Technical and Financial Assessment of the Proposed TVPRD Climbing Gym

Jacob Yufa, Executive Director, Teton Rock Gym

Summary

The Teton Valley Parks and Recreation District is preparing to advance a publicly operated climbing gym whose financial feasibility, construction costs, membership demand, and operating requirements have not been adequately established. The Climbing Gym Advisory Committee's reports present projected financial results without demonstrating that the facility can be built within its proposed budget, staffed to deliver its advertised services, or operated sustainably. Nor has the District established why direct government operation represents a better use of public resources than supporting independent recreation providers.

The weaknesses in the proposal became more apparent under revision. In just 24 days, the committee's projected annual operating surplus fell 93%, from $41,612 to $2,917, while previously unquantified startup support requirements reached $181,000 under slower growth. Construction and operating cost estimates remained unchanged despite substantial revisions to revenue and programming assumptions. Under the slow-growth scenario, construction, deferred improvements, and projected startup support total approximately $559,000, before unresolved costs or potential foregone City rental revenue.

The analysis that follows identifies fundamental deficiencies in the committee's financial modeling, construction estimates, market assumptions, staffing and programming plans, occupancy arrangements, and governance. These are not minor uncertainties to resolve after procurement begins. They are central requirements for establishing whether the proposed facility is viable and whether the District should undertake it. The current proposal does not establish a credible basis for committing public resources or advancing toward construction.

Measure	September 8	October 2
Phase I construction	$347,692	$347,692

Construction allocation	$350,000	$350,000
Deferred Phase II	$30,510	$30,510
Mature earned revenue	$305,900	$267,205
Mature operating costs	$264,288	$264,288
Mature annual surplus	$41,612	$2,917
Members above break-even	69	Approximately 4
Startup support, Years 1–2	Not quantified	$42,000–181,000
Expected startup support	Not quantified	Approximately $111,000
Cost-neutral operation	Before end of 2027	Partway through Year 3

Under the expected-growth scenario, Phase I construction, deferred Phase II improvements, and projected startup support total approximately **$489,000**, before corrections to the estimates. At TRG's previously agreed rent, the City could also forgo approximately $49,000 over a five-year lease, bringing the combined potential public resource commitment to approximately $538,000. These figures combine projected capital requirements, operating support, and potential foregone revenue, not all immediate cash expenditures.

The committee's reports do not establish that the proposed facility is financially or operationally viable. Its construction budget lacks a reconciled scope, its membership and pricing assumptions are inadequately supported, and its proposed staffing allocation has not been

demonstrated to accommodate public access, programming, maintenance, and management responsibilities. Its revised operating model projects a surplus of just $2,917 annually, while acknowledging substantial startup subsidies. These are fundamental deficiencies in the proposal, not evidence of a project ready to advance toward construction.

1. The Financial Model Does Not Adequately Test Risk

September's positive scenarios were structurally misleading

The September report claimed an earned-revenue surplus in every scenario tested, with no District subsidy required. Its Low Utilization case reduced membership and revenue by 20%, but also reduced every expense line by 20%, including salaries, payroll, facility costs, software, accounting, repairs, and equipment replacement reserves. Several of those lines were explicitly labeled fixed.

The report itself acknowledges that labor represents roughly two-thirds of operating costs and does not shrink proportionally when attendance falls. Its scenario model nevertheless reduced labor alongside revenue. Holding costs at the Base Case level, the Low case's $244,720 in revenue produces an estimated deficit of $9,000 to $20,000, depending on variable-cost assumptions. The report instead presented a $33,300 surplus.

Even the report's own break-even table places the Low case's 264 members only about $2,000 above break-even, while assuming unchanged day-pass, program, and rental revenue. A model that reduces nearly all expenses proportionally with revenue does not meaningfully test downside risk.

October's revisions nearly eliminated the margin

The October addendum reduced annual revenue by $38,695: membership revenue by $19,800, day passes by $10,150, and programs by $8,745. Operating expenses remained $264,288. The resulting $2,917 annual surplus represents a margin of approximately 1.1%. The gym requires approximately 326 member-equivalents to break even against 330 assumed.

The addendum models different membership growth rates but does not meaningfully stress-test mature operations against sustained lower membership, greater discount uptake, or higher costs.

