

HR&A



Recreation | Funding for Equity

EXECUTIVE SUMMARY

January 2024

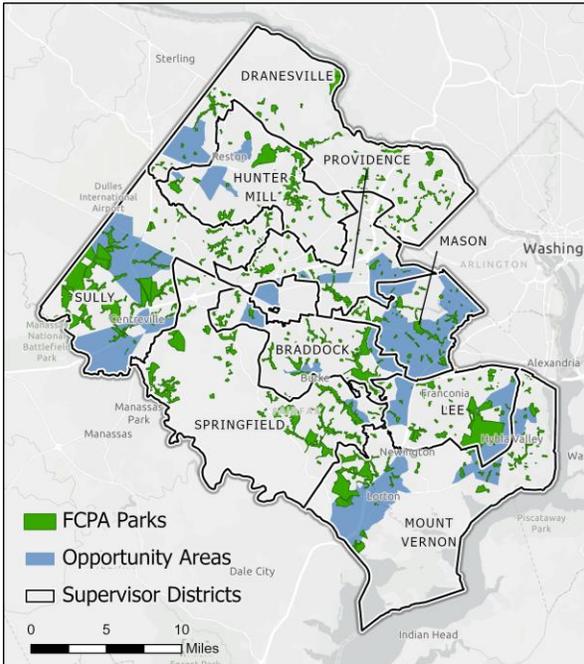
Fairfax County Park Authority - Equity Action Plan



1. The FCPA workforce reflects the community we serve.



3. The programming tells the complete story of Fairfax County and is inclusive.



2. The quantity and quality of parks & amenities are equitable across the County



4. FCPA facilities and programs are accessible to all residents

Next Steps

- This is Not a Budget Ask
- Next step – Intensive, Inclusive Public Outreach
 - Multi-pronged approach to outreach that will start soon- thru the summer
 - Collect Comments from the public across the county, BOS, PAB
- Not the standard outreach – Working with NCS and their Inclusive Community Engagement team
- Work with DMB, BOS and PAB and return in the Fall 2024



THE PROJECT

The Fairfax County Park Authority (FCPA) engaged HR&A, a national real estate, public policy, and economic development consulting firm, to support its equity efforts.



EQUITY IN PARKS & RECREATION

The known benefits of parks and recreation are abundant; the challenge is making sure that these benefits are felt equitably across communities.

- Real Estate Value
- Job Creation
- Local Spending
- Tourism Value
- County Branding
- Resident Attraction
- Environmental Benefits
- Public Health
- Childcare
- Safety
- Physical Activity
- Social Cohesion
- Personal Development
- Stress Alleviation
- **Fun!**



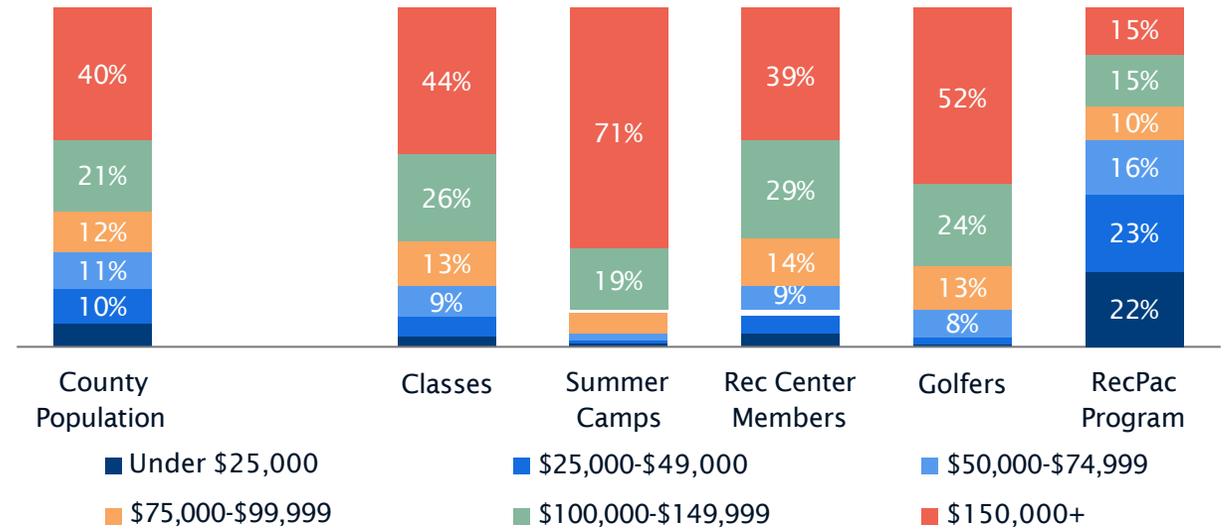
THE PROBLEM

This reliance on fees means that some of FCPA’s public recreation programs charge more than other local jurisdictions, and more than many county residents can afford.

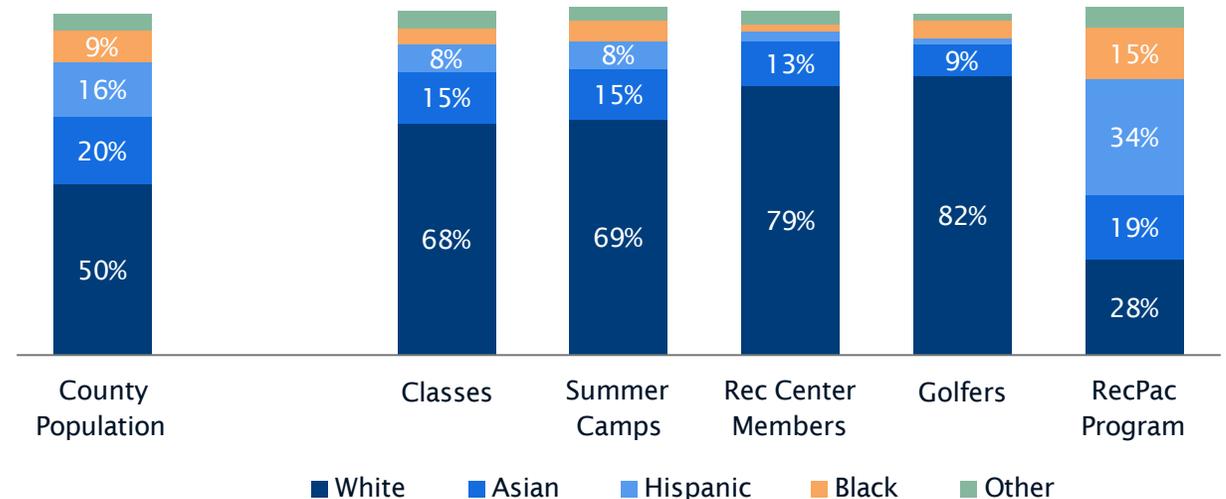
As a result, FCPA’s recreation participation skews wealthier and whiter than both the population of Fairfax County and participation in General Fund programs like RecPac.

