

# How to Undertake a Feasibility Study for a New Recreation Facility

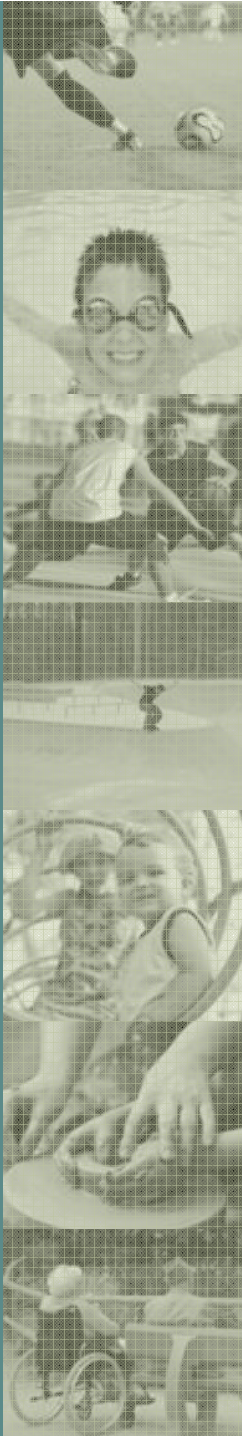
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2008 PRO Educational Forum and Trade Show

Tuesday, April 1<sup>st</sup>, 2008



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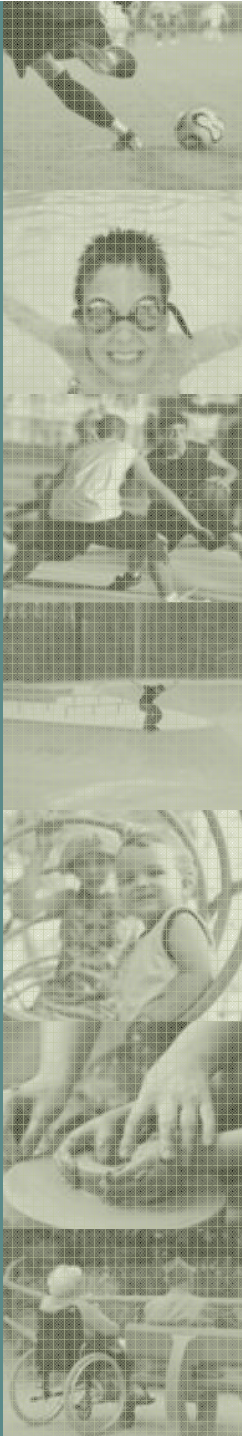


# What is a Feasibility Study

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- In general, a feasibility study is undertaken to determine the right component parts to a project or a structure and is financially/socially justified
- Basically - should we do it and if we do it what will it look like and what will it cost us and can we afford it





# What is a Feasibility Study

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- **Key elements of a feasibility study include:**
  - Background research
  - Extensive consultation with the public, staff, and council
  - Evaluating the various alternatives
  - Preparing detailed costing, concept plans, and a management plan
  - Selecting the preferred location





## Why Undertake a Feasibility Study for a New Recreation Facility?

- It is an exciting but essential undertaking for almost any major capital expenditure project. The decision-making process can, however, be challenging as one determines what is 'want' and what are 'needs'
- Feasibility studies can confirm the necessary program elements, establish achievable capital and operating cost targets, and identify possible management approaches
- Feasibility Studies give both staff and council solid grounds for saying either yes or no to the project of the 'hour'





## Why Undertake a Feasibility Study for a New Recreation Facility?

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*The next few slides identify some of the pressures municipalities are facing today and, in the words of Mick Jagger -*

*“You can't always get what you want and if you try sometime you find You get what you need”*



# Why Undertake a Feasibility Study for a New Recreation Facility?

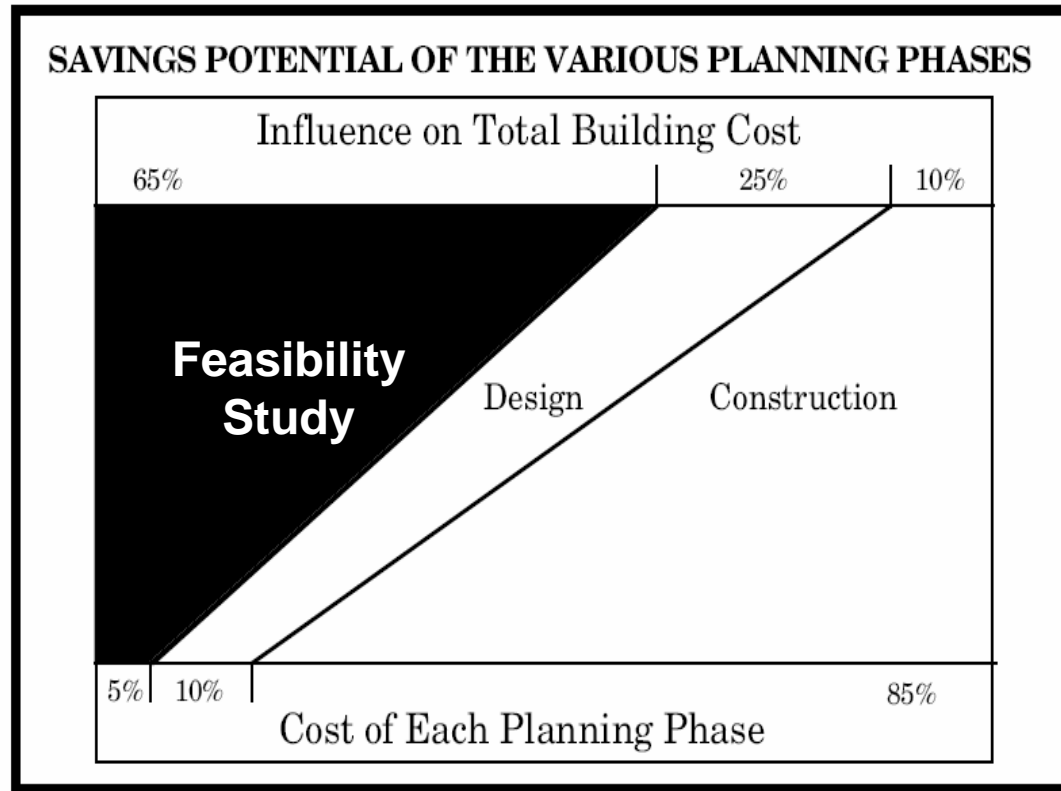
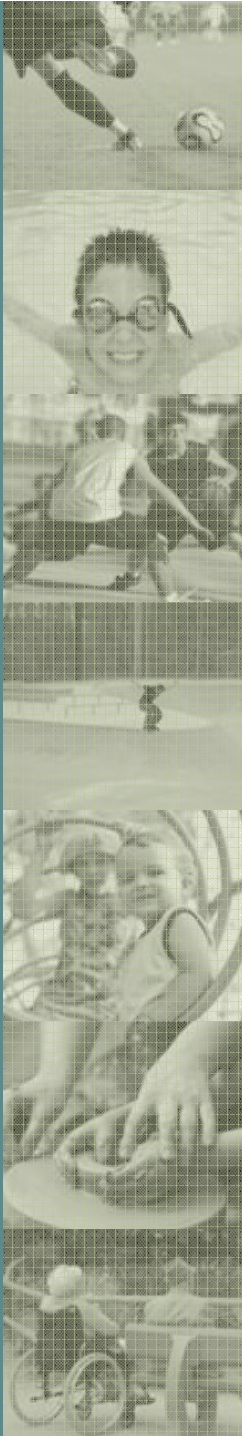


FIGURE 2: Savings Potential of the Various Planning Phases. Adapted from Department of Youth, Sport and Recreation (Victoria). *Indoor Recreation Facility Management Manual*, 1981.





