

┌ CALCULATING THE ECONOMIC AND OTHER VALUE OF PARKS: AN INNOVATIVE NEW APPROACH

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COO Sports Facilities Advisory

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Agenda

- Introductions
- The Value of Parks
- Why is this Important?
- How Much is a Park Worth?
- SFA & FRPA – Impact Calculator



ABOUT THE SPEAKER

EVAN ELEFF

Evan Eleff is the COO of Sports Facilities Advisory and a Partner in Sports Facilities Advisory (SFA) and Sports Facilities Management (SFM). Since joining SFA|SFM in 2012, Evan has led the SFA team in producing market studies, facility plans, financial forecasts, economic impact analyses, feasibility studies, and strategic funding initiatives for more than 1,500 communities around the world and a portfolio of more than \$8 billion of planned assets. Additionally, Evan has been directly involved in the development, opening, programming, management, and/or optimization of more than 50 SFM-supported venues.

A black and white photograph of two female lacrosse players in action on a field. The player on the left is wearing a dark jersey with a white stripe and is reaching up with her lacrosse stick. The player on the right is wearing a dark jersey with the number 3 and is also reaching up with her lacrosse stick. A lacrosse ball is visible in the air above them. The background shows a grassy field and a fence.

“Improving the health and economic vitalities of the communities we serve.”

Sports Facilities Advisory & Sports Facilities Management

- Founded in 2003
- 2,000 + Communities Served
- Over 100 Facilities Developed
- Over \$500 Million in Developments Currently Out to Finance and/or Under Construction
- 20 Million + Visits to Client Facilities in 2018
- Over 700 Team Members
- The Largest Single Sports Tourism Network

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THE VALUE OF PARKS

“Exercise is good
for people”

“People like living
near parks”

“Parks are good for
the community”

“Playing outside is
good for kids”

“Parks help the
environment”

“Parks are good for
fresh air”

“Being outside is
healthy”

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People Value Parks

85%

OF AMERICANS

Support efforts such as the
10-minute walk
campaign

9/10

OF AMERICANS

Agree that parks &
recreation is an
important local
government service

78%

OF AMERICANS

Indicate the want to
increase park and
recreation funding

76%

OF AMERICANS

Are more likely to
vote for politicians who
make parks & recreation
funding a priority

Source: NRPA 2018 American's Engagement with Parks Report

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THE PROBLEM:

Parks departments struggle to justify investment because the value of parks is difficult to quantify, measure, and report.

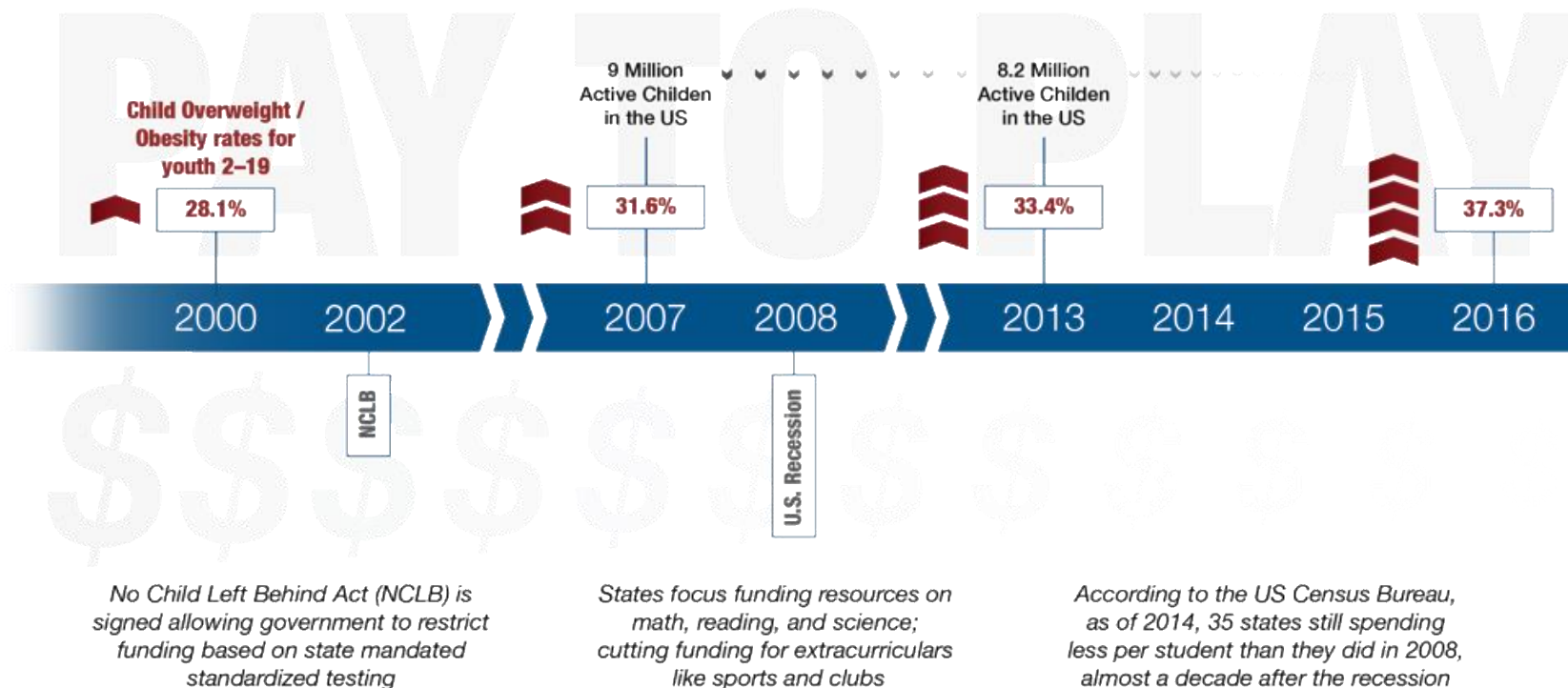
Parks professionals and community decision-makers are often not equipped with data to determine and communicate value.

