

11th Street Bridge Park

Identifying Community and Economic Development Opportunities



Virginia Tech

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3. Sustainable Funding

Urban parks are a valuable asset to the community. They provide recreation facilities, enhance neighborhood quality and aesthetics, offer employment opportunities, and can even be used as an impetus for economic and community development as discussed in Section 2. Because of this value, parks are typically considered a public resource in which benefits are incurred universally. Therefore they are most commonly supported by the general community through tax revenue (Landes 2012). However, as local budgets become increasingly constrained, municipalities have begun to consider other mechanisms to increase revenue for parks (Leichner 2010).

While initial project financing will be critical for the construction of the Bridge Park, this section focuses on the equally important need for sustainable funding for operations and maintenance (O&M) after park construction. The discussion is organized in terms of the three general categories of funding sources: public mechanisms, private mechanisms, and earned income.

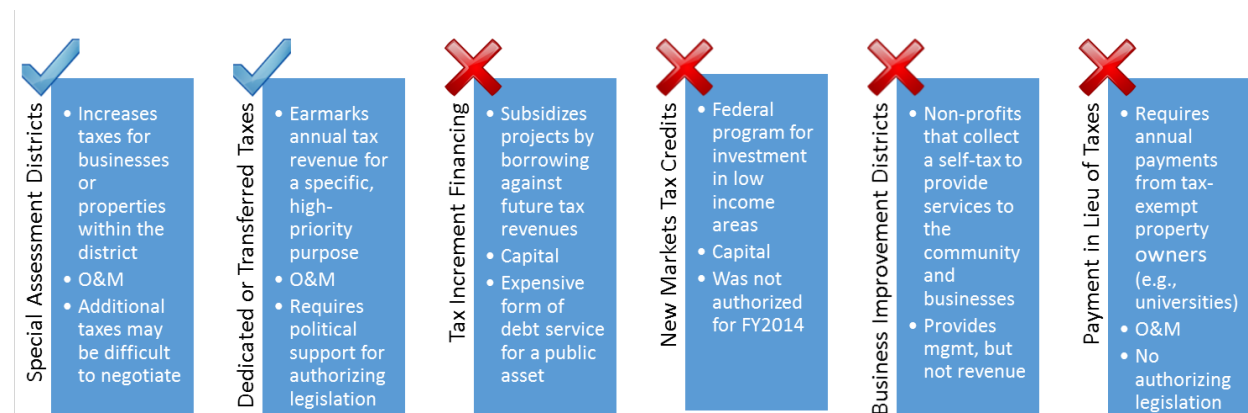
3.1 Public Funding Mechanisms

Because parks are considered a public resource, they are often funded through public mechanisms (Landes 2012). Based on a preliminary analysis and literature review, the following potential mechanisms were assessed for their feasibility for use at the Bridge Park:

- Dedicated or Transferred Taxes
- Special Assessment Districts
- Tax Increment Financing (TIFs)
- New Markets Tax Credits (NMTCs)
- Business Improvement Districts (BIDs)
- Payment In Lieu of Taxes (PILOTs)

Figure 3.1 provides a summary and basic assessment of these alternatives, including a definition, focus of funding (e.g., O&M, capital funding, or management), and identified strengths or weaknesses. The field of promising practices was narrowed to those that are authorized in the District and provide on-going funding (which can be used for O&M).

Figure 3.1. Basic assessment of public funding mechanisms



The primary consideration for the basic assessment of public funding mechanisms was whether the alternative provides capital or O&M funding. TIFs were eliminated as a promising alternative because DC Office of the Chief Financial Officer (OCFO) confirmed that they are used only to support capital expenditures. Even in terms of capital financing, the OCFO suggested general obligation bonds or income tax secured revenue bonds for public financing for the Bridge Park's construction as opposed to

a TIF. NMTCs were also eliminated because they provide capital financing and because the program has not received authorization for FY2014 (CDFI Fund 2014).

Similar to TIFs and NMTCs, BIDs were eliminated for further consideration as a revenue source because they do not offer a solution for sustainable O&M funding. However, BIDs can be used as a park management structure, as discussed in the Yards Park example in Box 3.1. In addition, the Anacostia BID has indicated that because it is a 501c(3) organization, the BID could provide grants to the Bridge Park.

Finally, PILOT funding was considered an unlikely source because according to OCFO this option is not available in the District. Although some cities have used PILOTs for park funding (for example, Battery Park City parks are funded in this way [Leichner 2010]), PILOT legislation has not been passed in the District due to resistance from universities and non-profits. If such resistance could be overcome and legislation passed, PILOTs could potentially serve as a sustainable funding source for the Bridge Park in the future.³

Based on this preliminary analysis, figure 3.1 shows that only two of these alternatives, dedicated or transferred taxes and special assessment districts, met these criteria. These practices are explored in the following section.

3.1.1 Promising Practices

Based on the assessment above, the most promising public funding mechanisms for Bridge Park funding are dedicated or transferred taxes and the creation of a special assessment district.

Dedicated and transferred taxes are tax streams that are earmarked by City Council for a particular purpose (ORA 2013). The primary advantage of these taxes is that they provide an annual stream of revenue during the authorization period. Dedicated taxes are broadly levied taxes earmarked for a collective purpose. The convention center is an example where one percent of the citywide food and beverage tax is dedicated toward that purpose. Transferred taxes are levied only on the smaller areas that benefit from the specific purpose they support. The Waterfront Park at the Yards Act, discussed in Box 3.1, provides an example of transferred taxes. According to OCFO, transfer taxes are most feasible for the Bridge Park.

A special assessment district offers the opportunity to capture revenue from property owners within a specified area adjacent to an investment by levying a higher tax within that area (Brookings 2009). Utilizing a special assessment requires the developer to agree to higher taxes, which would be collected by the city and distributed to the park. The amount would be negotiated between the city, park, and the developer. While it may be difficult to negotiate this scenario with an adjacent developer, it would be an ideal arrangement to capitalize on nearby developments, such as Poplar Point. However, as noted by stakeholders during the public meeting, special assessments are already collected on both sides of the Bridge Park and additional assessments may become exceedingly burdensome on local businesses.

3.1.1.1 Local Market Considerations

Unlike New York or Chicago, transferred taxes and special assessments policies in DC are typically authorized only for property within the site of a new development. According to OCFO, City Council could authorize legislation to transfer taxes from property beyond the footprint of the park; however, it

³ Note that this is distinct from PILOT bonds, which the city issues as an incentive for private investment (DC OCFO 2012). With PILOT bonds, developers are exempted from property tax for the duration of the PILOT and make PILOTs to repay the bonds. The Yards project was supported by a \$90M PILOT bond (DC OCFO n.d.). According to the DC OCFO, PILOTs are a more expensive alternative for debt issuance and are not the most appropriate option for capital financing of public assets, like the Bridge Park.

is not likely to do so. This would have a negative fiscal impact on the city's budget – meaning that the city relies on that revenue as part of its annual budget and dedicating those taxes would require revenue from other sources (e.g., raising taxes) to close the gap. A negative fiscal impact is one of the two primary constraints on funding in the District (the other is the debt cap, which mainly applies to capital expenditures), and therefore, such proposals are not viewed favorably. For this reason, transferred taxes on *new* properties and activities, particularly activities on the bridge itself, hold the greatest promise for the Bridge Park.

Utilizing tax mechanisms for funding requires consideration of the local environment. Based on input from OCFO, the most important consideration would be the revenue-generating facilities available at the Bridge Park. For instance, will there be vendor kiosks or a restaurant? Will there be an events center that offers catering? If food and beverage taxes are transferred, for instance, one would first need to project the sales and then apply the appropriate tax rate in order to calculate potential revenue. In the case of food and beverage, the applicable tax rate is 10 percent; however, only 90 percent of that is available for the District because 10 percent of the revenue is allocated to the convention center. Therefore, for every dollar of food generated at the park, nine cents could be transferred for O&M. It is important to note, however, that the legislation may place an annual limit on the amount of taxes that can be diverted. An example of the use of transferred taxes and special assessments in the District is provided in the Yards Park Case Study in Box 3.1.

