

# Memorandum

**TO:** PARKS AND RECREATION  
COMMISSION

**FROM:** Kate Crowder

**SUBJECT: PRNS PRICING AND REVENUE  
PLAN**

**DATE:** October 28<sup>th</sup>, 2008

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Approved

Date

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**COUNCIL DISTRICT:** Citywide

## **RECOMMENDATION**

Provide input into development of the Parks Recreation and Neighborhood Services (PRNS) department Pricing and Revenue Plan.

## **OUTCOME**

The outcome of the Pricing and Revenue Plan process is the following:

- Consistent pricing policy within PRNS and associated strategies, such as gauging actual cost of services and assessing the value of the service to residents/customers.
- Strategies to increase department revenue to defray escalating costs to operate facilities and programs, enhance services, and offset possible increases to the general fund structural budget deficit.
- A uniform scholarship policy to improve access for San Jose residents to PRNS services.

## **BACKGROUND**

In September 2007 the Council made a commitment to eliminate the general fund structural budget deficit and fully fund all parks, pools, community centers, and libraries as components of their list of three-year goals. PRNS has initiated the development of a Pricing and Revenue Plan to help achieve those goals.

The Pricing and Revenue Plan will assess the actual costs of the services PRNS provides, identify new revenue sources, bring consistency to department pricing policies, and explore additional public/private partnerships. It will begin with policy development to create the framework to modernize our pricing and revenue generation strategies as needed. This framework will also allow the flexibility to adapt revenue pricing policies and revenue-generating strategies to changing market and fiscal conditions.

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PRNS has engaged Leon Younger of PROS Consulting, to coordinate the policy development, devise the framework and draft a comprehensive strategic, pricing plan. The consultant's work is scheduled for completion in March, 2009.

**FOLLOW UP/NEXT STEPS**

Components of the Pricing and Revenue Plan will be discussed at the Neighborhood Services and Education Committee on November 13<sup>th</sup> and at the December 5<sup>th</sup> Structural Budget Study Session with City Council.

**CEQA**

Not a project.

Kate Crowder  
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Neighborhood Services

For questions please contact Kate Crowder, at 793-5590.