The Revenue Fund model also limits FCPA’s ability to implement other equity initiatives.

Program Participation by Household Income



Program Participation by Race



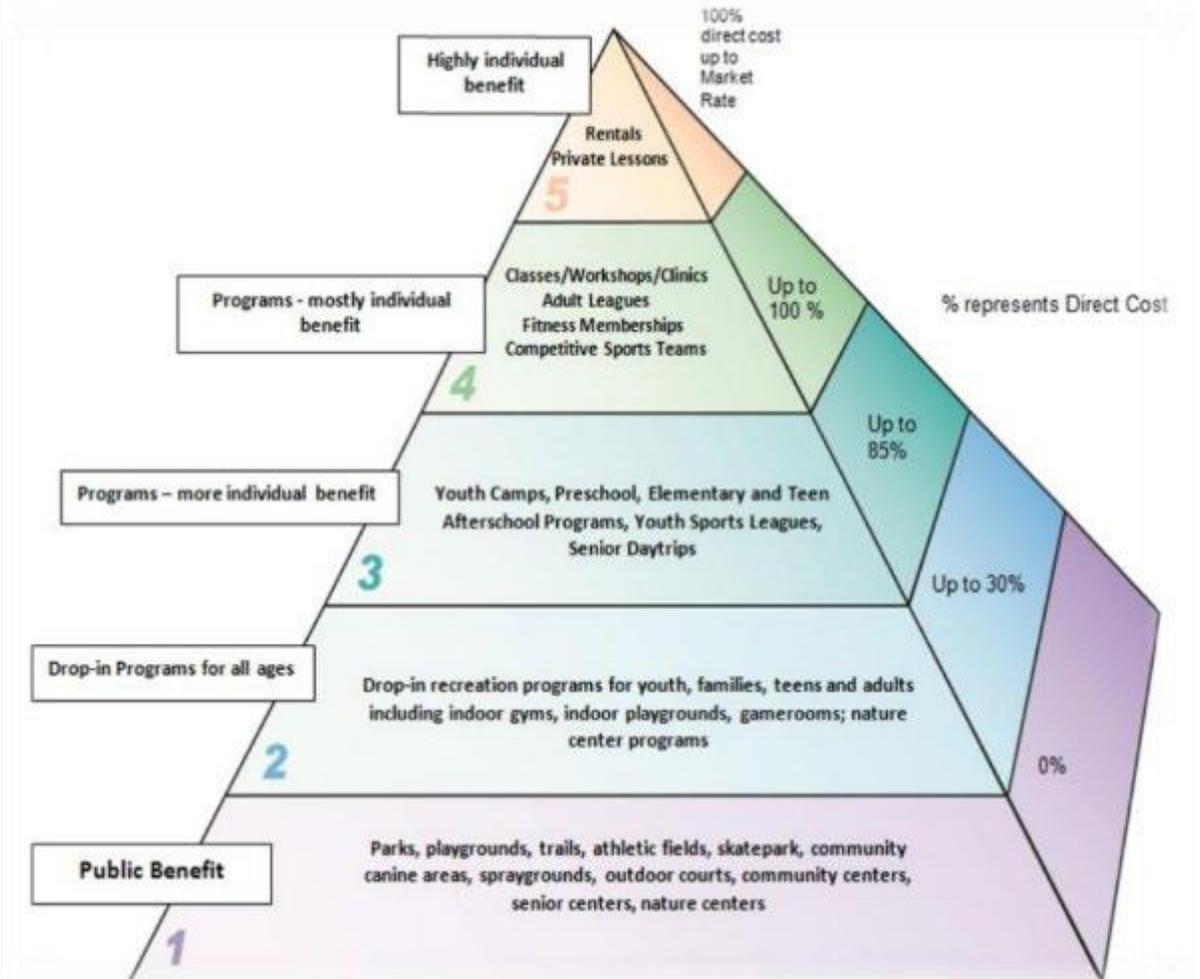
PARKS & RECREATION BEST PRACTICES

FCPA's Revenue Fund model diverges from national best practice, which considers community benefits when setting cost recovery targets.

Many agencies set cost recovery targets at the program level, based on the community benefit they provide.

For example, children's swim lessons, which offer significant public health and safety benefits, might target 50% cost recovery; one-on-one personal training sessions, which provide primarily individual benefit, might aim to recover 100% of direct costs.

By contrast, all FCPA Revenue Fund programs must charge participants enough to recover 100% of costs, regardless of community benefit.



Source: [Arlington County Parks and Recreation Cost Recovery Pyramid Methodology](#), GreenPlay LLC

PARKS & RECREATION BEST PRACTICES

In addition, other parks and recreation agencies are rarely required to recoup costs not directly associated with programming, such as administrative and maintenance costs.

