



## MEMORANDUM

**TO:** Timothy J. Baroody, City Manager  
**FROM:** Todd Brown, Director Parks Recreation and Events  
**SUBJECT:** Old Mill Park Entrance Fee “Pilot” Program  
**DATE:** June 23, 2022 (for June 28, 2022 Council Meeting)

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### **ISSUE**

Shall City Council formally adopt the attached resolution which would adopt new entrance fees at Old Mill Park?

### **RECOMMENDATION**

Staff recommends the approval of charging \$10 per vehicle and \$5 per walk-in visitor to enter Old Mill Park beginning July 22, 2022, seven days a week and on weekends only after Labor Day until October 30, 2022.

### **BACKGROUND**

Old Mill Park was formerly owned by the Fredericksburg Stafford Park Authority. That Authority was dissolved in 2009, pursuant to an agreement between the City of Fredericksburg and Stafford County. At that time, and pursuant to the agreement, the Authority conveyed its holdings, including Old Mill Park and the Historic Port of Falmouth, to the respective jurisdictions in which these parks are located. Finally, the two jurisdictions agreed that Stafford County residents will pay no more for access to the former Authority property in the City than residents of the City, and vice versa.

By ordinance adopted on June 7, 2022, the Stafford County Board of Supervisors approved a \$25 fee for parking at the Historic Port of Falmouth for the summer of 2022, to be applied to non-residents of Stafford County and the City of Fredericksburg.

Old Mill Park, like the Historic Port of Falmouth, experiences overcrowding and parking challenges, challenges that will become even more acute in light of the new parking fee for the Historic Port of Falmouth, particularly if there is no corresponding fee for use of Old Mill Park. Both parks border the Rappahannock River and are popular in part because they are riverside

parks, although the Historic Port of Falmouth includes a beach on the river bank, whereas Old Mill Park does not. This fee collection is planned to begin on July 22, 2022, to mirror Stafford's start date.

Old Mill Park possesses two rentable shelters and offers partial and full park rentals. It is also the home for some city wide events such as Earth Day and Rock the River. Dozens of "benefit" oriented walk/runs begin at Old Mill Park and often with presumably many non-resident participants. The open area currently is rented on a regular basis for sport activities which may have to be moved to different locations. The park also has restroom facilities that are very popular and are often used additionally by those traveling on the Heritage Trail. The playground is heavily used by most park visitors. The park has a unique entrance way off a busy city street. Visitors to the park currently exceed capacity and parking elsewhere often causes negative impacts to others, including neighbors. All of the park's amenities, facilities, land, resources and operational uses are being considered with possible mitigation before implementing this new program.

Communication of new fee has already begun to City Council at the June 14<sup>th</sup> Work Session. Staff are reaching out to the public through different means to announce and discuss this new initiative, with a public meeting now planned at Dorothy Hart Community Center June 27<sup>th</sup> at 6:30 p.m. This valuable feedback will be considered and part of the final plan for this "pilot" program.

**Recommended Action** – Implement a vehicle parking and walk-in entrance fee at Old Mill Park for non-residents of the City of Fredericksburg and Stafford County.

**Associated Expenditures** –

- **Startup Costs:** iPad, credit card readers, cell phones, tents and supplies = \$5,250
- **Reoccurring expenditures:** Maintenance fees for communication devices = \$3,480 per year or about \$290 per month.
- **Staff Cost:** 45 staffed days (7/22- Labor Day) = \$15,509.

The formula used for arriving at this cost is base pay (\$13.73) x 10 (number of hours per day) x 2 (number of gates) x 45 days. Plus, additional maintenance staff 8 hours per day at the same rate for Fridays, Saturdays and Sundays to cover additional responsibilities and handling emergencies. FPRE continued weekend coverage into fall weekends, raises the staff costs would total to \$22,525.

- **Total Associated Expenditures:** The total cost for charging 7days/week from July 22<sup>nd</sup>- Labor Day and then charging on weekends until October 30<sup>th</sup> is \$31,255.

