



Agenda Report

Fullerton City Council

MEETING DATE: NOVEMBER 2, 2021

TO: CITY COUNCIL / SUCCESSOR AGENCY

SUBMITTED BY: STEVE DANLEY, ACTING CITY MANAGER

PREPARED BY: ALICE LOYA, DEPUTY DIRECTOR OF PARKS AND RECREATION
AMANDA ARBISO, PARKS AND RECREATION MANAGER
JOHN CLEMENTS, PARKS AND RECREATION SUPERVISOR
RICARDO VELOZ, PARKS AND RECREATION SUPERVISOR

SUBJECT: FULLERTON COMMUNITY CENTER GYMNASIUM AND FULLERTON TENNIS CENTER PROPOSED FEE CHANGES

SUMMARY

The Parks and Recreation Department requests adoption of a resolution to amend the Parks and Recreation Fee Schedule and approving fee changes for private rentals of the Fullerton Community Center gymnasium and Fullerton Tennis Center court and ball machine fees.

RECOMMENDATION

Adopt Resolution No. 2021-XX.

RESOLUTION NO. 2021-XX - A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FULLERTON, CALIFORNIA, MODIFYING CERTAIN FEES FOR FISCAL YEAR 2021-22

PRIORITY POLICY STATEMENT

This item matches the following Priority Policy Statement/s:

- Fiscal and Organization Stability.

FISCAL IMPACT

Staff anticipates the proposed fee increases to generate \$62,000 in additional annual revenue: \$29,000 by the Tennis Center in the Brea Dam Fund and \$33,000 by the Fullerton Community Center in the General Fund.

FULLERTON COMMUNITY CENTER GYM

As one of the newer recreational facilities in Orange County, the Fullerton Community Center features excellent gym amenities. Built in 2012, the facility is a multi-purpose double gym equipped with six retractable basketball rims, bleacher seating for 300 people and three volleyball courts. The gym has scoreboards and an HVAC system. The aesthetic of the gym allows for the management of both recreational and non-recreational activities (i.e., high school proms, health fairs and conferences).

Facility maintenance and overhead costs such as staffing, utilities and insurance continue to increase and impact the overall budget of the community center. While the City's costs of maintaining and providing community programming at the gym have increased by 30% since 2018, fees for the gym have not increased during that time period. As the City continues to face significant budget constraints on the General Fund, costs of operating the facility coupled with the impact of minimum wage increases, necessitate the increase of gym fees this year to cover operational costs.

Staff conducted a comparative market study to evaluate current fees of the Fullerton Community Center Gym with other city gyms. Staff found the neighboring gyms incomparable, due to their smaller size or lack of amenities (i.e., number of backboards, HVAC system, bleacher seating, scoreboards) and found Fullerton's gym fee underpriced. The average fees for one full court gym amongst the seven city facilities researched totaled \$65.86 per hour for residents and \$91.29 per hour for non-residents. In contrast, Fullerton currently charges \$50 per hour for residents and \$60 per hour for non-residents, 42 percent lower than the averages.

As the City continues to reopen its facilities from COVID closures, the City has had high demand for gymnasium reservations. In 2012, the facility opened with lower introductory rates to attract patrons. Since then, the rates have only increased by \$5 (11 percent) and have not increased in the past three years.

Based on this information, staff proposes an increase for residents and non-residents that meets the current market rate and covers facility operating costs.

In FY 2018-19, the gym has 510 rentals for a total of 1,215 hours with approximately \$70,000 in revenue. Fullerton residents generated about 70 percent of the reservations. With the proposed fee increases, staff estimates an increase of \$33,000 in annual revenue which will result in an annual revenue of \$103,000.

