

6.0 Implementation

An effective implementation program will be essential if the Allegheny County Parks are to “reverse course” and achieve their enormous potential consistent with the mission, goals, and objectives of this Comprehensive Master Plan. Chapters 4.0 and 5.0 identify numerous actions that are recommended to improve the management and operations of the county parks system; the condition of park facilities and resources; and the delivery of recreational, cultural, and educational activities, programs, and events to the public. In accordance with the long-range nature of a Comprehensive Master Plan, these actions will need to be carried out over a period of years to be fully implemented. Sections 6.1 and 6.2 below recommend priorities for non-capital and capital actions, respectively, to aid decision-making as the County begins to implement the Master Plan. Given that the two factors that are undoubtedly most critical to successful implementation are 1) establishing an independent organizational structure focused on the parks and recreation mission (discussed in Section 4.1.1) and 2) securing adequate funding, Section 6.3 describes the elements of a long-term financial plan for the parks system. Because public relations and outreach will be another factor critical to the success of the Plan, Section 6.4 describes the elements of a proposed marketing plan.

6.1 PRIORITY NON-CAPITAL ACTIONS

In contrast to capital projects, “non-capital actions” do not involve investment of funds to repair/upgrade existing or construct new physical facilities and infrastructure. Capital projects are typically programmed at the park-specific level (see Section 6.2 for priorities by park). Non-capital actions, on the other hand, are typically system-wide in their application. Most of the recommendations presented in Chapter 4.0 are non-capital actions, which can be divided into the following types:

- **Operational** actions involve changes to the organizational structure and operational practices of the parks system (i.e., the way services, facilities, and events are delivered to the public rather than the services, facilities, and events themselves). Examples include implementing a new organizational structure and a long-range financial management plan for the Allegheny County Parks.

- **Policy** actions involve establishing consistent guidelines to be used in future decision-making on system-wide issues. Examples include setting criteria for approving new facilities, programs, or events that may be proposed from time-to-time in particular parks.
- **Planning/programming** actions involve developing more detailed plans or programs to address specific recommendations of this Master Plan. Examples include developing and implementing system-wide wayfinding signage standards and signage plans for each park.

Although non-capital actions do not involve the direct investment of funds in physical projects, they can have significant financial implications. Operational actions will require fundamental changes in the ways that the finances of the parks system are managed and how funds are invested to support park and recreation objectives. Planning/programming actions will require commitment of funding to support planning activities and resulting recommendations for capital investments. Because of these funding implications, potential cost ranges are assigned to these actions in Section 6.2. Policy actions are a relatively “low-cost” item because they require simple adoption and subsequent integration into decision-making processes to be implemented. However, actions such as the proposed cost recovery system will have significant implications for future financial management of the parks system.

All of the non-capital actions recommended in this Plan are considered important to the future of the Allegheny County Parks. However, given the complexity of the recommendations and the constraints on the resources available to carry out the Plan, priorities need to be set to allow the County to schedule implementation over a five to ten-year timeframe. Accordingly, the non-capital actions from Chapter 4.0 have been evaluated and ranked in three categories according to their level of priority. “Priority 1” actions should be initiated first because they are considered most important to the success of the Plan, provide the most return on investment, and/or must be implemented before other, subsequent actions can be carried out. “Priority 2” actions are considered to have the next level of importance, followed by “Priority 3” actions. Table 6-1 provides a ranking of proposed non-capital actions by priority level and type. Page references to descriptions of the proposed actions in Chapter 4.0 are provided.

Table 6-1
Priorities for Non-Capital Projects

Action	Type	Priority Level
Implement a new organizational structure (p. 4-1)	Operational	1
Hire a professional parks and recreation director (p. 4-6)	Operational	1
Implement a risk management plan (p. 4-12)	Operational	1
Implement a long-range financial management plan (p. 4-14)	Operational	1
Prepare a customer service plan (p. 4-18)	Operational	1
Expand the use of computerized systems (p. 4-18)	Operational	1
Implement a public outreach and marketing plan (p. 4-21)	Operational	1
Recruit more parks and recreation professionals (p. 4-7)	Operational	2
Establish a team-oriented approach to management (p. 4-8)	Operational	2
Enhance professional skills of staff through ongoing training (p. 4-8)	Operational	2
Implement a new maintenance management system (p. 4-9)	Operational	2
Promote budget accountability (p. 4-14)	Operational	2
Establish comprehensive park management positions for the parks (p. 4-7)	Operational	3
Implement a personnel evaluation, compensation, and incentive system (p. 4-8)	Operational	3
Evaluate the role of the Allegheny County Police in the parks (p. 4-19)	Operational	3
Implement a cost recovery policy (p. 4-15)	Policy	1
Implement criteria for approving facility developments (p. 4-24)	Policy	1
Implement criteria for approving programs (p. 4-25)	Policy	1
Implement criteria for approving special events (p. 4-29)	Policy	1
Use economic development potential as an evaluation criterion (p. 4-45)	Policy	2
Establish a process for coordinating with local municipalities (p. 4-51)	Policy	2
Implement a program to expand volunteer involvement in the parks (p. 4-19)	Plan/Program	1
Implement a new capital budgeting process (p. 4-21)	Plan/Program	1
Implement a program to improve the accessibility of the parks (p. 4-25)	Plan/Program	1
Implement a program to address priority pedestrian/vehicle conflicts (p. 4-43)	Plan/Program	1
Survey and field delineate park boundaries (p. 4-52)	Plan/Program	1
Implement expanded and new educational programs (p. 4-29)	Plan/Program	2
Implement a conservation area program (p. 4-32)	Plan/Program	2
Develop and implement resource management plans for each park (p. 4-34)	Plan/Program	2
Include resource management in maintenance management system (p. 4-35)	Plan/Program	2
Implement a program to establish and maintain defined trail systems (p. 4-38)	Plan/Program	2
Prepare and implement a Preservation Plan (p. 4-41)	Plan/Program	2
Develop standards for a system-wide wayfinding signage system (p. 4-42)	Plan/Program	2
Prepare and implement a signage plan for each park (p. 4-42)	Plan/Program	2
Connect county parks to a county-wide greenway system (p. 4-46)	Plan/Program	2
Develop and implement unified design guidelines (p. 4-48)	Plan/Program	2
Develop and implement park master plans (p. 4-49)	Plan/Program	2
Conduct carrying capacity analyses of each park (p. 4-49)	Plan/Program	2
Develop and implement watershed management plans for each park (p. 4-40)	Plan/Program	3
Evaluate internal park roadways for traffic flow and other problems (p. 4-44)	Plan/Program	3
Initiate discussions on improving public transit services to the parks (p. 4-45)	Plan/Program	3
Work to preserve valuable open space next to county parks (p. 4-47)	Plan/Program	3

Under the current organizational structure, responsibility for implementing the actions presented in Table 6-1 will fall upon County Council for budget setting and the Department of Public Works for day-to-day operations and management. Some of these actions can be accommodated within the current structure and the County has already begun to implement selected recommendations. However, a basic premise of this Plan is that a new organizational structure must be established to provide the focus and energy and generate the resources and momentum that are needed to improve the parks system to the standards that residents expect. ***Thus establishment of an independent organizational structure (assumed to be a Recreation Commission) with a qualified director is proposed as the number one priority for the Plan.*** With the continuing support of the County, an independent Parks and Recreation Commission will be in a much better position to implement the Plan than is possible in the current system.

6.2 CAPITAL IMPROVEMENTS PLAN

This section presents an overview of the recommended capital improvements for the Allegheny County parks system. Order-of-magnitude cost estimates for improving existing facilities and adding new facilities are included, followed by a summary of the priority improvements recommended for each of the nine parks.

6.2.1 Total Costs of Recommended Capital Improvements

The estimated total costs of capital improvements recommended in the nine county parks range from approximately \$79.9 to \$120.2 million (Table 6-2). The costs have been divided into two categories for planning purposes. The first category includes approximately \$39.7 to \$57.6 million in improvements needed to upgrade existing facilities that have been identified as being in poor to fair condition (Table 6-3). The second category covers approximately \$40.3 to \$62.6 million to enhance existing facilities or develop new ones in order to meet Comprehensive Master Plan objectives (Table 6-4).