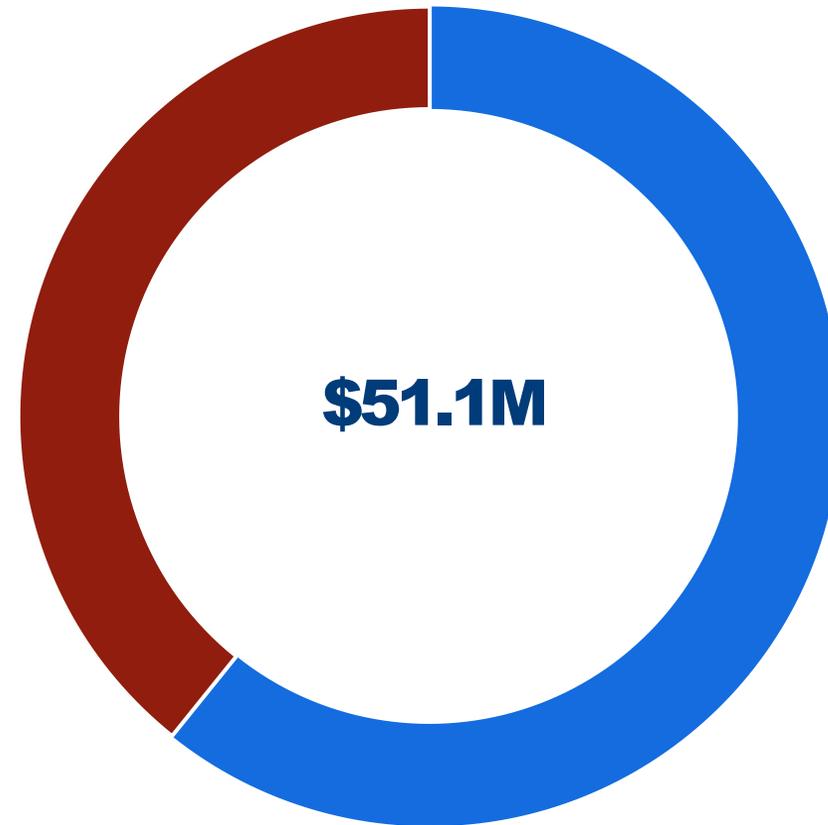
Revenue Fund Expenses, FY23

FCPA's
100%
cost
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Many of these indirect overhead expenses are necessary to maintain the public recreation system's basic offerings, such as opening recreation buildings, regardless of the programming offered there.

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Indirect Costs
(\$20.1M)

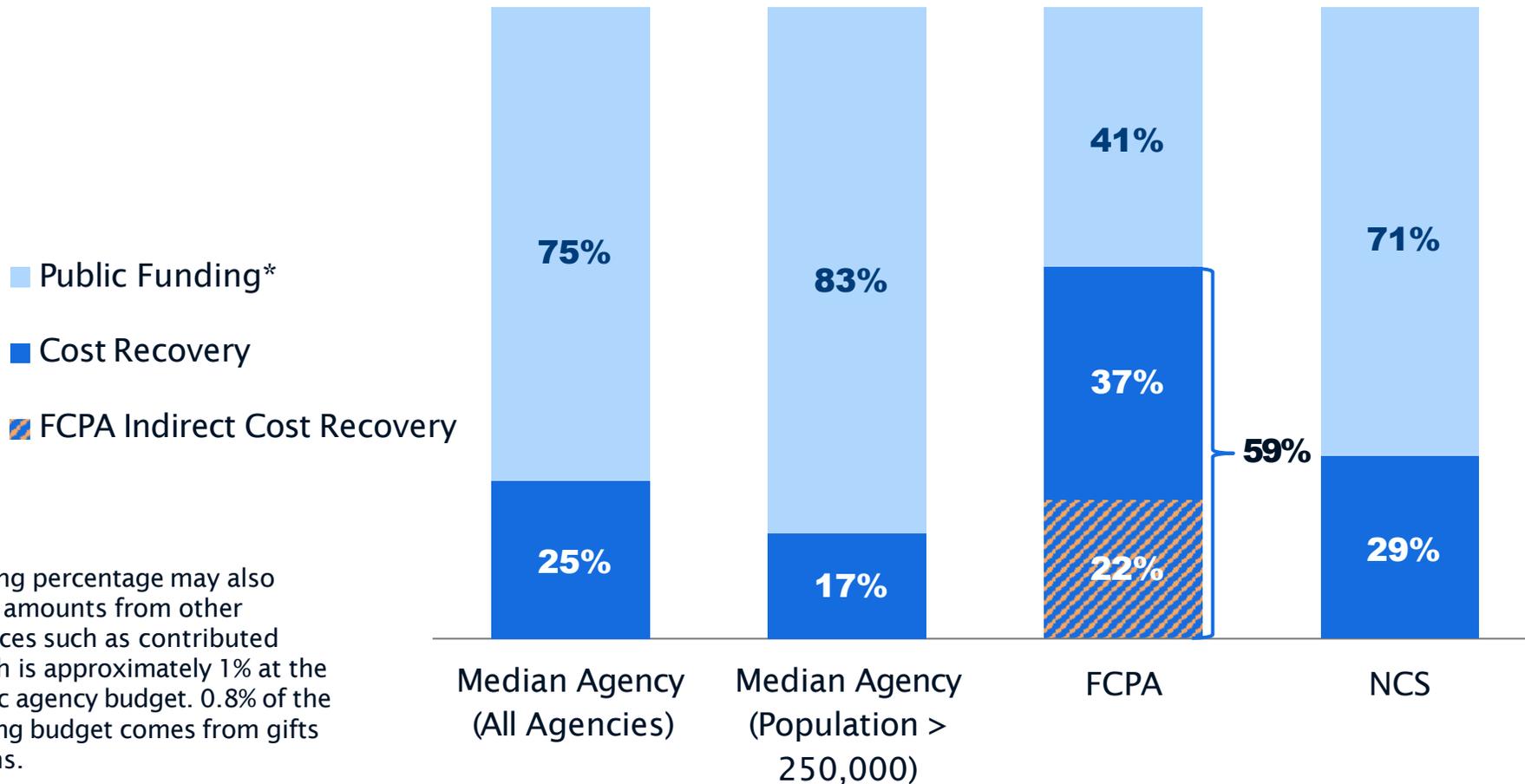


Program-
Related
Expenses
(\$31.1M)

PARKS & RECREATION BEST PRACTICES

In combination, these departures from cost recovery best practice drive the share of fees and charges to support FCPA’s operating budget well above that of the median agency.

National Cost Recovery Trends in Parks and Rec, 2023



*Public funding percentage may also include small amounts from other revenue sources such as contributed income, which is approximately 1% at the median public agency budget. 0.8% of the FCPA operating budget comes from gifts and donations.

IMPLEMENTING BEST PRACTICE TO ENSURE EQUITY

Using community benefits to guide program cost recovery goals would better align FCPA with its peers and with best practices for distributing public goods, lowering the cost of most programs for all. In addition, **supplementary sliding scale and voucher programs** are needed to ensure that price does not remain a barrier to participation for the lowest income households.

Reduce some fees for everyone by revising cost recovery targets to align with community benefits.

Introduce supplementary subsidies to make all programs more accessible to those who can least afford them.

