-year period. The Plan will be the implementation catalyst for the Resource Allocation and Core Service Model.

The implementation plan includes six themes with 25 broad-based goals and subsequent, measurable objectives. The six themes include:

- Service Provision and Management
- Cost Savings – Cost Avoidance Strategies
- Cost Recovery Alignment
- Revenue Enhancement
- Policy Strategies
- Future Growth

(Please see the Theme and Goal Matrix on the next page)

Derived from each goal are objectives that lead to the accomplishment of the goal. All action steps detailed are intended to be immediate and ongoing or short-term (1-2 years), while the goals and objectives will span the longer-term (3-5 years and beyond) multiple budget cycles with new action steps and timelines as these are achieved.

The goals and objectives detailed in the plan reflect the County of San Diego issues, priorities, unmet needs, and creative ideas identified through extensive public engagement and staff involvement. Those ideas that were consistently and frequently expressed were included in the recommendations. The recommendations for implementation include the following:

- Adjust pricing and/or seek alternative funding to meet cost recovery goals for each category of service (see pyramid).
- Implement the goals and objectives as outlined in this report (see page 101 for detailed action items).
Theme and Goal Matrix

<table>
<thead>
<tr>
<th>Theme 1: Policy Strategies</th>
<th>Goal 1 – Explore the possibility of creating a self-sustaining fund.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Goal 2 – Adopt the Target Tier Minimum Cost Recovery Percentage as the fiscal methodology for budget preparation, the basis for establishing fees, and public accountability.</td>
</tr>
<tr>
<td></td>
<td>Goal 3 – Adopt the Pricing Strategies as the methodology for fee setting by DPR.</td>
</tr>
<tr>
<td></td>
<td>Goal 4 – Implement a Sponsorship Policy.</td>
</tr>
<tr>
<td></td>
<td>Goal 5 – Implement a Partnership Policy.</td>
</tr>
<tr>
<td></td>
<td>Goal 6 – Revise current park designations.</td>
</tr>
<tr>
<td></td>
<td>Goal 7 – Implement a Scholarship or Fee Waiver Policy.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theme 2: Service Provision and Management</th>
<th>Goal 8 – Implement provision strategies identified through the Service Assessment.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Goal 9 – Explore a systematic approach to and strategies for advancing or affirming market position for identified services.</td>
</tr>
<tr>
<td></td>
<td>Goal 10 – Continue to explore targeted menus of services that are specific to the unique needs of individual communities throughout the county. (Avoid a “one-size-fits-all” approach.)</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theme 3: Cost Savings – Cost Avoidance Strategies</th>
<th>Goal 11 – Continue to develop a consistent methodology and budget planning approach for service management.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Goal 12 – Continue to use “greening” practices that align with the County’s Vision and produce cost effective results.</td>
</tr>
<tr>
<td></td>
<td>Goal 13 – Continue to track and communicate cost of major maintenance.</td>
</tr>
<tr>
<td></td>
<td>Goal 14 – Continue to identify and track the value of volunteers as an alternative revenue source and cost savings measure.</td>
</tr>
</tbody>
</table>

| Theme 4: Cost Recovery Alignment | Goal 15 – Ensure long-term sustainability by focusing taxpayer funding on those services that produce the widest community benefit, using a cost recovery pyramid. |

<table>
<thead>
<tr>
<th>Theme 5: Revenue Enhancement</th>
<th>Goal 16 – Explore alternative funding sources that strategically align with targeted services.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Goal 17 – Use and mobilize available stakeholder groups for fundraising efforts.</td>
</tr>
<tr>
<td></td>
<td>Goal 18 – Explore the use of additional County Service Areas, landscape maintenance districts, or a county-wide open district as a self-imposed taxation mechanism for development or redevelopment funding.</td>
</tr>
<tr>
<td></td>
<td>Goal 19 – Explore the opportunities for and use of Sponsorships through naming rights.</td>
</tr>
<tr>
<td></td>
<td>Goal 20 – Increase marketing and outreach efforts.</td>
</tr>
<tr>
<td></td>
<td>Goal 21 – Explore the options for “Add-On” experiences to enhance customer experience for which there is a willingness to pay.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Theme 6: Future Growth</th>
<th>Goal 22 – Explore new services based on community input.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Goal 23 – Continue a variety of community outreach strategies.</td>
</tr>
<tr>
<td></td>
<td>Goal 24 – Pursue collaborations and partnerships.</td>
</tr>
<tr>
<td></td>
<td>Goal 25 – Explore capital development projects which may yield new revenue streams.</td>
</tr>
</tbody>
</table>

Note: These are not in priority order.
County of San Diego
Parks & Recreation

Cost Recovery Pyramid - 2011
DPR Comprehensive Services

Target Tier Minimum Cost Recovery 100+%:
- Concession/Vending
- Merchandise for Resale
- Private/Semi-Private Lesson
- Rentals – Private
- Long-Term Leases
- Equipment Rentals
- Permitted Services

Mostly Individual Benefit:
- Adult Classes, Workshops, and Clinics
- Rentals – Non-Profit/Civic Groups
- Preschool
- Leased Services
- Trip & Tours

Considerable Individual Benefit:
- Youth & Senior Classes, Workshops and Clinics
- Work Study/Internship/Community Service Program
- Rentals – Government Agencies
- Rentals – Partners
- Long Term Leases – Partners
- Tournaments and Leagues (County Operated)
- Camps/After School Programs

Balanced Community/Individual Benefit:
- Resource Education
- Rentals – Social Services
- Community Centers/Gyms/Teen Centers
- Outdoor Sports Facilities
- Special Events
- Preserves
- Developed Regional Parks
- Developed Local Parks
- Rentals – County (for official county business)
- Volunteer Program
- Inclusionary Services
- Support Services

Mostly Community Benefit:
- Preserves
- Developed Regional Parks
- Developed Local Parks
- Rentals – County (for official county business)

Considerable Community Benefit:
- Resource Education
- Rentals – Social Services
- Community Centers/Gyms/Teen Centers
- Outdoor Sports Facilities
- Special Events
- Preserves
- Developed Regional Parks
- Developed Local Parks
- Rentals – County (for official county business)
- Volunteer Program
- Inclusionary Services
- Support Services

Target Tier Minimum Cost Recovery 80% and up:
- Youth & Senior Classes, Workshops and Clinics
- Work Study/Internship/Community Service Program
- Rentals – Government Agencies
- Rentals – Partners
- Long Term Leases – Partners
- Tournaments and Leagues (County Operated)
- Camps/After School Programs

Target Tier Minimum Cost Recovery 65% and up:
- Resource Education
- Rentals – Social Services
- Community Centers/Gyms/Teen Centers
- Outdoor Sports Facilities
- Special Events
- Preserves
- Developed Regional Parks
- Developed Local Parks
- Rentals – County (for official county business)
- Volunteer Program
- Inclusionary Services
- Support Services

Target Tier Minimum Cost Recovery 0% and up:
- Preserves
- Developed Regional Parks
- Developed Local Parks
- Rentals – County (for official county business)

Copyright © 2001, 2003, 2008 GreenPlay, LLC
Introduction to the Study

In January 2010, the County of San Diego solicited interest and bid proposals from firms to complete a Cost Recovery, Resource Allocation and Revenue Enhancement Study on behalf of the Department of Parks and Recreation (DPR) including an analysis of pricing, operational strategies, and working methodologies for DPR. Six firms responded, and GreenPlay LLC was selected to conduct the study. Notice of award was given on April 29, 2010, and work began with a Strategic Kick-off meeting in May. A total of eleven monthly on-site workshops and meetings were held during the course of the Study, culminating in a presentation to the Board of Supervisors.

DPR used strategies to engage the community representing as much of the County’s diverse population and service areas as possible. During June and July, a series of ten public meetings were held to gather input from users, partners, stakeholders, and citizens across the geography of the county. Ten daytime and evening meetings were held during a two week period with approximately 225 people participating. Additional public involvement opportunities were held in August, November, December, and January. Meetings were held at 4S Ranch, Pine Valley, Fallbrook, Lakeside, Spring Valley, Ramona, Julian, Chula Vista, and Bonita.

The feedback was used to garner interest in and prepare for the first Leadership Summit in August 2010 – an invitation only visioning session to discuss the value of parks and recreation services (regardless of which agency provides the service) and the vision for the future (which community issues DPR should focus on impacting over the next five to ten years). The feedback was also used to shape the community survey questions, and to compare and contrast with those results.
Participants were given a community profile (broad information regarding DPR, socio-economic and demographic information, and the project vision and timeline). They learned about the project process and methodology, and were also asked to provide input about what they value in parks and recreation, as well as the unmet needs in their community.

Key themes for unmet critical needs common within the County of San Diego:
- Maintain what we have
- Finish what is started and planned
- Build skate parks
- Create dog parks
- Build more trails

Key themes for the value of parks and recreation:
- Promotes family
- Contributes to health and fitness
- Brings community together
- Prevents crime
- Increases property values
- Preserves history and environment
- Provides mentorship and volunteerism opportunities
- Gives children something positive to do
- Contributes to the local economy and tourism
- Provides for a legacy for the future
- Creates better citizens
DPR also conducted a statistically-valid survey of the community, using a random sample of 7,500 households, comprised of 1,250 households from six geographical service areas. The results yielded a statistically-valid sampling response size of 501 with response rate of seven percent having a margin of error of approximately +/- 4.4 percentage points calculated for questions at 50 percent response. In addition, another 831 responses were obtained through an open-link version of the survey. The survey tested the nexus of importance and un-met need for facilities and programs, as well as key issues or problems facing the County, tolerance for fees and strategies to maintain current level of service (LOS).

Subsequent chapters of this report chronicle the process of how DPR used the tools and methodologies, public engagement and community survey to develop recommended goals, objectives, and action steps to develop the Cost Recovery, Resource Allocation and Revenue Enhancement Plan. What follows is the study’s timeline.

---

1 For the total sample size of 501, margin of error is +/- 4.4 percent calculated for questions at 50% response (if the response for a particular question is “50%”—the standard way to generalize margin of error is to state the larger margin, which occurs for responses at 50%). Note that the margin of error is different for every single question response on the survey depending on the resultant sample sizes, proportion of responses, and number of answer categories for each question. Comparison of differences in the data between various segments, therefore, should take into consideration these factors. As a general comment, it is sometimes more appropriate to focus attention on the general trends and patterns in the data rather than on the individual percentages.
Study Timeline
On the next page is the study’s timeline.
# San Diego County Parks and Recreation Department

## Cost Recovery, Resource Allocation, and Revenue Enhancement Study – UPDATED (3.5.11)

### Project Phases:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract Negotiations</td>
<td>Phase I Process Requirements</td>
<td>Strategic Kick-off (SKO)</td>
<td>Phase II and III Report Development, Data Gathering Requirements &amp; Data Analysis Requirement</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Project Elements</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Project Milestone</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Phase IV. Report Requirements</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Tentative Dates

- **Notice of Award**: 4/29/10
- **Trip 1**: Start-up Meetings with Staff, Demographics
- **Trip 2**: Public & Staff Input on Values, Community Issues & Vision – Facilitated "Summits" or "Blue Ribbon Committee"
- **Trip 3**: Steering Committee & Staff Consensus on Values, Community Issues & Vision Service Assessment – Staff Training
- **Trip 4**: Identify Public & Private Providers Service Assessment – Facilitated Staff Process
- **Trip 5**: Service Assessment – Mission Development 1st Cost Recovery – Facilitated Staff Process
- **Trip 6**: 2nd Cost Recovery Stakeholder Input – Facilitated "Summits" or "Blue Ribbon Committee" Preliminary Findings Report
- **Trip 7**: 3rd Cost Recovery Session – Facilitated Staff Process

### Summary of GreenPlay Trips

- **Trip 1**: FG Trip 1 Enhanced outreach to regions & un-incorporated county areas
- **Trip 2**: FG Trip 2 Enhanced outreach to regions & un-incorporated county areas
- **Trip 3**: FG Trip 3 Enhanced outreach to regions & un-incorporated county areas

### Information Gathering

- **Focus Groups (added scope)**: X
- **Identification of Core Business Functions through Refinement of Organizational Values, and Vision**: X
- **Statistically-valid survey (added scope)**: X
- **Community Profile**: X
- **Public Sector Service Assessment**: X
- **Pyramid Methodology**: X
- **Alternative Funding Strategies and Sources**: X
- **Policy Development**: X

### Final Schedule/Workplan

- **Final Study Presentation to Board of Supervisors**: Trip 9
- **Draft Study Report DPR Review & Revisions**: Trip 8
- **Develop Study Report DPR**: Trip 7
- **Develop Recommendations and Prepare Draft Study Report**: Trip 6
- **Identify Partnerships & Revenue Enhancement Opportunities**: Trip 5
- **Benchmarking, Trends & ‘Greening’ Impacts**: Trip 4
- **Evaluate & Compare Key Fees Components & Structures**: Trip 3
- **Pricing Methodologies**: Trip 2
- **Develop Cost Recovery, Resource Allocation & Revenue Enhancement Study Draft Report & Presentations**: Trip 1

---

**Notes:**

- X Project Elements
- Project Milestone
Community Profile

Background on the County and DPR
The County of San Diego covers over 4,200 square miles and serves a population of over three million people. The diverse landscape moves from desert to forests, from beaches to mountains, and wetlands to savannas, with canyons and rivers meandering throughout.

The system includes an array of local and regional parks and primitive and modern campground, all of which are natural treasures, creating a buffer and respite, educating stewards of the land, and serving critical environmental protection concerns. Recreation facilities range from community, teen, and senior centers, each celebrating the unique flavor of the surrounding community, to multi-field sports complexes. Services include nature and resource education programs led by professional park rangers, special events, tournaments and leagues, and all varieties of leisure pursuits.

Community Profile
The following community profile was distributed at all public and stakeholder meetings, as well as the Leadership Summit.
AGING PROFILES
The County of San Diego Department of Parks and Recreation (DPR)
Director: Brian Albright
Operating Budget: $30 million
Capital Improvement Projects Budget: $53 million

Revenue Sources:
• Property taxes (goes directly to County Service Area budgets)
• Retail sales
• Rents & Concessions
• Grants for non-capital purposes
• Capital Projects
• Park Land Dedication Ordinance Funds
• County Service Areas
• Park & Camping Fees
• Recreation Program Fees
• Land Development Fees
• Employee Maintenance - Charges to DPR employees for living in County Owned housing
• Donations
• General Purpose Revenue (on-going and one-time)
• LUEG Fund (one-time funding)
• Miscellaneous (other)

Facilities and amenities operated/managed by DPR:
• 8 camping parks
• 7 regional picnic parks
• Over 44,000 acres of parkland and open space
• 326 miles of trails
• 2 historic adobes
• 10 historic park sites
• 34 local parks
• 5 community recreation centers
• 2 teen centers
• Operate and maintain the grounds and recreation features at all County parks, preserves and centers.

2009-10 ANTICIPATED ACCOMPLISHMENTS
STRATEGIC INITIATIVES
• Kids
• The Environment
• Safe and Livable Communities
Required Discipline – Fiscal Stability
Required Discipline – Regional Leadership

This Cost Recovery, Resource Allocation, and Revenue Enhancement Study will identify core services, identify duplication in services, recommend provision strategies, determine resource allocation, and recommend pricing strategies. It will enhance County partnerships and help meet the future needs of the San Diego County residents, and those who work and visit the community. The project includes conducting an inventory and analysis of all parks and recreation service offerings in relation to the values, vision, and needs of the community, as well as their position in the market, and reaffirms the department’s mission.

The Study will focus on short and long-term implementation strategies that enhance service delivery, efficiently and effectively utilize the community’s investment for critical parks and recreation needs, and identify collaborative efforts. This study aligns available and future resources with core services and commitments to include desired level of service, sustainable fiscal and environmental stewardship, and industry best practices in operating and maintaining the department’s infrastructure. The process will produce a systematic implementation plan to ensure the Department is moving in the right direction to meet the needs of the San Diego County community.

San Diego County covers 4,261 square miles, approximately the size of the state of Connecticut, extending 75 miles along the Pacific Coast from Mexico to Orange County and inland 75 miles to Imperial County along the international border shared with Mexico. Riverside and Orange counties form the northern border. It is the southwestern most county in the contiguous 48 states.
San Diego County is the second largest county by population in California and the fifth largest county by population in the country, as measured by the U.S. Census Bureau.

Total population of the county has grown 12.8% since 2000.

Population growth has averaged 1.2% over the past 9 years.

Growth has ranged from a high of approximately 1.9% in 2002 to a low of approximately 0.8% in 2006.

Natural increase is the primary source of population growth as well as the change in population is net migration (both foreign and domestic) which has varied dramatically in the past 10 years.

The regional population for 2030 is forecasted to be 3.9 million according to the San Diego Association of Governments (SANDAG) based on its 2050 Regional Growth Forecast released in February 2010, a 38% increase from calendar year 2000.

(CAO Proposed Operational Plan Fiscal Years 2010-2011 & 2011-2012)

“Urban Parks are where vast numbers of persons are brought closely together, poor and rich, young and old... each individual adding by his mere presence to the pleasure of all others.”

Frederick Law Olmsted,
Father of Landscape Architecture, 1870

![Image from San Diego County Operational Plan](Image from San Diego County Operational Plan)
SANDAG projects that in 2030, San Diego’s population breakdown will be 41.9% White; 37% Hispanic; 11.4% Asian and Pacific Islander; 5.4% Black; and 4.3% all other groups.

The age cohort with highest percentage of the population is the 25-44 age group, (28.6%). It is projected that this age group will remain the highest percentage of the population by 2030 as well.

SANDAG also projects a dramatic shift in the age structure of the county. It is projected that the population of residents 65 years and older will increase 86% by 2030.

In 2008 the median age of San Diego County’s household population was 34.2 years old. The percentage of males and females is even, with 50 percent each.

The highest percent of annual household income in San Diego Region earns between $30,000-$44,999 (16%) or $15,000-$29,999 (16%). The $75,000-$99,999 household income cohort was ranked second at, 12% of the population. (SANDAG)

Median household income in 2009 for the County was $63,026. (CAO Proposed Operational Plan Fiscal Years 2010-2011 & 2011-2012)
Development of Values

*Identifying the Values of Parks and Recreation, and Refining DPR’s Vision Statement*

A Leadership Summit made up of invited participants from across the County representing elected and appointed officials and staff from governance sectors, partners, citizens, and interested stakeholders, and the County’s professional park and recreation staff, was convened on August 11, 2010 at the City Public Utilities Building.

For the Values and Visioning Leadership Summit, there was representation from the following groups:

- County Board of Supervisors offices
- DPR Director and Executive Staff
- County Department Directors
- Various City Parks and Recreation leaders
- Industry partners
- Community members

Thirteen tables of six to seven participants each; 85 people representing the three perspectives – governance, citizen, and staff – discussed and shared their opinions on the value of parks and recreation regardless of which agency provides the services.

