**COMMUNITY CENTER FINANCE COMMITTEE**
**MEETING MINUTES**

**MAY 27, 2025**
**6:00pm – 7:30pm**

Member Attendance: Mike Farnsworth, Jamie Hannon, Randy Holt, Gary James, Anthony Wilson

Others in Attendance: Charles Boso, Jack Castle, Cindi Fitzpatrick, Christine Manns, Jim Russell (Pizzuti), Ashley Senn, (Pizzuti)

**Agenda Item A: Review of updated Cost Estimate**
*Refer to 052725 Projected General Program and Costs Revised document*

**Agenda Item B: Cost Recovery Discussion**

1. **How do we price?**
    a. Most communities use a 75-85% cost recovery goal. Jack agrees with this rate.
    b. The goal is to recover capital reserve and programming but not the infrastructure.
    c. Capital maintenance is ongoing maintenance after the building has been built.
    d. Local examples of cost recovery include the following:
        i. Upper Arlington – Model based on competitive and market membership rates and programming of spaces, and a cost recovery model of not less than 85% of total community center operating expenditures.
        ii. Dublin – A new policy includes the 50% cost recovery of direct and building maintenance costs, plus an assigned percentage of costs associated with certain recreation capital improvements associated with providing the service.
        iii. Columbus – Programs in the important or value-added classifications generally receive a lower priority for subsidization. Important programs contribute to the organizational mission but are not essential to it; therefore, cost recovery for these programs should be high (i.e. at least 80% overall). Value-added programs are not critical to the mission and should be prevented.
    e. Establish transparency on how and why we charge the fees we charge.
    f. Re-evaluate annually (most in December, some earlier because of registration dates).
    g. Build cost recovery into the policies.

2. **5-Tier Recovery System**
    Seattle Parks and Recreation uses a 5-tier Cost Recovery System. For a complete explanation *refer to the 052725 Grove City Cost Recovery Policy document*.

**Agenda Item C: Review of Funding Options**

1. **For the building:**
    a. General Obligation Bonds
        i. We have 2.3 mil left of the 4 mil limitation = $ 4.8 mm per year, $ 72 mm over 15 years.
    b. Reauthorization of the Pinnacle TIF (school vs non-school) = $ 50mm and $ 75mm
    c. Pinnacle NCA
        Not much discussion except some interest in the bond option.

2. **For operational:**
    a. Income Tax Increase, anywhere from .5% - 2.5 %
        i. Most cities around us are at 2.5%
        ii. Westerville allocates .25% to parks, Recreation and Open Spaces

        Consensus of keeping an increase as low as possible, leaving room for increases for other things that might come up in the city's future.
    b. Property Tax increase under current authorization
    c. Partner Revenue
        i. New TIF over the project site
        ii. Net-rent revenue after construction allocation
        iii. Income tax capture

        Not much discussion apart from the rent option.
    d. Private Fundraising
        i. Community involvement strategies
        ii. Naming rights
        iii. Grove City Parks and Recreation Foundation

The next meeting will be Tuesday, June 10 @ 6:00pm.

Christine Manns
Christine Manns, Project Coordinator
Grove City Parks & Recreation Dept.
Acting Secretary

Jack Castle
Jack Castle, Director
Grove City Parks & Recreation Dept.
Meeting Chair

REV 5/27/25

Projected General Program and Range of Costs
Grove City Multi-Generational Community Center

**Base Program:** Approximately 188,500 s.f. building including all program elements of the Pros/Williams study plus the following key additions:

- Four community rooms (± 2000 sf)
- Senior Center Space (based on Evans Center) 14,000 sf
- Demonstration kitchen (± 2000 sf)
- Pizzuti Solutions recommended additional building support and circulation space
- 350 parking spaces, landscaping, storm detention
- Additional land adjacent to building for future expansion (5 acres)
- Site area of 15.4 acres
- Land purchase budget of $5.0MM included
- Soft costs for professional services, equipment, etc.
- Building Construction Cost $67.9mm-$74.7mm
- Base Program Project Cost $93.9MM-$102.2MM

