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INTRODUCTION

The Department of Parks, Recreation and Boulevards is currently renovating the Tony Aguirre Recreation Center. Due to interest in new programs by the advisory board, staff and other stakeholders since the original construction of the facility in 2000, the department and some elected officials have pledged support to finance new construction at the center to accommodate the programming needs. In response to the interest and support for improving the center, this market analysis was commissioned to determine the following:

- Analysis of current facility users and their expectations for improvements to the center
- Current deficiencies at the center which preclude staff from responding to user requests for programming
- Recommendations from the consultant which would respond to the deficiencies which have been identified
- Identification of the service area covered by the center
- Analysis of the demographics of those who live in the service area
- Analysis of the programs and services being provided by others within the service area
- Revenue potential for additions to the center

PLANNING PROCESS

The process was designed to include participation by the Tony Aguirre Community Center Advisory Board (TACC), the Irene Ruiz Library Staff, the Westside Community Action Network (CAN), staff of the Tony Aguirre Community Center and senior staff of the Department of Parks, Recreation and Boulevards.

Citizen Input - The consultant received input from participants at the Advisory Board Meetings on July 20 and August 2, 2005; written correspondence from stakeholders on several occasions during July; and, from staff on site visits. *The chair of the advisory board suggested that the market study be driven by the board's goals of family activities and spaces to address health and obesity issues.*

In general, the comments included requests for the following:

- Spaces that would accommodate family activities
- Programs that would address health and obesity issues
- A portable stage in a multi-purpose room
- Programs that would enhance self-esteem such as acting classes
- Challenge course that would include wall climbing
- The need for one large versatile space and classroom space that allows for opportunities to do several things at once
- Exercise room for various activities
- Recapture the teen space

ANALYSIS OF SERVICE AREAS – THREE MINUTE AND FIVE MINUTE DRIVE TIME

The consultant met with the Tony Aguirre Advisory Board and Westside Community Action Network representative to identify the primary and secondary service area for the center. Identification of the service area is important as subsequent steps in the planning process include a demographic analysis of those living in the service area and analysis of their program and facility preferences.

Group discussions concluded that the primary service area is considered to be within a three minute drive time of the center. A map has been attached to this report which graphically displays the three minute drive time. The map shows that the area increases to accommodate ease of driving and the shrinkage that occurs when there is resistance to driving conditions. *A three minute drive time* generally covers the following area:

- 31st street on the south
- 10th street on the north
- Holmes Street on the east
- State Line on the west

A five minute drive time from the center is considered to be the secondary market service area. A map has been attached to this report which graphically displays the five minute drive time. The boundaries of the five minute time are generally as follows:

- The Missouri River on the north
- 36th Street on the south
- Prospect Avenue on the east
- 7th Street Trafficway on the west

Kansas City, Missouri and Mid America Regional Council Growth Projections - Based on growth rate data received from the Kansas City, Missouri Planning Department and the Mid America Regional Council, growth is projected in the three minute and five minute service areas created by BWR. Their projections show steady growth in both areas through 2030.

Table 1: KCMO & MARC Growth Projections for approximated three minute drive time for 2030

CENSUS YEAR	POPULATION	PROJECTED CHANGE	PERCENT INCREASE PER DECADE
2000	5108		16.6%
2010	5956	848	12.8%
2020	6718	762	10.2%
2030	7404	686	

Table 2: KCMO & MARC Growth Projections for approximated five minute drive time for 2030

CENSUS YEAR	POPULATION	PROJECTED CHANGE	PERCENTAGE CHANGE
2000	22,747		6.1%
2010	24,135	1388	5.8%
2020	25,534	1399	4.5%
2030	26,683	1149	

BWR analysis of Census 2000 for the three and five minute drive times – BWR staff analyzed the 2000 census to determine the population by age and ethnicity in the three and five minute drive times. The data is presented in the table below:

Table 3: Demographic Data by Drive Times of Three and Five Minutes

CHARACTERISTIC	THREE MINUTE DRIVE TIME	FIVE MINUTE DRIVE TIME	PERCENTAGE OF TOTAL
Population	5108	22,747	
RACE			
White	2403	10,617	3 minute (47%) 5 minute (46.7%)
Black	1282	8,546	3 minute (25.1%) 5 minute (37.6%)
Asian	54	512	3 minute (1.1%) 5 minute (2.3%)
Other	1369	3,072	3 minute (26.8%) 5 minute (13.4%)
ETHNICITY			
Hispanic Ethnicity*	2494	4446	3 minute (48.8%) 5 minute (19.5%)
COHORTS			
Age under 5	383	1389	3 minute (7.5%) 5 minute (6.1%)
Age 5 to 17	851	3311	3 minute (16.7%) 5 minute (14.6%)
Age 18 to 21	364	1340	3 minute (7.1%) 5 minute (5.9%)
Age 22-29	798	4269	3 minute (15.6%) 5 minute (18.8%)
Age 30-39	881	4153	3 minute (17.2%) 5 minute (18.3%)
Age 40-49	801	3542	3 minute (15.7%) 5 minute (15.6%)
Age 50 to 64	525	2629	3 minute (10.3%) 5 minute (11.6%)
Age 65 and above	505	2114	3 minute (9.9%) 5 minute (9.3%)