**Table 6-2
Total Proposed Capital Improvement Costs**

PARK	TOTAL COST	
	LOW RANGE	HIGH RANGE
North Park	\$ 25,796,410	\$ 36,406,500
South Park	\$ 17,482,500	\$ 24,917,000
Boyce Park	\$ 10,961,500	\$ 16,240,000
Deer Lakes Park	\$ 2,794,000	\$ 4,590,500
Harrison Hills Park	\$ 5,137,950	\$ 7,992,600
White Oak Park	\$ 3,805,000	\$ 5,395,000
Round Hill Park	\$ 4,469,500	\$ 8,654,500
Settler's Cabin Park	\$ 7,074,700	\$ 12,094,500
Hartwood	\$ 2,717,500	\$ 4,358,000
TOTAL	\$80,239,060	\$120,648,600

**Table 6-3
Existing Facility Upgrades**

PARK	Existing Facilities	
	LOW RANGE	HIGH RANGE
North Park	\$ 14,796,410	\$ 21,306,500
South Park	\$ 8,132,500	\$ 12,117,000
Boyce Park	\$ 3,586,500	\$ 4,940,000
Deer Lakes Park	\$ 1,794,000	\$ 2,590,500
Harrison Hills Park	\$ 2,737,950	\$ 4,092,600
White Oak Park	\$ 2,505,000	\$ 3,595,000
Round Hill Park	\$ 1,944,500	\$ 2,954,500
Settler's Cabin Park	\$ 3,249,700	\$ 4,594,500
Hartwood	\$ 917,500	\$ 1,408,000
TOTAL	\$39,664,060	\$57,598,600

**Table 6-4
Proposed Facility Enhancements/New Facilities**

PARK	Proposed New Facilities	
	LOW RANGE	HIGH RANGE
North Park	\$11,000,000	\$15,100,000
South Park	\$ 9,350,000	\$12,800,000
Boyce Park	\$ 7,375,000	\$11,300,000
Deer Lakes Park	\$ 1,000,000	\$ 2,000,000
Harrison Hills Park	\$ 2,400,000	\$ 3,900,000
White Oak Park	\$ 1,300,000	\$ 1,800,000
Round Hill Park	\$ 2,525,000	\$ 5,700,000
Settler's Cabin Park	\$ 3,825,000	\$ 7,500,000
Hartwood	\$ 1,800,000	\$ 2,950,000
TOTAL	\$40,575,000	\$63,050,000

6.2.2 Overview of Prioritization Process

A. Existing Facility Upgrades

The costs of upgrading existing facilities identified as being in poor to fair condition were organized into the following 13 categories to assist in the capital budgeting process:

1. Picnic Areas and Shelters
2. Playgrounds
3. Restrooms
4. Recreational Facilities – Buildings
5. Recreational Facilities – Playing Fields and Courts
6. Swimming Pools
7. Golf Courses
8. Trails
9. Special Features
10. Miscellaneous Buildings
11. Roads, Bridges and Parking Areas
12. Infrastructure and Maintenance
13. Other

B. Proposed Facility Enhancements/New Facilities

The public participation process and recreational needs assessment resulted in recommendations to enhance existing facilities to accommodate expanded use and/or develop new facilities in each of the nine parks. These facilities include proposed “demonstration projects,” which are intended to be high-profile, short-term actions that show park visitors and Allegheny County residents that the parks are actively being improved to meet their needs. Order-of-magnitude costs have been assigned to each of the proposed projects.

C. Assignment of Priority Levels

Consistent with the proposed capital improvements budgeting process presented in Section 4.2.1, each recommended capital improvement project has been assigned a ranking of high (1), medium (2), or low (3) priority. It is recommended that the entire list of projects be addressed over a ten-year time frame.

6.2.3 North Park

A. Existing Facility Upgrades

The estimated total costs of capital improvements recommended to upgrade existing facilities in North Park range from approximately \$14.8 to \$21.3 million. Table 6-5 breaks these improvements down by facility category.

**Table 6-5
North Park Existing Facility Upgrades by Facility Category**

Category	Low-range Cost	High-range Cost
1	\$2,760,000	\$3,735,500
2	\$3,960,000	\$5,370,000
3	\$552,500	\$650,000
4	\$2,524,400	\$3,668,500
5	\$631,000	\$931,000
6	\$22,500	\$38,000
7	\$800,000	\$1,011,500
8	\$419,000	\$632,500
9	\$54,000	\$90,500
10	\$47,500	\$65,000
11	\$680,010	\$978,000
12	\$2,345,500	\$4,136,000
13	\$0	\$0
TOTAL	\$14,796,410	\$21,306,500

B. Proposed Facility Enhancements/New Facilities

The estimated total costs of proposed facility enhancements and new facilities in North Park range from \$11 to \$15.1 million. The proposed projects, priorities, and estimated costs are presented in Table 6-6.

**Table 6-6
North Park Facility Enhancements/New Facilities**

Facility	Recommended Improvement	Low-range Cost	High-range Cost	Priority
Park and OSR Boundaries	Survey and Establish	\$100,000	\$150,000	1
Multi-use trails	Separate from vehicular traffic	\$1,500,000	\$2,000,000	1
Latodami Nature Center	Rehabilitate	\$1,200,000	\$1,600,000	2
Historic Structures	Preservation Plan/Nomination	\$50,000	\$150,000	2
Golf Course	Add nine holes	\$1,500,000	\$2,000,000	2
Swimming Pool	Create aquatic park / reduce pool size	\$2,000,000	\$3,000,000	2
Latodami Trail System	Develop	\$250,000	\$500,000	2
Proposed Recreation Center	Adaptive Re-use of North Park Bathhouse	\$3,750,000	\$4,500,000	3
80th Division Monument	Develop as gateway to park	\$250,000	\$500,000	3
Off-Leash Dog Area	Develop	\$150,000	\$200,000	3
North Park Arboretum	Restore	\$250,000	\$500,000	3
Total		\$11,000,000	\$15,100,000	

C. Priorities

The total costs of North Park capital improvements in each of the three priority categories are presented in Table 6-7.

**Table 6-7
North Park Capital Improvement Priorities**

Priority	Low-range Cost	High-range Cost
High	\$10,987,000	\$15,877,000
Medium	\$9,907,410	\$14,090,000
Low	\$4,902,000	\$6,439,500
TOTAL	\$25,796,410	\$36,406,500

6.2.4 South Park

A. Existing Facility Upgrades

The estimated total costs of capital improvements recommended to upgrade existing facilities in South Park range from

approximately \$8.1 to \$12.1 million. Table 6-8 breaks these improvements down by facility category.

**Table 6-8
South Park Existing Facility Upgrades by Facility Category**

Category	Low-range Cost	High-range Cost
1	\$2,301,000	\$3,182,000
2	\$400,000	\$550,000
3	\$243,000	\$455,000
4	\$1,840,000	\$2,766,500
5	\$585,500	\$819,500
6	\$275,000	\$361,500
7	\$55,500	\$78,500
8	\$20,000	\$30,000
9	\$149,000	\$219,500
10	\$0	\$0
11	\$567,000	\$744,000
12	\$1,676,500	\$2,883,500
13	\$20,000	\$27,000
TOTAL	\$8,132,500	\$12,117,000

B. Proposed Facility Enhancements/New Facilities

The total estimated costs of proposed facility enhancements and new facilities in South Park range from \$9.4 to \$12.8 million. The proposed projects, priorities, and estimated costs are presented in Table 6-9.

**Table 6-9
South Park Facility Enhancements/New Facilities**

Facility	Recommended Improvement	Low-range Cost	High-range Cost	Priority
Tennis Courts	Demolish and Relocate	\$500,000	\$800,000	1
Park and OSR Boundaries	Survey and Establish	\$100,000	\$150,000	1
Historic Structures	Preservation Plan/Nominate	\$50,000	\$150,000	2
Wave Pool	Create aquatic park	\$2,000,000	\$3,000,000	2
Trails	Develop trails in Open Space Reserves	\$1,000,000	\$1,500,000	2
South Park VIP or Fairgrounds Area	Convert to indoor recreation center	\$3,750,000	\$4,500,000	3
Golf Course	Add nine holes	\$1,500,000	\$2,000,000	3
BMX Track	Relocate to Fairgrounds	\$300,000	\$500,000	3
Off-Leash Dog Area	Develop	\$150,000	\$200,000	3
Total		\$9,350,000	\$12,800,000	

C. Priorities

The total costs of South Park capital improvements in each of the three priority categories are presented in Table 6-10.

**Table 6-10
South Park Capital Improvement Priorities**

Priority	Low-range Cost	High-range Cost
High	\$6,038,000	\$9,120,000
Medium	\$5,641,000	\$8,424,000
Low	\$5,803,500	\$7,373,000
TOTAL	\$17,482,500	\$24,917,000

6.2.5 Boyce Park

A. Existing Facility Upgrades

The estimated total costs of capital improvements recommended to upgrade existing facilities in Boyce Park range from approximately \$3.6 to \$4.9 million. Table 6-11 breaks these improvements down by facility category.

**Table 6-11
Boyce Park Existing Facility Upgrades by Facility Category**

Category	Low-range Cost	High-range Cost
1	\$580,000	\$845,000
2	\$1,325,000	\$1,825,000
3	\$340,000	\$485,000
4	\$96,000	\$138,000
5	\$107,500	\$160,000
6	\$806,000	\$1,012,000
7	\$0	\$0
8	\$0	\$0
9	\$100,000	\$135,000
10	\$0	\$0
11	\$167,000	\$240,000
12	\$45,000	\$65,000
13	\$20,000	\$35,000
TOTAL	\$3,586,500	\$4,940,000

B. Proposed Facility Enhancements/New Facilities

The estimated total costs of proposed facility enhancements and new facilities in Boyce Park range from \$7.4 to \$11.3 million. The proposed projects, priorities, and estimated costs are presented in Table 6-12.