In addition, a Values and Vision Employee Summit was conducted on August 10, 2010 in which 75 staff shared their perspectives.

The groups used the following guiding questions:

**Values Questions**

1. What is NOT the role of parks and recreation in the community?
2. What community issues or problems exist that parks and recreation can address?
3. What is the value of parks and recreation to the community? What positive outcomes can parks and recreation influence?

**Review and Analysis of Organizational Values, Vision, and Mission**

These fundamental principles create a logical philosophical framework that guides and directs decision-making efforts. They are the foundation for all organizational decisions and processes.

DPR’s values are comprised of leadership values, staff values, and community values. They direct DPR’s vision and help determine those community conditions DPR wishes to impact through the organizational mission. DPR’s mission helps guide management decisions, often substantiating difficult decisions, making them justifiable and defensible.
The County of San Diego previously established a series of guiding statements and principles that were reviewed, analyzed, and considered as the process advanced. These include DPR’s mission, vision, core values, and community issues.

**DPR Mission Statement**

“We enhance the quality of life in San Diego County by providing opportunities for high level parks and recreation experiences and preserving regionally significant natural and cultural resources.”

**Resulting Values and Vision Statements**

These statements were based on input from the August Leadership Summit, Employee Summit, July public focus groups/stakeholder meetings, and updated August 20, 2010.
Values and Vision Statements

The Value of Park and Recreation services to the San Diego County community is: (in no particular order)

Community:
- Parks and community centers reflect a diverse and positive community identity.
- Safe and well-maintained park facilities promote family-friendly recreation, reduced crime, cultural harmony, and community spirit.
- A physically and socially connected community encourages active and involved stewards and citizens.
- Innovative programming pro-actively responds to changing demographics while addressing current trends in support of each community’s identity; thus fostering ownership.

Health:
- Parks and recreation opportunities foster healthy lifestyles, build self-esteem, reduce stress, and provide positive alternatives for youth.
- Passive and active recreation experiences promote healthy aging and socialization.

Environmental:
- Parks and open space areas help protect natural resources and wildlife, enhance water and air quality, and improve overall community livability.
- Park visitors have the opportunity to learn about the environment first hand and take those lessons home with them.

Economic:
- Parks enhance property values, contribute to healthy and productive workforces, and help attract and retain businesses.
- A financially sustainable park system will leverage taxpayer investments by using volunteers and other alternative funding sources.

Leadership:
- DPR will model sustainable practices to ensure our legacy and connect the County through accessible service.
- DPR will cultivate cost effective and innovative opportunities by capitalizing on strategic collaborations and partnerships.

Vision

A park and recreation system that is the pride of San Diego County

We will accomplish this through the following:
- Increasing awareness of, and appreciation for, the “jewels of San Diego County”: preserves, regional parks, and river valleys.
- Improving the health of San Diego County— environmental, physical, mental, community, and economic.
- Sustaining the current level of service, infrastructure, and a dynamic balance between passive and active recreation.
The Values and Visioning Process
Week of June 1, 2010
Strategic Kick Off
• Confirmed Study schedule
• Determined Critical Success Factors
• Determined staff and stakeholder participation

Weeks of June 28, 2010 and July 5, 2010
Public Focus Groups
• Introduced the Cost Recovery, Resource Allocation and Revenue Enhancement Study
• Discussed the Study’s Critical Success Factors
• Obtained preliminary input on the Values of Park and Recreation
• Obtained preliminary input on the Critical Issues facing San Diego County that DPR can influence
• Obtained preliminary input on the Vision for Park and Recreation Services in the County

Week of August 9, 2010
Values and Vision Summits
• Conducted Leadership Summit
• Conducted Employee Summit
• Consolidated information from Summits and Public Focus Groups
• Enhanced existing Values and Vision Statements
Core Service Identification and Provision Strategies

**Identifying the Core Services and Provision Strategies**

DPR trained a cross section of staff members to learn how to use the Public Sector Services Assessment tool, understand its market segment and strength or weakness of its position within that market, and identify alternative providers, core services, and optional provision strategies. The participating group was comprised of staff from various DPR functional areas including Park Operations, Community and Teen Center Operations, Recreation, Sports and Athletics, Development, Administration, and Finance. The team was also assisted by several support staff members.

The use of the Service Assessment tool to identify core services and potential provision strategies included a significant number of educational workshops and required extensive time and effort by many DPR staff. Educational workshops rooted in the values and vision statements were the foundation for the development and use of the assessment tool. These sessions introduced each component of the process and engaged internal stakeholder groups in interactive dialogue and exercises.

Engagement was critical to collective “buy-in,” consensus, and endorsement of the process. These workshops provided the groundwork for many intensive work sessions and ultimately, for the recommended Service Portfolio (Appendix G), a compilation of the tool and the Pyramid Methodology.

**The Public Sector Services Assessment**

Public agencies have not traditionally been thought of as organizations needing to be competitively oriented. Unlike private and commercial enterprises which compete for customers (and whose very survival depends on satisfying paying customers), many public and non-profit organizations operate in a non-market, or grants economy – one in which services may not be commercially viable. In other words, the marketplace may not supply sufficient and adequate resources.

In the public sector, customers (taxpayers) do not decide how funding is allocated and which service gets adequate, ongoing funding. In fact, many public agencies and non-profits can be considered "sole-source," the only place to get a service, so there is little to no market saturation. Therefore, the potential exists for apathetic service enhancement and improvement. Consequently, public and non-profit organizations have not necessarily had an incentive to question the status quo, to assess whether customer needs were being met, or to examine the cost-effectiveness or quality of available services.

The public sector and market environments have changed, funders and customers alike are beginning to demand more accountability; both traditional (taxes and mandatory fees) and alternative funding (grants and contributions) are getting harder to come by, even as need and demand increases. This increasing demand for a smaller pool of resources requires today’s public and non-profit agencies to rethink how they do business, to provide services where appropriate, to avoid duplicating existing comparable services, and to increase collaboration, when possible. In addition, organizations are leveraging all available resources where possible.
The Public Sector Services Assessment is an intensive review of organizational services including activities, facilities, and parklands that leads to the development of DPR’s Service Portfolio. Additional results indicate whether the service is core to DPR’s values and vision, and provides recommended provision strategies that can include, but are not limited to, enhancement of service, reduction of service, collaboration, and advancing or affirming market position. This assessment begins to provide a nexus relative to which services are central to DPR’s purpose. The process includes an analysis of: each service’s relevance to DPR’s values and vision, DPR’s market position in the community relative to the market, other service providers in the service area, including quantity and quality of provider, and the economic viability of the service.

Based on the MacMillan Matrix for Competitive Analysis of Programs\(^2\), the Public Sector Services Assessment Matrix is a valuable tool that is specifically adapted to help public agencies assess their services. The MacMillan Matrix realized significant success in the non-profit environment and has led to application in the public sector. The Public Sector Agency Services Assessment Matrix is based on the assumption that duplication of existing comparable services (unnecessary competition) among public and non-profit organizations can fragment limited resources available, leaving all providers too weak to increase the quality and cost-effectiveness of customer services. This is also true for public agencies.

The Public Sector Agency Service Assessment Matrix assumes that trying to be all things to all people can result in mediocre or low-quality service. Instead, agencies should focus on delivering high-quality service in a more focused (and perhaps limited) way. The Matrix helps organizations think about some very pragmatic questions.

Q: Is DPR the best or most appropriate organization to provide the service?
Q: Is market competition good for the citizenry?
Q: Is DPR spreading its resources too thin without the capacity to sustain core services and the system in general?
Q: Are there opportunities to work with another organization to provide services in a more efficient and responsible manner?

**Service Assessment Process**

DPR created a Service Menu that listed each program, activity, or facility provided to the community by DPR. This Service Menu is the preliminary step in the evolution of DPR’s comprehensive Service Portfolio, which inevitably includes not only the individual service and recommended provision strategy, but also the category of service to which each service belongs, cost recovery goal, and pricing strategy as identified using the Pyramid Methodology.

This intensive review of organizational services led to the development of DPR’s Service Portfolio and identified those services that require taxpayer investment and are “core” to the values, vision, and mission of DPR.

---

\(^2\) Alliance for Nonprofit Management
The underlying philosophy of the Service Assessment is based on the assumption that duplication of existing comparable services (unnecessary competition) among public and non-profit organizations can fragment limited resources available, leaving all providers unable to increase the quality and cost-effectiveness of customer services. The Assessment also included management strategies intended to assist DPR in its provision of these services in the future. As an outcome of the Service Assessment, the following preliminary provision strategies were identified. These will help inform the development of specific recommendations.

**Service Assessment Findings**

The findings indicate that:

- DPR has done an exemplary job at weeding out duplicative and un-productive services.
- Some programs and services may not have a strong market positions, and further evaluation for alternate provision strategies may be warranted.
- Many social services offered through cooperative partnerships would be difficult to continue to offer through DPR if the partnerships or funding were discontinued.

**Service Assessment Management and Provision Strategy Recommendations**

The resulting provision strategies for DPR recommend:

- Services to advance or affirm the DPR market position
- Services to pursue collaboration
- Services for complementary development
- Services to invest in to change the market position
- Services to divest

**Recommended Provision Strategies - Defined**

**Affirm Market Position** – a number of (or one significant) *alternative provider(s)* exists, yet the service has *financial capacity* and DPR is in a *strong market position* to provide the service to customers or the community. Affirming market position includes efforts to capture more of the market and investigating the merits of competitive pricing strategies. This includes investment of resources to realize a financial return on investment. Typically, these services have the ability to generate excess revenue.

**Advance Market Position** – a smaller number or no *alternative providers* exist to provide the service, the service has *financial capacity*, and DPR is in a *strong market position* to provide the service. Primarily due to the fact that there are fewer, if any, alternative providers, advancing market position of the service is a logical operational strategy. This includes efforts to capture more of the market, investigating the merits of market pricing, and various outreach efforts. Also, this service could generate excess revenue by increasing volume.

**Divestment** – DPR has determined that the service *does not fit* with the values and vision, and/or DPR has determined it is in a *weak market position* with little or no opportunity to strengthen its position. Further, DPR deems the service to be contrary to their interest in the responsible use of resources, therefore, DPR is positioned to consider divestment of the service.
**Investment** – investment of resources is DPR’s best course of action as the service is a *good fit* with values and vision, and an opportunity exists to strengthen DPR’s current *weak market position* in the marketplace.

**Complementary Development** – the service is a *good fit*, a number of or one significant *alternative provider(s)* exists which provide the service, DPR is in a *strong market position* to provide the service, yet it *does not* have *financial capacity*. “**Complementary development**” encourages planning efforts that lead to complementary service development rather than duplication, broadening the reach of all providers. Although there may be perceived market saturation for the service due to the number or like services of alternative providers, demand and need exists justifying the service’s continued place in the market.

**Collaboration** – DPR determines that the service can be enhanced or improved through the development of a collaborative effort as DPR’s current *market position is weak*. Collaborations (e.g., partnerships) with other service providers (internal or external) that minimize or eliminate duplication of services while most responsibly using DPR resources are recommended.

**Core Service** – these services *fit* with DPR’s values and vision, there are *few if any alternative providers*, yet DPR is in a *strong market position* to provide the service. However, DPR *does not* have the *financial capacity* to sustain the service outside of General Fund support, and the service is not deemed to be economically viable. These services are “*core*” to satisfying DPR’s values and vision typically benefiting all community members, or are seen as essential to the lives of under-served populations.

**The Core Service Identification and Provision Strategies Process**

**Week of August 30, 2010**

**DPR Staff Educational Workshops**

- Presentation of the Public Sector Services Assessment Methodology
- Identification of DPR services including programs and facilities through a Services Analysis
- Identification of alternative service providers through a Services Analysis

**Week of September 27, 2010**

**DPR Staff Process Workshops**

- Processing each of the County’s service through each of the Service Matrix filters
- Identification and discussion of resulting provision strategies
- Review of DPR’s current Mission Statement and suggested revisions as appropriate
Financial Resource Allocation Philosophy, Model and Policy

Developing the Financial Resource Allocation Philosophy, Model and Policy

DPR trained a cross section of staff members to learn how to use the Pyramid Methodology tool, to identify broad categories of like or similar service, and to understand the beneficiary filter. The participating group was comprised of staff from various DPR divisions including Park Operations, Community and Teen Center Operations, Recreation, Sports and Athletics, Development, Administration, and Finance. The team was also assisted by several support staff members. In addition to staff, members of the leadership summit and public participants across the county sorted the broad categories of service by beneficiary.

The use of the Pyramid Methodology tool to sort categories of services and determine current and minimum target cost recovery thresholds included a significant number of educational workshops and required extensive time and effort by many DPR staff. Educational workshops rooted in the values, vision, and mission statements, and to what degree the community as a whole or an individual benefited, formed the foundation for development and use of the pyramid tool. These sessions introduced each component of the process and engaged internal stakeholder groups in interactive dialogue and exercises.

Engagement was critical to collective “buy-in,” consensus, and endorsement of the process. These workshops provided the groundwork for many intensive work sessions, and ultimately, for the recommended Service Portfolio (Appendix G), a compilation of the Service Assessment and the Pyramid Methodology tools.

Developing a Resource Allocation Philosophy: The Pyramid Methodology

It is often easier to integrate the values of an organization with its mission if they can be visualized. An ideal philosophical model for this purpose is the Pyramid. In addition to a physical structure, pyramid is defined by Webster’s Dictionary as “an immaterial structure built on a broad supporting base and narrowing gradually to an apex.” Parks and recreation programs are built with a broad supporting base of core services, enhanced with more specialized services as resources allow. Envision a pyramid sectioned horizontally into five levels.

The Pyramid illustrates DPR’s categories of services and financial resource allocation philosophy. The Pyramid details cost recovery and subsidy goals commensurate with the benefit received by a service’s user and the community as a whole. Descriptions regarding each level of the Pyramid are provided in this document, and they are critically dependent upon DPR philosophies. These philosophies inevitably determine where DPR’s services will fall within the Pyramid. Historical, cultural, geographical, and resource impacts may play a role in this determination. The resulting Pyramid is unique to each department that applies this method.
The Pyramid is the major component of a Resource Allocation and Core Services Model. The foundational level of the Pyramid represents the mainstay of a public parks and recreation system. It is the largest service level and most heavily subsidized by tax dollars. Services appropriate to higher levels of the Pyramid should be offered only when the preceding levels below are significant enough to provide basic parks and recreation services to the community as a whole. This represents the public parks and recreation mission while reflecting the growth and maturity of a department.

Application of the Pyramid Methodology begins with the values, vision, and mission of DPR, but must also address the following questions and issues:

- **Who benefits from the service** – the community in general, the individual, or the group receiving the service?
- **Does the individual or group receiving the service generate the need, and therefore the cost, of providing the service?** An example of this type of service is a permitted activity in a park that requires police presence beyond the norm.
- **Will imposing the fee pose an economic hardship on specific users?**
- **If the ability to pay does not align with the benefit and value of a service, consideration of this dynamic should be addressed during the implementation phase of pricing and marketing.**
- **Do community values support taxpayer subsidy of the cost of service for individuals with special needs (e.g., specialized programs for people with disabilities or services for low-income families)?**
- **Are services federally mandated like inclusionary services as instituted by the Americans with Disabilities Act (ADA)?**
- **Will the level of the fee affect the demand for the service?**
  - Is it possible and desirable to manage demand for a service by changing the level of the fee?
  - Are there competing providers of the service in the public, nonprofit, or private sector?
The DPR Consensus Pyramid

A consensus pyramid from public process was created along with recommendations for minor adjustments (the final DPR pyramid follows and is also found in Appendix B, along with cost center pyramids). The target cost recovery percentages were established based on current cost recovery when all direct costs were allocated, and with the goal of increasing cost recovery for DPR.

Consultant recommended (indicated by *), and DPR accepted modifications to the Consensus Pyramid (see next page for final tiers):

Inclusion Services and the Volunteer Program were on level 2; consultant recommended moving these to level 1 due to Federal Mandate (ADA) and by weighting toward public and Leadership Summit input.

Classes, Workshops, and Clinics – It was a general consensus from the workshop participants, that adults be one level higher than youth, emphasizing a greater community benefit for youth services, and aligning with the values, vision, and mission of DPR. All levels were originally combined.

Long-Term Leases were originally separated into regular or commercial leases (such as cell towers or agricultural) and leases with agency partners (through DPR agreement for agencies with aligned missions) due to disparity of responses. While consensus slotted this service on level three, discussion indicated that they should be separated, and partners should be lower with regular or commercial leases higher on the pyramid using the beneficiary filter.

The Target Tier Minimum Cost Recovery Percentages were established by analyzing which category or categories of service the majority of resources were allocated to by each tier or level, typically coupled with current cost recovery based on the definitions of direct and indirect costs. The Target Tier Minimum Cost Recovery Percentages are only attempting to recover direct cost of service provision, not all costs, or fully loaded (direct and indirect) costs.