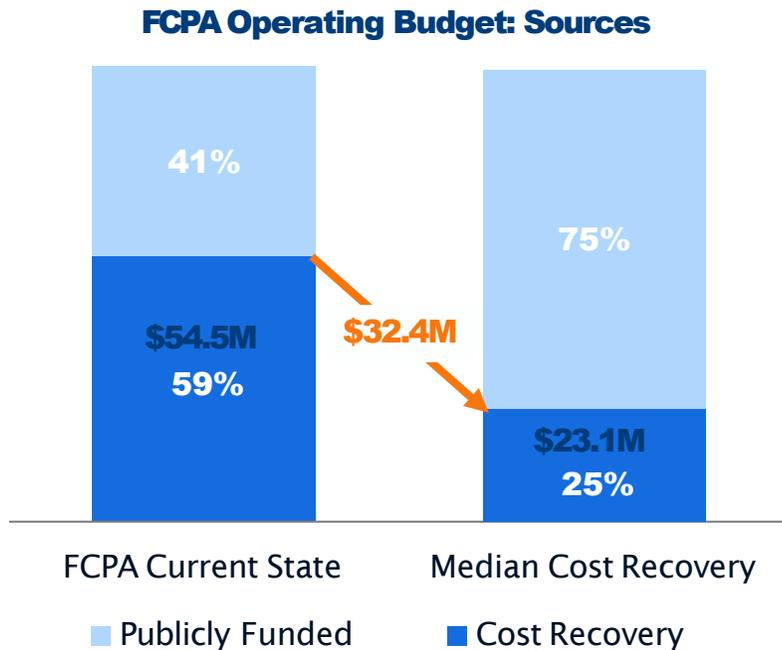
Allow for technical implementation of the programs and develop outreach resources to engage with the community.



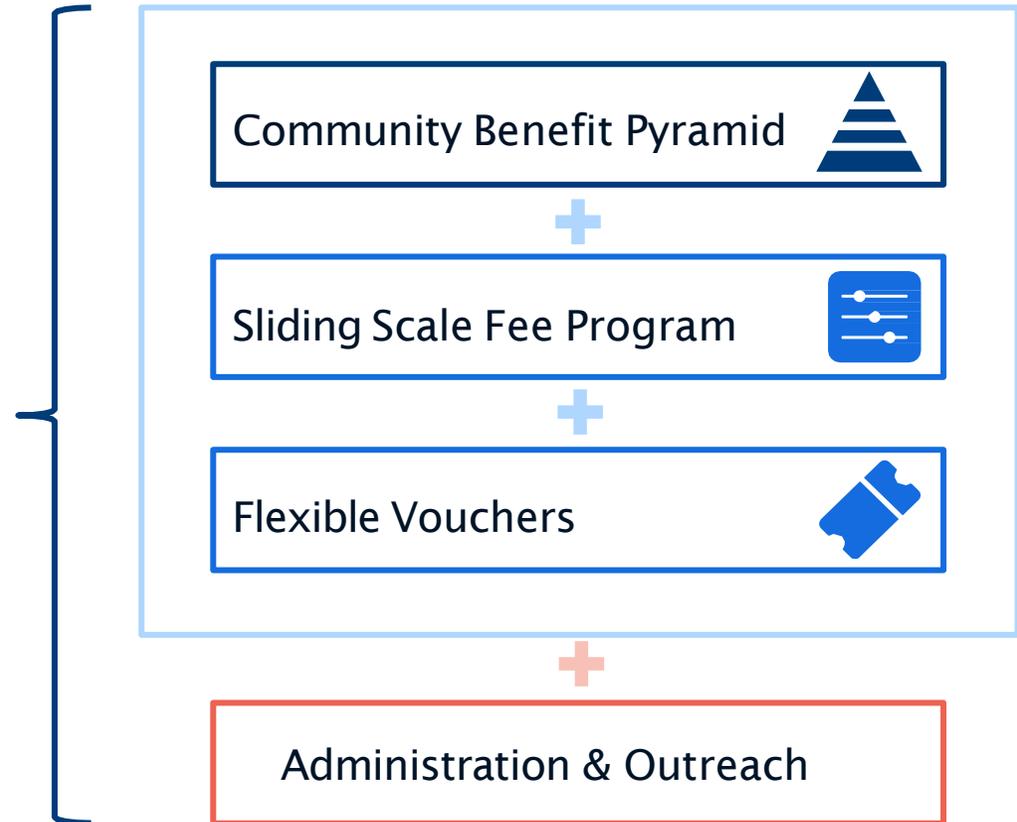
IMPLEMENTING BEST PRACTICE TO ENSURE EQUITY

Many parks and recreation agencies that implement these programs reach the **national median cost recovery of 25%**.

If FCPA were to target 25% cost recovery, revenue from fees and charges (based on FY23) would drop from \$54.5M to \$23.1M, requiring \$32.4M in additional funding.



