



Meeting Notice/Agenda
City of Spokane Park Board
Riverfront Park Committee

8:05 a.m. Monday, Sept. 10, 2018

Looff Carrousel meeting room, Looff Carrousel

507 N. Howard Street, Spokane WA 99201

Riverfront Park Director Jonathan Moog

Committee Members:

Ted McGregor – Chair

Rick Chase

Jennifer Ogden

Gerry Sperling

Jamie SiJohn

A special meeting of the City of Spokane Riverfront Park Committee will be held at 8:05 a.m. Monday, Sept. 10, 2018, Looff Carrousel meeting room, 507 N. Howard Street, Spokane, Washington.

The meeting will be conducted in a standing committee format for the Riverfront Park Committee of the City of Spokane Park Board. Because a quorum of the Park Board may be present, the standing committee meeting will be conducted as a committee of the whole board.

The meeting will be open to the public, with the possibility of moving into executive session only with the members of the Park Board and appropriate staff. Discussion will be limited to appropriate officials and staff. Public testimony may be taken at the discretion of the committee chair.

Agenda

Action Items:

1. [Bernardo | Wills Architects contract amendment/traffic signal/intersection design \(\\$65,000\)](#) – *Berry Ellison*
2. [Garco Construction change order #8/Pavilion and Promenade \(\\$58,805, plus tax\)](#) – *Berry Ellison*

Information Items:

1. [North Bank rides complex feasibility study](#) – *Jonathan Moog*
2. [Meejin Yoon construction contract and update/Stepwell](#) – *Berry Ellison*
3. Vietnam Veterans Memorial statue update – *Jonathan Moog*

Standing Report Items:

1. Operations report – *Jonathan Moog*
2. [Riverfront Park redevelopment budget-to-actual update](#) – *Danielle Arnold*
3. [EPA grants update](#) – *Teri Stripes*

Agenda is subject to change

AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION: The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Loeff Carrousel meeting room is located within the Loeff Carrousel building at 507 N. Howard Street. The meeting room is wheelchair accessible. Headsets may be checked out (upon presentation of picture I.D.) through the meeting organizer for persons with hearing loss. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6363, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or jsaxon@spokanecity.org. Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.



Riverfront Park Committee

Agenda Action Item Fact

Meeting date: Sept 10, 2018

Presented by: Berry Ellison

Action Item (Language shall match the language on the agenda.):

Bernardo Wills Architects contract amendment #1 for traffic signal/intersection design; \$65,000.

Action Item Description:

City Traffic Dept is requiring intersection improvements to support the N Bank Parking Lot(s).

Note: Intersection improvements were not included in the base contract and are an additional scope of work.

RFP Bond Budget Impact (Describe as budgeted or non-budgeted.):

Budgeted within North Bank Design Contingency budget.

Non RFP Bond Budget Impact (i.e., Park Fund or Cumulative Reserve):

PMO office is working with City Traffic and Public Works dept's to secure funding for improvement/construction of the intersection.

Note: Total design & construction cost is expected to be \$800,000 including contingencies.

Executive Team Recommendation:

The Executive Team has not reviewed this item and PMO will request their action prior to Park Board meeting.

Urgency for Approval (describe impact if not approved):

Delay in design and construction of several improvements.

Options for Not Approving:

Renegotiate with Architect and/or authorization of a portion of the work (up to 30%) to maintain project momentum.



Riverfront Park Committee Agenda Action Item Fact

Meeting date: Sept 10, 2018

Presented by: Berry Ellison

Action Item (Language shall match the language on the agenda.):

Garco Construction Change Order #8 for Promenade Centennial Trail Wifi infrastructure: \$58,805. plus tax.

Action Item Description:

Promenade: City of Spokane IT Department funded change order to incorporate WiFi infrastructure on the Centennial Trail in Riverfront Park.

RFP Bond Budget Impact (Describe as budgeted or non-budgeted.):

None

Non RFP Bond Budget Impact (i.e., Park Fund or Cumulative Reserve):

5310 73100 94000 56409 City IT Budget code for funding CO #8.

Executive Team Recommendation:

The Executive Team approves to offer to RFP Committee.

Urgency for Approval (describe impact if not approved):

Contractor has been authorized to proceed following commitment from City IT dept.

Options for Not Approving:

N/A



Design-Build Change Order Form

For Use with DBIA Document No. 525, *Standard Form of Agreement Between Owner and Design-Builder – Lump Sum* (2010 Edition) and DBIA Document No. 530, *Standard Form of Agreement Between Owner and Design-Builder – Cost Plus Fee with an Option for A Guaranteed Maximum Price* (2010 Edition)

Change Order Number: 8	Change Order Effective Date: 9/17/18 (date when executed by both parties)
Project: PAVILION DESIGN BUILD PROJECT	Design-Builder's Project No: 172100
	Date of Agreement: APRIL 13, 2017
Owner: CITY OF SPOKANE - PARKS & RECREATION DIVISION	Design-Builder: GARCO CONSTRUCTION, INC.

	<u>AREA</u>	<u>DESCRIPTION OF CHANGE</u>	<u>AMOUNT</u>
Item 1	PROM	RFP#13 – Added Rough-In for WIFI for Centennial Trail & Other.	\$ 58,805
		TOTAL AMOUNT	\$ 58,805

Original Contract Price:	\$ <u>14,500,000</u>
Net Change by Previous Change Orders:	\$ <u>3,158,637</u>
Net Change by GMP Amendment:	\$ <u>4,150,000</u>
Net Change by Change Order No <u>8</u> :	\$ <u>58,805</u>
New Contract Price:	\$ <u>21,867,442</u>

Original Contract Substantial Completion Date:	<u>May 30, 2019</u>
Adjustments by Previous Change Orders: 30	(calendar days)
Adjustments by Change Order No <u>8</u> : 0	(calendar days)
Revised Scheduled Substantial Completion Date	June 29, 2019

By executing this Change Order, Owner and Design-Builder agree to modify the Agreement's Scope of Work, Contract Price and Contract Time as stated above. Upon execution, this Change Order becomes a Contract Document issued in accordance with DBIA Document No. 535, *Standard Form of General Conditions of Contract Between Owner and Design-Builder*, (2010 Edition).

OWNER:

By: _____
Printed Name: _____
Title: _____
Date: _____

DESIGN-BUILDER:

By: _____
Printed Name: _____
Title: _____
Date: _____



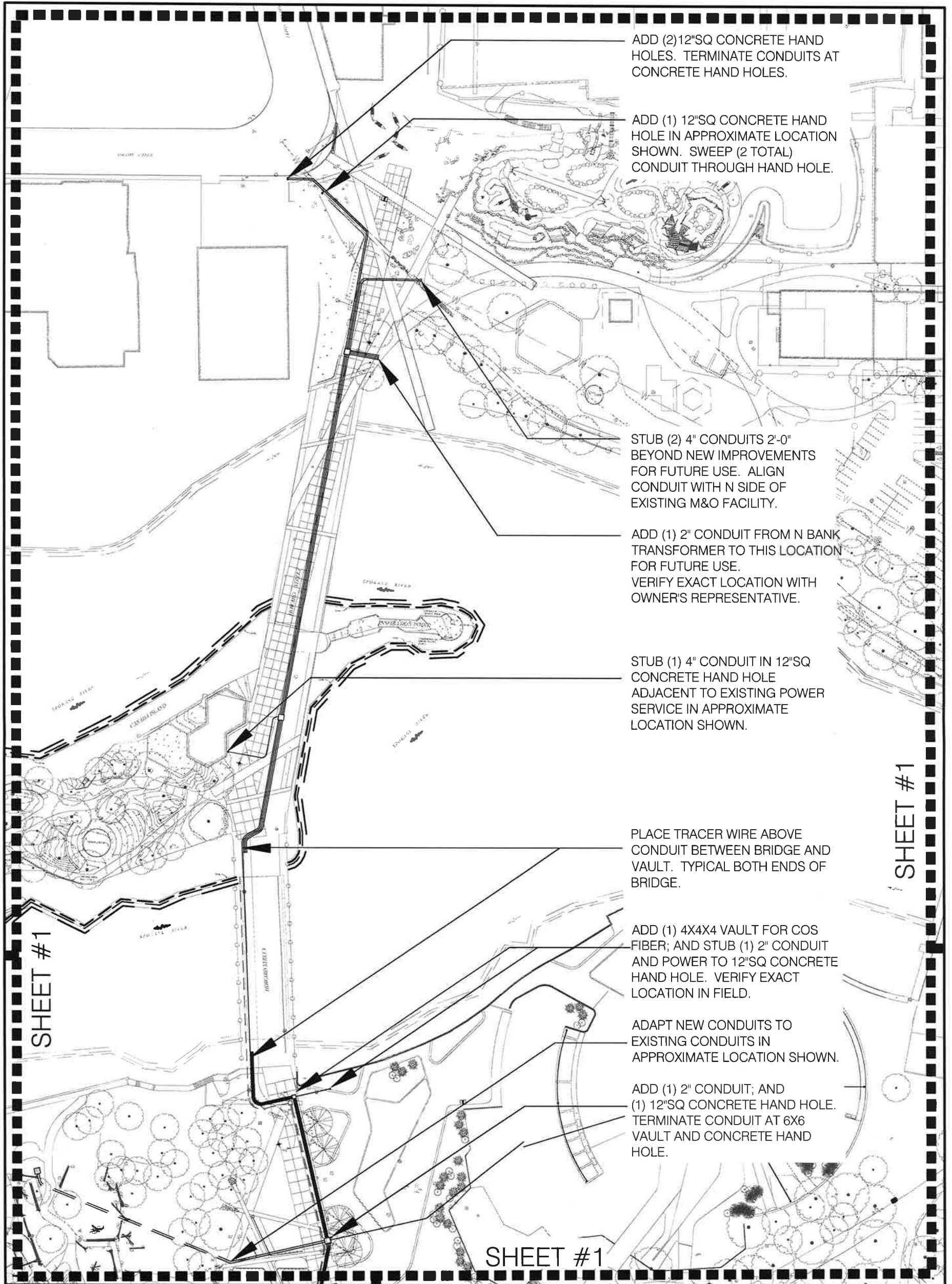
RIVERFRONT PARK MODERIZATION

Request for Proposal (RFP)

Project Name:	PROMENADES	RFP No:	13
Project No.	SC6B0322000	Date:	7/31/18
Owner:	Spokane Parks & Recreation		
Contractor:	Garco Construction	Architect/Eng:	Berger/Jacobs

Please furnish your proposal for performing the changes outlined below and/or detailed on the attachments referred to below. The quotation should include an itemized breakdown of contractor and subcontractor costs, including labor, materials, rentals, approved services, and equipment. It should also include any schedule impact if applicable.

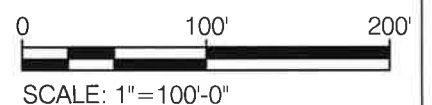
Description: Provide pricing to install added rough-in for future WIF by the COS along the Centennial Trail per the attached drawings dated 6/29/18 as part of the mid promenade utilities.