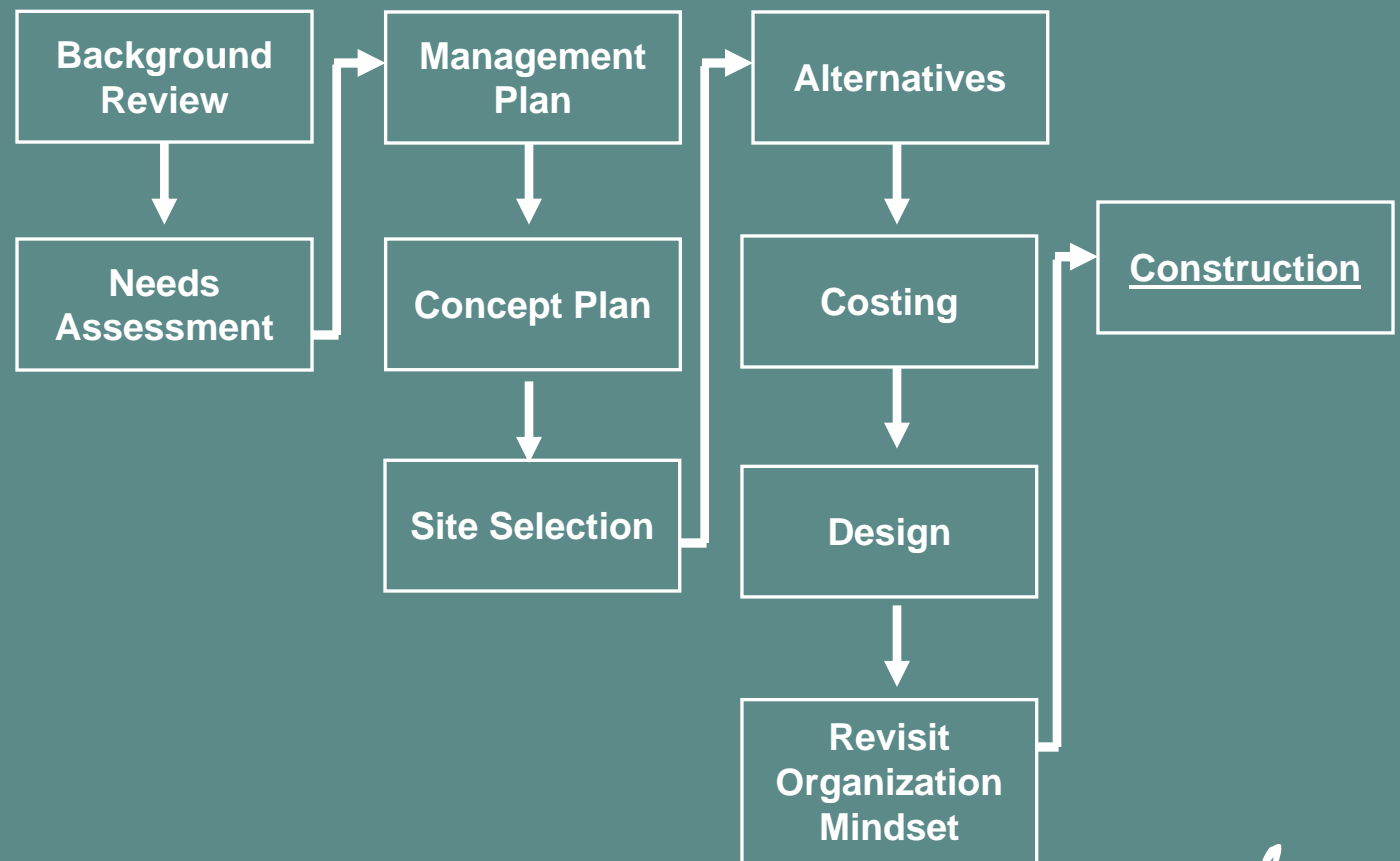
# What will we Learn Today?

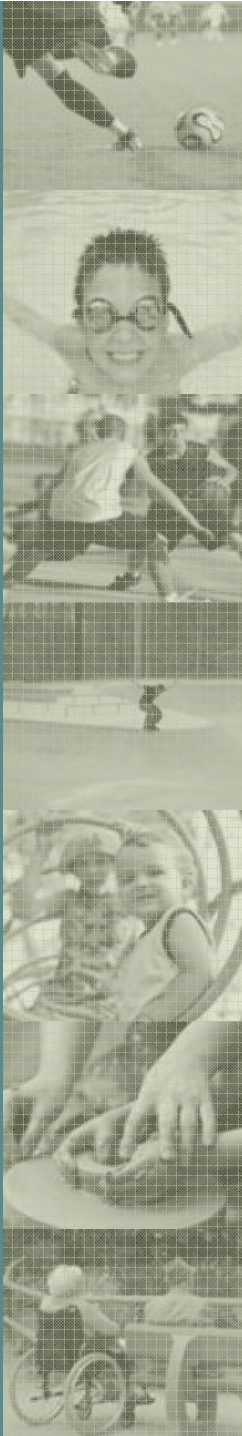
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- How to manage community expectations when consulting with stakeholders and the public
- How to identify the highest priority needs of current and future residents.
- How to examine the financial viability of the proposed project



# Feasibility Study Process



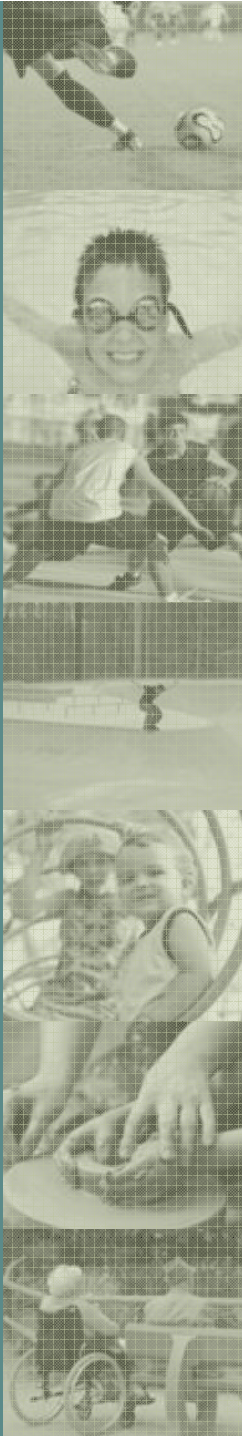


# Background Review

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- The following items should be reviewed (where applicable):
  - Strategic Plan
  - Recreation Master Plan
  - Corporate Mandate and Vision
  - Any specific initiatives (e.g. health promotion).
  - Budget Information





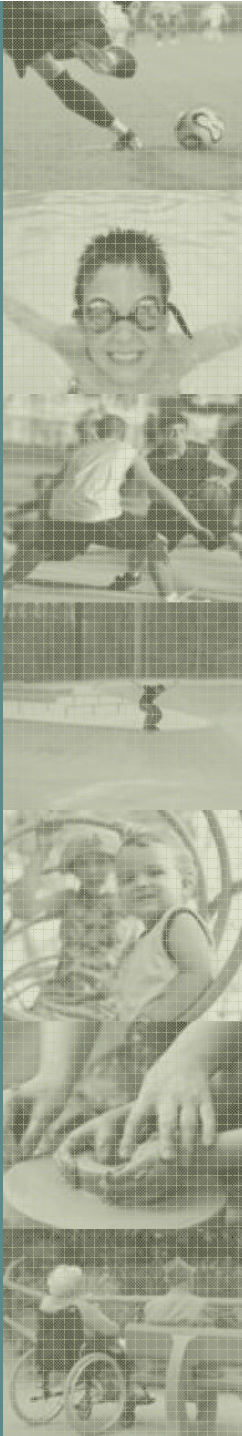
# Needs Assessment

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## Trends – why we need to know

- By knowing what activities are increasing in popularity - one is able to PLAN
- By knowing what activities are decreasing in popularity - one is able to PLAN
- Only by Planning can you even hope to keep up to the shrinking dollar and allocate it to recreation versus that ever popular wider road with fewer pot holes





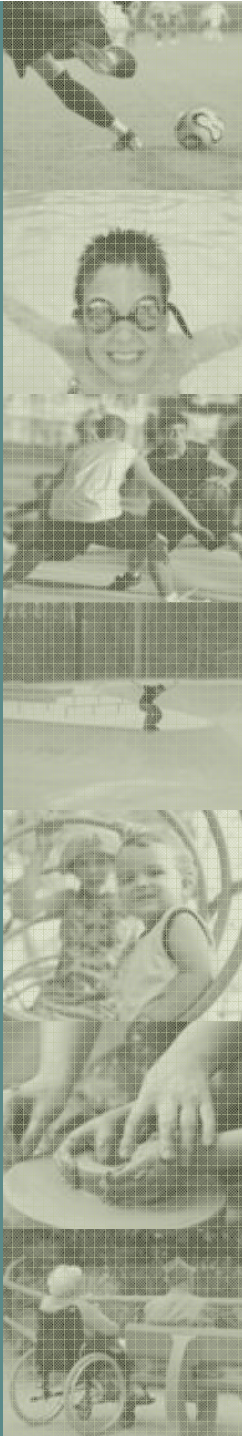
# Needs Assessment

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## Understand the Demographics

- It is the foundation of any Planning
- Yet it is surprising how few undertake detailed projections
- Once you know the trends you need to know your community
  - Is it young families?
  - Is it aging?
- What will the community look like 5, 10, 15 years from now?





