



INDOOR SPORTS FACILITY AND INDOOR AQUATIC FACILITY FEASIBILITY STUDY



ACKNOWLEDGMENTS



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Introduction

Project Background

The Grand Forks Park District (Park District) retained BerryDunn to conduct feasibility studies for an indoor sports facility and an indoor aquatic facility. The Park District provides parks, facilities, and programming for the City of Grand Forks and the surrounding area, and its system includes parks, outdoor ice rinks, indoor ice arenas, athletic complexes, a fitness center, and golf courses. This feasibility study process identified that there is community interest and need to develop an indoor sports facility to host soccer, football, lacrosse, running, basketball, volleyball, pickleball, badminton, sports performance training, baseball, softball, and more. Additionally, there is a need for an additional indoor aquatic facility to host lessons, open swim, competitive swim team practices, and swim meets. BerryDunn, BRS Architecture, and Water Technology Inc. completed the feasibility study to determine what Park District residents need in terms of these two types of indoor facilities.

This feasibility study determines:

- The best location for each facility
- Community needs and desires for indoor and competitive sports and aquatics
- Estimation of project construction and soft costs
- Estimation of operating revenue and costs

The BerryDunn team conducted a complete feasibility study including site analysis, indoor sports facility and indoor aquatic facility program development, operations and maintenance costs, funding mechanisms, most cost-effective operating model, and the most productive mixture of programs, facilities, and amenities. This study allows the Park District to market the potential indoor sports facility and indoor aquatic facility and determine the methods of funding both the building and operating of each facility.



Feasibility Study Process & Deliverables

Project Process



Phase 1:
Planning Context



Phase 2:
Community Input



Phase 3:
Trends Analysis



Phase 4:
Conceptual Amenities &
Site Program Development



Phase 5: Operation &
Maintenance Budget
Projections



Phase 6: Findings &
Conceptual Feedback



Phase 8: Final Report &
Recommendations

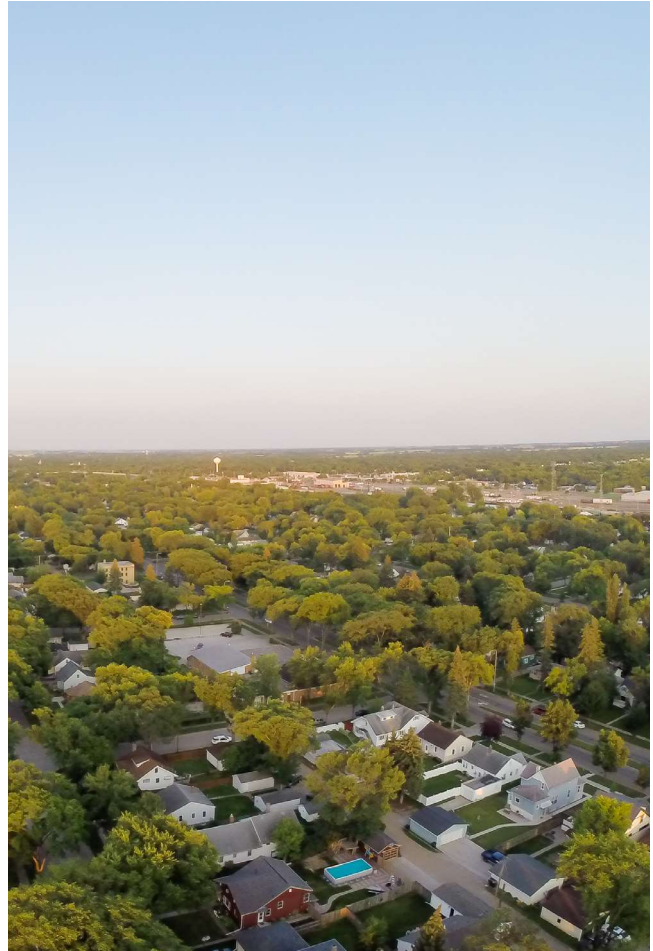


Figure 1: Feasibility Study Methodology

Project Steps

- **PROJECT KICKOFF**
- **COMMUNITY ENGAGEMENT**
 - > Focus Groups/Stakeholder Interviews/Leadership Feedback
 - > SWOT Analysis
 - > Social Pinpoint
 - > Statistically Valid Survey
- **MARKET ANALYSIS**
 - > Demographics
 - > Trends
- **PRIORITIZATION OF AMENITIES/
SPACE TYPES/SQUARE FOOTAGE/
EXPERIENCE**
- **SITE ANALYSIS**
- **CONCEPTUAL DRAWINGS**
- **CAPITAL COST ESTIMATES**
- **REFINE AND FINALIZE CONCEPTS/
CAPITAL COST ESTIMATES**
- **CREATE ANNUAL OPERATIONAL AND
MAINTENANCE BUDGET PRO FORMA
PROJECTIONS**
- **FINAL REPORT**

Project Deliverables

- **PROJECT WORK PLAN**
- **COMMUNITY INPUT SUMMARY**
 - > Focus Groups and Stakeholder Interviews
 - > Statistically Valid Survey
 - > Social Pinpoint
- **MARKET ANALYSIS**
 - > Demographic Profile
 - > Relevant Trends
- **SITE ANALYSIS**
- **FACILITY ANALYSIS**
 - > Indoor Aquatic Facility Analysis
 - > Indoor Sports Facility Analysis
- **CONCEPTUAL PLANS**
- **CONSTRUCTION AND SOFT COST
ESTIMATES**
- **ANNUAL OPERATIONAL AND
MAINTENANCE BUDGET
PROJECTIONS**
- **FIVE-YEAR FINANCIAL PRO FORMA**
- **DRAFT STUDY DOCUMENT**
- **FINAL STUDY**

Community Input Summary

Focus Groups & Stakeholder Interviews Summary

After collecting background information, BerryDunn scheduled several opportunities for information gathering, a top-level staff focus group, administration and leadership interviews, and meetings with the defined stakeholders, as determined during the Strategic Kickoff.

Included in the community input process were individual users, user groups, special interest organizations, associations, sports organizations, and other stakeholders, all of whom were given ample opportunity to participate in the feasibility study. The BerryDunn project team explored the local issues and concerns that included useful and pertinent community feedback. The agencies that were of particular interest were those that had a strong need for these facilities and can assist in the successful planning, funding, development, and operation of these facilities. These agencies included the Grand Forks Park District, City of Grand Forks, Grand Forks Public Schools, and the University of North Dakota (UND).

The BerryDunn team conducted nine stakeholder focus groups with 75 stakeholders and an open public webinar that had 77 participants, for a total of 152 community members included in the public engagement meetings.

The focus group and stakeholder interview participants were asked what type of indoor facilities are needed in the community along with what type of secondary amenities would be important for overall success. The results are below.

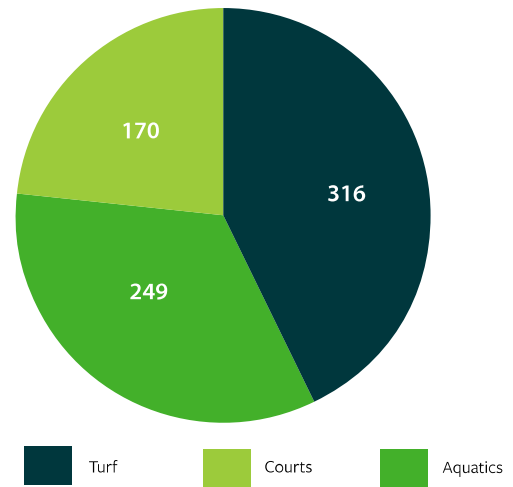


Figure 2: Priority Score of Facility Type

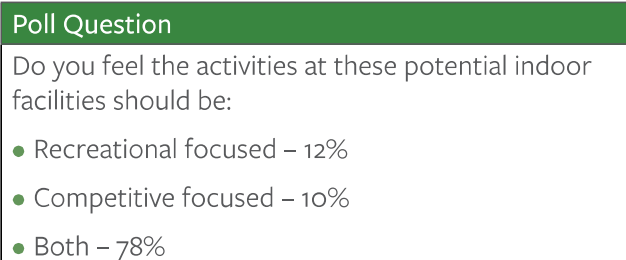


Figure 3: Poll Question

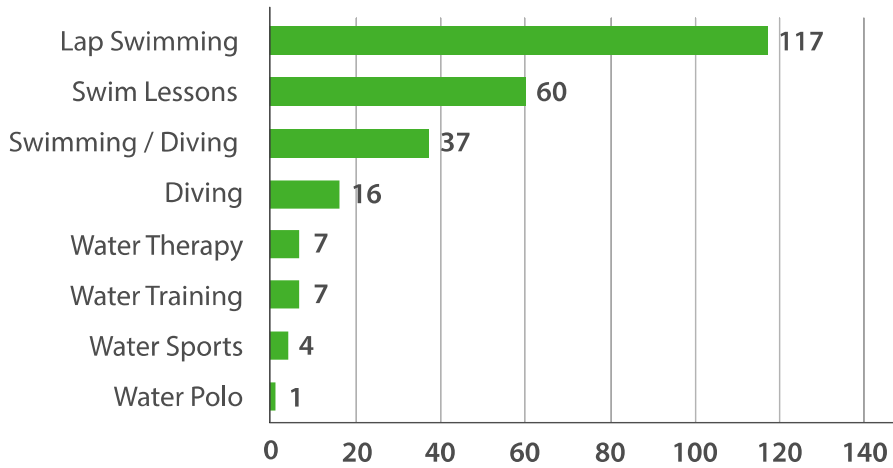


Figure 4: Priority Scoring Aquatics

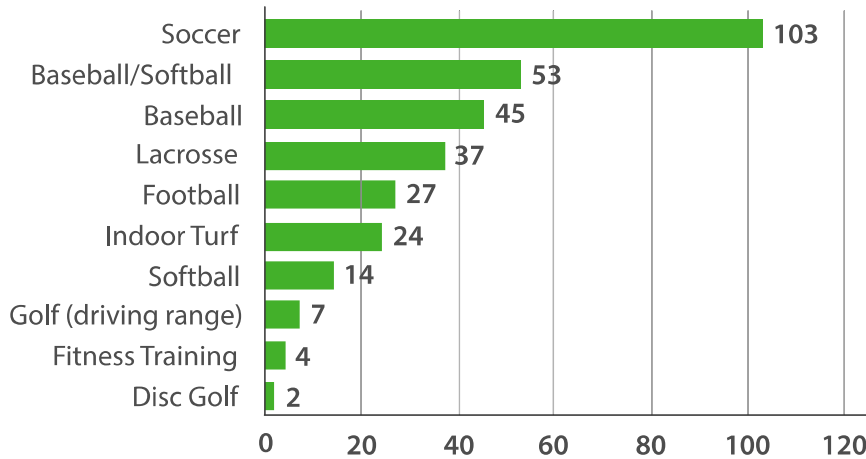


Figure 5: Priority Scoring Turf

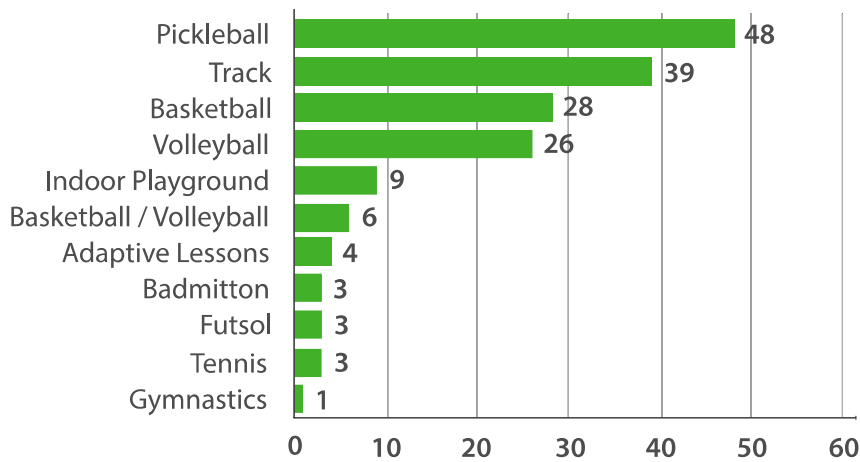


Figure 6: Priority Scoring Courts

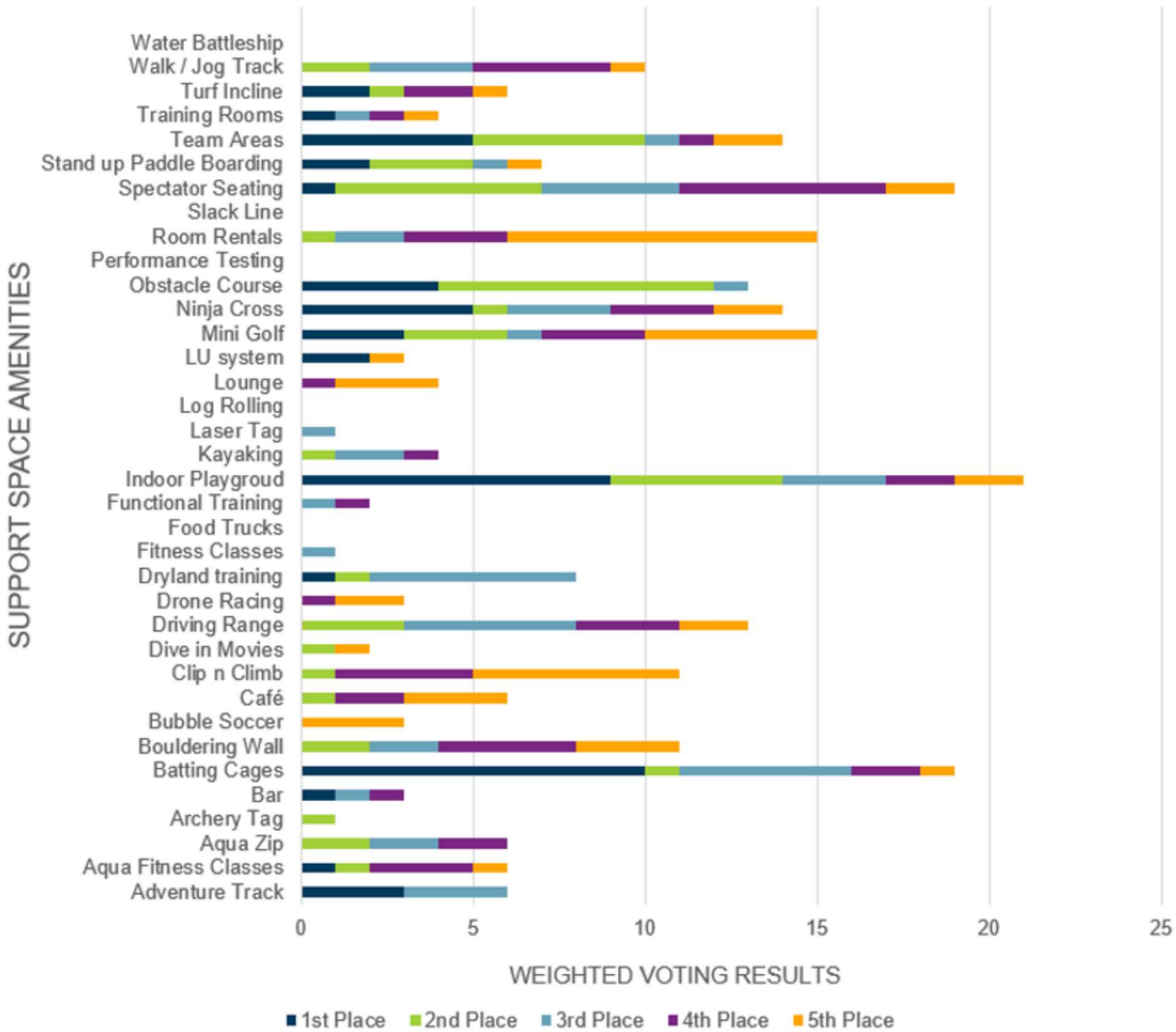


Figure 7: Support Amenities Priority Preference Rankings

The entire listing of focus group and stakeholder comments was submitted to the Park District in addition to the Public Input Summary presentation as a separate document. The Public Input Summary was utilized to formulate the statistically valid survey. The summaries of the public input, survey results, and findings were posted on the Social Pinpoint webpage for public comment.

Statistically Valid Survey Summary

As part of the quantitative needs assessment portion of the study, RRC Associates, a survey firm and member of the BerryDunn project team, conducted a randomly distributed survey using proven survey methods to achieve a statistically valid response.

This type of survey is the most effective method available to capture the opinions of non-users as well as users of indoor sports programs and indoor aquatics in a community.

BerryDunn and RRC created a carefully designed community survey that was distributed to a random sample of 8,500 Grand Forks residents. The questions asked what types of activities, facilities, amenities, and services residents and visitors need and would like to see in these two types of facilities or none of them at all. The survey also asked how the residents thought these facilities could be funded.

Following the initial invitation to complete the survey, which was provided to a random sampling of residents, BerryDunn offered an opportunity for every resident and visitor in the immediate Grand Forks area to access the same survey as an “open link” survey; the larger community, residents, and non-residents were encouraged to respond.

RRC typically tabulates the results from these two groups separately (the coded “invitation” and “open link” versions), but they were very similar in response patterns and therefore were combined for interpretation purposes, while responses for each question were kept separate. The following are some of the highlighted results of the survey.

The entire statistically valid survey results as well as all the individual comments were submitted to the Park District as a separate document, as was the Survey Results Summary presentation. The summaries of the survey results and findings were posted on the Social Pinpoint webpage for public comment.

METHODOLOGY

Statistically Valid Survey (Invitation Survey)

Postcards were mailed to 8,500 residential addresses in Grand Forks, with instructions to complete online through a password protected website (one response per household).

Open Link Survey

Later, the online survey was made available to all Grand Forks stakeholders, including non county residents (e.g. residents of nearby communities who may use Grand Forks facilities).



1,108
TOTAL SURVEYS

8,500 Postcards Mailed

650 Open Link Surveys Completed

458 Invitation Surveys Completed
(+/- 3.51% Margin of Error)

Figure 8: Research Methods

More than half of all respondents feel it's either very important or extremely important to develop a Community Center with either an indoor turf, courts, or an indoor competitive swimming pool. Of the different components, approximately 29% of respondents saw the indoor competitive swimming pool is not that important (rated either 1 = "not at all important" or 2 = "somewhat important").

Approximately 79% of the invite respondents responded they will probably or definitely support the Alerus Center sales tax extension in order to support the complex. In total for both samples, 9% of respondents will probably not support a tax extension, and 6% will definitely not support a tax extension.

In your opinion, how important is it to develop an Indoor Sports Complex in Grand Forks with the following features?

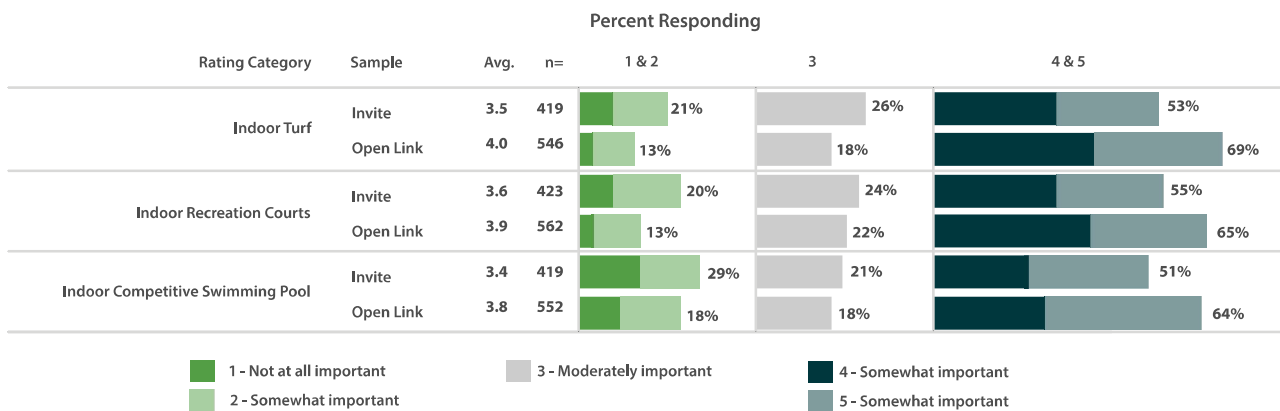


Figure 9: Preferred Features of the Indoor Sports Complex
 *Rating categories are sorted in descending order by the average rating
 Source: RRC Associates

How likely would you or your family be to use each feature at the Indoor Sports Complex in Grand Forks?