3.1.2 Implications and Considerations

There are several important implications and considerations for using tax-based revenue for park O&M. In particular, this approach would likely require extensive marketing to gain political support for legislation, which in the end may provide only a limited source of revenue (ORA 2013).

A major pitfall associated with tax-based revenue is that the expected funds may not materialize as planned. Revenue from taxes is cyclical in nature and fluctuates with recessions, policy changes, or tax abatements (Devine 2002). The cyclical nature of tax revenue is most apparent during recessions when reduced economic activity leads to reduced tax revenue and often increased demand for social services (Sobel & Wagner 2003). Based on discussions with interviewees, there may also be delays in the construction of tax revenue-generating buildings. In the example case study of Yards Park presented in Box 3.1, anticipated tax revenue for the park was delayed for two years because buildings had not yet been constructed in the assessment district. Buildings must be built within the assessment district and businesses must be successful for the tax revenue to materialize.

Another important consideration is that legislation may only be authorized in incremental periods. For instance, authorization of sales tax transfers from the Lumber Shed building to Yards Park will end in 2017 (DC Government 2009). Upon expiration, the authorizing legislation will have to be amended in order for those sales tax revenues – upon which the park is reliant – to continue to be transferred to the park. To avoid this, every effort should be made to extend the authorization period as long as possible in the initial legislation.

Box 3.1. Yards Park Case Study

DC's Yards Park utilizes numerous funding sources for O&M, including a tax-based revenue fund. According to OCFO, it is the only example where tax revenue is diverted for park funding in the District. The park is managed by a limited liability company (LLC) established through an agreement with the DC government, the developer, and the Capital Riverfront BID.

One thing that makes Yards Park unique is the BID-led management approach. According to the Capitol Riverfront BID, they agreed to manage, operate, and maintain the park in order to provide a higher level of programming than generally offered in DC parks. To run the park, the BID staffs three management personnel, 1.5 "Clean Team" workers, and a contracted security team. These workers are paid by Yards Park LLC; the BID does not use any of its own tax revenue for the staffing or O&M of the park. Paying for such park-related needs would overwhelm its budget. Instead, the BID essentially acts as a private contractor that pays for park-related costs and is later reimbursed by the city.

Capitol Riverfront's Advice for BIDs:

Ensure dedicated revenue is in place so that the BID need not fundraise for park maintenance.

Verify that a capital reserve is funded for high-cost expenses (e.g., broken pumps).

Acquire significant insurance to protect from injury, litigation, and damages.

Establish responsibilities through a government contract.

The table below outlines funding mechanisms for operations and maintenance of Yards. Of particular interest from a public funding perspective are the transfer tax and the special assessment district, which were authorized in the Waterfront Park at the Yards Act. From the Retail Area defined in the Act, the District agreed to transfer up to \$380K per year of sales taxes to the park. The Retail Area included several lots adjacent to Yards Park, including the Lumber Shed – a retail/commercial/restaurant building – and an undeveloped, federally owned site. In the special assessment district, Forest City agreed for itself and future owners to be taxed at a special rate of 12.5 cents per square foot. Although these sources provide significant funding for the park, the revenue did not come immediately and is currently authorized for a limited duration.

Table 3.1. Yards Park O&M funding mechanisms

Amount	Source	Duration
\$400K Annually	DC – Dedicated operating fund	First three years
\$380K Annually	DC – Transfer tax	First five years
\$300K Annually	DC – DOT PILOT proceeds from cost savings of value engineering of the park	Through 2021
\$150K Annually	Park – Lease fees	Unlimited
\$35K Annually	DC/Forest City – Special assessment district	First five years
Landscaping	Forest City – Donation	First five years
Programming	CSX Railroad – Friday night concert sponsorship	Unknown

Source: Government of the District of Columbia 2009; personal communications

3.2 Private Funding Mechanisms

Although it is rare for parks to be entirely financed with private funding sources, most urban parks include some private support (Trust for Public Land 2008). Private money typically involves the nonprofit sector, which acts as a funnel for raising and distributing funds from the private sector. After identifying best practices for urban parks across the country, the following tools were included in the preliminary analysis of private funding mechanisms:

- “Friends Of” Groups
- Nonprofit Advocacy
- Conservancies
- Foundations
- Small Giving Programs
- Real Estate Development

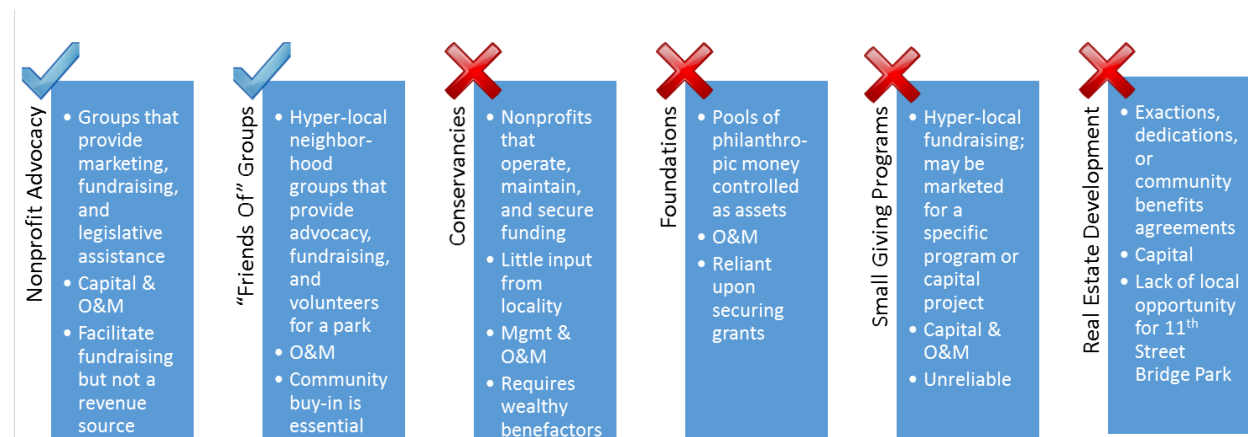
Figure 3.2 provides an overview of the aforementioned private/nonprofit funding mechanisms, including strengths and weaknesses. An important consideration to keep in mind is that there is not always distinct separation between these structures; many nonprofits do not fit neatly into these categories and may utilize other funding sources (e.g., BIDs are nonprofits that receive funding from taxes). Moreover, it is important to distinguish between management structures by which private funds can be distributed and the sources of those funds, which may include large benefactors, small donations, and volunteers (i.e., maintenance provided, essentially for free, in the form of labor). To decide whether these best practices were worth pursuing, it was noted whether each source provides primarily O&M or primarily capital funding; whether the funding is reliable; and whether there are available local opportunities to pursue. Based on this assessment, conservancies, foundations, small giving programs, and real estate development were all ruled out as promising alternatives.

Conservancies, which are nonprofit or Public Private Partnership (PPP) corporations focused on a particular park, generally rely on wealthy neighbors to take an active hand in funding, managing, and advocating for the park (Leichner 2010). There is inherent unreliability in assuming that park management and finance (as opposed to fundraising and advocacy) can be left almost entirely to citizens, especially when intensive programming and specialized maintenance are expected. A conservancy arrangement therefore does not appear to be a likely scenario for funding and management of the Bridge Park.

Funding from philanthropy can be secured by working with foundations that provide grants to parks and recreation. However, such funding cannot be considered reliable, as it is reliant upon a competitive grant process and may not provide long-term funding (Walls 2013). Likewise, small giving programs and volunteering are an excellent way to build advocacy for a park; however, without a larger structure such as a “Friends Of” group they are not likely to provide sufficient or reliable funding or labor.

Finally, funding from real estate development is an unlikely scenario given that the park is not part of a larger PUD. If the park were a part of a PUD, it may be possible to negotiate for the developer to provide landscaping services or operations and maintenance for a set period of time as was the case for Yards Park. Nearby developments, like Poplar Point, may offer some opportunity for such negotiations; however, it may be difficult to argue the direct connection between the park and separate, non-adjointing parcels. In addition, cash contributions for parks are not typically negotiated through the development review process for PUDs (Vohmn, pers. comm.).