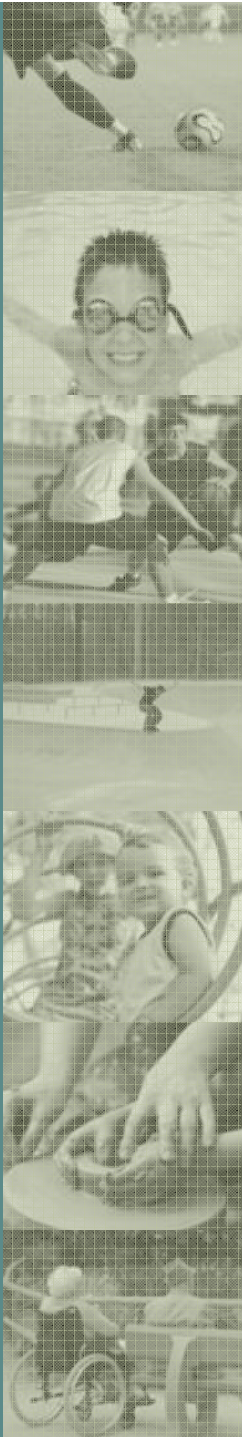
# Needs Assessment

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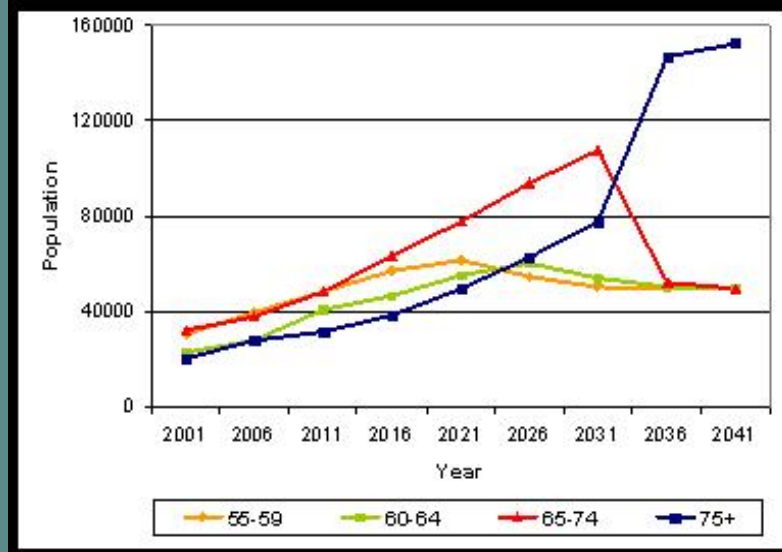
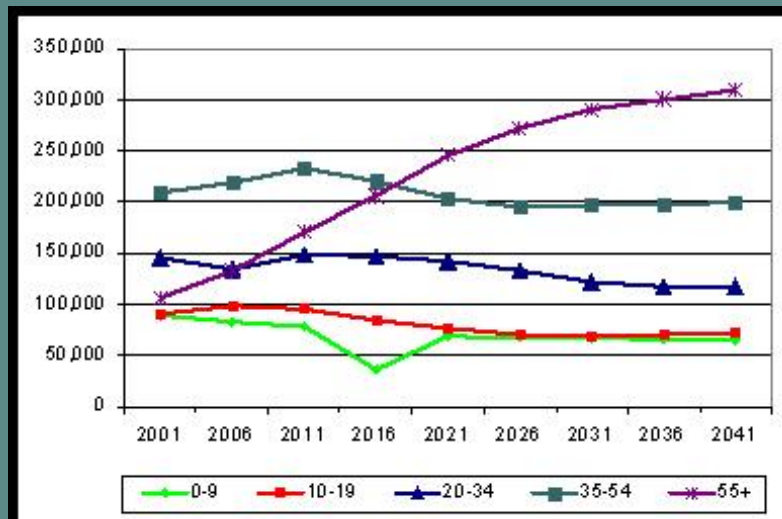
## Understand the Demographics

- Pinpoint where demand will be in the future
- Ensure that facilities are not built to accommodate PEAK demand
- Every facility needs to have versatility and meet the needs of the community





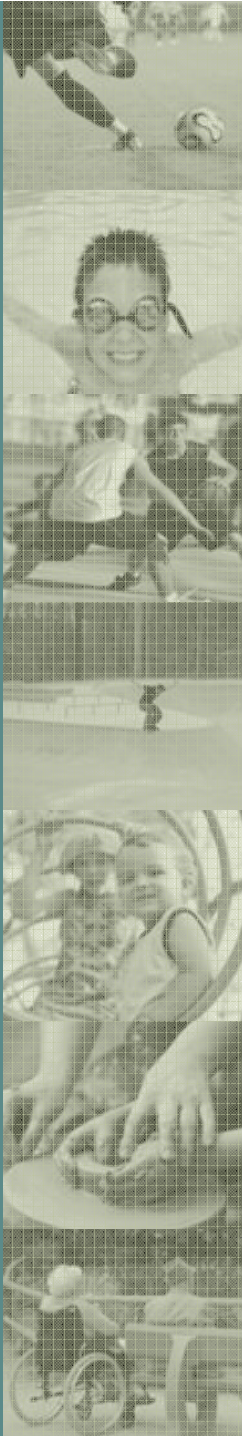
# Needs Assessment



Current and future profile of Mississauga – BIG PICTURE....



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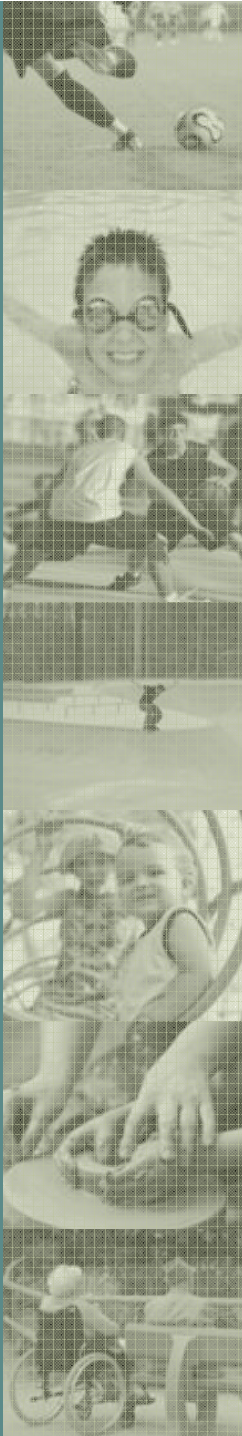
# Needs Assessment

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## Facility Gaps

- What happens when you put Demographics and Trends together?
- You are able to determine what facilities are needed with just a little bit of additional data – Market Driven Data
- Where possible, participant-based standards are used (e.g., one ice pad per “x” number of recreational participants)
- Out of all of this service gaps start to emerge and you are starting to plan – now you have to test the public





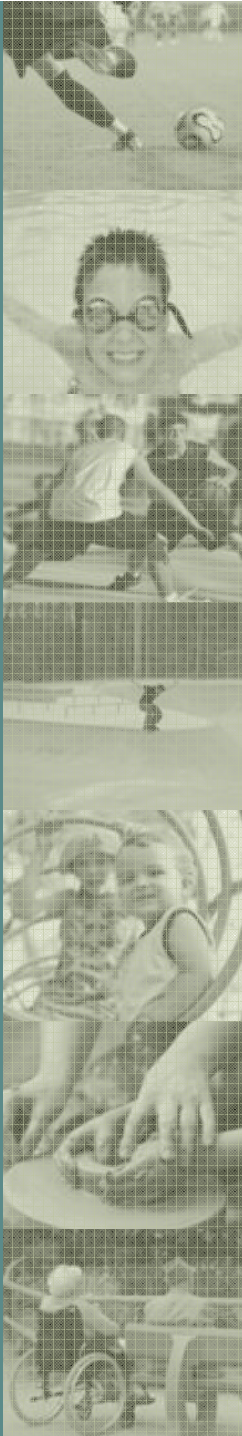
# Needs Assessment

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## Community Consultation

- Need to be able to distinguish between needs and wants
- Through surveys you have a better understanding of the those who are not squeaky wheels
- Hold search conferences
- Conduct User surveys



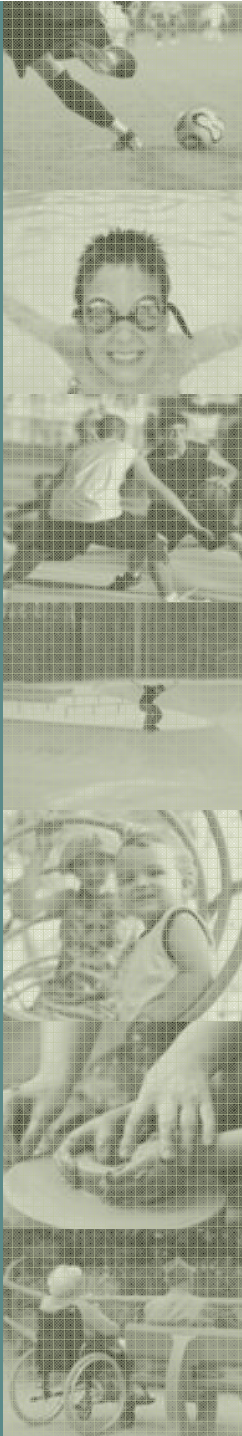


# Alternatives

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- The pros and cons of the alternatives are evaluated against the following considerations:
  - Demographic data (historic and projected, preferably by age cohort groupings)
  - Detailed inventory of existing recreation facility components
  - Community and stakeholder input
  - Participation data for specific facilities and programs
  - Alignment to organizational philosophy
  - Capital and operating costs



