
appendix e: value assessment



annual estimate

The following value estimate was compiled to generate an order of magnitude estimate of capital costs for implementing the master plan *in its entirety over the next 20 years*. This estimate is general in nature and is not intended to be the basis for capital improvement budget proposals. The following items were included in the estimate:

Land Acquisition

Land acquisition costs have been based on the cost of land in Little Rock in the year 2000 and the amount of park land which is needed according to the level of service standards and master plan concepts.

Capital Improvements

Capital improvements, including upgrades to all existing parks, development of new parks, and facility upgrades, expansions, and construction have been calculated based on the estimated cost to upgrade or develop park land as well as the projected number of facilities needed to serve Little Rock's population in twenty years.

Operations and Maintenance

Operations and maintenance costs are estimated based on the proposed land and capital improvements costs. The estimated cost of operations and maintenance, *on average over the first ten years of the project*, is 30% of the cost of land and capital improvements.

Therefore, the value of the overall system can be estimated as follows:

Land	\$1.7 million/year
Capital Improvements	\$5.5 million/year
<u>Ops & Maintenance</u>	<u>\$2.1 million/year</u>
TOTAL	\$9.3 million/year

This estimate assumes that all costs will be assumed by the city. However, creative financing measures can significantly reduce these numbers.

Cost Reduction Measures

The cost of land acquisition can be reduced 60% by the use of alternate funding. Taking into consideration that some of the land needed for new park and trail development, particularly much of the land along Fourche Creek, is already in public ownership. Easements can be obtained along properties already owned by the government, thus reducing the cost of land to the city. In addition, easements along private properties can also reduce this cost. Sponsorships, as well as the acquisition of low-priced, undevelopable land for park and open space use, will also reduce the cost. Easements along private land, as well as the implementation of a parkland dedication ordinance also decreases the amount of land that will need to be acquired.

Likewise, capital improvements can be reduced approximately 30% by the acquisition of grants and sponsorships for public parks and facilities, as well as by increasing revenues by user fees to that of market level.

Operations and maintenance costs may be reduced 30% by increasing operational efficiencies within the parks department. Likewise, moving from subsidies to earned income centers, as well as establishing a maintenance endowment, can also reduce this cost.

Therefore, the annual target program is as follows:

LAND	60% reduction to \$0.7 million/year
CAPITAL IMPROVEMENTS	30% reduction to \$3.8 million/year
<u>OPS AND MAINTENANCE</u>	<u>30% reduction to \$1.5 million/year</u>
TOTAL	\$6.0 million/year

a s s u m p t i o n s

The value assessment assumes the following:

Land Acquisition

Park land – 120 acres of additional community park land and 80 acres of additional neighborhood park land has been designated as part of the 20-year plan. These numbers are a result of the needs analysis presented in Progress Paper Two. The acreages have been slightly reduced, particularly for neighborhood parks, as a result of the recommendation of this plan to form joint-use agreements with local schools for use of their land and facilities to complete the six-block coverage concept.

Assuming joint-use agreements can be reached with half of the schools, the rest of the land necessary for this concept would be acquired by LRPR. The cost per acre of community parks is estimated at \$60,000 per acre, assuming that land for such parks will be located adjacent to or near floodplains. Neighborhood park land has been calculated at \$120,000 per acre, the price for land under intense development pressures. The cost per acre may in many cases be lower, if land for parks is acquired which is undesirable for commercial development or is not in close proximity to a major urban thoroughfare.

Trail connections – Land necessary for the completion of the three-loop trail network has been calculated as the length of trail multiplied by a 50' wide easement or acquisition. The result, divided by the square feet contained in an acre, yields the number of acres necessary for trails. The cost per acre is calculated at \$40,000 per acre, assuming that most land for these connections will be within floodplain areas.

General Improvements

General improvements are calculated as an average cost per acre and includes basic site improvements such as grading, landscaping, lighting, parking, and utilities. \$50,000 is an *average* cost per acre, and will apply to the majority of new or undeveloped park sites. Special facilities such as sports fields or courts, community, interpretive, or equestrian centers, and playgrounds are all additional items and are calculated separately. This cost per acre is then applied to the number of acres which will require development.

For example, 50% of the total land area for community parks have been estimated for general improvements, with the rest of the site left as open space, while 100% of the total land area for neighborhood parks have been estimated for general improvements. In addition, assumptions have been made regarding the

development of the Regional Park 2000 (200 developed acres of the 600 total acres), Fourche Bottoms (100 acres to be developed from the 1700 acres total), Two Rivers (40 developed acres from the 340 acres total), and Hindman South (35 developed acres of the 40 acres total).

Existing Park Upgrades

Estimates for existing park upgrades have been calculated for every currently developed park. \$20,000 per acre for upgrades have been estimated for 25% of the 3,164 acres of parks, or 791 acres. This number calculates to \$16 million in park upgrades for 53 parks. Allocation to individual parks shall be determined by LRPR on a per-need basis.

Facilities

Cost estimates for facilities were derived from a number of sources, including examples of built projects in Little Rock and other communities. Costs for major facilities were considered for both expansion of existing facilities as well as the construction of new ones. Fields and courts were calculated for the construction of new facilities. Trails were also calculated for new construction. The three-loop trail, along with greenway connectors and equestrian trails, were calculated at the cost to construct paths. Cultural trails and parkway

treatments, both occurring in urban areas, were figured into the value estimate, although funds currently exist for an Urban Forestry Program (\$250,000 annually). An additional \$500,000 annually should be added to this program, funding in large part both cultural trails and parkway treatments. In addition, value was assessed with the assumption that Little Rock Parks and Recreation would fund \$75,000 per school site with which a joint-use agreement is formed.

