



# **Review of the Equity of FCPA's Revenue and Operating Fund**

## **UPDATE**

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January 30, 2024



# FCPA and NCS History

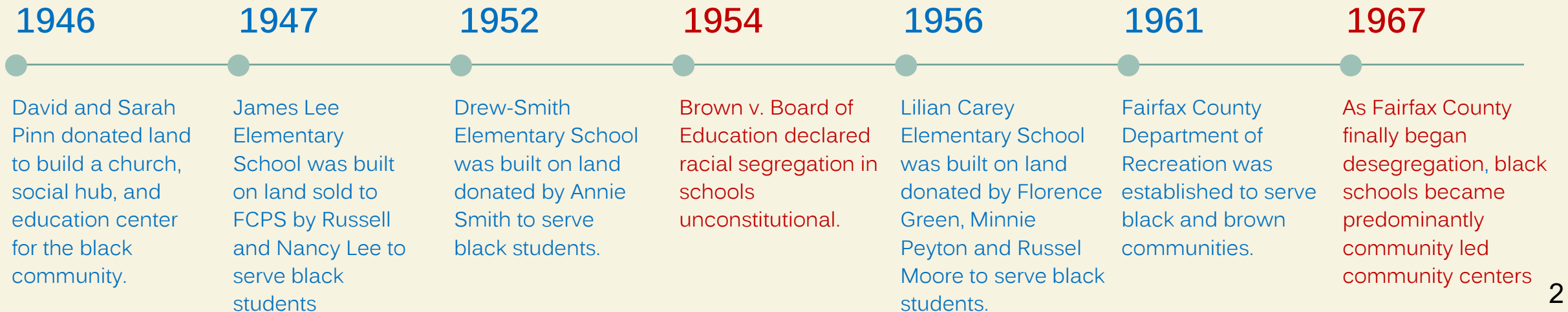


## FCPA



← Fairfax County Park Authority likely segregated →

## NCS





## FCPA

# FCPA and NCS History



1964

FCPA acquires Colvin Run Mill and Lake Accotink Reservoir.

1965

The Black community of Pine Ridge was acquired through eminent domain for a future High School that was never built. Land transferred to FCPA in 2001

1966

FCPA begins the 4 year process of acquiring Scotts Run Nature Preserve. FCPA purchases Lake Fairfax Park .

1966

FCPA purchases Lake Fairfax Park from the Lake Fairfax Corporation – likely the result of the Mott ruling. Second park bond referendum approved for \$15M

1968-70

Martin Luther King Jr., Wakefield, Mount Vernon District, Hidden Oaks Nature Center, Dranesville District, Ellanor C. Lawrence, Green Spring Gardens, are dedicated.

1971

Third park bond referendum approved. \$28M. For the first time, land acquisition was not the top priority. 51% designated for development.

1979-82

Schools needed pools. Decision was made to make pools a community benefit. Five Rec Centers were built. (Wakefield, Mt. Vernon, Providence, Lee, and George Washington.

## NCS

1967-92

Fairfax County Department of Rec used elementary schools and the Woodrow Wilson library as a hub for youth and civic activity

1968

BOS adopts Fair Housing Ordinance. County maintained structural obstacles and racial housing policies through red lining.

1965

Braddock Community Center was created on land owned by Marguerite and James Mott after they were turned away at Lake Fairfax

1972

Saunders B. Moon – a black led child development organization created the first Head Start Program in the county at the Drew Smith Elementary school.

1974

Department of Recreation was changed to the Department of Recreation and Community Services.

1975

Adoption of Comprehensive Plan for land and Resource use which maintained structural obstacles and racial policies that continued segregation through eminent domain

1986

Fairfax County department of recreation and community services established senior and performing / fine arts programs.



# FCPA and NCS Now

1982

FCPA Revenue Fund was established. Focus was on 100% cost recovery

1990s

Global Recession resulted in Budget cuts. Programs and personnel moved to ROF, fees increased, never moved back.

1995-96

DRC became DCR. Fastran and 4H added. Mott Community Center was purchased and FCPS transferred the Drew Smith Elementary School to operate the Gum Springs Community Center and Head Start.

2008

Great Recession resulted in budget cuts. Programs and personnel moved to ROF, fees increased, never moved back.

2010

DCR and Department Systems Management for Human Services merged to create the Department of Neighborhood and Community Servicers.

2015

NCS opens Providence Community Center marking the first Community Center not built for underserved communities.

2022

NCS opens Sully, Lorton and Hybla Valley Community Centers.

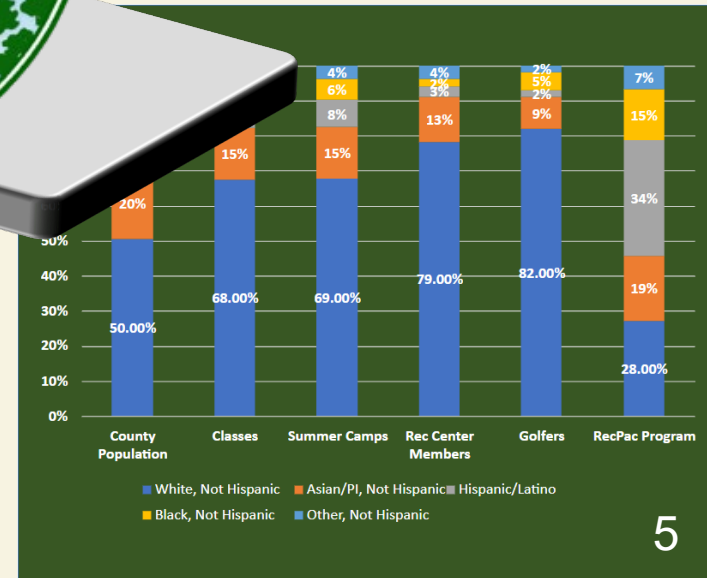
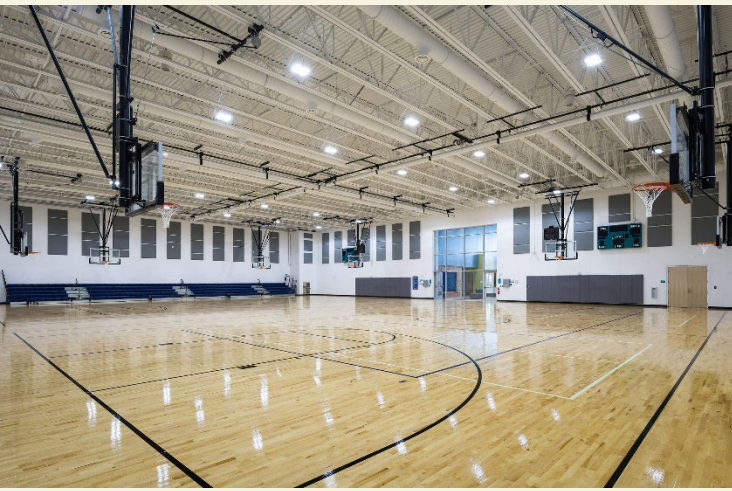