**Table 6-12
Boyce Park Facility Enhancements/New Facilities**

Facility	Recommended Improvement	Low-range Cost	High-range Cost	Priority
Ski Area	Add snow tubing	\$ 250,000	\$ 500,000	1
Ski Area	Holding pond improvements	\$ 500,000	\$ 1,000,000	1
Park and OSR Boundaries	Survey and Establish	\$ 100,000	\$ 150,000	1
Historic Structures	Preservation Plan/Nomination	\$ 25,000	\$ 50,000	2
Wave Pool	Create aquatic park	\$ 2,000,000	\$ 3,000,000	2
Trails	Develop	\$ 250,000	\$ 750,000	2
Park Road	Upgrade road btw. Rec. Area and Park			2
Park Office	Relocate to Four Seasons Center	\$ 100,000	\$ 150,000	3
Ski Area	Construct ice rink	\$ 1,000,000	\$ 1,500,000	3
Golf Course	Construct 18 holes	\$ 3,000,000	\$ 4,000,000	3
Off-Leash Dog Area	Develop	\$ 150,000	\$ 200,000	3
Total		\$ 7,375,000	\$11,300,000	

C. Priorities

The total costs of Boyce Park capital improvements in each of the three priority categories are presented in Table 6-13.

**Table 6-13
Boyce Park Capital Improvement Priorities**

Priority	Low-range Cost	High-range Cost
High	\$2,721,000	\$4,237,500
Medium	\$3,556,500	\$5,570,500
Low	\$4,684,000	\$6,432,000
TOTAL	\$10,961,500	\$16,240,000

6.2.6 Deer Lakes Park

A. Existing Facility Upgrades

The estimated total costs of capital improvements recommended to upgrade existing facilities in Deer Lakes Park range from approximately \$1.8 to \$2.6 million. Table 6-14 breaks these improvements down by facility category.

Table 6-14

Deer Lakes Park Existing Facility Upgrades by Facility Category

Category	Low-range Cost	High-range Cost
1	\$240,000	\$320,000
2	\$1,005,000	\$1,360,000
3	\$130,000	\$165,000
4	\$90,000	\$125,000
5	\$15,000	\$25,000
6	\$0	\$0
7	\$0	\$0
8	\$20,000	\$40,000
9	\$5,000	\$10,000
10	\$10,000	\$15,000
11	\$154,000	\$240,500
12	\$90,000	\$220,000
13	\$35,000	\$70,000
TOTAL	\$1,794,000	\$2,590,500

B. Proposed Facility Enhancements/New Facilities

The estimated total costs of proposed facility enhancements and new facilities in Deer Lakes Park range from \$1.0 to \$2.0 million. The proposed projects, priorities, and estimated costs are presented in Table 6-15.

**Table 6-15
Deer Lakes Park Facility Enhancements/New Facilities**

Facility	Recommended Improvement	Low-range Cost	High-range Cost	Priority
Football Field	Construct	\$50,000	\$100,000	1
Park and OSR Boundaries	Survey and Establish	\$100,000	\$150,000	1
Proposed Disc Golf Course	Construct	\$50,000	\$100,000	2
Trails	Develop	\$250,000	\$750,000	2
Equestrian Trails	Re-establish	\$100,000	\$200,000	2
Park Office	Relocate to site near main entrance	\$200,000	\$300,000	3
Tent Camping Area	Develop	\$ 200,000	\$ 300,000	3
Orienteering Course	Construct	\$50,000	\$100,000	3
Total		\$1,000,000	\$2,000,000	

C. Priorities

The total costs of Deer Lakes Park capital improvements in each of the three priority categories are presented in Table 6-16.

**Table 6-16
Deer Lakes Park Capital Improvement Priorities**

Priority	Low-range Cost	High-range Cost
High	\$1,704,000	\$2,455,500
Medium	\$560,000	\$1,285,000
Low	\$530,000	\$850,000
TOTAL	\$2,794,000	\$4,590,500

6.2.7 Harrison Hills Park

A. Existing Facility Upgrades

The estimated total costs of capital improvements recommended to upgrade existing facilities in Harrison Hills Park range from approximately \$2.7 to \$4.1 million. Table 6-17 breaks these improvements down by facility category.

**Table 6-17
Harrison Hills Park Existing Facility Upgrades by Facility Category**

Category	Low-range Cost	High-range Cost
1	\$223,500	\$312,000
2	\$825,000	\$1,100,000
3	\$350,000	\$700,000
4	\$62,000	\$90,500
5	\$90,000	\$120,000
6	\$0	\$0
7	\$0	\$0
8	\$50,000	\$75,000
9	\$0	\$0
10	\$308,950	\$439,600
11	\$440,000	\$624,500
12	\$374,500	\$609,500
13	\$14,000	\$21,500
TOTAL	\$2,737,950	\$4,092,600

B. Proposed Facility Enhancements/New Facilities

The estimated total costs of proposed facility enhancements and new facilities in Harrison Hills Park range from \$2.4 to \$3.9 million. The proposed projects, priorities, and estimated costs are presented in Table 6-18.

**Table 6-18
Harrison Hills Park Facility Enhancements/New Facilities**

Facility	Recommended Improvement	Low-range Cost	High-range Cost	Priority
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Regional Environmental Education Center	Develop	\$1,500,000	\$2,000,000	1
Park and OSR Boundaries	Survey and Establish	\$100,000	\$150,000	1
Acquisition	Expand park to south for access to Allegheny River			2
Community Gardens	Re-establish	\$100,000	\$200,000	2
Trails	Develop	\$250,000	\$750,000	2
Park Office	Relocate to site near main entrance	\$200,000	\$300,000	3
Municipal Dump Site	Cleanup/Develop Interpretive Site	\$250,000	\$500,000	3
Total		\$2,400,000	\$3,900,000	

C. Priorities

The total costs of Harrison Hills Park capital improvements in each of the three priority categories are presented in Table 6-19.

**Table 6-19
Harrison Hills Park Capital Improvement Priorities**

Priority	Low-range Cost	High-range Cost
High	\$3,270,950	\$4,635,600
Medium	\$1,264,500	\$2,344,500
Low	\$602,500	\$1,012,500
TOTAL	\$5,137,950	\$7,992,600

6.2.8 White Oak Park

A. Existing Facility Upgrades

The estimated total costs of capital improvements recommended to upgrade existing facilities in White Oak Park range from approximately \$2.5 to \$3.6 million. Table 6-20 breaks these improvements down by facility category.

**Table 6-20
White Oak Park Existing Facility Upgrades by Facility Category**

Category	Low-range Cost	High-range Cost
1	\$180,000	\$240,000
2	\$1,400,000	\$1,930,000
3	\$475,000	\$925,000
4	\$225,000	\$250,000
5	\$0	\$0

6	\$0	\$0
7	\$0	\$0
8	\$0	\$0
9	\$225,000	\$250,000
10	\$0	\$0
11	\$0	\$0
12	\$0	\$0
13	\$0	\$0
TOTAL	\$2,505,000	\$3,595,000

B. Proposed Facility Enhancements/New Facilities

The estimated total costs of proposed facility enhancements and new facilities in White Oak Park range from \$1.2 to \$1.7 million. The proposed projects, priorities, and estimated costs are presented in Table 6-21.

**Table 6-21
White Oak Park Facility Enhancements/New Facilities**

Facility	Recommended Improvement	Low-range Cost	High-range Cost	Priority
Park and OSR Boundaries	Survey and Establish	\$100,000	\$150,000	1
Therapeutic Recreation Center	Develop	\$ 400,000	\$ 500,000	1
Jacks Run Nature Center	Develop	\$ 200,000	\$ 250,000	2
Trail System	Develop	\$ 400,000	\$ 600,000	2
Tent Camping Area	Develop	\$ 200,000	\$ 300,000	3
Total		\$ 1,300,000	\$ 1,800,000	

C. Priorities

The total costs of White Oak Park capital improvements in each of the three priority categories are presented in Table 6-22.

**Table 6-22
White Oak Park Capital Improvement Priorities**

Priority	Low-range Cost	High-range Cost
High	\$1,960,000	\$2,655,000
Medium	\$1,395,000	\$2,040,000
Low	\$450,000	\$700,000
TOTAL	\$3,805,000	\$5,395,000

6.2.9 Round Hill Park

A. Existing Facility Upgrades

The estimated total costs of capital improvements recommended to upgrade existing facilities in Round Hill Park range from approximately \$1.9 to \$3.0 million. Table 6-23 breaks these improvements down by facility category.