Cost Center Pyramids

In addition to defining costs and target tier minimum cost recovery percentages, specific cost centers were defined. Four supplemental cost center pyramids were created to assist in financial management practices. They include:

- Park Operations
- Community Centers with Programming
- Teen Centers with Programming
- Sports

(See Appendix B for Cost Center Pyramids.)
The Financial Resource Allocation Philosophy, Model, and Policy Development Process

Week of November 1, 2010
DPR Staff Educational Workshops
- Re-orientation to DPR’s Values, Vision, and Mission Statements
- Introduction to the Pyramid Methodology
- Exercise – Sample Sorting of Services
- Develop DPR Categories of Service
- Review current budgeting procedures and cost allocations
- Preliminary discussion of direct and indirect costs

Week of November 29, 2010
Leadership Summit Sorting Workshop and Community Sorting Workshops
- Discuss project intent
- Presentation of the Pyramid Methodology
- Present DPR’s Values, Vision, and Mission Statements
- Sorting of services according to Beneficiary and the Values, Vision, and Mission

DPR Staff Sorting Workshop
- Review the Pyramid Methodology
- Review DPR’s Values, Vision, and Mission Statements
- Sorting of services according to Beneficiary and the Values, Vision, and Mission

DPR Staff Educational Workshops
- Debrief of Community and Staff Workshops
- Present consensus pyramid
- Discuss cost center pyramids
- Define direct and indirect costs
- Determine strategy for identifying and applying direct and indirect costs
- Establish small group to develop financial and registration related glossary of terms

Week of January 3, 2011
DPR Staff Workshop
- Review recommended pyramid
- Review cost center funds pyramids
- Finalize and apply direct costs
- Finalize indirect costs
- Discussion of current cost recovery levels
- Establishment of cost recovery goals
- Review financial and registration related glossary of terms
Week of February 14, 2011

DPR Staff Workshop

- Review final financial glossary of terms
- Pricing theory
- Development of DPR’s pricing strategy and methods
  - Cost Recovery Strategy
  - Competitive Strategy
  - Market Rate Strategy
  - Arbitrary pricing should never be used
- Budgeting exercise – application of cost recovery goals to pricing strategies
- Goals and objectives theory
- Development the implementation plan for the resource allocation and core service model -
  discuss and document goals, objectives, and actions steps
County of San Diego
Parks & Recreation

Cost Recovery Pyramid - 2011
DPR Comprehensive Services

1. **Mostly Community Benefit**
   - Preserves (currently 0%)
   - Developed Regional Parks (currently 18% for day use)
   - Developed Local Parks (currently 15%)
   - Rentals – County (for official county business) (currently 0%)
   - Volunteer Program (currently 0%)
   - Inclusionary Services (currently 0%)
   - Support Services (currently 0%)

2. **Considerable Community Benefit**
   - Resource Education (currently 0% without alternative funding, with alternative range 50-100%)
   - Rentals – Social Services (currently 3-38%)
   - Community Centers/Gyms/Teen Centers (currently 0%)
   - Outdoor Sports Facilities (currently 0%)
   - Special Events (currently 0-98%)

3. **Balanced Community/Individual Benefit**
   - Youth & Senior Classes, Workshops and Clinics (currently 70%)
   - Work Study/Internship/Community Service Program (currently 0%)
   - Rentals – Government Agencies (currently 0%)
   - Rentals – Partners (currently 0-21%)
   - Long-Term Leases – Partners (currently 0%)
   - Tournaments and Leagues (County Operated) (currently 25% youth, 98% adult)
   - Camps/After School Programs (formerly 51-104%)

4. **Mostly Individual Benefit**
   - Adult Classes, Workshops and Clinics (currently averaging 62%)
   - Rentals – Non-Profit/Civic Groups (On-going Rentals – Churches 135%)
   - Preschool (currently averaging 65%)
   - Leased Services (currently 84%)
   - Trip & Tours (currently 47%)

5. **Target Tier Minimum Cost Recovery 100+%**
   - Concession/Vending (currently n/a)
   - Merchandise for Resale (currently 130%)
   - Private/Semi-Private Lesson (future service)
   - Rentals – Private (currently facility 106%, campsites 48%, field/gym 31%)
   - Long-Term Leases (currently 100-232%)
   - Equipment Rentals (currently 109%)
   - Permitted Services (currently 443%)

Copyright © 2001, 2003, 2008 GreenPlay LLC
Traditional Parks and Recreation Operations and Capital Development Funding Sources

There are a variety of mechanisms that local governments can employ to provide services and to make public improvements. Parks and recreation operating and capital development funding typically comes from conventional sources such as sales, use, and property tax referenda voted upon by the community, along with developer exactions. Operating funds are typically capped by legislation; may fluctuate based on the economy, public spending, or assessed valuation; and may not always keep up with inflationary factors. In the case of capital development, “borrowed funds” sunset with the completion of loan repayment and are not available to carry-over or re-invest without voter approval. Explained below are the salient points of traditional funding sources. Many of these strategies are currently being used to some extent by DPR.

**Traditional Tax and Exactions-Based Funding Resources**

**General Fund**

Parks and recreation services are typically funded by an agency’s General Fund, which can be comprised of property tax, sales tax, and other compulsory charges levied by a government for the purpose of financing services performed for the common benefit of a community. These funds may also come from resources such as inter-government agreements, reimbursements, and interest and may include such revenue sources as franchise taxes, licenses and permits, fees, transfers in, reserves, interest income, and miscellaneous other incomes.

- **Sales Tax**
  This revenue source often funds municipal park and recreation agencies either partially or fully. Sales tax revenue is very popular in high traffic tourism agencies and with cities, counties, and state parks. Special Districts cannot exact sales taxes, which often calls into question the issue of charging resident and non-resident fee differentials.

- **Property Tax**
  Property tax revenue often funds park and recreation special districts and may be used as a dedicated source for capital development. When used for operation funding, it often makes the argument for charging resident and non-resident fee differentials.

**Park Land Dedication Ordinance**

Park land dedication requirements are set forth County Code Title 8, Section 10, Chapter 1 – Parks Lands Dedication Ordinance. The requirements typically state that all residential subdivisions of land, with some exemptions, are to provide for parks by either dedicating land (for DPR, it is 3 acres per 1,000 population), paying an in-lieu fee (the amounts may be adjusted annually), or a combination of the two. In California, the Quimby Act, Mello-Roos Community Facilities District, and Benefit Assessment Districts govern taxation, land dedication, and fees in lieu.
Development Impact Fees
Development impact fees are one-time charges imposed on development projects at the time of permit issue to recover capital costs for public facilities needed to serve new developments and the additional residents, employees, and visitors they bring to the community. State laws, with a few minor exceptions, prohibit the use of impact fees for ongoing maintenance or operations costs. Not all states allow the collection of impact fees.

Special Districts/County Service Areas
Different from cities that are direct beneficiaries of these funds, Special Districts, (or local improvement districts) are the beneficiaries of pass-through funding from the cities or counties, which have responsibility for their interests. Special Districts cannot exact or collect the land dedication or the fee-in-lieu on their own. DPR currently uses this strategy.
Traditional Parks and Recreation Earned Revenue Resources

Fees and Charges

Ticket Sales/Admissions
This revenue source is for accessing facilities for self-directed or spectator activities such as splash parks, ballparks, and entertainment activities. Fees may also be assessed for tours, entrance or gate admission, and other activities, which may or may not be self-directed. These user fees help offset operational costs or apply to new projects.

Membership and Season Pass Sales
DPR can sell memberships (e.g. annual passes) for specific types of amenities to offset operational costs. These fees can apply to recreational and fitness centers, regional park passes, tennis centers, splash parks, etc.

Program Independent Contractor Fees
DPR receives a percentage of gross contractor fees for contractor programs held in DPR facilities. The percentages range from 20% to 40% depending on space, volume, and the amount of marketing DPR does for the contractor.
THIS PAGE INTENTIONALLY LEFT BLANK
Alternative Parks and Recreation Operations and Capital Development Funding Sources

Alternative funding sources include a variety of different or non-conventional public sector strategies for diversifying the funding base beyond traditional tax-based support. The following is a list of known industry funding practices, potential sources, and strategies, as compiled by GreenPlay. Some of the strategies are currently used by DPR, but may not be used to maximum effectiveness or capacity. Those that may not currently be used by DPR should be considered for project’s or operation’s specific relevance.

**NOTE:** Not every funding mechanism on this list may be allowable by law, as the laws, regulations, statutes, ordinances, and systems of governance vary from city to city, county to county, and state to state. The authority to put forth referenda or institute exactions must be researched for validity within the County of San Diego and the State of California, as this list is comprised of the financial practices from across the nation. Some referenda are passed by simple majority of those who vote, while others require a larger percentage to pass. In certain circumstances, referenda are passed by the majority of eligible voters versus just those who vote.

**Loan Mechanisms**

**Bond Referendum**
Bond Referenda are used to fund capital needs, renovations, and new facilities to meet the needs and demands of residents. A bond is a written promise to pay a specified sum of money at a specified future date, at a specified interest rate. These bonds are traditionally general obligation bonds, revenue bonds, or special assessment bonds initiated through agency approval and citizen vote.

**General Obligation Bonds**
Bonded indebtedness issued with the approval of the electorate for capital improvements and general public improvements.

**Revenue Bonds**
Bonds used for capital projects that will generate revenue for debt service where fees can be set aside to support repayment of the bond. These are typically issued for water, sewer or drainage charges, and other enterprise type activities.

**Special Assessment Bonds**
These bonds are payable from the proceeds of special assessments such as local improvement districts. DPR currently uses this strategy.

**Industrial Development Bonds**
Specialized revenue bonds issued on behalf of publicly owned, self-supporting facilities.
Alternative Service Delivery and Funding Structures
Forming a Parks and Recreation Independent Taxing District
DPR could consider additional independent parks and recreation districts or a county-wide assessment
district that could serve just the residents of the independent taxing district or may encompass a larger
service area. This option provides a stable source of funds, a separate administration, and an elected
body that is accountable to the voters residing in the district. This type of special district is often funded
through property taxes but could also receive pass-through funding from the County.

Inter-local Agreements
Contractual relationships could be established between two or more local units of government and/or
between a local unit of government and a non-profit organization for the joint usage/development of
sports fields, regional parks, or other facilities. DPR currently uses this strategy.

Annual Appropriation/Leasehold Financing
This is a more complex financing structure that requires use of a third party to act as an issuer of the
bonds who would construct the facility and retain title until the bonds are retired. DPR enters into a
lease agreement with the third party with annual lease payments equal to the debt service
requirements. The bonds issued by the third party are considered less secure than general obligation
bonds of DPR, and are therefore more costly. Since a separate corporation issues these bonds, they do
not impact DPR’s debt limitations and do not require a vote. However, they also do not entitle DPR to
levy property taxes to service the debt. The annual lease payments must be appropriated from existing
revenues.

Commercial Property Endowment Model – Operating Foundation
John L. Crompton3 discusses government using the Commercial Property Endowment Model citing two
Case studies in the United Kingdom and Mission Bay Park in San Diego, California as an alternative
structure to deliver park and recreation services. A non-profit organization may be established and given
park infrastructure and/or land assets to manage as public park and recreation services along with
commercial properties as income-earning assets or commercial lease fees to provide for a sustainable
funding source. This kind of social enterprise is charged with operating, maintaining, renovating, and
enhancing the public park system and is not unlike a model to subsidize low-income housing with mixed-
use developments.

Privatization – Outsourcing the Management
Typically used for food and beverage management, ballfield, or sports complex operations by negotiated
or bid contract. DPR currently uses this strategy.

Partnership Opportunities
Partnerships are joint development funding sources or operational funding sources between two
separate agencies, such as two government entities, a non-profit and a government department, or a
private business and a government agency. Two partners jointly develop revenue producing park and
recreation facilities and share risk, operational costs, responsibilities, and asset management based on
the strengths and weaknesses of each partner.

3 Spring 2010 Journal of Park and Recreation Administration, Volume 28, Number 1, pp 103-111
Partnerships are extremely important to DPR as evidenced by their financial support to agreements made with youth sports associations, the Boys and Girls Club, and others. DPR also has many cooperative working relationships with many County Service Areas (CSAs) improvement districts.

Creating synergy based on expanded program offerings and collaborative efforts can be beneficial to all providers as interest grows and people gravitate to the type of facility and programs that best suit their recreational needs and schedules. Potential strategic alliance partnerships where missions run parallel, and mutually beneficial relationships can be fostered and may include the following:

- YMCA - DPR currently uses this strategy.
- School District - DPR currently uses this strategy.
- Medical Center or Hospital.
- Boys and Girls Club - DPR currently uses this strategy.
- Kiwanis, Soroptimists, VFWs, Elks, Rotary, and other service and civic organizations - DPR currently uses this strategy.
- Chamber of Commerce.
- Convention and Visitor’s Bureau.
- Homeowner Associations - DPR currently uses this strategy.
- Youth Sports Associations - DPR currently uses this strategy.
- County, neighboring cities, and communities - DPR currently uses this strategy.
- Private alternative providers - DPR currently uses this strategy.
- Churches - DPR currently uses this strategy.

A Sample Partnership Policy has been provided to DPR.

**Community Resources**

The following subsections summarize research findings on potential funding sources that could enhance capital expenditures for capital repair, renovation, and new construction and operating budgets for DPR. These findings do not recommend any particular funding strategy over another. The economic conditions within the county may vary with time and DPR should explore the best means of achieving its goals towards the operations of DPR, the programs, and the facilities on an ongoing basis.

**Philanthropic**

Philanthropy can be defined as the concept of voluntary giving by an individual or group to promote the common good and to improve the quality of life. Philanthropy generally takes the form of donor programs, capital campaigns, and volunteers/in-kind services.

The time commitment to initiate a philanthropic campaign can be significant. Current DPR resources that could be dedicated to such a venture are often limited. If this option is deemed possible by DPR decision-makers, it is recommended that DPR outsource most of this task to a non-profit or private agency experienced in managing community-based capital fundraising campaigns.

*Relevant methods are discussed below.*

**Friends Associations**

These groups are typically formed to raise money for a single purpose that could include a park facility or program that will benefit a particular special interest population or the community as a whole. DPR currently uses this strategy.
Volunteers/In-Kind Services
This revenue source is an indirect revenue source in that persons donate time to assist DPR in providing a product or service on an hourly basis. This reduces DPR cost in providing the service, plus it builds advocacy for the system. DPR currently uses this strategy.

To manage a volunteer program, an agency typically dedicates a staff member to oversee the program for the entire agency. This staff member could then work closely with Human Resources as volunteers are another source of staffing a program, facility, or event.

Volunteer Programs
- Adopt-a-Park/Adopt-a-Trail
Programs such as adopt-a-park may be created with and supported by the residents, businesses, and/or organizations located in the park's vicinity. These programs allow volunteers to actively assist in improving and maintaining parks, related facilities, and the community in which they live.

- Neighborhood Park Watch
As a way to reduce costs associated with vandalism and other crimes against property, DPR may develop a neighborhood park watch program. This program would develop community ownership of DPR's facilities.

Foundation/Gifts
These dollars are received from tax-exempt, non-profit organization. The funds are private donations in promotion of specific causes, activities, or issues. They offer a variety of means to fund capital projects, including capital campaigns, gifts catalogs, fundraisers, endowments, sales of items, etc. DPR currently uses this strategy.

Gift Catalogs
Gift catalogs provide organizations the opportunity to let the community know on a yearly basis what their needs are. The community purchases items from the gift catalog and donates them to DPR.

Gifts in Perpetuity
- Maintenance Endowments
Maintenance Endowments are set up for organizations and individuals to invest in ongoing maintenance improvements and infrastructure needs. Endowments retain money from user fees, individual gifts, impact fees, development rights, partnerships, conservation easements, and for wetland mitigations.

- Irrevocable Remainder Trusts
These trusts are set up with individuals who typically have more than a million dollars in wealth. They will leave a portion of their wealth to DPR in a trust fund that allows the fund to grow over a period of time and then is available for DPR to use a portion of the interest to support specific park and recreation facilities or programs that are designated by the trustee.
• **Life Estates**
This revenue source is available when someone wants to leave their property to DPR in exchange for their continued residence on the property until their death. DPR can usually use a portion of the property for park and recreational purposes, and then use all of it after the person’s death. This revenue source is very popular for individuals who have a lot of wealth and their estate will be highly taxed at their death. Their benefactors will have to sell their property because of probate costs. Life Estates allow individuals to receive a good yearly tax deduction on their property while leaving property for the community. Agencies benefit because they do not have to pay for the land.

**Grants**
Grants often supplement or match funds that have already been received. For example, grants can be used for program purposes, planning, design, seed money, and construction. Due to their infrequent nature, grants are often used to fund a specific venture and should not be viewed as a continuous source of funding. *DPR currently uses this strategy.*

**General Purpose or Operating Grants**
When a grant maker gives DPR an operating grant, it can be used to support the general expenses of operating DPR. An operating grant means the fund provider supports DPR’s overall mission and trusts that the money will be put to good use.

**Program or Support Grants**
A program or support grant is given to support a specific or connected set of activities that typically have a beginning and an end, specific objectives, and predetermined costs. Listed below are some of the most common types of program or support grants:

• **Planning Grants**
When planning a major new program, DPR may need to spend a good deal of time and money conducting research. A planning grant supports this initial project development work, which may include investigating the needs of constituents, consulting with experts in the field, or conducting research and planning activities.

• **Facilities and Equipment Grants**
These grants help DPR buy long-lasting physical assets, such as a building. The applicant organization must make the case that the new acquisition will help better serve its clients. Fund providers considering these requests will not only be interested in the applicant’s current activities and financial health, but they will also inquire as to the financial and program plans for the next several years. Fund providers do not want allocate resources to an organization or program only to see it shut down in a few years because of poor management.

• **Matching Grants**
Many grant makers will provide funding only on the condition that DPR can raise an amount equal to the size of the grant from other sources. This type of grant is another means by which foundations can determine the viability of an organization or program.

• **Seed Money or Start-up Grants**
These grants help a new organization or program in its first few years. The idea is to give the new effort a strong push forward, so it can devote its energy early on to setting up programs without worrying constantly about raising money. Such grants are often for more than one year, and frequently decrease in amount each year.
• Management or Technical Assistance Grants
Unlike most project grants, a technical assistance grant does not directly support the mission-related activities of DPR. Instead, they support DPR’s management or administration and the associated fundraising, marketing, and financial management needs of DPR.

Program-Related Investments (PRIs)—In addition to grants, the Internal Revenue Service allows foundations to make loans—called Program-Related Investments (PRIs)—to nonprofits. PRIs must be for projects that would be eligible for grant support. They are usually made at low or zero interest. PRIs must be paid back to the grant maker. PRIs are often made to organizations involved in building projects. This may be an opportunity for the Parks Society, once re-structured.

Private Grant and Philanthropic Agencies
Many resources are available which provide information on private grant and philanthropic agency opportunities. A thorough investigation and research on available grants is necessary to ensure mutually compatible interests and to confirm the current status of available funding. Examples of publicly accessible resources are summarized below.
• Information on current and archived Federal Register Grant Announcements can be accessed from The Grantsmanship Center (TGCI) on the Internet at: http://www.tgci.com.
• For information on government product news and procurement visit GovPro at www.govpro.com.
• Another resource is the Foundation Center’s RFP Bulletin Grants Page on Health at: www.fdncenter.org.
• Research www.eCivis.com for a contract provider of a web-based Grants Locator system for government and foundation grants specifically designed for local government.

DPR Grant Opportunities
Below is a listing of local, state, and federal grants for which DPR is currently applying. In addition, DPR has previously received American Recovery and Reinvestment Act Grants, Energy Efficiency and Conservation Block Grants (detailed in the Cost Saving Measures, “Greening” Practices, and Strategic Initiatives — Green Practices Grants), and Community Development Block Grants.
• Solid Waste Disposal and Co-disposal Site Cleanup Program: Grants to Public Entities to Abate Illegal Disposal Sites - FY 2011
• PETCO Foundation Grant
• SHANE Inspiration Foundation Grant
• Land and Water Conservation Grant Program
• Recreation Trails Program
• CA0001 Habitat Conservation Fund (HCF) Program - FY 2012
• CA0880 California River Parkways Grant Program - FY 2011
• FD0242 California Wellness Foundation
**Corporate Sponsorships**

DPR can solicit this revenue-funding source themselves or work with agencies that pursue and use this type of funding. Sponsorships are often used for programs and events. *DPR currently uses this strategy.*

*A Sample Sponsorship Policy has been provided to DPR.*

**Naming Rights**

Many agencies throughout the country have successfully sold the naming rights for newly constructed facilities or when renovating existing buildings. Additionally, newly developed and renovated parks have been successfully funded through the sale of naming rights. Generally, the cost for naming rights offsets the development costs associated with the improvement. People incorrectly assume that selling the naming rights for facilities is reserved for professional stadiums and other high profile team sport venues. This trend has expanded in recent years to include public recreation centers and facilities as viable naming rights sales opportunities.