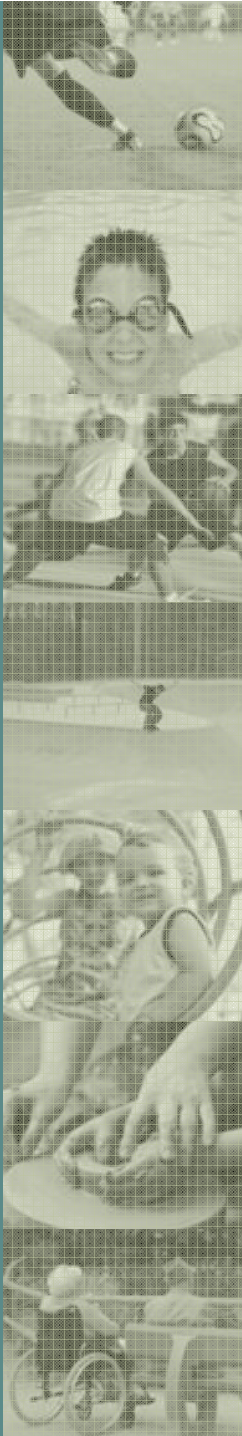


# Facility Concept

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- An architect prepares floor plans for the new facility
- Ensure building systems and construction technology that are capable of accommodating the facilities and programs determined in the previous task
- Issues associated with the various types of structures will be documented including capital and operating costs, complexity of construction, operating flexibility, maintenance issues, security implications, decommissioning and disassembly issues



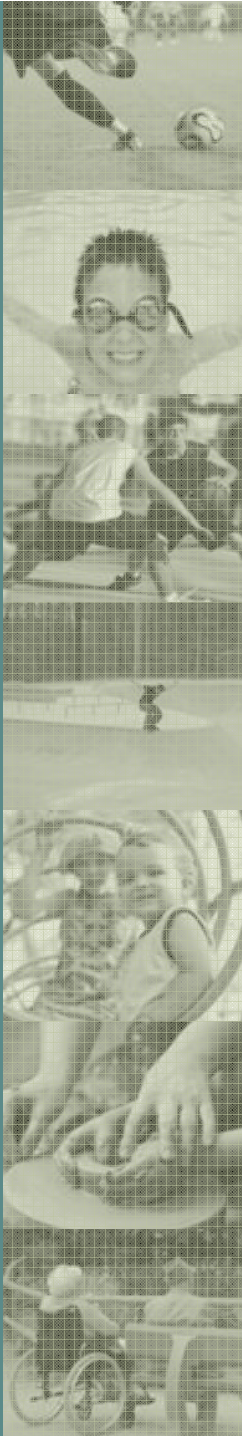


# Site Selection

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- A Feasibility Study may include selecting a preferred site for the new recreation facility
- Key factors to consider when selecting a preferred site can include:
  - Site size
  - Grading
  - Access for pedestrians/automobiles
  - Visibility
  - Zoning
  - Proximity to target market





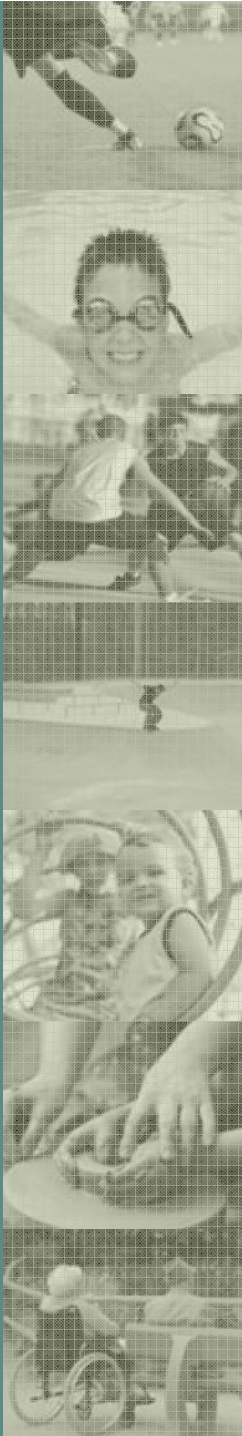
# Costing

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## Capital Costs

- Capital cost estimates for the proposed facility are prepared using current construction costs
- Often opportunities to phase in recreation complexes are considered





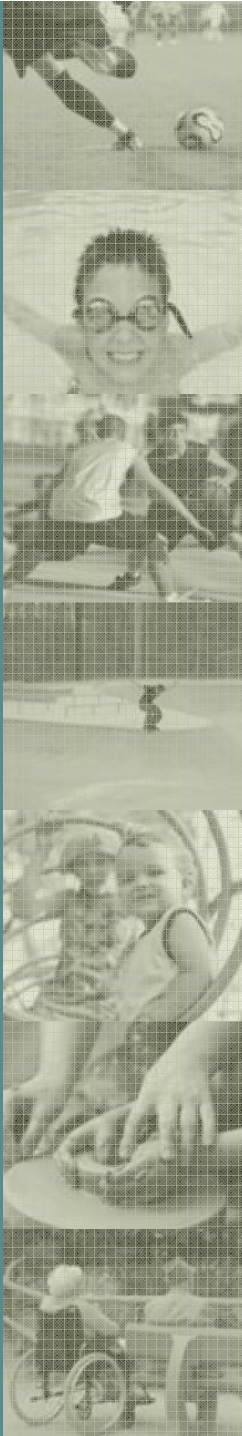
# Costing

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## Operating Costs

- A preliminary operating budget is also created to provide an early indication of the likely financial performance of the recommended facility
- The operating budget considers the pricing strategy, the likely customer traffic, program participation, ancillary revenue sources (food and beverage, retail, third-party rentals, etc.)
- The end product will be a financial proforma showing year 1 and 5 operating positions





# Funding Sources

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- The consideration of partnerships, strategic alliances and other collaborative relationships is an important aspect of a Feasibility Study
- An standardized evaluation model should be prepared to regarding the solicitation of partners, criteria to gauge the appropriateness of certain types of relationships and benchmarks to evaluate the benefits, risks and returns associated with involving others in the project



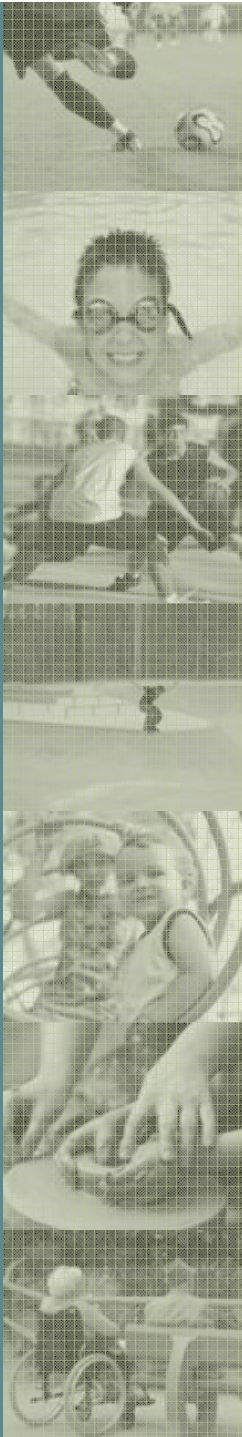


# Funding Sources

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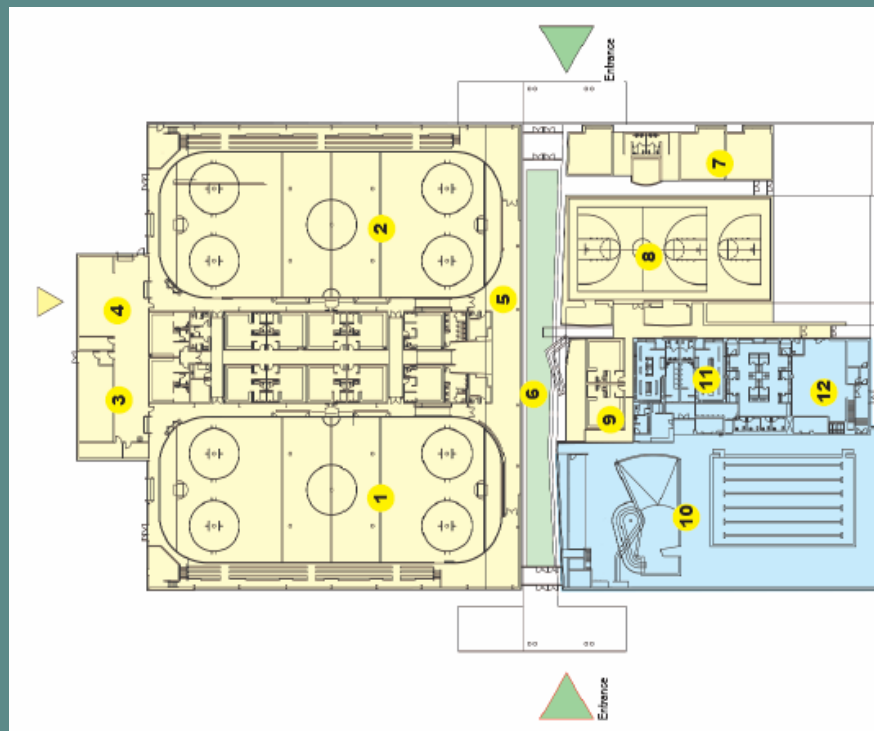
- Funding sources to consider include:
  - The Ministry of Health Promotion
  - Alternative financing such and leveraging user fees against borrowed funds from the City
  - Local fundraising opportunities