Using the October model with fixed operating costs:

Mature-year scenario	Annual result

Committee Base Case: 330 members	+$2,917
Facility expense rises from $5,400 to $10,925	-$2,600
Community Access uptake increases from 30% to 40%	-$7,000
Membership falls to 300, other revenue unchanged	-$13,300
Membership falls to 300, all revenue falls proportionally	-$21,400

These are illustrative sensitivity calculations, not forecasts. The facility expense scenario assumes comparable expense categories.

A 9% membership shortfall or a ten-percentage-point increase in discounted membership uptake eliminates the projected surplus. The committee nevertheless describes its assumptions as "deliberately conservative."

Startup support was omitted, then acknowledged

The September report projected cost-neutral operation before the end of 2027 without quantifying startup losses or working capital. The October addendum introduced the following scenarios:

Ramp-up	Year 1	Year 2	Combined support
Fast	-$49,000	+$7,000	$42,000
Expected	-$86,000	-$26,000	$111,000
Slow	-$122,000	-$59,000	$181,000

These projections stop after Year 2 even though the expected and slow scenarios remain below break-even into Year 3. Year 1 expenses are also reduced by deferring the equipment replacement reserve and halving the annual climbing-hold allowance. No separate working-capital requirement is identified.

Potential funding sources include District allocations, grants, Friends of Sports and Wellness, donations, and founding-member pre-sales. The reports do not establish commitments sufficient to cover the projected requirements. The difference between fast and slow startup support is approximately $139,000.

2. Demand and Pricing Assumptions Remain Untested

The 330-member projection lacks a demonstrated basis

The Recreation District has not commissioned an independent market analysis. The September report describes 330 members as a 20% increase over TRG's 2024 membership, without establishing why that increase is achievable. The survey of 251 respondents did not test willingness to pay. Individual monthly memberships were preferred by only 18%, compared with 24% preferring household or family discounts and 21% preferring punch cards. The original model did not incorporate those alternatives.

Only 13 respondents, approximately 5.2%, identified as non-climbers interested in trying the sport. The survey therefore primarily reflects existing climbers rather than independently measuring broader market demand.

The committee also relies on TRG's historical performance without accounting for significant differences in the proposed product. TRG introduced unattended 24-hour access in February 2020, and it became central to its membership model. The District proposes that feature only conditionally, pending insurance and supervision approval. It was requested by 46% of survey respondents. TRG also sold monthly, prepaid, and annual memberships. Its historical revenue cannot be directly converted into the committee's blended monthly membership model.

The September report projected $305,900 in earned revenue, approximately 14% above TRG's 2024 earned revenue of $268,600. October reduced the projection to $267,205, roughly matching TRG's historical performance, despite uncertainty about whether the District would offer comparable access, amenities, and programming.

Neither report evaluates how many former TRG members remain available, how many have adopted other climbing options, or how demand might change with Victor Rock Park's free outdoor climbing or a reopened independent TRG facility. Seasonal demand is also not meaningfully modeled.

The $25 Community Access rate introduces substantial revenue risk

The October model assumes 65% of members pay $50 monthly, 30% pay $25, and 5% pay $100, producing a blended rate of $45. The $25 Community Access rate is available to residents without application or income verification, for the same access provided by the $50 resident membership.

The committee supports its 30% uptake assumption by citing the approximately 34% of Teton County households below the ALICE threshold. But that figure measures financial need, not how consumers will choose between two prices for identical access. Household income distribution also does not establish the income distribution of climbing members. The committee's own comparable programs, including The Spot and Boulders Climbing Gym, use application or eligibility procedures for discounted rates.

Each member choosing $25 rather than $50 reduces annual revenue by $300. Approximately ten additional members choosing the discount would eliminate the $2,917 surplus. Each additional ten percentage points of uptake reduces annual revenue by approximately $9,900; at 50% uptake, the mature-year model produces a deficit of approximately $16,900. Youth, senior, and family rates remain undefined.

Affordable access is a legitimate public objective, but the resulting subsidy must be explicitly modeled. The committee has not established eligibility rules, likely uptake, or the financial consequences of its pricing structure.

3. Construction Costs Are Not Established

The committee's $347,692 Phase I estimate averages the Maverick/Kilter proposal of $325,880 and Escape Climbing proposal of $313,863.85, adds a 5% allowance for "known unknowns," and includes approximately $11,800 for furniture, rental gear, and electronics.

