Park-enomics: Strategic Park Investment for a Robust Economy

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Strategic Plan
A community’s Park & Recreation system is critical to its economic vitality

A well planned and managed system can contribute significantly to the local economy through:

1. Spurring Tourism Spending
2. Catalyzing Investment
3. Reducing the Tax Burden

Spurring Tourism Spending

World-class facilities attract visitors with disposable income from outside a community for:

- Sports tourism
- Cultural tourism
- Dynamic recreation experiences
Robust Economy

Catalyzing Investment

Parks:

• Increase property values
• Attract talented and affluent residents
• Stimulate sales tax revenues*

In Virginia, outdoor recreation generates:

• 138,000 jobs
• $13.6 billion in annual consumer spending
• $923 million in annual State and Local Tax revenue**

* Source: American Planning Association
** Source: Outdoor Industry Association 2017 Economic Impact Report

Robust Economy

Reducing the Tax Burden

• Strong systems can sustain off fewer tax dollars

*Source: Outdoor Industry Association 2017 Economic Impact Report
2 types of Park and Recreation systems
- Low cost-recovery
- High cost-recovery

Cost Recovery: The concept of charging individuals for intermediate to advanced programs or services that have less of a communitywide benefit

How does public subsidy fit into a High cost recovery model?

PRIVATE PARTICIPATION/FEE SUPPORTED

PUBLIC SUBSIDY

INVESTMENT IN PARKS

COMMUNITYWIDE BENEFIT
GENERAL WELL BEING, QUALITY OF LIFE, AND ECONOMIC VITALITY

INDIVIDUAL BENEFIT
SERVICES THAT MEET CUSTOM NEEDS AND PROVIDE ENHANCED EXPERIENCES
System Model

High Cost-Recovery Sites/Programs
- Splashdown Water Park
- Water Works Water Park
- Chinn Aquatic and Fitness Center
- Sharron Baucom-Dale City Recreation Center
- 2,614 fee-for-service offerings

Low and non-cost recovery sites/programs
- Parks and trails
- Playgrounds
- Community pools
- Sports fields

DPR’s Revenue Focus

DPR is budgeted to recover 38% of total expenses through revenue-generating activities.
Marketing Operations

Breadth
• 5.75 FTEs
• Web development
• Social Media/e-mailing marketing
• Advertising
• Graphic arts
• Market analysis
• Copy editing
• User surveying
• Provide targeted marketing for 2 water parks, 2 recreation centers, 400 summer camps

Marketing Impact

Focused on Results:
• 900,000 visitors in calendar year 2016*
• 74,000 pieces of printed collateral produced from 400 individual designs
• 40 million ad impressions delivered
• 188k engaged social media users
• 2m web page views served
• 5 major marketing industry awards
• Adaptive to changing market forces
• Budgeted to deliver $14.8m revenue in FY17
• $60m revenue collected over last 5 years
• Every $1 of marketing money spent = $15 in revenue

* Only cost-recovery facilities
The Future

What do we do with our capacity?

The Future

What does strategic investment look like?
CIP FY13 – FY17

Sports field projects accounted for 69% of DPR’s CIP Expenditures over the last 5 fiscal years.

The Future

Next steps