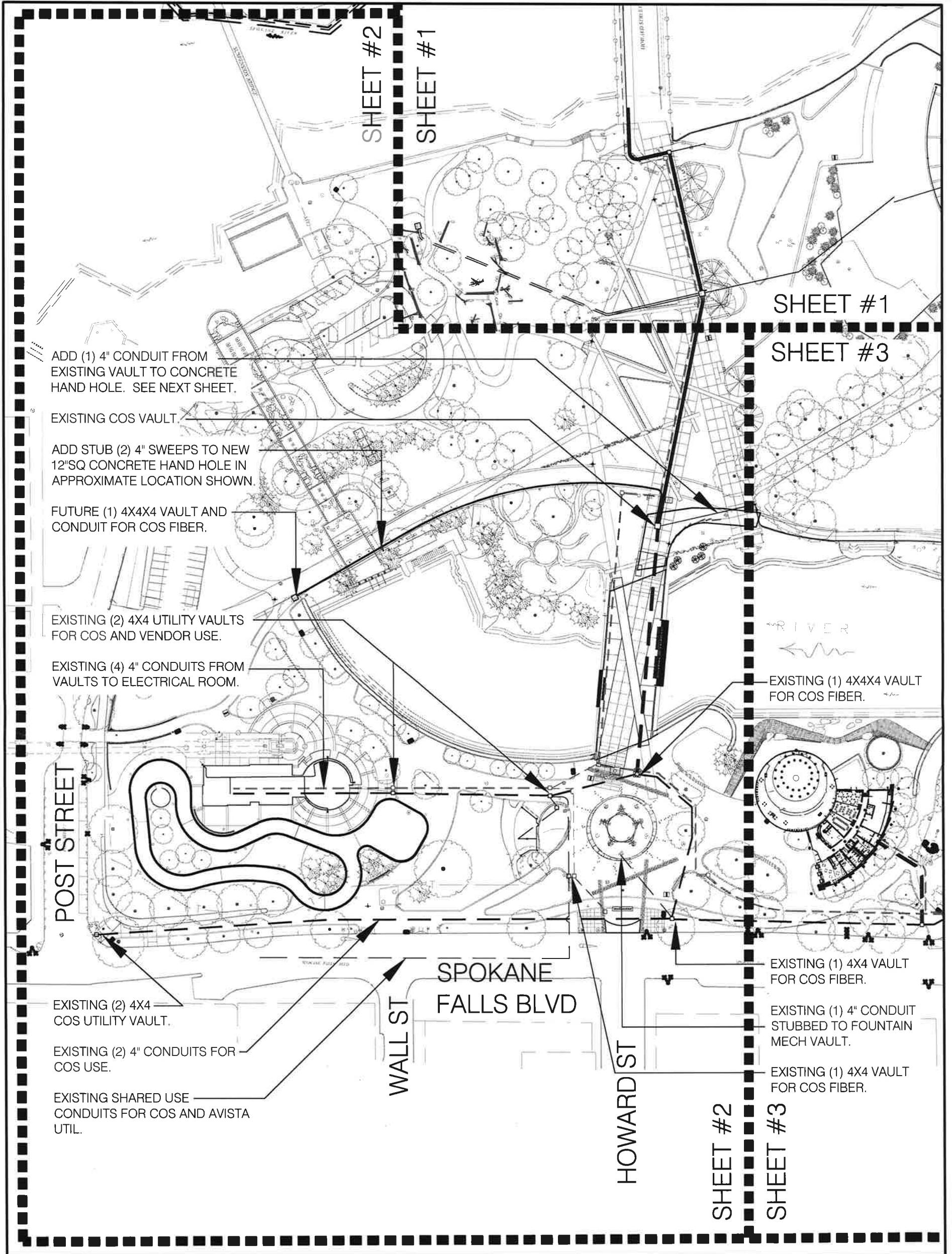


RIVERFRONT PARK

CITY FIBER
 WIFI IN THE PARK REV 3
 B. ELLISON
 JUNE 29, 2018

SHEET #1

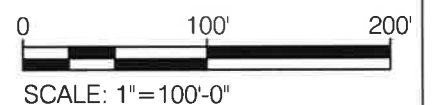


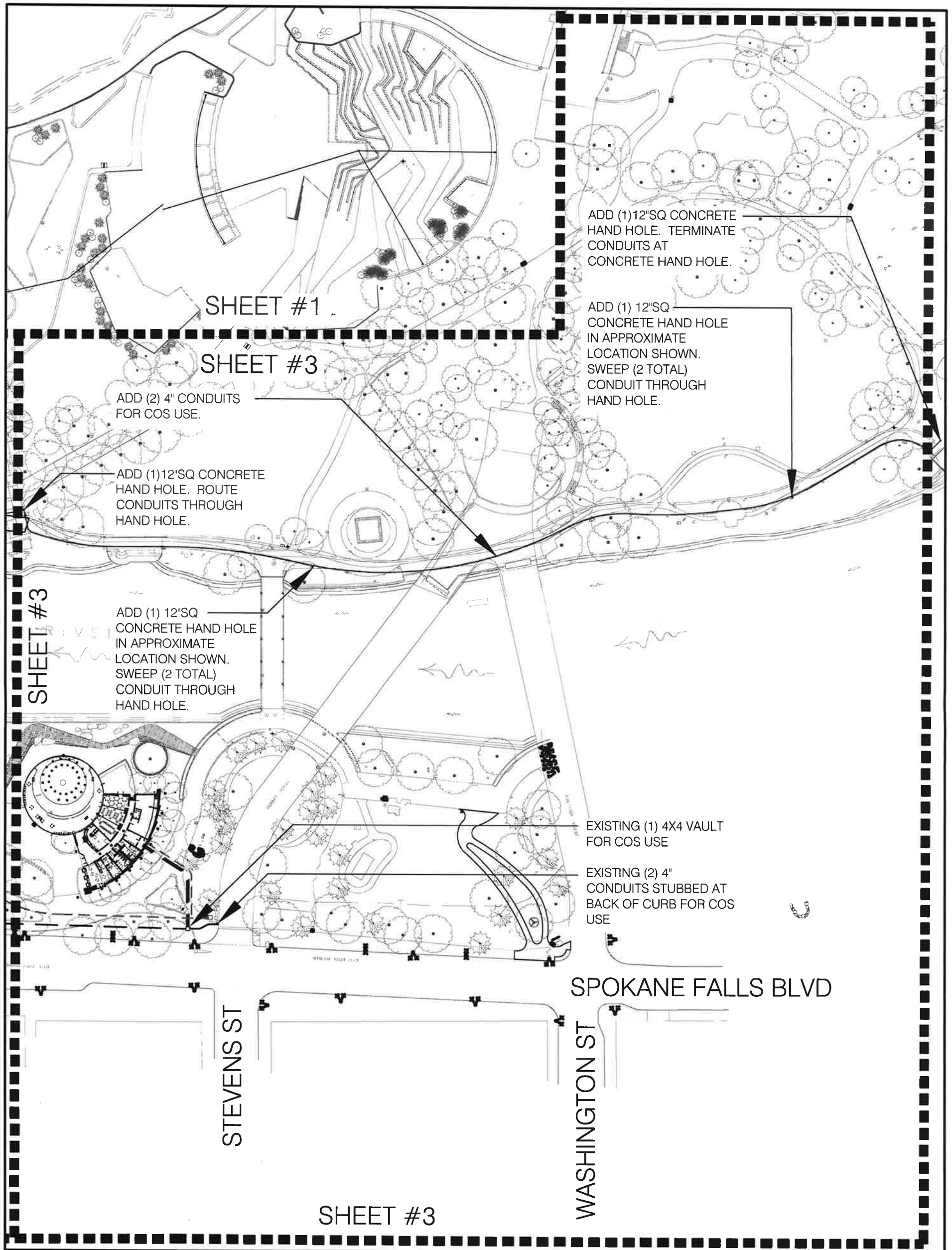


RIVERFRONT PARK

CITY FIBER
 WIFI IN THE PARK REV 3
 B. ELLISON
 JUNE 29, 2018

SHEET #2





RIVERFRONT PARK

CITY FIBER
 WIFI IN THE PARK REV 3
 B. ELLISON
 JUNE 29, 2018

SHEET #3



NORTH



SCALE: 1"=100'-0"



Garco Construction, Inc.

Phase	Description	Quan.	Unit	UNIT PRICES				TOTALS				
				Labor	Material	Equip.	Garco Sub.	Labor	Material	Equip.	Garco Sub.	TOTAL
	Power City Electric (See attached Scope Breakdown)	1.0	LS				47,671	-	-	-	47,671	47,671
	NAC Electrical Design (See attached breakdown)	1.0	LS				2,175	-	-	-	2,175	2,175
	Garco Labor and Equipment for Excavation - 1 operator and excavator for a week and a laborer for trenching & backfill	1.0	WK	4,428		651		4,428	-	651		5,079
SUB-TOTALS								4,428	-	651	49,846	54,925
ADD-ONS:								OH&P: on Garco (as subcontractor) self-performed work.		12.00% (of Labor, Material & Equip.)		609
								OH&P: on Garco (as subcontractor) subcontracted work		4.00% (of Subcontract)		1,994
								SUB-TOTAL			57,528	
Insurance								1.00% (of Subtotal)		575		
Bond Premium								0.75% (of Subtotal)		431		
								SUB-TOTAL			58,535	
B & O Tax								0.47% (of Subtotal)		270		
TOTAL - POTENTIAL CHANGE ORDER											\$ 58,805	

SPECIFIC EXCLUSIONS:

1. WSST,



E. 3327 OLIVE
SPOKANE, WA 99202
PHONE: (509) 535-8500
FAX: (509) 535-4665

Proposal

PROPOSAL SUBMITTED TO Garco Construction	DATE 8/3/18
STREET 4114 E Broadway	JOB NAME RFP-13 Added Wifi to south side of project
CITY, STATE, AND ZIP CODE Spokane WA 99202	JOB LOCATION 507 N Howard St Spokane, WA 99201
ATTN: Josh Grigsby	PHONE: 509-535-4688

Josh,
Thank you for the opportunity to provide a proposal for the above mentioned project. As always, if I can provide any further information or clarification please do not hesitate to contact me.

General Inclusions

- 3000'-4" sch 40 PVC with pull string as shown on the drawings.
- Includes Qty (6) B1017 hand holes and previously installed on the Wifi added on the north side.

General Exclusions

- Tax.
- Excavation
- Removal or patching of Concrete or Asphalt.
- Overtime.
- Sales tax.
- Bond is available by request.
- Excludes all power (raceway and conductors) to hand holes as requested.

Total Price \$47,671.00

Thank you for the opportunity.

Steve Gilbertz
509-481-0465
PM/Estimator

Proposal Acceptance:		
Authorized Customer Signature	Printed Name	Date

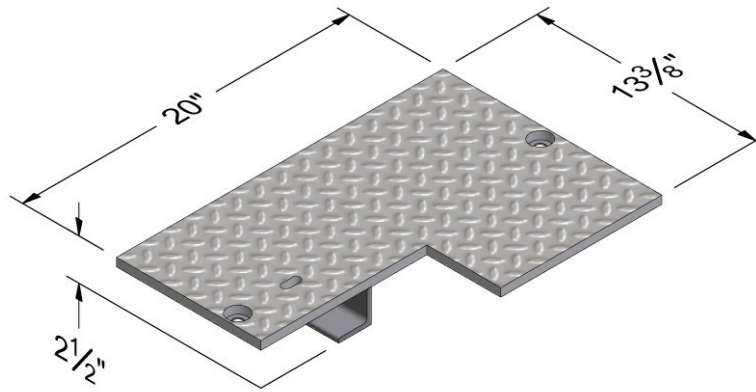
JOB #2013: ID RIVERFRONT PARK
JOB NAME RIVERFRONT PARK-HSP
EST. #07: ID Riverfront HSP
ESTIMATE RFP-13 added wifi on south trail
PRINTED 8/2/2018 2:36:49 PM
DATA SET #1: Comm Indust UPC_EST_NECA ...

8/2/18 final
 Power City Electric, Inc
 3327 E. Olive Ave.
 Spokane, WA 99202
 509.535.8500
 FAX: 509.535.8598
 sgilbertz@powercityelectric.com

NOTES

Item				Material	Labor
Size	Item Desc	Qty	UOM	Mat Ext	Lbr Ext
	12" square Hand hole	6.00		2,808.00	12.0000
4"	PVC 90 SWEEP RADIUS	31.86	EACH	703.47	47.7870
4"	PVC EB/DB END BELLS	31.86	EACH	121.38	12.7432
4"	PVC SCH 40 UGRD	3,000.00	FEET	7,110.00	165.0000
4X3	BASE SPACER	713.00	EACH	1,309.00	71.3000
	TRUE TAPE	3,300.00	FEET	66.00	3.3000
4"	PVC FIELD BENDS	31.86	EACH	0.00	103.5385
Grand Totals				12,117.84	415.6687

B1017



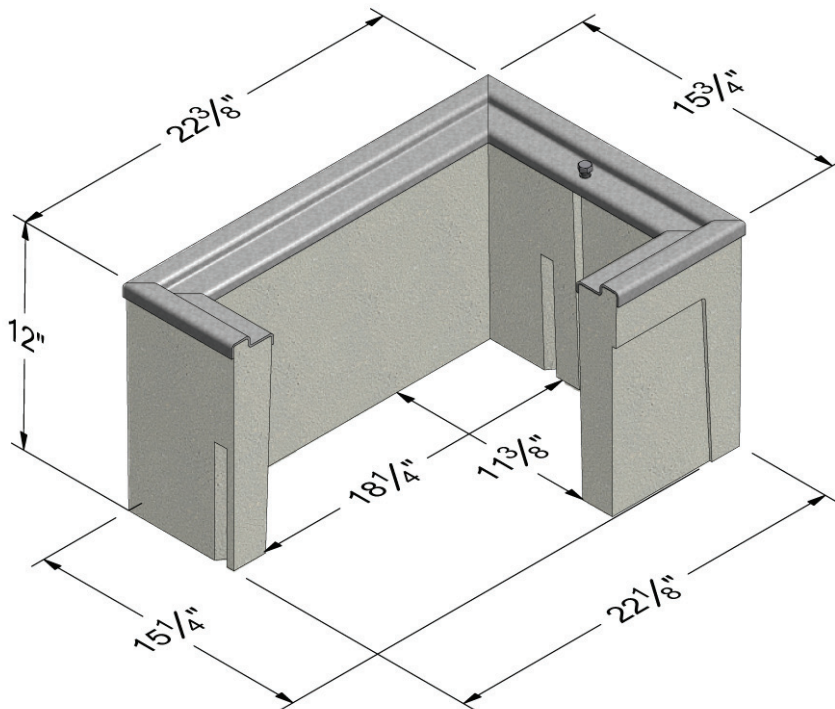
Coefficient of Friction: >0.6 ASTM 1028
Performance: H20, AASHTO M309

COVER:

Style: Flush
Material: Steel Checker Plate
Model: 14" x 20"
Weight: 44 lbs
Options: Special Markings
Surface: Skid Resistant & Marked*
Performance: H20, AASHTO M309

BODY:

Material: Reinforced Concrete with Steel Frame
Model: 16" x 22"
Weight: 130 lbs
Wall Type: Straight
Mouseholes: 0
Performance: H20, AASHTO M309



OPTIONS:

Steel Checker Plate Covers:

- Flush Solid
- Bolt Down Locking Available
- Galvanizing Available
- EMS Marker
- Lid Gaskets*

*Lid Gaskets inhibit water flow into the box, they do not make Enclosure fully waterproof.