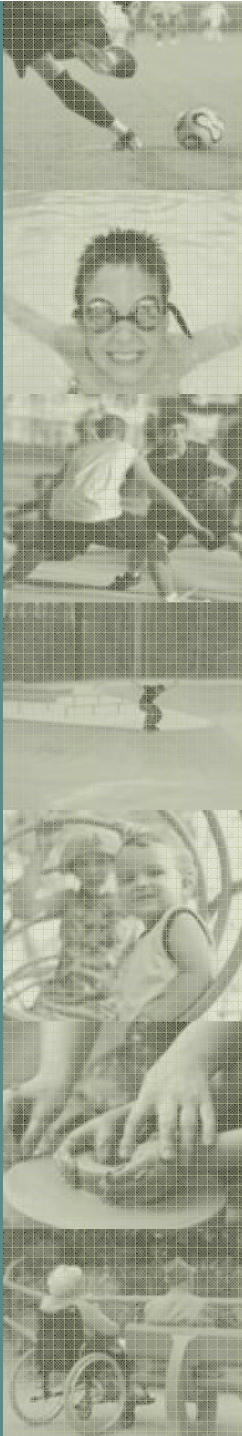
# Design

- A final design concept is selected based on the evaluation of alternatives, the costing, and available funding sources

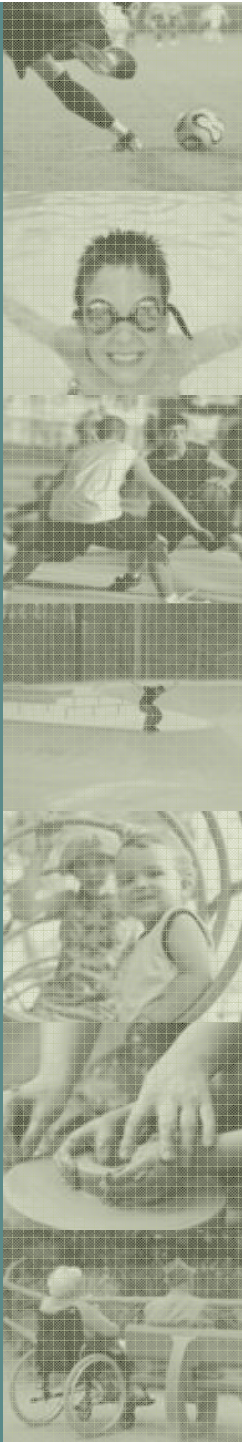


# Construction!

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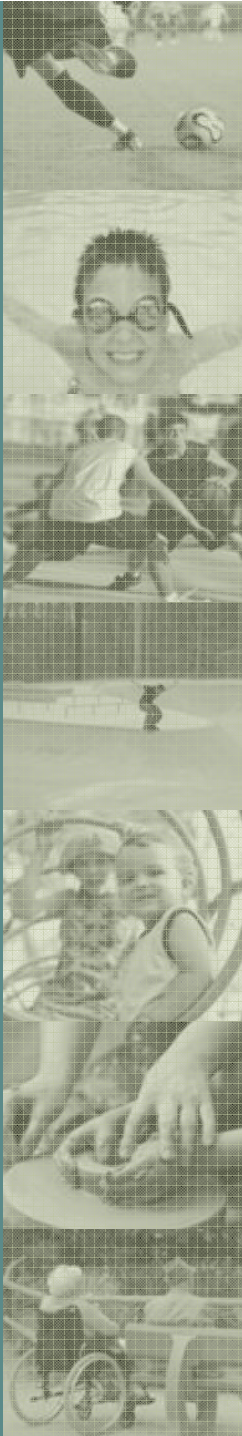
# Case Study – City of Greater Sudbury

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## Multi-Use Recreation Facility

- Study determined:
  - Primary facility elements
  - Construction cost estimates
  - Operating cost estimates
  - Implementation plan
- Focus on enhancing community recreation opportunities; does not assess implications on existing facilities





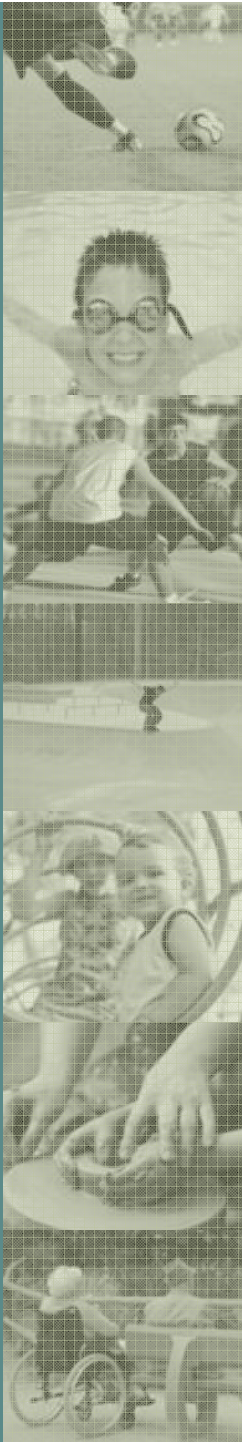
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# Case Study – City of Greater Sudbury

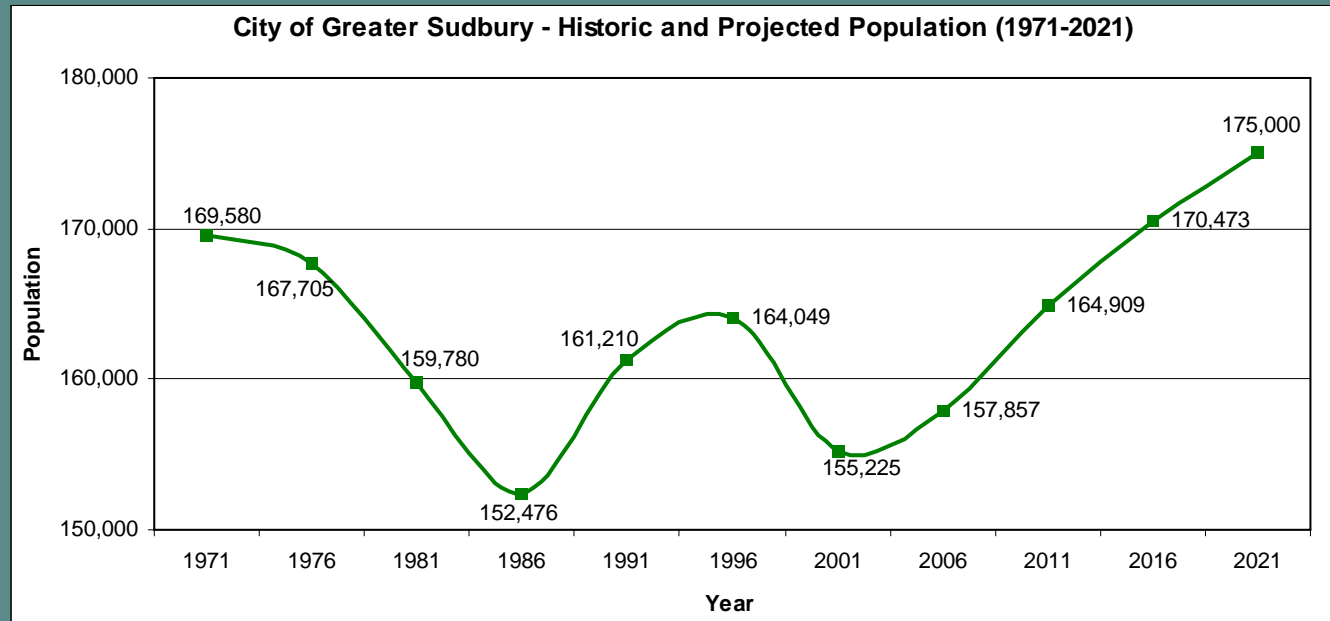
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## Background

- City's 2004 Parks, Open Space and Leisure Master Plan identified high priority projects, including a Multi-Use Recreation Complex:
  - two ice pads
  - gymnasium
  - multi-purpose space
  - outdoor soccer and/or football fields
  - possibly an active living centre, indoor pool, library, and/or other elements