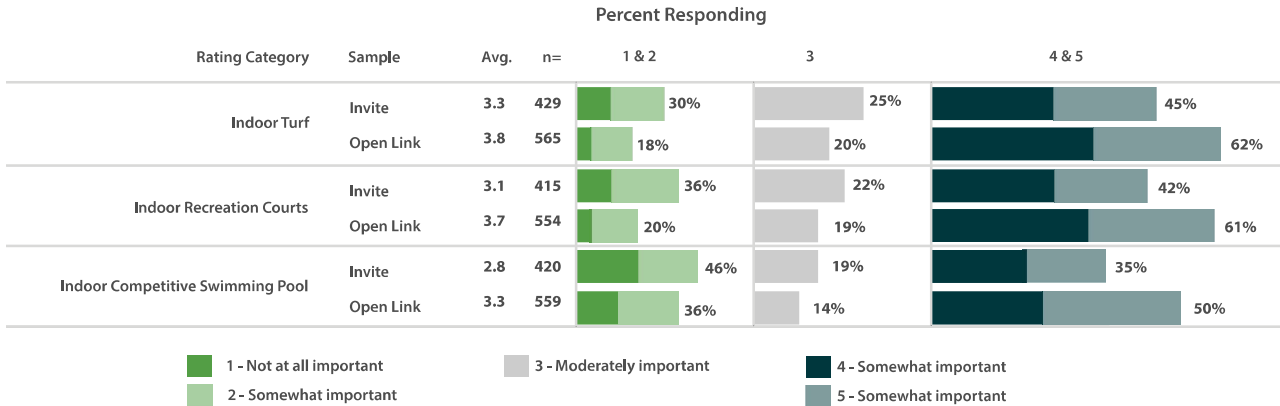


Figure 10: Likelihood to Use Features of the Indoor Sports Complex
 *Rating categories are sorted in descending order by the average rating
 Source: RRC Associates

The top five additional activities/amenities are highlighted below. There is at least some interest in all activities/amenities.

Among households that indicate a need for indoor space for one or more turf- or court-based activities) What are your top three additional activities/amenities your household would participate in an indoor turf/court facility in Grand Forks?

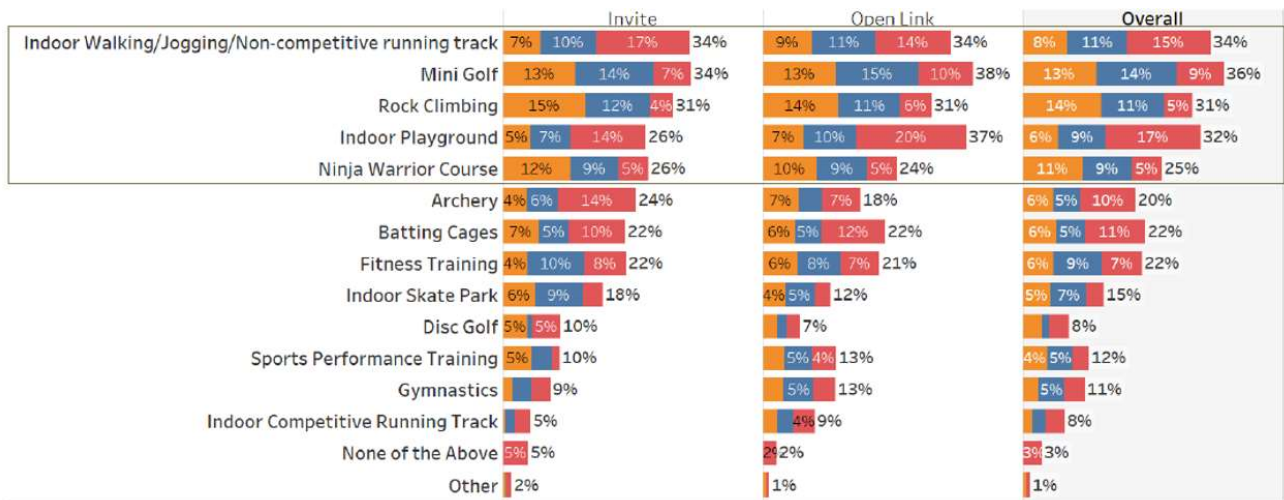


Figure 11: Top Three Activities/Amenities Households Would Participate in at an Indoor Turf/Court Facility

Among invite respondents, approximately 79% would either “probably” or “definitely” support the Alerus Center sales tax extension. Only 20% are not likely to support. However, it is not guaranteed that those in “probably support” category will

change their minds once plans are further rolled out. This should be taken into consideration when releasing communication materials. The Open link sample has a significantly higher percentage indicating they would “definitely support (51%)” the extension.

How likely would you be to support an Alerus Center sales tax extension to fund the Indoor Sports Complex and/or Aquatic Complex in Grand Forks?

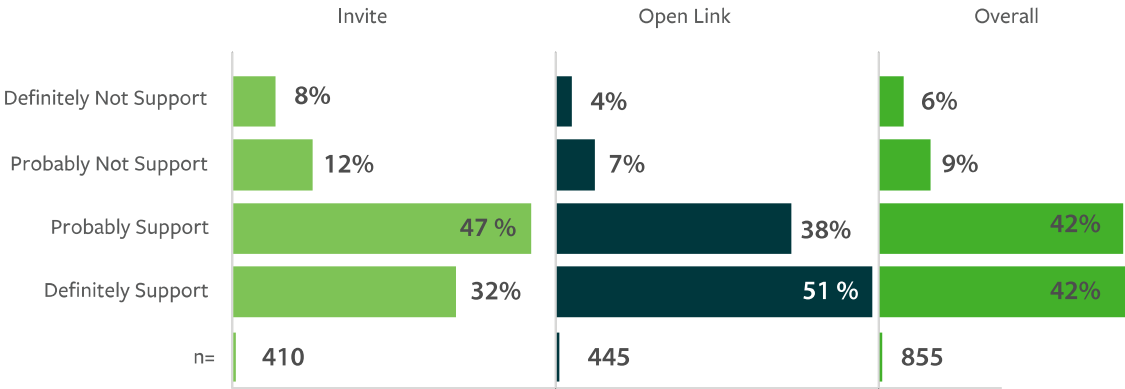


Figure 12: Sales Tax Extension



Social Pinpoint

BerryDunn established a Social Pinpoint online platform for the duration of the project to solicit information from the public on many topics, as well as keep the community informed on project progress. The Park District assisted in the creation of the Social Pinpoint webpage.

The Social Pinpoint site was utilized for the length of the project to not only solicit input but to also solicit feedback from the documents on the site to inform the public of every step of the process as it unfolded.

The chart below documents the polling of the public, asking which of the two facilities is needed or whether both facilities are needed.

Does Grand Forks Need an Indoor Multi-Sports Facility or an Indoor Aquatic Facility?

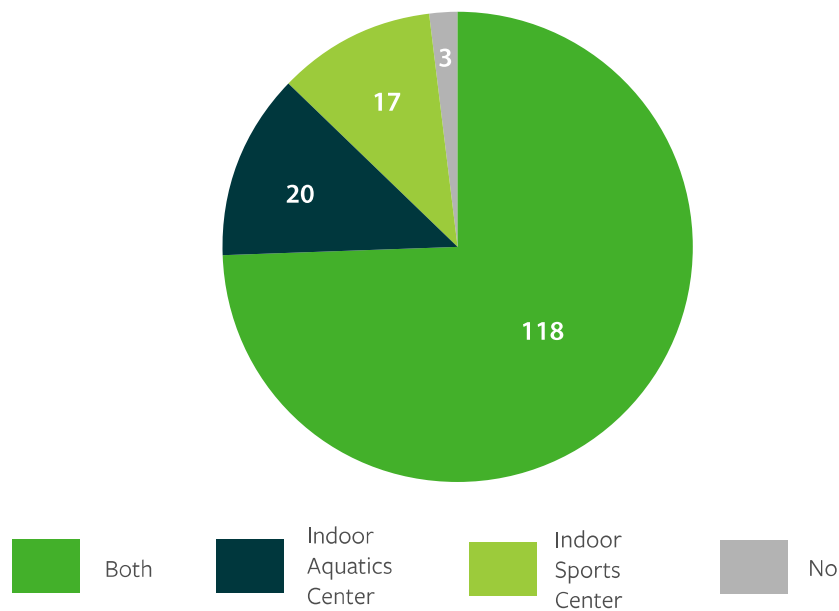


Figure 13: Does Grand Forks Need an Indoor Multi-Sports Facility or an Indoor Aquatic Facility?

Market Analysis

Demographic Profile

The Grand Forks Park District demographic profile was developed to provide an analysis of household and economic data in the area, helping to understand the historical and projected changes that may impact the community. The demographics analysis provides insight into the potential market for the community's parks, trails, and recreation programs and services by highlighting where and how the community will change.

Sources

Data referenced throughout this report was primarily sourced from Esri Business Analyst as of August 2022. According to its website, Esri Business Analyst is “a solution that applies Geographic Information Systems (GIS) to extensive demographic, consumer spending, and business data to deliver on-demand analysis.” At the time of this report, Esri’s population estimates were based off the 2020 census and updated on July 1, 2022. In addition, information about health, wellness, and disability status of Grand Forks was sourced from the American Community Survey and the Robert Wood Johnson Community Health Foundation.

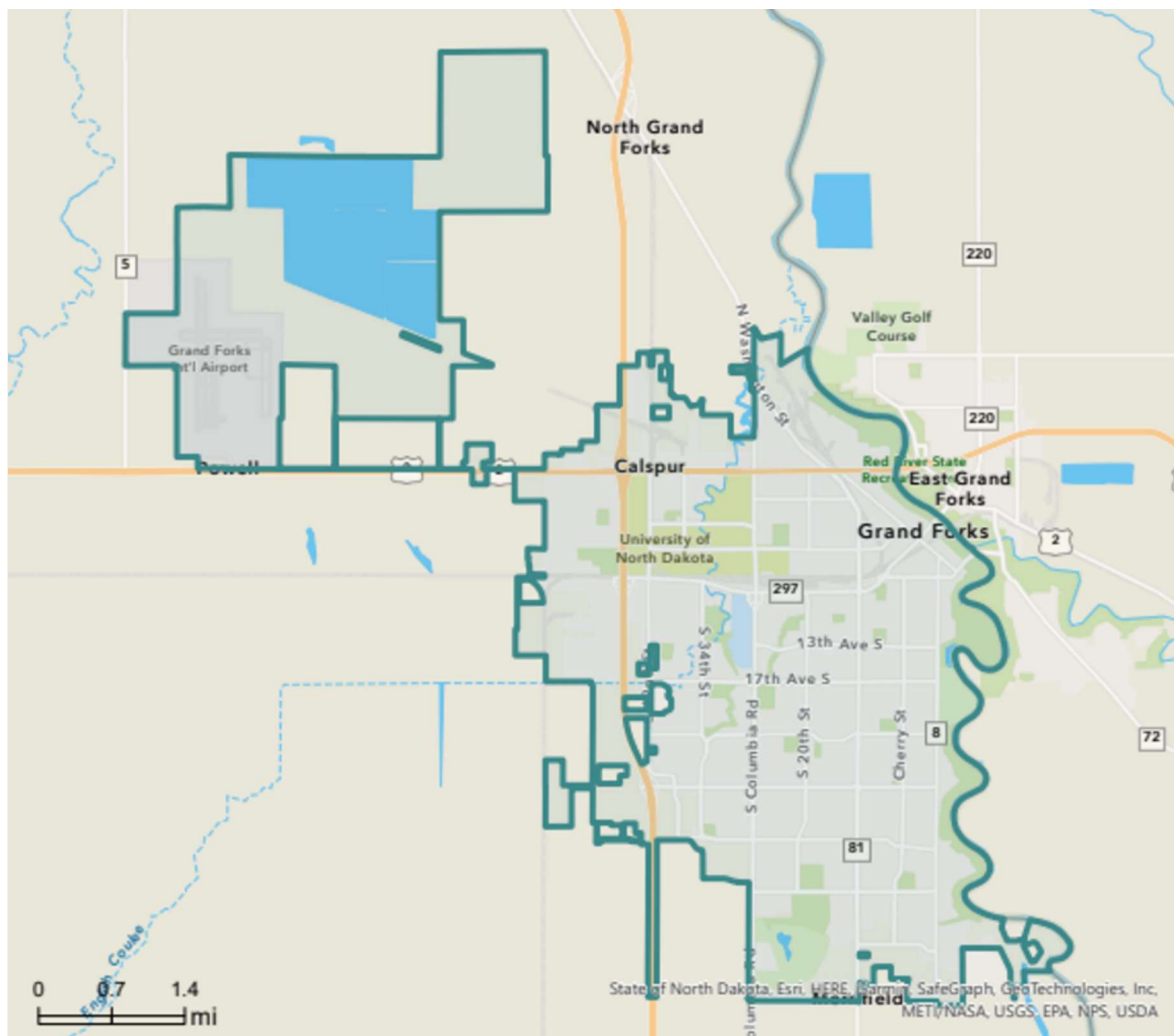


Figure 14: Geographic Boundaries – Grand Forks Park District

Area of Study

Grand Forks Park District: This study utilized the City of Grand Forks as the primary boundaries for the Grand Forks Park District.

Market Potential: In addition, local, regional, and tournament markets were developed as a means of understanding the demographics of who might visit the proposed facility. The drive times as described below were generated from Park District staff input.

In addition, the drive times were developed from the addresses of the potential sites.

- Local Market – 45-minute drive time
- Regional Market – Three-hour drive time
- Tournament Market – Five-hour drive time

The maps show the Grand Forks Park District in Figure 14, in addition to the secondary services area in Figure 15—which includes the local market (light blue), regional market (green), and tournament market (blue).

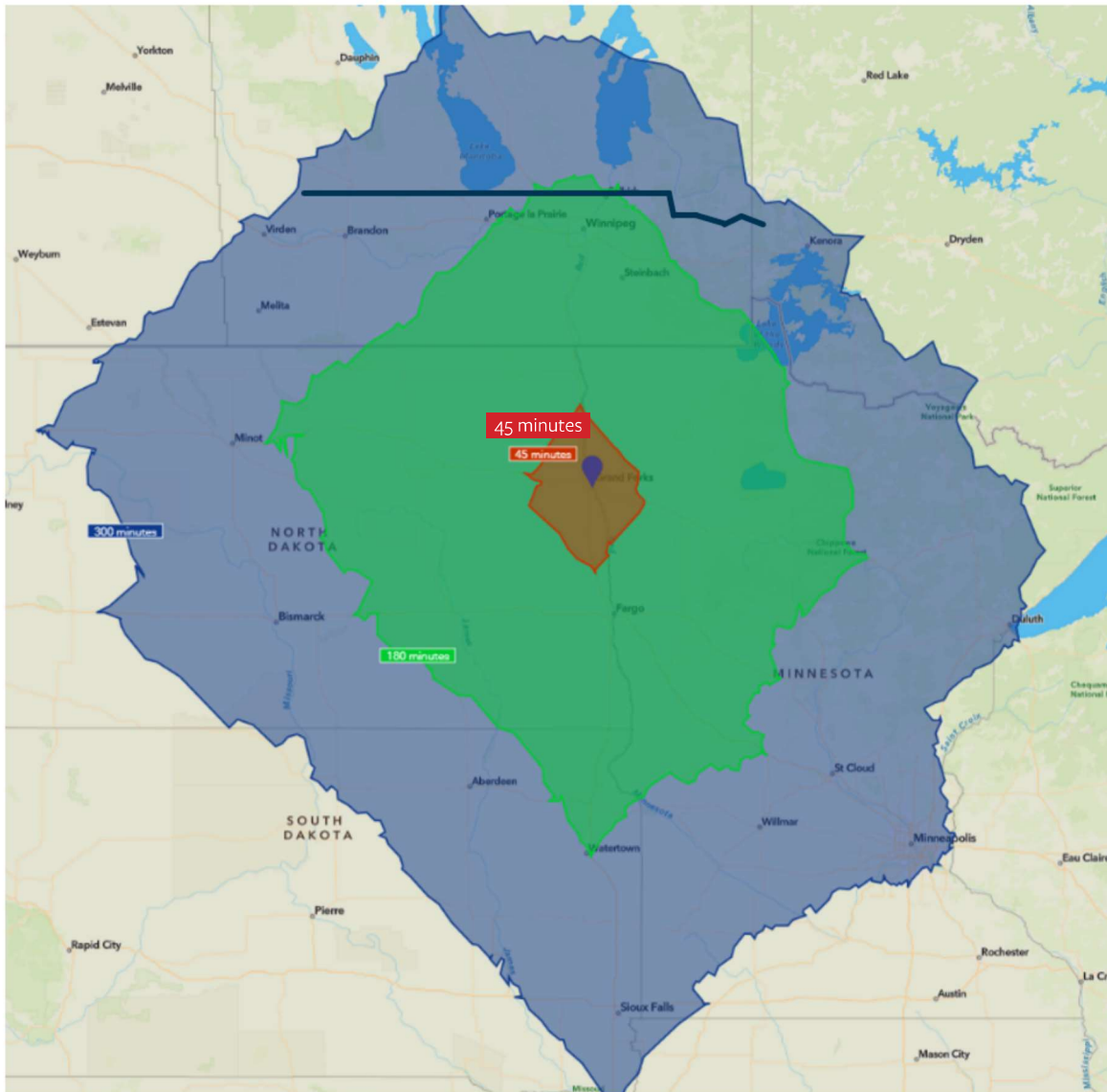



Figure 15: Geographic Boundaries for the Market Potential

The market potential is made up of the local, regional, and tournament market areas. These are defined as 45-minute, three-hour, and five-hour drive times from the proposed facility. The blue line represents the Canada/United States border.

Population

From a population of 49,416 in 2000, Grand Forks has continued to grow over the past two decades. From 2000 to 2010, the compound annual growth rate was an estimated 0.49%, leading to a population of 59,666 in 2022. In 2027, the population could reach over 59,882 at the projected growth rate of 0.07%.

The population was estimated at **59,666** in 2022.