Table 6-23
Round Hill Park Existing Facility Upgrades by Facility Category

Category	Low-range Cost	High-range Cost
1	\$376,000	\$512,000
2	\$757,500	\$1,100,000
3	\$215,000	\$430,000
4	\$245,000	\$401,500
5	\$0	\$0
6	\$0	\$0
7	\$0	\$0
8	\$30,000	\$45,000
9	\$0	\$0
10	\$48,000	\$80,000
11	\$140,000	\$180,000
12	\$127,000	\$194,000
13	\$6,000	\$12,000
TOTAL	\$1,944,500	\$2,954,500

B. Proposed Facility Enhancements/New Facilities

The estimated total costs of proposed facility enhancements and new facilities in Round Hill Park range from \$2.5 to \$5.7 million. The proposed projects, priorities, and estimated costs are presented in Table 6-24.

Table 6-24
Round Hill Park Facility Enhancements/New Facilities

Facility	Recommended Improvement	Low-range Cost	High-range Cost	Priority
Park & OSR Boundaries	Survey and Establish	\$100,000	\$150,000	1
Trails	Develop	\$250,000	\$750,000	1
Historic Structures	Preservation Plan/Nomination	\$25,000	\$50,000	2
Demonstration Garden	Develop	\$150,000	\$250,000	2
Recreation Center/Pool	Construct	\$2,000,000	\$4,500,000	3
Total		\$2,525,000	\$5,700,000	

C. Priorities

The total costs of Round Hill Park capital improvements in each of the three priority categories are presented in Table 6-25.

**Table 6-25
Round Hill Park Capital Improvement Priorities**

Priority	Low-range Cost	High-range Cost
High	\$1,233,500	\$2,218,500
Medium	\$1,177,000	\$1,823,000
Low	\$2,059,000	\$4,613,000
TOTAL	\$4,469,500	\$8,654,500

6.2.10 Settler’s Cabin Park

A. Existing Facility Upgrades

The estimated total costs of capital improvements recommended to existing facilities in Settler’s Cabin Park range from approximately \$3.2 to \$4.6 million. Table 6-26 breaks these improvements down by facility category.

**Table 6-26
Settler's Cabin Park Existing Facility Upgrades by Facility
Category**

Category	Low-range Cost	High-range Cost
1	\$392,500	\$500,000
2	\$1,050,000	\$1,450,000
3	\$352,500	\$705,000
4	\$46,500	\$77,000
5	\$180,000	\$220,000
6	\$998,500	\$1,310,000
7	\$0	\$0
8	\$15,000	\$25,000
9	\$37,500	\$52,500
10	\$0	\$0
11	\$60,000	\$85,000
12	\$103,700	\$148,000
13	\$13,500	\$22,000
TOTAL	\$3,249,700	\$4,594,500

B. Proposed Facility Enhancements/New Facilities

The estimated total costs of proposed facility enhancements and new facilities in Settler's Cabin Park range from \$3.8 to \$7.5 million. The proposed projects, priorities, and estimated costs are presented in Table 6-27.

**Table 6-27
Settler's Cabin Park Facility Enhancements/New Facilities**

Facility	Recommended Improvement	Low-range Cost	High-range Cost	Priority
Park and OSR Boundaries	Survey and Establish	\$100,000	\$150,000	1
Vehicular Circulation	Improve Greer Road as N-S access			1
Historic Structures	Preservation Plan/Nomination	\$25,000	\$50,000	2
Proposed Golf Course	Construct 9 to 18 holes	\$1,500,000	\$4,000,000	2
Wave Pool	Create aquatic park	\$2,000,000	\$3,000,000	2
Park Office	Relocate to site near main entrance	\$200,000	\$300,000	3
Total		\$3,825,000	\$7,500,000	

C. Priorities

The total costs of Settler's Cabin Park capital improvements in each of the three priority categories are presented in Table 6-28.

**Table 6-28
Settler's Cabin Park Capital Improvement Priorities**

Priority	Low-range Cost	High-range Cost
High	\$1,626,000	\$2,262,000
Medium	\$5,070,200	\$9,298,500
Low	\$378,500	\$534,000
TOTAL	\$7,074,700	\$12,094,500

6.2.11 Hartwood

A. Existing Facility Upgrades

The estimated total costs of capital improvements recommended to upgrade existing facilities in Hartwood range from approximately \$0.9 to \$1.4 million. Table 6-29 breaks these improvements down by facility category.

**Table 6-29
Hartwood Existing Facility Upgrades by Facility Category**

Category	Low-range Cost	High-range Cost
1	\$0	\$0
2	\$0	\$0
3	\$5,000	\$10,000
4	\$582,500	\$863,000
5	\$0	\$0
6	\$0	\$0
7	\$0	\$0
8	\$5,000	\$10,000
9	\$35,000	\$70,000
10	\$0	\$0
11	\$215,000	\$305,000
12	\$40,000	\$80,000
13	\$35,000	\$70,000
TOTAL	\$917,500	\$1,408,000

B. Proposed Facility Enhancements/New Facilities

The estimated total costs of proposed facility enhancements and new facilities in Hartwood range from \$1.8 to \$3.0 million. The proposed projects, priorities, and estimated costs are presented in Table 6-30.

**Table 6-30
Hartwood Facility Enhancements/New Facilities**

Facility	Recommended Improvement	Low-range Cost	High-range Cost	Priority
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Horse Stables	Re-establish for riding lessons and equestrian-related uses	\$1,000,000	\$1,500,000	1
Park and OSR Boundaries	Survey and Establish	\$100,000	\$150,000	1
Historic Structures	Nominate historic structures for National Register and prepare preservation plan	\$50,000	\$100,000	2
Equestrian Trails	Re-establish and improve	\$250,000	\$500,000	2
Off-Leash Dog Area	Develop	\$150,000	\$200,000	3
Winter Activities	Sledding, cross country skiing facilities	\$250,000	\$500,000	3
Total		\$1,800,000	\$2,950,000	

C. Priorities

The total costs of Hartwood capital improvements in each of the three priority categories are presented in Table 6-31.

**Table 6-31
Hartwood Capital Improvement Priorities**

Priority	Low-range Cost	High-range Cost
High	\$1,617,500	\$2,463,000
Medium	\$665,000	\$1,140,000
Low	\$435,000	\$755,000
TOTAL	\$2,717,500	\$4,358,000

6.3 LONG-TERM FINANCIAL PLAN

This section discusses current Allegheny County Parks funding for ongoing management and operations and for capital improvements. It then presents suggestions for improving revenues through changes in the pricing structure for certain existing park facilities; development of new and/or enhanced facilities; and use of non-traditional sources of funding to extend parks and recreation resources.

Implementing a long-term financial plan will require the establishment of clear goals and expectations related to available funding sources and opportunities for enhancement. With the exception of operating income, the amount of funding the parks system receives year-to-year is relatively fixed. The uniqueness of the revenue-generating components of the system is the ability to

establish pricing, affect visitation, and ultimately impact the bottom-line performance.

Any increases in revenues, however, are beneficial only to the extent that, taken together with the associated operating expenses, they produce the desired net income result. Because there is no system in place to measure expenditures associated with a specific facility, activity, or program, the Department of Public Works currently lacks the ability to track the performance of the county parks.

Therefore, the long-term Financial Plan for the Allegheny County Parks must include development and implementation of the systems needed to monitor the use of individual facilities, programs, and activities, and the associated costs of each. Without such data, there will be no opportunity to evaluate the performance of facilities and programs against the established cost recovery goals and the goals of the larger plan for the parks system.

6.3.1 Current Funding Sources

A “given” of the long-term Financial Plan is that the current funding will be maintained as a base. Increases in funding from sources other than current funding will be used to provide better management and maintenance of facilities and resources, more competitive compensation and incentives for staff, and development of enhanced or new activities and programs. The park system currently receives funding from four sources: distributions from the Allegheny Regional Asset District (ARAD), contributed support (grants and private donations), general fund appropriations, and revenue from operations (earned income). The ARAD represents the largest single source, providing 57 percent of total funding or just over \$12 million in 1999. Contributed support provided 5 percent of total funding, general fund appropriations contributed another 18 percent, and revenue from operations returned to the parks system through the general fund contributed the final 20 percent. Each of these sources is discussed below.

A. Allegheny Regional Asset District (ARAD)

The Allegheny County Commissioners created the Allegheny Regional Asset District on March 31, 1994 under the authority of Act 77 of 1993. The District is a special purpose, area-wide unit of local government. The mission of the District is to support and finance regional assets in the areas of libraries, parks and recreation, cultural, and sports and civic facilities and programs. The geographic limits of the District coincide with Allegheny County.

Unlike local governments, the District has no taxing powers. The County Commissioners are authorized by the Act to levy a one-percent sales tax identical to the state sales tax in order to fund the activities of the District and provide funds for county and local government tax reform. They did so in an ordinance creating the District and tax collections began July 1, 1994. The District receives one-half of the proceeds from the one-percent Allegheny County Sales and Use Tax. The Commissioners are not able to increase the tax levy. In addition to providing grants from proceeds of the tax, the District works with citizen boards and government officials to monitor the assets for effective operation and development. Ten regional assets, including the county parks, were declared contractual assets in 1995 and awarded ten-year minimum funding agreements by the District. Other assets apply for funding on an annual basis.