# What is our Recreation Strategy?



Fees



# Recreation | Funding for Equity

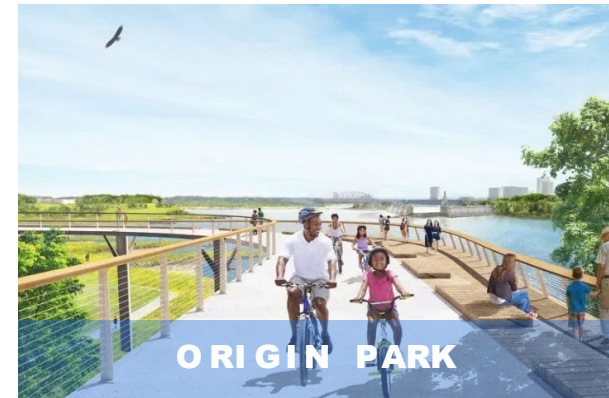
## **EXECUTIVE SUMMARY**

January 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!**



Water Mine Family Swimmin' Hole, Fairfax County Park Authority



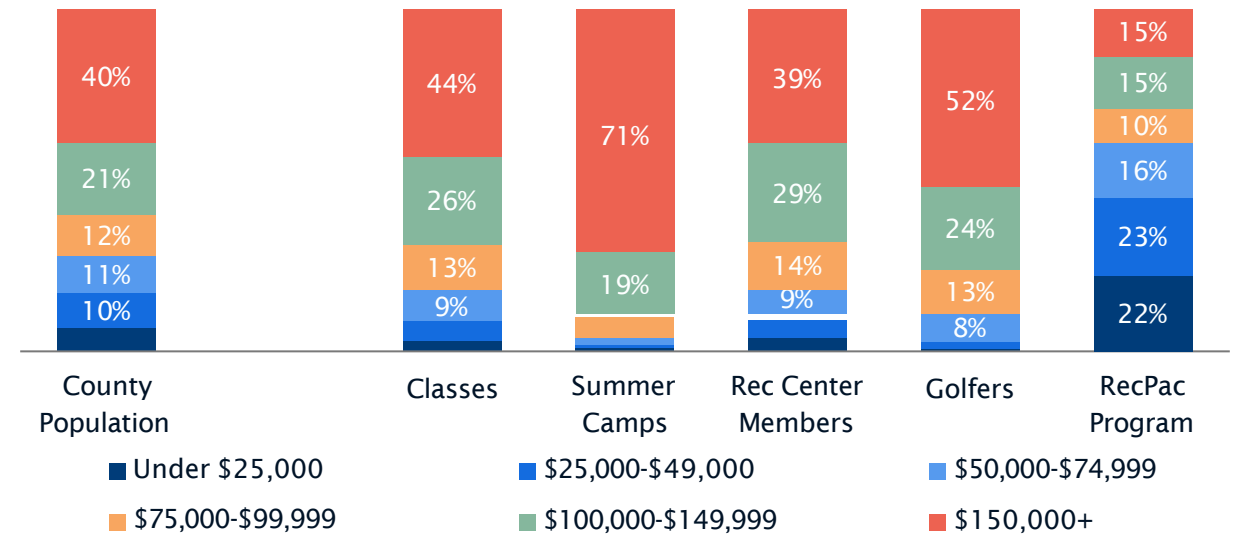
## THE PROBLEM

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.

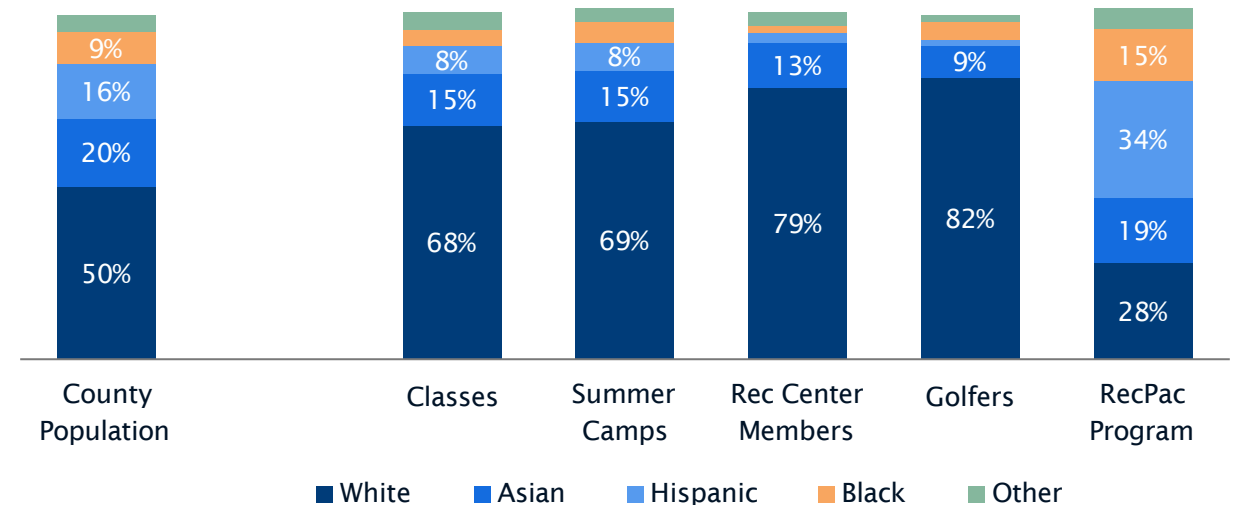
As a result, FCPA's recreation participation skews wealthier and whiter than both the population of Fairfax County and participation in General Fund programs like RecPac.