PLEASE NOTE!

*The following tables reflect the total VALUE of the entire master plan, which has been phased for implementation over the next 20 years, **not** the actual cost to Little Rock Parks and Recreation. These numbers do not reflect foreseen opportunities to utilize alternative funding sources (such as grants, easements, endowments, foundations, etc.) which lower the overall estimate. These numbers have been generated to reflect an **order of magnitude estimate** for actions specified within this plan.*

Table E1: Value Assessment

LAND ACQUISITION	Need (acres)	Cost per acre	Category Total
Regional Park Land	0	\$10,000	\$0
Community Park Land ¹	120	\$60,000	\$7,200,000
Neighborhood Park Land (10-16 new parks)	80	\$120,000	\$9,600,000
Primary Trail Connections	314	\$40,000	\$12,560,000
Secondary Trail Connections	104	\$40,000	\$4,160,000
SUBTOTAL (LAND)	618		\$33,520,000

GENERAL IMPROVEMENTS *	Need (acres)	Cost per acre	Category Total
New Regional parks (10% of total ac.)	0	\$50,000	\$0
New Community parks (50% of total ac.)	60	\$50,000	\$3,000,000
New Neighborhood parks (100% of total ac.)	80	\$50,000	\$4,000,000
Primary Trail Connections (25% of total ac.)	79	\$50,000	\$3,950,000
Secondary Trail Connections (50% of total ac.)	52	\$50,000	\$2,600,000
West parcel	200	\$50,000	\$10,000,000
Fourche Bottoms	60	\$50,000	\$3,000,000
Two Rivers	40	\$50,000	\$2,000,000
Hindman South	35	\$50,000	\$1,750,000
SUBTOTAL (IMPROVEMENTS)	606		\$30,300,000

EXISTING PARK UPGRADES **	Need (acres)	Cost per acre	Category Total
All currently developed parks	791	\$20,000	\$15,820,000
SUBTOTAL (IMPROVEMENTS)	791		\$15,820,000

FACILITIES

	Need (units)	Cost per unit	Category Total
MAJOR FACILITIES			
Community Center Expansion: Dunbar ²	20,000 sq. ft.	\$195	\$3,900,000
Community Center Expansion: Southwest ³	30,000 sq. ft.	\$176	\$5,265,000
Community Center (new construction) ⁴	40,000 sq. ft.	\$195	\$7,800,000
Outdoor Recreation Center	40,000 sq. ft.	\$176	\$7,020,000
Fitness Center	10,000 sq. ft.	\$143	\$1,430,000
Aquatic Center / skate park	20,000 sq. ft.	\$325	\$6,500,000
Equestrian Center	1	\$3,250,000	\$3,250,000
Interpretive Center ***	1	\$2,600,000	\$2,600,000
Spray pool	1	\$780,000	\$780,000
Hindman Golf Course upgrades	1	\$1,000,000	\$1,000,000
FIELDS AND COURTS			
Lighted Baseball / Softball Fields - tournament	8	\$140,000	\$1,120,000
Baseball / Softball Fields - competition	27	\$20,000	\$540,000
Lighted Soccer Fields - game	12	\$100,000	\$1,200,000
Soccer / Football Fields - practice	10	\$5,000	\$50,000
Playgrounds	15	\$75,000	\$1,125,000
PRIMARY TRAILS: 3 LOOP SYSTEM			
12' Asphalt Walking/Jogging Trails (miles)	24.0	\$125,000	\$3,000,000
Cleared Earthen Trails (miles)	25.0	\$6,000	\$150,000
6' Boardwalk Trails (Fourche Creek) ***	2.0	\$185,000	\$370,000
Interpretive signage ***	n/a	flat rate	\$25,000
Canoe landings ***	5	\$3,000	\$15,000
24' Concrete Road (miles) (RP 2000)	2.0	\$800,000	\$1,600,000
SECONDARY TRAILS			
Cultural Trails: trees, lighting, signage	6.0	\$475,000	\$2,850,000
Parkway treatment: trees, lighting, signage	28.0	\$475,000	\$13,300,000
Greenway Connector 8' Asphalt Trails (miles)	30.0	\$84,500	\$2,535,000
Equestrian Trails (miles)	13.0	\$6,000	\$78,000
RENOVATIONS & UPGRADES			
School Playgrounds: improvements	35	\$75,000	\$2,625,000
SUBTOTAL (FACILITIES)			\$70,128,000
TOTAL			\$149,768,000

NOTE: ALL COST FIGURES ARE IN 2001 DOLLARS

NOTE: Recommendations based on 170,800 2004 projected population

* Includes grading, parking, landscape, lighting, and open play fields

** Existing park upgrades to existing parks estimated at \$20,000 per acre for 1/4 of 3,164 acres of existing developed parks, or \$1,500,000 annual park upgrade expenditure

*** Based on the Fourche Creek Plan: Site Analysis and Conceptual Master Plan, Ritchie Smith Associates, 1996.

¹ Community parks include an 80-acre sports complex and (4) 30-acre community parks

² Dunbar expansion includes addition of an indoor pool

³ Southwest expansion includes addition of a 10,000 sq. ft. fitness center

⁴ New community center includes an indoor pool