Traffic Rated: Continuous Roadway Traffic

Actual load rating is determined by the box and cover combination. Weights and dimensions may vary slightly

All information contained on this sheet is current at the time of printing. Oldcastle Precast, Inc. reserves the right to discontinue or update product information without notice.

*Cover comes standard with permanent markings for manufacturer, load rating, model size and manufacturing location.

Contact your Oldcastle Enclosure Solutions Distribution Center for specific information and additional options.

Josh Grigsby

From: Jack Schneider <JSchneider@nacarchitecture.com>
Sent: Tuesday, August 14, 2018 12:53 PM
To: Josh Grigsby
Cc: Keith Comes
Subject: RE: HSP Centennial Trail WiFi questions

Hello Josh,

No problem.

Meetings and review

4 hours at \$145/hr = \$580

Design/Email/Drafting

6 hours at \$85/hr = \$510

6 hours at \$125/hr = \$750

Changes/CA

2 hours at \$125/hr = \$250

1 hour at \$85/hr = \$85

Total \$2,175

Amount highlighted in yellow have already been accrued.

Thanks,
Jack

Jack Schneider PE, LC, LEED AP
NAC Engineering

From: Josh Grigsby <joshg@garco.com>
Sent: Tuesday, August 14, 2018 12:42 PM
To: Jack Schneider <JSchneider@nacarchitecture.com>
Cc: Keith Comes <kcomes@nacarchitecture.com>
Subject: RE: HSP Centennial Trail WiFi questions

Jack,

I need to get a breakdown from you on that so I can include in my COP.

Thanks,

JOSH GRIGSBY
GARCO CONSTRUCTION | Project Manager
o: (509) 535-4688 |
c: (509) 953-8456 | joshg@garco.com

Mead, Lorraine

From: Jack Schneider <JSchneider@nacarchitecture.com>
Sent: Wednesday, August 15, 2018 11:41 AM
To: Mead, Lorraine
Cc: bellison@spokanecity.org; Keith Comes
Subject: RE: Promenade - Centennial Trail WIFI
Attachments: Promenade - Added Centennial Trail WIFI - 8-14-18.pdf; Promenade - RFP#8 Added WIFI.pdf; RFP 08R Wifi change (2).pdf

Hello Lorraine,

The \$20,000 estimate is based on information we we're getting back through RFP-08R Wifi and the promenade RFP#8 promenade pricing which appear to be two different RFP's.

I thought the price for completing Berry's RFP-08R was answered by HSP RFP#8-Added Wifi Scope which was \$33,632 and that in that, Berry allowed the use of 2" conduit.

In Centennial Trail Wifi, Berry confirmed after my \$20,000 estimate that there were two 4" pvc conduits being installed versus one 2" like I thought he had allowed on RFP-08R.

Does that make sense? I have attached all for your reference.

With respect to the pricing received for "Added Centennial Trail WiFi" and keeping in mind that the 4" PVC conduit is almost three times the cost of the 2" PVC conduit and there is twice as much (two 4" vs one 2"), those numbers seem to bear out in the \$58,805 number

Thanks,
Jack

Jack Schneider PE, LC, LEED AP
NAC Engineering

From: Mead, Lorraine <LorraineMead@hillintl.com>
Sent: Wednesday, August 15, 2018 10:24 AM
To: Jack Schneider <JSchneider@nacarchitecture.com>
Cc: bellison@spokanecity.org
Subject: FW: Promenade - Centennial Trail WIFI

Jack,

Please review this pricing – you send a prior email that you thought this would be around \$20K. We need to get this resolved so this work can proceed after labor day.

Thanks,
Lorraine

From: Josh Grigsby <joshg@garco.com>
Sent: Wednesday, August 15, 2018 9:39 AM

To: Mead, Lorraine <LorraineMead@hillintl.com>

Subject: Promenade - Centennial Trail WIFI

Good Morning Lorraine,

Please see attached proposal and let me know if you have any questions. If this is a go, it is important that we get the go ahead in the next couple weeks so we can get materials coming so it doesn't delay our upcoming centennial trail work.

Thanks,

JOSH GRIGSBY

GARCO CONSTRUCTION | Project Manager

o: (509) 535-4688 |

c: (509) 953-8456 | joshg@garco.com



North Bank Rides Complex Feasibility Study

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I. Executive Summary

This study sought out to validate the operational and financial feasibility of a rides complex on the north bank of Riverfront Spokane. The stated goal of this complex was to provide an affordable entertainment option to medium-to-low income families with children with central proximity to the park. Beyond this stated goal, there has been no stated purpose or identification of need associated with the potential expenditure of tax payer dollars. Riverfront Spokane currently offers affordable (below market rate) attractions and free programming for the community.

The 2014 Master Plan was developed through extensive community outreach, an engagement survey, and a planning committee comprised of citizens and local community leaders. The results of the survey indicated a very small minority desired rides in Riverfront. One of the outcomes of the master plan eliminated permanent amusement rides from the park and proposed enlisting the services of a traveling carnival as an alternative solution.

In analyzing the financial aspects of this study, staff asserted an optimistic approach in favor of a rides complex. Special favorability was given in the sales growth rates which exceed past revenue records, a more favorable ticket sales ratio, and employed cost reduction strategies in site design and ride selection. The following conclusions were drawn from research and analysis of the north bank rides complex:

- The size of the target market is approximately 6.5% of Spokane's households or 35,000 citizens. The rides complex has greater support from out-of-area visitors. This need is currently being met by Silverwood Theme Park.
- Spokane households spend a higher portion of their income on entertainment and less on theme parks when compared with similar cities.
- A ride complex would deduct approximately 20 or more parking spaces from the north bank and forgo \$29,800 revenue, annually.
- Price sensitivity of the target consumer requires pricing to be kept below market rates which make it extremely difficult to recover operational and investment costs. Riverfront would need to sell a greater number of tickets to make up the difference. This is very unlikely given the limited size of the market and past sales history.
- A rides complex would not break even and result in a net \$743,585 loss over 20 years.

Based on the findings of this study, investment in a rides complex is not recommended.

II. Introduction

The purpose of this feasibility study is to collect and present necessary information on the operation, financial projections and constructability of a potential permanent amusement rides complex on the north bank of Riverfront Spokane. The stated goal of this study was to validate financial viability of a rides complex to provide affordable family entertainment. The City of Spokane Park Board commissioned the study to be completed by City of Spokane Park and Recreation Division staff from July 12, 2018, to September 1, 2018. Due to this time constraint and limitation of in-house resources, the following parameters were used in creating and evaluating study deliverables.

- Complex will be professionally designed, constructed and landscaped.
- Rides will be purchased. Lease options will be researched.
- Complex will be operated by Riverfront Spokane.
- All rides will be new acquisitions.
- Operations must recover the cost of the investment.
- Rides will be permanently installed year-round.
- Rides selection will be target families and children (5-12 years).

Key deliverables of this study include:

- Basic Market / Demographic Analysis
- Competitive analysis of local entertainment options
- Financial pro-forma identifying operation, maintenance and indirect cost
- Description of staffing plan
- Suggested rides mix, estimated cost of rides acquisition
- Operational season and hours
- Identification of impacts to the Redevelopment Project
- Operational model including ticketing / season pass approach and pricing
- Identification of potential funding sources
- List of infrastructure requirements and estimated cost

III. Market Assessment

A key desire expressed by a rides advocacy group has been to develop a rides complex capable of providing entertainment for low-to-middle income families. Affordability and a central proximity (approximated to be a 25-minute drive) to these groups is a desired outcome. A market analysis was completed using these perimeters. This analysis was completed with assistance of Buxton Inc. consumer analytics.

Buxton Inc. is a nationally recognized consumer analytics firm which specializes in analyzing consumer spending habits and providing actionable recommendations to nationally recognized brands. Data they provide helps businesses improve sales, better position their product/service, find consumers with like interest and identify a location for a new store.

A. Market Comparative Analysis

This study completed a basic market and demographic assessment comparing Spokane to regional markets, including Boise and Salt Lake City. New Orleans, Louisiana, was also selected because it shares similar characteristics and demographics to Spokane. The goal was to better understand Spokane’s preference for theme parks and determine size of the target consumer segment with a propensity to visit a rides complex.

Target Consumer Segment

Buxton Inc. conducted an analysis of its 19 consumer segments for those with an inclination of attending theme parks based on prior spending data. Of the 10 found (representing 22% of Spokane’s households), two were best aligned with the family target market of this study. Buxton calls these groups Family Union and Families in Motion. These two groups represent 8,756 (6.5%) households or approximately 35,000 citizens within a 25-minute drive of Riverfront Spokane that would likely use the rides complex.

	Families in Motion	Family Union
Head Household Age:	36-45	31-35
Est. Household Income:	\$50,000-\$74,999	\$50,000-\$74,999
Age of Children:	4-6	13-18
Features:	<ul style="list-style-type: none">• Young working-class families with moderate incomes• Child rearing purchases• Outdoor leisure• High technology adoption	<ul style="list-style-type: none">• Middle income supported by blue collar occupations• Child oriented activities• Financially cautious• Team Sports• High technology adoption

Surprisingly, the same study found those with a higher inclination for theme parks are Spokane area visitors outside the 25-minute drive range. The percentage of households increases from 22% to 44%. Of the 44%, 29% have an estimated family income between \$75,000 and \$250,000.

This data suggests there is a small local market segment within the median income range interested in rides but most potential consumers are out of the area and are less price sensitive than the premise of this study suggests.

Market Comparison

A market comparison was conducted using the cities of Spokane, New Orleans, Boise and Salt Lake City. The chart below summarizes the findings.

Spokane households on average spend about 1.0% or \$733 of their annual income on fees and admissions related to entertainment. Comparatively to other regional cities, this is slightly higher than Boise and Salt Lake City when considering median income. However, when looking where the entertainment dollars are spent, Boise and Salt Lake City show a higher preference (above the national average) for theme parks; whereas, Spokane’s preference is below the regional and national average. The Spokane market appears to have a higher propensity to

spend money on entertainment then Boise and Salt Lake City but prefers not to spend it on theme parks.

	Spokane, WA	New Orleans, LA	Boise, ID	Salt Lake City, UT
Median Income	\$65,200	\$65,500	\$70,300	\$80,000
Approx. Entertainment Spending (fees & admission)	\$732.81 (1.0%)	\$464.52 (0.8%)	\$830.42 (1.0%)	\$872.52 (1.1%)
Households – 25-min drive	134,704	220,017	144,351	309,274
Visit any Theme Park in last 12 mo. (market preference) 100=Avg	92 (Below Avg)	97 (Below Avg)	105 (Above Avg)	109 (Above Avg)
Households with theme park preference	30,174 (22.4%)	85,807 (39%)	68,480 (47.4%)	121,545 (39.3%)
Households under \$75K with families (Target market)	8,756 (6.5%)	4,400 (2%)	9,383 (6.5%)	22,886 (7.4%)

New Orleans was selected for comparison due to similar median household income and Carousel Gardens; a city-managed amusement park. Carousel Gardens operates with a ticket-per-ride model similar to what is proposed in this study and charges \$4 per ride. It also has a day pass (\$18) and season pass (\$55) option. These price points are slightly higher than what is being proposed for the north bank rides complex. In comparison to Spokane, New Orleans has a greater percentage of households (39%) with a preference for theme parks within close proximity of their park.