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

**Program Participation by Household Income**



**Program Participation by Race**



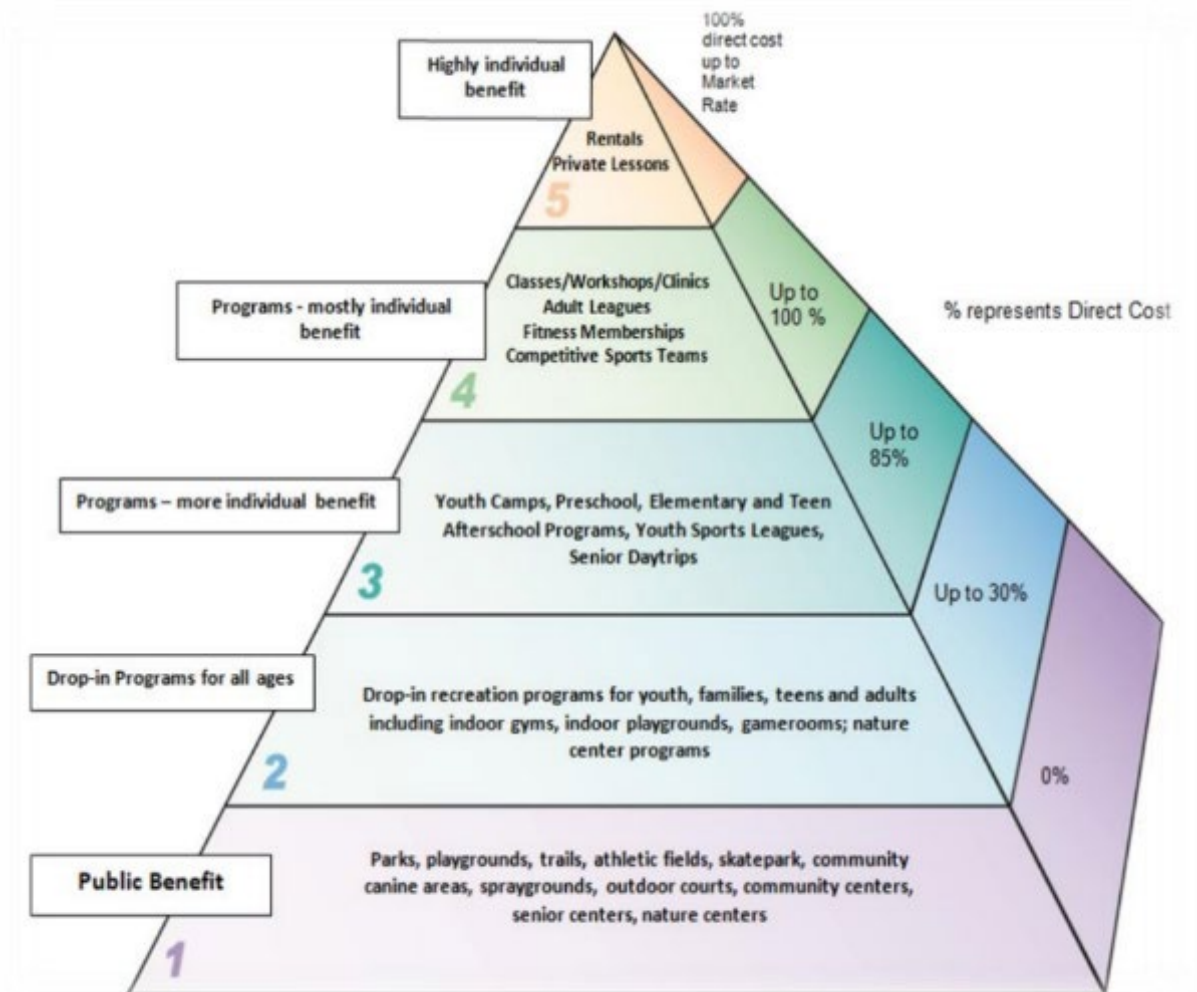
## PARKS & RECREATION BEST PRACTICES

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

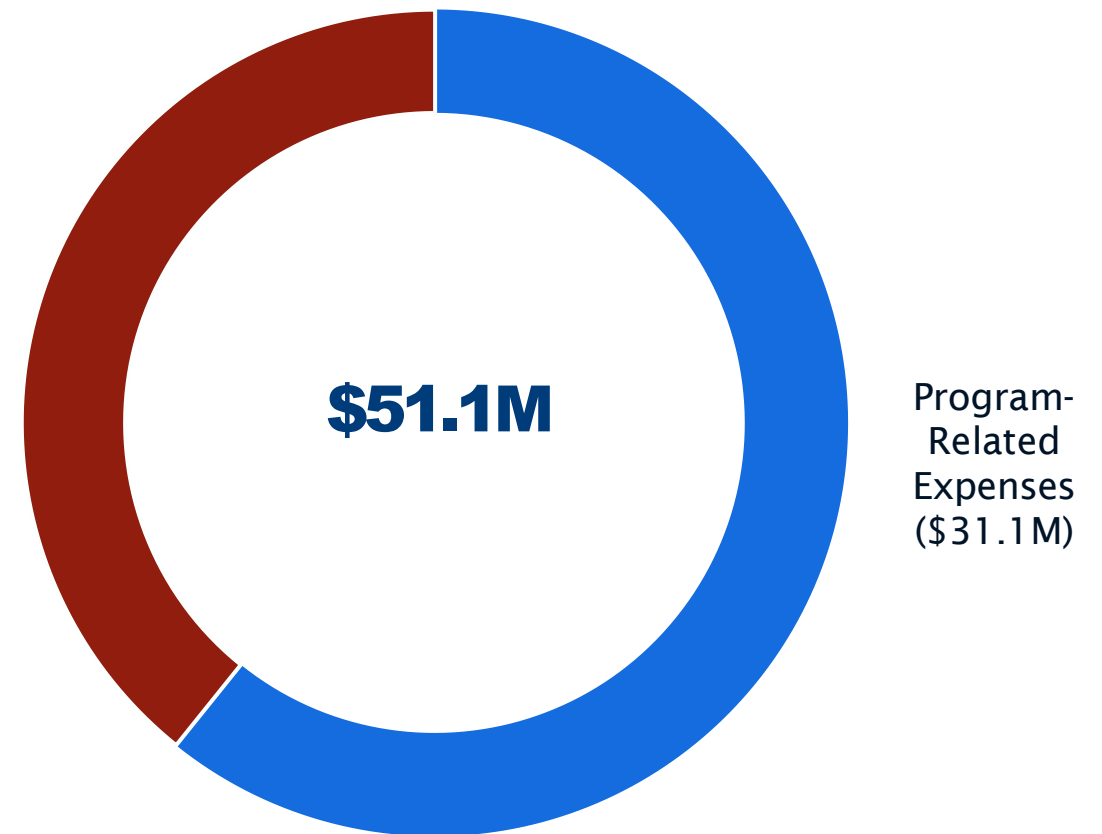
In addition, other parks and recreation agencies are rarely required to recoup costs not directly associated with programming, such as administrative and maintenance costs.

FCPA's 100% cost recovery requirement currently applies to both program costs (equipment, instructors, etc.) and overhead costs (building utilities, administrative staff, most capital reinvestment, etc.). This is different from the norm at other agencies.

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

Indirect Costs  
(\$20.1M)