The proposals were developed from preliminary site information rather than a common detailed scope. Their prices cannot be reliably averaged without reconciling what each includes. Escape excludes climbing holds and lacks substantial scope detail. The underlying Maverick proposal excludes installation labor, route setting, taxes, and permits, and the committee does not fully reconcile its reported $325,880 figure with the underlying proposal.

Applying the committee's estimating method individually:

Proposal basis	Estimated Phase I cost
Maverick/Kilter	Approximately $354,000

Committee average	$347,692
Escape, excluding holds	Approximately $341,400

Maverick exceeds the $350,000 allocation. Escape leaves approximately $8,600, insufficient to confidently cover an initial inventory of holds and volumes for roped walls and bouldering.

The EP proposal of $406,306 was excluded as an "outlier," partly because of its timeline and fixed-wall construction. But it appears to include walls, flooring, initial holds and volumes, engineering, shipping, and installation. Without scope normalization, the Board cannot determine whether the higher price reflects a more expensive product or more complete work.

The committee's original full project scope totaled $378,202. Phase I was reduced by deferring auto belays, a mezzanine, and fitness equipment to a $30,510 Phase II allowance. That includes $10,000 for a mezzanine the September report said was still being priced. TRG previously obtained a professional quote of approximately $57,000 for a mezzanine in this facility, excluding electrical work, flooring, and furnishings. This raises significant questions about the committee's estimate process. The scopes should be compared before drawing a definitive cost conclusion. A 5% contingency is inadequate assurance when important scope remains unresolved.

Other construction and startup costs require reconciliation

The reports do not clearly establish whether the following are included in vendor packages, separate budgets, or deferred work:

- Initial holds and volumes; fall flooring and padding; lead hardware.
- Engineering, installation, shipping, taxes, permits, and construction drawings.
- Building, fire, structural, and accessibility requirements.
- Electrical, lighting, mechanical, and building separation improvements.
- Route-setting equipment, ladders or lift access, bolts, and hold washing.
- Storage, benches, cubbies, signage, waivers, first aid, AED, and emergency equipment.
- Initial retail inventory, adaptive equipment, and rental equipment.
- Pre-opening hiring, training, certifications, and route setting.
- Cleaning, background checks, and eventual relocation.

Some costs may be included in broader vendor or operating categories. The problem is the absence of a complete reconciliation demonstrating which are covered.

At the time of the September report, Walltopia's proposal remained pending, insurance was an estimate rather than a quote, legal review was incomplete, and facility costs were based on

conversations rather than a formal occupancy agreement. The $347,692 figure is a preliminary planning estimate, not a demonstrated complete cost to open the facility. It cannot support a conclusion that the District can deliver a functioning gym within its $350,000 allocation.

4. The Operating Model Has Not Been Reconciled With the Program

The October addendum introduces 14 programs, nine free or in the two lowest cost-recovery tiers, without changing the September staffing budget or its $10,000 program expense allowance. It also replaces the original flat $200-per-participant program revenue assumption with individual program estimates, but does not demonstrate the corresponding direct costs.

Staffing capacity

The budget provides approximately 122.5 staff hours per week:

Position	Approximate weekly hours
Full-time manager	40
Senior coaching and route-setting staff	44
Front desk	38.5
Total	**122.5**

The illustrative schedule includes 54 public hours weekly, leaving approximately 15.5 hours beyond the front-desk allocation that must be covered by other employees or alternative arrangements. Recurring programs account for approximately 24 hours weekly at one employee per session. Additional supervision and belaying for youth and group programs could add approximately 18 staff hours, depending on enrollment, age ratios, and equipment.

These functions could consume approximately 96 staff hours before route setting and most management responsibilities, leaving roughly 26 hours for route setting, hiring, training,

scheduling, software, marketing, partner coordination, safety compliance, and reporting. That calculation is already restrictive, but it does not fully account for summer camps, adaptive programming, parties, community events, or cleaning. The budget contains no distinct custodial allocation.

The proposed coverage arrangement also depends on insurance requirements that have not been established through a documented quote. If the District's insurer requires two qualified employees on duty during all 54 public hours, that alone would consume 108 staff hours weekly, leaving just 14.5 hours for all work requiring additional, non-overlapping staff time.