\$32.4M
at 25% cost recovery



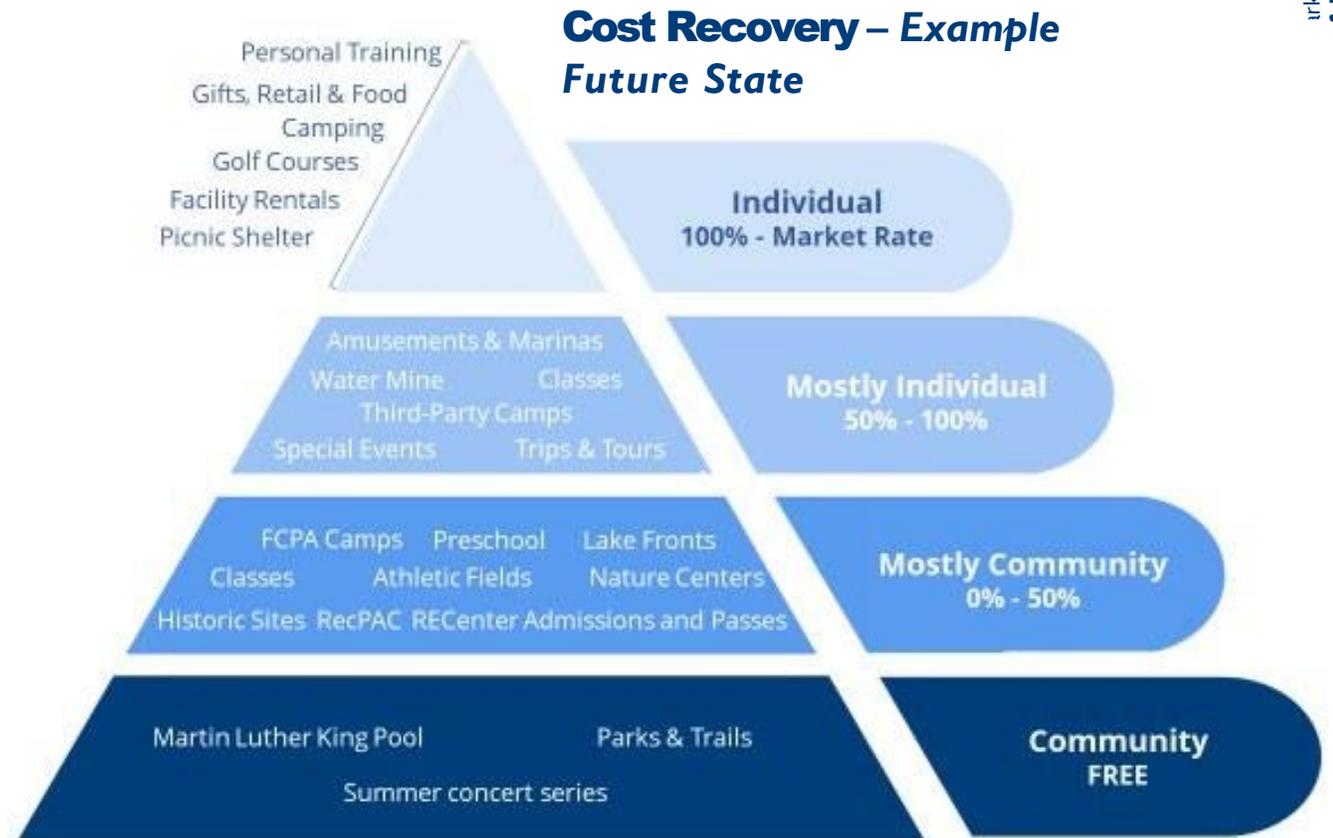
REDUCING FEES TO ENSURE EQUITY

HR&A recommends that FCPA move to a multi-tiered system of program **cost recovery based on community benefit**, lowering the cost of some programs for everyone.

The pyramid to the right represents an example of a future multi-tiered system that aligns with national best practice.

Personal training would likely remain in the top tier, as a highly individual service. Many of FCPA's classes within Rec Centers could target 50-100% cost recovery, while general admission to Rec Centers could target 20-30%.

Some preschool and FCPA camps could target 20-30% cost recovery, reaching a similar level of accessibility as RecPAC.



[Cost Recovery Pyramid Methodology](#), GreenPlay LLC

REDUCING FEES TO ENSURE EQUITY

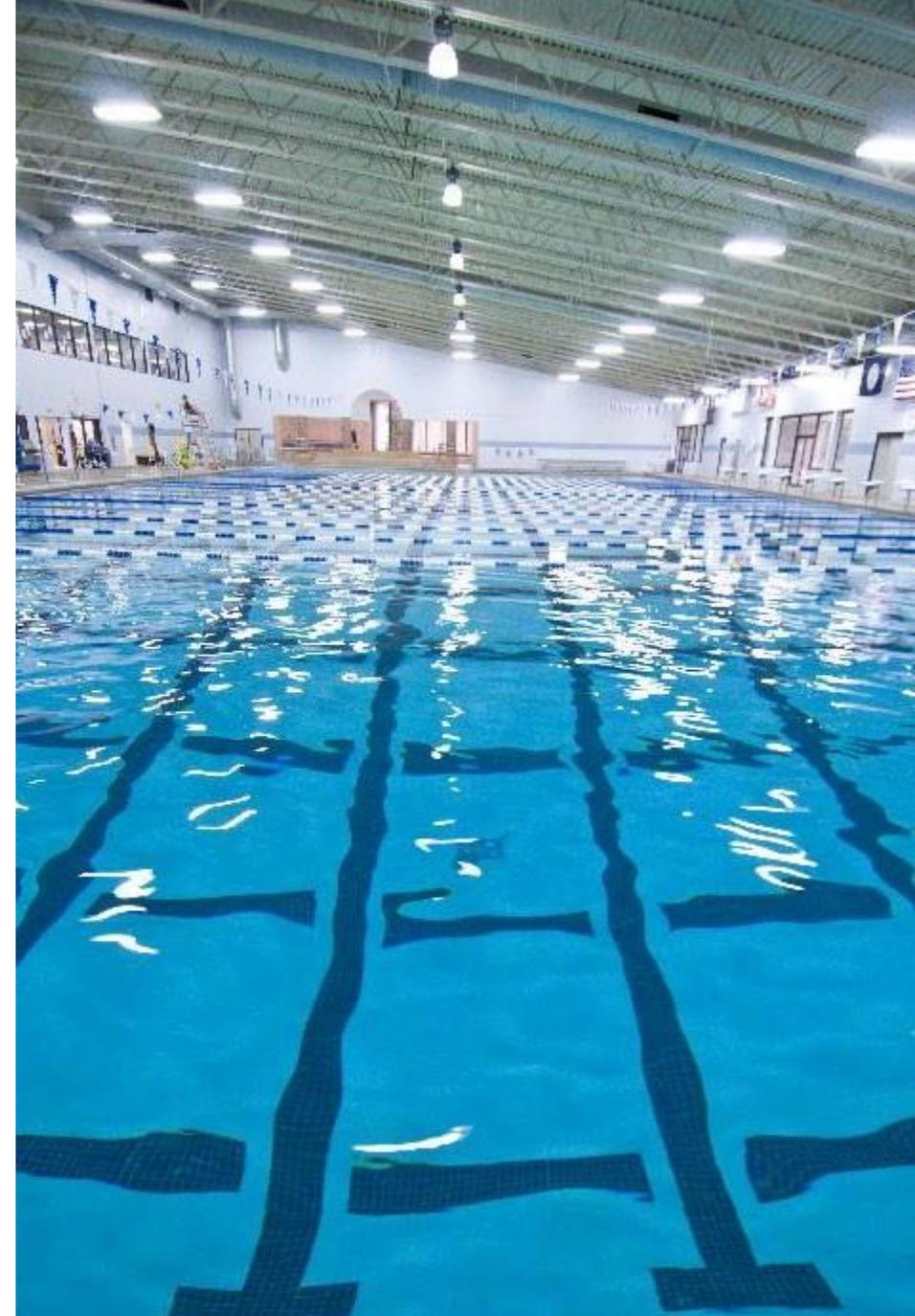
As an initial step, FCPA proposes a **modified implementation** of the cost recovery pyramid for an estimated cost of **\$9.4M***.