Naming rights can be a one-time payment or amortized with a fixed payment schedule over a defined period of time. During this time, the sponsor retains the “rights” to have the park, facility, or amenity named for them. Also during this time, all publications, advertisements, events, and activities could have the sponsoring group’s name as the venue. Naming rights negotiations need to be developed by legal professionals to ensure that the contractual obligation is equitable to all agents and provides remedies to change or cancel the arrangements at any time during the agreement period.

**Advertising Sales**

Advertising sales are a viable opportunity for revenue through the sale of tasteful and appropriate advertising on DPR related items such as program guides, scoreboards, dasher boards, and other visible products or services. Current sign codes should be reviewed for conflicts or appropriate revisions.

**Fundraising**

Many park and recreation agencies have special fundraisers on an annual basis to help cover specific programs and capital projects. DPR could sell pavers, bricks, tiles, etc., or consider staging a telethon.

**Raffling**

Some agencies offer annual community raffles, such as purchasing an antique car that can be raffled off in contests.

**Community Service Fees and Assessments**

**Recreation Service Fee**

The Recreation Service Fee is a dedicated user fee that can be established by a local ordinance or other government procedure for the purpose of constructing and maintaining recreation facilities. The fee can apply to all organized activities that require a reservation of some type, or other purposes as defined by DPR. Examples of such generally accepted activities that are assigned a service fee include adult basketball, volleyball, and softball leagues, youth baseball, soccer, and softball leagues, and special interest classes. The fee, above and beyond the user fee, allows participants to contribute toward the construction and/or maintenance of the facilities being used.
Capital Improvement Fees
These fees are on top of the set user rate for accessing DPR facilities such as sport and tournament venues and are used to support capital improvements that benefit the user of the facility.

Residency Cards
County of San Diego non-residents may purchase “residency” on an annual basis for the privilege of receiving the resident discounts on fees, charges, tours, shows, reservations, and other benefits typically afforded to residents only. The resident cards can range in price, but are often at least equivalent to what a resident pays in taxes annually to support the operations, maintenance, and debt service of DPR.

Security and Clean-Up Fees
DPR may charge groups and individuals security and clean-up fees for special events other type of events held at facilities. DPR currently uses a version this strategy through security and damage deposits.

Lighting Fees
Some agencies charge additional fees for lighting as it applies to leagues, special use sites, and special facilities that allow play after daylight hours. This fee may include utility demand charges. DPR currently uses this strategy.

Signage Fees
This revenue source charges people and businesses with signage fees at key locations with high visibility for short-term events. Signage fees may range in price from $25-$100 per sign based on the size of the sign and DPR location.

Dog Park Fees
These fees are attached to kennel clubs who pay for the rights to have DPR dog park facilities for their own exclusive use. Fees are on the dogs themselves and/or on the people who take care of other people’s dogs.

Equipment Rental
This revenue source is generated from the rental of DPR equipment such as tables and chairs (DPR currently uses this strategy), tents, stages, bicycles, roller blades, boogie boards, etc. that are used for recreation purposes.

Parking Fee
This fee applies to parking at selected destination facilities such as sports complexes, stadiums, and other attractions to help offset capital and operational cost. DPR currently uses this strategy in regional parks.

Utility Roundup Programs
Some park and recreation agencies have worked with local utilities on a round up program whereby a consumer can pay the difference between their bill and the next highest even dollar amount as a donation to the agency. Ideally, these monies would be used to support DPR utility improvements such as sports lighting, irrigation cost, and HVAC costs.
Franchise Fee on Cable
This would allow DPR to add a franchise fee on cable designated for parks and recreation. The normal fee is $1.00 a month or $12.00 a year per household. Fees usually go towards land acquisition or capital improvements.

Room Overrides on Hotels for Sports Tournaments and Special Events
Agencies have begun to keep a percentage of hotel rooms reservation fees that are booked when the agency hosts a major sports tournament or special event. The overrides are usually $5.00 to $10.00 depending on the type of room. Monies collected would help offset operational costs for DPR in hosting the events.

Recreation Surcharge Fees on Sports and Entertainment Tickets, Classes, MasterCard, Visa
This fee is a surcharge on top of the regular sports revenue fee or convenience fee for use of MasterCard and Visa. The fee usually is no more than $5.00 and usually is $3.00 on all exchanges. The money earned would be used to help pay off the costs of improvements or for DPR operational purposes.

Flexible Fee Strategies
This pricing strategy would allow DPR to maximize revenues during peak times and premium sites/areas with higher fees and fill in excess capacity during low use times will lower fees to maximize play.

Camping Fees & Hook-Up Fees
DPR sells permits for RV, tent, and primitive camping. Fees may range per site for primitive spaces, full hook-ups, and premium view or location sites. Additional fees may be added for water, electricity, sewer, and cable T.V. access, dump stations, showers, etc. DPR currently uses a version of this strategy.

Trail Fee
These fees are used for access to closed bike trails to support operational costs. Fees for bike trails are typically $35 to $50 a year. This arrangement works for bike trails if the conditions of dedicated use, fencing for control, and continuous patrolling/monitoring are in place. Multi-purpose trails that are totally open for public use without these conditions in place make it difficult to charge fees and are nearly impossible to monitor.

Real Estate Transfer - Tax/Assessment/Fee
As agencies expand, the need for infrastructure improvements continues to grow. Since parks and recreation facilities add value to neighborhoods and communities, some agencies have turned to real estate transfer tax/assessment/fee to help pay for acquisition and needed renovations. Usually transfer tax/assessment/fee amount is a percentage on the total sale of the property and is assessed each time the property transfers to a new owner. Some states have laws prohibiting or restricting the institution, increase, or application of this tax/assessment/fee.

Processing/Convenience Fees
This is a surcharge or premium placed on DPR phone-in registration, electronic transfers of funds, automatic payments, or other conveniences.
Self-Insurance Surcharge
Some agencies have added a surcharge or every transaction, admission, or registration to generate a self-insured liability fund.

Development Surcharge/Fee
Some agencies have added a surcharge on every transaction, admission, or registration to generate an improvement or development fund.

Contractual Services
Private Concessionaires
Contracts with private sector concessionaires provide resources to operate desirable DPR recreational activities. These services are typically financed, constructed, and operated by a private business or a non-profit organization with additional compensation paid to DPR.

Concession Management
Concession management is the retail sale or rental of soft goods, hard goods, or consumable items. DPR can contract for the service and either receive a percentage of the gross sales or the net revenue dollars from the profits after expenses are paid. Net proceeds are generally more difficult to monitor.

Merchandising Sales or Services
This revenue source comes from the public or private sector on resale items from gift shops, pro-shops, restaurants, concessions, and coffee shops for either all of the sales or a defined percentage of the gross sales.

Cell Towers and Wi-Fi
Cell towers attached to existing or new light poles in game field complexes are another potential source of revenue that DPR may consider. DPR currently uses this strategy.

Another type of revenue for a facility or complex can come from providing sites for supporting Wi-Fi technology. In California, the State Park System is providing wireless internet access and is charging $7.95 for 24 hours of connectivity (approximately $.33 per hour) within its service area. They have connected 85 state parks with SBC Communications. For more information, contact California State Parks at www.parks.ca.gov.

Permits, Licensing Rights and Use of Collateral Assets
Special Use Permits
Special permits allow individuals to use specific DPR park property for financial gain. DPR receives either a set amount of money or a percentage of the gross service provided. DPR currently uses this strategy.

Catering Permits and Services
This is a license to allow caterers to work in DPR system on a permit basis with a set fee or percentage of food sales returning to DPR. Also, many agencies have their own catering service or authorized provider list and receive a percentage of dollars from the sale of food.
Licensing Rights
This revenue source allows DPR to license its name on all resale items that private or public vendors use when they sell clothing or other items with DPR’s name on it. The normal licensing fee is 6 to 10% of the cost of the resale item.

Sale of Development Rights
Some agencies sell their development rights below park ground or along trails to utility companies. DPR would receive a yearly fee on a linear foot basis.

Surplus Sale of Equipment by Auction
Agencies often have annual surplus auctions to get rid of old and used equipment, generating additional income on a yearly basis.

Private Developers
Developers may lease space from DPR owned land through a subordinate lease that pays out a set dollar amount plus a percentage of gross dollars for recreation enhancements. These could include sports complexes and recreation centers.

Land Swaps
DPR may trade property to improve access or protection of resources. This could include a property gain by DPR for non-payment of taxes or a situation where a developer needs a larger or smaller space to improve their profitability. DPR would typically gain more property for more recreation opportunities in exchange for the land swap.

Leasebacks on Recreational Facilities
Many agencies do not have enough capital dollars to build desired revenue-producing facilities. One option is to hire a private investor to build the facility according to the specifications requested with the investment company financing the project. DPR would then lease the property back from the investor over 20+ years. This can be reversed where by DPR builds the facility and leases to a private management company who then operates the property for a percentage of gross dollars to pay off the construction loans through a subordinate lease.

Subordinate Easements – Recreation/Natural Area Easements
This revenue source is available when DPR allows utility companies, businesses, or individuals to develop some type of an improvement above ground or below ground on its property. Subordinate easements are typically arranged over a set period of time, with a set dollar amount that is allocated to DPR on an annual basis.

Agricultural Leases
In some agency parks, low land property along rivers, or excess land may be leased to farmers for crops. DPR uses this strategy and payment is based on a market lease value.

Sale of Mineral Rights
Many agencies sell mineral rights under parks, including water, oil, natural gas, and other by products, for revenue purposes.
Booth Lease Space
Some agencies sell booth space to sidewalk vendors in parks or at special events for a flat rate or based on volume of product sold. The booth space can also be used for sporting events and tournaments. DPR currently uses this strategy.

Manufacturing Product Testing and Display
This is where DPR works with specific manufacturers to test their products in parks, recreation facility, or in a program or service. DPR tests the product under normal conditions and reports the results back to the manufacturer. Examples include lighting, playground equipment, tires on vehicles, mowers, irrigation systems, seed & fertilizers, etc. DPR may receive the product for free but must pay for the costs of installation and for tracking results.

Recycling Centers
Some agencies and counties operate recycling centers for wood, mulch, and glass as revenue generators for their systems.

Film Rights
Many agencies issue permits so that sites such as old ballparks or unique grounds may be used by film commissions. The film commission pays a daily fee for the site plus the loss of revenue DPR would incur during use of the community space. DPR currently uses this strategy.

Rentals of Houses and Buildings by Private Citizens
Many agencies will rent out facilities such as homes to individual citizens for revenue purposes.

Enterprise Funds
Some agencies establish business units that are self-sustaining through fees and charges. Debt service and all indirect costs should be allocated or attributed to enterprise funds. Any excess revenue generated is maintained by the fund for future needs and cannot be used by another fund or department. Examples include premier sports tournament complexes.

Funding Resources and Other Options
Many federal and state taxation resources, programs, and grants are used by DPR or may be available. See Appendix E for details.

Land Trusts
Many agencies have developed land trusts to help secure and fund the cost of acquiring land that needs to be preserved and protected for greenway purposes. This may also be a good source for the acquisition of future DPR lands.
Positive Cash Flow
Depending on how aggressively DPR incorporates marketing and management strategies, there may be a positive fund balance at the end of each year, especially if a new premier splash park, dog park, or sports complex is built. While current facilities, projections, and fee policies do not anticipate a positive cash flow, the climate can change. The ending positive balance could be used, for example, to establish a maintenance endowment for DPR recreation facilities, to set aside funds for capital replacement and/or repair, or to generate a fund balance for contingency or new programming opportunities. It is suggested that DPR be challenged to generate a fund balance and it not be returned to DPR’s general fund.

Cost Avoidance
DPR must maintain a position of not being everything for everyone. It must be driven by the market and stay with its core businesses. By shifting roles away from being a direct provider of facilities, programs, or services, DPR may experience additional savings. This process is referred to as cost avoidance. The estimated savings could be realized through partnering, outsourcing, or deferring to another provider in the provision of a service and/or facility.
Cost Saving Measures, “Greening” Practices, and Strategic Initiatives

**DPR and the County’s Commitment**


- Strategic Goal #1 – Improve Energy Efficiency and Utilization of Existing Facilities
- Strategic Goal #2 – Improve Energy Efficiency of New Construction and Major Renovations for County Facilities
- Strategic Goal #4 – Increase County’s Use of Renewable Energy
- Strategic Goal #6 – Monitor and Report Building Systems Performance

The County is committed to green and sustainable practices as evidenced by the following passages from the October 20, 2009 BOS agenda regarding Project Green: Protecting our Natural and Fiscal Resources:

“The County of San Diego takes seriously its leadership role in protecting the region’s environmental resources. We are equally committed to the responsible stewardship of public assets and ever mindful of our fiscal responsibility to our constituents. From recycling, to energy and water savings, to the most efficient use of information technology, the County works to ensure environmentally responsible action, while maximizing taxpayer dollars.

We incorporate best green practices in County programs and focus on the triple bottom line - economic, environmental and social impacts - in decision making. Most importantly, we lead by example, incorporating these practices in County planning, building design, policies, and operations.

The County of San Diego takes seriously its responsibility to ensure, through policies and actions, that it meets the County’s current needs without compromising the ability to meet future needs. Focusing on economic, environmental, and social impacts in decision making, we incorporate sustainable, best business practices in County programs. By applying these rigorous standards, the County protects ever-decreasing natural and fiscal resources.

Most notably, we lead by example, and encourage residents to partner with us in “greening” our county. Through incentives, education, increased online services and other methods, residents are responding to the challenge by taking action.

Through effective, sustainable strategies for facilities design and management; resource reduction; recycling various materials, such as tires, paper, and aluminum cans; and smart utilization of information technology, the County efficiently uses taxpayer dollars each year while building strong, healthy communities.”
Cost Saving Ideas
Implement the Cost Savings ideas created by the staff team:
- Bulk purchasing
- Adopt -a-trail/park program
- Re-negotiate contracts

More Cost Saving Ideas
“Grow Not Mow”
In the April 2010 issue of Recreation Management magazine, the Genesee County Parks and Recreation Commission in Flint, Michigan discussed several small cost saving measures which added up to over $167,000 in ten months. One such strategy was “Grow Not Mow” where the natural features of their 11,000 acres of parkland were enhanced. This practice reduced the required mowing where possible and included more wild flowers, native grasses, and increase in wildlife.

Change Maintenance Standards/Practices
- DPR could add one extra day onto the mowing schedule.

Greening Trends – Rooftop Gardens and Park Structures
Rooftop gardens (both public and private) create respites in a densely built environment and help reduce the urban heat island effects. In addition, the lack of availability and affordability of urban real estate has continued the trend of parks built over structures such as parking garages (e.g., Millennium Park and Soldier Field Stadium/Burnham Park re-design in Chicago) and other structures (such as Freeway Park in Seattle, built in the 1970’s).

DPR Could Research Roof Top Gardens on Facilities.

Green Ideas
Implement the Green Practices ideas created by the DPR staff team:
- Light, water, and motion sensors
- Energy audits
- Update to energy efficient ballasts, motors, appliances
- Electric and hybrid vehicles
- “Pack It Out” trash program
- Greywater
- Solar and wind energy

Suggested DPR Green Practices Implementation Plan
Many agencies miss the easiest green practices to implement into their everyday operating procedures and policies. Suggested green practices include administrative procedures, best operating standards, and sustainable stewardship performance measures. DPR is committed to leading by example and most of the industry best practices outlined below are currently and successfully employed by DPR.
<table>
<thead>
<tr>
<th>Focus Area</th>
<th>Action Step</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Administrative</strong></td>
<td>Recycle Office Trash</td>
</tr>
<tr>
<td></td>
<td>Go Paperless</td>
</tr>
<tr>
<td></td>
<td>Conserve Resources</td>
</tr>
<tr>
<td></td>
<td>Flex Scheduling</td>
</tr>
<tr>
<td></td>
<td>Virtual Meetings</td>
</tr>
<tr>
<td><strong>Operating Standards</strong></td>
<td>Preventative Maintenance</td>
</tr>
<tr>
<td></td>
<td>Reduce Driving</td>
</tr>
<tr>
<td></td>
<td>Eliminate Environmentally Negative Chemicals and Materials</td>
</tr>
<tr>
<td></td>
<td>Green Purchasing Policies</td>
</tr>
<tr>
<td></td>
<td>LEED® Design</td>
</tr>
<tr>
<td><strong>Sustainable Stewardship</strong></td>
<td>Re-analyze and Revised Practices and Standards</td>
</tr>
<tr>
<td></td>
<td>Monitor and Report Results</td>
</tr>
<tr>
<td></td>
<td>Lead by Example</td>
</tr>
<tr>
<td></td>
<td>Incorporate Principles in all Park and Recreation Services</td>
</tr>
<tr>
<td></td>
<td>Seek Available Grant Funding and Initiative Awards</td>
</tr>
</tbody>
</table>

**Green Resources, Practices, and Strategic Initiatives**

Many Green Resources, Green Practices Grants, Strategic Initiatives, and Partnerships are used by DPR or may be available. See Appendix E for details.
Benchmark Results

Introduction
Benchmarking is an important tool that compares certain attributes of the County’s management of public spaces with similar communities. It is very difficult to find exact comparable communities, because each has its own unique identity, its own way of conducting business, and differences in the population that it serves. DPR staff identified three focus areas for a fees comparison analysis:

• Ballfields
• Camping
• Regional Parks

For this Study, benchmarking data was collected from comparable counties throughout the state. Communities were primarily chosen due to demographic make-up and perceived similarities to the County of San Diego. DPR staff selected 14 agencies to contact. Some of those only managed one or two of the focus areas, while two managed all three areas. Of the 14, eight responded. Below are the agencies that were contacted, and those that responded are listed in bold.

• Los Angeles County
• Orange County
• Riverside County
• San Bernardino County
• Santa Clara County
• Alameda County – No camping, no ballfields
• Sacramento County – No camping, no ballfields
• Contra Costa County
• Fresno County
• Ventura County
• Kern County
• Sonoma County
• Monterey County
• Santa Barbara County

To supplement the lack of response, GreenPlay sought the same information from the following four agencies based on recommendations from DPR staff, but they also did not respond.