**Estimated Revenue Generation** – Due to the challenge of finding reliable park visitor count data, the following methods were derived to create a revenue generation estimate. This is an extremely generalized method and begins with a methodology consistent with Stafford County. Old Mill Parking lot has 157 parking spaces, not counting the ADA spaces. 150 cars and 100 walk-ins daily were used to begin estimating potential use. It is based on full capacity daily and all park users are "nonresidents." A more conservative approach includes projections assuming Old Mill Park is not at capacity 7 days a week. These considerations, plus forecasting 50% less visitors will attend the park on weekdays than weekends, leads to an estimated gross revenue of \$42,100. This estimate is now being used for planning purposes. The gross income projected includes FPRE continuing to charge this summer and on weekends after Labor Day and concluding the 2022 "pilot" program on October 30, 2022.

**Other Considerations** – City staff are committed to working through the expected negative impacts resulting from this operational change. Public meetings, written notifications and descriptions on the "pilot" program has begun and will continue through a number of different means.

Parking issues resulting from this program are a huge part of the planning and communication in moving forward. The Police Department, FPRE and other city staff have been working together to create a plan to best accommodate possible impacts. Those plans are being shared publically to best ensure this significant issue is being addressed. "Resident Only" parking options will be shared with neighbors adjacent to Old Mill Park.

Old Mill Park has numerous registered rentals on the books for the summer and fall. Staff are deriving a plan that reduces impact to them, especially ones that are already registered and paid. Future rentals and paid park uses will need to incorporate the new fee in their plans or decision making process.

Of course to correctly implement this new initiative, hiring the additional staff is required. This task has already been a challenge for FPRE, and hiring in the middle of the summer season could prove to be especially challenging. Failing to recruit staff may lead to alterations in the pilot, or a reduction in hours at Old Mill Park.

Council highlighted some additional ideas to be considered in the future, which include:

- Shuttles,
- Off-site parking,
- Adding food trucks to expand services at the park,
- Hotel providing parking vouchers,
- Increase trash collection containers,
- "Take IN, Take Out" program, and
- Methods to handle reservations.

Staff is committed to continue to review the above recommendations, while quickly moving on the priority of instituting basic logistics for this new fee implementation.

Lastly, it should be noted that the unanimously approved Parks and Recreation Master Plan does recommend increased efforts toward cost recovery. Chapter 7 specifically details how the City of Fredericksburg is at roughly 16% cost recovery system wide, and recommends movement to a national "best practice" target of 25% cost recovery overtime.

#### **FISCAL IMPACT**

The fiscal impact associated with approving the implementation of this new park entrance fee includes a total expense of \$31,255 and a gross revenue projection of \$42,100.

Attachments: Resolution  
Old Mill Park Entrance Fee Financial Projections  
Old Mill Park Map of Collection locations



**June 28, 2022  
Regular Meeting  
Resolution 22-**

**MOTION:**

**SECOND:**

**RE:               Establishing a fee for use of Old Mill Park**

**ACTION:        APPROVED: Ayes: 0; Nays: 0**

Old Mill Park was formerly owned by the Fredericksburg Stafford Park Authority. That Authority was dissolved in 2009, pursuant to an agreement between the City of Fredericksburg and Stafford County. At that time, and pursuant to the agreement, the Authority conveyed its holdings, including Old Mill Park and the Historic Port of Falmouth, to the respective jurisdictions in which these parks are located. Finally, the two jurisdictions agreed that County residents will pay no more for access to the former Authority property in the City than residents of the City, and vice versa.

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The City Council has carefully considered the recommendation of the City Manager and staff, including the costs of park maintenance and operations.

Therefore, the City Council hereby resolves that:

- A park use fee in the amount of ten dollars per car and five dollars per walk-in park user is hereby authorized for implementation at Old Mill Park to be charged every day, between July 22 and October 30, 2022, for summer of 2022; and between the Friday prior to Memorial Day and the Monday of Labor Day each year thereafter.
- Park fee revenues shall be set aside for maintenance, operations, and improvements to Old Mill Park.
- The City Manager is authorized to establish reasonable hours each day for the collection of this fee, in light of park usage trends and the availability of staff to collect the fee.