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Funding and Obesity Since 2000

In 2002, the No Child Left Behind Act had unintended consequences on the health of our country – a shift in funding criteria led to the **defunding of school sports and physical education**.

As a result, **access to and participation in healthy healthy activities decreased dramatically** among school-age children, contributing to the obesity epidemic.

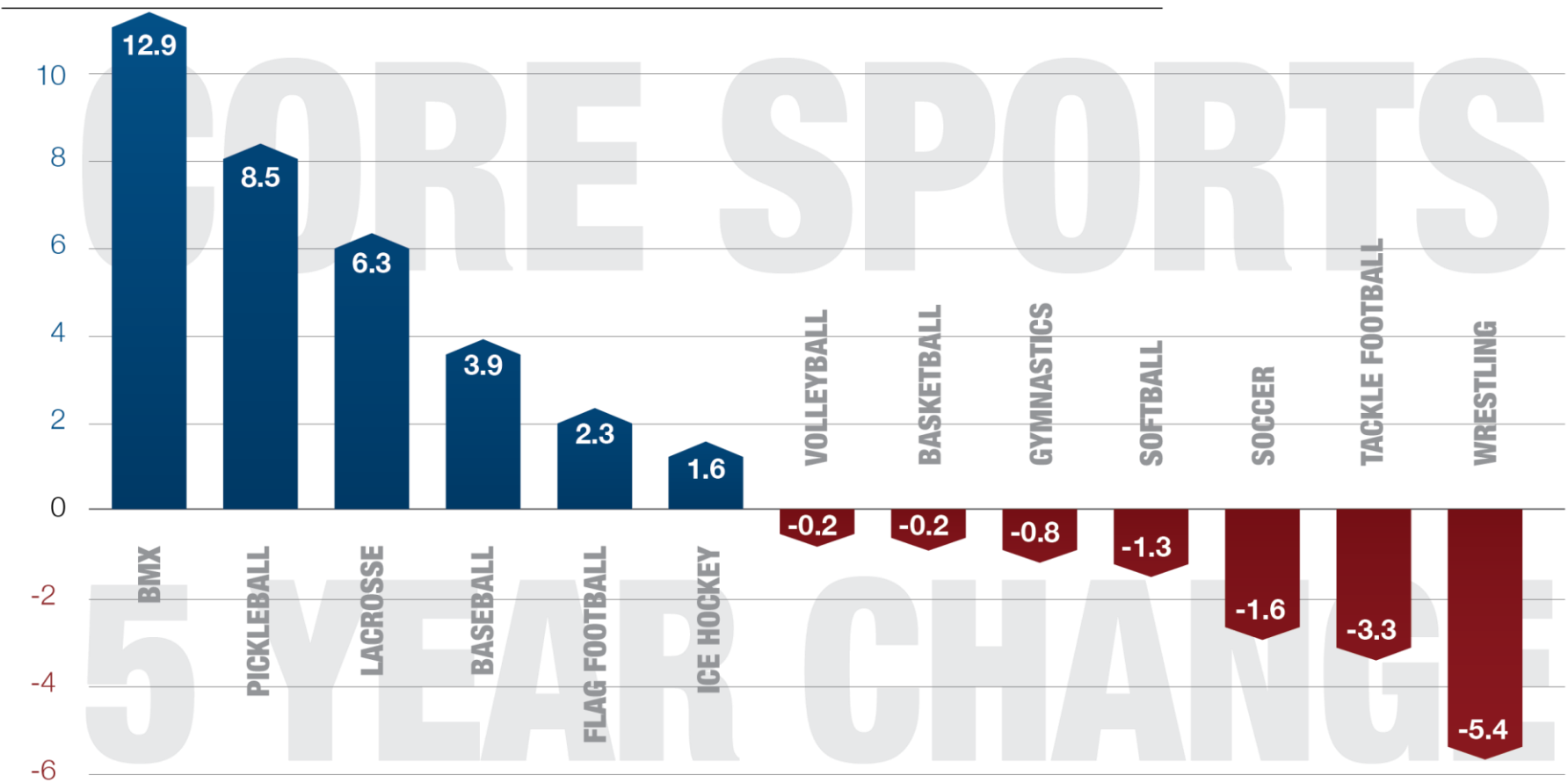


Source: Center For Disease Control and Prevention

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Change in Participation:

PARTICIPANTS AGED 6 - 17 IN "CORE" SPORTS 5-YEAR CHANGE (%)