• East Bay Regional Parks
• City of Roseville
• City of Elk Grove
• City of Sacramento

It is important to keep in mind that organizations do not typically break down the expenditures of parks, trails, facilities, and maintenance in the same way. Agencies also vary in terms of how they organize their budget information, and it is sometimes difficult to assess whether or not the past year’s expenses are typical for the community. Therefore, the benchmarking information presented here should be used as a catalyst for DPR to continue to research using industry best practices for more specific areas when they are needed. See Appendix F for the Comparative Analysis Criteria recommended by GreenPlay.
Benchmarking Data Sought
A questionnaire was created for each of the focus areas and was sent separately to the contact person. If the same contact person was responsible for more than one focus area, they were sent all of the appropriate questionnaires. Requested benchmarking data by topic area is listed below:

Ballfields
- 2010 operating budget for ballfields
- Revenue from fees and charges
- Features and amenities
- Volunteer hours

Camping
- 2010 operating budget for camping
- Revenue from fees and charges
- Total acreage
- Concession services

Regional Parks
- 2010 operating budget for regional parks
- Regional park maintenance costs annually (FY 10)
- Revenue from fees and charges
- Merchandise sales operations
- Concessions and vending operations
- Park features and amenities

While the benchmarking results shows rankings and comparable data, operations are different among each community; there are nuances that make each county different. For example, some agencies provide in-house services while others use contractual services. The total number of FTEs may vary depending upon how an organization is operated.
Analysis of Benchmarking

When analyzing agencies’ fees and charges, two factors that can make a difference in operations are population and median income. The responding agencies are represented in Table 1 and are ranked according to population served. Of the counties that responded, San Diego has the second largest population, followed closely by Orange County. Median income for San Diego is over $20,000 less than Orange County. Closer comparisons for median income are Santa Barbara County and Monterey County.

Table 1: Population and Median Household Income

<table>
<thead>
<tr>
<th>County</th>
<th>Population</th>
<th>Median Household Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Los Angeles</td>
<td>10,393,185</td>
<td>$54,828</td>
</tr>
<tr>
<td><strong>San Diego</strong></td>
<td><strong>3,173,407</strong></td>
<td><strong>$62,901</strong></td>
</tr>
<tr>
<td>Orange</td>
<td>3,139,017</td>
<td>$83,338</td>
</tr>
<tr>
<td>Riverside</td>
<td>2,107,653</td>
<td>$58,155</td>
</tr>
<tr>
<td>Contra Costa</td>
<td>1,060,435</td>
<td>$77,838</td>
</tr>
<tr>
<td>Fresno</td>
<td>942,298</td>
<td>$46,230</td>
</tr>
<tr>
<td>Ventura</td>
<td>836,080</td>
<td>$74,828</td>
</tr>
<tr>
<td>Santa Barbara</td>
<td>431,892</td>
<td>$59,350</td>
</tr>
<tr>
<td>Monterey County</td>
<td>404,922</td>
<td>$59,693</td>
</tr>
</tbody>
</table>

Source: Population data was provided by the County, based on CSAC estimates. US Census was used for Median Household Income.

Population for the County of San Diego is the second highest of responding counties, (3,173,407). The median household income for the County is the fourth highest of the respondent communities ($62,901).

Benchmarking Highlights

The County of San Diego is a unique community that manages all three of the focus areas: ballfields, campgrounds, and regional parks. Data was sought from comparable agencies selected by DPR. However, when the analyses were performed, managerial and operational differences set the identified communities apart.

A challenge was ensuring that the agencies contacted would return the information in the scheduled timeframe. Several extensions were provided to obtain additional information from local agencies and alternative providers, and to allow for continued contact with county agencies. Every effort was made to obtain accurate information. In many instances, comparable data was not tracked by the agency or it was unavailable.
It is more important for the County of San Diego to set its own cost recovery targets and determine the level of service that is acceptable within the community. DPR can then benchmark its performance against itself over time, rather than with other communities, in order to maintain a high level of resident satisfaction.

The details of the benchmarking results have been provided to DPR in a staff level document.

Following is a summary of key findings in the comparative data analysis.

- The County ranks third in camping acreage, with 208 acres in 6,500 acres of regional parks.
- The County’s campground operating expense budget ranks third highest out of four reporting counties at $3.4 million.
- The County’s campground revenue ($1.8 million) ranks fourth highest, or right in the middle in the amount generated from fees and charges of the agencies that reported.
- The County is at the low end ($3.6 million) of the participating agencies in the regional parks benchmark that reported operational budgets. Orange County is at the high end at $91 million including their harbor operation. Regional park operating budgets are difficult to compare based on acreage as maintenance standards, park features and amenities differ.
- Five counties reported 2010 annual revenue for regional parks: Orange County at $11,500,000; Ventura at $2,943,601; followed by Riverside County reported $2,609,345; Santa Barbara at $1,169,541; and finally the County of San Diego with $404,000.
Survey Results and Future Service

Introduction and Methodology
The consultant used the services of RRC Associates, Inc., a nationally recognized firm with research and community planning experts, focused on Design, Implementation, and Analysis of the Survey Instruments. RRC has substantial experience in designing surveys specifically for recreation programming services and indoor facilities, open space, parks, trails, and other recreation issues that are effective and representative of the users and non-users.

As part of the quantitative assessment for public demand for service, RRC conducted a statistically-valid survey. While stakeholder meetings, focus groups, and public meetings allow us to draw in interested parties and users, a statistically-valid survey is the only defensible mechanism that allows us to hear from the NON-USERS, who are still most likely taxpayers.

The survey was conducted primarily through a mail-back approach, and supplemented with a password-protected online version of the survey as well as an open-link web version.

Approximately 7,500 surveys were mailed to a random sample of County residents on September 15, 2010, with 7,216 being delivered after subtracting undeliverable mail. The mailing list of 7,500 was comprised of 1,250 households randomly selected from each of the County’s six Service Areas (North County Coastal, North County Inland, Central, Central Inland, East County, and South Bay), excluding PO boxes. Also excluded from the mailing were ZIP codes which entirely encompass military bases, universities, and hospitals as these entities typically provide their own recreation amenities for residents.

To increase participation, follow-up postcards were sent to 2,500 non-respondents approximately three weeks after the initial mailing reminding them to complete the survey they received and directing them to the password-protected online survey (postcard included their unique household password). A Spanish version of the survey was also made available to respondents. The cover letter included with the initial survey mailing provided respondents with a phone number to call to request a Spanish paper survey, in addition to the survey website which had a link to a Spanish version of the online survey.

Sample response size for the statistically valid survey is 501, resulting in a response rate of seven percent and having a margin of error of approximately +/- 4.4 percentage points calculated for questions at 50 percent response4.

---

4 For the total sample size of 501, margin of error is +/- 4.4 percent calculated for questions at 50% response (if the response for a particular question is “50%”—the standard way to generalize margin of error is to state the larger margin, which occurs for responses at 50%). Note that the margin of error is different for every single question response on the survey depending on the resultant sample sizes, proportion of responses, and number of answer categories for each question. Comparison of differences in the data between various segments, therefore, should take into consideration these factors. As a general comment, it is sometimes more appropriate to focus attention on the general trends and patterns in the data rather than on the individual percentages.
The primary list source used for the mailing was a third party list purchased from Melissa Data Corp., a leading provider of data quality solutions with emphasis on U.S., Canadian, and international address and phone verification and postal software. Use of the Melissa Data list also includes renters in the sample who are frequently missed in other list sources such as utility billing lists. Note that the resultant database of random sample responses is weighted by age of respondent, ethnicity, and sub area population to ensure appropriate representation of County residents across different demographic cohorts in the overall sample.

Additionally, as noted, an open-link version of the online questionnaire was made available to persons who did not receive one by invitation in the mail. A total of 831 responses were gathered from the open-link version. As responses to the open-link version of the questionnaire are “self-selected” and not a part of the randomly selected sample of residents, results from the open-link questionnaire are kept separate from the mail and invitation web versions of the survey for the overall analysis. The discussion and graphic illustrations of “overall” results that follow focus on the invitation/random sample respondents. While the “overall” data represents responses from the random sample survey only, and therefore is considered statistically valid and representative, data shown by sub-area includes responses from the open-link web survey in addition to the random sample responses.

Service Areas
Six geographic service areas were selected by DPR to provide for more in-depth sub-area analysis.

- North County Coastal
- North County Inland
- East County
- Central County
- Central County Inland
- South Bay

Resident Profile
Based on current US Census data of the adult population (over 19 years old) for San Diego County, the age profile of residents is distributed as follows (which is, in part, the basis for the weighting of the survey data): 32 percent are under 35 years old, 19 percent between 35 and 44 years, 19 percent between 45 and 54 years, 14 percent between 55 and 64 years, and 16 percent 65 years or over. Sixty-three (63) percent are Caucasian, 11 percent Asian, Asian Indian, or Pacific Islander, 5 percent African American, 5 percent multi-ethnic, 1 percent Native American, and 15 percent identified themselves as an “other” ethnicity. Overall, 32 percent of respondents identified themselves as Hispanic, Latino, or Spanish.

Location of residency within the County’s six sub areas was also used as a basis for weighting of the overall data. Approximately 34 percent of respondents live in the Central sub area, 21 percent in South Bay, 17 percent in North County Inland, 15 percent in North County Coastal, 10 percent in Central Inland, and 3 percent in East County.
As shown in the report (see Appendix H for survey results and maps of responses):

- 49% of responding households are singles or couples with children at home.
- 22% are households with children no longer living at home.
- 18% couples without children.
- 10% singles without children.
- 39% of respondents have two people living in the household, with an average household size of 2.7 people.
- 37% of responding households had annual incomes of $100,000 or greater.
- 35% were between $50,000 and $99,999.
- 27% were less than $50,000.
- 56% of respondents have lived in their home area in San Diego County for more than 20 years with an average length of residency just over 25 years.

**Key Results**

The survey divided the County into six geographically similar study areas. DPR mapped the results of key survey questions. One series of questions allowed DPR to look at the needs of each of the six study areas as strategic targeted initiatives in the future, as funds allow. These helped develop the recommendations for the Future Growth theme.

Respondents were asked to indicate the top five community issues or problems they felt parks and recreation services should focus on positively impacting. **Figure 1** shows the top community issues or problems that DPR should focus on positively impacting by the six study sub-areas.
The following analysis details funding tolerances and priority issues for each of the six study areas.

**North County Coastal**
Thirty-four (34) percent of North County Coastal respondents indicated that they would support fee increases, 27 percent said that they may support, and 40 percent would not. Regarding a dedicated funding district, 57 percent of the respondents indicated that they will support fee increases, 14 percent said that they may support, and 29 percent would not.
The cumulative ranking to the question of the top five most important issues for the North County Coastal respondents showed:

- “maintain what we have” – 59%
- “implement planned parks and trails projects” – 56%
- “land preservation/acquisition” – 52%
- “environmental stewardship” – 51%
- “positive activities for youth” – 48%
- “healthy active lifestyles” – 47%
- While “crime and vandalism” was 24%

The cumulative rankings of the top five issues can then be compared and contrasted with the results of the answers of the five highest ranking “most important issues” for the North County Coastal respondents were:

- “maintain what we have” – 21%
- “positive activities for youth” – 13%
- “land preservation/acquisition” – 11%
- “healthy active lifestyles” – 10%
- “implement planned parks and trails projects” – 9%

North County Inland

Twenty-two (22) percent of North County Inland respondents indicated that they would support fee increases, 42 percent said they may support, and 36 percent would not. Regarding a dedicated funding district, 42 percent of the respondents indicated that they will support fee increases, 33 percent said that they may support, and 25 percent would not.

The cumulative ranking to the question of the top five most important issues for the North County Inland respondents showed:

- “maintain what we have” – 57%
- “implement planned parks and trails projects” – 57%
- “land preservation/acquisition” – 55%
- “connecting people with nature” – 48%
- “environmental stewardship,” “positive activities for youth,” and “healthy active lifestyles” – tied at 44%
- While “wildfire preparedness” was 37%, and “crime and vandalism” was 30%
East County

Seventeen (17) percent of East County respondents indicated that they would support fee increases, 35 percent said that they may support, and 48 percent would not. Regarding a dedicated funding district, 37 percent of the respondents indicated that they will support fee increases, 35 percent said that they may support, and 28 percent would not.

The cumulative ranking to the question of the top five most important issues for the East County respondents showed:

- “maintain what we have” – 80%
- “implement planned parks and trails projects” – 57%
- “healthy active lifestyles” – 48%
- “land preservation/acquisition” – 48%
- “connecting people with nature” – 47%
- “wildfire preparedness” – 46%
- While “positive activities for youth” was 39%, “environmental stewardship” was 38%, and “crime and vandalism” was 22%

The cumulative rankings of the top five issues can then be compared and contrasted with the results of the answers of the five highest ranking “most important issues” for the North County Inland respondents were:

- “maintain what we have” – 14% tied
- “land preservation/acquisition” – 14% tied
- “implement parks and trails” – 11%
- “healthy active lifestyles” – 10% tied
- “environmental stewardship” – 10% tied

The cumulative rankings of the top five issues can then be compared and contrasted with the results of the answers of the five highest ranking “most important issues” for the East County respondents were:

- “maintain what we have” – 24%
- “healthy active lifestyles” – 17%
- “wildlife preparedness” – 14%
- “positive activities for youth” – 10%
- “environmental stewardship” – 9%
Central County
Thirty (30) percent of Central County respondents indicated that they would support fee increases, 45 percent said that they may support, and 25 percent would not. Regarding a dedicated funding district, 39 percent of the respondents indicated that they will support fee increases, 47 percent said that they may support, and 14 percent would not.

The cumulative ranking to the question of the top five most important issues for the Central County respondents showed:
- “maintain what we have,” “land preservation/acquisition,” and “implement planned parks and trails projects”—tied at 53%
- “healthy active lifestyles”—52%
- “positive activities for youth”—48%
- “environmental stewardship” and “connecting people with nature”—47%,
- “connectivity/alternative transportation (trails, etc.)”—40%
- While and “crime and vandalism” was 26%

Central County Inland
Twenty-two (22) percent of Central County Inland respondents indicated that they would support fee increases, 41 percent said that they may support, and 37 percent would not. Regarding a dedicated funding district, 28 percent of the respondents indicated that they will support fee increases, 50 percent said that they may support, and 22 percent would not.

The cumulative ranking to the question of the top five most important issues for the Central County Inland respondents showed:
- “positive activities for youth”—61%
- “maintain what we have”—56%
- “healthy active lifestyles”—50%
- “land preservation/acquisition”—46%
- “environmental stewardship”—45%
- “implement planned parks and trails projects”—43%
- While and “crime and vandalism” was 28%
South Bay County

Seventeen (17) percent of South Bay County respondents indicated that they would support fee increases, 27 percent said that they may support, and 56 percent would not. Regarding a dedicated funding district, 50 percent of the respondents indicated that they will support fee increases, 32 percent said that they may support, and 18 percent would not.

The cumulative ranking to the question of the top five most important issues for the South Bay County respondents showed:

- “crime and vandalism” – 67%
- “positive activities for youth” – 63%
- “maintain what we have” – 56%
- “healthy active lifestyles” – 48%
- “connecting people with nature” – 41%
- “implement planned parks and trails projects” – 39%

The cumulative rankings of the top five issues can then be compared and contrasted with the results of the answers of the five highest ranking “most important issues” for the South Bay County Inland respondents were:

- “crime and vandalism” – 29%
- “positive activities for youth” – 22%
- “healthy lifestyles” – 11% tied
- “environmental stewardship” – 11% tied
- “maintain what we have” – 9%
Implementing the Cost Recovery, Resource Allocation and Revenue Enhancement Plan

The Government Finance Officers Association\(^5\) details primary implementation steps to financial recovery which includes “first aid” measures like revenue audits, exploring fees for service, and improving billing and collections. While at the same time, agencies should improve management practices, evaluate labor resources and structures, and know and manage the cost of services.

DPR’s Cost Recovery, Resource Allocation and Revenue Enhancement Plan will act as an internal work and strategic plan spanning a multi-year period. The Plan will be the implementation catalyst for the Resource Allocation and Core Service Model.

This DPR action plan includes the establishment of broad-based goals and subsequent, measurable objectives. Derived from each goal are objectives that lead to the accomplishment of the goal. All action steps detailed are intended to be immediate and ongoing or short-term (1-2 years), while the goals and objectives will span the longer-term (3-5 years and beyond) multiple budget cycles with new action steps and timelines as these are achieved.

This plan outlines service planning and operational efforts intended to move DPR forward in a logical and organized way while maintaining connectivity to the previous steps in the Resource Allocation and Core Services Model development process. The following outlines the Action Plan’s components.

Goals are broad-based statements of intent that are singularly focused, and correlate directly to the various components of the Cost Recovery, Resource Allocation and Revenue Enhancement Plan. Department Goals reflect overall DPR administration and operations while Service Goals are specific to the provision of DPR services (programs, facilities, and land asset provision). Therefore, department goals support service goal efforts.

Planning Objectives are attainable milestones that lead to the accomplishment of department and service goals. They are specific, measurable, realistic, and have the ability to be tracked. They should include: 1) the responsible staff member or staff team, 2) the action(s) that must take place, 3) how the action(s) will be accomplished, and 4) the degree to which they will be accomplished (by when or to what level of improvement).

Many of the Service Goals and subsequent Planning Objectives were derived from the Service Assessment that reviewed all of the services offered by DPR including activities, facilities, and parklands. This assessment led to the development of DPR’s Service Portfolio (Appendix G). Results indicate whether the service is “core to DPR’s values and vision” and provides recommended provision strategies that can include, but are not limited to, enhancement of service, divestment or reduction of service, collaboration, or aggressive competition.

\(^{5}\) www.gfoa.org
Pricing 101: Developing a Pricing Strategy

As the final step in the development of the Cost Recovery, Resource Allocation and Revenue Enhancement Plan, a high-level pricing discussion was introduced for all DPR staff. This discussion should continue in the future, and the following topic areas should be included and applied:

1. **Understanding financial trends**
   The increasing complexity and resulting shifts of our society’s economy have led to what can be deemed as constant fiscal change in government. Public sector administrators and managers must be prepared to respond to the fiscal realities that have resulted from these economic shifts. Trends that impact fiscal and pricing decisions include:
   - Increased governmental accountability
   - Increased demand for people’s “leisure dollar”
   - On-going or increased demand for services with no/limited additional funding, or decreased funding
   - Disinterest in service reductions or increased fees and charges
   - Increased operating expenses (e.g., utilities, fuel, personnel, supplies)

2. **Understanding DPR’s budget process and fiscal year cycle**
   Budgets are viewed as annual financial plans and include planning and forecasting, establishing priorities, and a way to monitor fiscal process. This overview allows for an abbreviated look at DPR’s process and how it impacts and is impacted by pricing.

3. **Understanding the costs of service provision**
   Prior to making pricing decisions, it is important to understand the different types of service provision costs. Having a grounded knowledge of the various types of costs allows DPR staff to make better informed pricing decisions. The different types of service provision costs are as follows:
   - Direct costs
     - Fixed costs
     - Changing fixed costs
     - Variable costs
   - Indirect Costs

   Refer to Appendix A where the DPR definitions are found.