Population Growth in Primary Service Area Compound Annual Growth Rate		
2000 Total Population	49,416	0.49%
2010 Total Population	52,896	
2022 Estimated Population	59,666	0.07%
2027 Projected Population	59,882	

Table 1: Population Growth in Grand Forks (2000 to 2027)

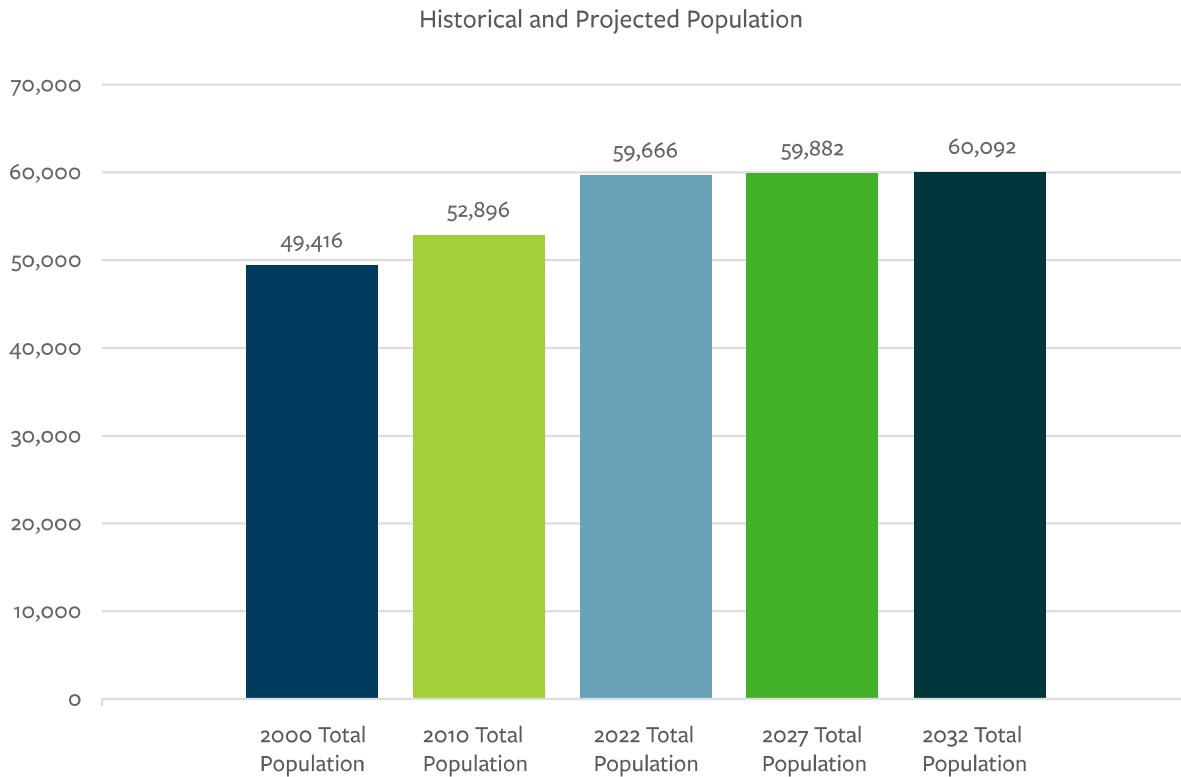


Figure 16: Historical and Projected Population Growth in Grand Forks

2027 – 2032 Projected Population data based off projected growth rate from 2022 – 2027 provided by Esri Business Analyst (0.7%).

Market Potential: Population & Growth Rate

The local market has an estimated 112,000 people within a 45-minute drive. Extending to a three-hour drive, the market potential is estimated to reach over 873,000 people; five hours extends to over 2.9 million people. The growth rate was relatively consistent across all markets from 2010 to 2020. From 2022 to 2027, the local market is anticipated to decrease in size (0.14%) while the regional and tournament markets are expected to grow at a rate of 0.13% and 0.14%, respectively.

The local market includes cities such as Grand Forks, Crookston, Larimore, Mayville, and Grafton, among others.

The regional market includes all the local market, plus cities such as Fargo, Devils Lake, Jamestown, and Thief River Falls, among others. In Canada, this drive time includes the cities in the southern portion of the province of Manitoba, including the cities of Winnipeg, Winkler, and Steinbach.

The tournament market includes all the regional market, plus cities such as Sioux Falls, Bismarck, Minneapolis, and St. Cloud, among others. In Canada, this drive time includes the cities in the southern portion of the province of Manitoba, including the cities of Brandon, Melita, Virden, and others.

The table below shows the estimated population in the selected drive time within the United States and Canada.

	Local Market (45 Min)	Regional Market (Three Hours)	Tournament Market (Five Hours)
United States (2022)	112,088	873,895	1,792,550
Canada (2021)	N/A	1,018,767	1,147,687
Total Market	112,088	1,892,662	2,940,237

Table 2: Estimated Population in Surrounding Market Areas in the United States and Canada

	Local Market (45 Min)	Regional Market (Three Hours)	Tournament Market (Five Hours)
2010 – 2020 Compound Growth Rate	0.53%	0.63%	0.62%
2022 – 2027 Compound Growth Rate	-0.14%	0.13%	0.14%

Table 3: Estimated Population Growth Rate in Surrounding Market Areas Within United States

Growth rate data from Canada was not available from Esri.

Household Information

Analyzing the household characteristics within the primary service area indicates that the area has a lower median income and slightly lower home value than the State of North Dakota. The following facts demonstrate the key highlights related to household information compared to the state.

The median household income was \$55,699, lower than the State of North Dakota (\$69,218) and the United States (\$72,414) (Esri, 2022).

The average home value was \$272,672, lower than the average home value in the State of North Dakota (\$286,676) and the United States (\$374,078) (Esri, 2022).

Over 18.20% of residents in the primary service area were below the poverty level in 2020, compared to 11.36% in the State of North Dakota and 12.51% in the United States (ACS, 2020).

The average household size in the primary service area (2.17) was slightly lower than the State of North Dakota (2.33) and the United States (2.55) (Esri, 2022).

	Grand Forks	North Dakota	United States
Median Household Income (2022)	\$55,699	\$69,218	\$72,414
Households Below Poverty Level (2020)	18.20%	11.36%	12.51%
Avg. Home Value (2022)	\$272,672	\$286,676	\$374,078
Avg. Household Size (2022)	2.17	2.33	2.55

Table 4: Comparison of Household Data Across Geographic Areas

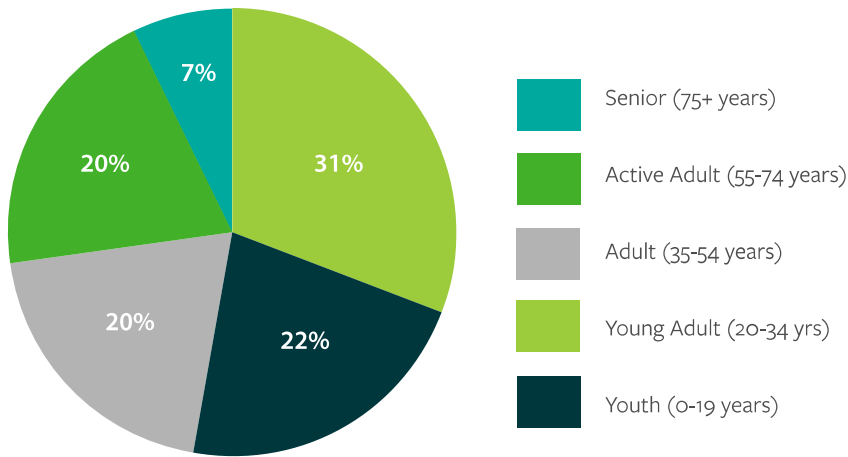
Age

The median age in the Grand Forks area was 32.7 years old in 2022. Almost a third (31%) of the community was considered young adults between 20 and 34 years old. In terms of youth, age distribution leaned toward 15 to 19 years old (38% of all youth), followed by those under 4 years (25%). The biggest changes in the last decade were for those between 20 and 24 years old. This age cohort decreased 5%. In the next five years, the senior population is anticipated to increase. Knowing the age distribution, the Park District can plan to prioritize active youth programs for older teens and young adults—those who might typically partake in team sports and specialized fitness activities.

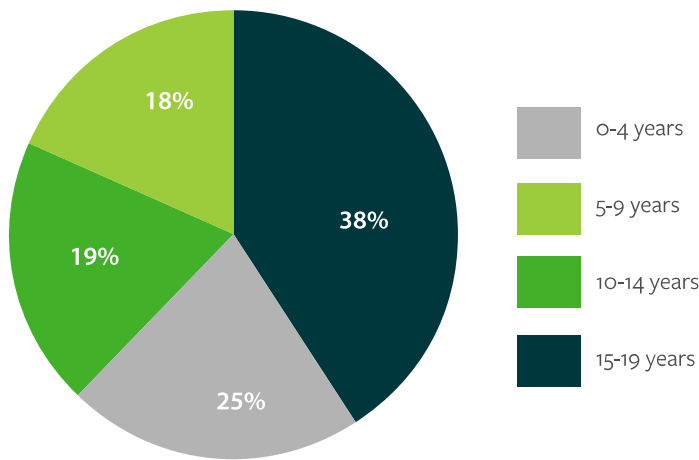
The median age in
2022 was 32.7 years.



Population by Age Category



Youth Age Distribution



Age Distribution Change From 2010 to 2027

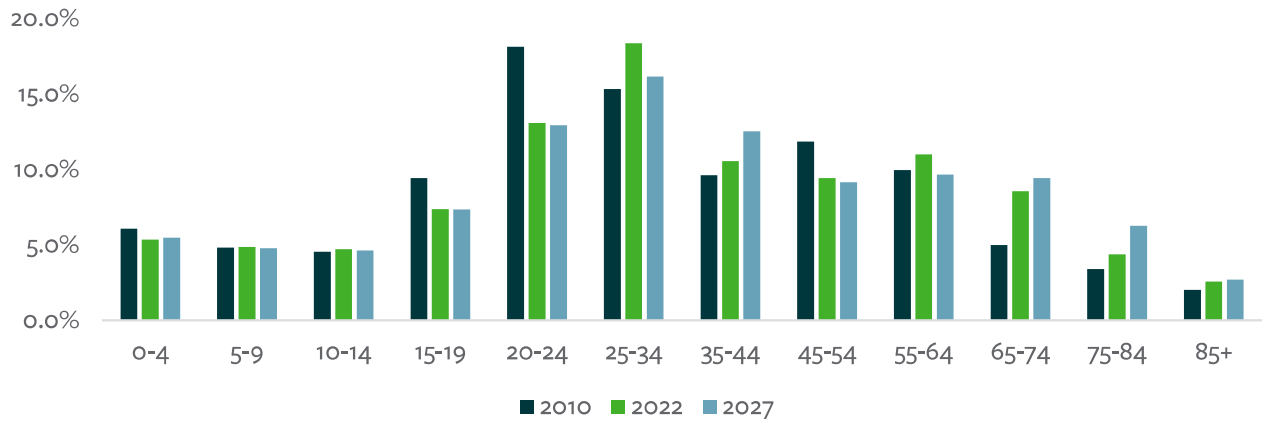


Figure 17: Age Distribution Characteristics in Grand Forks
Source: 2021 Esri Business Analyst

Market Potential: Age Distribution

The median age in the Grand Forks area was 32.7 years old in 2022, younger than the regional market and the tournament market. The local market, as seen in Table 5, is made up of a younger demographic, while the regional and tournament markets have slightly older demographics. All markets have a strong presence of youth (under 19 years old), between 23% and 24% of the population.

Note: This data only pertains to the population within the United States. Age distribution data was not available for the market potential within Canada.

	Local Market (45 Min)	Regional Market (Three Hours)	Tournament Market (Five Hours)
Median Age	35.7	39.6	39.8

Table 5: Median Age in Surrounding Market Areas

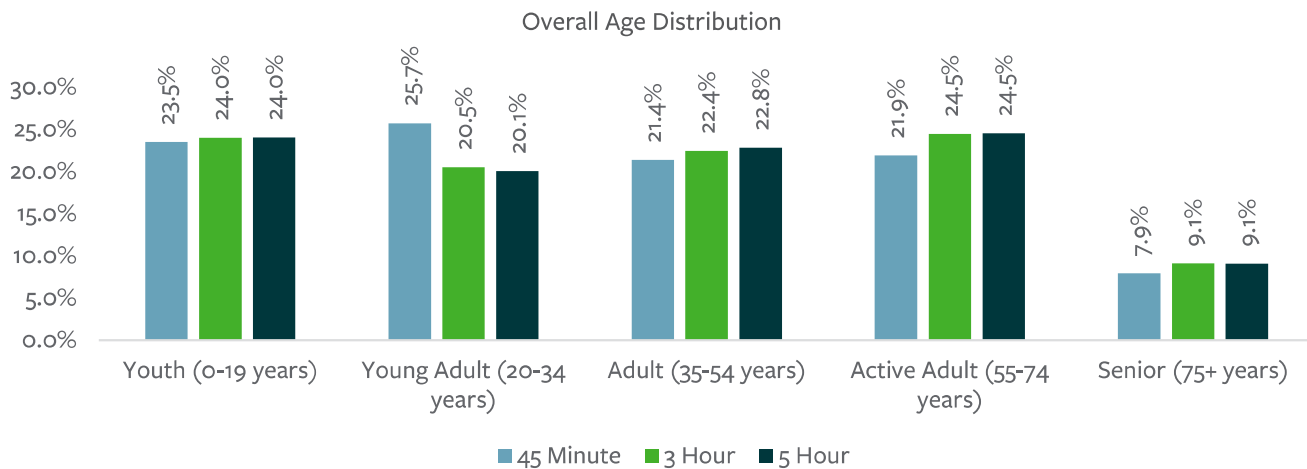


Figure 18: Grand Forks Market Potential Overall Age Distribution
Source: Esri Business Analyst

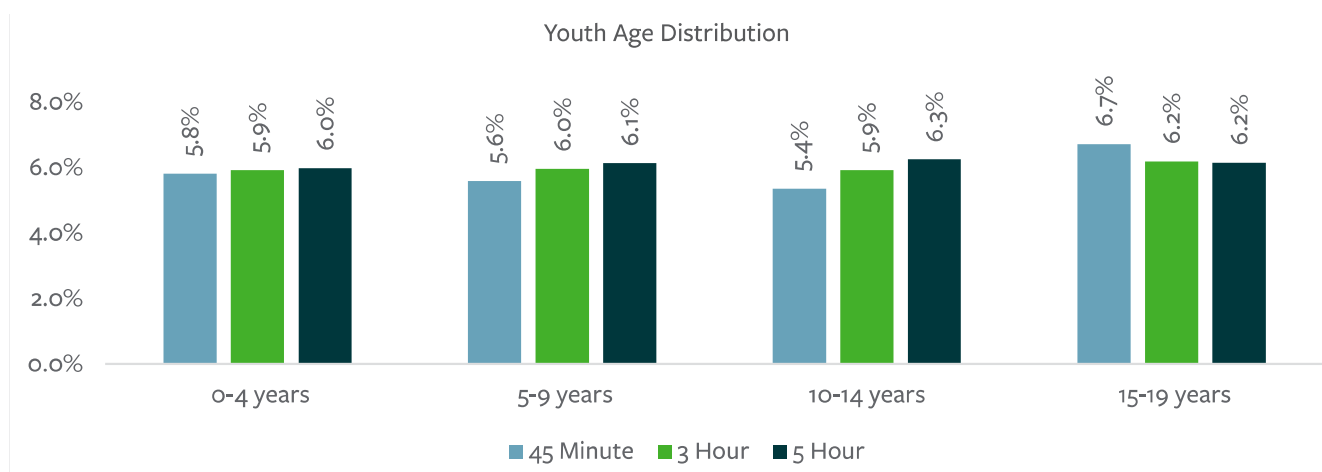


Figure 19: Grand Forks Market Potential Youth Age Distribution

Race & Diversity

Grand Forks has continued to become increasingly more diverse over time. In 2010, close to 90% of residents were white compared to 2022, when the white population decreased to 80%. The greatest growth in diverse populations has been seen in those who identified as Black or African American (from 2.0% in 2010 to 5.1% in 2022).

According to the U.S. Census:

“Hispanic origin can be viewed as the heritage, nationality, lineage, or country of birth of the person or the person’s parents or ancestors before arriving in the United States. People who identify as Hispanic, Latino, or Spanish may be any race.”

Grand Forks had an estimated 5.1% of residents who identified as Hispanic origin, compared to 18.9% within the United States.



Race Distribution	2010	2022	2027
White Population	89.7%	80.0%	79.0%
Black/African American Population	2.0%	5.1%	5.5%
Asian Population	2.2%	4.1%	4.2%
American Indian/Alaska Native Population	2.8%	2.8%	2.8%
Pacific Islander Population	0.0%	0.1%	0.1%
Population of Two or More Races	2.5%	6.5%	6.9%
Other Race Population	0.7%	1.4%	1.5%
Hispanic Population	2.8%	5.1%	5.2%

Table 6: Race and Ethnicity Distribution From 2010 to 2027 in Grand Forks
Source: Esri Business Analyst

Health & Wellness

Understanding the status of a community's health can help inform policies related to recreation and fitness. Robert Wood Johnson Foundation's County Health Rankings and Roadmaps provided annual insight on the general health of national, state, and county populations. It is estimated, according to the American Community Survey, that 16.77% of households have at least one individual with some sort of disability. Grand Forks County, home to the City of Grand Forks, ranked in the healthiest range of counties in North Dakota (Highest 75% – 100%). The figure below provides additional information regarding the county's health data as it may relate to parks, recreation, and community services (Robert Wood Johnson Foundation, 2022).

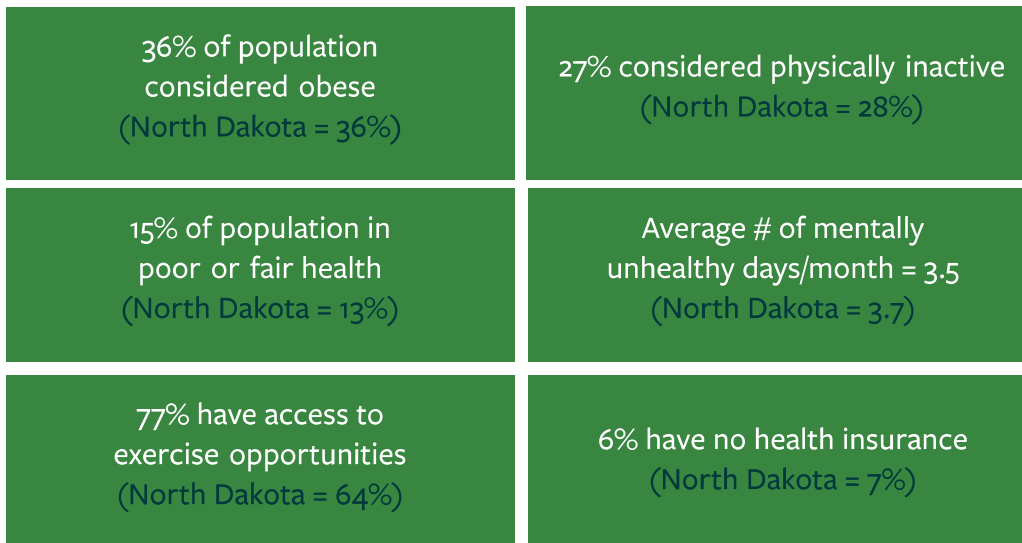


Figure 20: Grand Forks County Health Rankings Overview Compared With State of North Dakota
Source: Robert Wood Johnson Foundation's County Health Rankings and Roadmaps

Estimated Local Participation

This section showcases participation in fitness activities, outdoor recreation, and sports teams for adults 25 and older in the area compared to the state. Activity participation and consumer behavior is based on a specific methodology and survey data to make up what Esri terms "Market Potential Index."

Regarding fitness activities, walking for exercise was the most popular activity, with over 31% of adult participation. Swimming followed next, with over 15.6% of adult participation. Finally, weightlifting was another popular activity, with 13.5% participation.

Regarding adult participation in sports, basketball was the most popular with 7.3% participation, followed by golf (6.9%), soccer (4.3%), and tennis (3.5%). Other sports like pickleball, badminton, and racquetball did not have local participation data available.