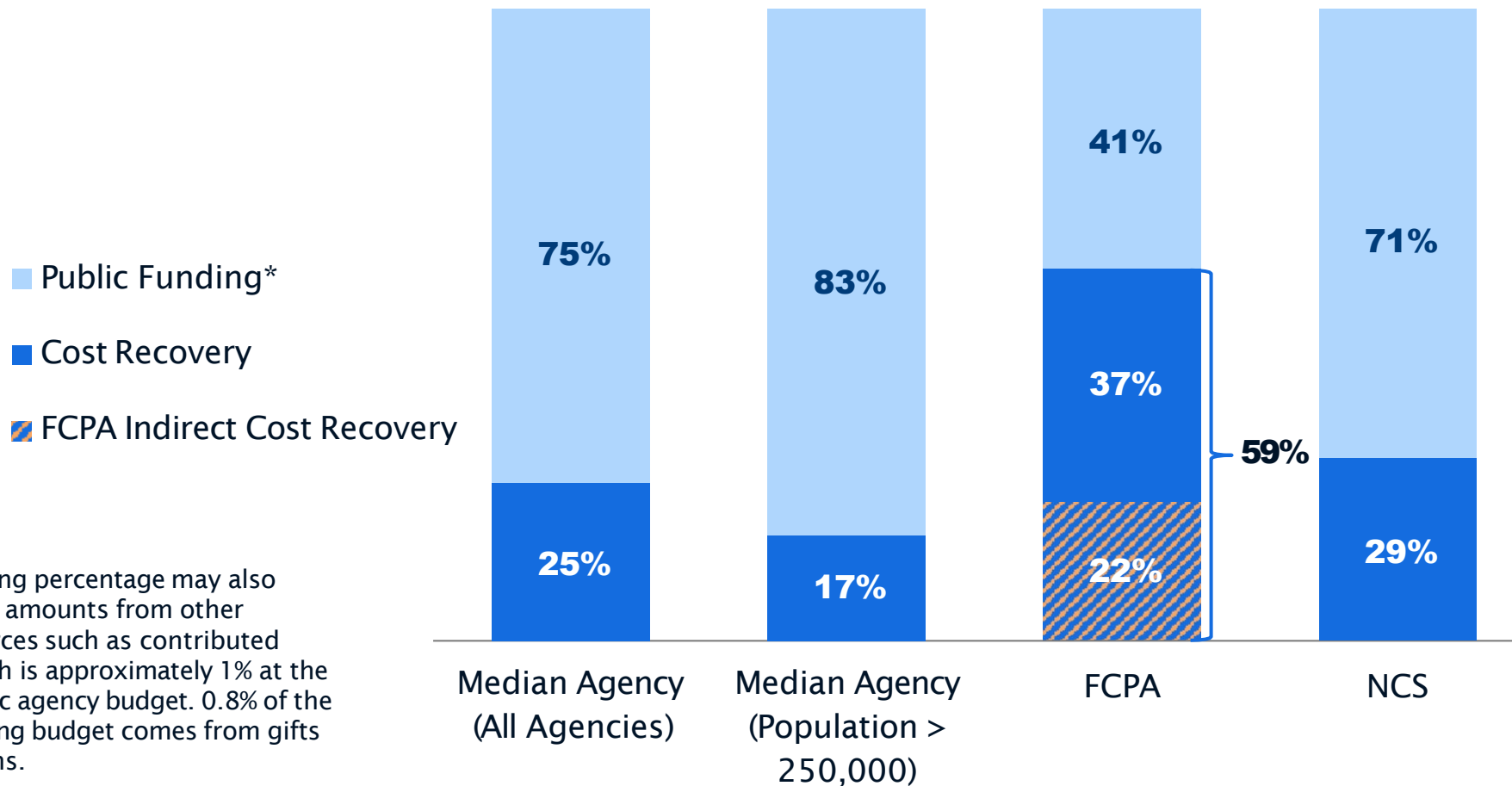
### Revenue Fund Expenses, FY23



## 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.



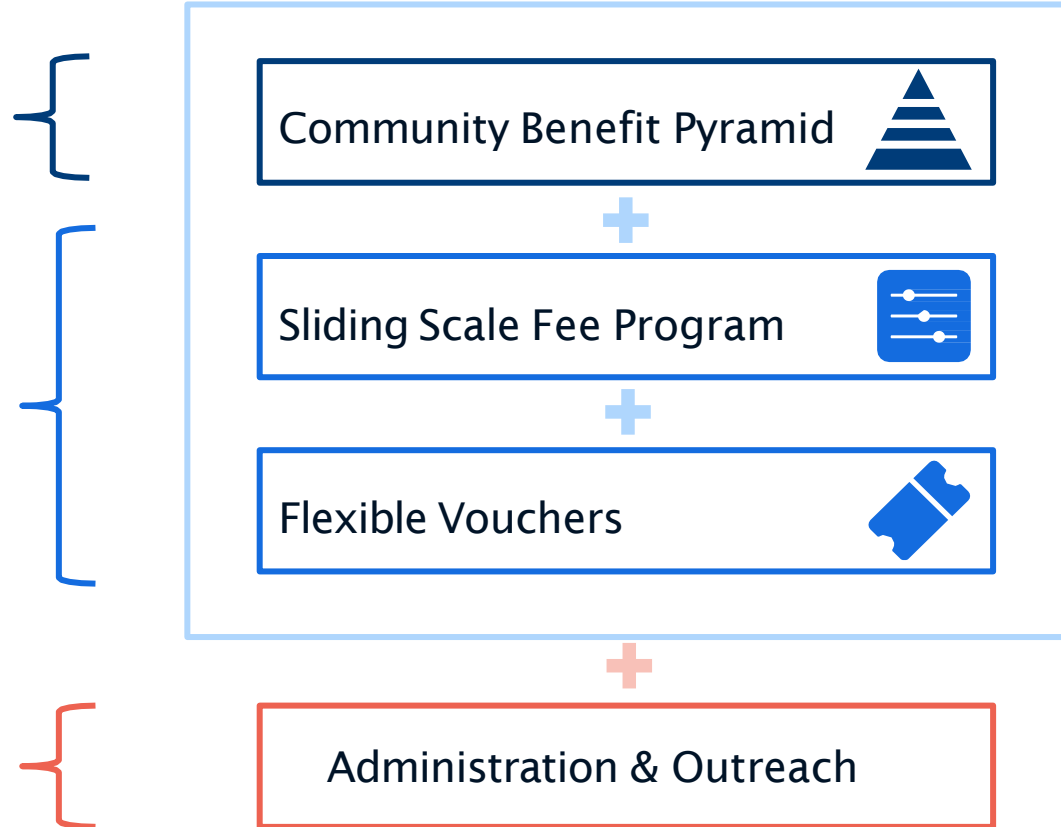
## IMPLEMENTING BEST PRACTICE TO ENSURE EQUITY

**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.

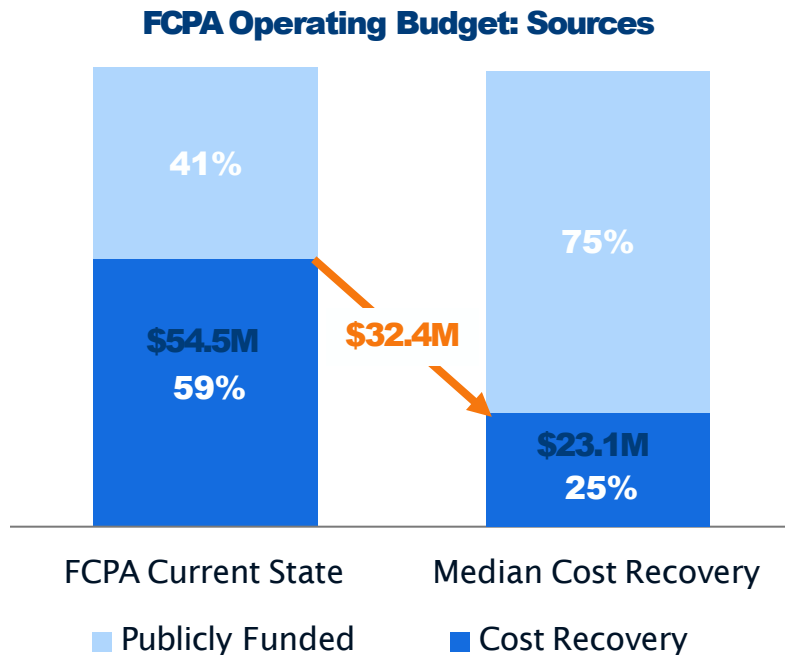
Allow for technical implementation of the programs and develop outreach resources to engage with the community.