4. **Understanding the purpose of pricing**
   There are many reasons to develop service fees and charges. These include, but are not limited to, the following:
   - Recover costs
   - Create new resources
   - Establish value
   - Influence behavior
   - Promote efficiency
5. **Pricing strategies - differential pricing**
Differential pricing is grounded in the notion that different fees are charged for the same service when there is no real difference in the cost of providing the service. There may be many reasons DPR may wish to consider this pricing strategy including:
- To stimulate demand for a service during a specified time
- To reach underserved populations
- To shift demand to another place, date, or time

6. **Alternative funding sources**
In general, there has been a decrease in the amount of tax support available to public parks and recreation departments across the nation, including DPR. As such, the need to look at alternative funding sources as a way to financially support services has become commonplace. Alternative funding sources are vast and can include:
- Gifts
- Grants
- Donations
- Sponsorships
- Collaborations
- Volunteer contributions

7. **Examining the psychological dimensions of pricing**
In addition to the social and environmental issues that surround pricing, the human elements of pricing must be considered. Regardless of how logical a price may seem, customer reactions and responses are their own and can be vastly different than what one might expect. The psychological dimensions of pricing include:
- Protection of self-esteem (pricing in such a way as to not offend certain users)
- Price-quality relationship (value received for every dollar spent)
- Establishing a reference point (worth of service in comparison to others)
- Objective price (price has a basis in fact, is real and impartial)
- Subjective price (price is not biased or prejudiced)
- Consistency of image (perception of the brand and identification with product or service)
- Odd pricing (perception of arbitrary or incongruent pricing)

8. **Establishing initial price**
Establishing an actual price for a program can be based upon a variety of strategies. Arbitrary pricing is not encouraged as it is impossible to justify; however, those strategies include:
- Arbitrary pricing: a fee based on a general provision such as raising all fees $.25 to meet budget goals – ignores market conditions and cost recovery goals.
- Market pricing: a fee based on demand for a service or facility or what the target market is willing to pay for a service. The private and commercial sectors commonly use this strategy. One consideration for establishing a market rate fee is determined by identifying all providers of an identical service (i.e. private sector providers, municipalities, etc.), and setting the highest fee. Another consideration is setting the fee at the highest level the market will bear.
• Competitive pricing: a fee based on what similar service providers or close proximity competitors are charging for services. One consideration for establishing a competitive fee is determined by identifying all providers of an identical service (i.e. private sector providers, municipalities, etc.), and setting the mid-point or lowest fee.

• Cost recovery pricing: a fee based on cost recovery goals within market pricing ranges.

9. Understanding price revisions
Once a price is established, there may be the need to periodically review the price and examine the need for revision. In some cases, “revised” may be viewed as “increased”; therefore, a systematic approach to pricing revision is important. Factors to consider in pricing revision include:

• Customer tolerance: the degree to which small increases in price will not encounter client resistance.

• Adjustment period: the period of time where the value of the service is assessed by the customer in relation to the price increase. The value of the service from the customer’s perspective must meet or exceed the impact of the increased cost. Adjustment periods may lead to diminished participation or termination of participation altogether based upon customer loyalty and other factors.

• Customers’ perceived value of the service: the degree to which services including programs, facilities, and parks impact the public (individual and community), or in other words, the results or outcomes of services. Value is the judgment or perception of worth or the degree of usefulness or importance placed on a service by personal opinion. The intent or intention of a service is the purpose, aim, or end.

10. The pricing process – developing a method
DPR staff participating in the series of resource allocation workshops engaged in interactive cost identification and pricing exercises that applied the cost recovery goals of their respective service areas. The workshops prompted discussion leading to recommended changes to selected current pricing practices with the intention of attaining recommended cost recovery and subsidy allocation goals and establishing a new method for setting fees and charges. This method is based upon using cost recovery goals as a primary pricing strategy, followed by either market pricing (for services with low alternative coverage – few if any alternative providers) or competitive pricing (for services with high alternative coverage – other alternative providers offer similar or like services). These recommended pricing strategies are detailed in DPR’s Service Portfolio document.

Comparative Analysis Criteria
As part of a pricing methodology, comparative analysis of differing fees structures can reveal market rates and competitive pricing in the market place. Comparative analysis (benchmarking) is an important tool that allows for comparison of certain attributes of the DPR’s management practices and fee structure. This process creates deeper understanding of alternative providers, your place in the market, and varying fee methodologies, which may be used to enhance and improve the service delivery of parks and recreation. The suggested criteria are found in Appendix F.
Conclusion and Recommendations

The primary goal of DPR Cost Recovery, Resource Allocation and Revenue Enhancement Plan is to establish organizational sustainability through a logical and thoughtful philosophy that supports the core values, project vision, mission of DPR, and its community.

As a result of the comprehensive study process and impending results as illustrated in the Service Portfolio (Appendix G), DPR will begin the process of implementing service provision strategies and align financial resource allocation with newly developed cost recovery goals. These efforts are intended to guide goals and objectives, and the decision-making process to create service sustainability for DPR.

The goals, objectives, and action steps detailed in the plan reflect the County of San Diego issues, priorities, unmet needs, and creative ideas identified through extensive public engagement and staff involvement. Those ideas that were consistently and frequently expressed were included in the recommendations.

**The Resulting Policy Statement is the Service Portfolio**

The recommended policy for core services and financial resource allocation, cost recovery, and pricing for DPR services is detailed in the Service Portfolio (Appendix G). The portfolio summarizes the cumulative results from all of the work and connects recommended provision and pricing strategies to DPR cost recovery goals. This entire document, along with the services portfolio and the pyramid model should be considered the culminating policy documents for the County Board of Supervisors’ consideration.
Goals, Objective, and Action Items

Context

Goals
Goals are clear general statements about what DPR intends to accomplish and must be connected to the mission, vision, and values of DPR. They are broad statements of intent that typically require several objectives to accomplish.

Objectives
Objectives are specific operational statements that detail desired accomplishments, and provide a basis for evaluation of goal progress. They are “SMART” (specific, measurable, attainable, realistic, and trackable) and address the “ABCDs.”

- **Audience** - who will do the behavior? (be specific)
  *Sports staff...*

- **Behavior** - what will they be doing? (one action per behavior)
  *Recreation staff will research trends in youth baseball participation nationwide since 2005...*

- **Condition** - how will the behavior be accomplished? (describe behavior in specific terms)
  *Recreation staff will research trends in youth baseball participation nationwide since 2005 by contacting the National Baseball Association ...*

- **Degree** - how well or by when will the behavior be accomplished? (makes the objective measurable; numbers, date, or percentages)
  *Recreation staff will research trends in youth baseball participation nationwide since 2005 by contacting the National Baseball Association, by no later than end of December 2011.*

Action Items
Action items/steps connect directly to budget and work plans, and these are the basis for planning, implementation, and decision making.

Timeline
All action steps detailed are intended to be ongoing or short-term, while the goals and objectives will span both mid-term and longer-term timelines with new action steps as these are achieved.

- Immediate and ongoing
- Short-term (1-2 years)
- Longer-term (3-5 years and beyond).

Note: specific timelines will be developed for Goals, Objectives, and Action Items by DPR using an Objective Matrix provided to DPR as a staff level document.
Broad Vision Themes

Theme 1: Policy Strategies
Managing effectively to capitalize on opportunities and communicate consistency.

Theme 2: Service Provision and Management
Delivering parks and recreation services strategically to meet DPR vision for the future.

Theme 3: Cost Savings – Cost Avoidance Strategies
Maximizing efficiencies to assure sustainable service delivery.

Theme 4: Cost Recovery Alignment
Increasing direct cost recovery and focusing taxpayer investment on community benefit.

Theme 5: Revenue Enhancement
Producing new revenue streams to increase sustainability.

Theme 6: Future Growth
Planning to proactively respond to the needs of a diverse and growing community.

The Theme and Goal Matrix follows in Table 3.
| **Theme 1: Policy Strategies** | Goal 1 – Explore the possibility of creating a self-sustaining fund. |
| | Goal 2 – Adopt the Target Tier Minimum Cost Recovery Percentage as the fiscal methodology for budget preparation, the basis for establishing fees, and public accountability. |
| | Goal 3 – Adopt the Pricing Strategies as the methodology for fee setting by DPR. |
| | Goal 4 – Implement a Sponsorship Policy. |
| | Goal 5 – Implement a Partnership Policy. |
| | Goal 6 – Revise current park designations. |
| | Goal 7 – Implement a Scholarship or Fee Waiver Policy. |
| **Theme 2: Service Provision and Management** | Goal 8 – Implement provision strategies identified through the Service Assessment. |
| | Goal 9 – Explore a systematic approach to and strategies for advancing or affirming market position for identified services. |
| | Goal 10 – Continue to explore targeted menus of services that are specific to the unique needs of individual communities throughout the county. (Avoid a “one-size-fits-all” approach.) |
| **Theme 3: Cost Savings – Cost Avoidance Strategies** | Goal 11 – Continue to develop a consistent methodology and budget planning approach for service management. |
| | Goal 12 – Continue to use “greening” practices that align with the County’s Vision and produce cost effective results. |
| | Goal 13 – Continue to track and communicate cost of major maintenance. |
| | Goal 14 – Continue to identify and track the value of volunteers as an alternative revenue source and cost savings measure. |
| **Theme 4: Cost Recovery Alignment** | Goal 15 – Ensure long term sustainability by focusing taxpayer funding on those services that produce the widest community benefit, using a cost recovery pyramid. |
| **Theme 5: Revenue Enhancement** | Goal 16 – Explore alternative funding sources that strategically align with targeted services. |
| | Goal 17 – Use and mobilize available stakeholder groups for fundraising efforts. |
| | Goal 18 – Explore the use of additional County Service Areas, landscape maintenance districts, or a county-wide open district as a self-imposed taxation mechanism for development or redevelopment funding. |
| | Goal 19 – Explore the opportunities for and use of Sponsorships through naming rights. |
| | Goal 20 – Increase marketing and outreach efforts. |
| | Goal 21 – Explore the options for “Add-On” experiences to enhance customer experience for which there is a willingness to pay. |
| **Theme 6: Future Growth** | Goal 22 – Explore new services based on community input. |
| | Goal 23 – Continue a variety of community outreach strategies. |
| | Goal 24 – Pursue collaborations and partnerships. |
| | Goal 25 – Explore capital development projects which may yield new revenue streams. |

*Note: These are not in priority order.*
**Theme 1: Policy Strategies**

The intent of this theme is to identify policies and procedures to revise or develop which allow staff to achieve Tier Target Minimum (direct) Cost Recovery percentages, maximize revenue generation where appropriate to shift taxpayer investment/subsidy to those areas that are more foundational on the pyramid, and capitalize on effective and efficient functions, all within Board of Supervisor’s guidelines and with transparent consistency.

This Theme encompasses Goals 1 through 7.

**Goal 1 – Explore the possibility of creating a self-sustaining fund.**

**Objective 1.A.**

DPR will identify selective opportunities for DPR to use or create Self-sustaining Funds or Enterprise Funds as appropriate through Division Chiefs.

**Actions:**

- Consider opportunities to convert self-sustaining programs and services (those that are revenue positive or neutral over direct costs) to a Self-sustaining Fund or Enterprise Fund.
- Consider adjusting the direct cost to include a pro-rata administration/support services, facility allocation cost, capital repair, and other appropriate costs to lessen the direct costs of the overall parks and facilities categories of service (Preserves, Developed Local and Regional Parks, Community Centers/Gyms/Teen Centers, and Outdoor Sports Facilities) and Support Services; all of which are highly subsidized categories of service.

**Goal 2 – Adopt the Target Tier Minimum Cost Recovery Percentage as the fiscal methodology for budget preparation, the basis for establishing fees, and public accountability.**

**Objective 2.A.**

DPR will recommend to the Board of Supervisors to formally accept this plan (Cost Recovery, Resource Allocation and Revenue Enhancement Plan) as the foundation for DPR’s decision-making.

**Actions:**

- DPR to present the plan at a summer 2011 Board of Supervisors meeting.
- Board of Supervisors to formally accept the study and the recommended goals, objectives and action steps.
Goal 3 – Adopt the Pricing Strategies as the methodology for fee setting by DPR.

**Objective 3.A.**
DPR will recommend to the Board of Supervisors to authorize DPR to set fees using the Pricing Strategies outlined in the Service Portfolios as the foundation for DPR’s decision-making, allowing staff to respond to the market conditions, opportunities, and service demands in a timely manner, versus approval of every fee for the next year.

**Actions:**
- DPR to present the study at a summer 2011 Board of Supervisors meeting.
- Board of Supervisors to formally accept the study and the recommended goals, objectives, and action steps.

Goal 4 – Implement a Sponsorship Policy.

**Objective 4.A.**
DPR will develop a comprehensive sponsorship policy for implementation through Recreation and Marketing Division Chiefs. This policy would provide a “menu” to potential donors or sponsors that could offer the sponsorship of the operations of a park/facility, trails, fields, special events, and/or programs provided at one of DPR’s sites. This effort can include the “adopting” of a facility or program.

**Actions:**
- Management team to review and customize sample Sponsorship Policy provided by GreenPlay LLC.
- Recommended draft policy to Director for approval process.
- Use final policy as basis for negotiated sponsorships of selected projects.
- Assist DPR’s non-profit partner, the San Diego County Parks Society, in developing a similar opportunity through the creation and strengthening of a foundation.
- Research using a consultant to identify sponsorship opportunities in the San Diego market.

Goal 5 – Implement a Partnership Policy.

**Objective 5.A.**
DPR will formalize a partnership policy for implementation through Managers.

**Actions:**
- Management team to review and customize sample Partnership Policy from the sample provided by GreenPlay LLC.
- Recommended draft policy to Director for approval process.
- Use final policy as basis for negotiated partnerships for selected projects.
Goal 6 – Revise current park designations.

Objective 6.A.
DPR will recommend to the Board revising regional versus local park designations, or re-designations of selected areas within regional parks to be classified as local parks to remove restrictions for service offerings and target markets.

Actions:
- Identify affected regional parks and select areas for local service delivery.
- Evaluate the impact of re-designation.
- Revise policies as required.

Objective 6.B.
DPR will explore long-term camping.

Actions:
- Explore the potential of extending camping stays from the current 21 day limit.
- Revise or create policies.

Goal 7 – Implement a Scholarship or Fee Waiver Policy.

Objective 7.A.
DPR ensure that services are accessible for those who are socio-economically disadvantaged through all staff.

Actions:
- Focus on providing financial support for participation in those categories of service on the Mostly or Considerable Community Benefit, and Balanced Community and Individual Benefit levels of the Pyramid – thus ensuring access for all to those services providing the greatest community benefit.

Level 1 – Mostly Community Benefit - The Foundational Level of the Pyramid
- Preserves
- Developed Regional Parks
- Developed Local Parks
- Rentals – County (for official County business)
- Volunteer Program
- Inclusion services

Level 2 – Considerable Community Benefit
- Resource Education
- Rentals – Social Services
- Community Centers/Gyms/Teen Centers
- Outdoor Sports Facilities
- Special Events
Level 3 – Balanced Community/Individual Benefit
– Youth & Senior Classes, Workshops, and Clinics
– Work Study/Internship/Community Service Program
– Rentals – Government Agencies
– Rentals – Partners
– Long-Term Leases – Partners
– Tournaments and Leagues (County Operated)
– Camps/After School Programs

Objective 7.B.
DPR will develop a scholarship policy for implementation through Managers.

Actions:
• Consider what other parks and recreation jurisdictions scholarship or fee reduction/waiver policies are within the region.
• Management team to review and customize sample Scholarship/Fee Waiver Policy and criteria from the sample provided by GreenPlay LLC (Appendix D).
• Recommended draft policy to Director for approval process.
• Implement and promote the policy.
• Establish an annual fund/allocation for this project.
• Track usage.

Objective 7.C.
DPR will explore and pursue potential alternative funding sources to fund the scholarship or fee reduction/waiver program.

Actions:
• Consider creation of a donation and/or an endowment program.
• Consider a round-up program as one option (e.g., giving program registrants the opportunity to voluntarily round-up their program or service fee to support the scholarship program or a designated program or service).
• Consider creating a “workreation” program (for individuals to use volunteer hours toward payment/credit for future programs for which they would like to participate).

Objective 7.D.
DPR will expand targeted efforts to reach socio-economically disadvantaged populations through recommending strategic initiatives and funding sources.

(For example, outreach efforts could be targeted to socio-economically disadvantaged neighborhoods, lesser achieving school service areas, subsidized housing developments, high-density urban areas, senior housing developments and assisted living facilities, and areas not served by public transportation, etc.).
Actions:

- Research grants to reach these populations.
- Pursue cooperative efforts with other agencies.
- Pursue reimbursement from other agencies where possible.
- Conduct pre and post service/initiative assessments to measure outcomes and sustain funding.

Theme 2: Service Provision and Management

The intent of this theme is to avoid duplicative services in over-saturated markets which exhaust resources, identify and develop niche markets in response to service area needs, and advance DPR’s market position where services are financially sustainable.

This Theme encompasses Goals 8 through 10.

Goal 8 – Implement provision strategies identified through the Service Assessment.
(Note: The following objectives were identified through a comprehensive staff Service Assessment in summer 2010. The Service Assessment tool should be used regularly to align services with evolving community needs, financial and market conditions, etc.)

Objective 8.A.
DPR will evaluate alternative provision strategies through market research for identified services. (See Appendix G for Service Portfolios identifying all the services recommended for collaborations or complementary development.)

Several services suggest complementary development because a number of, or one, significant alternative provider(s) exists which provide the service. DPR may be in a strong market position to provide the service, yet it does not have financially capacity. “Complementary development” encourages planning efforts that lead to complementary service development rather than duplication, broadening the reach of all providers. Although there may be perceived market saturation for the service due to the number of or similar services of alternative providers, demand and need exists justifying the service’s continued place in the market.

Several of the services at selected locations suggest collaboration because the service can be enhanced or improved through the development of a collaborative effort as DPR’s current market position is weak. Collaborations (e.g., partnerships) with other service providers (internal or external) that minimize or eliminate duplication of services while most responsibly using DPR resources are recommended.

Actions:

- Evaluate opportunities for complementary development
- Evaluate opportunities for collaboration
- Evaluate opportunities for third party service providers
Objective 8.B.
DPR will develop a systematic process for the divestment of identified services to mitigate resource loss. (See Appendix G for Service Portfolios identifying all the services to divest.) Divestment could mean cessation of a specific service at a specific location and trying something different, closing or re-purposing a facility or facility space, or elimination of a service altogether.

Several of the services at selected locations suggest divestment, because DPR has determined that it is in a weak market position with little or no opportunity to strengthen its position. Further, the service is deemed to be contrary to DPR’s interest in the responsible use of resources; therefore, DPR is positioned to consider divestment of the service.