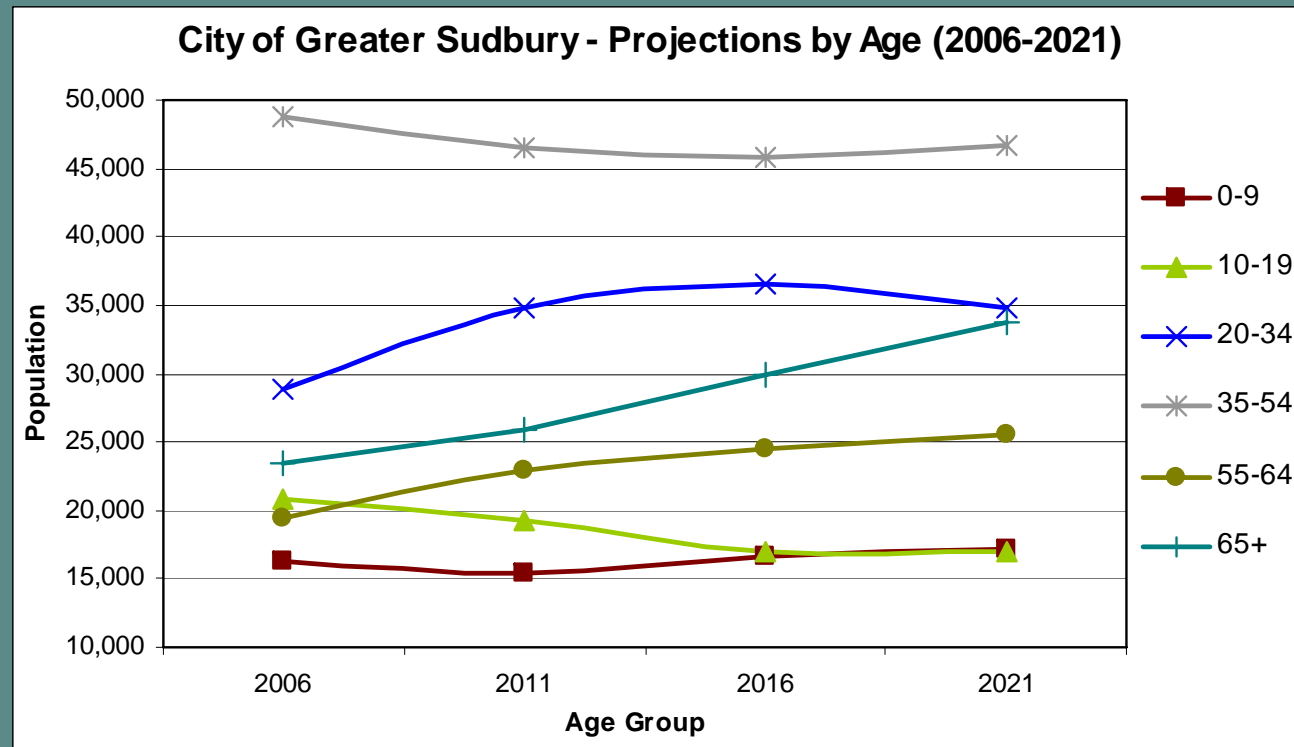
# Case Study – City of Greater Sudbury



- Modest population growth (11% by 2021)
- Growth primarily within and immediately surrounding the former City of Sudbury

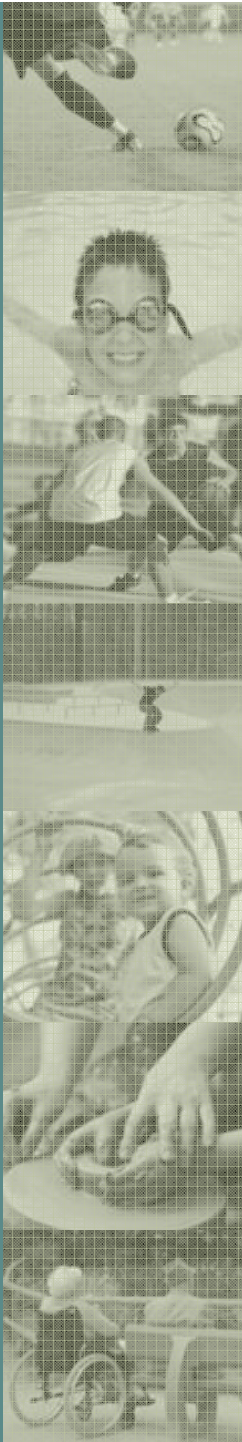


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- Reduction in numbers of children/youth
- Strong aging trend





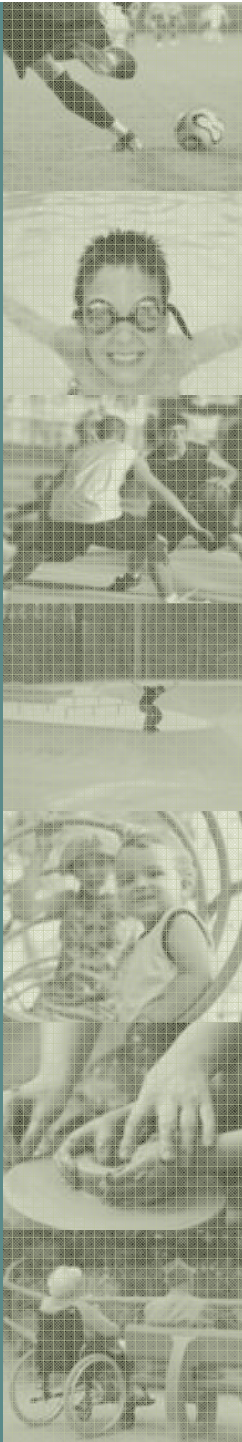
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## Trends

- High levels of inactivity
- Rising health and obesity concerns
- Demand for unorganized, self-scheduled activities
- “Active living” movement
- Popularity of multi-use facilities
- Aging Infrastructure





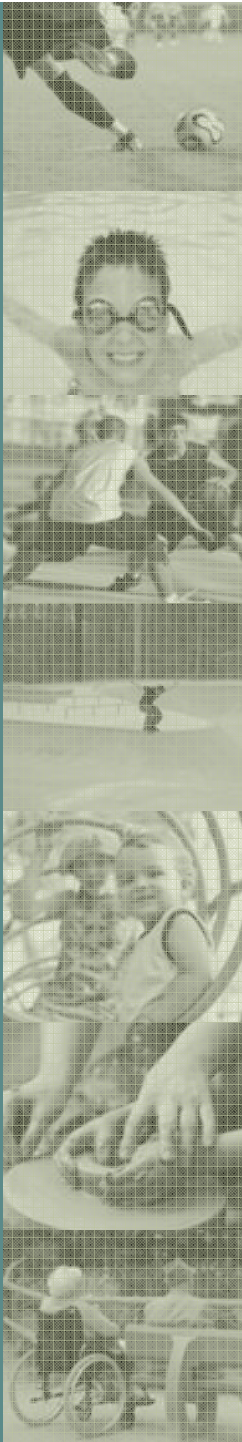
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## Community Consultation

- Open public meetings
- Community workshops for stakeholders
- Interviews with the Mayor and Councillors
- Interviews with key City staff
- Input from Recreational Complex Advisory Panel





# Case Study – City of Greater Sudbury

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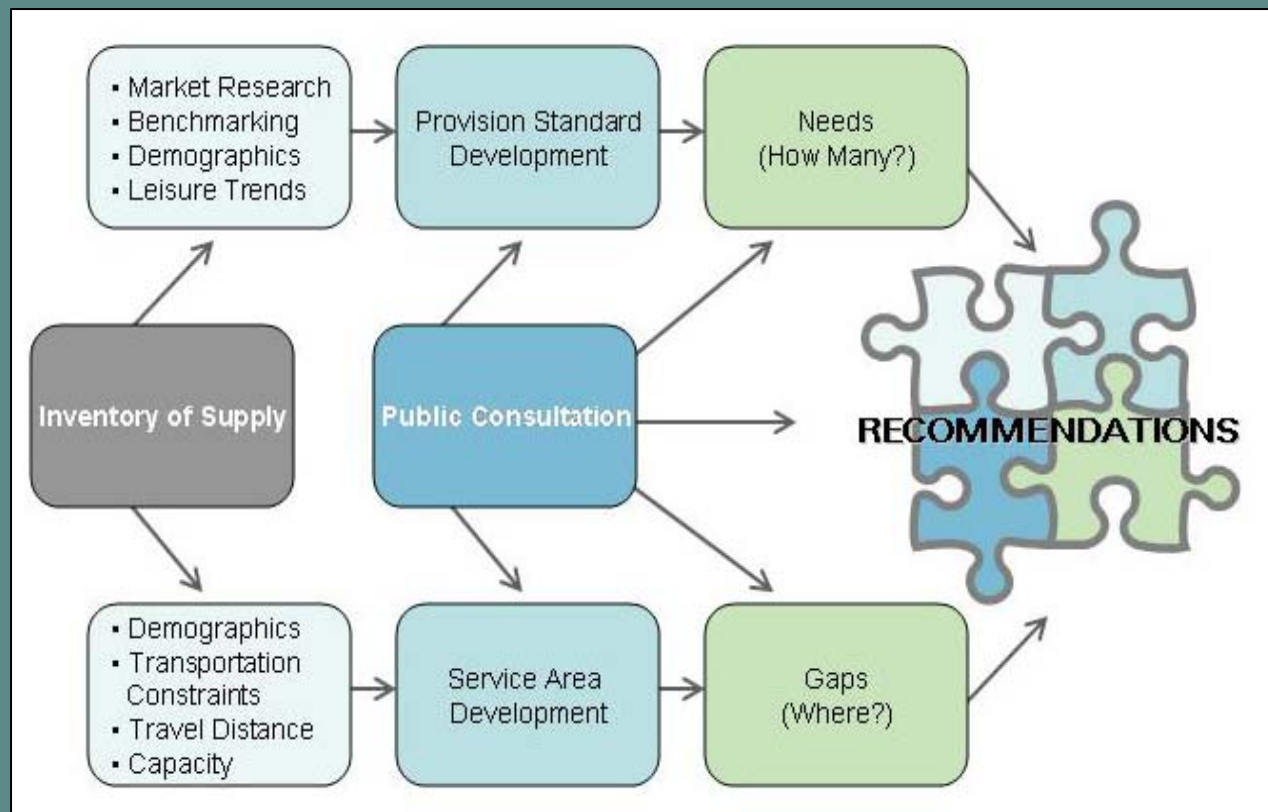
## Key Themes from Consultation