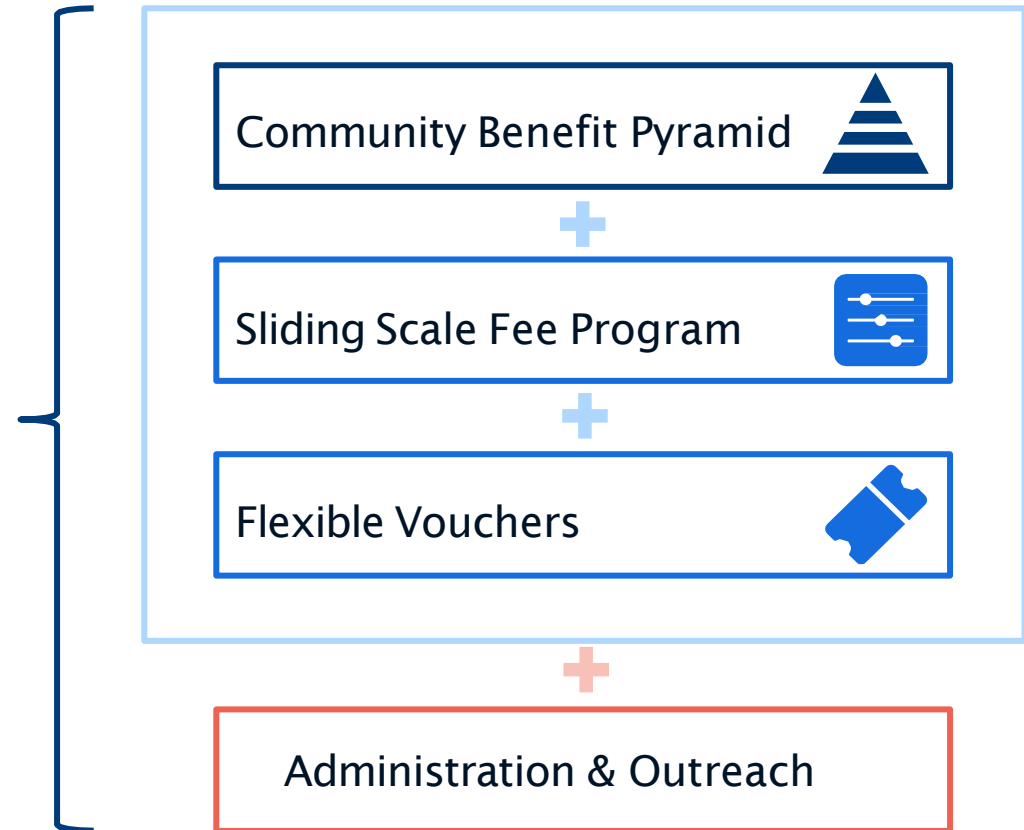
## IMPLEMENTING BEST PRACTICE TO ENSURE EQUITY

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





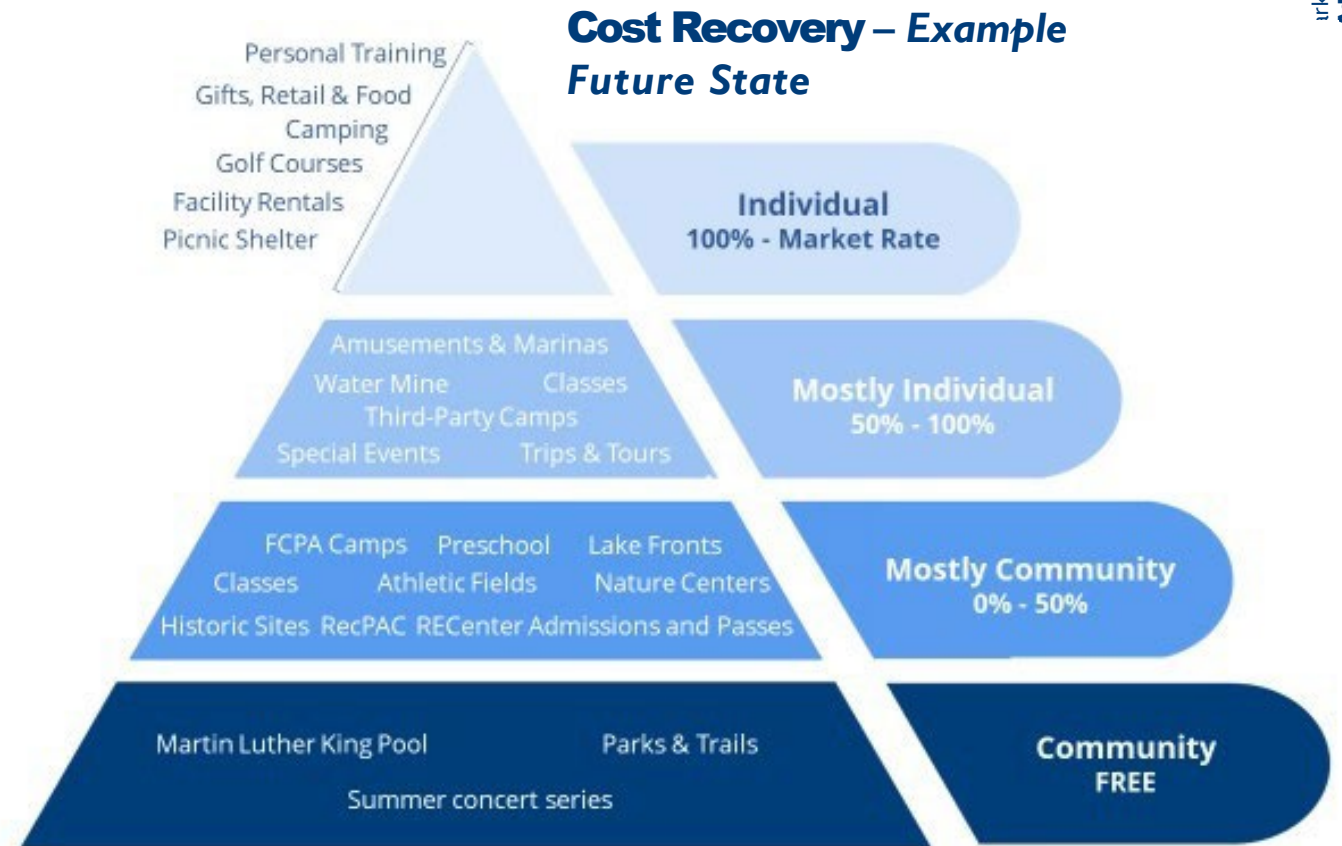
## REDUCING FEES TO ENSURE EQUITY

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.