Actions:

- **Children’s Art at Fallbrook** *(current specific offering)*.
  - Survey community on the kinds of art programs desired.
  - Strategically offer a variety of different types of art services.

- **Active Lifestyle - Classes** *(Senior or 50 and older)* - **Chair Exercise at Fallbrook**.
  - Survey community on the kinds of active lifestyle programs desired.
  - Strategically offer a variety of different types of active lifestyle services.

- **Computer programs at Fallbrook**.
  - Keep computer lab but eliminate classes.
  - Evaluate the needs of beginner, intermediate, and advanced computer users.

- **Preschool at Fallbrook**.
  - Evaluate if DPR should lease out this service to a private provider.
  - Develop a request for information.
  - Develop timeline.
  - Develop notification process for current participants if a transition to a new provider or service divestment is chosen.

- **Sports Camp at Fallbrook**. - This program is not successful at this location; it has low participation numbers and cancels often.
  - Survey community on the kinds of sports camp program desired.
  - Strategically offer a variety of different types of sports camps.

- **Summer Day Camp at Fallbrook**.
  - Staff to offer one more summer camp to test market position *(currently weak with high alternative coverage, and does not meet cost recovery goals)*.

- **School Vacation Camp at Fallbrook**.
  - Staff to offer one more school vacation camp to test market position *(currently weak with high alternative coverage, and does not meet cost recovery goals)*.

- **Tennis Clinics and Camps at 4S Ranch** – divestment is completed.

- **Geocaching at Sweetwater Park**.
  - This location is not a good fit. Enforcement issue due to multiple jurisdictions and private ownership.
  - Amend internal policy to exclude Sweetwater Park, then post on site, advertise on DPR website, and go online with geocaching website.
Goal 9 – Explore a systematic approach to and strategies for advancing or affirming market position for identified services.

**Objective 9.A.**
DPR will advance market position of identified services through increased marketing efforts. (See Appendix G for Service Portfolios identifying all the services to advance.)

**Actions:**
- Capitalize on DPR’s strong market position for these services by increasing offerings as demand dictates.
- Advance market position of campsite rentals in most (if not all) locations, especially rentals of campsites with full or partial hookups in campgrounds and regional parks.
- Advance market position of dump stations.
- Advance field rentals and facility rentals at most locations.
- Consider additional Splash Parks (also known as sprayparks, splash pads, or water playgrounds in the park and recreation industry).

**Objective 9.B.**
DPR will affirm market position of identified services through program outcome planning and market research. (See Appendix G for Service Portfolios identifying all the services to affirm.)

At certain locations, specific programs have demand within the target market and service area, and alternative providers are also in the same market space. Strategic positioning and messaging, focusing on the differences or niche will be a key marketing strategy.

Yoga, martial arts, fitness and wellness programs, dance, and some special events are also provided by others in certain locations throughout the county system.

**Actions:**
- Ensure that services offered fill a strategic niche market.
- Use niche positioning and messaging as a marketing strategy.

Goal 10 – Continue to explore targeted menus of services that are specific to the unique needs of individual communities throughout the county. (Avoid a “one-size-fits-all” approach.)

**Objective 10.A.**
DPR will conduct a service assessment and review portfolio of services annually to ensure responsiveness to each unique service area and their socio-economic conditions.

**Action:**
- Add as a function to management performance plans.
**Objective 10.B.**
DPR will adopt a systematic approach to new program implementation and management. (For instance, run a program three times, making adjustments as necessary, and then discontinue offering it if it is not successful.)

**Actions:**
- Monitor minimum registration
- Make adjustments as necessary
- Cancel and/or replace under-performing services

**Objective 10.C.**
DPR will manage their programs’ lifecycles through monitoring registration, attendance figures, and cost recovery goals on an ongoing and regular basis.

**Actions:**
- Watch for the warning signs of program saturation point, such as declining participation, and pursue revitalization efforts such as new instructor, new outcomes, title and description, and new day or time.

**Theme 3: Cost Savings – Cost Avoidance Strategies**
The intent of this theme is to identify practices and analysis methods for service planning and provision to consistently ensure the most cost effective use of resources.

This Theme encompasses Goals 11 through 14.

**Goal 11 – Continue to develop a consistent methodology and budget planning approach for service management.**

**Objective 11.A.**
DPR will ensure that all staff is using zero-based (cost-based or activity-based) budgeting principles to determine the direct cost to provide a service as the basis for the budget development process though Managers.

**Actions:**
- Expand use of existing budgeting, project, and time management tools to track actual costs over the next year.
- Compare tracked actual costs against current direct costs assumptions and make adjustments as necessary.
- Use cost-based budgeting tools as the details for the next fiscal year budget preparation.

**Objective 11.B.**
DPR will continue to identify the cost of emergency services (e.g., providing shelter in an emergency, fire, flooding, earthquakes, and major storms, etc.) and pursue reimbursement where appropriate or possible as events occur through Managers.
Actions:
- Continue to track direct and indirect costs to provide these emergency services based on the revised definition of costs.
- Pursue FEMA reimbursement when possible.
- Pursue reimbursement from other agencies where possible.

Goal 12 – Continue to use “greening” practices that align with the County’s Vision and produce cost effective results.

Objective 12.A.
DPR will review internal management practices and evaluate cost savings measures.

Actions:
- Conduct internal process meetings to determine efficiencies, management styles, efficient uses of assets, and create recommendations to reduce costs and simplify processes, sharing approval/decision-making throughout DPR.
- Managers to document recommended process changes and management strategies, which reduce costs.

Objective 12.B.
DPR will research commercial trash compaction using solar compactors.

Action:
- Parks Operations staff to pursue researching the cost/benefit of this opportunity.

Objective 12.C.
DPR will research sponsorships and donations, or alternative ways to supplement the purchase of doggie bags.

Actions:
- Post signs regarding clean up.
- Provide doggie bags and/or other disposal methods in partnership with a sponsor

Objective 12.D.
DPR will explore feasibility of investing in water and energy efficiency enhancements, then plan and budget to implement the retrofits for a positive return on investment (ROI) moving forward.

Actions:
- Expand use of “smart controllers” to improve water efficiency and irrigation maintenance cost avoidance.
- Continue to improve water efficiency in Park and Recreation facilities by various means such as, retrofitting and/or installing new water efficient equipment.
- Upgrade park facilities with artificial turf, where applicable, to conserve water resources, reduce overall maintenance, and provide state of the art playing fields for year-round sports programs (also raises revenue).
• Install solar “photovoltaic” systems at existing facilities to reduce County reliance on public utilities and reduce annual operating costs, thereby delivering a positive ROI.

• Improve energy efficiency in Park and Recreation facilities by various means, such as retrofitting and/or installing new energy efficient equipment.

**Objective 12.E.**
DPR will explore composting. The increased demand for landfills and the high cost of waste disposal, especially biodegradable waste disposal, encourages a look at alternatives to waste removal.

**Action:**
- Explore the alternative in waste management by creating worm composting bins that treat paper and other biodegradable waste such as vegetation and food waste on site.

**Objective 12.F.**
DPR will promote green technology and lessen the impact of animal waste in landfills by exploring the cost/benefit of installing dog waste (methane digester) lights.

**Action:**
- Explore the “Park Spark Project” ([http://parksparkproject.com](http://parksparkproject.com)) that offers a solution for the waste and creates energy to power a street light from the waste using a methane digester. Using such a device would promote green technology and offer a green solution for getting rid of the waste.

**Goal 13 – Continue to track and communicate cost of major maintenance.**

**Objective 13.A.**
DPR will maintain a current rolling ten-year capital repair and replacement list – Capital Improvement Plan (CIP) of the physical assets of DPR.

**Actions:**
- Managers will continue to update the CIP list annually.
- Division Chiefs will meet to discuss a consensus approach to CIP budget requests and message the escalation costs of not being able to address the repair and replacement plan with DPR Director.

**Objective 13.B.**
DPR will explore ways to further reduce damage costs from rentals to include cabins, boats, and pavilions.

**Actions:**
- Amend parks policies to include a standardized contract wherein patrons agree to pay for any damages.
- Improve procedures to ensure reimbursement for any damages.
• Determine standardized fees for commonly damaged items such as broken windows, lost keys, and bent boat propellers.
• Find a conduit to allow for damages collected to be replaced into affected parks Services and Supplies budget that was used to repair damages.

**Objective 13.C.**
DPR will identify parks that have active community support and implement an Adopt-A-Park/Adopt-A-Trail program to assist in ongoing maintenance efforts.

**Actions:**
- Research best practices.
- Create a policy and procedures.
- Develop a list and schedule of tasks to be accomplished and whether or not the tasks are enhancements or are replacing current work being done as a labor cost savings measure.
- Account for the direct costs to manage this program.
- Market and promote the program.

**Goal 14 – Continue to identify and track the value of volunteers as an alternative revenue source and cost savings measure.**

**Objective 14.A.**
DPR will track the use of volunteers that supplement critical service functions and include the value of this as an alternative funding source.

**Actions:**
- Actively engage volunteers where appropriate as an alternative funding resource.
- Follow Best Management Practices for volunteer programs.
- Value the volunteer labor as outlined by the Independent Sector [http://www.independentsector.org/volunteer_time](http://www.independentsector.org/volunteer_time). According to the website, the value of California volunteer labor is $23.29 per hour. (County of San Diego currently uses $20.85 as the value; consider updating this per hour value.)
- Account for the value of the volunteers as alternative revenue, replacing the cost to provide the service, and the same value of the service on the expense side.
- Classify the value of volunteers as supplementing operations or providing an enhancement.

**Theme 4: Cost Recovery Alignment**
The intent of this theme is to identify opportunities to increase direct cost recovery where possible and to begin the dialogue with those affected.

This Theme encompasses Goal 15.
Goal 15 – Ensure long-term sustainability by focusing taxpayer funding on those services that produce the widest community benefit, using a cost recovery pyramid.

**Objective 15.A.**
DPR will increase cost recovery to meet target goals through recommended pricing strategies and/or use of alternative funding sources as appropriate to specific service through staff.

Social services have importance to the community and are providing considerable benefit to both the community and the individual. These services are generally provided through a rental, and should be provided by DPR as long as funding remains available through partnerships, another department, or should be managed by another department or agency whose mission more closely aligns.

Even though DPR does not currently operate private/semi-private lessons, they may in the future; therefore, it is shown on the pyramid.

**Actions:**
- *Site supervisor staff will evaluate appropriate pricing by conducting a market analysis using suggested comparative analysis of like facilities and services and submit it to Managers.*
- *Managers will determine if they can make services meet the recommended cost recovery goals by looking at direct costs, fee adjustments, and alignment with available alternative funding strategies.*
- *Managers will articulate a recommendation to divest some or all of the services to Division Chiefs in the event that cost recovery goals cannot be achieved.*
- *Division Chiefs will consider recommendation and forward to DPR Director for approval.*

**Actions (Service Specific):**
- *Site supervisor staff will evaluate and identify opportunities to offer private/semi-private lessons.*

**Objective 15.B.**
DPR will review all ongoing rentals, Memorandums of Understanding (MOUs), and long-term lease agreements to assure compliance with cost recovery goals in relation to the direct cost to provide the service (the value) and the category of service level on the cost recovery pyramid annually through Managers.

**Actions:**
- *Educate current renters, MOU and long-term lease holders on the financial and service sustainability plan, the results of the cost recovery goals, the service assessment and provision analysis.*
- *Develop specific and measureable action steps for each rental, MOU and lease holder including alternative funding strategies.*
**Objective 15.C.**

DPR will review all independent contract agreements in relation to DPR costs and adjust to match the category of service level on the pyramid annually through Supervisors.

**Actions:**
- Educate current contract agreement holders on the financial and service sustainability plan, the results of the cost recovery goals, the service assessment and provision analysis.
- Discuss strategies to efficiently and effectively comply with the plan.
- Develop specific and measureable action steps for each contract holder including alternative funding strategies.

**Objective 15.D.**

DPR will use industry best practices to manage programs and services. The following categories of services are identified as areas for priority review through Site Supervisors.

**Actions for Trips and Tours:**
- Evaluate contracting versus offering in-house.
- Partner with other agencies.
- Adjust fees or participation minimums.
- Marketing strategies:
  - Target marketing.
  - Mail flyers to past participants.
- Strategic planning.

**Actions for Campgrounds:**
- Survey campers to find out what improvements they desire in a priority order.
- Increase pricing – use market pricing where there is a high demand for services; use competitive pricing where there are alternative providers in the target service area.
- Bundle packages to include all costs (e.g. dumping).
- Offer seasonal pricing and peak pricing.
- Explore additional camping options (e.g. long-term camping).
- Strategically price premium sites.
- Offer early reservation incentives.
- Explore and evaluate storage revenue versus liability costs.
- Upgrade campsites.
- Develop a list and implement capital improvements.
- Offer Wifi internet service.

**Actions for Rentals – Partners:**
- Explore a secondary season charge.
  - Inform those who are impacted at sports council or allocation meetings.
  - Gather input from CSA.
- Seek cost recovery ideas from partners.
- Conduct a comparative analysis of what other agencies charge for partner rentals and raise fee for entire season across board.
Actions for Long Term Leases – Partners:
- Define who is a partner and why.
- Renegotiate the leases and standardize – shorten leases.
- Focus priority on major sport venues.
- Audit the partner’s performance in relation to the lease agreement and cost recovery goals to see what true costs are and determine profit sharing agreement.
- Conduct major maintenance audits.
- Recover property maintenance fees.
- Review and begin negotiations with partnered leases.

Actions for Youth Tournament:
- Seek sponsorships and partnerships.
- Consider bringing the officiating in-house (cost savings).
- Adjust the per person fee (increase cost recovery).
- Explore grants tied to health initiative.
- Pursue gifts and endowments.
- Conduct a fee comparison with neighboring cities.
- Continue market pricing.
- Consider uniform fee or a sponsor for uniforms.

**Objective 15.E.**
DPR will consider adjusting DPR fees at premier wedding venues, to be more in line with alternative providers, Rancho Buena Vista, and Leo Carrillo Ranch, which are both comparable venues to DPR.

**Actions:**
- Confirm recent fee benchmarking provided by Park Managers in premier venues.
- Adjust the fees to minimally match the lowest similar alternative provider.
- Consider adjusting or implementing deposit fees.

**Objective 15.F.**
DPR will consider implementing peak/off-peak time, and seasonal demand pricing strategies.

**Actions:**
- Develop fees based on cost/value of and demand for the experience.
- Develop marketing strategy and campaign.

**Theme 5: Revenue Enhancement**
Identify new sources of revenues, including alternative funding ideas, and explore their future potential to increase or contribute to DPR’s overall financial sustainability.

This Theme encompasses Goals 16 through 21.
Goal 16 – Explore alternative funding sources that strategically align with targeted services.

**Objective 16.A.**
DPR will identify six ideas from the Alternative Parks and Recreation Operations and Capital Development Funding Sources section of this document and formulate a work team to explore the pros and cons, and potential outcomes for consideration per budget cycle to implement through Managers.

**Action:**
- Assign a team of Managers to select and pursue six alternative funding ideas.

**Objective 16.B.**
DPR will pursue alternative funding for efficiency measures to reduce the costs to the taxpayer of operations, maintenance, and safety over the next several years.

**Actions:**
- Research efficiency grants to analyze investing in and converting to green practices.
- Research return on investment (ROI) amortization schedules for investing in and converting to green practices.

**Objective 16.C.**
DPR will expand alternative funding for strategic initiatives through grants for new and existing capital projects.

**Actions:**
- Actively seek new grant opportunities for healthy and active living initiatives.
- Pursue grants for trail development such as Safe Routes to Schools.
- Continue to pursue grants for cultural and natural resource projects.

**Objective 16.D.**
DPR will continue seeking alternative funding sources for programs and operations on an ongoing basis.

**Action:**
- Explore alternative funding sources for ongoing programs and operations.

Goal 17 – Use and mobilize available stakeholder groups for fundraising efforts.

**Objective 17.A.**
DPR will revamp the Park Society to be an active fundraising body (Foundation) for DPR.

**Actions:**
- Change the bylaws to establish the Park Society as a fundraising board.
- Develop roles and responsibilities for members.
- Recruit new membership.
- Develop fund raising goals based on DPR goals and objectives or specific initiatives and programs.
- Research typical cost and funding mechanisms for a grant manager to write and administer grant programs.
- Explore if the Parks Society could raise seed money or annual matching funds to leverage this strategy.

**Objective 17.B.**
DPR will engage “Friends” Groups in fundraising efforts. Staff liaisons will work with “Friends” Groups to revitalize them or work with community members to create new groups to support DPR programs and facilities.

**Actions:**
- Assess current fundraising levels of current “Friends” Groups.
- Encourage community members to become members of existing groups.
- Create new groups in areas with interested community members.
- Develop fundraising goals based on program and facility objectives or specific initiatives and programs.

**Goal 18 – Explore the use of additional County Service Areas, landscape maintenance districts, or a county-wide open district as a self-imposed taxation mechanism for development or redevelopment funding.**

**Objective 18.A.**
DPR will identify those communities who answered in favor of exploring a self-imposed taxation option to begin discussions and an implementation process in strategic locations using the survey results as a baseline.

**Actions:**
- Meet with the community to discuss projects, goals, and financial capabilities.
- Develop and conduct the ballot initiative.

**Goal 19 – Explore the opportunities for and use of Sponsorships through naming rights.**

**Objective 19.A.**
DPR will develop a list of potential park and facility sites and amenities to consider for naming rights and costs through Managers.

**Actions:**
- Develop the list of opportunities including historic sites.
- Develop fees and timeframes for naming rights (annual, in perpetuity, etc.)
- Develop sponsorship packages to bundle opportunities and market to major businesses such as hospitals, insurance companies, sports organizations, and related for-profit businesses.
- Market this option to corporations (larger facilities and parks), and individuals (benches, rooms, and equipment, etc.).
Goal 20 – Increase marketing and outreach efforts.

**Objective 20.A.**
DPR will increase marketing and promotional opportunities through the updating of the marketing plan.

Action:
- *DPR will update the department-wide marketing plan.*

**Objective 20.B.**
DPR will expand the use of email blasts to increase promotion of upcoming opportunities for program registration and special events through marketing staff.

Action:
- *Increase the number of email addresses receiving DPR email distribution.*

**Objective 20.C.**
DPR will expand the use of social media to reach new target populations and demographics through marketing staff.

Action:
- *Add “local” facility or program specific pages and links in Facebook, which create community-based target marketing opportunities.*

**Objective 20.D.**
DPR will explore the use of new technology that allows a park user to get additional onsite information on a native plant, historic, or cultural amenity, etc.

Action:
- *Research the use of QR codes (matrix bar codes) or augmented reality technology to provide people with a new way to view/experience your park or facility (through their mobile devices).*

**Objective 20.E.**
Investigate market expansion to increase rentals for affordable wedding and reception venues.

Actions:
- *Participate in tradeshows and advertise with private providers.*
- *Create partnerships with dress shops, caterers, bakeries, rental equipment, music, etc.*
- *Create packages and themes.*
Objective 20.F.
DPR will investigate areas for market expansion to increase rentals for business retreats and meeting venues.