IV. Local Competitive Analysis

The Spokane region is fortunate to be in close proximity to hundreds of free outdoor recreational activities and additional fee-based attractions for families to enjoy. For the purpose of this competitive assessment, staff focused on businesses within a 50-mile radius to Riverfront Spokane, and some applicable regional attractions that offer family-based entertainment and recreational attractions.

Since consumers prioritize their time and money when choosing between entertainment options, the intent of this assessment was to determine competitive landscape or choices the consumer has when choosing their entertainment options in order to gain insight into opportunities, risks, market share and comparative pricing.

A. Background

A rides advocacy group claims financial success of previous rides program between the years 1982 and 1995 as one reason to restore a rides program to Riverfront Spokane. The competitive landscape during this time frame was every different and few local entertainment options existed. Due to low competition of similar entertainment options and high cost barriers to enter the market, Riverfront Spokane enjoyed a competitive market advantage which was reflective of its year-over-year revenue growth. Riverfront Spokane, with exception of county fairs, was the only park to have amusement rides after the closure of Natatorium Park in 1967 and the

opening of Silverwood 1988. With new competition and lack of new investment into the rides program sales declined and Riverfront Spokane lost market share. Since 1995, over 13 new entertainment /amusement-orientated businesses have opened in the local area (Attachment C). Today, there are 25 entertainment-orientated businesses within 10 miles of the Riverfront Spokane. Consumers have more choices on how to spend their entertainment dollar.

There are many amusement-based attractions in close proximity to Riverfront Spokane but only Silverwood Theme Park offers amusement rides. They offer a large variety of classic, family, thrill and kiddie rides in addition to a water park that appeals to all ages. Riverfront Spokane will not be able to compete based on ride variety or value without significant and continuous investment. Silverwood’s single gate admission pricing strategy (ticket prices ranges \$20 to \$51) can be a barrier for medium-to-low income families to participate. Should Riverfront Spokane restore its rides program, there is opportunity to continue its ticket-per-ride pricing strategy. This will allow a price sensitive consumer to build an ala carte experience to fit their budget.

B. Pricing

In developing a pricing structure for north bank rides complex, staff reviewed rack rate ticket prices of local and some regional entertainment options in order to gauge a reasonable market price. Similar comparable pricing shown below was used to evaluate possible single ticket, day pass, and seasonal pass pricing.

Business	Attraction	Price
Wonderland Family Fun Center	Go Karts	\$9 driver / \$2.50 rider
Wonderland Family Fun Center	Bumper Boats	\$7.50 driver / \$2.50 rider
Mobius	Science Center/Children’s Museum	\$8 Child & Adult
Spokane County Fair	Carnival Rides	\$3 to \$5 + fair ticket
AMC Theater	Movie ticket	\$12.49 Child / \$15.49 Adult
Laser Quest	15-min game	\$9
Get Air Trampoline Park	60-min play	\$6.00 under 46”
Triple Play	Bumper Boat	\$7.75
Triple Play	Go Kart	\$7.75
North Bowl	1-hour bowling with shoes	\$10
Riverfront Spokane	SkyRide	\$6.75 Child / \$7.75 Adult
Riverfront Spokane	Looff Carrousel	\$2
Wahooz Fun Zone (Boise)	Twister ride or bumper cars	\$5.99
Wahooz Fun Zone (Boise)	Frog Hopper	\$3.99
Family Fun Center (Tukwila)	Frog Hopper	\$4
Family Fun Center (Tukwila)	Drop & Twist	\$7.50
Carousel Gardens (New Orleans)	Any Ride	\$4 / \$18 day pass

The local and regional ticket prices range from \$2 to \$9 with the median price of \$4. Staff also reviewed Riverfront Spokane past ticket prices for the amusement rides in the U.S. Pavilion to verify applicability to today’s market rates. An amusement ride ticket in 1998 was \$1.75

equivalent to \$2.77 in today's dollars. Additionally, the ticket price in 2016 was \$4 equivalent to \$4.25. Past ticket pricing increased somewhat faster than inflation but still within reason compared to the market rate.

Considering that consumer affordability of the ride complex was a desired goal, pricing was selected at \$3 per ticket to better appeal to price sensitive target market. However, based on the consumer research in the Spokane market which shows that medium-to-high- income families have a higher preference for visiting theme parks, a \$4 ticket price is a reasonable market price, especially for new amusement rides.

C. Site and Location Analysis

Given the possible alternatives locations in Riverfront Spokane for an amusement rides complex, the north bank is likely the most suitable location. This site has many positive attributes, including sufficient flat space outside of shoreline restrictions, close proximity to parking, and shared synergistic qualities with the regional playground and Sportsplex as both will bring families with children of similar ages. However, the construction of the amusement ride complex runs the risk of reducing the number of parking spaces to sufficiently support the consumer demand for both the regional playground and rides. Close and convenient parking is important to families with young children. Insufficient parking may limit sales capacity of a rides complex.

V. Ride Complex Concept

A. Programmatic plan /vision

The north bank rides complex is envisioned to be a permanent addition to Riverfront Spokane and offer rides seasonally to guests; assumed to be April through October depending on weather. The complex would include three new fenced amusement rides with queues, a ticket stand that would also support light concessions, and a centrally located ride operator's booth capable of hosting the controls for all three amusement rides. The complex would be placed adjacent to shared restrooms with the regional playground and each ride would be professionally landscaped so it seamlessly integrates with other the north bank elements and achieves a positive aesthetic appearance.

Since cost is a significant factor in the decision to build a rides complex, staff considered cost reducing measures into this concept including minimizing the loss of parking, arranging rides to share a common booth, reducing the size of support facilities and choosing rides with a small site footprint.

B. Rides Selection Methodology

Significant research went into identifying the best rides to fit into a potential amusement ride complex. Various factors were considered in their selection, including:

Demographics

The expressed desire of a rides advocacy group is to build a rides complex to accommodate young children and their families. For the purpose of this study, the proposed ride selection assumed an age range of three to twelve which equates to heights of 36 inches to 55 inches based on standard growth charts. This height range was used to find amusement rides in the kiddie and family ride categories suitable for this group. Rides within these categories typically have a lower thrill factor based on lower speeds and types of movement but can accommodate a broader range of passengers.

Impact to Parking

Availability and convenience to parking was as the number one issue cited by one in five respondents in an independent community outreach survey used in the development of the master plan. Considering the reduction of overall parking space on the north bank, preserving sufficient parking to support the regional playground and ride complex is a high priority.

The proposed new parking is expected to support approximately 180 new spaces. Based on projected demand for the regional playground, ticket sales for the rides complex, U.S. Pavilion events and Sportsplex, the new lot is expected to operate near capacity and exceed capacity during peak days. This will necessitate a change in the current parking model from daily to hourly rates in order to accommodate sufficient turnover of spaces. It will also reduce or potentially end the monthly parking permit program in order to accommodate the increased utilization.

The new lot is projected to gross \$269,000 annually; equating to \$1,490 per parking space. Using proposed rides illustrated in the next section as a guideline, the north bank parking lot would lose 20 parking spaces and \$29,800, annually.

Ride Type and Variety

In developing a rides package, it was important to balance several criteria to engage consumer interest and diversify rides from similar attractions by local competitors. When it comes to amusement rides, it's important to be different and stand out. Variety in the type of motion (up, down, circular, elevation, seating position, etc.), availability of similar rides locally, and overall experience were all important factors considered. All rides selected met the basic criteria of permanent installation and accessibility by both parents and children.

The primary focus of this study was to evaluate rides for families; specially, for youth under the age of twelve. For this reason, rides for the teen demographic were not exhaustively researched. In general, teens tend to prefer rides with a higher thrill factor. These rides are typically more expensive and have larger site footprints. The proposed selection of rides would likely not appeal to teens for this reason. As an alternative, two additional rides which could increase the thrill factor for the teen demographic are suggested.

Cost of Acquisition

The cost of acquisition is defined as the total cost to purchase an amusement ride. See Attachment B for an itemized cost breakdown. Factors evaluated were base price, shipping, taxes, installation and training. A 10% contingency cost was also included to account for pricing changes, add-ons, and spare parts needed to start up a new attraction. Infrastructure improvements were not considered in the cost of acquisitions but rather covered in a separate section below. Since manufacturers would not provide an estimated annual maintenance cost for their attractions this cost was not added into the cost of acquisition and is approximated on the financial pro-forma.

Staff researched 11 possible amusement rides ranging in base price from \$165,000 to \$395,000. This range represents lower-to-median-level market rate pricing for kiddie and entry-level family rides. The proposed north bank collection is composed of rides with base prices of \$165,000, \$200,000 and \$315,000. The compact footprint of these rides also translates into lower infrastructure costs by the way of smaller concrete foundations.

Four ride manufacturers were contacted about possible lease options. All reported that they do not offer leased rides.

Quantity of Rides

The overall cost, impact to parking availability, and revenue viability of the complex were factors used to determine best number of rides in a potential complex. Complexes of two through five rides were considered. A three-ride complex was chosen because it minimized the loss of parking to 20 spaces and provided sufficient number of attractions with the regional playground to establish it as a destination. A three-ride complex also yields better day pass pricing to the target consumer segment; assumed to be price sensitive. A season pass is possible under a three-ride complex when paired with existing park attractions (skating rentals and carousel admission).

A greater number of rides will add more value to the season pass and expected to increase consumer traffic. A larger complex was not chosen because of the higher of cost investment, insufficient availability of parking from the loss of spaces and it would increase the season pass price point which would make it less desirable for the target market.

C. Ride Recommendations

The following three amusement rides were selected as a general representation of a feasible solution for the north bank ride complex. Actual ride type, pricing or manufacturer could change as a result of a competitive bidding process. Pictures below are for illustrative purposes only. Actual ride may vary in appearance or design.

Proposed Amusement Ride Collection

The Family Swinger by Zamperla



- **Description:** Smaller version of a classic swing ride suitable for the whole family. Features two rows of swings; outer row has full-size adult seats and inner row smaller seats for young riders.
- **Height Requirement:** Minimum 42" (outside seats), 36" (Inside seat)
- **Number of Seats:** 32 passengers
- **Total Acquisition Cost:** \$386,000

Heege Tower by Sunkids



- **Description:** Riders ascend tower by lightly pulling on rope which activates a motor to propel seat upward. The strength and speed used to pull directly influence the speed of ascent. Tower also rotates to give rides panoramic view. Tower is about 30 feet tall.
- **Height Requirement:** minimum 38" with adult, 48" solo
- **Number of Seats:** 8 passengers per tower
- **Total Acquisition Cost:** \$258,000 per tower

Jump Around by Zamperla



- **Description:** Small family ride suitable for young children and their parents. Cars bounce up and down while turning in a circle.
- **Height Requirement:** minimum 36" with adult, 48" solo
- **Number of seats:** 24 passengers (max 6 adults)
- **Total Acquisition Cost:** \$207,000

Alternative Amusement rides

The two rides below represent rides with a higher thrill factor aimed at increasing the age range to the tween and early teens. These rides would be recommended if a five-ride complex was selected or for possible future year expansion.

Kite Flyer by Zamperla



- **Description:** Lay-down, two-passenger gondolas let riders experience the sensation of free flight with a wave-like oscillating motion.
- **Height Requirement:** minimum 35" with adult, 42" solo
- **Number of Seats:** 24 passengers (max 12 adults)
- **Total Acquisition Cost:** \$411,000

Tornado by Wisdom Rides



- **Description:** A thrilling ride with four swinging capsules that hold four passengers each. The entire ride rotates, lifts and tilts, while riders spin the capsules themselves to create the ride they want.
- **Height Requirement:** minimum 38" with adult, 48" solo
- **Number of seats:** 16 Passengers
- **Total Acquisition Cost:** \$317,000

D. Infrastructure Requirements

Placement of a permanent ride complex on the north bank would require certain infrastructure requirements. Currently, this area is unimproved and all amenities would need to be built or added to support the operations of a ride complex. The rides complex is expected to cover an area of 12,600 square feet but may vary depending on the size requirements of selected rides. The site diagram (Attachment A) shows a conceptual layout of the site, including placement of three ride enclosures, central operators' booth, and ticket stand. These facilities represent the basic physical requirements for the site. A complete itemized cost list is available in Attachment B.