## 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*



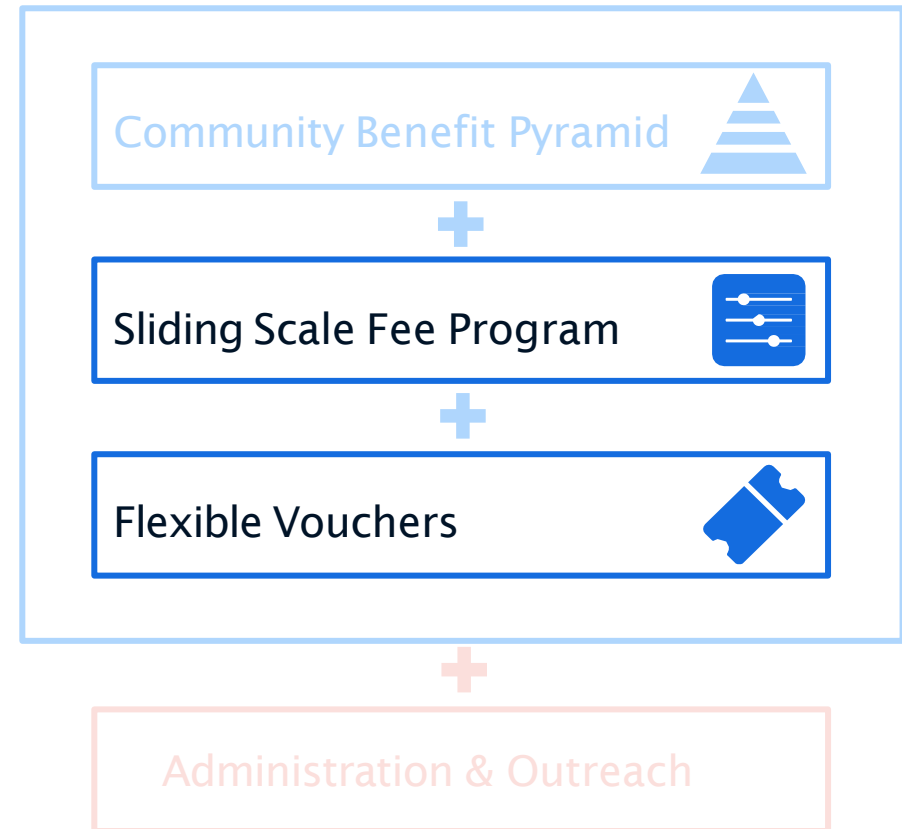
## REDUCING FEES TO ENSURE EQUITY

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**.

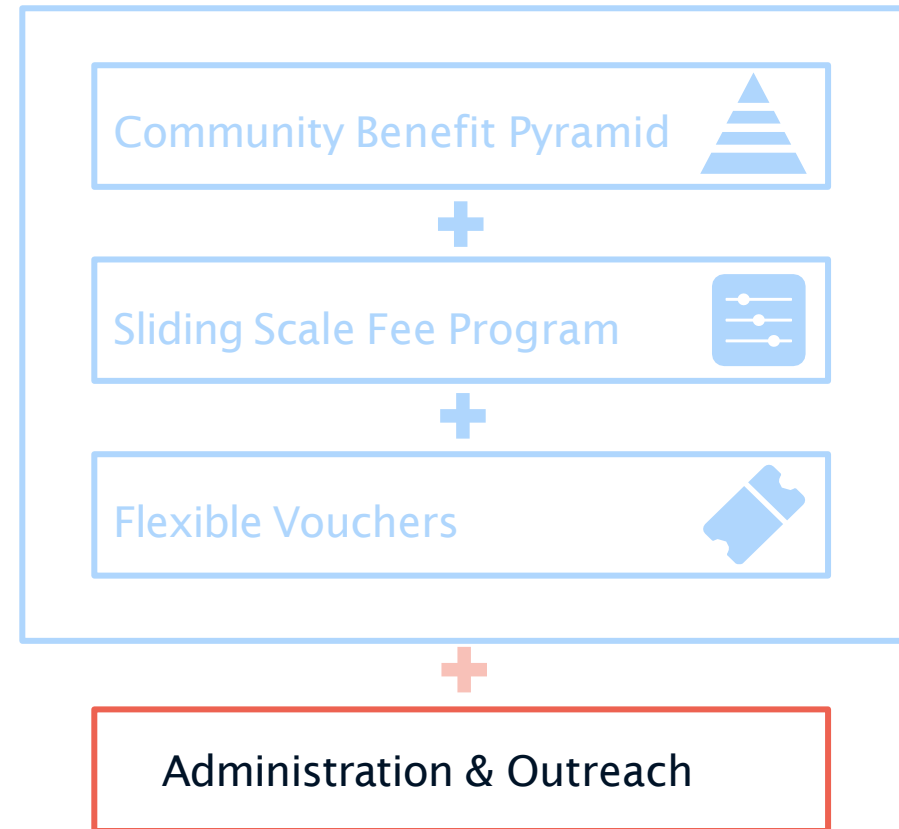
Vouchers and sliding scale fees provide targeted assistance to those who need it most but can come with administrative costs and social stigma that might discourage participation.

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.

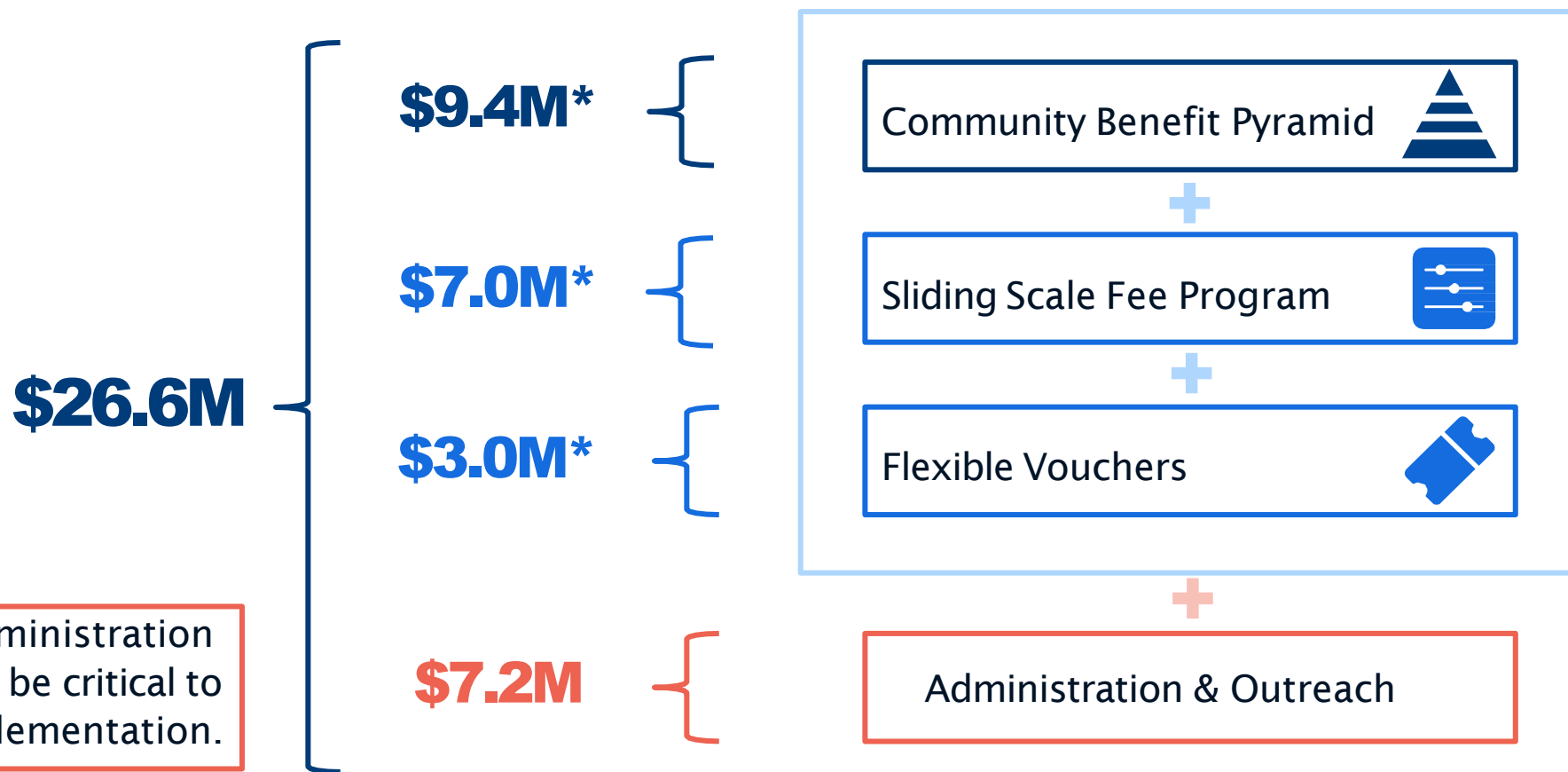
**\$7.2M** FCPA estimated administration  
& outreach costs