Actions:
- Outreach to local Chambers of Commerce.
- Create packages and themes.

Objective 20.G.
DPR will investigate areas for market expansion to increase tourism.

Actions:
- Advertise to target demographic group publications (e.g.: AARP)
- Create off-peak packages.
- Create tourist or visitors or family/friends packages.
- Leverage the Scenic Byway program.
- Participate in tradeshows for tourism.
- Invite the media market to tour attraction.
- Develop Mexico market (translation).
- Explore opportunities and partnerships with the San Diego Convention and Visitor’s Bureau and the State Tourism Office.
- Explore grants, research information, and opportunities with international tourism for cultural and historical attractions (a growing interest) by contacting U.S. Department of Commerce, Office of Tourism and Travel http://tinet.ita.doc.gov.
- Track economic impacts to make an argument for a dedicated pro-rata tax share.
- Develop partnerships and packages for travelers with Army Corps of Engineers, Department of Natural Resources, State Parks, US Fish and Wildlife.

Objective 20.H.
DPR will investigate areas for market expansion to increase fitness and health packages for businesses.

Actions:
- Work with the Chamber of Commerce to identify priority businesses.
- Create packages and themes.

Goal 21 – Explore the options for “Add-On” experiences to enhance customer experience for which there is a willingness to pay.

Objective 21.A.
DPR will develop behind the scenes tours of historic and cultural sites for implementation through Park Rangers.
Actions:
- Develop fee based on cost/value of the behind the scenes experience.
- Develop marketing strategy and campaign.

**Objective 21.B.**
DPR will test personal tours by Park Rangers and Naturalists through the Park Operations Division.

Actions:
- Develop fee based on cost/value of one-on-one or personalized experience.
- Develop marketing strategy and campaign.

**Objective 21.C.**
DPR will expand the “Passport” program to include a “San Diego County Treasure Hunt” program through the Park Operations Division.

Actions:
- Develop fee based on cost/value of the experience.
- Develop marketing strategy and campaign.

**Objective 21.D.**
DPR will explore the creation of an “Adventure/Annual Pass.” This can be a similar but different “annual pass” than DPR currently offers. This could be a recreation pass that permits users to park their cars in open space preserve staging areas for the purpose of recreation.

Actions:
- Parks Operations staff to explore the creation of the Adventure/Annual Pass for next year.
- Develop fee based on cost/value of the experience.
- Develop marketing strategy and campaign.

**Objective 21.E.**
DPR will increase revenue from the use of dump stations at DPR campground parks.

Actions:
- Set a standard fee for non campers to use the dump station. This would bring in added revenue; however, it would still be on the honor system.
- Explore the option to build an automated dump station.
- Explore an agreement with a vendor who would install and maintain an automated dump station, with a revenue sharing agreement with DPR.

**Objective 21.F.**
DPR will increase revenue and promote water conservation through the installation of coin operated showers at all campgrounds.
Actions:

- Explore the cost/benefit of converting all existing non-coin operated showers into coin operated ones.
- Develop fee based on cost/value of and investment recovery of the amenity.

Objective 21.G.
DPR will identify local parks that have pavilions or gazebos but are currently not able to be reserved and create a plan to rent them.

Actions:

- Identify local parks that do not currently rent out pavilions or gazebos but have them.
- Create a protocol for roving supervision and management of these rentals in non-staff parks or in local parks with limited staffing.
- Develop marketing strategy and campaign.

Objective 21.H.
DPR will identify parks that do not currently have pavilions or gazebos, and will explore the cost/benefit of installing additional gazebos or pavilions in these parks.

Actions:

- Locate parks that do not currently have pavilions or gazebos on site, but warrant them.
- Budget the capital investment and installation costs for the highest use/potential use sites.
- Explore how in the future, DPR could look at increasing rentals to the pavilions/gazebos by installing a kitchenette.
- Develop fee based on cost/value of the behind the enhanced services.
- Develop marketing strategy and campaign.

Objective 21.I.
DPR will increase Agua Caliente’s spa revenue by instituting a Spa special use fee (new), or set prices higher to include use of these amenities.

Actions:

- Develop a fee structure.
- Explore extending Agua Caliente season for non-peak use (It is closed during summer, but staff is still there) for day use only (perhaps for special groups only).

Objective 21.J.
DPR will explore expanded the use of Iron Rangers in campgrounds and preserves. Most of the preserves do not have any kind of fee collection system.

Actions:

- Identify parks and preserves where “Iron Rangers” can be used.
**Objective 21.K.**
DPR will explore automated payment technology in parks.

**Actions:**
- Install several of the automated fee collection units at existing fee sites to test if devices collect enough added revenue to offset costs.
- If units do meet revenue goals, install them at other sites, including preserves.

**Objective 21.L.**
DPR will increase their revenue by offering specialized services to the public like concierge service/special events service.

**Actions:**
- Explore a cost/benefit analysis.
- Identify vendors for customers for special events.
- Group fees could also be charged.
- Develop fee based on cost/value of the service.
- Develop marketing strategy and campaign.

**Objective 21.M.**
DPR will explore the potential revenue from collecting cleaning/damage deposits and monetary fines from ordinance violations.

**Actions:**
- Explore a trial damage deposit fee associated with Regional Park facilities. For example - if a renter breaks the AC unit in a cabin, they pay the full cost of replacement.
- Explore how much revenue DPR would see from an infraction and misdemeanors fine by working with the Sheriff’s Department, County Court system, and the County’s fiscal unit.

**Objective 21.N.**
DPR will explore additional revenue opportunities for camping at El Monte.

**Action:**
- Explore the potential to convert a portion of the park into a camping facility with other amenities.

**Objective 21.O.**
DPR will explore premium camping which includes sites with views, level, and accessible campsites.

**Action:**
- Explore the opportunity to create a higher camping fee scale for premium camping based on the higher occupancy percentages.
**Objective 21.P.**
DPR will explore the use of utility meters for campground hook up sites.

**Action:**
- Explore the return on investment by installing metered service bollards and charge for the utilities used or consider a baseline that would charge according to excessive use.

**Objective 21.Q.**
DPR will explore the cost/benefit of building stores or leasing concession space at camping/day use parks.

**Actions:**
- Identify possible locations for concession/merchandise for resale/equipment rental stores.
- Conduct a feasibility study on the highest priority site.
- Determine whether to negotiate with a concessionaire or provide this service in-house.

**Objective 21.R.**
DPR will explore current concession lease agreements revenue sharing to offset future repair and replacement needs.

**Actions:**
- Identify specific lease agreements to pilot a concession revenue share.
- Identify planned lifecycle repair/replacement and predictive maintenance needs associated with current lease agreements.
- Renegotiate current lease agreements annually or as they come due.

**Objective 21.S.**
DPR will establish policy with criteria to establish new sites for community gardens. Due to urban sprawl and the promotion of health and wellness initiatives, there exists increased demand for usable ground to cultivate easily accessible community gardens.

**Actions:**
- Explore the potential for revenue increase by identifying potential sites and viable cost recovery fees for community gardens.
- Develop fee based on cost/value of the experience.
- Develop marketing strategy and campaign.

**Objective 21.T.**
DPR will explore additional sites for Farmers’ Markets.
Actions:
- Explore the potential for revenue increase by identifying additional sites and viable cost recovery fees for farmers’ markets.
- Establish a policy with criteria to establish new sites for farmers markets.
- Develop fee based on cost/value of the experience.
- Develop marketing strategy and campaign.

Objective 21.U.
DPR will explore and develop a “Stay and Play” package for vacationers.

Actions:
- Explore a stay and play package with various golf courses to form a partnership package that would create promotional “Stay and Play” package that would combine a round or rounds of golf with campsite reservations.
- Develop fee based on cost/value of the experience.
- Develop marketing strategy and campaign.
- Include the following information in marketing materials:
  - Course description and overview.
  - Golf fees/room rates, reservation policies, and cancelation protocol.
  - Various stay and play packages and upgrades.
  - Map and directions.

Objective 21.V.
DPR will explore purchasing and using a mobile stage for movies and concerts.

Actions:
- Explore the cost/benefit of purchasing and using the mobile stage.
- Implement a fee structure to allow rentals of this equipment.

Objective 21.W.
DPR will explore using marquees/digital signage at community centers, teen, and sports centers to promote activities.

Action:
- Explore the cost/benefit and feasibility of purchasing and using this type of promotional equipment.

Objective 21.X.
DPR will explore the addition of concerts in the parks.

Actions:
- Recreation staff will research this special/community event and provide cost/benefit analysis to Managers.
- Develop marketing strategy and campaign.
Objective 21.Y.
DPR will explore the addition of “Celebration Days” in parks. (For example: anniversary events to celebrate DPR local, regional, open space parks, historical sites, and community centers/sports complex). The celebrations would reflect the dates that the facility or operations were established.

Actions:
- Parks Operations staff will research this special/community event and provide cost/benefit analysis to Managers.
- Develop marketing strategy and campaign.

Objective 21.Z.
DPR will develop an acceptable vendor list for community centers rentals and events (party planners, florists, tables, chairs, decorations, etc.).

Actions:
- Recreation staff will create acceptable vendor lists (based on established criteria) in each rental facility.
  - Determine categories of service (catering, DJ service, table/chair rental, wedding planners, etc.).
  - Develop criteria for vendor selection and seek vendors.
  - Determine number of vendors per category and whether they are accepted according to established criteria.
  - Determine annual fee or revenue percentage split to charge vendors.
  - Develop a written agreement between DPR and vendor.

Objective 21.AA.
DPR will explore the creation of a full cost recovery “Hire-a-Ranger Guide” program designed to meet the needs of school groups and non-profit organizations who wish to arrange for professionally guided tours of the trails and parks of the County.

Actions:
- Parks Operations staff to explore the creation of the Rent-A-Ranger Program.
- Develop fee based on cost/value of the experience.
- Develop marketing strategy and campaign.

Objective 21.BB.
DPR will explore the elimination of discounts for special age groups. Consider discounting rates for low use times consistent for all users.

Actions:
- Establish new rate schedule that no longer contains senior or other age-related discounts and obtain board approval.
- Cease selling annual discounts.
- Sunset date all existing annual discount cards.
- Begin collecting full established rates.
Objective 21.CC.
DPR will review cost benefits of eliminating annual passes or increasing fees to allow more recovery for services (parking and fishing).

Actions:
- Present a modified fee schedule to board that no longer contains annual passes.
- Cease sales of annual passes.
- Sunset date all existing passes.
- Begin collecting full established fees.

Objective 21.DD.
DPR will explore the installation of Wi-Fi infrastructure in campgrounds.

Actions:
- Contact internet service providers (landline, satellite, and cell) and determine if service is (or will be) available.
- Determine cost and feasibility of installing Wi-Fi broadcast equipment that would be able to service identified area within the park.
- Determine ongoing (monthly) service and support charges.
- Discuss alternative funding or sponsorship opportunities with provider.
- Determine cost/benefit of improvements.
- Develop a potential add-on fee based on cost/value of the experience.
- Develop marketing strategy and campaign.

Objective 21.EE.
DPR will explore the installation of small scale observatories in selected parks for use in collaborations with local astronomy groups, schools, community colleges, and universities.

Actions:
- Determine possible locations within regional parks or preserves.
- Develop concept plan and estimates.
- Identify capital funding sources.
- Explore STEM grants.
- Formalize partnerships.
- Design and construction of facility.

Objective 21.FF.
DPR will explore the potential of Dog Shows in the parks.

Action:
- Park Managers will explore the cost/benefit and potential partnership to offer dog shows in selected parks.
Objective 21.GG.
DPR will explore the revenue potential of implementing a Special Use Fee for Hilton Head and Sweetwater Splash Parks (also known as sprayparks, splash pads, or water playgrounds in the park and recreation industry).

Actions:
- Division Chiefs will identify the cost/benefit of implementing this special use fee at the existing Hilton Head Park, and Sweetwater Park.
- Consider fencing, concession, and staffing the current splash park as value added services.
- Provide discounted rates for neighbors.

Objective 21.HH.
DPR will explore the potential of expanding “Star Parties” beginning with Mt. Gower Open Space Preserve.

Action:
- Mt. Gower Open Space Preserve Manager will consider developing this program, conducting a market analysis using the Service Assessment, and benchmarking market-rate fees.

Theme 6: Future Growth
The intent of this theme is to assist DPR in their planning efforts to proactively respond to the needs of a diverse and growing community.

This Theme encompasses Goals 22 through 25.

Goal 22 – Explore new services based on community input.

Objective 22.A.
DPR will identify the gaps in service which have the highest unmet need and importance to implement over the next several years sing the results and analysis provided by the 2010 County-wide survey, through Managers.
Actions:

- For Rural/Backcountry facilities and amenities:
  o Explore additional or improved/enhanced open space/preserves and nature centers, as priorities for areas of interest that have high importance with needs not well met, which impact a larger segment of the community and represent broad interest.
  o Explore specialized interests of high importance with needs not well met as targeted opportunities for development (e.g. mountain bike trails, primitive camping, dog parks, splash parks/spraygrounds/water play areas, and RV/self contained camping).
  o Lastly, explore very specialized interests of high importance to a narrower portion of the population, and partnerships as a way to help fund these interests, as selected opportunities for development (e.g. equestrian trails, rodeo, and agriculture).

- For Suburban/Urban facilities and amenities:
  o Explore additional or improved/enhanced bike/commuter trail and community gardens, as priorities for areas of interest that have high importance with needs not well met, which impact a larger segment of the community and represent broad interest.
  o Explore specialized interests of high importance with needs not well met as targeted opportunities for development (e.g. senior centers, gymnasiums, dog parks, teen centers, weight/cardio rooms, and spraygrounds/water play areas).
  o Lastly, explore very specialized interests of high importance to a narrower portion of the population, and partnerships as a way to help fund these interests, as selected opportunities for development (e.g. skate/BMX parks).

- For programs and activities:
  o Explore additional environmental education, health and fitness classes, general education, and youth/teen activities as priorities for programs of interest that have high importance with needs not well met, which impact a larger segment of the community and represent broad interest.
  o Explore specialized programs of high importance with needs not well met as targeted opportunities for development (e.g. performing/visual arts, organized adult team sports, therapeutic recreation, and senior activities).

**Objective 22.B.**
DPR will use Service Assessment to determine DPR’s position in the market relative to service fit, economic viability, or dependence on taxpayer investment, strength or weakness in the market, and other similar available providers before implementation.

**Action:**

- On an annual basis, staff will review their service portfolio and use the Service Assessment to evaluate market position and provision strategies.
Goal 23 – Continue a variety of community outreach strategies.

**Objective 23.A.**
DPR will continue to provide ongoing opportunities for community input through a variety of outreach efforts through Division Chiefs and Managers.

**Actions:**
- *Staff will continue to participate in revitalization, CSA, and planning group meetings, etc.*
- *Conduct regional community forums, at least annually.*

**Objective 23.B.**
DPR will keep the community input process current and reflective of changing demographics, interests, and economic conditions on an ongoing basis through Division Chiefs and Managers.

**Action:**
- *Plan for conducting a county-wide or target planning area statistically-valid community survey every five years.*

Goal 24 – Pursue collaborations and partnerships.

**Objective 24.A.**
DPR will continue collaborations and discussions with other jurisdictions on an ongoing basis through Division Chiefs and Managers.

**Action:**
- *Using the results of the Service Assessment for existing services, as well as analyzing market position and city providers for new services, staff will recommend services for collaborative consideration on an annual basis.*

**Objective 24.B.**
DPR will continue collaborations and discussions with other agencies on an ongoing basis through Division Chiefs and Managers.

**Action:**
- *Using the results of the Service Assessment for existing services, as well as analyzing market position and other public and private providers for new services, staff will recommend services for collaborative consideration on an annual basis.*

**Objective 24.C.**
DPR will continue collaborations and discussions with the school systems on an ongoing basis through Division Chiefs and Managers.
Actions:
- Using the results of the Service Assessment for existing services, as well as analyzing market position and schools as opportunities for new services, staff will recommend services for collaborative consideration on an annual basis.
- Discuss use of schools sites for afterschool and weekend programming.

Goal 25 – Explore capital development projects which may yield new revenue streams.

Objective 25.A.
DPR will explore the feasibility of installing a zipline in County Parks, contracted with an operator.

Actions:
- Look for potential sites for a zipline within DPR system.
- Prepare a request for interest and solicit statement of qualifications from interested vendors/concessionaires.

Objective 25.B.
DPR will explore the feasibility of installing an Alpine Slide Park in County Parks, contracted with an operator.

Actions:
- Look for potential sites for an alpine slide within DPR system.
- Prepare a request for interest and solicit statement of qualifications from interested vendors/concessionaires.
Objective 25.C.
DPR will investigate paddle and pedal boat rentals at Lindo Lake.

Actions:
- Lindo Lake Park Manager to explore the cost/benefit of piloting rentals of paddle and pedal boats.
- If the service is to be contracted to a private concessionaire, conduct an RFI and/or an RFP process.
- Conduct the service assessment to determine market position, and benchmark market rate fees.

Objective 25.D.
DPR will explore the cost/benefit of, and the ideal location for, building a permanent amphitheater in county parks though Managers.

Actions:
- Assign a staff member to explore the cost/benefit of and the ideal location for building permanent amphitheater.
- Conduct the Service Assessment to determine market position, and benchmark market rate fees.
**Objective 25.E.**
DPR will explore the potential of RV and Boat Storage at County Camping Parks through Managers.

**Actions:**
- Assign a staff member to explore the cost/benefit of and the ideal location for long-term RV and boat storage sites.
- Conduct the service assessment to determine market position, and benchmark market rate fees.

**Objective 25.F.**
DPR will explore the potential of a miniature golf course in County Parks through Park Operations.

**Actions:**
- Assign a staff member to explore the cost/benefit of and the ideal location for mini-golf course.
- If the service is to be contracted to a private concessionaire, conduct an RFI and/or an RFP process.
- Conduct the Service Assessment to determine market position and benchmark market rate fees.
**Objective 25.G.**
DPR will explore the potential of skate park features in County Parks.

**Actions:**
- Assign a staff member to explore the cost/benefit of and the ideal location(s) to add mini-skate park features.

**Objective 25.H.**
DPR will explore the potential of a Frisbee or disk golf course in County Parks.

**Actions:**
- Assign a staff member to explore the cost/benefit of and the ideal location for Frisbee or disk golf course.
- Conduct the Service Assessment to determine market position and benchmark market rate fees.

**Objective 25.I.**
DPR will explore the potential of building dog parks as a sustainable operation.

**Actions:**
- Consider developing a dog park with user fees and fence the amenity.
- Provide discounted rates for neighbors.