In 2000 the District adopted a \$74.6 million budget. Some 27% of the funding went to support libraries, 28% to parks, 11% to special facilities (the zoo, aviary, and conservatory), 22% went to support sports facilities, and 12% went to arts, cultural and recreational organizations. Year 2000 appropriation for park operations totals \$12.75 million.

In addition to annual operations funding, the county parks receive capital asset funding of at least one percent of ARAD's annual budget. Capital improvement funding totaled \$1.5 million or 2.2 percent in 2000.

The long-term financial goals of the Allegheny County Parks will necessarily rely on a continued level of operational and capital improvement funding from the ARAD or comparable source. The absence of this funding would fundamentally alter the ability to properly maintain the county parks and require a radical rethinking of how recreation is delivered to the community by the County.

B. General Fund Appropriations

General fund appropriations made through the annual budget process are used to bridge the gap between other funding sources and anticipated expenses. Based on 1999 estimates prepared for the ARAD, general fund contributions are projected to decrease to just under \$2 million of total annual funding by 2001, as compared to the more than \$5 million appropriated in 1997.

The long-term financial plan for the county parks system will need to rely on a minimum and stable level of support from the general fund. The delivery of affordable recreational opportunities to residents cannot be achieved without this source of funding.

C. Revenue from Operations (Earned Income)

Operating revenues consist of activity fees and charges; rental income generated by groves, fields, and buildings; and income generated from royalties, the rental of residences on parklands, and other minor categories. Operating revenues and their associated net income represent the most controllable opportunity to enhance park system funding. Currently, earned income is returned to the parks indirectly in the form of general fund appropriations rather than as a specifically dedicated funding source.

Revenue from operations increased from \$3.96 million to just over \$4.51 million between 1997 and 1999. Activity-based revenues earned in 1999 from ice-skating, golf, wave pool admissions, etc., totaled \$3.76 million or 83 percent of all operating revenue. Grove and building rentals contributed \$238,324 and \$250,016, respectively, or about 5.5 percent of total operating revenue. Field rentals contributed to 0.6 percent of total operating revenue or just over \$25,500. Administrative revenues added approximately \$238,000 in 1999 or 5.3 percent of total operating revenue. Except for administrative revenue, which experienced a substantial increase of \$100,000 from increased rental home production, operating revenues were consistent between 1998 and 1999.

On an activity basis, golf is the largest activity revenue producer, providing over \$2.0 million in 1999 or 59.7 percent of the total. Wave pools are the second largest contributors, generating \$745,557 in 1999. Ice-skating was the third biggest revenue producer, adding \$258,000 in 1999. Swimming pools and skiing contributed \$199,459 and \$145,545 or 5.7 percent and 4.2 percent, respectively.

The long-term Financial Plan for the Allegheny County Parks should rely on achieving a targeted net income performance for existing programs and facilities through a combination of increased revenue production and establishment of systems to track expenses at the activity level. Opportunities to introduce new activities that generate net income while satisfying the goals of the parks system should be evaluated and then implemented. The increased income should be specifically earmarked for reinvestment in the parks to further enhance income potential and help ensure that park assets are maintained to the desired standards.

D. Contributed Support

Government grants and private donations currently provide a small and inconsistent source of revenue. In 1998, grants provided \$165,000 while private donations added another \$77,500. In 1999, funding from grants totaled \$1.01 million and no private contributions were made.

The ability to increase the level of private donations will be influenced by the organizational structure of the Allegheny County parks system. Should donors perceive the park system as an extension of the government, it will most likely be more difficult to increase contributed support from private sources. Should the parks system be perceived as an autonomous organization that must be increasingly self-supporting, then contributed support might in fact become a more reliable source of funding.

Opportunities exist to substantially increase public grant funding available from a variety of state agencies and other sources for various park, recreation, and resource management activities. Some of the specific programs available are addressed elsewhere in this plan. As a governmental entity, Allegheny County has the ability to tap directly into these sources. The County has begun to make greater use of public grants for parks and recreation activities, most notably Pennsylvania Department of Conservation and Natural Resources (DCNR) funding to prepare this master plan and undertake playground safety improvements in North and South Parks. Nevertheless, establishment of a more independent organization with a greater focus on the parks and recreation mission would provide greater incentive and ability to tap into these funding sources.

The long-term Financial Plan should not count on contributed support as a reliable funding source until a consistent, long-term pattern of commitments can be demonstrated. In the meantime, short-term contributions from private and public donors should be viewed as an opportunistic source of revenue.

6.3.2 Capital Investment Capacity

The level of deferred maintenance and obsolescence in the county parks system will require a significant level of investment to bring assets to the proper condition (see Section 6.2). Consideration of new facility development will place further demands on capital investment capacity. Establishing a sound capital investment plan will require a clear hierarchy of goals and dedication of funding towards achieving these goals. Previous practices of utilizing capital funding sources to overcome operating deficits should be avoided.

Capital improvements are financed through three sources: issuance of general obligation bonds, appropriations from the ARAD, and general fund appropriations. A review of current appropriation requests indicates that the ARAD represents the largest source of capital improvement funding for the county parks. As noted earlier, parks will receive capital assets of at least one percent of the annual

ARAD budget through 2005, or a minimum of \$746,000 per year based upon the year 2000 budget. In 2000, ARAD provided capital asset funds of \$1.5 million or 2.2 percent of its budget.

General obligation bond capacity appears to be focused on general county infrastructure. Of the \$37.7 million of capital improvements requested in 2000, \$23.8 million of the funding would be appropriated through general obligation bond issues and \$13.9 million from “other” funding sources (Table 6-32). These “other” sources include the ARAD (for park projects) and a variety of federal and state funds.

Table 6-32
DPW 2000 Capital Budget Request Summary

	Bond	Other	Total
Bridges	\$ 1,695,766	\$ 6,550,264	\$ 8,246,030
Roads	13,003,703	4,420,811	17,424,514
Buildings	3,632,200	626,000	4,258,200
Parks	775,500	2,300,000	3,075,500
Equipment	4,676,000	-	4,676,000
Total	\$ 23,783,169	\$ 13,897,075	\$ 37,680,244

Source: Allegheny County Department of Public Works

The level of dedicated ARAD capital improvement funding is well below the level needed to meet the needs identified in Section 6.2. It does match the annual capital equipment requirement for parks (currently about \$1 million) well and could be focused on that need. Any additional funding for park capital projects must come through bond issuance or contributed support, the latter of which cannot be effectively planned for. General fund appropriations are not currently used as a source of capital funding for parks.

The ability to provide new capital improvement funding through a bond vehicle is limited only by the bonding capacity of the County, the overall bond rating, and the desire of the elected officials to provide such funding. In the year 2000, the County made payments to retire parks-related bonding totaling \$3.55 million dollars. By 2019, the parks portion of the bond payments will decrease to \$195,684. Significant retirements are expected in 2005 when parks payments decrease to \$1.56 million and again in 2011 when the payments decrease to \$781,000. It could be concluded in each of these instances that the freed capacity would become available for the issuance of new capital project bonds for park projects without placing any new financial strain on the system. The capital value of this payment capacity could be calculated against the cost of the capital. By 2005 the \$1.97 million decrease in bond retirement

spending could be used to offset new bond financing. Assuming a 10 percent cost of capital (interest, debt-service coverage, and issuance costs), this could support \$19.7 million in new bonds. The reduction in payment of \$798,000 between 2005 and 2011 could theoretically support issuance of another \$7.98 million.

6.3.3 Enhanced Revenue via Pricing

Revenue is a function of both price and utilization. Current pricing practices reflect an effort to minimize the cost of activities to residents, in many instances without knowledge of the actual cost of delivery for the specific activity. While low pricing has the benefit of increasing utilization, in some instances to the point of saturation (golf), net income performance has been overshadowed by a focus on affordability. Reevaluation of current pricing would provide the most immediate impact on revenues and net income performance, as increases create no new operational costs and flow directly to the activity's bottom line.

While increasing rates to their full market potential is clearly contrary to the goal of providing affordable recreation opportunities to citizens, the financial health of any park system must rely on a funding balance. As described in the cost recovery policy proposed in Section 4.1.4, establishing a hierarchy of activities – from those that are provided free to residents to those that generate part, all or more than the costs of operating them – dictates that some activities more fully realize their net-income potential.

A. Golf

Golf is one activity that provides an opportunity to enhance revenues while maintaining a level of affordable pricing. The cost to play should reflect the financial requirements of the activity and the larger financial goals of the park system. Current pricing for golf is clearly below its market potential, given the overall level of maintenance and the 18-hole layout. As presented in Table 6-33, a survey of 120 Allegheny County area courses conducted by the Pittsburgh Post Gazette yielded a market average of \$11.98 and \$23.52 for weekday 9-hole and 18-hole rounds, respectively. Average pricing during the weekends increased to \$14.40 for a 9-hole round and \$28.54 for an 18-hole round. Comparison of weekday pricing at Allegheny County courses (\$6 for 9 holes, \$14 for 18 holes) and weekend pricing (\$11 for 9 holes, \$17 for 18 holes) reflects median and average pricing well below the average and more reflective of those attained at area 9-hole courses. Premiums associated with the 18-hole and 27-hole layouts at North and South Park are not captured (i.e., golfers will pay more for one time around an 18-hole course versus twice around a 9-hole

course). Factoring in the discounting offered for senior play, the pricing at the county courses is even more below market rates.