## REDUCING FEES TO ENSURE EQUITY

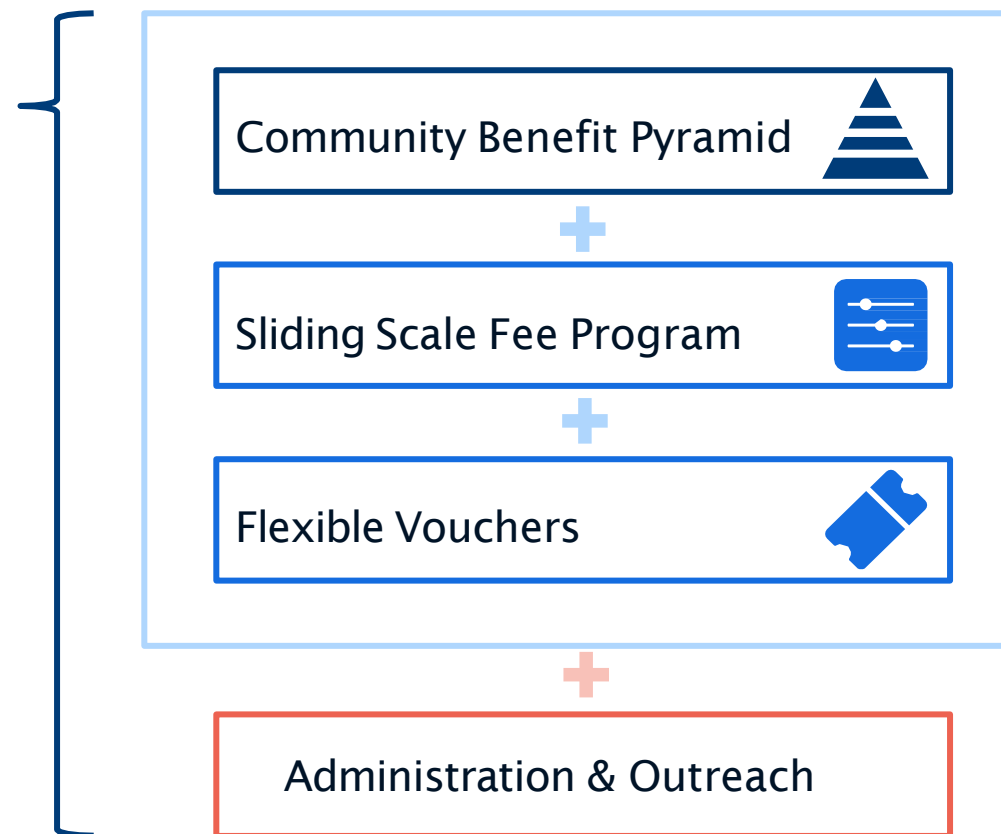
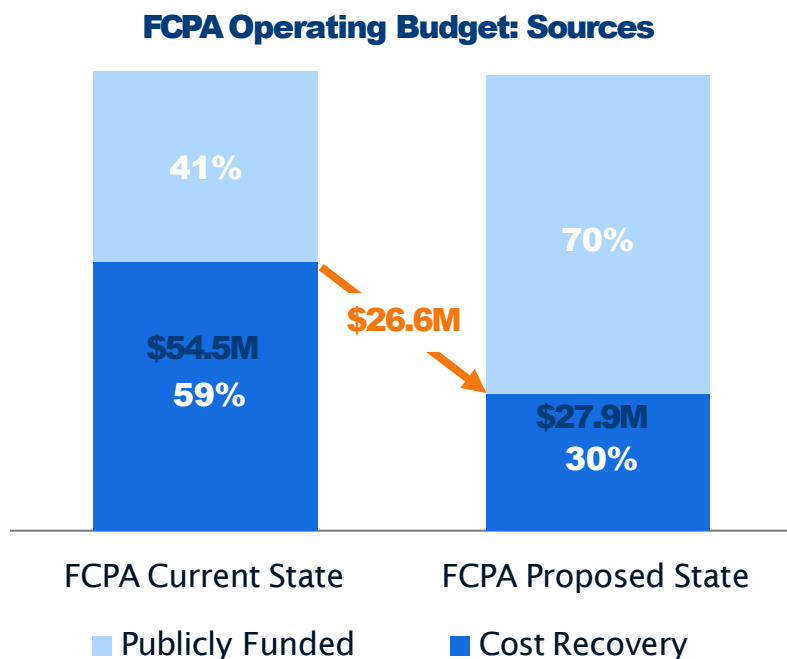
In total, FCPA is recommending a scaled-down implementation of these programs that would cost approximately **\$26.6M in additional funding as of today.**



## 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
			
Windsor Parks and Recreation	MetroParks Tacoma	Virginia Beach Parks and Recreation	Portland Parks and Recreation
Sales and use tax funding for land acquisition, stewardship, operations, and maintenance.	Property tax levy for operations and maintenance, land preservation, youth programming, and safety.	Dedicated parks and recreation tax to cover recreation center expenses.	Property tax levy for operations including the expansion and maintenance of equitable recreation services.