Figure 3.2. *Assessment of private financing mechanisms*



3.2.1 Promising Practices

Based on the above assessment, the most promising private sector funding opportunities for the Bridge Park are working with national and local level nonprofits and PPP's that provide advocacy, management, and fundraising from a variety of sources.

National park advocacy groups generally focus on supporting local legislative initiatives. Other activities include acting as a portal for fundraising for parks, linking local parks to grants through the Foundation center and other grant opportunity networks. One national advocacy group, the National Recreation and Parks Association (NRPA), partners with many major foundations and corporations such as the Disney Worldwide Conservation Fund, ConAgra Foods, and the Arthritis Foundation (NRPA 2014). Some advocacy groups operate at the citywide level, which gives them the advantage of being plugged into existing local nonprofit, foundation, and fundraising circles. Citywide groups, such as Washington Parks and People in Washington, DC, have been involved in working with parks to implement best practices such as stewardship, management, and design. In addition, these advocacy groups can be utilized to organize and foment advocacy at the hyper-local level (Coleman, pers. comm.).

Many parks also benefit from the advocacy of groups and volunteers at the grassroots level. Nationwide, "Friends of" groups have been invaluable for maintaining momentum for operations and maintenance funding. These groups can be composed of abutting neighbors or corporate sponsors. Such groups provide support through the recruitment of volunteers, small-scale fundraising, and supporting park staff. However, these groups tend to form organically, and outreach is necessary to sustain them (Rehwaltdt, pers. comm.). A local example of park revitalization through nonprofit advocacy is provided in Box 3.2.

Box 3.2. Nonprofit Advocacy: Meridian Hill Park

The revitalization of Meridian Hill Park in Washington, DC, is touted by Washington Parks and People as its premier accomplishment and one of the premier examples of park revitalization through “community-based” nonprofit advocacy (Coleman, pers. comm.). The park is located on the west side of 16th Street, north of U Street and New Hampshire Avenue in the Shaw neighborhood. Due to issues with drugs and crime, Meridian Hill Park had become by the 1980’s the Washington region’s “single most violent park” (Washington Parks and People 2007). In the late 1980’s, residents living adjacent to the park organized cleanup patrols through the park. Eventually, a “Friends Of Meridian Hill” (FOMH) group was established out of these outreach efforts and as a result of a piece written in *The Washington Post* about the park’s decline. After formation, FOMH began a grassroots advocacy and fundraising effort with incredible results, the most important of which was linking the neighborhood to the park (Project for Public Spaces n.d.). Washington Parks and People was launched in the wake of FOMH’s success in restoring Meridian Hill Park and has since helped to launch over 30 “Friends Of” groups in the National Capital Region (Project for Public Spaces n.d.). Since 1994, FOMH has brought in over 300 community groups to work with the park, including church groups, schools, and local businesses. In addition, through the revitalization efforts attendance quadrupled and National Park Service funding for the park was increased (Washington Parks and People 2007).

3.2.1.1 Local Market Considerations

In Washington, DC, the Department of Parks and Recreation (DPR) contains a division (Park Partners), which works with local stakeholders on park advocacy, maintenance, and fundraising. There are two categories of groups: Adopt-a-Park and “Friends Of” programs. Adopt-a-Park programs are less intensive programs whereby neighbors, corporations, nonprofits, or local stakeholders such as churches and schools, can donate money or volunteer to run programs or perform maintenance tasks. Corporate and nonprofit partners may donate funds towards a specific program. Adopt-a-Park volunteers are typically involved in cleaning and maintenance tasks.

The second category includes “Friends Of” groups. These groups are required to be 501(c)3 organizations and unlike Adopt-a-Park groups have the capacity to fundraise (at the park itself, which is an important distinction). These “Friends Of” groups engage in activities such as supporting park staff, donating park equipment, and raising funds for both capital and operations and maintenance improvements. According to DPR, while “Friends Of” groups do not generally work directly with the philanthropic community, they are not restricted from doing so and in many cases are encouraged to do so. Typical fundraising activities include direct activities such as t-shirt sales, and events at neighbors’ houses (Rehwaldt, pers. comm.).

3.2.2 Implications and Considerations

One of the most important considerations for utilizing a nonprofit and advocacy network is whether sufficient support can be mobilized at the grassroots level. According to DPR, Adopt-a-Park and “Friends Of” programs are formed organically, meaning that the city does not seek out and facilitate the formation of these groups (Rehwaldt, pers. comm.). The problem of no formal involvement in these groups’ formation can be solved by working with a citywide nonprofit such as Washington Parks and People, which specializes in forming such social infrastructure for support. Nevertheless, mobilization may be difficult if a support network simply does not exist and/or the time, money, and labor it would take for such a grassroots effort is not available.

3.3 Earned Income

While parks are typically a public resource, open to all, the challenge of funding their maintenance and upkeep often leads park managers to seek at least a small degree of revenue directly from visitors. This section identifies several commonly used strategies for parks to generate income. In many cases, these strategies can also create or complement services and activities at the park, helping to attract visitors and making the park a more vibrant and engaging place.

A literature review revealed a wide range of income mechanisms used to support parks and their services. In particular, parks and community centers can generate income on-site through:

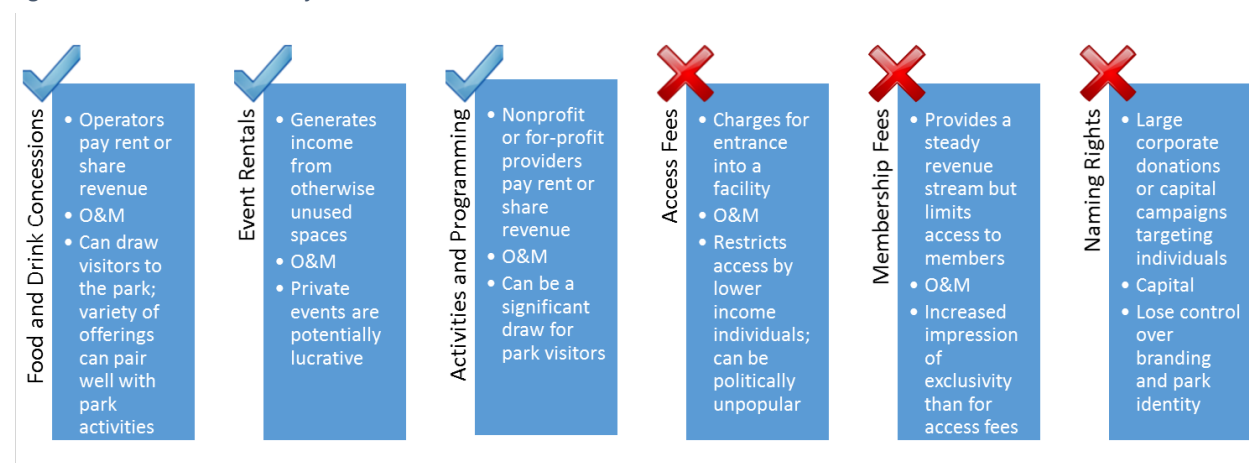
- Food and Drink Concessions
- Event Rentals
- Activities and Programming
- User Fees
- Membership Fees
- Naming Rights

Figure 3.3 summarizes these alternatives, their typical use (capital funding or O&M), and any other critical considerations. Because the Bridge Park will be a unique public space, some of these strategies are more promising than others for generating income and meeting the goals of the park. Strategies that appear particularly suited to the Bridge Park and its proposed public spaces – especially the open-air recreation and performance spaces, as well as the environmental center and café – are discussed in detail in the following sections; reasons for excluding others are discussed briefly below.