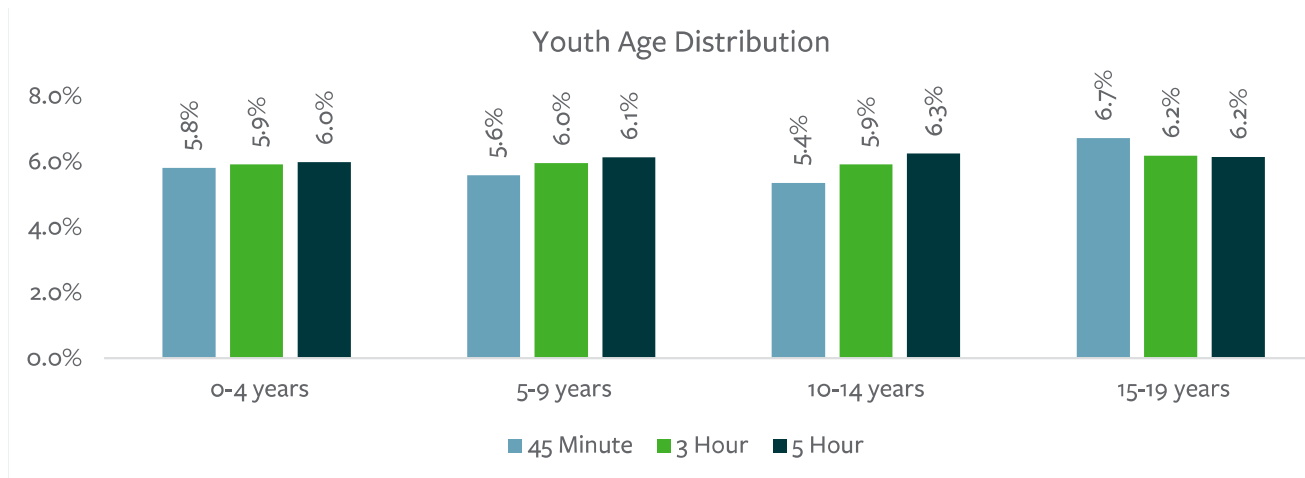


Figure 21: Adult Participation in Sports

Recreation Expenditures

It was estimated that in 2022, the average expenditure on membership fees for social, recreation, and/or health clubs was an estimated \$211.35 annually, totaling over \$5.4 million for all of Grand Forks. Admission to sports events, excluding trips, was estimated at \$52.00 per person, generating \$1.3 million in expenditures. Additional information regarding amounts spent on fees for participant sports, recreational lessons, tickets to parks or museums, and bicycles is detailed below.

	Grand Forks	North Dakota
Membership Fees for Social/Recreation/Health Clubs	\$211.35	\$249.23
Fees for Participant Sports Excluding Trips	\$94.61	\$112.39
Tickets to Parks or Museums	\$28.02	\$35.94
Fees for Recreational Lessons	\$107.89	\$130.03
Sports/Rec/Exercise Equipment	\$155.66	\$229.48
Bicycles	\$26.30	\$41.42
Admission to Sports Events Excluding Trips	\$52.01	\$64.23
Camping Equipment	\$18.95	\$21.54
Hunting and Fishing Equipment	\$43.20	\$66.47
Other Sports Equipment	\$6.37	\$16.52
Water Sports Equipment	\$6.12	\$7.27

Table 7: Estimated Average Recreational Expenditures, Grand Forks, 2022

	Grand Forks	North Dakota
Membership Fees for Social/Recreation/Health Clubs	\$5,437,872	\$81,943,289
Fees for Participant Sports Excluding Trips	\$2,434,318	\$36,954,133
Tickets to Parks or Museums	\$721,010	\$11,816,614
Fees for Recreational Lessons	\$2,775,956	\$42,753,381
Sports/Rec/Exercise Equipment	\$4,005,026	\$75,449,336
Bicycles	\$676,549	\$13,619,400
Admission to Sports Events Excluding Trips	\$1,338,168	\$21,119,565
Camping Equipment	\$487,504	\$7,080,750
Hunting and Fishing Equipment	\$1,111,616	\$21,853,215
Other Sports Equipment	\$163,938	\$5,432,362
Water Sports Equipment	\$157,501	\$2,389,021

Table 8: Estimated Total Recreational Expenditures, Grand Forks, 2022

Relevant Trends

The following sections summarize regional and national trends that are relevant to Grand Forks. This report details the trends and interests that were identified within the public engagement process and recognized on a regional or national level. The information contained in this report can be used by staff when planning new programs, considering additions to parks and new park amenities, and creating the annual budget and capital improvement plan. Understanding trends can also help an organization reach new audiences. Trends can also help determine where to direct additional data collection efforts within an organization.

A wide variety of sources were used in gathering information for this report, including:

- American College of Sports Medicine (ACSM)
- American Council on Exercise (ACE)
- Forbes
- Harris Poll Results/The Stagwell Group
- Impacts Experience
- National Recreation and Park Association (NRPA)
- The Aspen Institute
- The Learning Resource Network (LERN)
- The New York Times
- The Outdoor Industry Association
- The Society of Health and Physical Educators (SHAPE America)
- USA Pickleball Website

Aquatic Trends

Pool Design

Municipal pools have shifted away from the traditional rectangle shape and instead have shifted to facilities that include zero-depth entry, play structures that include multiple levels, spray features, small to medium slides, and separate play areas segmented by age/ability.

Indoor warm water therapy pools continue to grow in popularity with the aging population; creating a shallow space for low-impact movement at a comfortable temperature enables programming options to multiply. Endless or current pools that are small and allow for low-impact, high-intensity movement are becoming popular as well.

Competition pools remain popular to meet the requirements for swimming, diving, water polo, and other activities that work well with cooler temperatures and greater depth.

Youth Programming

Swim lessons generally include the most significant number of participants and revenues for public pool operations. Programs can be offered for all ages and levels, including private, semi-private, and group lessons. Access to swimming pools is a popular amenity for summer day camp programs, too.

Water Fitness

The concept of water fitness is a huge trend in the fitness industry, with many new programs such as aqua yoga, aqua Zumba, aqua spin, aqua step, and aqua boot camp. Whether recovering from an injury, looking for ease-of-movement exercise for diseases such as arthritis, or simply shaking up a fitness routine, all demographics are gravitating toward the water for fitness. Partnerships can be important for parks and recreation agencies, such as working with hospitals to accommodate cardiac patients and those living with arthritis or multiple sclerosis.

Spray Parks

Spray parks (or spray grounds) are now a common replacement for aging swimming pools, particularly because they provide the community with an aquatic experience without the high cost of traditional pools. Spray parks do not require high levels of staffing, require only minimal maintenance, and offer a lower-cost alternative to a swimming pool. A spray park typically appeals to children ages 2 – 12 and can be a stand-alone facility in a community or incorporated inside a family aquatic center.

	Definition	One-Year Change	Two-Year Change	Five-Year Change
Swimming for Fitness		-0.2%	-9.2%	-0.7%
Casual	1 – 12 times	-2.2%	-9.7%	-0.1%
Core	13+ times	4.5%	-8.2%	-1.7%

Table 9: Sport Participation for Swimming for Fitness (Ages 6+), 2015 to 2020
Source: 2021 Sports and Fitness Industry Association (SFIA) Topline Report

Facility Trends

Community Centers

Parks and recreation agencies serve their communities in many ways; one of the primary facilities that many agencies operate are community centers. These facilities may host a variety of amenities, such as sport courts, multi-purpose rooms, fitness gyms, aquatic facilities, and much more. There has been a shift from traditional fitness and general activities in community centers to a more modern approach, which includes healthy living classes, computer classes/internet access, and older adult transportation. Data from the NRPA indicates that community centers play an important role in communities across the country. The following infographic demonstrates the potential for community services in offering non-traditional services.



¹ Figure 23: Non-Traditional Services Desired in Community Centers

¹ National Recreation and Park Association, “Recreation Centers Play an Important Role in Communities” Accessed September 2019 <https://www.nrpa.org/publications-research/park-pulse/park-pulse-survey-recreation-centers-role-in-communities/>

Age-Related and Generational Trends

Generation Alpha	Born 2010 – Present
Generation Z	Born 1997 – 2010
Millennial’s	Born 1981 – 1996
Generation X	Born 1965 – 1980
Baby Boomers	Born 1946 – 1964
Silent Generation	Born 1928 – 1945

Table 10: Age-Related Trends

Activity participation varies based on age, but it also varies based on generational preferences. The SFIA issues a yearly report on generational activity. In the 2020 SFIA report, millennial’s had the highest percentage of those who were “active to a healthy level,” but a quarter also remained sedentary. Nearly 28% of Generation X was inactive, with Baby Boomers at 33% inactive. Baby Boomers prefer low-impact fitness activities such as swimming, cycling, aquatic exercise, and walking for fitness.

A condensed list of generational trends that may impact recreational services are below, consolidated from Pew Research Center:

- Baby Boomers are staying in the workforce longer than generations before them (2019).
- Millennials have more financial hardships, such as student loan debt, poverty, and unemployment and lower levels of wealth but are optimistic about their future (2014).
- Approximately 13% of teens (Generation Z) said they have had a major depressive episode in the last year (2019).
- Those 60 and older (Baby Boomers) spend more than half of their daily leisure time (about four hours) in front of a screen (2019).
- Generation Z is the most racially and ethnically diverse generation with only 52% identifying as non-Hispanic white individuals (2018).

Generational Programming

There has been an increase in the number of offerings for families with children of all ages. This is a departure from past family programming that focused nearly entirely on younger children and preschoolers. Activities such as Family Fossil Hunt and Family Backpacking and Camping Adventure have proven very popular for families with teens. This responsiveness to the Generation X and millennial parents of today is an important step, as these age groups place a high value on family. GameTime’s “Challenge Course” is an outdoor obstacle course that attracts people of all ages and backgrounds to socialize with family and friends while improving their fitness. This type of playground encourages multi-generational experiences.

Trends for Youth Ages 13 and Younger

Traditional Sport Programming

Prior to the COVID-19 outbreak, the number of youths involved in team sports was beginning to decline. From 2008 to 2018, the participation rate of kids between the ages of 6 and 12 dropped from 45% to 38% due to the increasing costs, time commitments, and the competitive nature of organized sports leagues.

According to the Aspen Institute, after most athletic programs were shut down in the spring of 2020, 30% of children who previously played team sports now say that they are no longer interested in returning. It was estimated that up to 50% of the private travel sports clubs would dissolve following the pandemic, putting pressure on municipal recreation programs to fill the gaps for those children who do want to continue playing organized sports. Instead, travel sports was one of the first activities to rebound after the pandemic. There is a heightened need to save and build affordable, quality, community-based sports programs that can engage children of all abilities in large numbers.

Science, Technology, Engineering, and Mathematics (STEM, STEAM) Programs

STEM and STEAM programs, including arts programming, are growing in popularity. Some examples include learn to code, video game design, Minecraft, create with Roblox (an online gaming platform and game creation system), engineer robots, print 3D characters, and build laptops.

Summer and School Break Camps

Participation in parks and recreation youth camp programs continues to be very strong. For some agencies, these programs are the most significant revenue producers.

Nature-Related Programming

There is an international movement to connect children, their families, and their communities to nature called the New Nature Movement, and it is having an impact. In addition to new nature programming, nature-themed play spaces are becoming popular. Some park and recreation agencies are now offering outdoor preschool where the entire program takes place outside.

Youth Fitness

The organization Reimagine Play developed a list of the top eight trends for youth fitness. The sources for this information include the ACSM's Worldwide Survey of Fitness Trends, ACE Fitness, and SHAPE America. The top eight trends include:

- Physical education classes are moving from sports activities to physical literacy curriculums that include teaching fundamentals in movement skills and healthy eating.
- High Intensity Interval Training (HIIT) classes that involve bursts of high-intensity exercise followed by a short period of rest with classes ranging 30 minutes or less.
- Wearable technology and digital fitness media, including activity trackers, smartwatches, heart rate monitors, GPS tracking devices, smart eyeglasses, and virtual headsets.
- Ninja warrior training and gyms because of NBC's premier shows American Ninja Warrior and Spartan Race.
- Outdoor recreational activities including running, jogging, trail running, and BMX biking.
- Family (intergenerational) fitness classes such as family fitness fairs, escape rooms, and obstacle races are gaining in popularity among Gen X and millennial families who place a high value on family time.
- Kids' obstacle races in conjunction with adult obstacle races such as the Tough Mudder, Spartan Race, and Warrior Dash.
- Youth running clubs that also teach life skills such as risk-taking, goal setting, and team building.

Trends for Teens/Younger Adults Ages 13 – 24

Local parks and recreation agencies are often tasked with finding opportunities for teen programming beyond youth sports. As suicide is the second highest cause of death among U.S. teens, mental health continues to be a priority for this age group. Activities such as meditation, yoga, sports, art, and civic engagement can help teens develop life skills and engage cognitive functions. Beyond interacting with those of their own age, many agencies are developing creative multi-generational activities that may involve seniors and teens assisting one another to learn life skills. Agencies that can help teens advance career development skills and continue their education are most successful in promoting positive teen outcomes and curbing at-risk behavior. ²

Esports

Esports (also known as electronic sports, e-sports, or eSports) is a form of competition using video games. Forbes reported in December 2019 that Esports audiences exceed 443 million people across the world, and the International Olympic Committee is considering it as a new Olympic sport. Local recreation offerings can include training classes, open play, tournaments, and major competition viewing. A new recreation center in Westerville, Ohio includes a dedicated Esports room, and college campuses across the country are also launching Esports programs. Florida Southern College offers Esports as a club sport

2 Kardys, Jack "Park After-school Programs: A Vital Community Resource" National Recreation and Park Association. June 2019, <https://www.nrpa.org/parks-recreation-magazine/2019/june/park-afterschool-programs-a-vital-community-resource/>

for both community and competitive players, and Florida Tech, in Melbourne, FL, has a dedicated Esports facility. As a result of the COVID-19 pandemic, many parks and recreation agencies are including Esports in their programming mix.

Parkour

Parkour is a physical training discipline that challenges the participant to move their body through obstacle courses, like military training. Using body movements such as running, jumping, and swinging, the participant moves through static indoor courses or outdoor urban environments.

Outdoor Active Recreation

This includes activities such as kayaking, canoeing, stand-up paddleboarding, mountain biking, and climbing. Rentals for those who want to “try before they buy” are popular in many areas. All these types of activities have experienced an increase since the start of the COVID-19 pandemic. A survey by Civic Science found that those between 13 and 34 years old were the most likely age group to indicate that they planned to participate in more outdoor activities because of COVID-19-related shutdowns.

Bicycling

According to the Aspen Institute, bicycling became the third most popular sport for kids in 2020. Skatepark usage surged as well.

Life Sports

According to the Learning Resources Network “Top Trends in Recreation Programming, Marketing and Management” article, “life sports” are a new priority in the recreation world, where the focus is on developing youth interests in activities that they can enjoy for a lifetime, such as biking, kayaking, tennis, golf, swimming, and jogging/walking.

Holistic Health

Parks and recreation’s role in maintaining a holistic lifestyle will continue to grow. People are seeking opportunities to practice mindfulness, authentic living, and disconnection from electronic media. Programs to support mental health, including those that help to combat anxiety, perfectionism, and substance abuse in youth and young adults, are increasingly needed. The United Nations has urged governments around

the world to take the mental health consequences of COVID-19 seriously and help to ensure the widespread availability of mental health support to constituents.

Trends for Adults Ages 25 – 54

Aerobic Activities

For most age groups, swimming for fitness and weight training are the two most frequently mentioned activities in which people indicate interest. Running, walking, and biking for fitness continue to show strong and consistent growth. A good balance of equipment and classes is necessary to keep consistent with trends.

Fun Fitness

“Fun” fitness is a current trend. Exercise programs such as P90x, Insanity, and CrossFit have proven that a lot of equipment is not required to get fit. Since these programs have become popular, newer versions have become available, some cutting the time it takes to look and feel fit in half. These types of classes have been growing and will continue to grow in popularity at recreation departments and fitness centers.

Group Cycling

Group cycling continues in popularity as younger fitness enthusiasts embrace this high-performance group exercise activity as well as program variations that are developed to attract the beginner participant.

Yoga

While Pilates has shown an incredible 10-year growth trend, the past 3 years have seen a decline in participation. Perhaps participation migrated to yoga, as participation is up across all levels for the year. Yoga is more class based, while Pilates is more of an individual activity. Millennial fitness participants (ages 25 – 39) are showing a higher propensity to go with group-oriented programs.

Cornhole (or Bags)

Cornhole is a low-impact, low-cost activity that can be played by people of all ages. Young adults are signing up for leagues (that can be held indoors or outdoors and are offered all year long). Basic skills are easily acquired, and it is a social activity. Although it can be offered recreationally, some competitive leagues are offered, as well.

Trends for Adults Ages 55 and Over

Lifelong Learning

A Pew Research Center survey found that 73% of adults consider themselves lifelong learners. Do-it-yourself project classes and programs that focus on becoming a more “well-rounded” person are popular. Phrases such as “how to” can be added to the agency website’s search engine optimization, as consumers now turn to the internet as their first source of information regarding how-to projects. Safeguarding online privacy is also a trending course.

Fitness and Wellness

Programs such as yoga, Pilates, tai chi, balance training, chair exercises, and others continue to be popular with the older generation.

Encore Programming

This is a program area for Baby Boomers who are soon to be retired and focuses on a broad range of programs to prepare people for transitions into retirement activities. Popular programs for the 55+ market include fitness and wellness (specifically yoga, mindfulness, tai chi, relaxation, personal training, etc.), drawing and painting, photography, languages, writing, computers and technology, social media, cooking, mahjong, card games, volunteering, and what to do during retirement.

Specialized Tours

Participants are looking for more day trips that highlight unique local experiences or historical themes. For example, a focus on authentic food, guided night walks, bike tours, concentration on a specific artist’s work, and ghost walks are among the themes being sought out.

Creative Endeavors

Improv classes are specifically targeting 55+ age group with classes that promote creative endeavors. Workshops and groups help seniors play, laugh, and let loose while practicing mental stimulation, memory development, and flexibility.

Administrative Trends

Municipal parks and recreation structures and delivery systems have changed, and more alternative methods of delivering services are emerging. Certain services are being contracted out and cooperative agreements with nonprofit groups and other public institutions are being developed. Newer partners include the health system, social services, justice system, education, the corporate sector, and community service agencies. These partnerships reflect both a broader interpretation of the mandate of parks and recreation agencies and the increased willingness of other sectors to work together to address community issues. The relationship with health agencies is vital in promoting wellness. The traditional relationship with education and the sharing of facilities through joint-use agreements is evolving into cooperative planning and programming aimed at addressing youth inactivity levels and community needs.

In addition, the role of parks and recreation management has shifted beyond traditional facility oversight and activity programming. The ability to evaluate and interpret data is a critical component of strategic decision-making. In an article titled “The Digital Transformation of Parks and Rec” in the Parks and Recreation Magazine from February 2019, there are several components that allow agencies to keep up with administrative trends and become an agent of change:

1. Develop a digital transformation strategy – how will your agency innovate and adapt to technology?
2. Anticipate needs of the community through data – what information from your facilities, programs, and services can be collected and utilized for decision making?
3. Continuous education – how can you educate yourself and your team to have more knowledge and skills as technology evolves?
4. Focus on efficiency – in what ways can your operations be streamlined?
5. Embrace change as a leader – how can you help your staff to see the value in new systems and processes?
6. Reach out digitally – be sure that the public knows how to find you and ways that they can be involved.