Operator Booth

As a cost saving and operational efficiency measure, three rides would be arranged around a single central operator's booth. This reduces the number of booths needed to be constructed, thereby saving on construction cost. Additionally, it enables rides operations to implement a reduced staffing model during non-peak times which help to save on labor cost. The operators' booth houses the ride controls and basic public address system for each ride. It should be large enough to enable three operators to work simultaneously with easy access to each ride enclosure. The booth also provides security for the ride controls, protection from weather and shade for the operator.

Ticket Stand

A ticket stand is an important component of the rides complex with the purpose of selling tickets, day passes and season passes. To support this function, power and data services are needed to connect Riverfront's point of sale system. Handheld scanners will be used at each ride and are needed to validate tickets and season passes. These devices require either Ethernet or Wi-Fi connection. There are also opportunities to offer light concessions and retail options over the ticket counter. These concessions may include snacks, pre-packaged foods, bottle beverages and an assortment of small items, such as sunscreen and hats. Overall, the 300-square-foot space is expected to house two points-of-sale terminals, an IT cabinet, beverage refrigerator and case work.

Ride Enclosure

A ride enclosure is required for each of the three rides being proposed. Each enclosure will vary in size based on the manufacturer's requirements and include a concrete pad / foundation, perimeter fencing, 208v 3-phase power and queue for waiting riders. Each enclosure will also need a dedicated and lockable entry and exit gate; preferably, a magnetic latching system similar to the Looff Carrousel.

A shade cover over each ride enclosure is a highly recommended option in order to minimize closures due to heat and to protect rides from the effects of weather. As a recent example, the Berry Go Round was closed for over 177 hours from July 5 to Aug. 10 this year when temperatures became unsafe. These closures typically occurred around 12:30 p.m. and last until 7:30 p.m. Similar closures on the rides complex would adversely impact revenue expectations.

Other Site Improvements

Additional site improvements needed for ride complex included landscaping, area music, site lighting and furnishings. These items will help integrate the ride complex into the north bank setting; a key desire expressed by members of the Park Board. Additionally, adequate asset protection is needed when the complex is not in use. Perimeter fencing around the complex and security system will be required.

VI. Operational plan

Evaluation of an operations plan is an important component to the north bank rides complex feasibility study. It lays out specific perimeters and assumptions that drive financial performance of the site. Key aspects of the operation plan include descriptions of the operational model, seasonal calendar and hours, staffing requirements, maintenance requirements, administrative requirements and pricing structure. The details below are intended to provide a high-level overview of the operational plan.

A. Operational model

Staff considered two types of traditional amusement park models for the north bank rides complex, including a ticket-per-ride and a single admission ticket model. Under the single

admission ticket model, consumers would pay a single price and unlimited access to all rides. This model, akin to one used at Silverwood Theme Park, offers several advantages including convenience for guests, potentially higher revenue and a simplified ticketing process. It would also be possible to implement this model in the proposed conceptual design of the rides complex. However, this model would require a higher entry price point than a ticket-per-ride model. For this reason, staff recommends a ticket-per-ride complex to appeal to the desired consumer segment. This is also the traditional model used at Riverfront Park.

Under the ticket-per-ride model, general admission to the rides complex would be free, allowing parents and children to enter without paying. Instead, consumers will choose, a la carte, from a selection of individual ride tickets, day passes and season pass options. The affordability of this model allows the consumer to buy to their budget. Previous purchasing history indicates that parents are less likely to purchase tickets, day passes or season passes under this model. It's hoped that the lower price point and the proposed selection of family rides will encourage parents to participate.

B. Operations Calendar and Hours

Riverfront Park has a long history and experience with a seasonal amusement ride calendar. After reviewing previous park calendars and comparing with them with similar local outdoor attractions, staff is proposing a very similar calendar and operational hours for the proposed north bank rides complex. The generalized calendar below represents 1,216 hours of operation and accounts for the school calendar, holidays, weather history and sunsets. It represents a starting point for the rides complex. Staff anticipates minor changes to hours, and seasonal opening and closing dates based on weather and consumer demand.

Dates	Description	Hours
April 1 – June 7	Spring Break, Memorial Day and Weekends	10 a.m. to 7 p.m.
June 8 –Aug 30	Daily	10 a.m. to 8 p.m.
Aug 31 – Oct 31	Weekends , Labor Day	10 a.m. to 7 p.m.

C. Management

The stated assumption of this feasibility study was that City of Spokane Parks and Recreation staff would manage and operate the new complex. The financial pro-forma (Attachment D) is based on this principle. No additional research was conducted to validate interest or feasibility in a potential third party operator.

D. Staffing

The north bank rides complex will add three new rides and will require additional full-time and temporary seasonal staffing.

Temporary seasonal positions are part-time, non-benefited employees at Riverfront. This general classification fulfills a variety of needs, including rider operator, ticket and concessions

attendant and front-line supervisor (lead). Based on the hours shown in operations calendar, staff anticipates approximately 8,032 labor hours required to support these duties. Grounds maintenance and ranger staffing was not considered because this study assumed the net change was negligible when compared to the needs of the north bank without a rides complex.

Minimum wage in 2020 is expected to be \$13.50 per hour. In order to remain a competitive employer, Riverfront Spokane's current practice is to pay \$.50 over minimum wage. Staffing with in this classification is expected to be paid \$14 to \$15 an hour. In order to reduce staffing cost and where feasible, Riverfront plans to reduce labor hours by more efficiently scheduling ride operators to mirror consumer demand.

Two new full-time positions are anticipated to be needed for the rides complex, including Assistant Attractions Supervisor and Electro-mechanical Technician Supervisor. The Assistant Attractions Supervisor will report the current Shift Supervisor to support the daily employee hiring, scheduling, training and supervision of the rides complex operation. The Electro-mechanical Technician Supervisor is envisioned to be an ANSI certified working supervisor or foreperson-level position responsible for supervising and training Riverfront's two existing electro-mechanical technicians, planning and coordinating preventative maintenance of the rides and assisting in repairs.

Both of these positions are being added because the managerial and mechanical maintenance work load will exceed Riverfront's existing capacity. This essentially replaces the two similar positions (Training Supervisor and one Electro-mechanical Technician) eliminated in the 2017 fiscal year following closure of the Pavilion amusement rides. Instead of re-instating these positions, staff is recommending two new positions be created that better align with its current organizational structure.

E. Rides Maintenance

Rides maintenance is an important component to ensuring rider safety, state compliance and longevity of the amusement rides as a capital investment. Riverfront has an established ride maintenance program that will be enhanced by the Electro-mechanical Technician Supervisor discussed above. Periodic maintenance inspections and repairs will be done in accordance with the manufacturer's requirement which typically involves daily, weekly, monthly and annual checks. Specific maintenance requirements for the three proposed rides were not available from the manufacturer.

The north bank rides complex will be a permanent installation as such it will benefit from an annual cost savings from dismantling, moving and storing rides during the winter months. Instead, each ride will be winterized in place. Staff anticipates the need to create custom canvas covers to protect them during winter months.

Long-term maintenance of the rides was a weakness of the previous Pavilion amusement rides. In order to maintain the condition and revenue viability of the rides, staff is proposing a capital

reserve fund which could be used in the future for repairs beyond normal maintenance or serve as a deposit for a new attraction.

As a final point of consideration, three new rides will require additional storage for spare parts and work space for repairs. This need may impact the current program concept for the future maintenance and operations building.

F. Administration

The north bank rides complex will also require additional administrative support in the areas of marketing, hiring, accounting and other back-office functions. This section will discuss efforts to be taken promote and position the rides complex to the community to enable financial success.

Promotions

In order to build visitation of the rides complex, staff will explore several opportunities. These include, but not limited to the following:

- Partnering with other attractions on a potential City Pass,
- Establishing a consignment ticket program with hoteliers,
- Providing discounts for local summer camps,
- Creating programmed community engagement activities around the rides complex
- Exploring cross-promotional opportunities with the Library and Sportsplex,
- Working with local school districts to offer a free ticket for each student, similar to the program at Silverwood Theme Park; and,
- Creating special discount days (ex. grandparent days) during no-peak visitation days.

Marketing platforms

The previous budget for the U.S. Pavilion amusement rides allocated \$18,000 annually to support various marketing and collateral materials. Similarly, the pro-forma for the rides complex anticipates a \$15,000 marketing budget will be required to build awareness and communicate promotions. Since the target consumer segment was identified as having a high propensity for technology adoption, Riverfront will focus on targeting its messaging through social media and purchase of web-based advertisements in addition to traditional platforms. Riverfront will also better identify the 44% of out-of-area visitors referenced in section IV.A and customize appropriate outreach strategies. Some additional marketing platforms may include:

- Onsite posters and digital ads throughout Riverfront Spokane, such as lamp post flags, A-frames, handouts at registers, event program guides and digital kiosks
- Promotions at regional events and fairs from a Riverfront Spokane booth
- Prominent placement on Riverfront website
- Digital ads on Google, Facebook, twitter, Instagram, Yelp, and Trip Advisor
- Traditional print ads in the Inlander Weekly, Spokesman-Review, local parenting magazines, and Visit Spokane's travel guide
- Ad placement at the Spokane International Airport

VII. Rides Complex Financial Pro-Forma

Attachment D summarizes all the revenue and expense categories over 20 years. It includes key assumptions needed to effectively forecast financial performance, including ticket pricing, ticket mix ratios, operating calendar, expected average number of visitors per day, applicable taxes, salary and wages, benefits and growth rates.

A. Sales Forecast

Overview

The 20-year sales forecast of the north bank rides complex is expected to run deficit of \$743,585 by year 20. The initial year revenue is projected to be \$737,840 with continuous annual revenue growth thereafter. By comparison, the highest revenue year between 1999 and 2016 for the U.S. Pavilion rides was in 2008 when actual gross revenue reached \$610,528. Given this data, the initial year revenue seems like an optimistic forecast for a complex of three rides.

Year	Revenue	Year	Revenue
1999	\$ 324,960	2008	\$ 610,528
2000	\$ 291,545	2009	\$ 527,320
2001	\$ 268,360	2010	\$ 504,125
2002	\$ 318,726	2011	\$ 566,899
2003	\$ 298,964	2012	\$ 504,520
2004	\$ 309,499	2013	\$ 516,167
2005	\$ 285,827	2014	\$ 498,284
2006	\$ 386,271	2015	\$ 448,013
2007	\$ 592,047	2016	\$ 378,869

Pricing Structure

The ticket-per-ride model was selected as the model best appealing a price-sensitive consumer in that it enables one to choose a ticket package, a la carte, that aligns with their budget. The chart below summarizes the proposed pricing structure.

Product	Price	Mix %
Individual Ride Ticket	\$3	60%
Unlimited Day Pass (3-Rides Complex, Carrousel)	\$17	20%
Day Pass Add-on: Gondola	\$5	5%
Day Pass Add-on: Skate Rental	\$3	5%
Day Pass Add-on: Spider Jump (3-min)	\$4	5%
Season Pass (3-Ride Complex, Carrousel, Skate Rental)	\$39	5%

Each individual ride ticket permits the holder to one ride; typically 90 seconds. The price (\$3 per ride) is near the bottom in comparative pricing. Only the Loeff and Coeur d'Alene carousels are

less expensive at \$2 per ride. Some amusement rides at the Spokane County Fair start at \$3, but factoring in the cost of fair admission the price is much higher.

The proposed three-dollar price point does not result in the ability for the rides complex to break even assuming long term growth rates. As a result, staff explored raising the price to \$4 resulting in the break-even point occurring in year 19; assuming demand and product mix remain constant.

The day pass starts at \$17 and allows consumers to customize their experience. The basic package includes the three rides in the north bank ride complex, the Loeff Carrousel and permits the holder to an unlimited number of rides all day. Under this option the price per each of the four rides is \$4.25; essentially, a \$1.25 more for an unlimited option over basic ticket price. Currently, an unlimited pass is offered at the Carrousel for \$5 and 11% of riders prefer this option over the standard ticket.

A common rule of thumb for pricing an annual season pass is about 2.5 times the price of admission (day pass option). Applying this rule would result in a \$42.50 season pass. It should be noted this is about the same price as previous years season passes which included more rides. The proposed season pass of \$39 accounts for this difference and attempts to increase its value by adding on skate rentals.

The ticket pricing selected is an exceptional value and determined through a review of comparative pricing at local attractions (refer to section VI.B). The mix percentage represents the expected ratio of tickets sold within each price point and used to forecast sales. It was determined based on an historical average from actual sales at Riverfront Spokane between 1999 and 2012. While the ratio can fluctuate year-over-year based on many factors, staff employed a more liberal approach in their calculation by placing more weight (the historical high) on the day pass price points with an overall allocation of 35%; thereby maximizing revenue potential. Given the value of the pass and comparative market pricing, staff feels this is a reasonable approach.