**Tournament Site:**

- 2 championship fields
- 10 additional tournament fields
- 270 parking spaces, landscaping, storm detention
- Restrooms, concessions
- Site area of 31 acres
- Land purchase costs **NOT** included
- Soft costs for professional services, equipment, etc.
- Tournament Site Total $17.0MM - $18.7MM

**Working Projections:**

- Required Site Area for Base Program plus Tournament Site 46.4 acres (minimum)
- Total Projected Base Program plus Tournament Site $110.9MM-$120.9MM

## Grove City Cost Recovery Policy

The Parks and Recreation Department will implement a cost recovery policy to allow its facilities, programs, and services to grow and remain financially sustainable. The Department will set fees according to this policy and use cost recovery targets guided by the policy to benefit the City of Grove City residents. A fee reduction and financial scholarship program will be created for the Department to accompany this cost recovery policy.

Why is a cost recovery policy important

- To establish a basis of fees and rationale for the pricing structure
- To ensure staff and residents know all associated costs and the set price structure.
- To demonstrate consistency, structure and uniformity throughout the Department
- To promote transparency for the public
- To become more efficient for the residents, provide better services and remain sustainable.

The process used to develop the Parks and Recreation Cost Recovery Policy

- The Director of Parks and Recreation created a committee of Parks and Recreation employees.
- Research was conducted on comparable cities to review various fee policies
- A five-tier system of cost recovery was recommended.
- All staff were surveyed to help place programs and services into one of the five tiers.
- The committee assigned cost recovery percentages to each tier based on research
- Each program and service provided will be assigned a total operating cost based on actual costs.
- The Park Board, city leadership and City Council reviewed and approved the final draft

**The five-tier Cost Recovery model (Exhibit A)**

The following model will represent all categories of programs and services provided by the Parks and Recreation Department of the City of Grove City. The model is based on the degree of benefit to the community, and the fee structure will be based on the benefits shown. Services deemed to benefit mainly individuals will be assigned a larger cost recovery goal. Those who benefit the community will have minimal to zero cost recovery goals. Each Departmental program or service will be placed within the five-tier system and a cost recovery range will be assigned to the at tier.

- **Mostly Community Benefit:** Services and programs that increase property values, provide safety, address social needs, and enhance quality of life for residents.
- **Considerable Community Benefit:** Services and programs that promote individual physical and mental well-being and may begin to provide skill development.
- **Balanced Benefit to both Community and Individual:** Services and programs that promote individual physical and mental well-being and provide an intermediate level of skill development.
- **Considerable Individual Benefit:** Specialized services and programs generally for specific groups and those with a competitive focus.
- **Mostly Individual Benefit:** Services and programs with profit center potential may be in the same market space as the private sector or fall outside the agency's core mission.

**Cost Recovery Guidelines, Descriptions, and Definitions**

- **Direct Cost** will be defined as any expenditure directly related to the operation of the service or program.
    - All associated staffing costs, including benefits
    - All supply and service costs, which may include additional required maintenance.
- **Indirect Costs** will be defined as any other than capital expenses not applied to direct costs.
    - Utilities, routine maintenance, and routine custodial.
    - Depreciation, administration, and fleet costs.
- **Capital Costs** will be defined as improvements or renovations to a facility that is not otherwise classified as maintenance. Capital costs will be determined as a three-year average if a program or facility has no average available.

Assigned Departmental Cost Recovery Goals for all Services and Programs

**Tier 1: Mostly Community Benefit**. The programs and services listed below are entirely community benefits. These programs are targeted to recover 0% to 15% of direct costs. Some of these services may be appropriate for funding sources such as grants, donations, and volunteers. 85% to 100% of direct expenses within this tier may be subsidized, and 100% of indirect and capital expenditures may be subsidized.

- Community-wide Events—community-wide events typically organized by the Department and in partnership offered annually. These include but are not limited to, Ecofest, Fireworks, Homecoming, Wine and Arts, Arts in Alley, and Christmas.