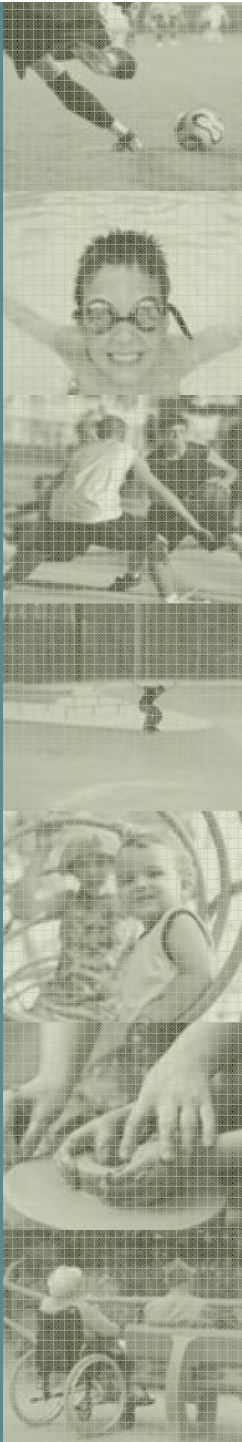
- Facility needs to be multi-purpose, multi-generational, flexible, and quality
- If this project is ever going to happen, now is the time
- Agreement on ice and outdoor soccer as base components
- Concern over impact on existing facilities



# Case Study – City of Greater Sudbury

## How where needs assessed?





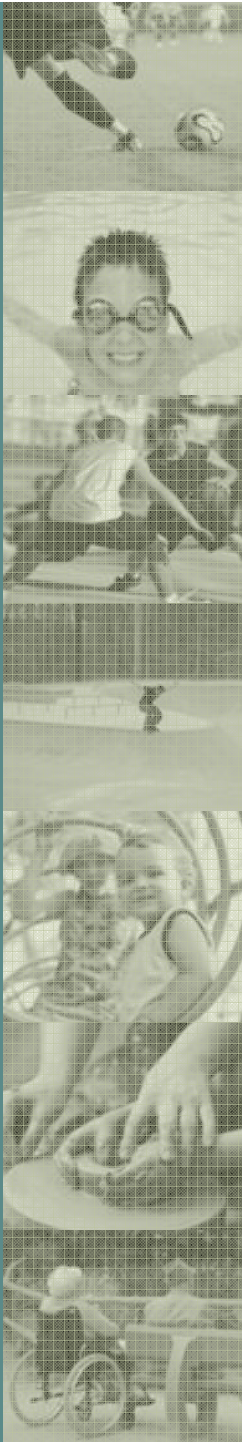
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## ICE

- Greater Sudbury has 15 ice pads, including 5 in the core city
- Main issues raised by public:
  - Lack of amenities
  - Loss of ice time due to tournaments and competitions
  - Need for more ice time, especially in the core city
- Core area is deficient by 1 ice pad (youth demand).
- Pent-up demand from adults wanting prime time ice usage could justify 1 additional ice pad.





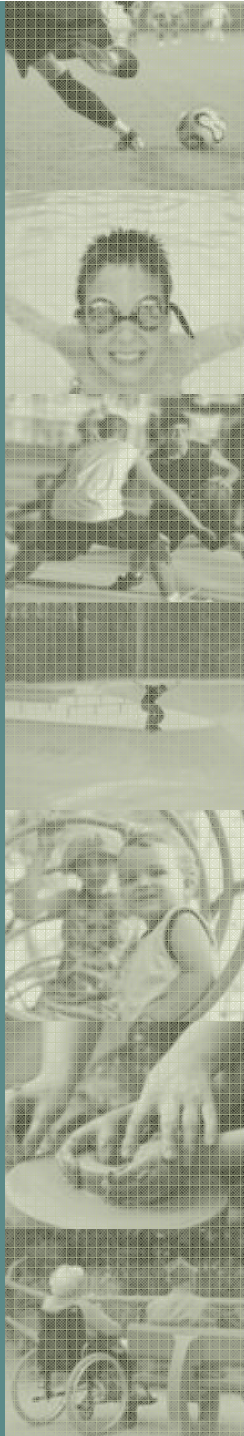
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## AQUATICS

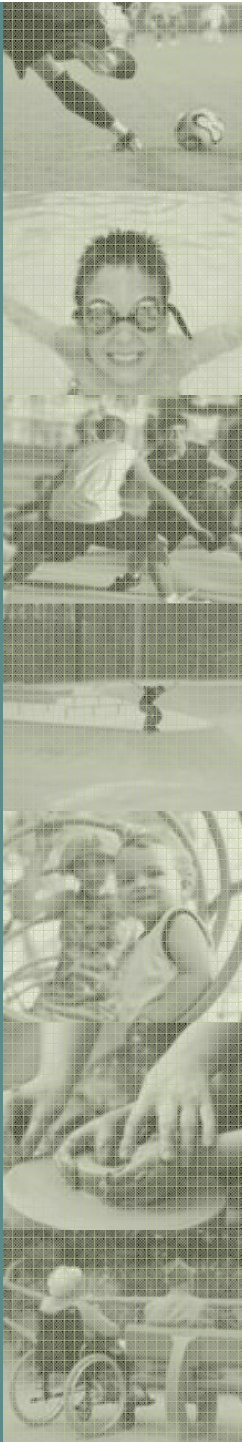
- 5 municipal indoor lane pools – supply is adequate
- There are no municipal leisure pools
- Swimming continues to be a popular activity for all ages, including children, older adults and families
- Pools are expensive to operate and will always run a deficit
- Consider development of a leisure pool to appeal to a wide spectrum of the population and serve as a destination.





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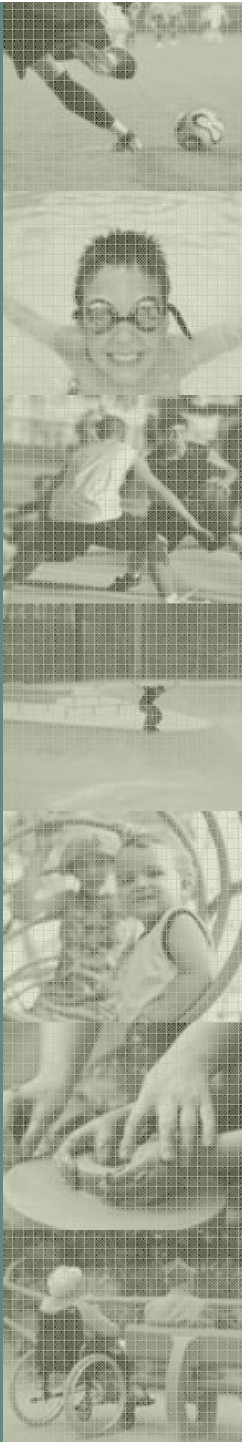
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## INDOOR TURF

- Currently 1 indoor turf venue in City (leased)
- Increasing demand for indoor soccer and winter training for other sports
- Registration at the soccer centre has been capped – no room to grow
- There is demand for 2 indoor turf fields, but insufficient demand for a full indoor field (equivalent to 3 small fields).





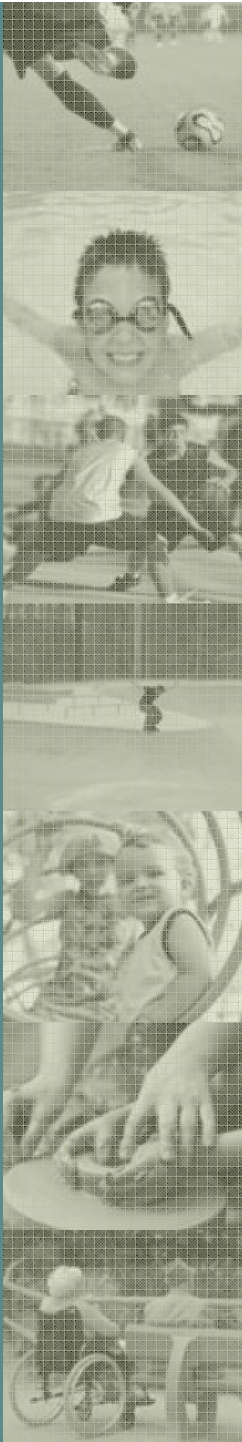
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## GYMNASIUMS

- Supply includes 7 municipal and dozens of school gymnasiums
- Little demand identified by public or groups
- Many of activities that could utilize gymnasium can also use the proposed turf surfaces and/or multi-use space
- A gymnasium is not recommended