**Votes:**

**Ayes:**

**Nays:**

**Absent from Vote:**

**Absent from Meeting:**

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***Clerk's Certificate***

*I certify that I am Clerk of Council of the City of Fredericksburg, Virginia, and that the foregoing is a true copy of Resolution No. 22-\_\_, adopted at a meeting of the City Council held Date, 2022, at which a quorum was present and voted.*

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***Tonya B. Lacey, MMC***  
***Clerk of Council***

*Old Mill Park Fee – Legal and Financial Considerations*

The City has authority to implement a fee for service at Old Mill Park to offset the costs of operating and maintaining the park, including reasonable overhead and capital improvements. Legally, because of the agreement with Stafford County that dissolved the Fredericksburg Stafford Park Authority years ago, Stafford County residents must be charged on the same basis that City of Fredericksburg residents are charged. The current proposal is that City residents and Stafford residents will not be charged.

City staff has created several scenarios to provide a range of revenue estimates, and projections for the direct costs of collecting and administering the new fee. The new fee is proposed to be \$10 / vehicle and \$5 / walk-in access.

Scenario	Total Days	Description
1	45	7 days / week 10 hours / day July 22 – Sept 5
2	61	7 days / week to Sept 5 & weekends to Oct 30

**Range of Revenue Estimates  
Fee - \$10 / vehicle & \$5 / walk-in**

Scenario	Description	Days	Revenue
<b>1 - High</b>	150 Vehicles	45	\$67,500
	100 Walk-Ins	45	\$22,500
<b>Scenario 1 High</b>			<b>\$90,000</b>
<b>1 – Low</b>	75 Vehicles Weekends	15	\$11,250
	37 Vehicles Weekdays	30	\$11,100
	50 Walk-Ins Weekends	15	\$3,750
	25 Walk-ins Weekdays	30	\$3,750
<b>Scenario 1 Low</b>			<b>\$29,850</b>
<b>2 - High</b>	150 Vehicles	61	\$91,500
	100 Walk-Ins	61	\$30,500
<b>Scenario 2 - High</b>			<b>\$122,000</b>
<b>2-Low</b>	75 Vehicles Weekends	31	\$23,250
	37 Vehicles Weekdays	30	\$11,100
	50 Walk-Ins Weekends	31	\$7,750
	25 Walk-ins Weekdays	30	\$3,750
<b>Scenario 2 – Low</b>			<b>\$42,100</b>

### Direct Cost of Fee Administration

Scenario	Staff	Supplies	Recurring Fees	Total
1	\$15,904	\$5,250	\$3,480	\$24,634
2	\$22,525	\$5,250	\$3,480	\$31,255

### Gross Revenue Estimates Net of Costs of Fee Administration

Scenario	Revenue Estimate	Projected Costs		Projected Available Revenue
1 – High	\$90,000	\$24,634		\$65,366
1 – Low	\$29,850	\$24,634		\$5,216
2 – High	\$122,000	\$31,255		\$90,745
2 - Low	\$42,100	\$31,255		\$10,845