- Non-Monitored Park/Facility Usage and Maintenance—stewardship of public spaces, rights-of-way, and facilities, and drop-in use of a park/facility/activity that is non-registered and non-instructed and is not monitored by department staff/volunteer supervision. This includes, but is not limited to, trail use, playgrounds, passive park areas, Breck dog park, skate park, public art, etc.
- Volunteer Program—management of opportunities for individuals or groups to donate their time and effort to structured or scheduled experiences, Including, but not limited to, park clean-ups, recreation center volunteers, special event volunteers, etc.
- Historic Cultural Amenities—protection and maintenance of the department's historic features, including, but not limited to, the Museum, the Grant-Sawyer Home, Century Village, Gantz Farmhouse and any other structures, statues, murals and monuments.

**Tier 2: Considerable Community Benefit.** The programs and services listed below are primarily a community benefit with minimal to partial fee support. These programs are targeted to recover 25% to 50% of direct costs. Some of these services may be appropriate for funding sources such as grants, donations, and volunteers. 50% to 75% of direct expenses within this tier may be subsidized. 100% of indirect and capital costs may be subsidized.

- Monitored Park/Facility Usage and Maintenance – drop-in use of a park/facility/activity that is non-registered and may or may not be instructed but is monitored by agency staff/volunteer supervision
- Included but not limited to drop-in gym, weight room/fitness room, billiards/cards, etc.
- Therapeutic/Adapted/Special Recreation Services – specialized recreation opportunities for people with disabilities designed and managed to be specific to these populations' physical, cognitive, social, and affective needs.
- Youth sports league participation - entry-level recreational and instructional programs and activities; no pre-requisite for attendance. The City of Grove City Parks and Recreation offers activities.

**Tier 3: Balanced Benefit.** These programs and services balance community and individual benefits and are primarily fee-supported. These programs are targeted to recover 50-85% of direct costs. This tier may subsidize 15-50% of direct costs, and 100% of indirect and capital expenditures may be funded.

- Permit Services – non-rental permit services issued to businesses or individual groups for non-exclusive use of Grove City property and included but not limited to special activity permits, disc golf events, fishing events, filming/photography rights on Grove City property, parking, block party permits, special events permit, etc.
- Classes, Programs, Workshops, and Clinics – Beginning/Multi-Level – entry-level group recreational and instructional programs and activities; no pre-requisite for attendance. Includes but is not limited to instructed classes, Programs, Workshops, and Clinics – Intermediate – focus on intermediate activities; has a pre-requisite for attendance.
- Classes, Programs, Workshops, and Clinics – Advanced – focus on advanced activities, certification or activities; has a pre-requisite for attendance.

**Tier 4: Considerable Individual Benefit.** These programs and services have high individual benefits and should incur minimal subsidies in the form of tax dollars. These programs are targeted to recover a minimum of 85-100% of direct costs and 60% of all costs, including direct, indirect, and capital. This tier will have no direct cost subsidy, and 40% of total expenses may be subsidized.

- Exclusive Use Permits & Rentals - Non-Profit/Civic – rentals for the exclusive use of spaces and facilities on a one-time or ongoing basis by a 501 (c)(3) or (c)(4) non-profit/civic agency for a non-fundraising or admission event or activity. They included but were not limited to neighborhood associations, non-profit organization meetings, Grove City Rotary Club, YMCA, Little Theatre off Broadway, etc.
- Trips and Tours not related to summer camps – day, overnight, and extended trips that allow participants to visit selected destinations. Included but not limited to Senior trips from Evans Center, etc.
- Race Event Permits- participants register for a timed fixed distance or fundraising event following an approved course with a designated start/finish location. Included but not limited to walking, running, cycling, or operation of a non-motorized device in any organized activity
- Youth Camps – Monitored and structured half-day or full-day youth programs focusing on a single physical, creative or enrichment activity. They have different weekly themes and are typically pre-registered and offered in a weeklong session. Includes but is not limited to summer Camps for generalized recreation with or without specific themes.
- Before and after school care, including but not limited to P.A.R.K. and RecSchool registered programs.