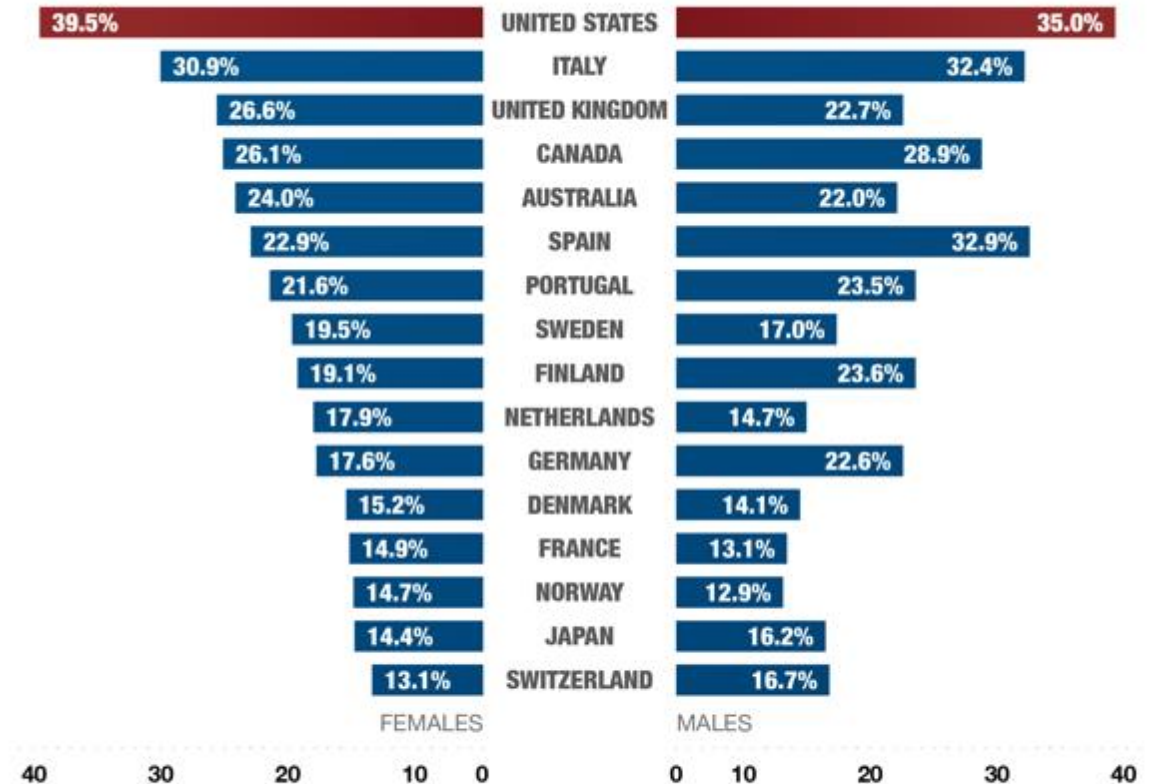
PARTICIPATION RATES ARE SLOWING OR DROPPING IN MANY TRADITIONAL SPORTS

Source: NSGA and SFIA

Change in Obesity:


- Since 1980, rates of obesity in:
 - 6-11 year-olds has **more than doubled** (7% to 17.5%).
 - 12-19 year-olds has **more than quadrupled** (5% to 20.5%).
- In 2015, **73% of high school students** and **80% of adults** did not reach the recommended level of physical activity.
- Approximately 25% of young adults (ages 17 to 24) are **too overweight to join the military**.
- The average adult obesity rate is roughly **38%**.
- **Half of the states** have an adult obesity rate of 30% or higher.

PREVALENCE OF OVERWEIGHT / OBESE CHILDREN IN 16 PEER COUNTRIES



Source: Aspen Institute

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Parks offer a solution
to these major issues
and many others.

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How much is a
park worth?

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SFA & FRPA – Parks Impact Calculator

The park benefits calculator and associated report will need to:

- **Be easy to use**, including limiting inputs, utilizing drop-down menus where possible, etc.
- **Include directions, resources, and references**, providing clear definitions, links to free sites/reports/databases that provide data, and citation/explanation of impacts.
- **Be location-specific**, allowing the director to address one location or asset type at a time and allowing the director to run a single-location report.
- **Create a comprehensive report**, allowing each location report to be saved and automatically run a community-wide (aggregate) report.
- **Allow for individual impacts to be assessed**, allowing a director to fill out each category individually and run a partial report.