Even one to two hours of daily cleaning would consume 7 to 14 staff hours weekly, nearly exhausting that remaining allocation if cleaning must occur outside staffed public coverage. The same allocation must also support route setting, management, administration, training, equipment inspections, maintenance, and programs outside public hours.

The District cannot establish the affordability of its proposed operating model without first establishing how the facility will actually be staffed.

Partner support does not establish staffing capacity

The partner letters demonstrate community interest but not a complete delivery plan. Above and Beyond the Classroom requests free youth access and instruction, which requires staff and facility capacity. The Hispanic Resource Center requests family gathering space and class availability while offering translation, promotion, and co-hosting support. Valley Adaptive Sports offers up to $4,000 in equipment and assistance arranging adaptive events and training, while requesting additional District resources.

TRG's previous experience with Valley Adaptive Sports illustrates an important distinction. VAS contributed equipment and financial support, but TRG was responsible for developing and delivering the climbing programs, including instruction, supervision, safety management, and coordination. These were additional demands on TRG's staff, not programs independently provided by a partner.

The relationship also developed serious disputes over scheduling, organizational responsibilities, and access expectations, ultimately requiring board-level intervention. This history underscores the importance of defining each organization's responsibilities, authority, and dispute-resolution procedures before relying on partner commitments.

None of the committee's partner letters establishes the staffing capacity needed to validate its programming assumptions. Financial contributions, equipment donations, and expressions of interest cannot be treated as substitutes for a demonstrated operating plan.

Physical capacity is also unresolved

The climbing area shares a room with gymnastics and has an occupancy limit of approximately 24 individuals. The survey identifies weekday after-school hours as the most popular demand window, selected by 48% of respondents. The proposed schedule places youth recreation, team activities, and ABC programming in overlapping periods.

Programs and paying members compete for the same limited wall space. If unattended access cannot be insured, demand will concentrate further into staffed hours. The reports do not model simultaneous occupancy, wall capacity, or how programming affects membership access.

The committee's proposed remedies for its thin operating margin also have costs. Reducing the $12,000 equipment replacement reserve postpones future expenses. Adding auto belays may reduce belaying labor, but requires deferred capital, inspections, maintenance, and eventual replacement.

The addendum acknowledges that final staffing will depend on enrollment and partner participation. Final pricing, including youth, senior, and family options, will be set by future management to meet revenue targets already established. Programs will launch in phases.

The committee has therefore projected the financial results of a facility before establishing the staffing, pricing, programming, and capacity arrangements required to produce them. A future manager cannot be expected to make an unsupported operating budget viable simply by adjusting programs after the facility has been built.

5. Occupancy, Governance, and Long-Term Costs Remain Unresolved

Occupancy and public subsidy

The committee budgets $5,400 annually for facility use and utilities under terms not yet formalized. Immediately before its lease was terminated, TRG agreed to pay the City $15,250 annually in rent alone, plus electricity and propane.

At that rent, a five-year City occupancy arrangement represents approximately $76,250 in foregone rent compared with TRG's agreed terms. This is a public economic cost, not a District cash expenditure, and depends on the final agreement. Any City-provided occupancy subsidy, utilities, or building improvements should be disclosed alongside direct District expenditures.

Site tenure and relocation

The report acknowledges a five-year City lease and the City's interest in eventually recapturing the space. The District favors relocatable wall systems but budgets nothing for deconstruction, transport, reinstallation, or securing a replacement site. Relocatability does not eliminate those costs or establish where the gym would go.

A major capital investment in a specialized facility requires an occupancy arrangement appropriate to its useful life or a funded relocation strategy. The committee has established neither. Nor has it demonstrated how this investment fits within a broader, long-term recreation facilities plan.

Governance and professional oversight

The committee identifies governance as the survey's most substantive recurring concern, but final safeguards remain unresolved. Four of five committee members have children involved in competitive climbing, and the fifth is also a climbing parent. This concentration of directly interested users is especially troubling given the disputes surrounding the previous facility and the District's failure to demonstrate meaningful independent scrutiny of its replacement proposal.

The District has not established final management authority over safety, access, discipline, programming priorities, or competition for limited facility space. The committee's reports also do not document completed independent professional review of construction costs, market demand, staffing, insurance, or financial feasibility. Their references to regional staffing benchmarks are not supported by published comparisons.