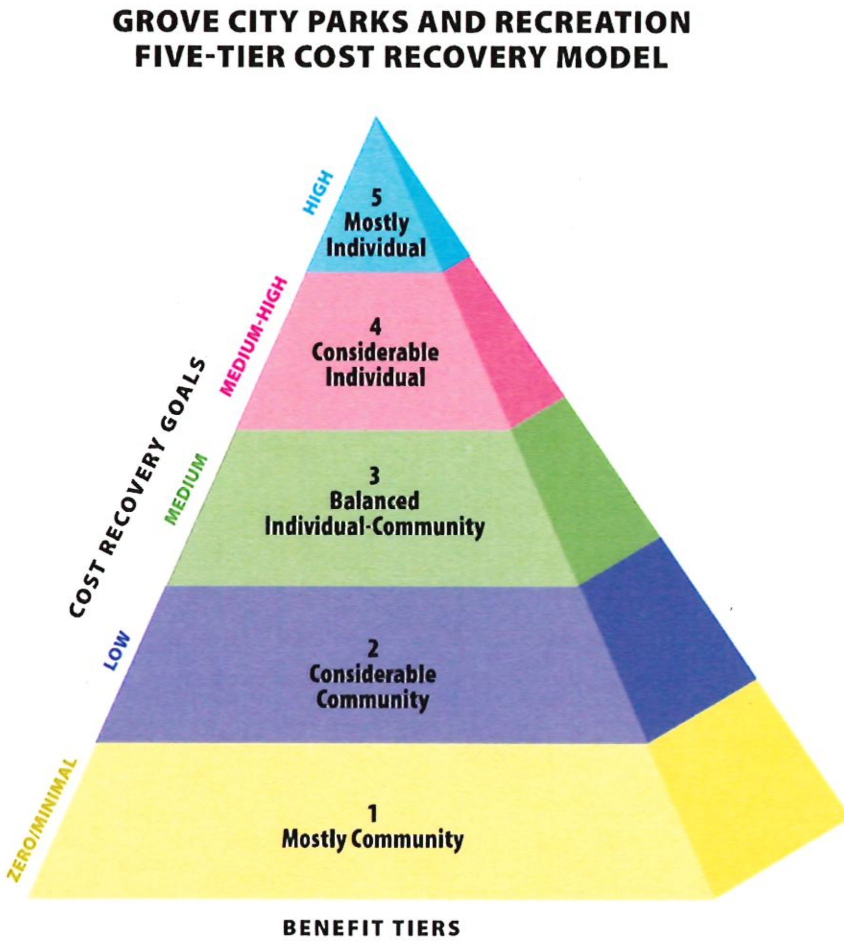
**Tier 5: Mostly Individual Benefit.** These programs and services are for individual benefit and should incur minimal to no tax dollars subsidy whenever possible. These programs are targeted to recover 100% of all direct costs and 80% of total expenses, including direct, indirect, and capital. This tier will have no direct cost subsidy and a maximum of 20% of total costs may be subsidized.

- Exclusive Use Permits & Rentals – Private rentals for the exclusive use of spaces and facilities on a one-time or one-season basis by a private individual, group, or for-profit business. Included but not limited to field permits at Windsor and Fryer Park, Eagle and Beulah Pavilion rentals, tennis and pickleball court permits, shelter and private/gated special events held on Grove City property.
- Concession and Vending – in-house, contracted or private food, beverage & retail sold for individual use or consumption on Grove City property and included but not limited to baseball and softball food concessions, concession/vending cart operations, etc.
- Adult and youth Advanced Competitive Sports Leagues, tournaments, practices and Activities – Sports/non-instructional, competitive leagues. They scheduled one-time sporting and multi-game events for various age groups, organized and managed by Grove City Parks and Recreation. The games are typically officiated and scored, providing team experience for participants intending to play a game/match format or compete. They included but were not limited to Softball, flag football, tennis, basketball, volleyball, etc.
- Organized Parties—include an organized activity provided by staff and the use of space; could consist of food, cake, entertainment, and favors. They included but were not limited to birthday party packages, etc.

**Department Adjustments deemed necessary**

The City of Grove City will establish fees based on cost recovery targets and tier placement. However, demand, market conditions, and industry trends will also be considered to ensure the continuation of the program or service.

Exhibit A



GROVE CITY PARKS AND RECREATION
FIVE-TIER COST RECOVERY MODEL
HIGH
5
Mostly
Individual
MEDIUM-HIGH
4
Considerable
Individual
MEDIUM
3
Balanced
Individual-Community
COST RECOVERY GOALS
LOW
2
Considerable
Community
ZERO/MINIMAL
1
Mostly Community
BENEFIT TIERS