Access fees, which are paid by visitors to enter a park, create a clear barrier to public access. While they are a normal business model for theme parks and other privately owned facilities, access fees may lead to exclusion and resentment if they are perceived as an admission fee for a public resource that “should” be free. Access fees may also prove to be politically difficult: plans to charge admission at Portland’s Pioneer Courthouse Square skating rink met considerable opposition, and the project was abandoned (Venema and Stern 2003). Because of the negative public perception surrounding user fees and the barriers they create to openness and accessibility, access fees for the Bridge Park would be incompatible with the nature of the public space envisioned in its mission and planning documents. Therefore, they are excluded from further analysis.

Beyond user fees, a facility may operate on a membership basis. Memberships can provide a steady funding stream and provide a gatekeeping mechanism for keeping usage at a reasonable level, as may be necessary at a pool or golf course. A different model keeps access to facilities free, but allows

Figure 3.3. *Basic assessment of earned income mechanisms*



members to sign up for fitness classes, sports leagues or other ‘premium’ services. Alexandria, VA, for example, requires the purchase of a “fitness pass,” available for varying durations from one day to a year, to use workout facilities at its community centers. Because of the same openness and accessibility concerns as access fees, memberships that restrict access to an entire facility are inadvisable for the Bridge Park. In the context of specific services or activities, such as classes and boat rentals, memberships may be appropriate as a way of offering increased accessibility to neighbors or low-income individuals. Memberships are discussed further in this context in the Activities section, below.

The sale of naming rights can generate significant income for parks or programming, but often at the expense of some control over the park’s identity. Depending on the arrangement, it can be a one-time capital initiative, as in the case of Chicago’s Millennium Park and its sponsored plazas and promenades, or an ongoing sponsorship to support programming, as in St. Paul’s Wells Fargo WinterSkate ice rink. A similar approach can be used to solicit donations from individuals, like through the sale of engraved brick pavers (Trust for Public Land 2008). Because this document is focused on sustainable O&M revenue, capital strategies such as park naming rights and brick campaigns are not considered further; however, sponsorships may be appropriate in the context of special events, discussed below.

3.3.1 Promising Practices: Food and Beverage Concessions

Food concessions could play a major role in generating and sustaining activity at the Bridge Park. They can serve as an attraction in their own right, drawing visitors for a casual outdoor lunch or a romantic dinner at sunset; they can also support other activities hosted at the Bridge Park, such as boating on the river or arts performances.

Permanent (“brick and mortar”) restaurants and snack bars are a feature of many high-profile parks, such as the High Line and Bryant Park in New York, and can be used to generate revenue with a variety of different business arrangements. In general, restaurant buildings are constructed by the park, and tenants are selected through a competitive bid process. In the California State Park system, periodic economic analyses are conducted to determine appropriate rental rates (California State Parks 2013). Demand must be consistently high enough to support for-profit operations if outside vendors are used; this was not the case in Brooklyn’s Prospect Park (Project for Public Spaces 1996), and a nonprofit took over operation of several concessions in exchange for minimal fees paid to the park. Where demand is high, revenue-sharing agreements can be established for the park to keep a percentage of sales income.

In addition to a brick and mortar restaurant, mobile vendors could provide many of the same services as a snack bar while requiring less of the overhead for utilities, supply deliveries, and other logistics. Temporary vendors come in two main varieties: sidewalk vendors such as hot dog carts, and food trucks (Griffin, pers. comm.). Mobile food vending is a growth industry, projected to generate \$2.7 billion in revenue nationally over the next five years (NLC n.d.). Temporary or mobile vendors have the potential to be an exciting part of the Bridge Park design given the recent proliferation of food trucks in DC and across the country. These food trucks increasingly serve gourmet food made to order and contain mobile commercial kitchens and sanitation equipment (NLC n.d.). Mobile vendors such as food trucks are advantageous for small entrepreneurs given the low overhead costs and the ability to move to meet demand. They can operate on public and private property, on sidewalks and at curbside locations. This may require occupying metered spaces, where they must abide by the regular rates and time restrictions.

3.3.1.1 Business Arrangements

There are several different models by which a park can receive revenue from restaurant concessions. To analyze those models, five parks with restaurant concessions were examined for this report. Table 3.2 provides an overview of the different types of models for revenue generation at these parks.

Table 3.2. Revenue models for park restaurants

Park	City and State	Model
Bryant Park	New York, NY	Revenue
High Line	New York, NY	Rent or Revenue
Brooklyn Bridge Park	New York, NY	Rent or Revenue
Canal Park	Washington, DC	Rent
Torpedo Factory Plaza	Alexandria, VA	Fee (property value)

Sources: personal communication with park officials.

One model is that of a pure revenue-sharing agreement. This is the case in Bryant Park, where the fee paid to the park is based on a percentage of revenue generated by the restaurant. An official from the Bryant Park Corporation, the operator of the park, stated that the arrangement produced \$1.6 million in revenue for the park in 2013 (Berth, pers. comm.). While encouraging, it is conceivable that such an arrangement is unique and attributable to the extremely high population densities in New York.

A more common model, used by the Brooklyn Bridge Park and the High Line in New York City, combines both rental payments and a revenue-sharing agreement. The Brooklyn Bridge Park contains eight permanent restaurants: a mix of cafes, snack bars, and sit-down restaurants. The agreement includes a guaranteed minimum rent payment *or* a percentage of sales, with the restaurant paying the higher amount. In addition, these restaurants agreed to a “triple net” deal, meaning the tenant is responsible for paying property insurance, property taxes, and maintenance costs as well (McArty 2014). This model is advantageous over a pure revenue sharing agreement because rental income is ensured even when sales are poor. Furthermore, given the “triple net” deal, the park is not liable for maintenance costs for the structure itself. Again, however, it is possible that such a deal is only feasible in New York, with its massive demand from an enormous local population as well as tourists.

The simplest model, employed by DC’s Canal Park (part of the Capital Riverfront area within proximity to the 11th Street Bridge), is that of a park owning the retail space and the restaurant paying rent. The Park Tavern Restaurant pays rent to Canal Park for use of the space while bearing no responsibility for maintenance (Weston, pers. comm.). This is the traditional retail model but has the disadvantage of leaving the park at risk that maintenance costs from heavy usage will overwhelm the fixed rental fees. The final model examined is an agreement whereby the space itself is privately owned but is located on public land. The property owner pays the property tax value of the property plus a percentage license fee to the park for operations and maintenance of the public land. The retail space itself would be privately maintained (Browand, pers. comm.).

3.3.1.2 Local Market Considerations

When analyzing recommendations for food and beverage options for the Bridge Park, four questions were considered: what form should a restaurant take (upscale vs. casual), what conceivable rents could be charged (if applicable), what role should mobile vending play, and what models of revenue generation could be utilized.

One element involved in considering restaurant typology is location. In the case of the Bridge Park, the permanent restaurant would be located along a highly visible and pedestrian-trafficked waterfront site. The most important variables in location are traffic generation and demand generators (UW Extension

et al. n.d.). Demand for a restaurant at the Bridge Park may come from day workers and local residents, as well as visitors coming to the Bridge Park to enjoy the view of the city and waterfront.

The appropriate type of restaurant hinges on the expected type of customer. Restaurant customers can generally be divided into local residents, office workers, and visitors. In downtown areas, local residents are considered the most important customer base. Office workers' primary need in the restaurant market is for casual lunchtime food venues; however, they may also patronize more upscale dining venues for dinner or brunch. Travelers represent an important, if overlooked segment of restaurant customers; it is estimated that 25% of travel expenditures are on food (UW Extension et al. n.d.).

Another factor in the market analysis for a restaurant on the Bridge Park is the expected rent. To determine rents, local commercial real estate listings were examined. Table 3.3 depicts a sampling of the market for retail leasing in the vicinity.

Table 3.3. Area pricing for retail space

Listing	Neighborhood	Price per Square Foot
749 8th Street SE	Barracks Row	\$28.75/sf/year
2027 Martin Luther King Avenue SE	Anacostia	\$25/sf/year
1201 S. Capitol Street SW	Southwest	\$35/sf/year
55 M Street, SE	Capitol Riverfront	\$45/sf/year
1 M Street, SE	Capitol Riverfront	\$45/sf/year
Half & M Streets, SE	Capitol Riverfront	\$50/sf/year
Hine School	Capitol Hill	\$60-70/sf/year

Source: LoopNet.com and wdceprss.dc.gov (WDCEP 2014).