* The census distinguishes between race and ethnicity but the two are not added together

DEMOGRAPHIC ANALYSIS OF THE SERVICE AREA

Analysis of the age, ethnicity and projected service area growth provide insights for consideration as potential facility improvements are evaluated.

- Hispanics and whites are the predominant ethnic groups at 47% for whites and 48.8% for Hispanics
- Age groups are evenly divided for ages 5 to 17, 22 to 29, 30 to 39 and 40 to 49
- Recreation programming will need to consider some of the following:
 - activities that develop self-esteem such as acting classes/events
 - family activities during the day and evening
 - health and wellness education and activities to reduce obesity and other preferred outcomes
 - educational opportunities in classes of all types

ANALYSIS OF CURRENT FACILITIES AT THE TONY AGUIRRE CENTER

Total size of the center is 24,977 sq. ft. Existing amenities are shown in the table below.

Table 4: Tony Aguirre Amenities

AMENITY	SIZE IN SQUARE FEET
Gymnasium	7800
Kitchen	256
First floor lobby, locker area and common area	7250
Pool	6756
Men's and women's upstairs restroom	320
Meeting room	1150
Upstairs common area	1445



Existing amenities in Table 4 are typically included in a community center. Other amenities that are typically included in a community center but are not at the Tony Aguirre Center are a fitness area, multi-purpose room and indoor walking/jogging track.

The addition of a fitness center and multi-purpose room is possible with new construction; however, the addition of an indoor walking/jogging track is not.

OTHER PROVIDER ANALYSIS

In addition to the programs and services offered at the center, others in the primary and secondary markets also provide programs and services. Those other providers include Golds Gym, Penn Valley Community College, Hallmark, Guadalupe Center, YMCA, Curves and Yards Athletic Club.



Table 5: Other Providers by Type and Services Offered

OTHER PROVIDER	PROVIDER CLASSIFICATION	SERVICES OFFERED
Golds Gym	Private	Free weights, cardio, strength equipment, exercise classes and racquetball
Penn Valley Community College	Institutional	Free weights, strength equipment, cardio and exercise classes
Hallmark	Private	Exercise class area, free weights and cardio
Guadalupe Center	Non-Profit	Leisure programming
YMCA	Non-Profit	Exercise classes, strength equipment, cardio and free weights
Curves	Private	Circuit training and weight loss classes
Yards Athletic Club	Private	Free weights, strength equipment and cardio
24 Hour Fitness	Private	Free weights, strength equipment and cardio

Other Provider Comments

- Golds Gym is membership based with a monthly and annual fee pricing structure
- 24 Hour Fitness is membership based with a monthly and annual fee pricing structure
- Curves is a private company which specializes in programs for women
- Yards Athletic Club is membership driven
- Hallmark is limited to its employees
- The YMCA is a membership based facility which offers monthly and annual passes and active pursuit of program-only members. Located at 10th & Washington, it attracts numerous corporate members

- Penn Valley Community College has not typically been open to the public
- The Guadalupe Center does provide some leisure programming; however, it does not provide fitness and exercise programming

MARKET POTENTIAL – DATA SOURCES

Market potential analysis for future additions to the center included the following:

- Industry standards
- Benchmarking with municipal centers in the State of Illinois
- Benchmarking with the Gregg Klice Center, owned by the City of Kansas City, Missouri
- Fee analysis of the Tony Aguirre Center, the Gregg Klice Center and other providers
- Data from a recently completed survey in March 2005 for the Board of Parks and Recreation Commissioners by ETC/Leisure Vision

Industry Standards

The preferred source for standards for fitness and exercise activities is the International Health, Racquet & Sports Club Association (IHRSA). Based on stakeholder preferences for activities which require additions of space for a **fitness room**, guidelines from the International Health, Racquet & Sports Club Association (IHRSA) were reviewed. IHRSA is the industry leader in research and data collection for fitness facilities. Fitness Center Guidelines adopted by IHRSA include the following:

Guideline #1 – each person will require 2.2 sq. ft. of space

Guideline #2 – each **community level** facility is capable of attracting 18% of the citizens in its service area

Benchmarking Data from Municipal Centers in the State of Illinois

A survey was completed with data collected from 49 centers. Regarding fitness center size, the following is relative to Tony Aguirre:

- 92% of the respondents said they would increase the size of their fitness center if they could
- Average fitness center size is 3409 square feet
- 44% of respondents have enlarged the size of their fitness center, or remodeled, since their initial construction
- Bigger fitness centers are better for revenue generation

Benchmarking Data from the Gregg Klice Center

One of the fitness and exercise centers currently provided by The Department of Parks, Recreation and Boulevards is at the Gregg Klice Community Center on John “Buck” O’Neill Way just off The Paseo. Data collected from the Gregg Klice is as follows:

- 992 sq. ft. dedicated to a boxing ring
- Staff has not expressed concern with the mix of boxing with other fitness center uses
- 2850 sq. ft. dedicated to fitness
- 1170 sq. ft. dedicated to a dance floor/exercise area
- Total building size is 29,767 sq. ft.
- 5% of respondents to the March 2005 citizen survey for the Park System Master Plan indicated they use the Center either several times per week, a few times per month or at least once per month
- Revenue generated at the Fitness Center from January through July of 2005 is \$59,290



Current Fee Structure of Tony Aguirre, Gregg Klice and Other Providers

Table 6: Current User Fees at selected facilities

FACILITY	DAILY FEE	MONTHLY FEE	COST OF CLASSES
Tony Aguirre	\$3/day/adults \$2/day/seniors	\$20/adults \$15/seniors	Additional fee
Gregg Klice	\$5/day	\$35/adults \$15/seniors	Additional fee
YMCA	n/a	\$53 Plus an initiation fee	Free at this time but reconsidering

Citizen Survey Data from March 2005

ETC/Leisure Vision completed a statistically valid survey in March 2005 for a park system master plan for The Department of Parks, Recreation and Boulevards. From the survey, it was learned that:

- 52% of respondent households have a demand for fitness and exercise facilities
- 51% have a need for running and walking tracks
- 43% have a need for performing art/theatres and auditoriums

NATIONAL TRENDS

Participation in numerous sports and recreational activities is tracked by two firms:

- The National Sporting Goods Association
- American Sports Data

Each firm collects its annual user data from 20,000 surveys collected from around the United States. Here are trends from the data collected by each firm:

NSGA National Survey - Data collected by the National Sporting Goods Association (NSGA) provides insights about the popularity of activities that would occur in the Tony Aguirre Center if those spaces were available. From 2004 data compiled by NSGA and household information from the distribution of 20,000 national surveys, it was learned that participation increased in each category as follows:

Table 7: NSGA Participation for 2004 and Percentage Increase since 1999

ACTIVITY	PARTICIPATION IN MILLIONS	PERCENT CHANGE FROM 1999
Exercising with equipment	52.2	15.4%
Workout at a club	31.8	32.0%
Aerobic Exercising	29.5	12.2%
Weight Lifting	26.2	15%

ASD National Survey - Data collected by American Sports Data (ASD) provides insights about the popularity of activities that would occur in the Tony Aguirre Center if those spaces were available. From 2004 data compiled by ASD and household information from the distribution of 20,000 national surveys, it was learned that participation increased in each category as follows:

Table 8: ASD Participation for 2003 and Percentage Increase since 1998

ACTIVITY	PARTICIPATION IN MILLIONS	PERCENT CHANGE FROM 1998
Treadmill Exercise	45.6	Single digit growth each year and 937% since 1987
Weight Resistance Machines	30	33%
Elliptical Motion Trainers	13.4	247%
Recumbent Cycling	10.7	58%
Pilates	9.5	445%

CONCLUSIONS AND ASSUMPTIONS FROM THE RESEARCH

Based on the research included in this report, several key conclusions and assumptions have been identified. Each will be used by the consultant to develop final recommendations. The conclusions and assumptions are as follows:

- It is reasonable to add space to the Tony Aguirre Center to provide amenities that are typically associated with facilities of its type.
- Data provided by the City of Kansas City, Missouri, the Mid America Regional Council and BWR’s analysis of Census 2000 concludes that there will be steady growth in the service area of the center through 2030.
- Preferred additions to the Tony Aguirre Center include a fitness center and multi-purpose room.
- Current use of the Tony Aguirre Center is not indicative of its full potential due to the lack of amenities at the facility.
- Future use projections can be compared, in part, with the Gregg Klice Center due to its similar size, location and amenities.
- Space requirements for a multi-purpose room to accommodate classes, meetings, etc. based on the experiences of other providers, both public and private, have all indicated they can use additional space.
- Fitness Center space requirements have been developed by using industry standards, current conditions within the public parks and recreation environment and applicable experiences in the City of Kansas City, Missouri at the Gregg Klice Center.