The financial pro-forma assumes a non-adjusted price for the first two years of operation. Thereafter, the price would be increased annual at the rate of inflation; currently 3%. It should be noted that Riverfront Spokane, as a department in a municipal organization, experiences incredible pressure to keep prices low and affordable. As a result, its pricing generally does not keep pace with inflation. For example, the Loeff Carrousel price has not increased from \$2 per ticket since 2012.

Quantity Estimates for Ticket and Pass Sales

Estimating the number of tickets sold on an annual basis is difficult and based on several intangible factors such as market size, competition, consumer demand, and pricing. Where feasible, staff reviewed historical and current trends to estimate a reasonable sales quantity. Between 1999 and 2015 the average number of tickets sold daily in the U.S. Pavilion ranged

from 430 to 570 for thirteen rides. There appeared to be very little variation year over year. Additionally, staff reviewed sales trends at the Loeff Carrousel and, more recently, the Berry Go Round.

The Loeff has traditionally been the most popular ride in Riverfront Spokane and vastly surpassed the popularity of any other ride over the years. It is not an exaggeration to say that ridership is 500% to 700% higher on the Loeff Carrousel than any previous U.S. Pavilion amusement ride. Currently, the Loeff Carrousel is averaging 781 paid riders per day. A sales target about this number would be considered very unlikely.

On May 26, 2018 the Berry-Go-Round (BGR) was placed on the pond of the new Skate Ribbon and operated in this location for 80 days. The BGR was one of the original and most popular of the US Pavilion rides. The new location on the pond was within street view of Spokane Falls Blvd, in close proximity to several events, and operated through the Fourth of July and Memorial Day weekends. Additionally, the price point for this ride was set at \$2; \$2 less expensive than the U.S. Pavilion. Overall, it averaged 116 tickets per day.

Based on this research, staff feels a conservative number of tickets sold on a daily basis would range from 500 to 600 for a set of three new rides. By comparison, the north bank ride complex would have to sell 834 tickets on average daily to have cost recovery on year 1 which would be a record setting achievement.

Season Pass sales were estimated separately from ticket sales. Staff reviewed both historical and current trends. The number of season passes sold while the rides were in operation at the U.S. Pavilion ranged from 2,200 to 5,600 annually between the years of 1999 through 2015 and included use of 13 amusement rides. Recently, the Riverfront Spokane sold 1,083 season passes during its inaugural ice skating season with pricing ranging from \$25 to \$30. Given this data, staff feels that 2,000 passes sold is reasonable given a \$39 price point and fewer number of rides. However, if sales were increased to 4,000, more aligned with the Pavilion average, then the rides complex would break even in year 15. Staff does not feel this is likely given the price point and lack of continuous investment.

Concessions

Lite concessions are being proposed with the ticket stand and expected to sell snacks and drinks to visitors. The revenue potential of the stand was calculated based on the average number visitors expected per days, number of operating days, and a per-person revenue expectation. For this study, \$1.50 per person is assumed. Product cost is expected to be 30% of the revenue.

B. Expenses

The primary expense driving cost recovery of the north bank rides complex includes wages and benefits (28%) of full-time and temporary seasonal staff, debit service (29%) for and administrative overhead (19%). This section will attempt to explain the factors behind these expenses.

Administrative Overhead

The estimate for the annual administrative overhead the rides complex uses a standard allocation methodology based upon relative percentages of costs in the overall budget. The 2018 Adopted Budget is the basis for the estimate.

The first part of the allocation model is to determine Riverfront Spokane's portion of overall Parks and Recreation Division's overhead. These pooled costs allocated over the total department reflect the cost of services that support the entire department and not just one specific work area. These costs reflect the additional liability and risk incurred, department administrative staff, interfund overhead costs, such as Park's allocation of City indirect costs, computer services, Parks accounting and financial staff, and the departmental marketing and communications staff.

The second tier of overhead allocation to the Rides program reflects the costs directly supporting the activities of Riverfront Spokane. This includes Riverfront administrative staff, risk management allocation, existing RFP debt service and operating costs associated with overall Riverfront administration. These costs are pooled with Riverfront Park's allocation of department overhead and then allocated to the respective cost centers of Riverfront Park's program areas. Marginal direct operating cost were determined for the rides program and added to the existing total to determine an overall percentage of costs for this program. Given this methodology, the share of total overhead for the rides program based on the 2018 Adopted Budget is \$195,386.

The rides advocacy group has claimed this expense should be not allocated to the rides program since it's an existing fixed cost incurred by the Parks and Recreation Division or Riverfront Spokane. It's best to think of this cost as a trade-off of resources. If a rides program were to be re-instated, current staff would have to re-prioritize their existing tasks and time to accommodate the demands of the new program. This has a cost. Some projects would be delayed or postponed and existing capacity would be consumed in order to accommodate the rides complex. Some tangible examples of this include using marketing staff time for a new advertising campaign, human resources time hiring and processing new ride operators, and accountant's time in tracking various financial aspects of the complex. The re-allocation of overhead also means a reduction of overhead costs for the Riverfront's other program areas, resulting to less administrative support elsewhere.

Wages and Benefits

See Section VII.D, above

Debt Service

See Section IX, below

C. Growth Rates

Year-over-year changes shown in the financial pro-forma are based on anticipated growth rates. For the analysis of sales trends, staff assumed two assumptions: (1) rides complex would follow the path a traditional business cycle with periods of growth and decline; and (2) no additional capital investment would be made after the startup of the rides complex that may impact the business cycle. Staff used the expected Spokane population growth rate (currently 1%) and general 5-year amusement industry growth rate (currently 5.2%) for comparison. Both of these growth rates are relatively similar to each other. For the first 7 years, staff assumed a very favorable 16.5% growth rate assuming the popularity for a new ride complex would exceed the current industry trend. Without new capital investment, such as an additional ride, staff expects growth to be 0% by year 10 and begin to gradually decline by year 14. It's difficult to predict the actual growth of a rides complex but over a 20-year period the growth averages out to approximately 1% annually (very similar to population forecasts) and 16.25% in total.

VIII. Financing Strategy

SIP Loan – Spokane investment pool

The financing scenario utilized in the pro-forma assumes the availability of a loan from the Spokane Investment Pool (SIP). This is an interfund loan from city fund excess cash reserves that are invested together to receive a higher rate of return on investment. The interest rate on these types of loans is determined by a calculation based upon the Prime Rate. This is a low-cost alternative which requires approval by the City Council, and also assumes sufficient reserves in the pool.

The SIP Loan is recommended funding source for financing the north bank rides complex. Assuming a \$2.4 million loan amount at an expected interest rate of 3.7%, the SIP has a 10-year and a 15-year repayment option. Both options require two semi-annual payments. The 10-year option, shown of the pro-form, will require payments totaling \$289,320 annually while the 15-year option totals \$209,924. Opting for 15-year option will result in \$245,000 of additional interest due.

Alternatives

Another alternative would be issuance of General Obligation bonds or Revenue bonds authorized by the City Council. These will have a higher rate of interest and would also incur other costs related to a municipal bond issue. If the determination was made to issue revenue bonds, the rides program would have to demonstrate it would generate sufficient revenues to repay the interest and principal of the loan. If sufficient revenues were not generated, it would then be a burden on fund balance reserves or necessitate reductions in existing Parks programs.

The third alternative would be obtaining a loan from a commercial bank. This would entail significantly higher financing costs due to a market rate of interest, loan fees, typically a shorter repayment period, and the necessity to demonstrate the viability of the program.

The Parks and Recreation special revenue fund does not currently have sufficient reserves to fund a project of this size and scope; and it's likely that it will be at least 5 to 7 years before such reserves would be available.

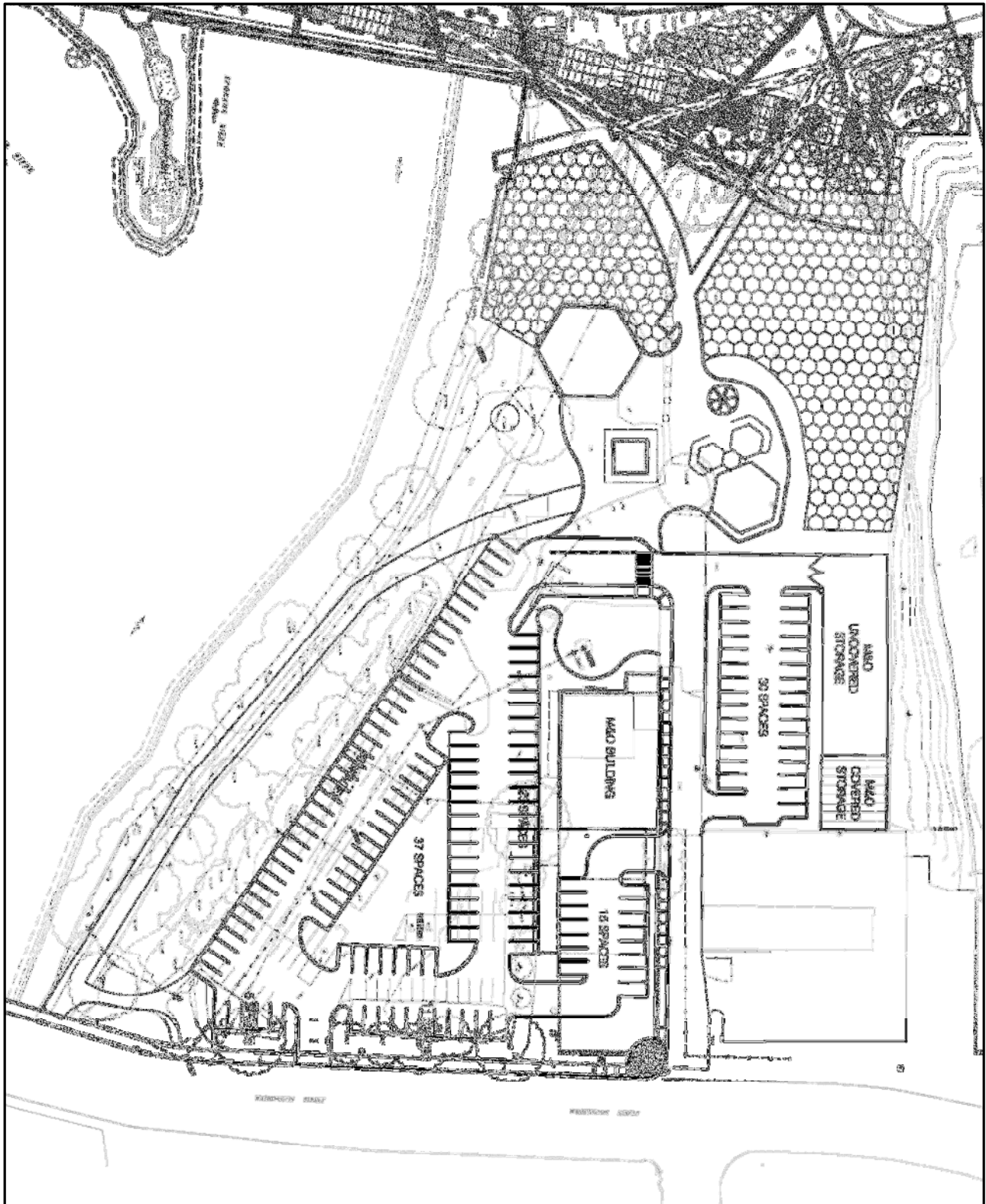
IX. Recommendations and Opportunities

The rides advocacy group's goal of creating affordable family entertainment is an admirable one and one that betters our community. This goal can also be achieved through many different approaches. A ride complex was presented and vetted in this study as one of these approaches. Based on the research presented, an investment in a rides complex does not appear to be a fiscally responsible decision and one which would pass potential risk on to the Parks Fund to pay for the debt service. Staff believes that the current effort to program Riverfront Spokane fulfills this goal and aligns with the 2014 Master Plan and prior community outreach efforts. With that said, staff also explored other opportunities for offering amusement rides in the park and suggested alternative uses of the north bank that meets this goal.

Riverfront Spokane endorses the Master Plan recommendation for a traveling carnival in the park. There is potential for a two-week event before the county fair circuit that enable patrons to enjoy an arrangement of amusement rides without paying fair entrance fees; making it more affordable. This option will provide vastly more rides options than what Riverfront could provide and there may be an opportunity to change them annually. Staff believed there is sufficient electrical power to support approximately eight to 12 rides in the U.S. Pavilion.