As a newly constructed facility, the Bridge Park can expect to command a considerably higher rent than the spaces in Anacostia, Barracks Row and Southwest, which do not offer riverfront views and are in older buildings. An upscale restaurant on the Bridge may be more comparable to the Capitol Riverfront rates due to the marketability of the riverfront location.

While a brick-and-mortar restaurant could serve as an anchor to the Bridge Park, mobile vendors may be able to play a role as well. The recent proliferation of food trucks in DC has led to controversy, culminating in an update of mobile vending regulations in September 2013 (Carman 2013; DC Food Truck Association 2012; Sidman 2013). The District now differentiates between sidewalk vendors (carts operating on public sidewalks), stationary road vendors (operating on closed roads), mobile road vendors (occupying metered or unmetered curb space), and "public markets" in which vendors operate on public land, like a farmer's market. Sidewalk vendors are restricted to four "zones," specific streets are mentioned as permitted for sidewalk vending. A similar arrangement is made for stationary road vendors, with eligibility for the zones determined by lottery. Mobile road vendors must pay meters and abide by parking time limits (DC OCA 2013).

There is currently no set process for vendors on public land, such as parks. Without special enabling legislation, food vendors would need to work through the competitive bidding process to become a park concessionaire. To fit in with the existing food truck culture and regulations, a set of dedicated parking spaces could be constructed at the Bridge Park to host food trucks. In order to generate income for the park under this scenario, meter revenue could be designated for the park: setting the rates higher than typical for DC would discourage other vehicles from using the spaces but may be accepted by the food truck vendors, given the potentially high demand from the Navy Yard's 16,000 workers and other workers in the area.

3.3.2 Promising Practices: Event Rentals

Opening parks for sponsored public events and private event rentals holds the potential to generate substantial income, particularly considering the park's unique features, including its waterfront views. The design competition documents for the Bridge Park require public performance space, a restaurant, and an environmental center, all of which could potentially host events.

Depending upon the final facility layout and amenities, the Bridge Park will likely be ideal for a number of revenue-generating private events including weddings, birthday parties, conference-related events, company parties and meetings, and political events. However, it is important to keep in mind that private events may be viewed as an improper use of public space, particularly if they impact other uses of the park. Such negative perceptions may be offset by limiting impacts to public use through physical separation, scheduling during low-usage times, or through graduated pricing models (Project for Public Spaces 1996, 93).

Sponsored public events offer another potential source of income and an opportunity to quell the potential negative perception associated with private events. Common examples include music festivals, craft shows, farmer's markets, community fun runs, and ice skating. These events can help to establish the park as a cultural center, while also providing some revenue generation potential. At a minimum, these events will likely generate additional foot traffic to support the park's other revenue-generating services.

In addition to generating revenue and providing cultural amenities, events also open opportunities to support the local community. For example, a culinary training program could work well in conjunction with on-site catering and focus on opportunities for Anacostia residents. Similar to DC Central Kitchen's exemplary model, the program could help prepare local unemployed adults for careers in the food service industry. Less intensive than developing a new program, the park may instead consider using interns from the DC Central Kitchen program or priority hiring for local residents. In addition, preferred or required vendor lists – which are commonly issued by event facilities – could support the local small business community by highlighting local businesses.

3.3.2.1 Business Arrangements

Depending on the nature of the event, a variety of models could govern business arrangements and pricing. In general, most revenue will be generated from space rental, food and beverage, and audiovisual rentals (Badanes, pers. comm.). Significant revenue gains could also be achieved by making the park's in-house event service the only licensee approved for serving liquor at the facility, as is the case for the Landmark Center in St. Paul, MN (Budas, pers. comm.; See Box 3.3 for additional information).

From a management perspective, the park could provide in-house services and vendor coordination or could take a more hands off approach, requiring the renter to contract and coordinate their own services. Based on discussions with a local corporate event coordinator, the in-house/contracted services model is particularly desirable for private corporate events, which typically expect the venue's event coordinator to develop a single estimate that includes all food, beverage, audiovisual, and security needs. While this places an added burden on the venue, it also allows the venue to place additional markups on the vendor's estimates to accrue additional revenue.

Many public and semi-public spaces charge different rates depending upon the event type, season, or day of the week. For example, Chesapeake Bay Foundation's Phillip Merrill Environmental Center provides significantly reduced rates for non-profits and weekday or off-season events (CBF 2014).

Similarly, DC's Eastern Market provides reduced rates for public and weekday events. Pioneer Courthouse Square in Portland, OR, employs a three-tier pricing structure: for exclusive use of the entire city block, public events that involve no sales or admission fees pay \$796 for a day (8 hours); events that are open to the public but which do generate revenue in the form of registration fees, sales, or sponsorships pay \$2,382; and closed events that require admission fees or invitations pay \$7,147 (Pioneer Courthouse Square 2013, 3). Even more drastically, the Landmark Center in St. Paul, MN, receives almost no income from the Wells Fargo-sponsored ice skating event; however, the sponsorship activates the space and benefits the public. This example is discussed further in Box 3.3, while several local pricing models are provided in the following section.

Box 3.3 *Rentals, Sponsorships: Landmark Center, St. Paul, MN*

Landmark Plaza in downtown St. Paul, MN, is a historic courthouse and post office that was rescued from demolition by a citizen group and placed on the National Register of Historic Places in 1978 (Landmark Center 2014). Now owned by Ramsey County and operated by a specially formed nonprofit agency, it serves as a cultural center and has an annual budget of \$2.1 million.

The Landmark Center is home to a number of arts and cultural organizations, including the Minnesota Boychoir and the Ramsey County Historical Society. These nonprofits pay 50-70 percent of the market rate for office space in St. Paul; in return, they are required to produce at least one free concert or other event annually at the Landmark Center. The few for-profit companies in the building pay the regular market rate.

The restored courtrooms and main hall are used to generate income through event rentals of varying scales, including private weddings, nonprofit fundraising events, and concerts. The Landmark Center is a popular venue, with the wedding calendar booked to capacity about 18 months in advance. These events are the primary source of income for the Landmark Center, followed by public donations. Events are managed in-house, to ensure familiarity with the facilities. Additionally, the Landmark Center holds the only liquor license for the property, which provides significant additional revenues during events.

Frequent public events, such as free lunchtime concerts, also serve to establish the Landmark Center as a public space open to the whole community. About 97 percent of public events are free, with the remainder charging less than \$10. This is achieved through a series of sponsorships for individual events and recurring concert series. Some free events still allow for income, as in the case of a Sunday and Thursday night concert series at which cocktails are served.

Landmark Center hosts an annual sponsored event, Wells Fargo WinterSkate, for which a temporary skating rink is erected at an outdoor plaza. Skating is free to the public; the \$2 skate rental fee is waived for Wells Fargo credit and debit cardholders. Wells Fargo, a major employer in Minneapolis and St. Paul, is the title sponsor of the event, but nearly three dozen corporate donors contribute to the event in exchange for brand placement on signs and other materials related to the event. WinterSkate is organized by the city's convention and visitors' bureau, removing most of the organizational burden from Landmark Center's management staff. WinterSkate and other recurring events, like a summer music series hosted by a local radio station, are instituted with multi-year agreements from the sponsors. This helps the events to become established and popular as a cultural phenomenon, a process that may take several years.