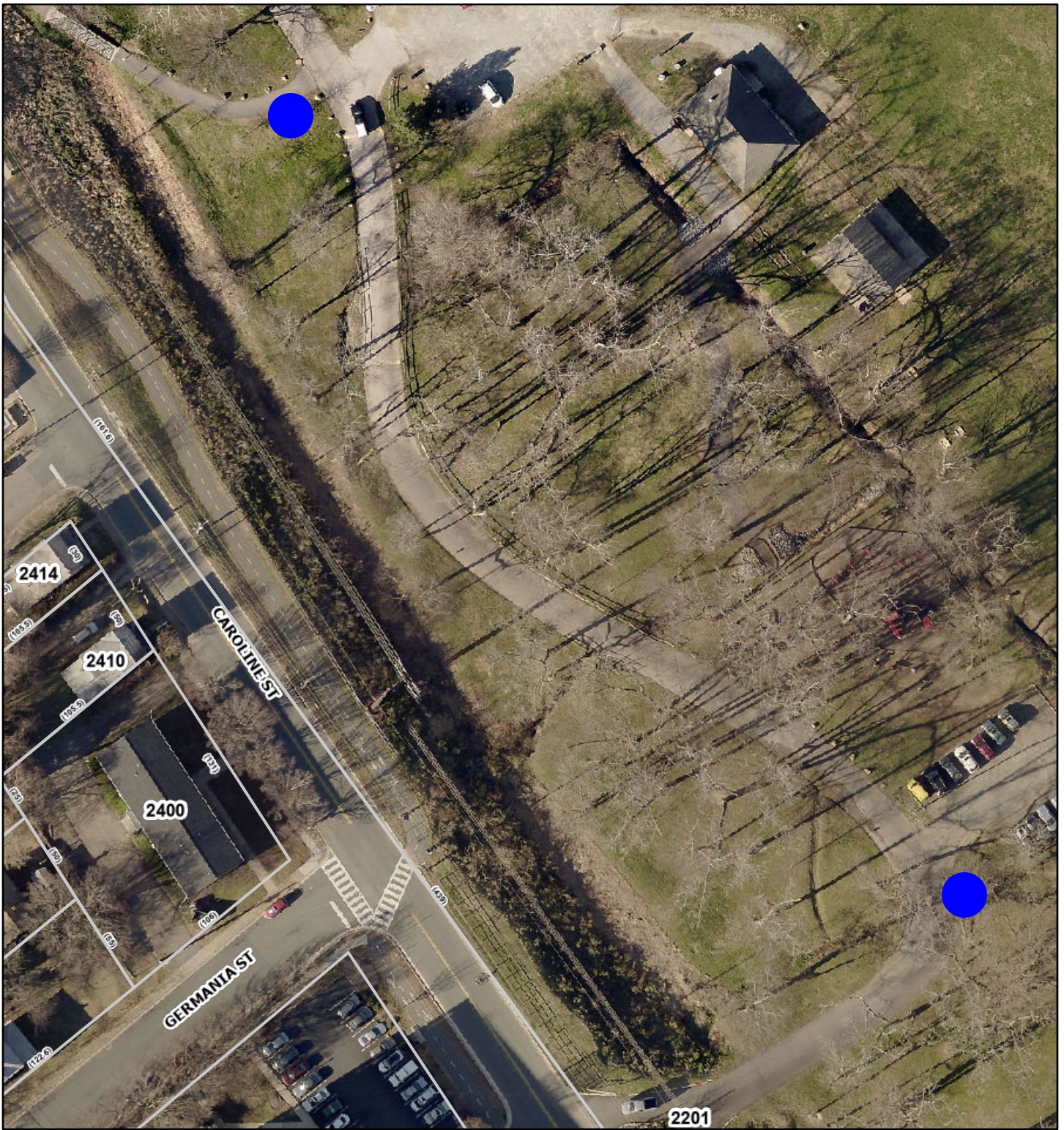
There are several reasons that it is challenging to accurately forecast the revenue that will be generated by the proposed new fee.

- 1) The City currently does not have data on the percentage of park users that come from outside the City and Stafford County.
- 2) The City currently does not have data on Old Mill Park attendance and usage generally – the park does not currently have a gatekeeper and attendance must be estimated based largely upon available parking. The imposition of a new fee at the park will likely decrease the use of the park by residents outside the City and Stafford.
- 3) The imposition of a new and significant fee (\$25 / vehicle) by Stafford County at the Historic Port of Falmouth for non-residents of the City or Stafford County may create a shift in park usage patterns between HPOF and Old Mill Park. Both parks are extremely popular destinations along the river throughout the region.

The data that the new fee would provide would help the City evaluate the impact and the projected revenue estimates.

The revenue projected to be available will help offset the operations and maintenance costs of Old Mill Park. Old Mill Park is one of the more popular and more heavily used City parks, and although parks maintenance in Old Mill Park is not broken out in the City budget, the overall budget for all City parks for maintenance \$1.44 million for FY 2023. Expenditures for parks maintenance so far to date in FY 2022 is \$1.34 million. These expenditures do not include administrative overhead or future capital projects.





June 14, 2022

1:1,128

- City Boundary
- Road Labels
- Addresses

