

Incline Village General Improvement District

Parasol Building Assessment Memo

The District is currently assessing the viability of purchasing the Parasol building to be utilized as a site for IVGID administrative offices and a second location for indoor recreation and community activities. In addition, the Parasol Foundation and other existing non-profit organizations would remain in a portion of the building as well.

The following is a brief assessment of the viability and benefits of acquiring the Parasol building.

General Observations:

- This is a very timely opportunity considering that the District is in the middle of the Community Services Master Plan.
- The Recreation Center is undersized for the number and types of recreation programs and services that are in demand. As a result, other indoor spaces in the District (The Chateau, Aspen Grove and Diamond Peak) are at times used for recreation programming.

It is significant that there are no classrooms or multi-purpose space in the Recreation Center. This results in the inability to support enrichment programs, before and after school programs, senior activities, cultural arts and other activities. Most comprehensive recreation centers have not only active recreation elements but also classroom and multi-purpose space.

There is a constricted space for fitness related activities in the center. Trends for recreation centers is to greatly increase the space that is available for machine and free weights as well as for functional training. This can often result in more than 5,000 square feet for these activities. Also, most centers now have at least two group exercise studios to meet the demand for these fitness activities.

- The District must move its administrative offices from its current location due to the poor condition of the building and the fact that it does not meet ADA requirements.
- The Parasol building is located on the community campus that includes the recreation center, tennis center, as well as adjacencies to Incline Middle School and Sierra Nevada College.
- This is a unique opportunity to expand recreation services beyond the overcrowded and limited recreation center, meet the need for a new District administrative building, and provide these services as part of an existing community campus. This is simply an opportunity that cannot be missed.

Recreation Facilities:

- The Parasol building will add the following key recreation program spaces:
 - Two large meeting/classrooms
 - Two large conference/classrooms
 - Two small conference rooms
 - Commercial kitchen

These spaces would provide amenities that simply are not available at the Recreation Center currently. Another one of the major trends in recreation centers is providing flexible space that can be utilized for a variety of programs as well as rentals.

- The Recreation Center would benefit by being able to move much of its administrative staff out of the center and convert the existing space to another group exercise room and personal training space. This was one of the major short comings that was identified with the facility in the master plan process. It has been estimated by staff that use of the recreation center has increased by 33% since 2000 and the greatest demand by current users is for additional fitness, gym and pool space.

The recreation center also suffers from a lack of storage and some of these items could be moved to the Parasol building where there is a greater abundance of storage available.

- Moving all senior programs from Aspen Grove will allow this facility to take on more of a role as an event center support space and a smaller meeting venue. Recreation programs will also not be constricted by a lack of parking.
- The use of the Parasol building will take pressure off The Chateau to serve basic recreation programming needs and allow for a smaller and more economical meeting space to be available for the community.
- The base lodge at Diamond Peak would not need to serve as a location for some recreation programming.
- With the Parasol building, the need to look at immediately expanding the recreation center (or adding a new building) to accommodate administrative staff goes away. This allows the Recreation Center site to be developed for additional indoor recreation uses that might be identified as part of the Community Services Master Plan.

Recreation Programs:

- The Parasol building would provide several large multi-purpose/classroom spaces that would allow for a variety of more passive based programs and services to be offered. This includes:
 - Enrichment classes such as music, language and self-improvement
 - Cooking classes
 - Before and after school programs

- Summer camp/school break programs
- Arts and crafts classes
- Senior programs such as Conversation Café, photography, arts classes, cards, cooking and lectures and presentations
- Teen programs

Again, one of the major trends in recreation programming is an increased emphasis on youth and senior programming. Youth programming is centered around before and after school programs as well as summer/school break camps. Senior programming has become more diverse and includes active as well as passive programs, social activities and social service opportunities.

- The significant multi-purpose space will allow for rentals to outside groups and the public. Besides serving a community need, this would also generate revenue for the District.
- There will an opportunity to expand fitness based programming at the Recreation Center. This would include:
 - Spinning and other group exercise classes
 - Personal training
 - Yoga
 - Dance, martial arts and self-defense classes

Group exercise programming remains very popular as does the growth in personal training, yoga and meditation opportunities.

Financial:

- The Parasol building is an existing structure that can be acquired more economically than constructing a new building elsewhere.
- The Parasol building can be acquired quickly, solving an acute problem for more recreation and administrative space faster and cheaper than having to go through a design and construction process.
- Lease revenue will be coming to the District from the Parasol Foundation as well as the other non-profits in the facility. The exact amount of the revenue from this source is not yet known.
- Rental opportunities in the Parasol building may be able to generate between \$20,000 and \$40,000 per year.

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- New and expanded recreation programs will bring additional revenues to the District. Staff has identified the possible new revenues that could be generated as follows:

Program Area	# of Programs	Revenue	Expenses	Net
Enrichment/Special Interest	4	\$13,200	\$11,174	+\$2,026
Youth & Family	5	\$124,500	\$120,900	+\$3,600
Senior	12	\$22,415	\$19,620	+\$2,795
Fitness, Health & Wellness	4	\$21,560	\$16,142	+\$5,418
Total	25	\$181,675	\$167,836	+\$13,839

Summary:

It is the professional opinion of Ballard*King & Associates that the Incline Village General Improvement District should acquire the Parasol Building for the following reasons:

- This is an opportunity that might not be available in the future.
- Having a building that is part of the existing recreation campus is critical.
- The building solves a number of existing facility issues:
 - Recreation center overcrowding
 - Reduces the use of other indoor District facilities for recreation purposes.
 - Provides a location for new District administrative offices.
- There can be a significant expansion of recreation programs and services with new space.
- The project is more financially viable than expanding the existing center or building a new center elsewhere.
- The project provides great community value.