Sources: personal communication, Landmark Center/WinterSkate websites (see Appendix B)

3.3.2.2 Local Market Considerations

Table 3.4 provides a sample of the regional venue market, primarily focusing on government and non-profit facilities. Within this list, weekend rental rates vary from a low of \$3,900 at Eastern Market in DC to \$10,000 at the American Horticultural Society River Farm in Alexandria. Within this range, the Eastern Market venue is likely to be the most comparable to the Bridge Park, as it is located only 1.2 miles from the Bridge and is owned by the District. The Eastern Market pricing model (Eastern Market 2013) is also particularly relevant to the public service and arts-related visions of the Bridge Park because it not only offers relatively low venue pricing for private events, but also provides the following discounted pricing for public events:

- \$1,500 Day/\$2,500 Nights for public events by individuals and non-community organizations
- \$500 Tuesday-Thursday/\$600 Friday/Sunday for public arts events and public events hosted by community organizations or DC government agencies
- \$2,400 Saturday-Sunday for arts and craft fairs open to the public (Limit – 1 per month)

While Eastern Market offers relatively low private rental rates for the area, the waterfront views and the unique nature of the Bridge Park may allow for higher private use rates that are more comparable to others listed in the table below. This seems plausible if the park can cement itself as a reputable venue and as the surrounding area continues to develop.

Table 3.4. Area pricing for event rentals

Venue	Location	Size	Price - Private	Other
Eastern Market	Capitol Hill	3,500 SF	\$3,400 M-F Days \$3,900 Nights	-Discounted public rates: \$1,500 Days \$2,500 Nights -Special Pricing for Public Arts Events and Arts Fairs
Arts Club of Washington	Foggy Bottom	25-300 guests	\$3,000 M-F for four hours \$4,000 S-Sn for four hours	-Additional hours range from \$800 (M-F) to \$1,200 (S-Sn)
Chesapeake Bay Foundation Philip Merrill Environmental Center	Annapolis	1,600 SF Indoor + 2,200 Tented	\$600 M-F Days \$750 M-W Nights \$2,000 Th Nights \$3,000 F Nights \$5,700 S \$4,000 Sn	-Discounted off season rates -Discounted non-profit rate - \$350 M-F Days
American Horticultural Society River Farm	Alexandria	50 seated guests (indoor) 160 seated guests (tented)	Rates vary based on number of guests and day of week. Saturdays range from \$7,000 for less than 140 guests to \$10,000 for 200 guests	-Varied rates based on number of guests -Discounted off season rates
Northern Virginia Regional Parks Association Meadowlark Botanical Gardens	Vienna	Up to 230 seated guests	\$210-680 M-F Days \$3,400 M-Th \$5,400 F \$8,300 S 6,700 Sn	Higher rates for non-jurisdiction
Arlington County Gulf Branch Nature Center	Arlington	N/A	-	\$200 Birthday Party Package (4 hours)
National Building Museum	Northwest	N/A	-	\$250 Birthday Party Package (2 hours)

Sources: venue websites and brochures (see Appendix B)

In addition to competitive pricing, location is a key factor in marketability, particularly for private events. In comparison with other venues in the District, the Bridge Park offers similar proximity to three major airports but less convenience and accessibility to hotels. Currently, the closest hotel is a Courtyard Marriott located more than one mile away. However, the park may be poised to capture a portion of the private events market as nearby development plans, including the proposed hotel space at Poplar Point (See Section 1), come to fruition. Similarly, a focus on the uniqueness of the venue, the quality of the experience, and transportation options, such as private cars and water taxis, could offset the potential barrier caused by the lack of immediately adjacent hotels.

3.3.3 Promising Practices: Activities

Activity-based concessions like kayak rentals are common in parks with water features and are a natural fit for the Bridge Park. In addition to achieving the park's stated goals of connecting the park to the river and providing active recreation options, boat rentals are an opportunity to engage regular visitors with routine use while also being attractive to occasional visitors and tourists. Different programmatic offerings can target each of these groups to engage park visitors and generate income.

Interpretive boat tours could educate the public and generate interest about the recovering Anacostia River ecosystem, and also provide tourist-oriented cultural tours of the Navy Yard, Southwest Waterfront and other areas of downtown Washington. Canoe and kayak rentals would likewise allow visitors to explore the surrounding area and see the city in a new way. Water taxis can provide an additional transportation connection to the Bridge Park, and also help to establish its identity as a peer to existing popular riverfront locations. The upcoming design competition may provide further ideas for activities on and around the bridge that may be amenable to a concession model.

In addition to engaging park visitors with the water, part of the mission of the Bridge Park involves programming that can address several needs in the surrounding community, including environmental education, food awareness, and job training. By providing educational opportunities and reasons to return to the Bridge Park, these programs can help to establish an identity for the park and create a sense of ownership among neighborhood residents. The nature of these programs can have a major effect on the types and availability of funding sources.

3.3.3.1 Business Arrangements

For canoe and kayak rentals, there are two prevalent business models among the businesses surveyed: rental shops with a physical presence on a river, typically within a park; and mobile companies that, while they still may have a waterfront location, focus on outings to popular locations in the area that offer unique scenery or challenging features. The Bridge Park is a natural fit for the first type, given that it is located on a river and surrounded by a potential customer base. The mobile companies generally focus on developing technical skills (a motivator to sign up for additional lessons); however, since the Anacostia River does not present challenging rapids or other features on which to practice these skills, it is unlikely fit for the Bridge Park.

Rental shops located in parks typically have a casual recreational focus and are almost universally operated by private concessionaires. As separate entities, they take on the financial burden of purchasing and maintaining equipment, as well as the logistical burdens of training employees and managing liability insurance. Liability insurance and related issues are a necessary part of taking on a recreational concession of this type, but the issues are well understood by operators and insurers and can be handled in a routine manner. As with other types of concessions, a revenue-sharing agreement is the default arrangement for rental shops.

A secondary market of independent instructors, such as Stand Up Paddle DC, arrange private lessons directly with students and meet at any of several local rental shops, where students pay the standard equipment rental rate separately from the instruction session. This model offers lessons if demand is not high enough to maintain an instructor on staff. This model is also a common way for community centers to offer programming. Alexandria, VA offers a variety of classes at its community centers, including computer workshops, after school programs, youth sports, and painting for seniors. Staff members teach some courses, while others are run by outside instructors who pay a room rental fee to the center. Because fees are charged for the classes and registration and payment are handled by the center, this distinction is largely transparent to students. Alexandria opens its classes to nonresidents, charging an additional \$25 fee. It would also be possible to offer memberships or assistance grants, making classes and activities more accessible to frequent or low-income users.

Because it often targets at-risk populations, mission-based programming such as youth job training programs cannot charge participation fees. A park may mitigate some or all of the cost of community programs or services by allowing them to be run independently by a nonprofit or other entity. These programs may not generate revenue, but independent operation may free up scarce park resources. By fundraising and soliciting volunteers independently of the park, a nonprofit 501(c)3 organization can tap into different constituencies and funding sources and partner with public or industry groups aligned with its particular offerings (Fulton 2012).

Nonprofit programs can take a number of forms depending on their specific goals. The Earth Conservation Corps (ECC), located just down the river from the Bridge Park, uses environmental education as a vehicle for at-risk youth to learn leadership and job skills. Corps members are paired with mentors, many of whom are federal employees from the Environmental Protection Agency. They engage in river cleanup projects, teach visiting classes of schoolchildren about conservation, monitor the growing population of raptors living on the Anacostia, and learn journalism and video skills to promote ECC's projects. Many Corps members finish the program with professional certifications or job placements. ECC receives some private donations and fees from its school programs, but is heavily dependent on government grants related to its environmental, education and workforce development activities. ECC's facilities were donated by local and federal government agencies, freeing it from ongoing concerns about paying rent (Bollinder, pers. comm.).

Another example oriented toward outdoor recreation is Phoenix Bikes in Arlington, VA. Phoenix Bikes provides recreational and work-training opportunities to low-income youth in Arlington, VA, drawing on grants from the county as an after-school program and volunteer mentor support from nearby affluent neighborhoods. It operates out of a county park, whose only cost is Phoenix's use of a previously unoccupied building (Bernstein 2010). Phoenix generates most of its operating revenue through sales of refurbished bikes, with some private donations, and a grant from Arlington County to help support its after school program. Adult volunteers at Phoenix and other local bike co-ops, including VéloCity in Alexandria, The Bike House in Washington and Mt. Rainier Co-op in Maryland, receive discounts on services and parts in exchange for their time. These examples involve more interaction with the general public; a similar model at the Bridge Park could incorporate job training and mentoring arrangements into the operations of the boat launch or other facilities, and encourage volunteer support to help reduce the cost of operations.