Americans With Disabilities Act (ADA) Compliance

On July 26, 1990, the federal government officially recognized the needs of people with disabilities through the ADA. This civil rights law expanded rights for activities and services offered by both state and local governmental entities (Title II) and nonprofit/for-profit entities (Title III). According to an article in Recreation Magazine titled “Changes Are Coming to ADA -- New Regulation Standards Expected for Campgrounds, Parks & Beaches,” parks and recreation agencies are expected to comply by the legal mandate, which means eliminating physical barriers to provide access to facilities and providing reasonable accommodations in regard to recreational programs through inclusive policies and procedures (2012). It is a requirement that agencies develop an ADA Transition Plan, which details how physical and structural barriers will be removed to facilitate access to programs and services. The Transition Plan also acts as a planning tool for budgeting and accountability.

Agency Accreditation

Parks and recreation agencies are affirming their competencies and value through accreditation. This is achieved by an agency’s commitment to 150 standards. Accreditation is a distinguished mark of excellence that affords external recognition of an organization’s commitment to quality and improvement. The National Recreation and Parks Association administratively sponsors two distinct accreditation programs: The Council on Accreditation of Parks, Recreation, Tourism and Related Professions (COAPRT) approves academic institutions, and the Commission for Accreditation of Parks and Recreation Agencies (CAPRA) approves agencies. It is the only national accreditation of parks and recreation agencies and is a valuable measure of an agency’s overall quality of operation, management, and service to the community.

Diversity, Equity, and Inclusion

There is growing recognition that access to parks and recreational spaces is not equitable. According to the Urban Institute, in many cities across the United States, there are fewer quality parks in proximity to low-income residents and communities of color. As a result, many large cities have started to establish data-driven criteria to guide investment in public recreation to improve equity. The City Parks Alliance identified five common elements that are critical to developing, implementing, and evaluating a data-driven equitable investment strategy:

1. Leverage leadership from one or more sectors. Strong leadership is critical for making the case for creating and implementing an equitable approach. In addition to various governmental bodies, involving local foundations and those from the non-profit sector can help to bring the need for equity into focus.
2. Define equity goals and collect data to support the goals. Data collection and analysis must be reliable, consistent, and transparent, and guided by agreed-upon equity goals. The data collected in each city may vary but often includes statistics on poverty, crime, health, youth population, park access, unemployment, past capital and maintenance investment, and access to parks.
3. Educate and engage the community on equity data. Educating all levels of government, residents, non-profits, foundations, and the private sector on data findings is important for building awareness and buy-in, as well as a commitment to implementation. Extensive outreach and engagement are critical to help ensure the data aligns with reality and that the process builds ownership of the results.
4. Establish and sustain equitable funding practices. A variety of strategies can be implemented to help ensure that equity becomes a reality, including new ordinances, voter-approved measures, strategic plans, and internal reorganization.
5. Institute consistent tracking and evaluation procedures. Tracking new funding initiatives with an oversight committee that is required to produce an audit, reports, or study results helps to ensure consistent implementation over time.

As the recreation field continues to function within a more diverse society, race and ethnicity will become increasingly important in every aspect of the profession. More than ever, recreation professionals will be expected to work with, and have significant knowledge and understanding of, individuals from many cultural, racial, and ethnic backgrounds. According to the 2020 Outdoor Participation Report, participation rates among diverse groups is evolving quickly, but still does not reflect the diverse populations throughout the country. Black Americans represent approximately 12.4% of the population but only 9.4% of outdoor participants. Hispanics, who make up almost 18% of the population, only make up 11.6% of outdoor participants. These two groups are particularly underrepresented, although participation is rising over time.

To help ensure that parks and outdoor spaces are more inclusive, several recommendations are listed below for consideration that agencies can incorporate into their policies and programs. These items were originally published in an article titled “Five Ways to Make the Outdoors More Inclusive” in The Atlantic in 2020 as a way for national parks to become more inclusive and welcoming. However, these ideas can be applied in local parks and outdoor spaces as well.

- Teach the full history of the American Outdoors.
 - › Seek property grants and donations for memorials.
 - › Lobby governments to create storytelling-driven memorials.
 - › Hire historians to write true history of outdoor spaces.
- Make all visitors feel welcome and secure.
 - › Update uniforms with a modern, welcoming look.
 - › Be flexible and accommodating with park visitation rules.
- Create underlying policies on diversity and fairness.
 - › Increase number of paid internships and fellowships.
 - › Identify diversity advocates to unite and form coalitions for action.
- Increase economic accessibility to create more access points for all.
 - › Offer free admission for first-time users.
 - › Subsidize or provide free transportation for low-income families.
- Make open spaces more representative, culturally relevant, and cool.
 - › Utilize special events to celebrate unique cultural differences in festivals.
 - › Ensure images in marketing campaigns are diverse and representative.
 - › Celebrate diverse organizations.

Partnerships (Public, Private, and Intradepartmental)

Burgeoning populations require access to facilities outside of the current inventory in typical parks and recreation agencies, and the ability to partner with other departments within a municipality is crucial to meeting the programming needs of a community. Forming healthy partnerships with public libraries and school districts to utilize facilities and collaborate on programs is one of the top priorities for agencies that do not currently have agreements in place. Additionally, offering cooperative, consortium-based programs with existing non-profit and private entities allows several organizations to join partnerships to collectively offer programs in specific niche areas. For example, if one organization has the best computer labs, facilities, and instructors, then they offer that program for the consortium. If another organization has the largest aquatic center with trained staff, then they offer aquatics programs for the consortium, potentially eliminating duplication in programming. The COVID-19 pandemic has reinforced the need for partnerships due to budget and staff cuts.

Program-Related Trends

Niche Programming

Decades ago, recreation agencies focused on offering an entire set of programs for a general audience. Since that time, market segments have been developed, such as programming specifically for seniors. Recently, more market segments have been developed for specialty audiences, such as the LGBTQ community, retirees, military veterans, cancer patients, people needing mental health support, and individuals with visible and invisible disabilities. Organizations are taking a much more holistic approach to program and service offerings, beyond what is typically thought of as a recreation program.

Before- and After-School Care Programs

Many park and recreation agencies offer before- and after-school care programs. These programs may include fitness/play opportunities, healthy snacks, and tutoring/homework services. According to an NRPA poll, 90% of U.S. adults believe that before- and after-school programs offered by local park and recreation agencies are important. According to the 2018 Out-of-School Time Report, approximately 55% of local parks and recreation agencies offer after-

school programming. Park and recreation professionals consider that the top five benefits of after-school programs provided to youth are:

- Safe spaces to play outside of school
- Free or affordable places for health and wellness opportunities
- Opportunities to network and socialize with others
- Ability to experience nature and outdoors
- Educational support and learning opportunities

NRPA PARK PULSE
Parks and Recreation: Preferred Provider of Before- and After-School Care

90% of adults believe it's important for park and recreation agencies to provide affordable before- and after-school care to children and young adults.

These services include tutoring and homework help, fitness and play opportunities, and the availability of healthy snacks.

Regardless of income, age, education or having children in the household, people agree, providing affordable before- and after-school care for our nation's youth is important!

Each month, through a poll of 1000 U.S. residents focused on park and recreation issues, NRPA Park Pulse helps tell the park and recreation story. Questions span from the serious to the more lighthearted. The survey was conducted by Wakefield Research (www.wakefieldresearch.com).

Visit nrpa.org/park-pulse for more information.

NRPA National Recreation and Park Association
Because everyone deserves a great park

Figure 24: Overview of NRPA Park Pulse Report on Before- and After-School Care
Source: NRPA Park Pulse Report

Community and Special Events

Community-wide events and festivals often act as essential place-making activities for residents, economic drivers, and urban brand builders. This phenomenon is described in *Governing Magazine*: “Municipal officials and entrepreneurs see the power of cultural festivals, innovation-focused business conferences and the like as a way to spur short-term tourism while shaping an image of the host city as a cool, dynamic location where companies and citizens in modern, creative industries can thrive” (2013).

According to the 2020 Event Trends Report by EventBrite, the following trends are expected to impact event planners and community builders in the coming years:

- **Focus on Sustainability:** Zero-waste events are quickly becoming an expectation. Some of the primary ways of prioritizing environmental sustainability include e-tickets, reusable or biodegradable items, offering vegan/vegetarian options, encouraging public transport and carpooling, and working with venues that recycle.
- **Diversity, Equity, and Inclusion (DEI):** Ensuring that the venue is inclusive to not only all abilities by offering ADA facilities, but also welcoming to all races, ethnicities, and backgrounds through signage, messaging, and the lineup of speakers. Ways to incorporate a focus on inclusivity include planning for diversity through speakers, talent, and subject matter, enacting a code of conduct that promotes equity, and possibly providing scholarships to attendees.
- **Engaging Experiences:** The ability to cater to and customize facilities to create immersive events that bring together ethnic inclusiveness, art, music, and elements of a company’s brand will be critical in creating a more authentic experience.

Therapeutic Recreation

The ADA of 1990 established that people with disabilities have the right to the same access to parks and recreation facilities and programming as those without disabilities. In 2004, the National Council

on Disability (NCD) issued a comprehensive report, “Livable Communities for Adults with Disabilities.” This report identified six elements for improving the quality of life for all citizens, including children, youth, and adults with disabilities.

The six elements are:

- Provide affordable, appropriate, accessible housing.
- Ensure accessible, affordable, reliable, safe transportation.
- Adjust the physical environment for inclusiveness and accessibility.
- Provide work, volunteer, and education opportunities.
- Ensure access to key health and support services.
- Encourage participation in civic, cultural, social, and recreational activities.

Therapeutic services bring two forms of services for people with disabilities into play, specific programming, and inclusion services. Individuals with disabilities need functional skills in addition to access to physical and social environments in the community that are receptive to and accommodating of/for individual needs.

Inclusion allows individuals to determine their own interests and follow them.

Many parks and recreation departments around the country are offering specific programming for people with disabilities, but not as many offer inclusive services. “Play for All -Therapeutic Recreation Embraces All Abilities,” an article in *Recreation Management Magazine*, shows how therapeutic recreation includes a renewed focus on serving people with the social/emotional challenges associated with “invisible disabilities” such as ADHD, bipolar disorders, spectrum disorders, and sensory integration disorders.

A growing number of park and recreation departments are making services for those with invisible disabilities a successful part of their programming as well. When done well, these same strategies improve the recreation experience for everyone.

Sport Participation

The following tables demonstrate the change from 2015 to 2020 for sports that are relevant to the planning from the SFIA 2021 Topline Report. For each sport, there are two categories, which define the level of activity. “Casual” refers to users who participated in the study between 1 and 12 times in the past 12 months. “Core” refers to users who participated more than 13 times in the last 12 months. The one-year, two-year, and five-year AAG is then charted in the tables to indicate the level of change for the following sports:

- Soccer
- Football
- Baseball/Softball
- Lacrosse
- Pickleball
- Volleyball

Baseball/Softball

Casual participation in baseball saw an increase in participation of almost 6% in the last five years but was particularly high in the past two years (11.1%). Overall, both fast and slow pitch softball has declined in participation over the past several years.



Definition		One-Year Change	Two-Year Change	Five-Year AAG
Baseball		-0.9%	-1.4%	1.1%
Casual	1 – 12 times	-8.6%	11.1%	5.9%
Core	13+ times	7.2%	-10.4%	-1.7%
Softball (Fast Pitch)		15.3%	-6.9%	-2.6%
Casual	1 – 12 times	43.8%	-5.9%	-1.7%
Core	13+ times	-0.6%	-7.6%	-1.8%
Softball (Slow Pitch)		-5.4%	-15.0%	-4.7%
Casual	1 – 12 times	-0.9%	-9.7%	-4.0%
Core	13+ times	-8.8%	-19.0%	-5.3%

Table 11: Sport Participation for Baseball/Softball, 2015 to 2020
Source: 2021 SFIA Topline Report

Football

Casual participation in flag football and tackle football increased more than 9% in the past two years. Core participation in all types of football (flag, tackle, touch) decreased—particularly for touch football. Overall, casual participation is increasing while core participation has decreased.

Definition		One-Year Change	Two-Year Change	Five-Year AAG
Football (Flag)		-1.6%	1.6%	2.3%
Casual	1 – 12 times	-3.5%	9.0%	5.1%
Core	13+ times	1.4%	-7.9%	-1.1%
Football (Tackle)		3.4%	2.4%	-0.9%
Casual	1 – 12 times	10.6%	9.5%	3.5%
Core	13+ times	-3.0%	-4.0%	-4.4%
Football (Touch)		0.8%	-5.5%	-3.0%
Casual	1 – 12 times	6.1%	3.4%	-0.7%
Core	13+ times	-7.7%	-18.6%	-6.3%

Table 12: Sport Participation for Football, 2015 to 2020
Source: 2021 SFIA Topline Report

Pickleball

With 4.8 million people in the country playing pickleball, it is a trend not to be taken lightly. Though not at its peak, pickleball is still trending nationwide as the fastest growing sport in America with the active aging demographic, as 75% of core players are age 55 or older. Considered a mix between tennis, ping pong, and badminton, the sport initially grew in popularity with older adults but is now expanding to other age groups. It can be played as singles or doubles, indoors or out, and it is easy for beginners to learn but can be very competitive for experienced players. The game has developed a passionate following due to its friendly, social nature, and its multi-generational appeal.

Recreation facilities such as tennis or basketball courts can be temporarily or permanently converted to pickleball courts through lining a court. One consideration to recreation professionals before lining tennis courts is potential interference with competitive tennis requirements. Best practices regarding pickleball setup and programming can be found on usapa.com, the official website for the United States Pickleball Association.

Definition		One-Year Change	Two-Year Change	Five-Year Change
Pickleball		14.8%	39.3%	11.5%
Casual	1 – 12 times	21.9%	56.5%	15.4%
Core	13+ times	0.1%	9.0%	4.4%

Table 13: Sport Participation for Pickleball, 2015 to 2020
Source: 2021 SFIA Topline Report

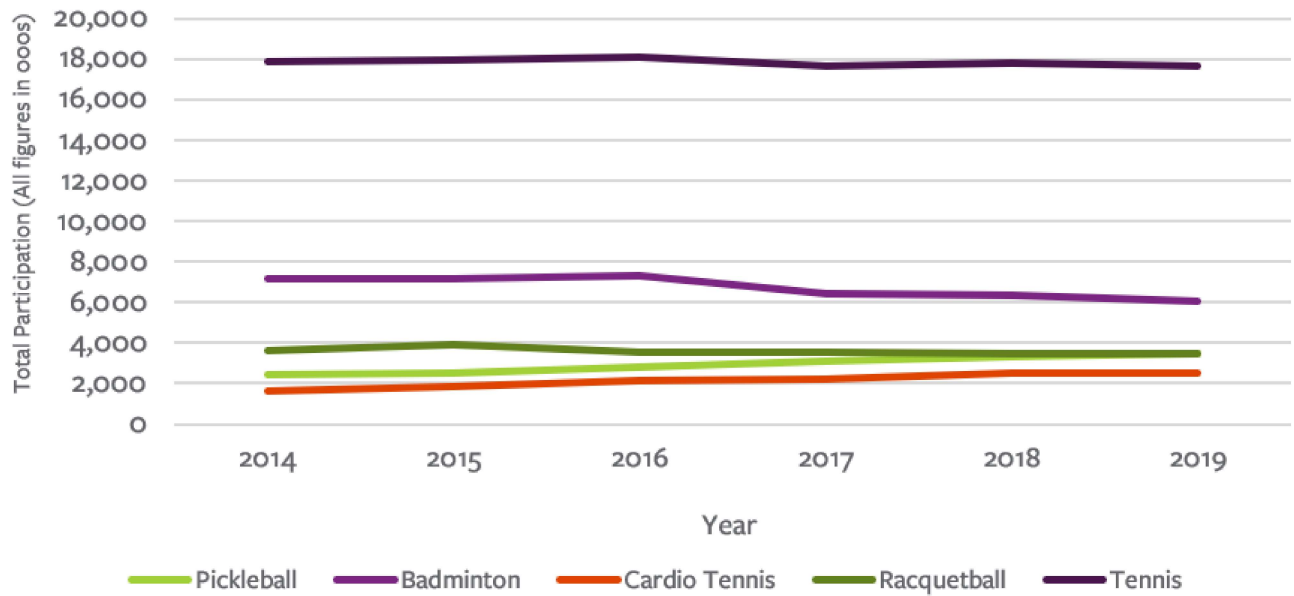


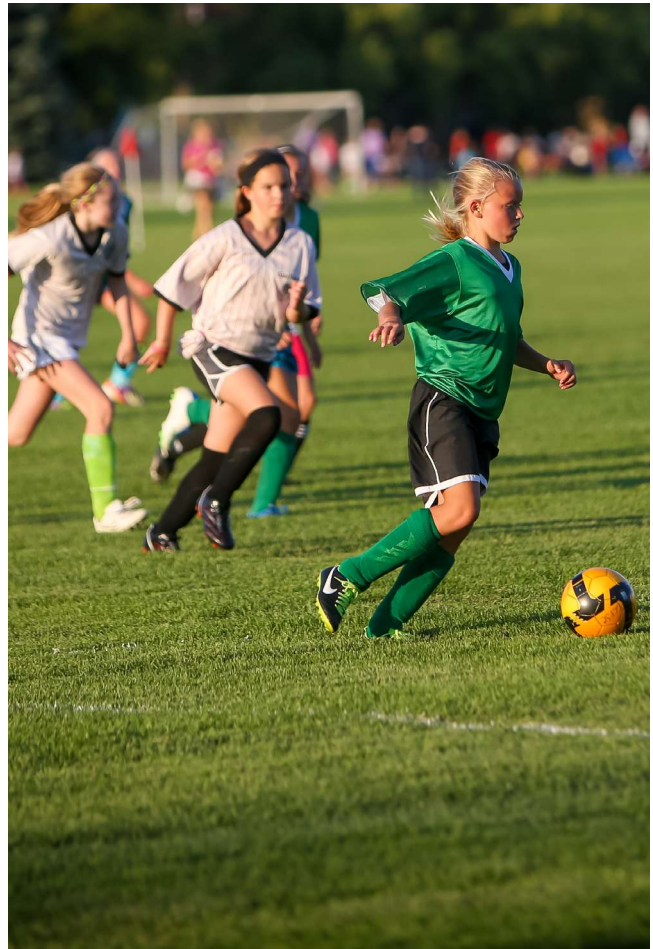
Figure 25: Racquet Sport Participation From 2014 to 2019
Source: 2020 SFIA Topline Report

Soccer

The SFIA report indicates that indoor soccer has increased over the past five years. In just the past two years, there was a significant increase in casual participation, while core participation decreased significantly. This could be reflective of the decline in competitive soccer due to COVID-19, particularly for indoor sports.

Definition		Two-Year Change	One-Year Change	Five-Year Change
Soccer (Indoor)		1.4%	-0.6%	1.2%
Casual	1 – 12 times	18.3%	-9.6%	6.4%
Core	13+ times	-14.5%	14.1%	-2.3%
Soccer (Outdoor)		5.4%	0.9%	1.1%
Casual	1 – 12 times	10.5%	-9.3%	4.2%
Core	13+ times	-1.6%	21.7%	-1.4%

Table 14: Sport Participation for Soccer, 2015 to 2020
Source: 2021 SFIA Topline Report



Volleyball

Volleyball generally has seen a decline in participation over the past five years, with both casual and core participation decreasing. However, interest and participation in sports vary by region, age group, and other factors. This national perspective provides just one indication that volleyball might be on the decline.