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

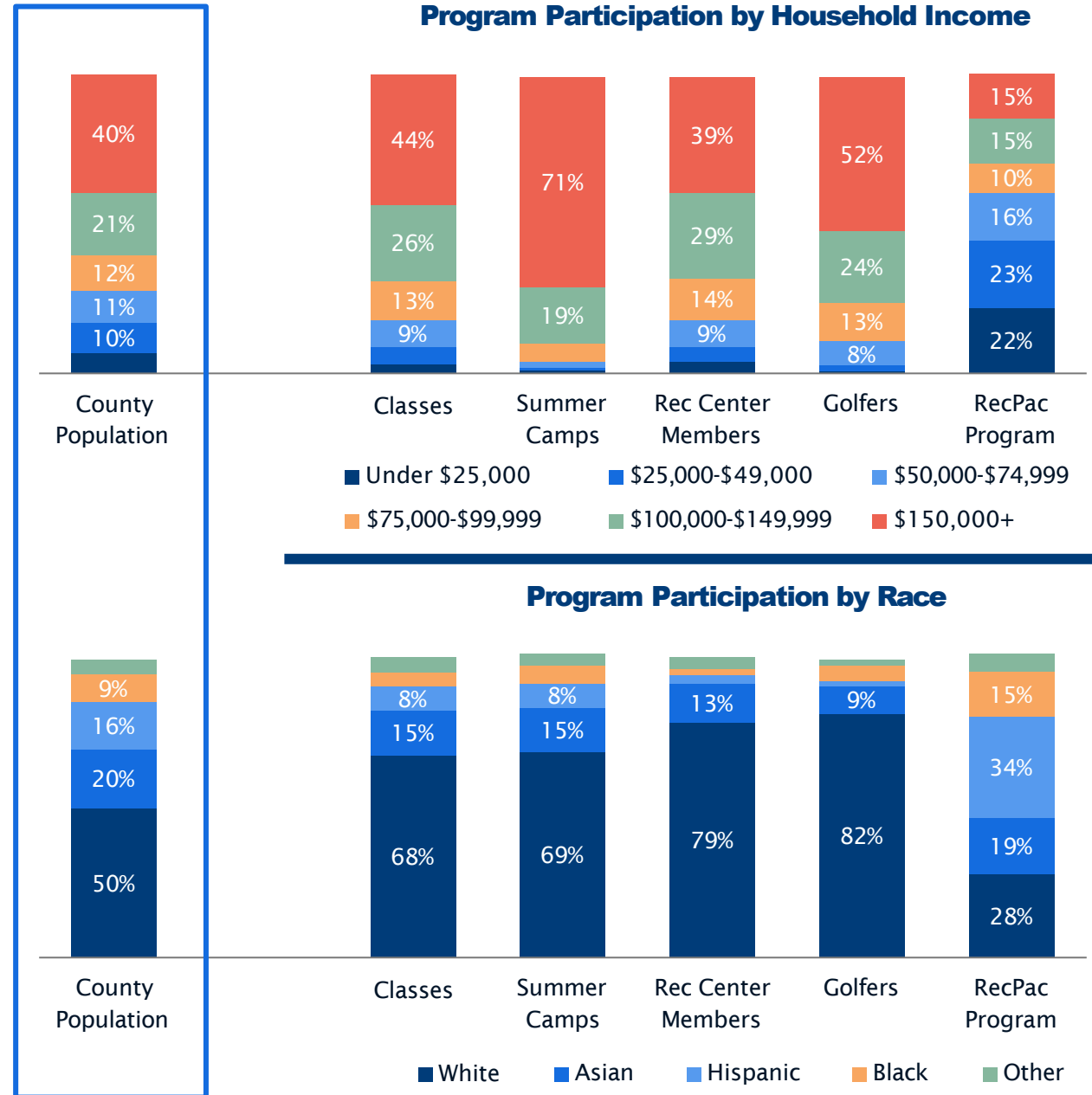


## REDUCING FEES TO ENSURE EQUITY

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.



# 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



# Additional FCPA Equity Actions

- Mobile Nature Center Activation
- REC-Pac coordination with NCS
- Sully Community Center partnership with NCS
- GARE Study, Employee Training and Community outreach
- FCPA Equity Impact Plan Implementation
- Continued Equitable hiring processes and recruitment
- Completed PROSA (Parks, Recreation, Open Space and Access Plan
- Built upon the County's Vulnerability Index- Customized
  - Created PAREI (Park Authority Race and Equity Index)

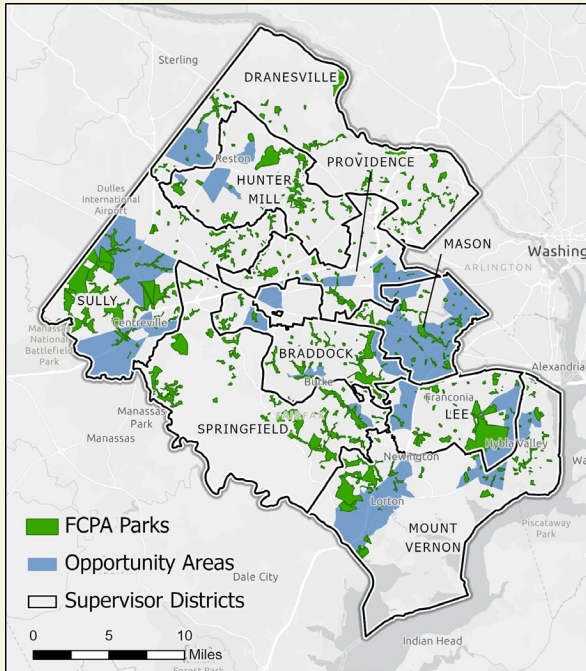




# Fairfax County Park Authority - Equity Action Plan



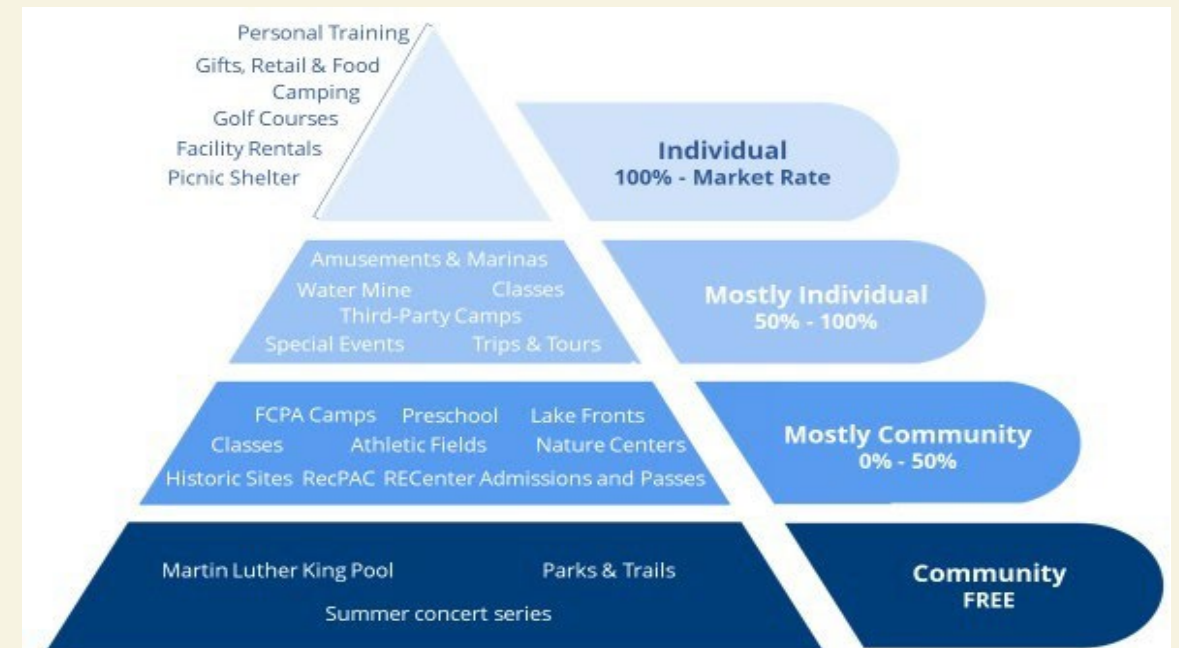
1. The FCPA workforce reflects the community we serve.



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



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



4. FCPA facilities and programs are accessible to all residents