The Urban Ecology Center (UEC) in Milwaukee, WI, combines elements of both local programs. It keeps the social draw of outdoor recreation, but focuses its youth education and outreach efforts on environmental science and stewardship. The sponsored Neighborhood Environmental Education Program is the primary vehicle for youth education, with sponsors funding the program at individual schools. UEC's three environmental centers offer additional services, including after-school programs, event space, and public lectures on environmental topics. "Citizen Science" projects encourage active participation by all ages in the act of environmental research. UEC operates on a membership model, with equipment rentals, including bikes, kayaks, skis and ice skates, but also garden tools and camping equipment, loaned free to donating members. While UEC's resources are distributed over a larger area, the environmental centers and their locations are similar in type to those requested in the Bridge Park design documents.

3.3.3.2 Local market considerations

There are a number of local providers for boat rentals, which were assessed to determine common fees for rentals, lessons and tours; a summary is provided in Table 3.5. Hourly rates appear to be generally stable, with canoe and single kayak rentals generally ranging from \$11 to \$15 per hour, though some vendors require a minimum rental period of two hours. Typical offerings relevant to the Bridge Park include kayaks, canoes, rowboats, and stand-up paddleboards. Rentals generally come with an overview of safety rules and basic paddling instruction; some companies orient themselves more toward lessons and skill training, charging more for individual lessons but offering membership packages to reduce the per-lesson rate. Rental operations are seasonal, typically opening around the end of March and closing in September or October, though the specific dates depend on the weather for a particular year.

Table 3.5. Area pricing for boat rentals

Park/Vendor	Location	Service	Prices
Active Nature	Poolesville, MD	Kayak lessons	\$105/1 lesson, \$495 membership with 4 lessons, practice time and equipment discounts
		Stand Up Paddleboard lessons	\$100/1 lesson, \$250 membership with lesson, practice time and equipment discounts
Atlantic Kayak	Fort Washington, MD	Kayak	\$25/2 hr, \$50/day
		Double Kayak	\$35/2 hr, \$65/day
		Kayak tour	\$55/2 hr
Fletcher's Boathouse	Washington, DC	Kayak	\$11/hr, \$33/day
		Double Kayak	\$20/hr, \$45/day
		Canoe	\$14/hr, \$28/day
		Rowboat	\$14/hr, \$25/day
		Bikes	\$8/hr, \$30/day
Key Bridge Boat House	Washington, DC	Kayak	\$15/hr
		Canoe	\$25/hr
Liquid Adventures Kayaking School	Cabin John, MD	Kayak classes, trips for students	\$1150/41 sessions, including transportation to/from school
Mariner Sailing School	Alexandria, VA	Kayak	\$25/2 hr, \$50/day
		Canoe	\$25/2 hr, \$50/day
		Rowboat	\$25/2 hr, \$50/day
		Double Kayak	\$35/2 hr, \$65/day
Occoquan Regional Park	Lorton, VA	Kayak	\$8.50/hr, \$37/day
		Boat tour	\$12/1 hr
Potomac Paddlesports	Potomac, MD	Kayak lessons	\$145 beginner lesson, \$585/2 year membership
		Stand Up Paddleboarding lessons	\$125 beginner lesson, \$495/2 year membership
Stand Up Paddle DC	Washington, DC	Stand Up Paddleboarding lessons	\$75/hr
Thompson Boat Center	Washington, DC	Kayak	\$15/hr, \$35/day
		Double Kayak	\$35/2 hr, \$65/day
		Rowing shells	\$16/hr (single scull)
		Bikes	\$10/hr, \$30/day
Tidal Basin Paddle Boats	Washington, DC	2 seat paddle boat	\$14/hr
		4 seat paddle boat	\$22/hr

Sources: vendor websites (see Appendix B), personal communication

3.3.4 Implications and Considerations

One of the most important considerations for earned income strategies is the potential for political and social costs if the public views the revenue generation as “charging admission” to a public resource or if low-income individuals are priced out of participating. Justification for park fees generally involves drawing a distinction between “core” or “traditional” services, which should be provided for free, and add-on services, such as pools, boat launches, or ski rentals (Fulton 2012; Landes 2012; Trust for Public Land 2007).

At the Bridge Park, similar consideration should be applied. Uses and activities directed at recurring users and residents should be minimally priced or free, while those geared toward occasional users or tourists can be charged at or near the market rate. Memberships, youth scholarships, and financial assistance grants can all offer discounted rates to frequent visitors and/or residents. Tourist-oriented services, such as tours of the downtown waterfront, could be priced more aggressively as tourists will likely be less sensitive to small differences in price.

Earned income through concessions, events, and activities also provide an opportunity for supporting the local community with preferential hiring, job training, and youth programs. If these programs are established through partnerships with private entities and/or non-profits, care should be taken to ensure that the program offerings are aligned with the overall mission of the park. This can be ensured with a contract that establishes financial reporting, use of facilities, and liability releases. These measures can also help to ensure stable governance and funding – in the event that a nonprofit partner falters in one of these areas, a park may find it advantageous to provide assistance in order to keep the programming available to users (Fulton 2012).

In all cases, integration with features and amenities that currently exist within the community is important. For example, the Earth Conservation Corps is one example of an organization with potentially overlapping goals that is already operating on the Anacostia River. It will be important to work closely with such organizations to ensure that new programming at the Bridge Park does not compete for funding, volunteers, or projects. Similarly, a restaurant that offers similar cuisine and price points as existing restaurants in Historic Anacostia could potentially draw some customers away and leave both businesses struggling. While amenities at the Bridge Park will be unique by virtue of their location, care should be taken to complement existing assets.

3.4 Recommendations

Based on the research presented here, there are a number of strategies that can be implemented to provide ongoing revenue for the Bridge Park. Figure 3.4 highlights these strategies.

Figure 3.4. Recommended revenue strategies for the Bridge Park.



Pursue a tax revenue-based maintenance fund with the city: Once constructed, the Bridge Park will essentially provide a new market for activities and dining that will generate additional tax revenue for the city. To capture this revenue and direct it toward the park, it is recommended that a tax revenue based maintenance fund be pursued with the city. The Waterfront Park at the Yards Act provides a local example of legislation creating such a fund, although it provides authorization for only five years (DC

Government 2009). To avoid the need for continuous fundraising efforts, every effort should be made to extend the initial authorization period as long as possible.

The most likely scenario for the Bridge Park fund would consist of transferred taxes from food and beverage, which would generate an additional nine cents of revenue for every dollar charged at on site restaurant and catering facilities. However, this again highlights the potential conflict between revenue generation and goals of connectivity and openness. A high-performing restaurant will generate higher tax revenue; however, care must be taken to ensure that such a restaurant does not directly or indirectly exclude local residents.

Establish a “Friends of 11th Street Bridge Park” group: According to Washington Parks and People, a DC-based park advocacy organization, a sustainable social infrastructure is the recipe for the long-term success of a park (Coleman, pers. comm.). From this perspective, it is recommended that a “Friends of 11th Street Bridge Park” be developed to advocate, fundraise, and provide volunteers for specific maintenance tasks. These groups are required to be 501(c)3 organizations, and unlike Adopt-a-Park groups have the capacity to fundraise at the park itself, which is an important distinction. The Friends group could engage in activities such as supporting park staff, donating park equipment, and raising funds for both capital and operations and maintenance improvements. Typical fundraising activities include direct activities such as t-shirt sales, and events at neighbors’ houses (Rehwaldt, pers. comm.).

Provide a variety of food and beverage options: The Bridge Park has the unique opportunity, given its prominent riverfront location, to capture the tourist/visitor dining market as well as capitalize on nearby lunchtime crowds and the local market. Casual dining options, such as snack bars and food trucks, can support lunch/brunch visitors and participants in other activities on the bridge. An upscale restaurant that takes advantage of the park’s scenic views could serve as an anchor for other park concessions and could be a major revenue generator. Such a restaurant would serve both tourists as well as the local market; however, it would likely exclude certain populations unable to afford the prices.