Definition		One-Year Change	Two-Year Change	Five-Year Change
Volleyball (Beach/Sand)		-3.2%	-4.9%	-5.2%
Casual	1 – 12 times	-6.0%	0.4%	-5.8%
Core	13+ times	4.2%	-15.2%	-2.9%
Volleyball (Court)		8.1%	-9.8%	-0.8%
Casual	1 – 12 times	11.9%	-16.8%	-2.0%
Core	13+ times	5.5%	-4.0%	0.2%
Volleyball (Grass)		2.5%	-10.5%	-7.8%
Casual	1 – 12 times	2.5%	-14.2%	-9.6%
Core	13+ times	2.7%	-1.8%	-3.1%

Table 14: Sport Participation for Volleyball, 2015 to 2020

Source: 2021 SFIA Topline Report



Site Analysis

BerryDunn, along with team members BRS Architecture and Water Technology, Inc., conducted a site analysis of four sites for the potential indoor sports facility and indoor aquatic facility to determine the optimal location for each facility. The site analysis identified the pros and cons of each site.

The BerryDunn team has recommended one potential site for continued conceptual development of each type of facility. The Park District provided approval of the recommended sites for the further development of the conceptual plans for both the indoor sports facility and the indoor aquatic facility. The potential project sites evaluated within the feasibility study included:

1. Choice Health & Fitness site at South 11th Street and 44th Avenue South
2. The Alerus Center site at South 42nd Street and 17th Avenue South
3. Columbia Mall site at 2800 S. Columbia Rd.
4. Various site locations on the UND campus.

The BerryDunn team created a pros and cons list (below) for each of the four sites studied.

Alerus Center Site	
Pros	<ul style="list-style-type: none"> ● High visibility ● Shared overflow parking with alerus center ● City owned property ● Centrally located ● Great access ● Site is large enough for facility program with space to grow if desired
Cons	<ul style="list-style-type: none"> ● Added cost to relocate bmx track to adjacent city owned lot ● Operationally inefficient if operated by park district

UND Site	
Cons	<ul style="list-style-type: none"> ● Park district would prefer und as the operator ● Operationally inefficient if operated by park district



Choice Health & Fitness Facility Site	
Pros	<ul style="list-style-type: none"> ● Operational efficiencies having staff at one location ● Shared parking ● Park district owned property
Cons	<ul style="list-style-type: none"> ● Limited space for building & parking ● Geothermal fields to the north ● Existing master plan for property north of the existing ICON sports center facility ● Existing master plan for property north of the existing choice health & fitness facility

Columbia Mall Site	
Pros	<ul style="list-style-type: none"> ● Central location ● Large site ● Adjacent to sporting good retailer
Cons	<ul style="list-style-type: none"> ● Large demolition cost in addition to same new building costs ● Parking lots not in good shape and need resurfacing ● Existing tenants need to be evicted / not necessarily available ● Potential to extend project timeline ● Operationally inefficient if operated by park district

Figure 26: Initial Indoor Sports Facility Study Concepts – Project Sites Considered

The preferred site for the indoor aquatic facility was determined to be on the Choice Health & Fitness campus as an expansion to the existing building. Although a few sites were studied and could potentially be options to physically fit a new facility, the primary determining factor would be who is managing and operating the facility, which would greatly influence the operational costs making the facility viable long-term. With no other entity willing to take on this responsibility, the operational and programming efficiency gained by providing this new aquatic amenity at the Choice Health & Fitness location would allow for the Park District to utilize, combine, complement, and overlay its existing staffing, programs, and partnerships with other user groups at one central facility.

The preferred site for the indoor sports facility was determined to be the Alerus Center site, just south of the existing Alerus Center parking lot. This available site was large enough to support the desired facility program, was generally undisturbed, and provides easy access to the site from the community and for regional connectivity adjacent to Interstate 29.

The property is also owned by the City of Grand Forks, allowing for a partnership or land lease that could reduce overall project development costs. The Choice Health & Fitness site would not be able to support the size of facility and parking needs required for the indoor sports facility, and the Columbia Mall site would require several challenges relating to additional development costs of a previously developed site along with potential partnerships or negotiations required with existing tenants of that facility.

Site planning and conceptual development was provided on the preferred sites including vehicular and pedestrian access and circulation, required parking, and conceptual landscape design. All utility and infrastructure requirements to the preferred sites were provided by the Park District. Refer to the concept design plans in the following section for further details of the project's site development.



Facility Analysis

When considering the potential need for a new indoor sports facility or indoor aquatic facility the BerryDunn, BRS Architecture, and Water Technology team wanted to better understand both the existing amenities and services within the community along with the desired new amenities the community felt it was missing. During the early stages of the project, the consulting team toured the following facilities to better understand the existing amenities and conditions of these facilities:

- Choice Health & Fitness
- UND Hyslop Sports Center
- Fritz Pollard Athletic Center
- Alerus Center
- Ralph Engelstad Arena
- Betty Engelstad Sioux Center
- Riverside Pool
- Elks Pool
- ICON Sports Center
- Altru Sports Advantage
- Grand Forks Central High School
- Altru Family YMCA

During these tours, the Park District and facility staff provided an overview of the history of the facilities, the user groups, current programming, and perceived successes and challenges with each facility.

Beyond the stakeholder interviews, public meetings, and over 1,100 survey responses, additional meetings were held with some of the private athletic and sport facility operators that shared an interest in a potential partnership with the Park District and a potential new facility. Specific goals and partnership opportunities and challenges are noted below in more detail.

Indoor Aquatic Facility Analysis

From these tours and further conversations with stakeholders, school administrators, and user groups it was discovered that the six-lane competition pool at Grand Forks Central High School has been out of operation for the last two years due to building wall envelope and other issues. The high school swim team is currently using UND's Hyslop pool in the interim. In addition, the Hyslop pool is scheduled for decommissioning in 2024 as UND is looking to re-purpose the site on which the facility sits. UND no longer has NCAA swimming/diving teams and does not have a commitment to reinstate the teams in the future. The Hyslop facility is also currently being used for indoor pickleball court space during the winter months. When this facility is closed, that indoor court amenity will also be lost.

Riverside Park's outdoor pool is also in need of major repairs. Recent studies of the 1941 Civilian Conservation Corps (CCC)-era pool have discovered that the pool piping is leaking, and the concrete shell is crumbling in areas. Short-term repairs have been made, but concrete repairs and broken pipes would likely need to be repaired within the next five years to extend the pool's lifespan.

The only other two indoor aquatic spaces for public access within the community are located at Choice Health & Fitness, which has three 25-yard lanes, and the Altru Family YMCA, which has five 25-yard lanes. Both facilities have lap lane pools, which are primarily used for youth swim lessons, fitness lap swimming, and aquatic exercise. Choice Health & Fitness offers other recreational amenities including current channel, play structure, and waterslides. A larger competition pool will complement these amenities and allow Choice Health & Fitness to significantly expand program offerings and the times that programs are available.

The UND School of Aerospace Science expressed its need for zero gravity research. Through discussions with UND staff it was determined that their facility needs were incompatible with the facility needs of other users. It was also discovered that the times of use by the UND Aerospace Program would be significantly limited in relation to the costs required to provide zero gravity upgrades. Alternate short-term rental use out of state would be significantly less than constructing a facility for such limited use.

The consultant team and the Park District team also met with the identified user entities for the indoor aquatic facility including the Wahoo's swim club, the school district (two swim teams), UND (two club teams, School of Aerospace Science, Wellness Center, ROTC, Athletics), and many members of the swimming community to show them the desired conceptual design of the indoor pool at the Choice Health & Fitness location. Through a lengthy discussion it was determined that the desired indoor aquatic facility design would fit all the needs except for the UND School of Aerospace Science, which would have minimal need for usage of the pool in terms of hours per year. The Wahoo's swim club would also not have a 50-meter pool for one of its seasons. The meeting ended with consensus with all swim groups that the desired indoor aquatic facility concept design will work the best for everyone in Grand Forks and can attract regional swim meets.

Indoor Sports Facility Analysis

Regarding the existing opportunities for indoor sports activities, the spaces and facilities were limited within the Grand Forks community. The Betty Engelstad Sioux Center and Alerus Center are UND and City of Grand Forks-operated arena venues that had very limited availability, timing, or access for public use.

Indoor turf spaces within the community were limited to the Fritz Pollard Athletic Center, which was primarily programmed for the UND athletic teams, and the Altru Sports Advantage facility, which focused service on orthopedic and sports medicine services. Long winters and consistent spring flooding have also limited the outdoor turf seasons to shorter windows in the summer and fall seasons.

Indoor athletic and court spaces were limited to Altru Family YMCA and Choice Health & Fitness. At Choice Health & Fitness, there is a single gym space that can accommodate two high school gym basketball courts, four youth basketball courts, or three volleyball courts. The facility also includes space for six indoor tennis courts and three racquetball courts. The tennis courts are highly utilized throughout the year by public facility users as well as rented by the UND men's and women's tennis teams. The courts are not lined for pickleball play and access for pickleball users was extremely limited.



Facility Analysis

Beyond the court amenities, the Choice Health & Fitness facility also provides a mix of open free weight, cardio, and strength training space, along with a few group exercise/fitness and cycling studios.

Altru Family YMCA provides two gymnasiums, a pool, fitness/cardio center, group fitness and cycling room, childcare center, racquetball courts, running track, indoor playroom, and community meeting rooms. The Altru Family YMCA is a membership-driven, non-profit organization that includes non-member rates for activities. The proposed indoor sports facility and indoor aquatic facility should not compete directly with the Altru Family YMCA, and they all have their own mission and distinct users within the community.

The consulting team met with private operators from the Red River Archers Association and Albatross Indoor Golf Club to share their potential desire to partner with the Park District for a new facility. The Albatross Indoor Golf Club started about 10 years ago and has become a growing business. The owner shared an interest in considering a new location for their facility. They are looking for approximately 10,000 square feet of space that would allow them some room for future growth. Their business model would require the ability to continue with alcohol and food sales. Additionally, they would be willing to take on a small-scale kitchen or concession amenity that could potentially also serve a large public sports facility. The Albatross Indoor Golf facility would require its own direct access and the ability to control its own hours of operation. The owner, however, likes the idea of a partnership that could tie their indoor golf service with other indoor sport amenities.

The Red River Archers were not sure of the partnering possibility and were considering applying for a grant to pay for some or all their facility. They were looking for approximately 28,000 square feet for their required space needs. They would require a separate entrance with 24/7 access to their members via a key fob. The consulting team considered how this amenity and required size might fit within the overall building program on the preferred site and determined it would require more land and parking than would fit on the desired site. This plus the fact that any new Red River Archers building would be dependent on grants, they self-admittingly could not commit to the indoor sports facility or its timeline.

The Park District also met with Red River BMX, which competes at Hugo's Raceway. The outdoor BMX course is currently located on the Alerus Center site that is being evaluated for the new indoor sports facility. The current facility was completed in 2021 and includes a fenced outdoor racecourse, announcer stand, and an outdoor bleacher system. Red River BMX is currently in the process of upgrading the sound and lighting systems, scorers stand, and new covered staging areas. Long-term goals would include night sports lighting, new bleachers, timing systems, additional concession equipment, and a roof for the overall facility. The owner of this facility, Red River BMX, was also supportive of a new indoor sports facility and the idea of partnering with this new development.

Conceptual Plans & Construction Cost Estimates

Based on the community, stakeholder, user group, and Park District feedback for the types of indoor sports amenities that were desired, a facility program was established that allowed BRS Architecture to begin test fitting the facility size at the various site locations. Based on the desired facility program, an estimated 510 parking spaces would be needed to support the facility's activities, including approximately 20 dedicated parking spaces that would serve the indoor golf vendor space.

With the overall size of the facility and parking needs, the Alerus Center site became the preferred location, which would allow for the potential shared parking needs with the Alerus Center to the north. This location would also require the relocation of the existing outdoor BMX course and infrastructure to the adjacent

1.59-acre City of Grand Forks-owned property to the northeast. Future building expansion space for the indoor sports facility would be limited on the 10.43-acre property tract; however, undeveloped City of Grand Forks-owned property to the east could provide for future expansion if desired. Access to the site could be provided by an expansion to the existing southern Alerus Center entry drive or through an extension of 17th Avenue South, which might be required regardless to provide adequate vehicular movement along with service and Fire Department access.

The preferred indoor sports facility concept was determined to be 208,000 square feet in size with 154,000 square feet on the main level and 54,000 square feet on the mezzanine level.



Figure 27: Indoor Sports Facility Concept Site Plan

Conceptual Plans & Construction Cost Estimates

The main program spaces within the indoor sports facility would include:

- Lobby and Entry – 2,000 sq.ft.
- Administrative Offices – 1,800 sq.ft.
- Locker Rooms and Restrooms – 9,500 sq.ft.
- Rental Multi-Use Party/Classrooms – 2,000 sq.ft.
- Indoor Turf – 80,000 sq.ft.
- Indoor Gymnasium (Wood Court) – 32,000 sq.ft.
- Sports Training and Sprint Track – 10,000 sq.ft.
- Pickleball Courts (Tartan) – 15,000 sq.ft.
- Elevated Jog/Walk Track – 23,000 sq.ft.
- Lounge and Gathering Areas – 4,000 sq.ft.
- Spectator Seating – 5,000 sq.ft.
- Indoor Adventure (Indoor Playground) Area – 5,500 sq.ft.
- Concessions – 635 sq.ft.
- Vending – 350 sq.ft.
- Storage (Storage, Mechanical, etc.) – 4,700 sq.ft.

Should discussions with a private indoor golf vendor partnership continue as part of the final design concept, the facility program noted above would be modified to include 10,000 square feet for the indoor vendor space, which would modify or eliminate the following program areas:

- Eliminate the 635 sq.ft. concession space; facility food service would be provided by the private golf vendor
- Eliminate 2,000 sq.ft. rental party room spaces
- Reduce lounge and gathering areas by 1,700 sq.ft.
- Reduce the indoor adventure (indoor playground) area by 3,000 sq.ft.

The facility concept plan is based upon a simple rectangular shape for maximum efficiency, which includes a central service core running down the middle of the facility supporting space for restrooms, locker rooms, administrative space, and storage. Public entry would be focused on the north or northeast corner of the building (to avoid northern exposure to the weather) and be developed so users would access a large pre-control entry/lobby space upon arrival. From this entry lobby space, the facility could control user access to the second-level mezzanine activity spaces, the indoor courts and turf spaces, or into the indoor playground or golf vendor space. A separate exterior user access point directly into the indoor golf vendor space would also be provided for alternate business hours for that vendor.

Some of the other key components identified within this preferred concept would include an indoor turf space that can accommodate; one high school football field, (6) U8, (3) U9, or (1) U12 soccer field(s), 2 modified hybrid softball fields and four overhead suspended drop-down batting cages. The sports performance training area would include a strength, agility, plyometric, and fitness zone adjacent to a 100-meter sprint track. The gymnasium space would accommodate; (4) high school or (8) U8 youth basketball courts, (4) high school volleyball courts with overhead suspended nets, and up to 12 badminton courts.

The mezzanine level would include a 1,500 ft (3.5 laps per mile) jog/walk track that would encircle the building, allowing for ever-changing views of various activities within the facility. Eight enclosed pickleball courts would also be provided alongside a couple of lounge and spectator seating areas for those either watching the pickleball activities or the action on the main level in the turf and court areas.

The following design concept options express both layouts of the facility with or without partnership with the indoor golf vendor space.



Figure 29: Indoor Sports Facility Concept – Mezzanine-Level Plan



Figure 30: Indoor Sports Facility Concept With Golf Vendor Partnership – Main-Level Plan

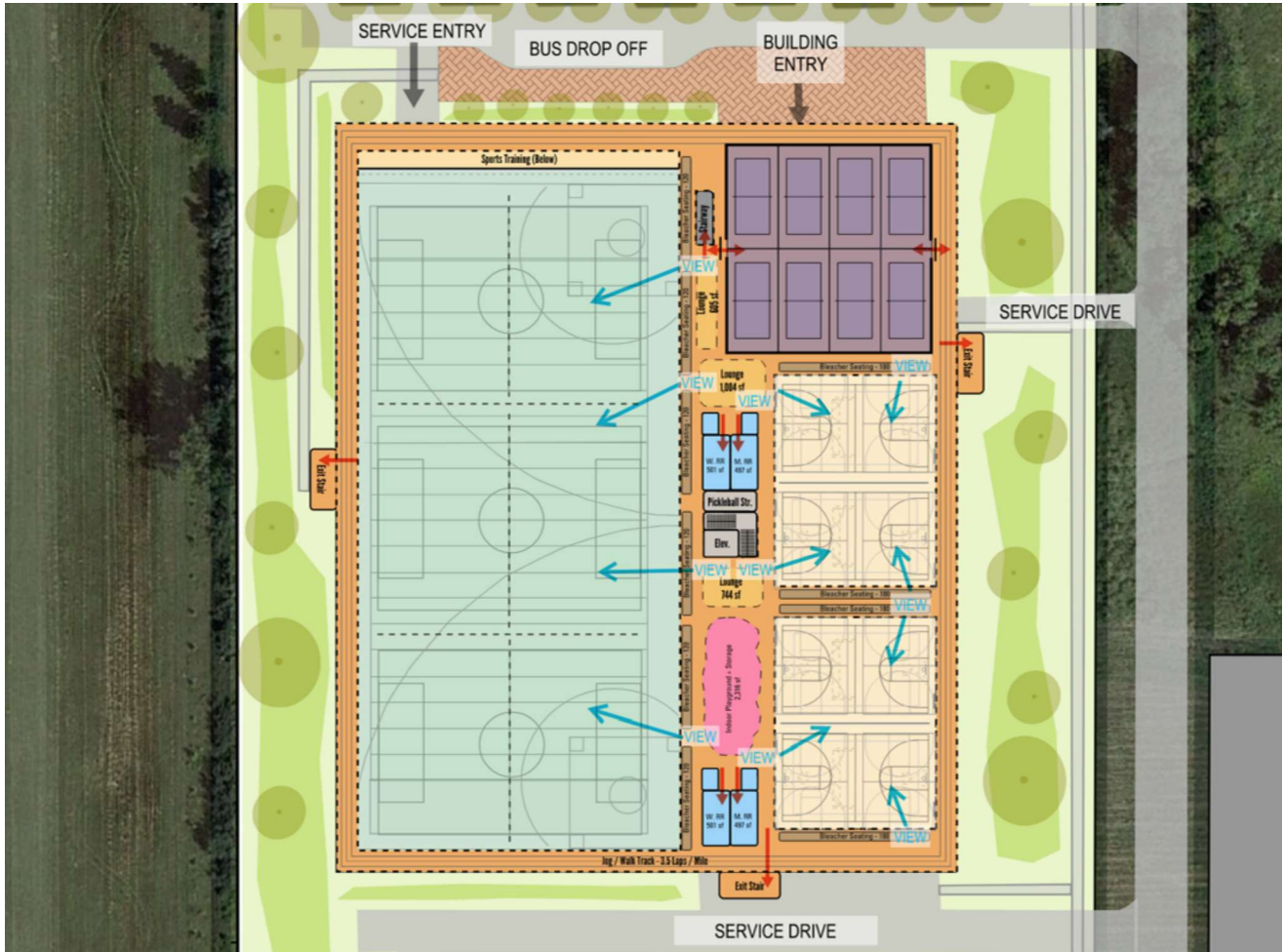


Figure 31: Indoor Sports Facility Concept With Golf Vendor Partnership – Mezzanine-Level Plan

Indoor Aquatic Facility Concept

Multiple pool concepts were studied and evaluated, including concepts at alternate project sites as well as various aquatic and support spaces within the facility itself. The preferred concept located at the Choice Health & Fitness site was based on an expansion of the existing Choice Health & Fitness facility to the southeast of the existing building. The expansion would require

an estimated 146 additional parking spaces somewhere within the Choice Health & Fitness site, in addition to the replacement of 100 existing parking spaces that would need to be removed as a result of the expansion. An estimated 90 – 100 new spaces could be included directly adjacent to the southeast side of the expansion. The remaining 150 – 160 spaces would be provided to the north of the facility, adjacent to the existing tennis courts.