As an example, the pricing objective for the golf courses could be set to equal the market median. The median pricing level is somewhat below the average (\$10 and \$17 for weekday 9-hole and 18-hole rounds, respectively; and \$12 and \$21 for weekend 9-hole and 18-hole rounds, respectively), reflecting the higher number of courses that are positioned at affordable levels. This pricing is considered to be both affordable and reasonable in the context of the market. Setting a pricing goal equal to the market median does not preclude providing discounts to certain market populations such as seniors. It does, however, force a careful examination of how each golf demand segment contributes to the overall cost recovery objectives and how some segments will need to pay higher rates to offset the discounting. Higher rates, for example, could be charged for non-resident play or for peak weekend and holiday periods.

The impact of achieving median market pricing is demonstrated in Table 6-33. Assuming a distribution of play that is heavily weighted towards 9-hole rounds (30%) and weekdays (55%), and annual starts at 130,000 (20,000 below current levels), the annual green fee revenue generated by a median pricing strategy would exceed current averages. Combined with the revenue potential from carts and concessions, the upside potential could be as much as \$500,000 per year. Based on an achievable net-income level of 35 percent on this marginal income, this revenue could generate \$150,000 per year in additional net income to fund operations. If the courses could achieve median market pricing and maintain the current number of rounds and starts the potential benefits would be even higher.

Table 6-33
Illustrative Economics – Achieving Market Median 18-Hole Pricing
at Golf Courses

Current Market Pricing

^{1,2}

<u>9 Holes of Play or Less</u>	<u>Weekday Pricing</u>		<u>Weekend Pricing</u>	
	9 holes	18 holes	9 holes	18 holes
Average Pricing	\$8.65	\$14.22	\$9.72	\$15.84
Median Pricing	\$8.00	\$13.00	\$9.25	\$14.50
<u>18 Holes of Play or More</u>				
Average Pricing	\$11.98	\$23.52	\$14.40	\$28.54
Median Pricing	\$10.00	\$17.00	\$12.00	\$21.00
<u>18-Hole Premium</u>				
Average Pricing	38.5%	65.4%	48.1%	80.1%
Median Pricing	25.0%	30.8%	29.7%	44.8%

Illustrative Revenue Potential (assumes pricing at the market median)

Annual Paid Users 130,000
 (45 holes)³

	<u>Hypothetical</u> <u>Distribution</u>	<u># Users</u>	<u>Median</u> <u>Cost</u>	<u>Green Fee</u> <u>Revenue</u> ⁴
Weekday 9-hole	20%	26,000	\$10.00	\$260,000
Weekday 18-hole	35%	45,500	17.00	773,500
Weekend 9-hole	10%	13,000	12.00	156,000
Weekend 18-hole	<u>35%</u>	<u>45,500</u>	<u>21.00</u>	<u>955,500</u>
Total Green Fees	100%	130,000	\$16.50	\$2,145,000
Other Revenues per User (pro shop, range, carts, F&B, etc)				\$3.00 \$ 390,000
Total Revenue Potential				\$2,535,000
Average Golf Revenue 1997-1999 (all sources)				<u>2,040,693</u>
Marginal Revenue Potential at Median Pricing				\$494,307
Marginal Net Income Potential at 30%				\$148,292

¹ Green fee revenue only. Excludes cart, range, and other ancillary revenue.

² Pricing data from Pittsburgh Post-Gazette Survey of 120 Area Courses, 2000.

³ Reported average of 150,000 users per year between 1997 and 1999.

⁴ Model assumes parks system can attain pricing equal to the market median.

Source: Economics Research Associates

B. Picnic Groves

Pricing modifications enacted for the current operating season reflect a desire to improve revenues from grove rentals. The across-the-board \$5 increase in grove pricing is anticipated to generate \$41,875 of additional revenue, if rental levels attain a 3-year average (Table 6-34). While this may indeed be an appropriate method for establishing pricing, this new pricing does little to reflect what may be even larger variations in demand for certain groves, weekday versus weekend and holiday pricing opportunities, or the overall cost to provide the groves for rental. Much of the information required to appropriately evaluate this more complex set of criteria is currently not available, but should be.

**Table 6-34
Illustrative Economics – Grove Pricing Increase**

Annual Grove Rentals (97-99 Avg.)	8,375
Average Revenue per Grove	<u>\$28</u>
Average Revenue	\$234,500
Anticipated Price Increase	\$5
Marginal Grove Revenue	\$41,875

Source: Allegheny County DPW and Economics Research Associates

Another way to enhance revenue production would involve targeted improvements to key revenue producing facilities to improve overall top line performance. Golf courses are one candidate for such an approach; wave pools are another, as demonstrated below.

C. Wave Pools

Wave pools are currently maintained at South, Boyce, and Settler’s Cabin Parks. When constructed in the 1970s, these pools represented the apex in modern pool design. During the ensuing years the pools have changed little in character. The industry has, however, changed immensely. Aquatic centers built today include such features as “lazy rivers” that wind around the main pool, large water slides, sand play areas, and a host of new features that broaden the appeal of the facility. Conversions of older pool complexes in other park systems have proven to be quite successful in reinvigorating the activity, attracting additional clientele, and more importantly, in enhancing the financial performance of the attraction to the benefit of the entire parks system.

Revenues generated by the three wave pools averaged \$692,000 between 1997 and 1999. Attendance of just over 200,000 visitors

yielded average per capita revenue of \$3.45. Pricing for enhance aquatic facilities in other park systems often generate per capita revenues of \$10 or higher.

To illustrate the net revenue and income potential of improving one of the existing wave pools to modern standards, the overall size of the regional aquatic market and the portion that could be captured by an enhanced facility were estimated. While these calculations are somewhat basic in nature, experience with other park systems suggests that there is tremendous upside potential that is not captured in the existing wave pool configurations. The overall size of the market is estimated at 250,000 visits annually. Noting that all pools currently capture 200,000 visits, this means that 50,000 visits are not accommodated by the market. Assuming a 60 percent capture of the unmet demand at an enhanced wave pool, the 30,000 new visits plus the current average of 67,000 visits would total 97,000 annual visits to an enhanced facility. At an achievable per capita revenue figure of \$10, total annual revenue from one pool could total \$970,000 per year, easily eclipsing the system wide total for all three pools. At a 25 percent profit margin, if one pool were to perform as indicated, nearly \$250,000 of net income would be generated (Table 6-35).

**Table 6-35
Illustrative Economics - Enhanced Wave Pool ¹**

<u>1997-1999 Averages</u>	All Pools (3)	Average per Pool
Wave Pool Revenue	\$692,405	\$230,802
Paid Attendance	200,504	66,835
Per Capita Revenue	\$3.45	\$3.45
 <u>Marginal Attendance Estimate</u>		
Market Population		1,000,000
Market Penetration Rate w/ Enhanced Wave Pool		25%
Potential Wave Pool Attendance		250,000
Current Attendance		<u>200,000</u>
Marginal Wave Pool Attendance Increase Potential		50,000
 Capture Rate of Marginal Attendance at Enhanced Wave Pool		 60%
 Marginal Attendance Capture		 30,000
Current Average Attendance		<u>67,000</u>
Total Attendance at Enhanced Wave Pool		97,000
 Per Capita Revenue Potential		 <u>\$10.00</u>
Total Revenue Potential at Enhanced Wave Pool		\$970,000
 Net Operating Income Potential at Enhanced Wave Pool (25% Margin)		 \$242,500

¹ Includes, for example, such features as a "lazy river" and other modern aquatic features

Source: Economics Research Associates

Although the golf course and wave pool examples represent a numerically small proportion of the revenue-producing activities in the Allegheny County Parks, they are the most significant revenue generators. As such, any improvements to their ability to achieve higher revenues could provide net income to fund affordable recreational programs elsewhere in the system. Other activities have lesser revenue-generating potential and should be considered vis-à-vis the need to provide lower cost recreational opportunities. Nevertheless, each activity should be evaluated for its specific ability to achieve the desired level of profitability relative to the proposed cost recovery system and the overall goal of increasing earned income for the parks system.

6.3.4 Enhanced Revenue via New Facilities and Programs

In addition to pricing adjustments and enhancements to existing facilities, a third method of increasing revenue from operations is to develop new, net-income producing facilities and programs. Planning for such new facilities and programs should address the cost recovery policies established in this plan and target the criteria identified in the Recreational Needs Assessment (see Section 2.4).