FCPA's scaled-down recommendation focuses on reducing cost recovery in areas with significant community and public health benefits, such as swim lessons and summer camps.

***Decisions on program-specific cost recovery targets will be finalized through a public decision-making process.**



\$9.4M* *FCPA estimated cost for modified community benefit pyramid*



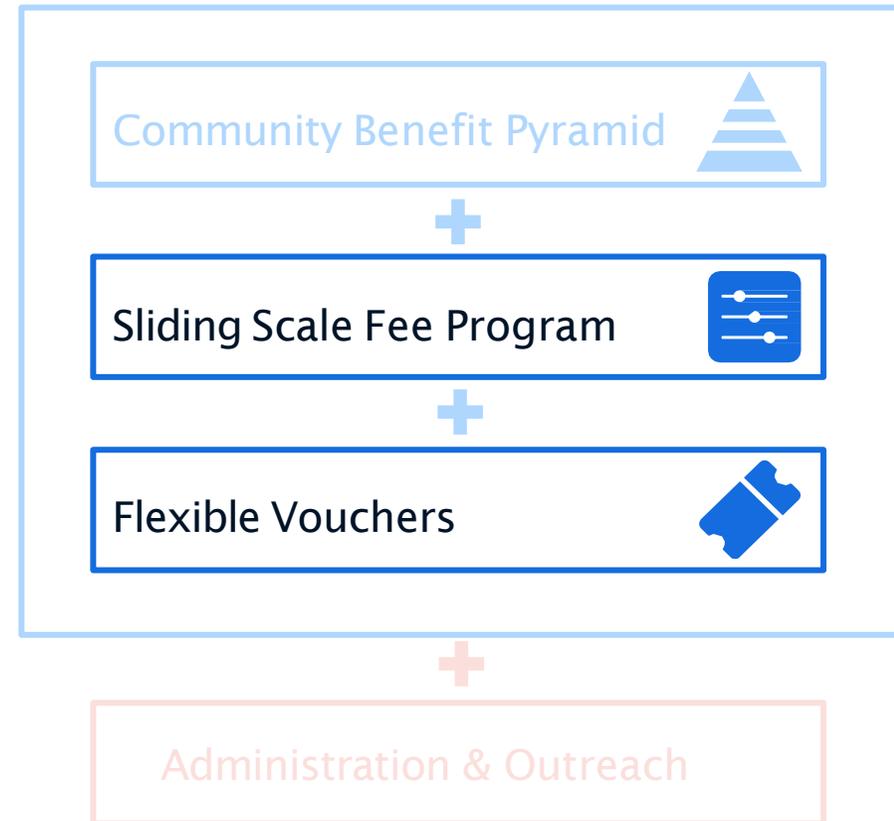
REDUCING FEES TO ENSURE EQUITY

HR&A recommends that FCPA also implement **supplementary subsidy programs** to ensure that price does not remain a barrier to participation for lower income households.

A **sliding fee scale** can ensure that programs like summer camps and swim classes are accessible to households of all incomes.

In addition, many parks and recreation agencies offer **flexible annual vouchers** to qualifying households that can be applied to any recreation offering, including individual-benefit services like picnic shelters or campground rentals. These vouchers help to ensure that low-income families are not excluded from certain FCPA offerings.

Implementation should involve coordination with other County agencies that currently operate similar subsidy programs, such as the RecPac and SACC Programs.



REDUCING FEES TO ENSURE EQUITY

HR&A recommends that FCPA implement a **sliding fee scale** to ensure that price does not remain a barrier to participation for lower income households.

A **sliding fee scale** can ensure that programs like summer camps and swim classes are accessible to households of all incomes.

In Fairfax, both FCPA's RecPac and the School Age Child Care (SACC) program currently offer sliding scale fees. SACC subsidies are offered for families with annual household incomes of \$132,500 or less.

FCPA estimates a cost of \$7.0M* to make a sliding fee scale program available for services like summer camps, swim classes, and Rec Center access.

Adjusted Household Income	March 25 - 29 (5 Days) 1 Child
\$132,500 and above	\$301
\$119,250 - \$132,499	\$251
\$106,000 - \$119,249	\$202
\$92,750 - \$105,999	\$153
\$79,500 - \$92,749	\$104
\$66,250 - \$79,499	\$55
\$53,000 - \$66,249	\$33
\$52,999 and below	\$11

Example of SACC Spring Break Program Sliding Fee Scale, reducing the full pay fee from \$301 to lower price points based on household income.



\$7.0M* FCPA estimated cost for sliding fee scale program

*To be finalized through a public decision-making process.

REDUCING FEES TO ENSURE EQUITY

In addition, many parks and recreation agencies offer **flexible annual vouchers** to qualifying households that can be put towards any recreation offering, including individual-benefit services like picnic shelters or campground rentals.

Typically, jurisdictions that offer this program provide a defined annual voucher for eligible low-income families (typically \$200 - \$1000), with eligibility tied to participation in other income-verified programs (such as free school lunch or disability payments), alleviating some administrative burden for households and the agency.

FCPA estimates \$3.0M* for a flexible annual voucher program, ensuring services not included in the community benefit pyramid or sliding fee scale programs remain accessible to all residents.

 **\$3.0M*** *FCPA estimated cost for flexible annual voucher program*



Reston Community Center (RCC)

*To be finalized through a public decision-making process.

REDUCING FEES TO ENSURE EQUITY

FCPA estimates that the administrative, outreach, and software costs to implement a sliding fee scale and flexible voucher program total **approximately \$7.2M**.