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PROJECT GOALS

1

EMPOWER

Parks & Recreation directors, staff, and stakeholders to demonstrate the value of their parks

2

SUPPORT

Community and decision-maker engagement around the importance of parks

3

ACT

In the best interest of Parks & Recreation directors, giving them a simple and impactful communication tool that can improve communities

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Steering Committee

- Eric Call, Palm Beach County Director
- Felicia Donnelly, Planner & Asst. City Manager, Oldsmar
- Bryan Nipe, Director, City of Lake Mary
- Dr. Tom Tomerlin, Economist & Asst. City Manager, City of Lake Mary
- Dr. Janet Fulton, CDC
- T. Michael Stavros, Asst. City Manager, Winter Haven
- Nicholas Truitt, Economist at DEO
- Eleanor Warmack, FRPA Executive Director

Process and Results

Our team reviewed hundreds of studies. Committees and subcommittees debated the data

120+

PUBLISHED
RESEARCH
STUDIES
REVIEWED

40+

PROJECT
CONTRIBUTORS

21

TOTAL INPUTS

14

14 INPUTS
THAT REQUIRE
LOCAL
RESEARCH

13

PRIMARY
OUTPUTS

6

IMPACT
CATEGORIES

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6 IMPACT AREAS

A black and white photograph of a man in a light-colored jacket and dark shirt leaning over to help a young child wearing a helmet and overalls ride a bicycle. They are in a park with trees in the background.

1

PROPERTY
VALUES

2

HEALTHCARE
COST SAVINGS

3

ENVIRONMENT
IMPACT

4

TOURISM
SPENDING

5

PUBLIC
SAFETY

6

JOB
CREATION

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PROPERTY VALUES

Distance from parks and trails is known to influence residential property values. Nationwide research shows that the premium for proximity to these spaces can affect market values up to 2,000 feet by 20 percent or more.