The District should confirm the applicable public-sector compensation standard, particularly given former executive director Katie Bradbury's statement that District pay must be benchmarked to nearby Idaho recreation districts. These are not peripheral governance concerns. They affect the facility's labor costs, safety responsibilities, scheduling decisions, and ability to operate without interference from elected officials or politically influential user groups.

Alternatives have not been evaluated

TRG operated the previous facility for eleven years with two experienced full-time staff, offering approximately 100 classes, programs, and events in its final full year, including youth teams, school partnerships, summer camps, adult instruction, adaptive climbing, family activities, and free community programming. TRG remains an active nonprofit with retained equipment and experienced staff, and is evaluating options to reopen.

The District's proposal has not demonstrated comparable programming capacity or evaluated whether partnerships with independent providers could restore services at lower public cost. The committee's reference to TRG's historical donations also does not establish that comparable fundraising would be available to a tax-funded District facility. Those contributions were raised by an independent nonprofit through relationships developed over eleven years.

Rather than beginning with an impartial evaluation of the available ways to restore and expand community recreation, the District has advanced a specific publicly operated climbing gym without demonstrating that it seriously compared independent providers, nonprofit partnerships, alternative uses of the space, or broader recreation needs. The District has not established why

taxpayers should finance a replacement for an existing nonprofit's services instead of supporting independent recreation capacity.

6. The District Has Not Justified This Investment

The committee's reports fail to establish either that the proposed facility is financially and operationally viable or that direct District ownership and operation represents the best use of public resources.

The first failure is evident throughout the financial model. The committee has not reconciled its proposed membership, pricing, staffing, programming, construction, and occupancy assumptions into a demonstrated operating plan. Its September projections overstated financial resilience by reducing fixed expenses alongside revenue. Its October revisions nearly eliminated the projected operating margin and acknowledged substantial startup subsidies without correcting the underlying capital or operating budgets.

The second failure is more fundamental. Even if the District could eventually produce a financially viable design, that would not establish why it should become the operator. The committee has not demonstrated that direct public operation would provide greater community benefit than partnerships with existing organizations, support for independent facilities, or investment in other recreation needs.

The District is now preparing to seek professional proposals for a facility whose operating model has not been established. Climbing wall designers cannot validate the membership demand, staffing requirements, programming assumptions, or long-term financial sustainability on which the project depends. Nor can they determine whether direct District operation is justified in the first place. Advancing design procurement before resolving those questions risks using a construction process to create momentum for a project that has not passed a credible feasibility review.

The District should not treat procurement as a substitute for establishing public necessity, financial feasibility, and a defensible choice of operating model. The current proposal has failed to demonstrate those requirements.

Conclusion

Teton Valley's demand for indoor climbing was established long before this committee was formed. For eleven years, Teton Rock Gym operated a functioning nonprofit facility, developed extensive programming, and served an established membership base without taxpayer funding. The question was never whether the community wanted a climbing gym. It is whether the District has justified replacing that established model with a publicly funded operation.

It has not. The committee's financial projections are highly sensitive to modest changes in revenue and expenses, its construction estimates remain incomplete, and its proposed staffing,

programming, insurance, and access arrangements have not been reconciled into a credible operating model. Nor has the District demonstrated that it possesses the expertise to operate this specialized facility or that direct government operation represents a better investment than supporting independent recreation providers.

The District's failure is not confined to financial modeling. It has advanced a proposal to replace a facility whose closure followed government intervention, without adequately accounting for its own involvement, investigating the governance conflicts that contributed to that closure, or meaningfully evaluating alternatives. This is especially troubling given the District's prior representations about supporting existing recreation organizations rather than replacing them.

The Board should reject the current proposal. It should not allow further design procurement to substitute for a defensible public decision about whether this facility should be built, who should operate it, and whether it serves the community better than the alternatives. Public money should not be committed to a replacement facility simply because the District has decided it wants to operate one.

Jacob Yufa
Executive Director, Teton Rock Gym

Teton Rock Gym is an independent nonprofit that operated the prior climbing facility at this site for eleven years and is evaluating options for a future facility.

Sources

- Climbing Gym Advisory Committee, Initial Report to the TVPR Board, September 8, 2026, including appendices.
- Climbing Gym Advisory Committee, Addendum to the TVPR Board, October 2, 2026, including appendices and partner letters.