A. Facilities

The Recreational Needs Assessment prepared for the Comprehensive Master Plan identified several activities as meeting the criteria of having regional significance and providing additional operational funding income. These activities/facilities include, but are not limited to:

- New golf course
- Campground
- Overnight cabins
- Indoor soccer complex

The feasibility of any new facility should be evaluated within the context of a specific site, its market characteristics, and other objectives of this Comprehensive Master Plan. Consistent with the criteria for developing new recreational facilities and programs recommended in Sections 4.2.1 and 4.2.2, respectively, several key questions need to be addressed in planning for such activities, including:

- How much will it cost to build?
- Are the income and expense assumptions indeed correct?
- If not, then what is the true market potential for the specific site or area being evaluated?
- Could the activity be attractive for a public-private partnership in its current state?
- If not, what would be the thresholds that generate private sector interest?
- Who will be the operator and how does this impact pricing, revenues, and expenses?

The following development examples are illustrative of new facilities and programs that would meet both criteria of regional significance and net income potential. Depending on the overall financial goals, these illustrations provide a basis for beginning to prioritize available options.

New Golf Course: Given the popularity of golf at the existing North and South Park course, golf would appear to be an obvious

candidate for development of a new facility. While expensive to develop, this activity possesses strong net income characteristics that could increase funding from operations substantially. As presented in Table 6-36, a hypothetical golf course achieving the market average rate of 40,000 annual rounds would generate green fee revenue of \$863,987 and total revenue of \$1.26 million (after accounting for other miscellaneous revenue sources). Assuming a net-income ratio of 30 percent, this hypothetical facility would generate net revenue of \$379,196 annually for the parks system.

Table 6-36
Illustrative Economics – New Course Achieving Average 18-Hole Pricing

Current Market Pricing^{1,2}

18 Holes of Play or More	Weekday Pricing		Weekend Pricing	
Average Pricing	\$11.98	\$23.52	\$14.40	\$28.54

Illustrative Revenue Potential (assumes pricing at the market average)

Annual Paid Users (18 holes) 40,000

	Hypothetical Distribution	# Users	Average Pricing	Green Fee Revenue ³
Weekday 9-hole	20%	8,000	\$11.98	\$ 95,819
Weekday 18-hole	30%	12,000	23.52	282,290
Weekend 9-hole	15%	6,000	14.40	86,382
Weekend 18-hole	<u>35%</u>	<u>14,000</u>	<u>28.54</u>	<u>399,496</u>
Total Green Fees	100%	40,000	\$21.60	\$863,987

Other Revenues per User (pro shop, range, carts, F&B, etc) \$10.00 \$100,000

Total Revenue at Average Pricing \$1,263,987

Net Income Potential at 30% \$379,196

¹ Green fee revenue only. Excludes cart, range, and other ancillary revenue.

² Pricing data from Pittsburgh Post-Gazette Survey of 120 Area Courses, 2000.

³ Model assumes parks system can attain pricing equal to the market average.

Source: Economics Research Associates

Campground: Based on pricing of commercial campgrounds in the Pittsburgh area, a 125-site campground with 100 RV sites and 25 tent sites yields a hypothetical net income of \$101,760 (Table 6-37). Given the relatively low development cost and the projected

financial performance, camping could be a profitable venture for the parks. However, questions such as where a campground could be suitably located and whether it should be priced at commercial levels could materially impact performance.

Table 6-37
Illustrative Economics – Campground

	<u>RV Sites</u>	<u>Tent Sites</u>	<u>Total</u>
Number	100	25	125
Average Daily Rate	\$23.00	\$14.00	\$22.23
Seasonal Site Occupancy ¹	40%	15%	35%
Occupied Site-Days	<u>9,600</u>	<u>900</u>	<u>10,500</u>
Revenue	\$220,800	\$12,600	\$233,400
Miscellaneous Income per Occupied Site-Day (vending, camp store, etc)	\$2.00		\$21,000
Total Revenue			\$254,400
Net Operating Income Potential at 40% Margin			\$101,760

¹ 8-month operating season

Source: Economics Research Associates

Overnight Cabins: Development of structured overnight accommodations in the form of a cabin or lodge facility (as opposed to camping) would provide another opportunity to provide a regional draw and generate revenue for the parks system. As presented in Table 6-38, a 75-cabin facility charging \$125 per night and achieving an annual occupancy of 45 percent would generate \$1.54 million in annual revenues. Other revenue from miscellaneous sales could increase this figure to \$.58 million. Assuming a 30 percent margin on revenue, such a facility could contribute net income of \$473,000 to fund operations.

**Table 6-38
Illustrative Economics – Cabins**

Number of Cabins		75
Average Daily Rate		\$125
Annual Occupancy ¹		45%
Occupied Cabin-Days		<u>12,319</u>
Revenue		\$1,539,844
Other Revenue per Occupied Cabin-Day (room rental, phone, vending, etc)	\$3.00	\$36,956
Total Revenue		\$1,576,800
Net Operating Income Potential at a 30% Margin		\$473,040

¹ 12-month operating season

Source: Economics Research Associates

C. Programming

Programming of activities, classes, and events is currently a marginal revenue source for the Allegheny County Parks. In other parks systems this revenue category can comprise upwards of 60 percent of total earned income. For example, the Herndon, VA Parks and Recreation Department attributes some 65 percent of its revenues to fee programs. In Fairfax County, VA, the Fairfax County Park Authority and the County's Department of Recreation sponsor a combined 5,000 to 6,000 classes annually for a resident population of some 900,000 people. Income from classes varies by type and size, but it can typically run between \$400 and \$1,500 per class or program.

While health, fitness, and related types of programming are in some respects a local recreational activity, the County has the opportunity to develop a regional delivery system that could generate significant revenues for county parks. Presented in Table 6-39 are hypothetical illustrations of two class types: a fitness class and an aquatic class. Assuming 30 people pay \$65 to participate in a 10-week one-hour class fitness class, the class would generate \$1,950 in revenue. Costs associated with the class are incurred at the rate of \$20 per hour and include cost of the instructor and use of a room. This would generate net income of \$1,750 dollars. Similarly, a 12-person aquatic class at \$70 per participant would generate \$840 in revenue against \$200 in expenses, yielding \$640 in net income.

Assuming an average net income of \$1,000 per class as the target and a reasonable level of 1,000 to 2,000 classes per year, the

Allegheny County Parks could realize annual net income of \$1.0 to \$2.0 million from this type of programming.

**Table 6-39
Illustrative Economics – Recreation Programming**

<u>Fitness Class Example</u>	
Number of Attendees	30
Cost per Attendee	<u>\$65</u>
Revenue per Class	\$1,950
Length of Class (wks)	10
Duration of Class (hrs)	1.0
Cost per Hour of Instruction	<u>\$20</u>
Cost per Class	\$200
Fitness Class Net Income Potential	\$1,750
<u>Aquatics Class Example</u>	
Number of Attendees	12
Cost per Attendee	<u>\$70</u>
Revenue per Class	\$840
Length of Class (wks)	10
Duration of Class (hrs)	1.0
Cost per Hour of Instruction	<u>\$20</u>
Cost per Class	\$200
Aquatics Class Net Income Potential	\$640
<u>System Program/Class Income Potential</u>	
Average Net Income per Program/Class	\$1,000
Potential Number of Annual Programs/Classes	1,000-2,000
Net Income Potential	\$1.0-\$2.0 million

Source: Economics Research Associates

6.3.5 Other Funding and Volunteer Programs

This section presents examples of direct and in-kind funding sources that have been used successfully in park systems elsewhere and which warrant further consideration for the Allegheny County Parks. It should be noted that these programs require work to initiate and maintain. In cases involving outside fundraising, the chances of success will be maximized through the reorganization of the parks and recreation function as a more independent entity.

A. Adopt-A-Park

A private group, such as a business, neighborhood group, or garden club, could adopt a park or an area within a park, taking responsibility for certain aspects of the park or park element's operation. Working with the County, the group(s) could undertake

activities such as planning, financing, planting, maintaining, etc. In order to be successful, experience in other jurisdictions has shown that some sort of formal agreement stipulating performance expectations is important. Experience has also shown that it can be advantageous to “prime the pump” by providing Adopt-A-Park groups with some seed money on a matching basis. Lastly, regular oversight and communications are needed to ensure that the arrangement is working for both parks and the working group.

B. Corporate/Institutional Grants

Corporations and foundations can provide parks with a source of capital and operational funds for projects that satisfy their criteria for charitable donations. These criteria typically involve subjects as education, the environment, historic preservation, and youth and disadvantaged populations. Success in tapping corporate and institutional funding involves understanding the donor’s requirements and needs, and tailoring a responsive proposal that links these requirements and needs to a specific project or program. Competition for corporate and institutional support is fierce; thus specific experience and skills sets are important. The retention of a development manager or consultant would be appropriate. Separation of the recipient from government through establishment of a commission, authority, foundation and/or trust to receive the donations is also important.