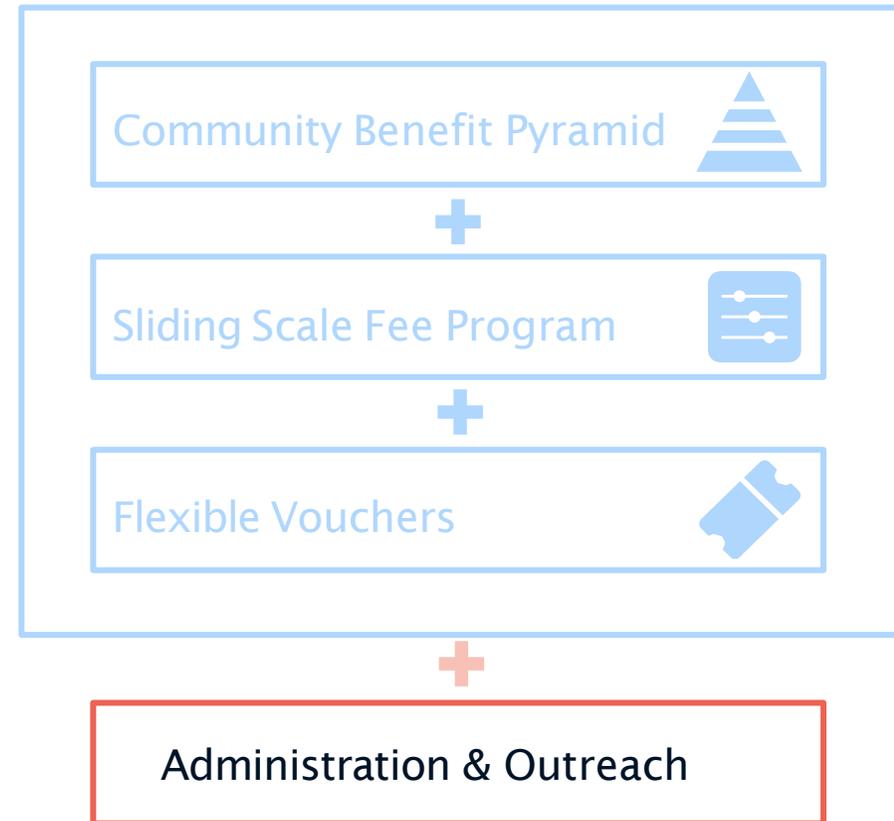
Vouchers and sliding scale fees provide targeted assistance to those who need it most but can come with administrative costs and social stigma that might discourage participation.

When establishing a household-based voucher program or sliding scale fee, FCPA will need to determine:

- How households apply for support (e.g., online, by mail, or in person);
- How FCPA verifies eligibility;
- How households indicate their level of need.

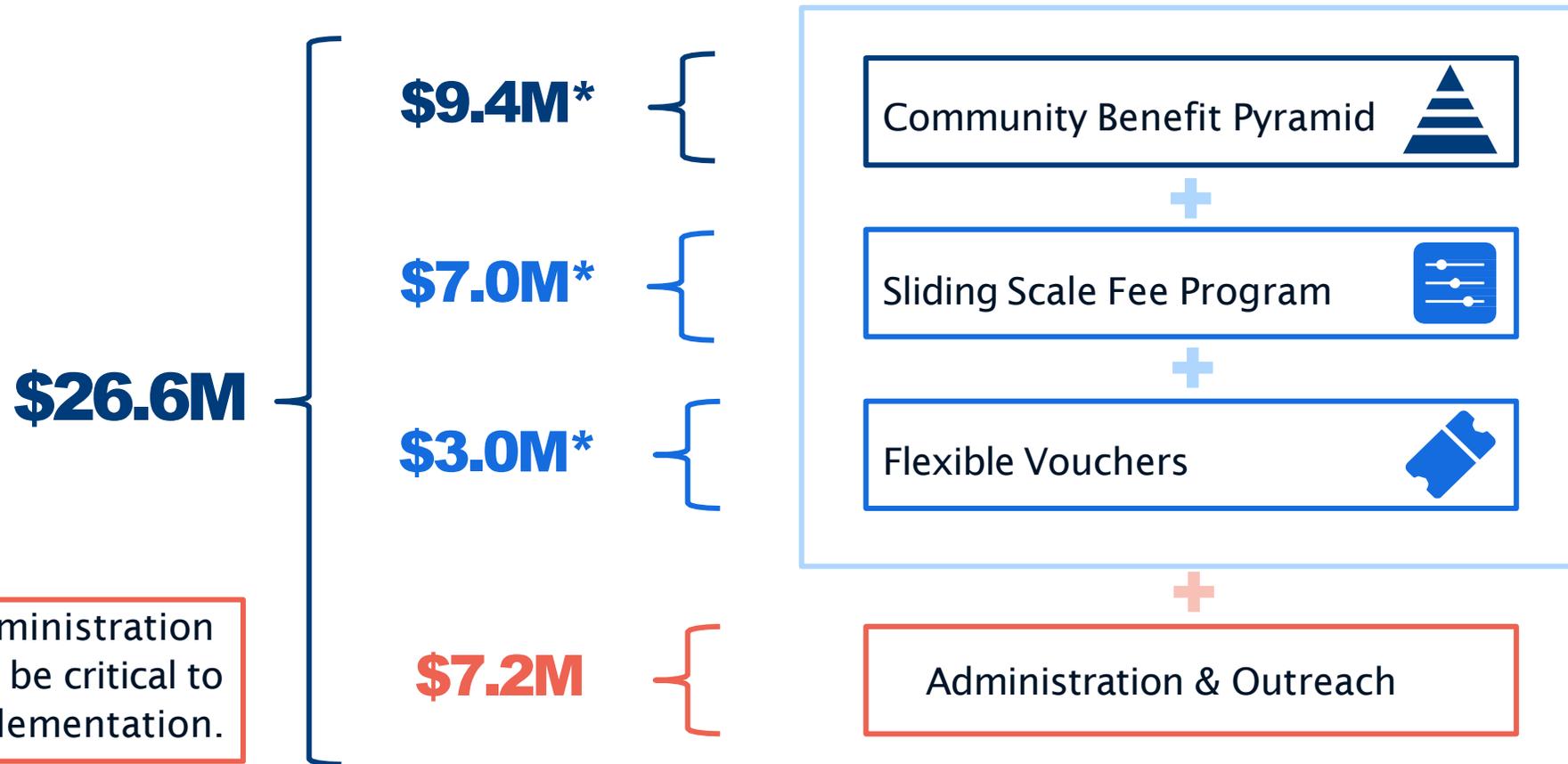
FCPA will need significant outreach and engagement with communities and individuals not currently being served.