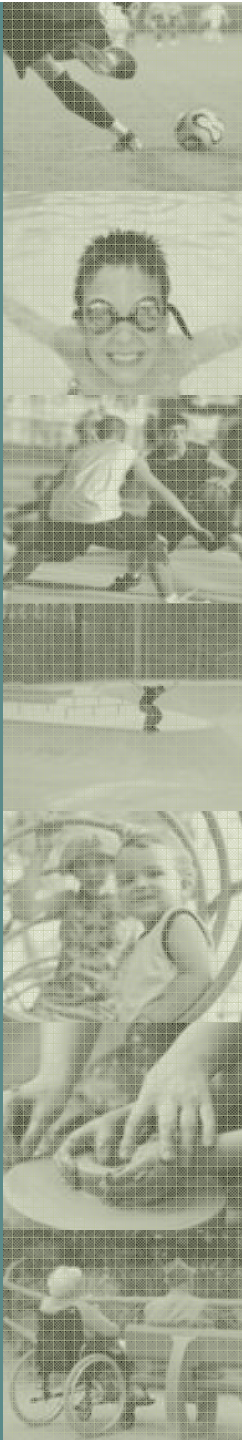
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## FITNESS CENTRE

- Most existing fitness centres are not operating at capacity
- “Active living centers” and “dry-land training” require studio or multi purpose space rather than fitness machines
- The Complex should contain multi-purpose space (not fitness equipment) capable of accommodating a wide range of activities





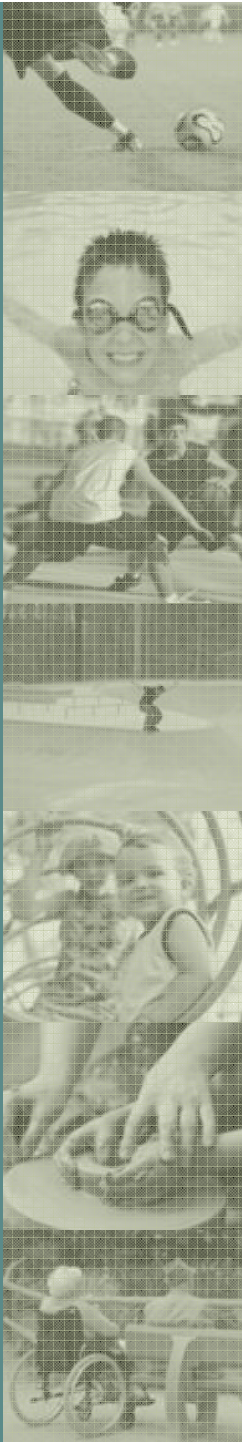
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## Older Adult/Youth Space

- A dedicated youth space (e.g., lounge) – in tandem with an outdoor skate park – should be considered
- Complex should be designed to accommodate older adults in non-dedicated spaces (e.g., walking track, activity rooms, etc.)





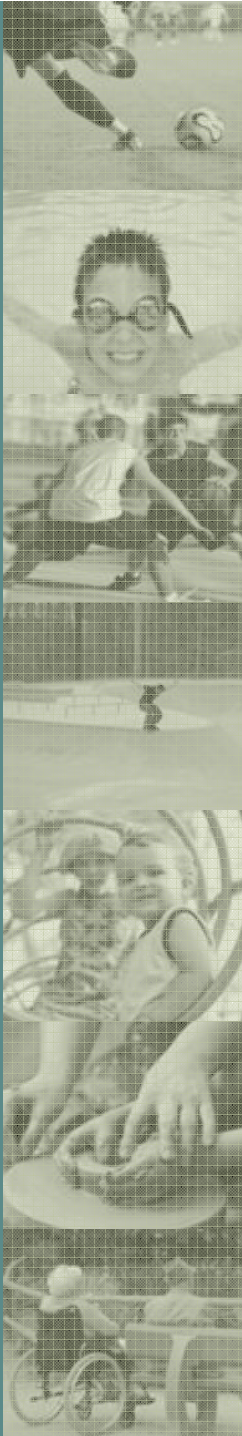
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## INDOOR Recommended Components:

- 2 ice pads (1 Olympic pad)
- Leisure pool
- 2 indoor turf fields (each 100' x 200')
- Walking track
- Multi-use program / meeting / youth space
- Gymnastics centre (in partnership)
- Restaurant / retail space





# Case Study – City of Greater Sudbury

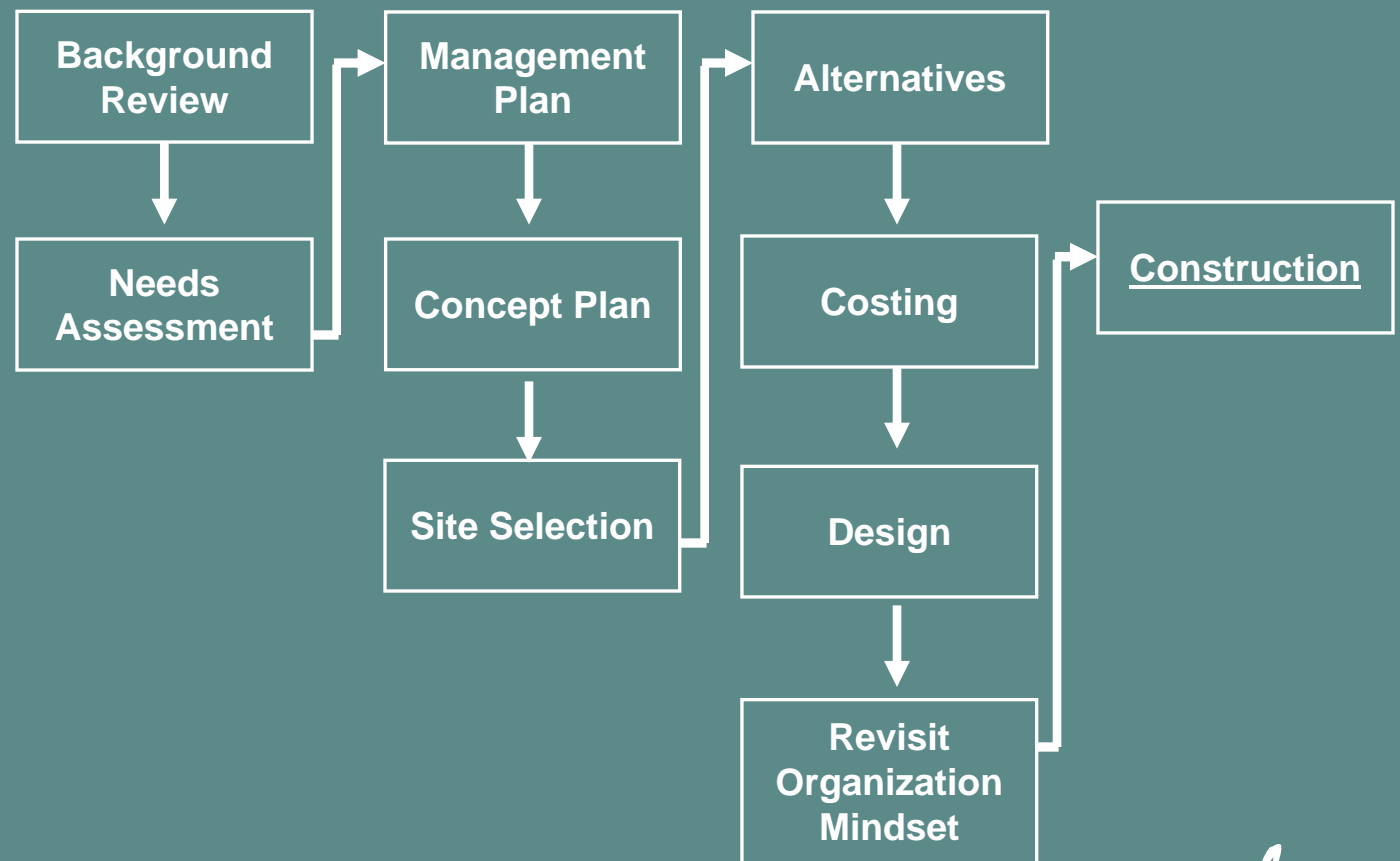
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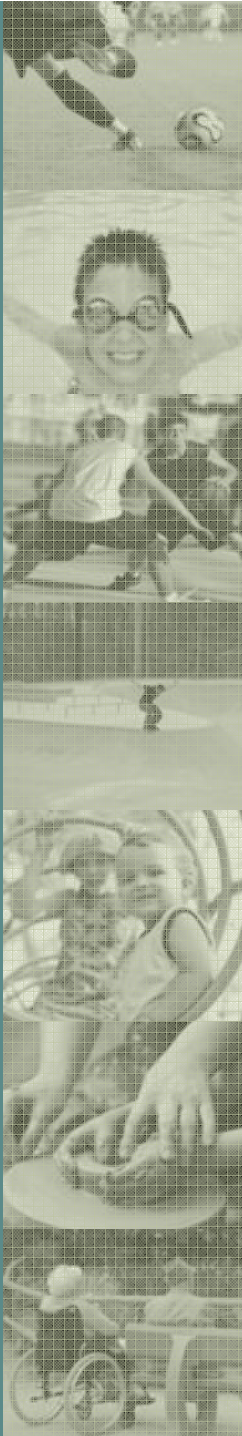
## OUTDOOR Recommended Components:

- 3 grass multi-use fields
- 1 artificial turf multi-use fields
- Park-type features



# Feasibility Study Process





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# DISCUSSION PERIOD



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