If a high-end, revenue-generating restaurant is included, culinary training programs and local hiring practices could be incorporated to provide high-wage jobs for local residents. On the other hand, a mid-range restaurant would likely be more inclusive, could still incorporate training programs, and may align better with the vision for the bridge. For this reason, it is recommended that future restaurant tenants be chosen carefully to ensure that menu and décor is inclusive and appealing to both Bridge Park visitors and local residents, and that establishments are respectful of their location and representative of communities on both sides of the river.

Utilize park facilities as revenue-generating event space to create opportunities for the local community: Depending upon the final facility layout and amenities, the Bridge Park will likely be ideal for a number of public and private events, such as concerts, art exhibits, craft shows, wine and beer festivals, weddings, birthday parties, conference-related events, company parties and meetings, and political events. These events may extend the use of the park beyond daytime hours and offer additional opportunities to support local residents and businesses.

In support of the Section 2 goal of leveraging the arts community, it is recommended that a tiered-fee structure be implemented to encourage public arts events. Similar to the Eastern Market model, reduced rates could be provided for arts events and craft sales to incentivize the arts while still generating some revenue for the park. This scheme, which could also be expanded to provide discounts

for other public and semi-public events, would maximize revenue from private events while respecting the public nature of the park.

To support the park's community development initiatives, it is recommended that the venue consider priority hiring and training for local residents. Although not the focus of this research, a culinary training program could work well in conjunction with on-site catering to prepare local unemployed adults for careers in the food service industry. DC's Central Kitchen provides an exemplary model for this approach.

In addition, it is recommended that the event space support local businesses. For example, a preferred or required vendors list could highlight local businesses, including catering (if not provided on site), cakes/pastries, photographers, audiovisual equipment, DJs, linen rentals, and transportation services. To ensure success in the competitive DC market, it is important that all recommended vendors be thoroughly vetted to ensure that they meet market standards. If such businesses can be found or fostered through the BID or other nonprofits, the park's support of the local small business community would be further cemented.

Provide recreational activities and value-added services to appeal to a variety of visitors: Activity-based services can make use of the Bridge Park's unique location and physical resources to attract and retain visitors from local neighborhoods and the surrounding region, as well as the large numbers of tourists that visit Washington each year. The environmental center can host ongoing activities appealing to local residents, such as arts and fitness classes, recurring arts series, and after-school programs, while also offering tourist-friendly activities such as boat tours of the waterfront.

Pricing strategies for the various activities should be carefully considered in order to maximize access for local residents, especially from Wards 7 and 8. A membership structure can provide low-cost access to classes and discounts for frequent users of boat rentals or other services. Grant programs for low-income residents can provide additional support, and may be eligible for outside funding. With these strategies in place, recreational services like boat rentals and tourist-oriented services like tours and water taxis can remain free to charge market rates. Business ventures such as tours and watersports lessons can present an additional opportunity to encourage economic development in Wards 7 and 8 through priority hiring and job training.

Partner with nonprofit organizations for mission-based programming: Forming or partnering with a nonprofit group can be an effective way to offer activities and mission-based programming. Mission-based programming can be tied into other activities on the bridge and at the environmental center, providing job training and mentoring as part of a youth program or offering incentives to volunteers with a co-op model. These entities can conduct their own fundraising and community outreach, tapping into a different set of community resources than might be available to the park directly. Therefore, it is recommended that the Bridge Park form partnerships with one or more nonprofit community groups to provide community services and tap into additional outside resources. The park should be prepared, however, to assist with administrative or financial support if a nonprofit partner is struggling and its activities are critical to the vitality of the park.

While revenue generation in parks may not always be viewed as a politically-favorable practice, increasingly constrained municipal budgets require thinking outside the box when it comes to park funding. Nevertheless, the public nature of parks must not be forgotten. The diverse set of strategies

recommended here reflects the unique situation of the bridge and the diversity of the communities surrounding it. The combination of direct and indirect revenue generation, along with community based initiatives such as job training, local hiring and small business support, should not only provide revenue for the park but also reinforce the public service aspect of the park and cement its commitment to the local community. Approachable options will allow all of the park's neighbors and visitors to have a sense of ownership and connection with this unique public resource.

Summary and Conclusion

As this report suggests, the Bridge Park offers an outstanding opportunity for economic and community development. The recommendations presented here and summarized below demonstrate how the project can incorporate and leverage surrounding developments, support the local small business and arts community, and develop sustainable funding sources for operations and maintenance. While these goals reflect distinct purposes and study areas, combined synergistically they each support the Bridge Park's mission of creating a vibrant and world class public space that also helps to reconnect neighborhoods on either side of the Anacostia River.

Development Environment

Already undergoing an enormous amount of change, the immediate area within one mile of the 11th Street Bridge is projected to develop at an accelerated pace throughout the foreseeable future and well into the next decade. As a result of comprehensive efforts such as the AWI, the area is emerging into a greater Southeast waterfront district that features greatly improved surface transportation connections across the river (like the Anacostia Streetcar) as well as much improved pedestrian and bicycle access.

Development is occurring and is planned for both sides of the Anacostia River. Development is most intense west of the river in the Capitol Riverfront neighborhood, where high levels of residential and commercial projects will result in thousands of new residents and employees living and working nearby. Similarly momentous projects, such as the St. Elizabeths and Poplar Point developments, are occurring east of the river. Unfortunately, development east of the river is characterized by much greater levels of uncertainty and is subject to many challenges not seen west of the river. Nevertheless, the Bridge Park has an important role to play in this environment. Serving as a point of connection and a gateway, the Bridge Park can leverage nearby projects to catalyze growth and community development east of the river by taking into account the following recommendations:

- Concentrate physical development
- Commercial development
- Environmental and waterfront synergy
- Strategize physical development for transportation improvements

Small Businesses in Anacostia

The contrast between the development environments on either side of the river suggests that the Bridge Park has the opportunity to play an especially influential and positive role in economic development on the eastern side, and particularly in Anacostia. The Bridge Park will represent an important asset, wholly incomparable to anything that exists east of the river today. The benefits of the Bridge Park are more likely to directly influence the small business-led revitalization there than in the mega-project dominated landscape west of the river. With this in mind, the Bridge Park can be leveraged for positive economic change east of the river by pursuing the following recommendations:

- Use metrics to assess needs
- Leverage the neighborhood's current art assets
- Include physical and programmatic links between the Bridge Park and Anacostia

- Leverage the new, centralized organizing body

Through these recommendations, the Bridge Park would assume the role of an institutional asset, amplifying and integrating what might otherwise have been more disparate efforts. Leveraging this impact to positively affect Anacostia will require creating direct visual and physical links between the park and the nearby neighborhood and incorporating the art-related developments already taking place there. By creating visual cues that are simultaneously interesting and reflective of a wider shared theme between the Bridge Park and Anacostia, visitors will be drawn to the eastern side of the river and encouraged to stay there after they have left the formal boundaries of the park. Furthermore, these developments could be incorporated not only into the design and programming of the Bridge Park, but into a larger development strategy meant to address some of Anacostia's more pressing problems.

Sustainable Funding

While the Bridge Park can clearly be leveraged to support the Anacostia community and small business, its success in doing so hinges on the ability to raise sustainable revenue for programming and O&M. Strategies for obtaining such funding can be summarized by the following recommendations:

- Tax-based maintenance fund
- "Friends of 11th Street Bridge Park"
- Variety of food and beverage options
- Park facilities as event space
- Activity-based concessions for all users

The most promising of these strategies are those that leverage the Bridge Park for commercial uses that will both generate revenue and support community recreation and connectivity. If – as community members have requested – the Bridge Park features dining options, active recreation such as kayak or paddle-boat rentals, and meeting and event space, then the park will have a number of promising revenue streams to support operating costs. These funding efforts, if directed back toward the same mutually beneficial business development strategies mentioned previously in the report, thus also carry the potential not merely to fund the ongoing operations and maintenance, but to further contribute to directing positive economic change east of the river.