Parks and recreation organizations have been successful in tapping the corporate/institutional market. For example, the Rome-Floyd County, GA Parks and Recreation Foundation raised \$250,000 in 2000. The Public Trust Authority of the Ardmore, OK Parks and Recreation Department raised \$650,000, and the Rocky Mountain Butterfly Consortium (Westminster, CO) has raised over \$1.5 million over the past several years.

C. Corporate Sponsorships and Advertising

Corporate sponsorship and advertising involve funds paid to a parks agency in return for establishing a linkage between the corporation (or in some cases, institution) and park users. This linkage can be achieved through identification of the corporation as an underwriter of an event, such as a concert. Placement of advertising materials in event brochures or advertising on scoreboards are examples. The same linkage and corporate exposure can be achieved through designation of corporate products as the “official” products of Allegheny County parks. Examples could range from exclusive pour rights for a soft drink company to exclusive suntan location for aquatic facilities. Ultimately, the value of corporate sponsorship or advertising is a function of exposure, or number of people who will receive the message. Examples of successful sponsorships include the City of

Long Beach, which receives some \$340,000 annually from Pepsi for pouring rights in the city parks.

Corporations can also support parks through the straight donation of materials, money and/or labor.

D. Corporate Naming Rights

The concept of corporate naming rights is similar to corporate sponsorship and advertising, except that in this case a corporation pays a fee for the right to affix the company's name and logo to a specific park element, such as a building or pool. The level of payment would be tied to the amount of direct and indirect exposure. The agreement typically covers an extended period of time, which might range from 5 to 10 years. Corporate naming rights have gained the greatest recognition in association with stadiums and arenas; however, this tool is gaining greater use in the parks and recreation field. For example, the City of Long Beach, CA will receive \$5 million of the \$15 million in capital costs for a new Olympic-sized swimming pool complex and Westminster County, CO will receive \$1.5 million over three years for use of corporate names on the facilities. Potential naming opportunities in the Allegheny County parks system include the wave pools, skating rinks, ski area, and the Hartwood stage, among others.

E. Friends Groups

A Friends Group is often established when people have a vested interest in the facilities, programs and/or maintenance of a park or parks system. Typically such a group is established as a 501(c)(3) not-for profit organization, which enables it to engage in extensive fundraising efforts. The scope of activities of a typical friends group can vary considerably. Some groups limit their activities to fundraising, while other groups become integral parts of park operations, working side-by-side with management and staff. In this later mode, friends groups may be responsible for certain aspects of a park, such as concessions, programming, or operation of a specific facility.

F. Volunteer Programs

Volunteer programs can be a way to reduce budgetary requirements, enhance parks system operations, and generate a base of support for private contributions. Volunteer programs are discussed in more detail in Section 4.1.5.

6.3.6 Conclusions and Plan Implications

Sustaining the resources of the Allegheny County parks and delivering enhanced recreational opportunities to the community will require that the parks system be re-established on a sound

financial base. Maintaining current levels of ARAD and general fund support are a “must” for this process to begin. Further, the County must be willing to invest the additional resources needed to address years of deferred maintenance and take steps to generate greater levels of earned income that can be used to sustain the parks system. Key elements of the long-term Financial Plan for the Allegheny County Parks should include:

1. Fully addressing existing deferred maintenance through county bonds supplemented by non-traditional, non-operational funding initiatives, such as partnerships with local corporations and foundations.
2. Establishing realistic funding targets for each parks system activity/resource, coupled with enhancement and expansion of income-positive facilities and programs and provision of management systems to measure results.
3. Utilizing increased operating income to ensure sustainability of the system by supporting adequate staff resources and compensation, proper levels of maintenance of park assets, and expansion of desirable non-fee activities and programs.

6.4 MARKETING PLAN

The primary objective of the proposed marketing plan for the Allegheny County Parks is to increase awareness of park and recreation facilities and programs and thereby increase utilization of and income from system resources. The secondary objective is to utilize the park and recreation resources to generate positive sentiment among residents about Allegheny County and the services provided through county government. The latter objective expresses the general idea that, as resources that are highly visible to residents, parks and recreation facilities and programs provide a positive return on tax expenditures.

The marketing plan itself should be specific and action-oriented, in order to maximize the results stemming from its implementation. The plan should identify a range of general and specific objectives, and then articulate the specific action strategies required to realize these stated objectives. The action strategies should address the following: desired outcomes, budget or cost, specific aspects of timing/scheduling, responsibilities for implementation, and potential partners.

In order for the Marketing Plan to be successful, it must be based on an understanding of the County’s parks and recreation

resources, how they are perceived in the market, and who they are targeted to serve. Specifically, ongoing research should be carried out to understand how Allegheny County's parks and recreation resources fit within the broader leisure offering within the County, how the parks are positioned in the eyes of the consumer, who are the target audience(s) for parks and recreation facilities and programs given positioning and the competitive environment, and what the specific needs of these target audience(s) are.

From the survey research undertaken for the Comprehensive Master Plan, some initial conclusions can be drawn regarding the appropriate target markets for initial marketing initiatives. The demographic category that represented the largest group of park users, as well as the group with the strongest interest in additional facilities and programs, was **families with young children** (0 to 12 years). This group was followed in prioritized order by **families with teenage children** and **non-senior households without children**. These groups should be the targets of generalized marketing and promotion, as described below. For program marketing and promotion, specific participant profiles should be developed by programmers/instructors, because these activities should generally be structured to appeal to a fairly narrow market segment. For example, a midday pottery class would appeal to seniors, while a midday aerobics class would appeal to females between the ages of 21 and 45.

Specific types of promotional and marketing activities that should be included in the plan are as follows:

General promotion: General promotion refers to marketing activities designed to establish and maintain awareness of park facilities and programs in the minds of the consumer. The goal of general promotion is to encourage a positive image of these assets, so that people think of the county's park and recreation resources as outlets for leisure activities based on "top-of-mind" recognition, making them more receptive to specific marketing initiatives that might be undertaken. It is through this general promotion activity that spin-off benefits accrue to the County overall. General promotional activity should be undertaken on a county-wide and, under certain conditions, a regional basis.

Targeted marketing and promotion: This type of activity is designed to accomplish more specific objectives than general promotion. Examples include increasing the use of a specific park, extending the draw of a specific park, promoting off-peak utilization of facilities already at peak capacity, and providing outlets for specific demographic markets and/or specific demographic groups.

Public Relations: A comprehensive public relations program should be undertaken as part of the Marketing Plan. The county parks organization should be pro-active in developing press releases highlighting accomplishments and activities taking place within the park system, recognizing achievements of employees and friend's groups, and publicizing other items of note. As part of the public relations function, the organization's marketing staff should cultivate and maintain excellent relations with media representatives to maximize opportunities for articles and public service announcements.

Brochures and informational materials: As part of the marketing efforts, improved park brochures should be prepared and distributed through appropriate outlets. These brochures themselves should be more user-friendly than the current brochures used for the parks, providing useful information such as identification of facilities, hours of operations, ways to make reservations, etc. The image and tone of the brochures and related informational pieces should be positive and inviting; they should not be encumbered with rules and regulations or other materials that would provoke a negative response.

It is recommended that the improved informational materials include production of and distribution of a quarterly Activity Guide. This guide would list all programs and events available in the county parks and provide information about their content, admissions criteria, fees, etc. As with the park brochures, the quarterly Activity Guide should be a high-quality piece that presents a friendly image and tone for the parks and park programs and events. Some parks and recreation systems have offset the cost of Activity Guides with advertising revenues, but additional consideration is merited as to whether this approach is appropriate for the Allegheny County Parks.

Technical assistance to programs: The last type of marketing activity is provision of technical assistance to program and event managers who are developing very specific informational pieces for their activities. It is the intent of this recommendation that the central parks marketing resource would advise on content, layout, and distribution, but that the responsibility for budgeting and preparing activity-specific informational pieces would rest with the programs or events themselves.

Program and event marketing would be the responsibility of program and event managers. Funds for these activities would be part of the cost of the program or event. Marketing materials should have a professional look, but would not require the same

comprehensive treatment of subjects and would not require the same level of quality. Generally, they would be specific to one individual class of activity and would be distributed locally.

In order to effectively implement this Marketing Plan for the Allegheny County Parks, it is imperative that a dedicated marketing and promotion staff position be established. This individual would be supported by in-house capabilities to do routine marketing flyer design, duplication, and distribution. More complicated materials involving four-color reproduction and/or large numbers of copies would be developed with the assistance of outside graphic design help and outside printing support.

The resources dedicated to marketing among other park and recreation systems vary widely. Given the size of the Allegheny County Parks and the mix of facilities and programs, it is recommended that an appropriate level of budgetary resources dedicated to marketing would be an amount equal to two percent (+/-) of the Department's operating budget. Based on a \$15 million operating budget figure, this would translate to an annual marketing budget of \$300,000. This level of resource allocation would cover general promotion and corporate-level targeted promotional activities and preparation of the quarterly Activity Guides, but would exclude marketing for specific programs and events. The budget for these activities would be incorporated in the program and event budgets.