Figure 32: Indoor Aquatic Facility Concept Site Plan

This parking strategy would allow for the existing ICON Sports Center to maintain its future expansion space to the northeast. Further investigation regarding the impact to the existing geothermal wells to the north of the facility would need to be studied prior to confirming the existing parking impacts. Access to the site would remain the same along 11th Street South. This planned expansion would require relocation of the existing outdoor spray park to a proposed location to the north end of the Choice Health & Fitness campus along 40th Avenue South.

The preferred indoor aquatic facility expansion was determined to be 42,000 square feet in size with 34,500 square feet on the main level and 7,500 square feet on the mezzanine level. The main program spaces within

the indoor aquatic facility expansion would include:

- Lobby and Entry – 1,350 sq.ft.
- Locker Rooms and Restrooms – 3,000 sq.ft.
- Multi-Use Party/Classroom – 1,500 sq.ft.
- Natatorium (w/Stretch 25 Pool) – 17,000 sq.ft.
- Indoor Water Slides Enclosure – 1,000 sq.ft.
- Lounge and Gathering Space – 1,300 sq.ft.
- Elevated Spectator Seating (600 spectators) – 4,000 sq.ft.
- Concessions – 400 sq.ft.
- Childcare (Relocated) – 1,500 sq.ft.
- Outdoor Playground (Relocated) – 1,000 sq.ft.
- Support Spaces (Storage, Mechanical, etc.) – 4,000 sq.ft.

Conceptual Plans & Construction Cost Estimates

Some of the key components included in the preferred concept included a new facility entry that could provide direct access to the pool venue through a new entry point to the south, as well as an internal corridor connection to the existing main building lobby. This new entry would allow for separate access for pool users as well as a dedicated spectator viewing gallery on the upper mezzanine level at different times of day or as controlled by Choice Health & Fitness staff.

The swimming pool is a “stretch” pool that allows for short-course swimming and diving to take place at the same time in a single pool. The diving zone and swimming zones are separated by a movable bulkhead (6’ wide). The bulkhead allows for flexible configurations of the pool such as shallow 25-yard swimming, deep 25-yard swimming, deep 25-meter swimming, meet warm-up, and deep-water polo.

Because the pool is 25 yards wide, additional flexibility and lane capacity is available with lanes spanning the pool’s width. Up to three springboards are available for competitive diving and recreation.

In addition to the new competitive pool space, the natatorium addition would also remove and replace the existing outdoor water slide with a new year-round indoor water slide and enclosure.

A new childcare room and adjacent playground would be relocated to the east side of the expansion with a goal of maintaining a separate control point and childcare drop-off/pickup location away from the main building entry. This east-side access drive and turnaround would also need to be provided for the occasional service and Fire Department access point.



Figure 33: Indoor Aquatic Facility Concept – Main-Level Plan



Figure 34: Indoor Aquatic Facility Concept – Mezzanine-Level Plan

Capital Cost Estimates

Estimated capital project costs including facility, site, and soft cost were developed for both the preferred indoor sports facility and the indoor aquatic facility concepts. Of note, two estimates were developed for the indoor sports facility depending on the potential partnership with a local golf vendor as part of the final facility program.

Capital cost estimates were developed based on historic construction costs and current market conditions for facilities and spaces of this size and type. Assumptions have been noted below. A detailed capital cost breakdown has been provided to the Park District.

	Indoor Sports Facility W/Golf Vendor (7) (8)	Indoor Sports Facility W/Out Golf Vendor (7)	CHF Stretch 25 Pool Option (4) (5) (6)
Building SF	208,000	208,000	42,000
Facility Hard Cost (1) (3)	\$59,918,500	\$61,638,650	\$21,582,100
Building Cost /SF	\$288	\$296	\$514
Site Costs (1)	\$3,003,325	\$3,003,350	\$1,136,450
Soft Costs (9) (1)	\$9,826,850	\$10,019,050	\$3,872,600
Contingency (2) (1)	\$6,485,475	\$6,658,150	\$2,897,250
TOTAL PROJECT COST AS OF MAY 2023 (1)	\$79,234,150	\$81,319,200	\$29,488,400

1. Estimated Cost indicated are based on May 2023 pricing and does not include inflation. Capital costs should assume between a 6%-11% annual inflation carried out to the mid-point of construction date.
2. A Project Contingency of 10% for Indoor Sports Facility and 12.5% for Indoor Aquatics Facility have been included.
3. Facility pricing is based on a “Better” level of construction. Up to a 5%-10% savings may be achievable if an alternate lower cost construction methods were considered.
4. Includes cost for Demo of Existing parking lot and Spray Park.
5. New Spray Park included in the project costs at an alternate site.
6. Aerospace Pool requirements not included in these costs.
7. Includes cost for relocation of existing BMX Park along with current budgeted facility upgrades.
8. Includes Core & Shell Cost for Indoor Golf Vendor space only.
 - Assume an additional \$140/SF (\$1.4 Mil.) from Vendor for Space Build-Out based on May 2023 pricing. Interior build-out does not include inflation.)
9. Soft Costs include:
 - Furniture, Fixtures, Equipment, Owner’s Rep., Pre-Con. Services, Arch. & Eng. Aquatic Fees, Utility Tap Fees, Survey, Geotech, Testing, Permit Fees, etc.

Figure 35: Estimated Capital Costs

Annual O&M Budget Projections & Five-Year Pro Formas

Based on all the information gathered and provided, BerryDunn developed annual operational and maintenance budget projections for the indoor sports facility and the indoor aquatic facility to include all annual expenses and revenues associated with the facility.

The operating budget is driven by the overall service philosophy, which should define the facility's purposes, including whom the facility is going to serve and at what level the service is going to be provided.

An operating budget developed in this preliminary stage serves several purposes:

- Assists in helping to establish goals and expectations with operations to match the desire to obtain a reasonable cost recovery.
- Provides a foundation for understanding what will be necessary to meet budget expectations and guides how marketing plans and strategies are developed and implemented.
- Offers a guide for future project decisions by providing a framework for understanding the impact of decisions about fees, operation systems, staffing levels, etc.
- Demonstrates potential overall impacts to the Grand Forks Park District's budget.
- BerryDunn also created a five-year pro forma projecting the expenses, revenues, and cost recovery anticipated over the next five years of operating for each facility. These figures will project increases in participation as well as estimated inflationary costs and/or price changes.

Indoor Sports Facility Annual O&M Budget and Five-Year Pro Forma

Overall Indoor Sports Facility Budget

It is a goal to minimize the amount of tax subsidy necessary to operate the indoor sports facility. It is extremely difficult for public indoor sports facilities to operate without subsidy and solely from the collection of fees and charges and alternative funding such as grants, philanthropic gifts, or volunteers. The operational budget planning for this facility uses a conservative approach to estimating reasonable expenses and moderate approach to projecting revenues. Since recovering all the operating expenses through revenues generated by the facility is not the norm and the envisioned outcome, revenues should be viewed as "goals" as much as they are considered "projections."

There is no guarantee that the estimates and projections will be met, and there are many variables that cannot be accurately determined during this conceptual planning stage or may be subject to change during the actual design and implementation process.

O&M Budget Assumptions

The 208,000 square foot new indoor sports facility includes:

Main Level – 154,000 sq. ft.

- > 80,000 sq. ft. indoor turf
- > One high school football field/soccer field
- > Six U6/U8 soccer fields
- > Three U9 soccer fields
- > One U10/U11/U12 soccer field
- > Two modified high school/NCAA baseball/softball infields
- > Four suspended batting cages
- 32,000 sq. ft. courts
 - > Four high school basketball courts
 - > Eight U8 youth basketball courts
 - > Four high school volleyball courts with overhead suspended goals
 - > 12 badminton courts
- 5,000 sq. ft. sports training space
- 5,000 sq. ft. indoor sprint training track
 - > Three lanes X 100 meters
- 6,900 sq. ft. locker rooms
 - > Team, men's, women's, gender neutral
- 10,000 sq. ft. vendor space
 - > Indoor golf simulators
 - > Good service
- 1,800 sq.ft. lobby and administration space
- 3,900 sq. ft. storage

Mezzanine Level – 54,000 sq. ft.

- 15,000 sq. ft. pickleball courts
 - > Eight pickleball courts
- 5,000 sq. ft. spectator seating
 - > 710 spectators
- 23,000 sq. ft. elevated jog/walk track
 - > 3.5 laps per mile
- 2,500 sq. ft. indoor playground
- 2,300 sq. ft. lounge space
- 400 sq. ft. storage
- 2,600 sq. ft. spectator restrooms
 - > Men's, women's, gender neutral
- Budget is calculated in 2023 figures.

The indoor sports facility is open year-round, approximately 52 total weeks per year excluding Easter Sunday, July 4th, Thanksgiving, and Christmas, and there will be reduced hours on Memorial Day, Labor Day, and Christmas Eve.

Portions of the facility will be closed at various times during the year for deep cleaning and maintenance without closing the entire facility.

- September – May hours of operation:
 - > 6 a.m. – 10 p.m. Monday – Friday
 - > 8 a.m. – 8 p.m. Saturday
 - > 9 a.m. – 8 p.m. Sunday
- June – August hours of operation:
 - > 6 a.m. – 8 p.m. Monday – Friday
 - > 8 a.m. – 6 p.m. Saturday
 - > 9 a.m. – 6 p.m. Sunday
- Annual open hours total approximately 4,968 hours per year.

Expenditures

For this initial operating budget, personnel costs are projected to be approximately 35%. For this facility, contractual services are estimated to be 58% and supplies will be 7% of the total expenditures.

The estimated utility costs for the new indoor sports facility account for a high percentage of the services budget and are based on current usage at Choice Health & Fitness as well as industry standards on a square footage basis.

Other typical services include contracted instructional services, marketing and advertising, printing, publishing, telephone, bank charges, equipment maintenance, other contracted services (custodial services, security/fire system monitoring, trash removal, snow removal, etc.), utilities, property and liability insurance, and building maintenance and repair.

Expenditure estimates are based on the type and size of the activity and support spaces in the facility and the anticipated hours of operation. When possible and wherever available, calculations are based on actual best practice or methodology. All other expenses are estimated based on our research and reported experience at similar facilities.

- Personnel costs are approximately 35% of the operational budget with the rates listed below.

Annual Full-Time Staffing Projections	
Facility Manager	\$65,000
Facility Supervisor	\$50,000
Maintenance Coordinator	\$50,000
Sports Coordinator (.5 FTE & .5 FTE @ Choice)	\$45,000
Part-Time Staff Hourly Rates	
Facility Supervisors (1.5 FTEs)	\$13.50
Customer Service Associates (2.56 FTEs)	\$13.50
Scheduling/Administrative Associates	\$13.50
Maintenance Associates (1.73 FTEs)	\$13.50

- Benefits are included for the full-time staff at 15% plus health insurance at \$21,500 each.
- Benefits are included for the part-time staff at 7.65%.
- A customer service associate staff member is always on duty when the facility is open.
- Facility supervisors are calculated at 3,120 hours per year (approximately 63% of annual facility open hours) mostly during the prime-time hours.
- Scheduling and administrative associates are calculated at 3,120 hours per year (approximately 63% of annual facility open hours) mostly during the daytime hours.
- Maintenance is performed as necessary and calculated at 3,600 hours per year (approximately 72% of annual facility open hours) in addition to the full-time maintenance coordinator.
- Fitness instructors are each calculated at 192 annual hours at \$25 per hour for boot camps and group fitness on the turf and are not to compete with the Choice Health & Fitness classes.
- Athletic development trainers are each calculated at 60 hours per week X 50 weeks at \$25 per hour.
- Sports clinics and camp instructors are calculated at 96 hours per year at \$120 per hour to be split by all instructors for each one-day clinic or camp.
- Bank fees are calculated at 3% of all credit card transactions estimated at approximately \$665,000.
- A Capital Replacement and Replacement Fund has been added to the budget at \$50,000, which if accumulated annually can be used to purchase capital replacement items and/or repair of items for the facility when necessary.
- All computers, registration systems, software, etc. will be included in the Furniture, Fixtures, and Equipment (FFE) list, funded through the capital budget, and are not included in the operational and maintenance budget.

Revenues

Revenues are forecast based on turf and court rentals, program fees, and 15% of gross revenue of concessions operated by a vendor within the facility. Revenue projections consider program and facility components, number of hours sports groups requested, and regional market rental rates realities.

Revenue forecasts are influenced by:

- The space components included in the facility
- The demographics of the local service area
- The fact there are no other similar indoor sports amenities in Grand Forks

Actual figures could vary based on:

- The ability and willingness of sports groups to pay proposed rental rates.
- The final design of the facility
- The activity spaces included
- The market at the time of opening
- The designated facility operating philosophy
- The aggressiveness of fees
- Use policies adopted
- The type of marketing effort undertaken to attract potential users to the facility.
- The revenue forecast will require a developed marketing approach to meet revenue goals.
- These rental rates are within the range of market rates within the region for similar indoor sports amenities.

GYMNASIUM RENTAL					
Badminton				Per hr.	Per day (8+ hrs.)
		Full gym	12 courts	\$200	\$1,400
		3/4 gym	9 courts	\$150	
		1/2 gym	6 courts	\$100	\$800
		1/4 gym	3 courts	\$50	na
		1 court	\$20	na	
Basketball				Per hr.	Per day (8+ hrs.)
		Full gym	4 courts	\$200	\$1,400
		3/4 gym	3 courts	\$150	
		1/2 gym	2 courts	\$100	\$800
		1/4 gym	1 court	\$50	na
	1/8 gym	1/2 court	\$25	na	
Volleyball				Per hr.	Per day (8+ hrs.)
		Full gym	4 courts	\$200	\$1,400
		3/4 gym	3 courts	\$150	
		1/2 gym	2 courts	\$100	\$800
	1/4 gym	1 court	\$50	na	

FULL FACILITY RENTAL					\$1,000/hr. (4 hr. minimum)	Per day (8+ hrs.)
					\$4,000	\$6,000
TURF RENTAL						
Football			Size (yd.)		Per hr.	Per day (8+ hrs.)
		Full turf			\$240	\$1,800
		2/3 turf			\$160	na
		1/2 turf			\$120	\$900
		1/3 turf			\$80	na
LaCrosse					Per hr.	Per day (8+ hrs.)
		Full turf			\$240	\$1,800
		2/3 turf			\$180	na
		1/2 turf			\$120	\$900
		1/3 turf			\$60	na
Soccer					Per hr.	Per day (8+ hrs.)
		Full turf			\$240	\$1,800
		U12			\$160	na
		1/2 turf			\$120	\$900
		U10			\$80	na
		U8			\$40	na
Baseball/Softball			Size		Per hr.	Per day (8+ hrs.)
		Full turf	2 modified fields		\$240	\$1,800
		1/2 turf	1 modified field		\$120	\$900
Batting cages					Per hr.	Per day (8+ hrs.)
		1 cage			\$40	na

PICKLEBALL RENTAL						
Pickleball				Per hr.	Per day (8+ hrs.)	
	Full space	8 courts		\$120	\$820	
	1/2 space	4 courts		\$60	\$480	
		1 court		\$15	na	
TRAINING SPACE						
Training turf				Per hr.	Per day (8+ hrs.)	
	Sports Performance Area			\$160	\$1,100	
Sprint track				Per hr.	Per day (8+ hrs.)	
	100m	3 lanes		\$45	\$300	
		1 lanes		\$15	na	
HOSPITALITY ROOMS*				Per hr.	2-4 hr.	>4 hr.
				\$100	\$150	\$250

*Hospitality rooms a revenue source only if Albatross opts out of locating in the facility.

- The number of rented hours per sports group is the number of hours each group responded to a questionnaire inquiring how much they would anticipate using the facility.
- Athletic development revenues are assumed at \$200,000 per year based on the current program capacities and fees.

Participants in self-directed activities for fee-based classes include:

Programs	Fees
Boot Camp	\$75
Fitness Classes	\$50
Birthday Party Room	\$100 per hour

O&M Budget Projection Summary	
Total Expenses	\$1,436,378
Total Revenue	\$1,168,288
Net	(\$268,090)
Cost Recovery	81%

Annual O&M Budget Projections and Five-Year Pro Formas

REVENUE						Total Revenue	\$1,190,288
Rentals						\$799,248	
Basketball	Practice	<u>Weeks</u>	<u>Price</u>	<u>Seasons</u>	<u>Revenue</u>	\$37,400	
		38	\$800	1	\$30,400		
	Tournaments	<u>Days</u>	\$1,400	1	\$7,000		
		5					
Volleyball	Practice	<u>Weeks</u>	<u>Price</u>	<u>Seasons</u>	<u>Revenue</u>	\$75,400	
		38	\$1,800	1	\$68,400		
	Tournaments	<u>Days</u>	\$1,400	1	\$7,000		
		5					
Soccer	Winter Practices	<u>Weeks</u>	<u>Price</u>	<u>Seasons</u>	<u>Revenue</u>	\$82,440	
		20	\$2,160	1	\$43,200		
	Spring Practices	6	\$5,040	1	\$30,240		
	Tournaments	<u>Days</u>	\$1,800	#			
		2.5		2	\$9,000		
Youth Football	Winter Practices	<u>Weeks</u>	<u>Price</u>	<u>Seasons</u>	<u>Revenue</u>	\$55,080	
		20	\$1,920	1	\$38,400		
	Spring Practices	4	\$1,920	1	\$7,680		
	Tournaments	<u>Days</u>	\$1,800	#			
		2.5		2	\$9,000		
Baseball	Winter Practices	<u>Weeks</u>	<u>Price</u>	<u>Seasons</u>	<u>Revenue</u>	\$60,360	
		20	\$2,280	1	\$45,600		
	Spring Practices	6	\$960	1	\$5,760		
	Tournaments	<u>Days</u>	\$1,800	#			
		2.5		2	\$9,000		
Pickleball	Winter Rentals	<u>Weeks</u>	<u>Price</u>	<u>Hours</u>	<u>Revenue</u>	\$261,928	
		13	\$16	456	\$94,848		
	Spring Rentals	13	\$16	304	\$63,232		
	Summer Rentals	13	\$16	152	\$31,616		
	Fall Rentals	13	\$16	304	\$63,232		
	Tournaments	<u>Days</u>	\$1,800	#			
		2.5		2	\$9,000		
Fastpitch Softball	Winter Practices	<u>Weeks</u>	<u>Price</u>	<u>Multiplier</u>	<u>Revenue</u>	\$57,600	
		20	\$720	2	\$28,800		
	Spring Practices	8	\$720	5	\$28,800		
Flag Football	Winter Practices	<u>Weeks</u>	<u>Price</u>	<u>Multiplier</u>	<u>Revenue</u>	\$51,240	
		8	\$240	2	\$3,840		
	Spring Practices	8	\$240	2	\$3,840		
	Summer Practices	12	\$240	2	\$5,760		
Lacrosse	Spring Practices	<u>Weeks</u>	<u>Price</u>	#	<u>Revenue</u>	\$37,800	
		12	\$120	20	\$28,800		
	Tournaments	<u>Days</u>	\$1,800	2	\$9,000		
		2.5					
Random Rentals/User Groups		<u>Hrs</u>	<u>Price</u>	#	<u>Revenue</u>	\$48,000	
		4	\$240	50	\$48,000		
Batting Cages	Batting Cage Hourly Exclusive Use Fee	<u>#/Year</u>	<u>Hrly Rate</u>	<u># Hrs.</u>	#	\$32,000	
		100	\$40	2	4		
Special Event Rentals	Birthday Parties (\$200 for 2 hrs)	<u>#/Year</u>	<u>Cost</u>	<u>Multiplier</u>		\$22,000	
		50	\$100.00	2	\$10,000		
	Entire Indoor Sports Complex After Hours (Lock-in)	2	\$6,000.00	1	\$12,000		
Programs						\$349,040	
	Athletic Development	<u>Participants</u>	<u>Cost</u>	<u>#/Year</u>	<u>Revenue</u>	\$200,000	
	Fitness Classes	30	\$50.00	8	\$12,000		
	Boot Camp	30	\$75.00	4	\$9,000		
Youth Sports Camps/Clinics	Basketball	100	\$60.00	4	\$24,000		
	Volleyball	50	\$60.00	4	\$12,000		
	Soccer	100	\$60.00	4	\$24,000		
	Flag Football	60	\$60.00	2	\$7,200		
	Football	60	\$60.00	2	\$7,200		
	Baseball	100	\$60.00	4	\$24,000		
	Softball	100	\$60.00	4	\$24,000		
	Lacrosse	20	\$30.00	2	\$1,200		
Adult Sports Clinics	Pickleball	20	\$30.00	2	\$1,200		
	Badminton	30	\$30.00	2	\$1,800		
Concessions/Vending (net profit)						\$20,000	
	15% Gross Sales of from Albatross (except golf simulators)				\$20,000		
TOTAL REVENUE						\$1,190,288	
TOTAL NET						-\$246,090	
COST RECOVERY						83%	