The north bank site has been an under programmed resource for years and the Great Floods Regional Playground will offer a world-class free amenity to the community and Inland Northwest at-large. Staff believes there are additional compelling activities to enhance the playground that align with the Park's mission and would, more inexpensively, contribute to the goal of affordable family entertainment. A regional skate park, premier basketball court, a high ropes course and dog park are just a few opportunities staff believe better align with mission of Parks and Recreation while engaging the community through fun and play. These elements also help to emphasize Riverfront as urban park by offering recreation amenities local residents.

Attachment B - Proposed North Bank Ride Complex Layout



Attachment C – Competitive Business Summary

Business	Founded	Attractions	Proximity (mi)	Season	Pricing	Parking Fee
Mobius Science Center	2005	Inquiry-based exhibits, technology, and skill building activities for ages 8 to 108.	0.01	Year round	<u>Free admission for members</u> \$8 for children and adults \$7 military/seniors (65+) \$12 Bounce Pass (access to Mobius Science Center and Children’s Museum for the same day) <u>Membership</u> \$125/year for family (2 adults/4 children) for either Center or Museum \$175/year for family Dual Adventurer –Science Center AND Museum	No Lot, Fee Likely
AMC Theaters	2015 (remodel)	Current Movies, Imax	0.1	Year round	Adult \$15.49 Child (2-12) \$12.49 Senior (60+) \$13.99	\$1.25 per half hour, \$10 max
Mobius Children's Museum	2005	Exploration, play, and the arts for kids 8 and younger	0.1	Year round	<u>Free admission for members</u> \$8 for children and adults \$7 military/seniors (65+) \$12 Bounce Pass (access to Mobius Science Center and Children’s Museum for the same day) <u>Membership</u> \$125/year for family (2 adults/4 children) for either Center or Museum \$175/year for family Dual Adventurer – Both Science Center AND Museum	No Lot, Fee Likely
Fox Theater	1931, renovated 2007		0.3	Year round		No Lot, Fee Likely
INB Performing Arts Center	1974	2700-seat arts and entertainment venue	0.3	Year round		No Lot, Fee Likely
Spokane arena	1996		0.6	Year round		\$7 to \$15 per stall
Spokane Chiefs	1982	WHL minor league hockey team	0.6	Sept to March	\$16-24 by section, children 12 & under \$10 any section	\$7 to \$15 per stall

Wild Walls	1995	Indoor rock climbing	1.1	Year round	Day Pass \$16 Adult / \$12 Youth (14&under) Harness/Shoes \$3-\$6.50 10 Visit Punch Pass \$135 Adult/ \$100 Youth	No Lot, Fee Likely
Laser Quest	1994	15 minutes of laser tag gameplay with a total of 30 to 40 minutes.	1.1	Year round	Single game: \$9-\$12 3 games: \$20 Summer pass: \$69.99 Monthly pass: \$39.99	No Lot, Fee Likely
Key Quest - Escape Room		Themed escape room experience. 45 minutes max escape time	1.1	Year round	\$15 per person \$45 minimum Six person maximum	No Lot, Fee Likely
North Bowl	1974	Bowling Alley	1.5	Year round	1 hour + Shoe rental - \$10 2 hours + Shoe rental - \$20 Adults, \$15 Kids After 5pm \$5 per game, \$4 shoe rental	Free
Northwest Museum of Arts & Culture	1916	Largest cultural organization in the Inland Northwest	1.5	Year round	Adults (18+) \$10 Seniors (65+) \$8 College Students \$8 Children (6-17) \$5 Children 5 and under are free	Free
FastKart Indoor Speedway	1999	indoor go-kart speeds up to 30 MPH	1.9	Year round	\$25 – 10-Minute Session - (18-22 laps) \$30 – 15-Minute Session - (30-35 laps) \$35 – 40-Lap Race \$45 – 60-Lap Race	Free
Free City Aquatic Centers / Pools		2.6 miles (Witter), 3.8 miles (Shadle)	2.6	June 18- Aug 25	Free	Free
Get Air Trampoline Park	2015	Indoor trampoline park	4.1	Year round	One Hour - \$12 (\$6 under 46") Two Hours - \$20 (\$9 under 46") Jump Socks - \$3	Free
Spokane Indians	1892	Short-A minor league baseball affiliate of the Texas Rangers	4.4	June to Aug	Adult \$6.00 - \$20 Junior(4-12) \$5 Military \$5 Senior(55 or Older) \$5	Free

Spokane County Fair	1886	45 Rides, with 31 for 42" and under	4.4	Sept 7-16, 2018	<u>Admission</u> <ul style="list-style-type: none"> • Free to Children Six Years of Age and Under • \$8 Youth Ages 7 to 13 • \$8 Seniors 65 and Over • \$8 Military (with proper ID) • \$11 Adults <u>Rides</u> <ul style="list-style-type: none"> • Individual coupons - \$1 each, varying number per ride • Pay One Price - \$30 to \$32 – unlimited day pass 	\$5
Escape!	2017	Themed escape room experience. 1 hour 15 min total duration	5.7	Year round	<ul style="list-style-type: none"> • \$26 per person • Group size (varies) 2-8 	Free
Valley Bowl	1986	Bowling Alley	7.1	Year round	\$1 to \$3.75 per game varies by day/time \$3.50 shoe rental \$30/hr per lane for lane rental	Free
Lilac Lanes	1957	Bowling Alley	7.2	Year round	\$5 per game or \$25/hour \$4 Shoe rental	Free
Wonderland Family Fun Center	1993	Arcade, miniature golf, laser tag, go carts, climbing walls, bumper boats	7.6	Year round	<ul style="list-style-type: none"> • Attractions range from \$7.50-\$9 • Adult all-day pass \$36.99 • Junior all day pass (54" & under) \$25.99 	Free
Roller Valley	1975	Indoor Roller Rink	7.7	Year round	<ul style="list-style-type: none"> • 4 and up - \$9 admission/\$10 admission + rental • Under 4 - \$5 	Free
Altitude Trampoline Park	2018	Indoor trampoline park	7.9	Year round	<ul style="list-style-type: none"> • 60 min - \$12.95 (6 & under \$8.95) • 90 min - \$17.95 (6 & under \$11.95) • 120 min - \$20.95 (6 & under \$14.95) • Add'l 30 min \$3 <u>Family Fun Pack</u> <ul style="list-style-type: none"> • 2 Adults/2 Children • 60 min - \$39.95 • 120 min - \$44.95 	Free
Pattison's North	1951	Indoor Roller Rink	7.9	Year round	<ul style="list-style-type: none"> • \$6-\$10 for admission and rental depending on session and rental type • \$5 for admission and rental during Family Skate 	Free
Strike Zone	2017	Nerf Gun battles, laser tag, indoor soccer	8.7	Year round	\$5.99 for 30 mins, 9.99 for 1 hour	Free

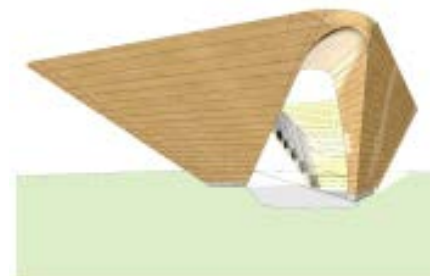
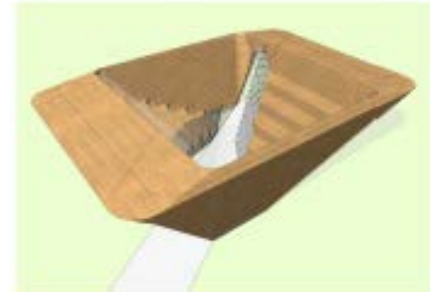
Splash Down	1982	Outdoor water park	9.5	when 75 degrees plus	Junior (under 48") - \$10 Regular (over 48") - \$15 Ages 3 and under free	Free
Cat Zoological Park	1991	Spokane's Big Cat Sanctuary and Wildlife Rescue	12.7	Year round	Adults: \$10 Seniors (55+) & Students: \$8 Children (ages 3-12): \$5	Free
Coeur D'Alene Carousel	2017	1922 Spillman Jr. carousel, hand carved	33.2	May-Sept	\$2 per ride	
Triple Play Family Fun Park	2000	7 attractions, both indoor and outdoor and a ropes course	37.6	Year round	<ul style="list-style-type: none"> • Triple Play Day Pass (excludes ropes course and Waterpark) \$36.95 + tax (Day pass includes: all open attractions and a \$5 game card. Height and weight restrictions may apply) • Evening pass (excludes Ropes course) \$26.95 + tax (Includes all open attractions, waterpark, and a \$5 token card) EVENING PASS AVAILABLE 6PM TO CLOSE INDIVIDUAL ATTRACTION PRICING <ul style="list-style-type: none"> • Attractions range from \$4.25+tax to \$7.75+tax PICK ANY 3 ATTRACTIONS & A \$5 GAME CARD \$23.95 + tax PICK ANY 2 ATTRACTIONS & A \$5 GAME CARD \$17.95 + tax	Free
Silverwood Theme Park	1988	29 ride attractions including 10 in the Garfield's Summer Camp kids area	45.5	May to September	Child (3-7): \$20-\$28 Regular (8-64): \$20-\$51 Season Pass \$150	\$5



Stepwell Design Progression September 2018

Progression of design – from concept to construction

- After the Park Board and Joint Art Committee approved the concept for Stepwell in April, we received significant community feedback expressing a desire for increased interaction opportunities for people of all modalities
- Access to and with art is very important to Parks and Recreation
- Meejin Yoon, who is also an architect, provided thoughtful solutions
- The JAC and Park Board will weigh in on this design progression
- Fabrication and installation will follow, with an anticipated completion of Spring 2019



Enhancing interaction, refining design

- The artist and her team created an arch that takes allows people to pass through the sculpture, to experience the artwork's interior, to interact, and to gather
- As visitors move around the sculpture, their understanding of its form changes dramatically. Moving slightly off-axis reveals the dramatic oblique of the exterior surface of the sculpture
- The sculpture will look impressively cantilevered
- As the user approaches the sculpture, they'll be moving up a gentle slope toward the sculpture, and a person could choose to move straight ahead through the center of the sculpture or climb up onto its tiers to have a seat, or ascend to the top to look down
- Stepwell's primary function is artwork

Archway

- The artist was happy for the opportunity to reconsider how the two halves intersect, and feels it is a design improvement to have an archway gracefully blend the intersection
- The artist's team pointed out the archway will be visually stunning for two reasons; it will be a smooth, blended surface connecting two angular surfaces, and it will be unexpected to see this graceful curvature carved out of wood

Railing

Exterior Railing

- The exterior railing design is altered to accommodate a change in the height of the tiers, which should now be more comfortable for sitting

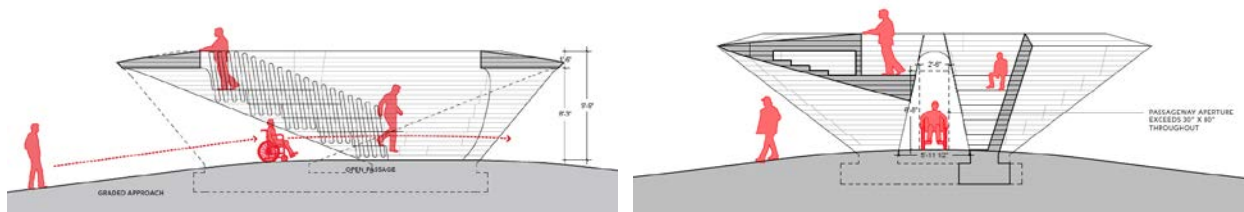
- The artist didn't want the upper railing to be perceived as separate from the rest of the sculpture; she wanted to build it into the form of the sculpture instead of having it look like a separate element
- In addition, adding thick timber at the top would have taken the art work beyond budget
- The height from the top step to the upper edge of the sculpture is the typical safety railing height of 42"

Interior Railing

- The artist wanted to keep the original geometry of the piece, while ensuring people on either side of the artwork could see through to the other side
- The artist's team selected this option because it mimics the filleted curves elsewhere in the piece, and reinforces the angled cut of the passageway when viewed on-axis

Capacity

- Opening up the center pathway creates an opportunity for additional people to stand, move, and wheel through the art piece
- Seating capacity on the steps is estimated to be 30 people



RiverfrontParkNow.com, select "Art"