	#	200	X		\$250,000
		Number of Homes Within 500 feet of Park		Average Sales Price	
	\$	50,000,000.00	X		3.3 %
		Total Market Value		Proximity Effect %	
	\$	1,650,000.00	X		5
		Incremental Market Value		Millage Rate	

CALCULATE

VIEW SUMMARY

Increased Value of Nearby Homes
BASED ON THE PROXIMITY EFFECT

\$1,650,000

Incremental Property Tax Value Increase
\$8,250 TAX VALUE



\$1,476,000

HEALTHCARE COST SAVINGS



HEALTH SAVINGS

Studies of health care economics and policy have established that increased access to public outdoor spaces and more biking and walking infrastructure encourages people to exercise, which as a result, reduces overall health care expenditures.



1,000



\$1,230

of Unique Users Under 65 Annually

Healthcare Savings



100



\$2,460

of Unique Users Over 65 Annually

Healthcare Savings



CALCULATE

VIEW SUMMARY



IMPACT ON THE ENVIRONMENT

Parks have been proven to positively impact the environment and reduce the cost of environmental impacts for communities related to storm water management, pollution mitigation, energy consumption, and other issues. This calculator utilizes currently published data to quantify the positive environmental impacts in terms of the appropriate unit measurement (I.e. Gallons of storm water mitigated) and the monetary value of these impacts. The tree calculation considers a broad set of impacts based on the number of trees in a park while the acreage calculation considers only storm water mitigation impacts based on the number of acres of park land.

If the number of trees is not available or cannot be quantified, please use the number of acres of park land to calculate the impact of storm water mitigation



Number of Acres





 20





\$0.04

Number of acres of park land

Cost/Cubic Feet

 CALCULATE

VIEW SUMMARY

\$15,265
TOTAL GALLONS OF
STORMWATER MITIGATED

2,854,716
SAVINGS FROM
STORMWATER
MITIGATION



\$9,057,840

ANNUAL SPENDING GENERATED
THROUGH RECREATION
AND/OR EVENTS

TOURISM DOLLARS GENERATED

From majestic parks to oceanside beaches and sports tourism destinations, visitors are attracted to Florida's natural resources and spend money on food, travel, and lodging during their stay, bringing new dollars and tax receipts into the region as tourists.

	#	200,000	X		5	%
		Total Visitors to the Park for Recreation				
	#	10,000	X		\$124.08	
		Non-local Visitors (Recreation)				
	#	90,000	X		70	%
		Total Visitors to the Park for Events				
	#	63,000	X		\$124.08	
		Non-local Visitors (Events)				
		Average Expenditure				

[CALCULATE](#)[VIEW SUMMARY](#)



PUBLIC SAFETY

Research suggests that parks that offer spaces that are well-maintained, and activated can have a positive impact on the public safety of the communities they are located in. Additionally, Parks that offer out-of-school time programming can help deter youth from engaging in risky behavior. Furthermore, Parks and Recreation is the leading provider of low-cost/free aquatics programming. These programs can help to lower drowning cases, which is one of the leading causes of death for children ages one through four.



#

100

Out-of-School Program Participants



#

250

Swim Lesson Participants

 CALCULATE

VIEW SUMMARY

100

TOTAL KIDS PARTICIPATING IN
OUT-OF-SCHOOL TIME PROGRAMS

250

TOTAL KIDS PARTICIPATING IN
SWIM LESSONS/WATER SAFETY

147**JOBS SUPPORTED**

JOBS SUPPORTED

Parks have been proven to be drivers of significant economic activity, having a positive impact on the economy through supporting jobs in local communities. The calculator strives to utilize currently published data to quantify the total jobs supported.



\$ \$300,000

Total Operating and Capital Budget



\$120,220

Amount/Job



\$ \$9,057,840

Total Annual Spending Generated
Through Recreation and/or Events

\$62,500

Amount/Job

CALCULATE

VIEW SUMMARY

Final Report

- Professional and Visually Appealing
- Communicates Key Data, Includes Descriptions, Provides Back-Up and Sources
- Achieves the Goals:
 - **Empowers** Parks Professionals and Stakeholders
 - **Supports** Decision Makers
 - **Acts** in the Best Interest of Parks and Communities



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**DATA DRIVES US
FORWARD.**

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There are tools emerging from various national/regional associations to provide related reports.

When not available, firms like ours exist to serve as advocates for parks, recreation, sports, and wellness investments.

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THANK YOU

Questions?

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