Grand Forks Indoor Sports Facility Operations & Maintenance Projections					
Five-Year Pro-forma					
BerryDunn's Conservative Plan to Maximize Use of New Facilities					
	Year 1	Year 2	Year 3	Year 4	Year 5
EXPENSES					
Personnel	\$507,058	\$522,269	\$537,938	\$554,076	\$570,698
Contractual Services	\$836,320	\$853,046	\$878,638	\$904,997	\$932,147
Commodities	\$93,000	\$94,860	\$96,757	\$98,692	\$100,666
TOTAL EXPENSES	\$1,436,378	\$1,470,176	\$1,513,333	\$1,557,765	\$1,603,511
REVENUES					
Rentals	\$799,248	\$823,225	\$847,922	\$873,360	\$899,561
Programs	\$349,040	\$359,511	\$370,297	\$381,405	\$392,848
Concessions	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
TOTAL REVENUE	\$1,168,288	\$1,203,337	\$1,239,437	\$1,276,620	\$1,314,918
NET	-\$268,090	-\$266,839	-\$273,896	-\$281,145	-\$288,593
COST RECOVERY	81%	82%	82%	82%	82%

Based on 2023 Figures

Indoor Aquatic Facility Annual O&M Budget and Five-Year Pro Forma

Overall Indoor Aquatic Facility Budget

It is a goal to minimize the amount of tax subsidy necessary to operate the indoor aquatic facility. It is extremely difficult for public indoor aquatic facilities to be run without subsidy and solely from the collection of fees and charges and alternative funding such as grants, philanthropic gifts, or volunteers. The operational budget planning for this facility uses a conservative approach to estimating reasonable expenses and moderate approach to projecting revenues. Since recovering all the operating expenses through revenues generated by the facility is not the norm and the envisioned outcome, revenues should be viewed as “goals” as much as they are considered “projections.”

Main Level – 34,500 sq. ft.

- 17,000 sq. ft. stretch 25 pool
 - > 10 – 15 25-yard swim lanes
 - > 10 25-meter swim lanes
 - > One six-foot movable bulkhead
 - > Room for 1M and 3M diving boards
 - > Room for ceiling suspended drop-down Ninja Cross Course
- 3,000 sq. ft. new locker rooms
- 1,500 sq. ft. multi-use classroom/party rooms
- 4,000 sq. ft. of support spaces
- 1,350 sq. ft. lobby and entry
- 1,000 sq. ft. new indoor water slide enclosure
 - > Enclosure of existing slides for year-round use
- Relocation of 1,500 sq. ft. childcare room
- Relocation of 1,000 sq. ft. outdoor playground

There is no guarantee that the estimates and projections will be met, and there are many variables that cannot be accurately determined during this conceptual planning stage or may be subject to change during the actual design and implementation process.

O&M Budget Assumptions

The 42,000 square foot Choice Health & Fitness indoor aquatic facility addition includes:

Mezzanine Level – 7,500 sq. ft.

- 1,300 sq. ft. lounge and observation deck
- 4,000 sq. ft. spectator seating
 - > 600 spectators
- 400 sq. ft. concessions room
- 550 sq. ft. spectator restrooms
- Budget is calculated in 2023 figures.
- The indoor aquatic facility is open year-round, approximately 50 total weeks per year excluding Easter Sunday, July 4th, Thanksgiving, Christmas, and one week per year for annual cleaning and maintenance. There will be reduced hours on Memorial Day and Labor Day.
- Normal hours of operation:
 - > 5:30 a.m. – 9 p.m. Monday – Thursday
 - > 5:30 a.m. – 8 p.m. Friday
 - > 8 a.m. – 7 p.m. Saturday
 - > 9:30 a.m. – 7 p.m. Sunday
- Summer hours of operation:
 - > 5:30 a.m. – 9 p.m. Monday – Thursday
 - > 5:30 a.m. – 8 p.m. Friday
 - > 8 a.m. – 7 p.m. Saturday
 - > 9:30 a.m. – 7 p.m. Sunday
- Annual open hours total approximately 4,360 hours per year.
- This O&M budget does not include any loss of revenue at Choice Health & Fitness due to the construction of the pools, childcare, entrance, and parking.

Expenditures

The projected expenses in this O&M budget are only those additional expenses to operate the new addition to the Choice Health & Fitness existing aquatic facility. As this is an addition, many of the existing staff will absorb some of the operations of the expanded aquatic facility.

For this initial operating budget, personnel costs are projected to be approximately 43%. For this facility, contractual services are estimated to be 52% and supplies will be 5% of the total expenditures. The estimated utility costs for the new volume of space within the Choice Health & Fitness facility account for a high percentage of the services budget and are based on current usage as well as industry standards on a square footage basis.

Other typical services include contracted instructional services, marketing and advertising, printing, publishing, telephone, bank charges, equipment maintenance, other contracted services (custodial services, security/fire system monitoring, trash removal, snow removal, etc.), utilities, property and liability insurance, and building maintenance and repair.

Expenditure estimates are based on the type and size of the activity, support spaces in the facility, and the anticipated hours of operation. When possible and wherever available, calculations are based on actual best practice or methodology. All other expenses are estimated based on our research and reported experience at similar facilities.

Personnel costs are approximately 43% of the operational budget, as this facility is an addition with existing staff managing this portion of the pool along with the existing aquatic area.

Annual Full-Time Staffing Salaries	
Aquatic Specialist	\$45,000
Aquatic Specialist	\$45,000

Part-Time Staff Hourly Rates	
Additional Entrance Check-In Staff	\$12.50
Lifeguards	\$13.50
Custodians (Lifeguards)	\$13.50

- Benefits are included for the full-time staff at 15% plus health insurance at \$21,500 each.
- Benefits are included for the part-time staff at 7.65%.
- Front desk and aquatic staff are always on duty when the facility is open.
- Maintenance is performed as necessary by lifeguards and is calculated at 350 hours per year in addition to existing Choice Health & Fitness maintenance staff.
- Lifeguard staffing is assumed at capacity to require three to four guards due to the number of swimmers at prime time. Only two guards would be needed during non-prime time, and one guard would be needed during the morning hours with minimal lap swimmers. The estimated total number of hours for lifeguard staffing is 11,000 per year.
- Swim instructors are each calculated at 7,216 annual hours at \$13.50 per hour.
- Fee-based class instructors are each calculated at 12 hours per week X 50 weeks at \$16 per hour.
- Bank fees are calculated at 3% of all credit card transactions estimated at approximately \$160,000.
- A Capital Replacement and Replacement Fund has been added to the budget at \$50,000, which if accumulated annually can be used to purchase capital replacement items and/or repair of items for the facility when necessary.
- All computers, registration systems, software, etc. will be included in the FFE list, funded through the capital budget, and are not included in the operational and maintenance budget.

Revenues

The projected revenues in this O&M budget are *only those additional revenues increased by the new activities in the addition* to the existing aquatic facility at Choice Health & Fitness.

Revenues are forecasted based on anticipated increase in memberships, guest passes, pool and lane rentals, and program fees. Revenue projections consider program and facility components, multiple admission and age discounts, and political and economic realities.

Revenue forecasts are influenced by:

- The space components included in the facility
- The demographics of the local service area
- The fact there are no other similar pools in Grand Forks.

Actual figures could vary based on:

- The ability and willingness of user groups to pay proposed rental rates
- The final design of the facility
- The activity spaces included
- The market at the time of opening
- The designated facility operating philosophy
- The aggressiveness of fees
- Use policies adopted
- The type of marketing effort undertaken to attract potential users to the facility

The revenue forecast will require a developed marketing approach to meet revenue goals.

Rental Rates

Full Facility Rental		Per Day
Full competitive pool space with hospitality rooms		\$1,800
Pool Rental		Per Hour
Full Pool	Option A - 15-25 yard lanes	\$180
	Option B - 10-25 yrd or 25 meter & diving	
	Option C - 10-33 meter lanes	
Per Lane	25 yd	\$12
Diving Area only	3 boards	\$60
Ninjacross Rental	-	\$120
Open Lap Swim		Per Hour https://
CHF Members	No charge	\$0
Non-Members	Youth	\$9
	Adult	\$12

Participants in self-directed activities including swim lessons and fee-based classes will require separate program fees.

Programs	Fees
Swim Lessons	\$90
Fee-Based Classes	\$100
Birthday Party Room	\$100 per hour

O&M Budget Projection Summary	
Total Expenses	\$763,041
Total Revenue	\$538,873
Net	(\$224,168)
Cost Recovery	71%

Operations and Maintenance Budget Projections

Choice Health & Fitness Indoor Aquatic Facility Addition

EXPENSES						Totals
STAFFING PROJECTIONS						\$332,477
Full Time Staff		<u>FTE</u>	<u>Salary</u>	<u>Annual Cost</u>		
	Aquatic Specialist	1	\$45,000	\$45,000	\$146,000	
	Aquatic Specialist	1	\$45,000	\$45,000		
	Benefit Percentage	15.00%		\$13,500		
	Health Insurance	2	\$21,250	\$42,500		
Part Time Staff		<u>Hours</u>	<u>Hourly Rate</u>		\$186,477	
	Lifeguards	11000	\$13.50	\$148,500		
	Custodial/Maintenance (Lifeguards)	350	\$13.50	\$4,725		
	Additional Entrance Check-in Staff	1600	\$12.50	\$20,000		
	Benefit Percentage	7.65%		\$13,252		
OPERATING EXPENSES						
Contractual Services		<u>Multiplier</u>	<u>Unit Cost</u>		\$396,064	
	Swim Lesson Instructors	7,216	\$13.50	\$97,416		
	Fee Based Class Instructors	600	\$16.00	\$9,600		
Utilities	Water/Sewer			\$16,000		
	Electricity			\$75,000		
	Gas			\$65,000		
	Pool Chemicals			\$16,000		
	Administrative Services Overhead (payroll/billing/vendor invoices/contracts/etc.)			\$10,000		
	Bank Fees - Credit Card Charges/Registration Merchant Fee (3%)			\$5,000		
	Equipment Maintenance	12	\$1,500	\$18,000		
	Other Contractual Services			\$15,000		
	Repair and Replacement (deferred maintenance reserves)			\$50,000		
Commodities					\$34,500	
	Supplies (Building Maintenance, Office, First Aid, Misc.)			\$16,500		
	Marketing/Printing			\$10,000		
	Travel, Meals, Training			\$5,000		
	Uniforms			\$3,000		
	TOTAL EXPENSES					\$763,041

Annual O&M Budget Projections and Five-Year Pro Formas

REVENUE						Total Revenue	\$538,873
Additional Memberships						\$49,903	
Memberships							
			<u>Number</u>	<u>Price</u>	<u>Revenue</u>		
	Individual (includes 15 Master Swim Club members)		30	\$732	\$21,960		
	Family		15	\$1,080	\$16,200		
	Youth		12	\$360	\$4,320		
	Student, Senior, Military Individual		12	\$618.60	\$7,423		
Guest Passes						\$28,030	
			<u>Number</u>	<u>Price</u>	<u>Revenue</u>		
1 Day	Single Youth		420	\$8	\$3,360		
	Single Adult		240	\$12	\$2,880		
	Family		330	\$30	\$9,900		
3 Day	Single Youth		120	\$13	\$1,560		
	Single Adult		60	\$20	\$1,200		
	Family		90	\$50	\$4,500		
7 Day	Single Youth		60	\$27	\$1,620		
	Single Adult		30	\$45	\$1,350		
	Family		20	\$83	\$1,660		
Programs							
			<u>#/Year</u>	<u>Price</u>	<u>Multiplier</u>	<u>Revenue</u>	
	Swim Lessons		2016	\$90	\$181,440	\$181,440	\$211,440
	Fee Based Classes		10	\$100.00	10	\$10,000	
	Birthday Parties		100	\$100	2	\$20,000	
Rentals - \$12 per lane per hour							
			<u>Weeks</u>	<u>Price</u>	<u>Seasons</u>	<u>Revenue</u>	
Grand Forks Schools (GFC & GFRR)						\$151,400	\$249,500
	Boys Swim Team Practice		12	\$1,800	2	\$43,200	
	Girls Swim Team Practice		12	\$1,800	2	\$43,200	
	#						
	Boys Swim Meets		5	\$750	2	\$7,500	
	Girls Swim Meets		5	\$750	2	\$7,500	
	Annual Pool Support Partnership					\$50,000	
Grand Forks Wahoo Swim Club						\$76,320	
	Swim Club Practice		48	\$1,440	1	\$69,120	
	#						
	Swim Club Meets		4	\$1,800	1	\$7,200	
Masters Swim Club						\$2,700	
	Swim Club Practice (included in memberships)		0	\$0	0	\$0	
	#						
	Swim Club Meets (3 half-day)		3	\$900	1	\$2,700	
UND Swim Club						\$13,320	
	Swim Club Practice		40	\$288	1	\$11,520	
	#						
	Swim Club Meets		1	\$1,800	1	\$1,800	
Ninja Crossfit Course						\$5,760	
			<u>#/Year</u>	<u>Hrly Rate</u>	<u># Hrs.</u>	<u>Revenue</u>	
	Ninja Crossfit Course Hourly Exclusive Use Fee		24	\$120	2	\$5,760	
TOTAL REVENUE							\$538,873
TOTAL NET							-\$224,168
COST RECOVERY							71%

Grand Forks Indoor Aquatics ADDITION to Choice Health & Fitness Operations & Maintenance Projections Five-Year Pro-forma					
BerryDunn's Conservative Plan to Maximize Use of New Facilities					
	Year 1	Year 2	Year 3	Year 4	Year 5
EXPENSES					
Personnel	\$332,477	\$342,451	\$352,725	\$363,306	\$374,205
Contractual Services	\$396,064	\$403,985	\$416,105	\$428,588	\$441,446
Commodities	\$34,500	\$35,190	\$35,894	\$36,612	\$37,344
TOTAL EXPENSES	\$763,041	\$781,626	\$804,723	\$828,506	\$852,995
REVENUES					
Additional Memberships	\$49,903	\$51,400	\$52,942	\$54,531	\$56,166
Guest Passes	\$28,030	\$28,871	\$29,737	\$30,629	\$31,548
Programs	\$211,440	\$217,783	\$224,317	\$231,046	\$237,978
Rentals	\$249,500	\$256,985	\$264,695	\$272,635	\$280,814
TOTAL REVENUE	\$538,873	\$555,039	\$571,691	\$588,841	\$606,507
NET	-\$224,168	-\$226,587	-\$233,033	-\$239,665	-\$246,488
COST RECOVERY	71%	71%	71%	71%	71%
Based on 2023 Figures					

Potential Funding Opportunities

Sales Tax Funding

The Alerus Center 0.75% sales tax extension is a proposed method for funding the capital costs of the indoor sports facility and the indoor aquatic facility. The City of Grand Forks has estimated that up to approximately \$80 million (in 2023 dollars) would be available for capital costs for these proposed facilities. A public vote would be required to extend the existing sales tax. The current Alerus Center sales tax is set to sunset in 2029. The proposed extension would be for 30 years.

Philanthropic Funding

Funding resources through philanthropy is another funding opportunity. Securing grant funding would be a viable option, but it is difficult to predict the specific funding amount available at this time, as most organizations have detailed requirements that must correlate with the project specifics. Another source of philanthropic resources would be securing donations through naming rights related to the indoor sports facility and indoor aquatic facility. Based upon past local capital campaigns and local facility naming rights contracts for similar buildings, funding through naming opportunities is estimated to be between \$5 to \$10 million. It should be noted that project funding through fundraising methods can be difficult. Naming opportunity amounts are an estimation and the number of interested donors with the capacity and interest in securing significant naming opportunities is unknown at this time. Other factors that can vary within fundraising are the terms/length of payment, donors' prior commitments, and other fundraising projects occurring within the community at the same time.

Property Tax Funding

Property tax increases would be a potential additional revenue source to fund capital costs of the indoor sports facility and the indoor aquatic facility. Property tax increases would also be a funding source to subsidize annual operating costs of \$224,168 for the indoor sports facility and \$268,886 for the indoor aquatic facility. As of 2023, one mill is valued at \$255,057. The increase in the number of mills needed would be dependent upon final scope of facilities, revenue generated from sales tax extension, and funds from donations/naming rights raised. The increase of one mill would be approximately \$4.50 per \$100,000 of home value in Grand Forks.

Economic Impact

There is anticipation of these two facilities bringing major economic impact dollars into Grand Forks with some regional events. These types of events can increase as the reputations of the facilities and the events grow within the region and beyond. The initial operations and maintenance budget and pro forma for the indoor sports facility includes approximately 12 new or improved regional tournaments per year, which will spend money for hotels, restaurants, shopping, gas stations, etc. that has economic impact to the community. The indoor aquatic facility initial operations and maintenance budget and pro forma includes approximately six new or improved swim meets that will attract teams from outside the area who will spend money that will have an economic impact to the community. Visit Greater Grand Forks has provided historical data and we estimate direct spending economic impact per tournament/swim meet, based on the size of tournament, to be between \$200,000 and \$1,000,000. This economic benefit will not be directly used to pay for capital costs or annual operating cost subsidies; however, it would benefit the entire community.

Options to Consider

Difficult decisions will need to be made due to projected funding resources being less than the projected capital costs. The following are some of the options to be considered.

Additional Funding

Additional funding resources are needed to build and operate both facilities within the current project scope that was requested by the community and user groups. To close the funding gap for construction and operations through additional funding, a significant property tax increase or philanthropic campaign would be needed. Other significant funding sources are not currently known.

Downsizing

An option to reduce the project scope by decreasing the building size and/or amenities of the indoor sports facility and/or indoor aquatic facility.

Reducing the building size and amenity scope of either facility would limit what the community and user groups have requested for usage. Removing certain amenities could result in some user groups being unable to utilize the facility completely. Reducing the building program size could result in all user groups having to limit activities, including tournaments/meets, they had intended to operate or host within the facility.

Phasing

Using a phased approach, with one facility built right away, and the second facility built when additional funding is available.

If a phased approach is chosen to build one facility, there is no guarantee when additional funding would be secured and therefore no timeline on when the second facility would be built.

