

December 1 Amendment
Groom Creek School House

A Proposal for a Rental Fee
Under the Forest Service Arizona Cabin Rental
“Rooms With a View” Program

The following modifications to the proposal have been made since it was considered by the REA Work Group at the November 1, 2006 meeting.

Add to **Proposal**: Rental of the Schoolhouse meets the criteria for an expanded amenity fee of the Federal Lands Recreation Enhancement Act (FLREA).

Add Note Regarding New Fee Versus Fee Change: the Schoolhouse rental could be considered a new fee from the perspective that the Forest Service is adding a newly available rental facility to the statewide Arizona Cabin Rental Program. However, REA Work Group meeting notes from November 1 indicate that the Work Group considers the Schoolhouse rental a fee change. This is from the perspective that the adjacent picnic area already has a fee (\$50) under Prescott National Forest fee authority, the Schoolhouse building is an additional amenity at the picnic site and the fee is increased accordingly. Given a choice of perspectives, we see an advantage to consider this a fee change since it frees us from the six month lag between publishing a Federal Register Notice (FRN) and implementing the fee. We would prefer to proceed with the Schoolhouse rental as a fee change proposal. As further clarification, before this distinction was noted, a FRN for a new fee at the Schoolhouse was published, but as far as we know there is nothing that binds us to a six month wait for implementation if subsequently we determine this proposal is a fee change.

Add to Management: Recreation Solutions has successfully managed four cabins on the Prescott and Coconino National Forests over the past four years. Payment for management is based on a percentage of rental fees, providing incentive to increase the use at each rental facility through marketing and customer service. Specific services provided by Recreation Solutions include: publishing rental information for the public in handouts and on Web pages; setting up the cabin in the National Recreation Reservation System (NRRS); making pre-use contact after reservations are made; being the local contact for user problems; interior cleaning; trash pick up; landscape maintenance; replacing worn furnishings or appliances; making minor repairs to plumbing and hardware; pumping septic tanks and toilet vaults; and paying utility bills. In addition, since the Recreation Solutions Enterprise Team members are also Forest Service employees, they provide a Forest Service presence at the site which is reassuring to renters.

Add to Marketing: Past marketing efforts for the cabin rental program include articles in Arizona Highways and other magazines; handout brochures; articles in newspapers statewide; and posting on Forest Service and NRRS Web sites. Visitor use surveys at recreation facilities on the Prescott National Forest reveal that there are two primary market groups for recreation use in the Prescott area: 1) the local area around Prescott, extending to

most of Yavapai County and, 2) the metropolitan Phoenix area. Marketing for the Schoolhouse will target these areas.

Add to Proposed Fee: there are no comparable Forest Service facilities for rent in the Prescott area. Likewise, no other federal, state or local government agency offers a day use facility like the Schoolhouse. For commercial ventures, fees for somewhat comparable facilities in the Prescott area include –

- Freeman Building, Prescott Rodeo Grounds – historic community building, space for 150 persons, tables, chairs, kitchen prep area - \$500 per day plus \$150 cleaning fee plus \$128 minimum security charge
- Marriott Spring Hill Suites, downtown Prescott – conference room for 50 persons, set up with classroom style tables and chairs - \$300 per day
- Sky Y Camp, 60 persons, pine tree setting, rustic hall with outside picnic area - \$250 per day
- Friendly Pines Camp, no quoted price, but the owner offered that \$150 per day for 60 persons at the Schoolhouse would be a “fair price”

Due to the Schoolhouse not having running water or flush toilets and not having on-site customer service during use, the fee is adjusted downward from fees for facilities that have a higher level of service.

Add to Public Involvement: additional public involvement was conducted subsequent to the Work Group review meeting in November, including a news release, additional e-mail exchanges with a local interested public, a tour of the Schoolhouse, and a phone conversation with a camp owner in the Groom Creek locale. See a listing of all public involvement in a new attachment, Summary of Public Involvement. Outreach has elicited minimal public response. Given the low level of response and considering media response, e-mail comments from one citizen, response to a tour, entries from the guest register at an existing rental and quotes during a targeted phone call to a local camp owner, it appears that: 1) the Schoolhouse rental generates some interest because it is a somewhat unique project and, 2) all comments received to date are very supportive of the restoration and public rental of the Schoolhouse.

Add to Business Plan: The Rooms with a View business plan includes objectives to “preserve otherwise deteriorating historic and non-historic structures” and “provide an improved quality and quantity of recreation facilities for cabin rental customers”. Currently, there are no funds set aside for further restoration or maintenance of the Schoolhouse. The historic facility has been deteriorating due to lack of use and maintenance. There are no regularly appropriated funds available for maintenance. Rental of the Schoolhouse fulfills the intent of the business plan to “provide funds for maintenance and repair” and to “rehabilitate historical facilities”. As shown in the Financial Details section below, the Schoolhouse rental fee of \$150 per day at the estimated occupancy rate is set to generate sufficient funds to operate and maintain the structure with any additional revenue going toward further heavy maintenance and renovation.

Add to Financial Details:

Footnote to Revenue estimate – there is no past use of the Schoolhouse building or a similar Forest Service rental facility in the Prescott area to help predict public use of the

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Schoolhouse. Rental for 60 days annually is roughly estimated from requests fielded by Forest Service customer service representatives, conversations with members of the community and encouragement from the owner of a camp in the Groom Creek area. Another way of looking at the estimated usage is to consider it reasonable that each year the building will be rented 30 weekend days (out of about 100 plus possible days) and 30 week days (out of about 260 days).

Footnote to Expense estimate, Recreation Solutions management – see the Management section of this amendment for a list of maintenance and operation duties Recreation Solutions fulfills for their percentage-based fee.

Footnote to Expense estimate, Maintenance not covered by Recreation Solutions – this is “landlord” type maintenance performed by the Prescott National Forest, more extensive than maintenance performed by Recreation Solutions. Examples are replacing a door or repairing a roof leak.

Footnote to Net available annually to accrue...- this is an estimated amount to be accumulated for major projects, such as maintenance that is needed on a five year or longer cycle (painting, new roofing, etc.), or to make improvements (expand the parking area, add an interpretive sign, etc.).

Add a new section, Social/Economic Impacts: Providing the Schoolhouse to the public for rental has several benefits. There is a benefit in that a historic building in a unique forest setting is available to the public for a recreation or community experience. Having a building at this site extends the use of the site during inclement weather. Also, judging from comments recorded at other historic building rentals, the public appreciates that rental proceeds make operation and maintenance possible so that a significant structure does not deteriorate from neglect. On the economic side, although no directly related studies or figures are available, it is expected that in a tourist oriented area like Prescott, use of the Schoolhouse by groups outside the area, such as from the Phoenix area, will provide direct and indirect benefits to the local Prescott economy.

Add a new section, No Action Alternative: The last ten years of management of the Schoolhouse demonstrate the effects of No Action – no funds will be committed to maintenance and the lack of maintenance will lead to significant deterioration of the historic Schoolhouse structure. The use of the site will not reach full potential since the public will not have a structure available that extends recreation and community use at the site.