Gym Fees Per Hour				
	Resident: 1 Full Court	Non-Resident: 1 Full Court	Resident: 2 Full Courts	Non-Resident: 2 Full Courts
Fullerton - Current	\$50.00	\$60.00	\$90.00	\$110.00
Placentia	\$50.00	\$67.00	NA	NA
Yorba Linda	\$58.00	\$93.00	NA	NA
Chino	\$63.00	\$84.00	NA	NA
Garden Grove	\$65.00	\$85.00	NA	NA
Costa Mesa	\$70.00	\$80.00	NA	NA
Fullerton - Proposed	\$75.00	\$100.00	\$120.00	\$150.00
Anaheim	\$75.00	\$150.00	NA	NA
Brea	\$80.00	\$80.00	\$160.00	\$160.00
Avg. Rate w/out Fullerton	\$65.86	\$91.29	\$160.00	\$160.00

The facility remains in high demand throughout the year for youth / adult sports, fitness classes and a number of private events. Although staff proposed a gym fee increase for rentals, the community may still use the gym for a small \$3 drop-in fee of on Tuesday and Thursday from 12:00 p.m. – 3:00 p.m. and Saturday from 9:00 a.m. – 12:00 p.m. This price will not change with the proposed fee increase.

FULLERTON TENNIS CENTER

The Tennis Center has not generated sufficient revenue to cover operating costs, falling short between \$7,000 to \$28,000 each year, for the last few years.

To address this issue, staff issued a “Request for Bid” to find a tennis contractor to operate the Tennis Center in the spring of 2021. Four private tennis organizations submitted proposals. A committee of two Parks and Recreation commissioners, two Tennis Center patrons / professionals and three City staff reviewed the proposed and did not select any of the businesses.

Concurrently, a large contingent of regular tennis players at the Center proposed keeping the operation of the Tennis Center under City management. The tennis players asserted that they would commit to paying higher court fees if it meant keeping the current operational structure intact.

The City last increased the Tennis Center’s court fees in 2016. Currently, the court rental fees cost \$12 per hour for prime time, \$8 for non-prime time and \$16 per hour for the ball machine rental.

Staff surveyed other tennis centers in the region (see the following table) and calculated the price to cover the facility’s operating costs. As a result, staff proposed a \$2 per hour fee increase. The proposed new rates would charge \$14 per hour for a prime time court rental, \$10 for a non-prime time court rental and \$18 per hour for the ball machine. Prime time hours are 7:00 a.m. to 11:00 a.m. daily and 5:00 p.m. to 9:00 p.m. on weeknights.

The proposed fee increases are in line with the current market of other similar tennis facilities in the region. Staff projects that these new rates will increase revenue by about

\$29,000 per year. These additional fees will help to fill the operating budget gap for the Tennis Center (including the minimum wage increase) and help with some deferred maintenance items, such as court resurfacing (two courts per year) and fencing windscreen replacement.

The Fullerton Tennis Center is located in the Brea Dam Recreational Area. The City may only use revenue earned from programs and facilities in the Brea Dam within the Brea Dam.

The following table offers a comparison of similarly operated Tennis Centers and fees:

Tennis Court Fees Per Hour Comparison with other Municipal Courts			
Comparable Tennis Facilities	Prime Time Hourly Court Fee	Non-Prime Time Hourly Court Fee	Ball Machine Hourly Fee
Fullerton Tennis Center - Current	\$12.00	\$8.00	\$16.00
Costa Mesa Tennis Center	\$12.00	\$12.00	\$25.00
Tustin Tennis Center	\$12.00	\$8.00	NA
Fountain Valley Tennis Center	\$12.00	\$9.00	NA
Billie Jean King Tennis Center	\$14.00	\$9.00	\$20.00
Fullerton Tennis Center - Proposed	\$14.00	\$10.00	\$18.00
El Dorado Park Tennis Center	\$14.00	\$9.00	\$20.00
Seal Beach Tennis Center	\$15.00	\$12.00	\$20.00
Anaheim Tennis Center	\$20.00	\$9.00	\$25.00

Attachments:

- Attachment 1 – Resolution No. 2021-XX
- Attachment 2 – October 11, 2021 Parks & Recreation Commission Minutes
- Attachment 3 – Proposed Parks and Recreation Fee Schedule Changes