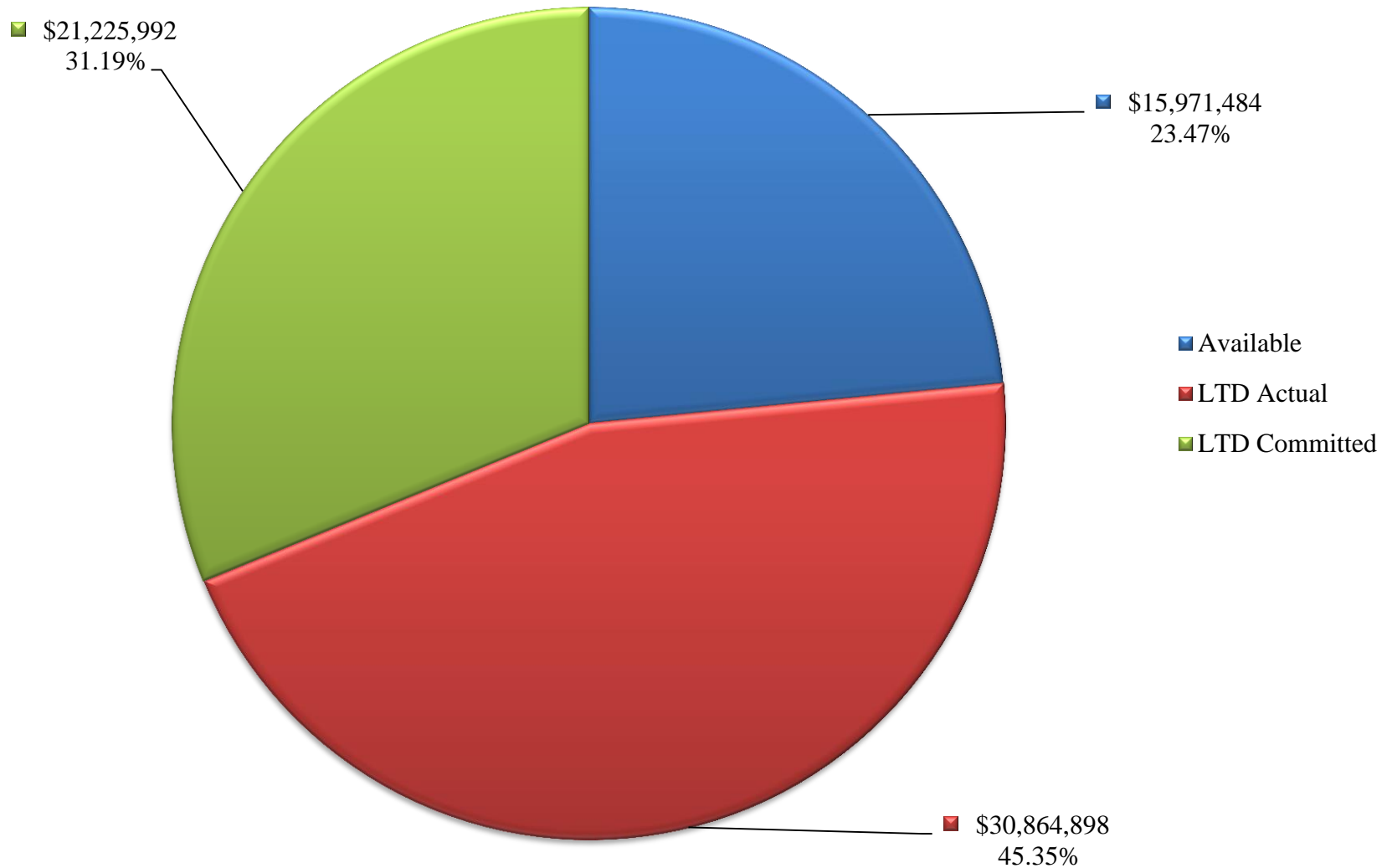


RIVERFRONT PARK REDEVELOPMENT PROJECT UPDATE

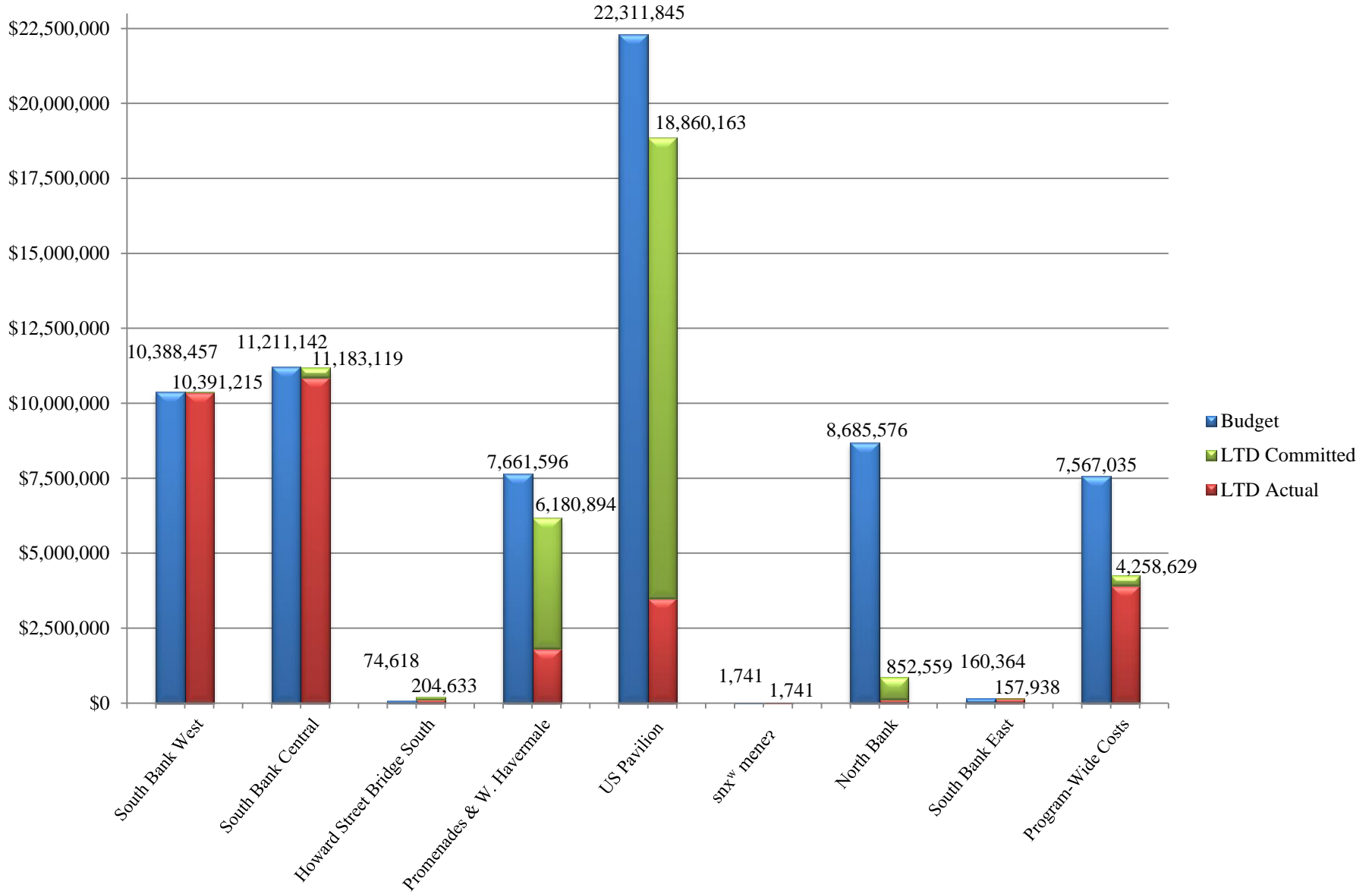
August 2018

Bond Budget Utilization Through August 2018

(July 12, 2018 Approved Budget)

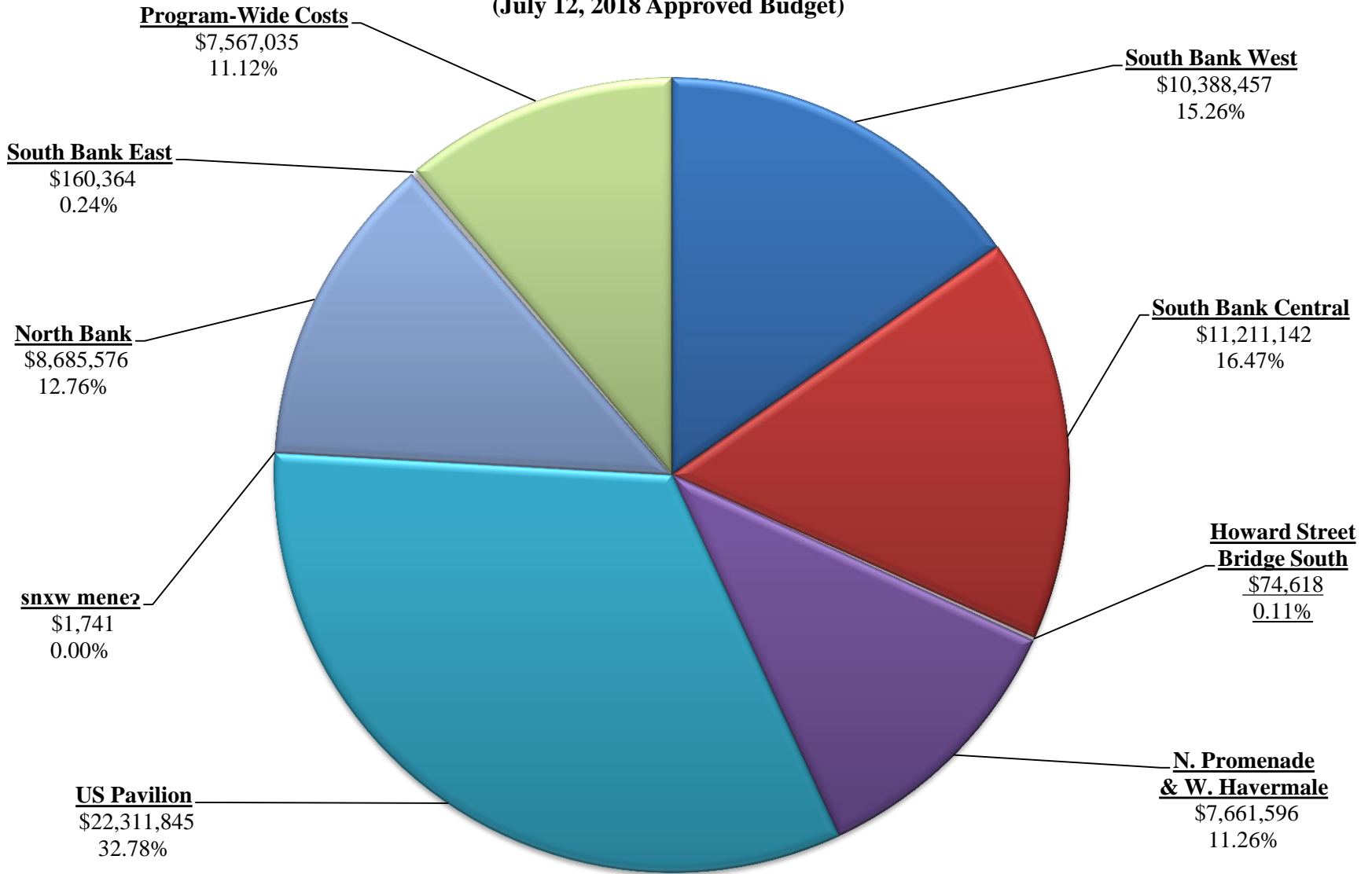


Comparison of Approved Bond Budget to Actual & Committed Expenditures August 2018



Bond Budget by Project

(July 12, 2018 Approved Budget)



City of Spokane Briefing Paper
Planning Brownfields Program:
Riverfront Park Committee Briefing on EPA Grants
September 10, 2018

Subject

EPA awarded the City three grants for Brownfield Cleanup in Riverfront Park during the redevelopment: Havermale Island Site A, Canada Island Site B, and North Bank Site C. This Briefing is to provide the Riverfront Park Committee a status update on the grant implementation.

Status Update

August 2018 Recap:

- Environmental and Grant compliance Consultant contract amendment details and scope changes are underway.
- Quality Assurance Project Plan (QAPP) uploaded to the website.
- Final QAPP received—submitted for uploading to the website
- Successful Tribal Lands and Environment Forum walking tour—the website will be updated with a copy of the tour soon.

Looking forward—September

- Submitting first and only reimbursement for Havermale in total
- Contracting Amendments complete
- Preparing for Canada Island reimbursements

Actions

None requested at this time.