Table 9: Fitness Center Calculations – 2000 Census

DRIVE TIME	POPULATION	5% OF USERS	10% OF USERS	15% OF USERS
5 minutes	22,747	1137	2274	3412
SQUARE FOOTAGE REQUIREMENT		2501 sq. ft.	5002 sq. ft.	7506 sq. ft.

RECOMMENDATIONS

Recommendation #1 – Add more space for a fitness center. Based on the calculations in the table below, growth projections in the service area and consistent growth in the activities that occur in a fitness center, additional space can be justified at a minimum of 2500 sq. ft. The consultant recommends a minimum of 3,000 sq. ft. of space be added to the ground floor of the center for fitness.

Table 10: Space Requirement Options for a Fitness Center

DRIVE TIME	POPULATION	5% OF USERS	10% OF USERS	15% OF USERS
5 minutes	22,747	1137	2274	3412
SQUARE FOOTAGE REQUIREMENT		2501 sq. ft.	5002 sq. ft.	7506 sq. ft.

Recommendation #2 – Multi-purpose space of 2,000 to 3,000 sq. ft. should be added on the level above the new ground floor fitness center. The consultant realizes that the building configuration will create a practical limit that will affect this recommendation. This recommendation is based on two reasons:

- the need for as much space as possible to respond to documented national trends that show growth rates of classes and activities that have been documented in this report
- response to the advisory board and other stakeholders

Recommendation #3 – Existing partnerships should be evaluated and formalized when they have proven to be effective for both parties. New partnerships should be identified which will further lend themselves to the growth in programming at the center.

Existing partners include the following:

- Family Focus
- Alta Vista Academy
- Campfire
- Cabot Clinic
- Parents as Teachers
- Community Action Network
- The Irene Ruiz Library
- Guadalupe Center

FINANCIAL ANALYSIS

Based on the consultant’s recommendation for additional space of approximately 5,000 sq. ft. at the Tony Aguirre Center for a fitness center and a multi-purpose room and the corresponding need for staffing and additional utility costs, the following expense and revenue projections have been made.

Utility expenses have been calculated for the entirety of the new space of approximately 5,000 sq. ft. Staffing costs and revenue projections have been calculated for the fitness center only. The consultant is of the opinion that revenue from the multi-purpose room should equal the department’s cost for providing the space for all uses.

Expenses

Utility Expenses

Assuming a peak heating load of approximately of 150,000 BTUh and \$4 an mcf of gas, the ASHRAE heating degree day energy estimating method approximates the yearly heating bill increase of around \$1000.

Assuming an approximate cooling load of 20 tons and \$.07 per kilowatt hour, the approximately yearly increase in electrical costs for cooling will be \$2,400.

Assuming 2 watts per sq. ft. for lighting and 16 hours per day of operation and 350 days per year, lighting costs will be approximately \$4,000 per year.

TOTAL ANTICIPATED UTILITY COSTS FOR AN ADDITIONAL 5,000 SQ. FT. IS \$7400.00.

Staffing Costs

Using the Gregg Klice Center as a model, the following staffing costs can be assumed for the Tony Aguirre Center:

Two full-time positions at \$13/hour @ 2080 hours per year each = \$54,080 (not including benefits of 35%)

Two part-time positions at \$9/hour @ 1560 hours per year each = \$28,080 (not including benefits of 7.65%)

TOTAL ANTICIPATED STAFFING COSTS FOR THE FITNESS CENTER IS \$113,064, INCLUDING BENEFITS

Table 11: Projected Costs

ITEM	PROJECTED COST
Gas	\$1000
Electricity for cooling	\$2400
Electricity for lighting	\$4000
Fitness Center Staffing	\$82,160 (not including benefits)
Benefits at 35%	\$28,756
Benefits for part-time labor at 7.65%	\$2148
TOTAL PROJECTED COSTS	\$120,464

Revenue

Current fitness center revenue data from the Gregg Klice Center for 2005 is as follows:

Table 12: Current Gregg Klice Revenue for 2005

ITEM	AMOUNT
January	\$7135
February	\$10,767
March	\$10,567
April	\$8837
May	\$7509
June	\$8402
July	\$6072
TOTAL FOR 7 MONTHS OF 2005	\$59,290
AVERAGE MONTHLY REVENUE	\$8,470
TOTAL 12 MONTH REVENUE	\$101,640

FINAL FITNESS CENTER REVENUE AND EXPENSE PROJECTIONS

Table 13: Revenue and Expense Projections

ITEM	AMOUNT
Projected Fitness Center Expense	\$120,464
Projected Fitness Center Revenue	\$101,640
PROJECTED DEFICIT	\$18,824 *

* Based on conservative estimates used in this report for the attraction capability of new space at the center, the consultant is of the opinion that the Department of Parks, Recreation and Boulevards can decrease the projected deficit by providing **exceptional customer service** and establishing performance measures for its community center staff which challenge them to operate the fitness center without a loss.