\$7.2M FCPA estimated administration
& outreach costs



REDUCING FEES TO ENSURE EQUITY

In total, FCPA is recommending a scaled-down implementation of these programs that would cost approximately **\$26.6M in additional funding as of today.**



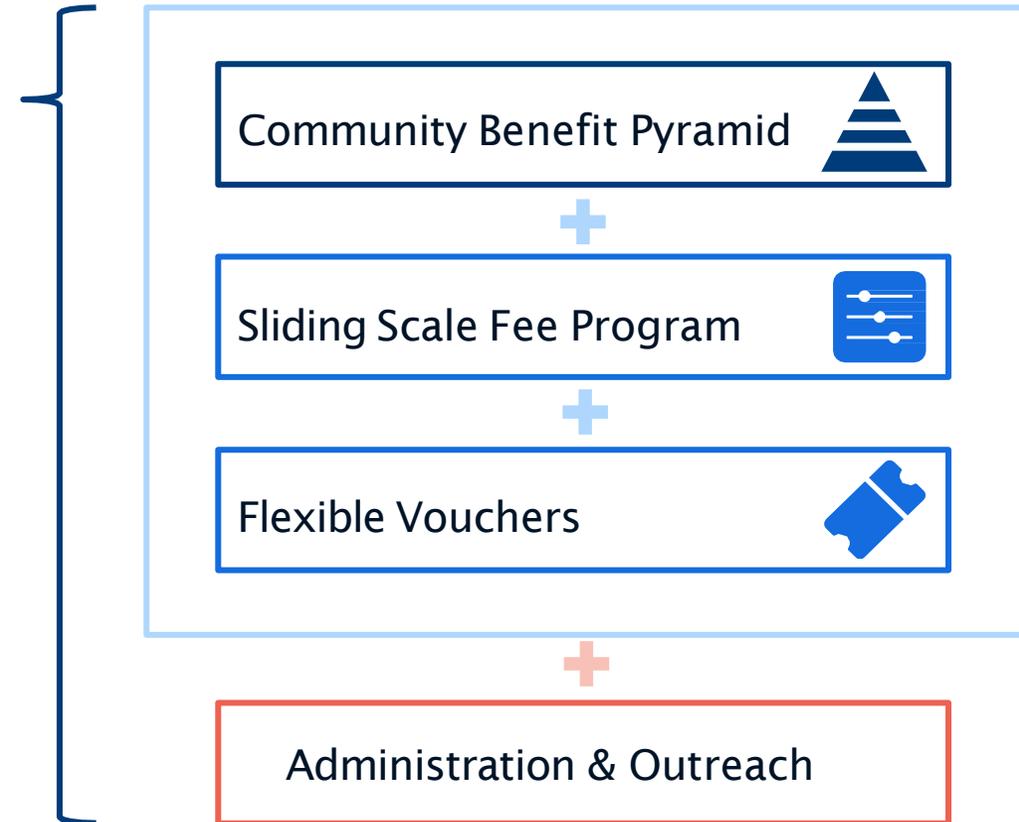
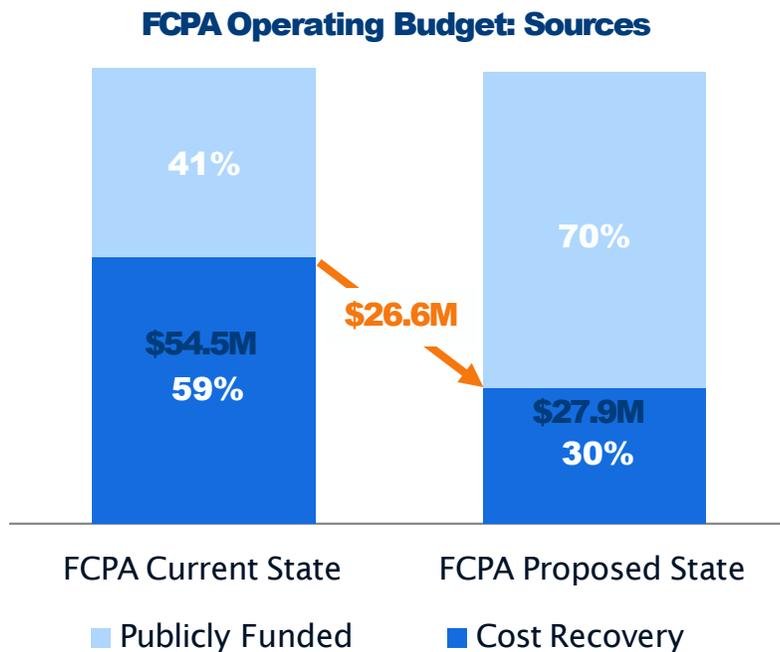
Funding for administration & outreach will be critical to successful implementation.

*FCPA proposed estimates, to be finalized through public engagement and outreach.

NEXT STEPS

Crucially, Fairfax will need to chart a way forward to increase public funding for public recreation.

\$26.6M in additional public funding to support modified implementation of HR&A's recommendations.



FUNDING

Many park systems leverage a dedicated tax stream for parks and recreation, decreasing reliance on both fees and general funds and enabling equity initiatives. Parks referenda consistently garner very high levels of voter support.

Windsor, CO	Tacoma, WA	Virginia Beach, VA	Portland, OR
 <p data-bbox="257 886 766 929">Windsor Parks and Recreation</p>	 <p data-bbox="766 886 1276 929">MetroParks Tacoma</p>	 <p data-bbox="1276 886 1786 929">Virginia Beach Parks and Recreation</p>	 <p data-bbox="1786 886 2295 929">Portland Parks and Recreation</p>
<p data-bbox="257 929 766 1158">Sales and use tax funding for land acquisition, stewardship, operations, and maintenance.</p>	<p data-bbox="766 929 1276 1158">Property tax levy for operations and maintenance, land preservation, youth programming, and safety.</p>	<p data-bbox="1276 929 1786 1158">Dedicated parks and recreation tax to cover recreation center expenses.</p>	<p data-bbox="1786 929 2295 1158">Property tax levy for operations including the expansion and maintenance of equitable recreation services.</p>

Source: Trust for Public Land, City of Portland, Virginia Beach Parks and Recreation

REDUCING FEES TO ENSURE EQUITY

Together, the recommended community benefit pyramid, sliding scale fee program, and flexible vouchers will:

- 1. Expand access to the benefits of public recreation** to all Fairfax households.
- 2. Ensure that fees are no longer a barrier to participation** for Fairfax’s lowest income households.
- 3. Align FCPA with national parks and recreation best practices.**

In doing so, FCPA will make progress towards future participation that better aligns with Fairfax County’s population.

