



## SUBMISSION FORM

All submission forms must include the following information. Separate submission forms must be turned in for each eligible program. **Deadline: July 1, 2024.** Please include this submission form with the electronic entry. If you do not receive an email confirming receipt of your entry within 3 days of submission, please contact [Gage Harter](#).


### PROGRAM INFORMATION

County: Shenandoah County  
Program Title: Parks & Recreation Wellness Activity Center (WAC)  
Program Category: Parks & Recreation

### CONTACT INFORMATION

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### SIGNATURE OF COUNTY ADMINISTRATOR OR DEPUTY/ASSISTANT COUNTY ADMINISTRATOR

Name: Evan L. Vass  
Title: County Administrator  
Signature: 

# Executive Summary Shenandoah County 2024 VaCo Award Submission

## Wellness and Activities Center

Responding to the abrupt closure of a well-respected and popular health center the Shenandoah County Board of Supervisors was simultaneously able to acquire and reopen a health and wellness facility as well as add much-needed programming space for the parks and recreation department.

Using a collaboration between a regional health center, a private real estate investor, and the county was able to pivot into the uncharted waters of owning and operating a 20,000-square-foot modern health and wellness facility. Using the prior operator's membership data, operating expenses, etc., the county was able to provide a business case eliminating any requisite general fund commitments (e.g., tax increases) to operate the facility. With a remaining, unencumbered \$2.4 million in ARPA funding was able to utilize the balance to make the nearly \$2.9 million acquisition.

In addition, recognizing that for a decade the county's parks and recreation department had operated without any official, dedicated programming space the acquisition of a wellness center with thousands of square feet of multi-purpose rooms and studios permitted the county to significantly improve the quality and experience of departmental programming.

The acquisition and opening of the Shenandoah County Wellness and Activities Center has exceeded expectations and is a testament to forward-thinking and proactive decision-making by the county and its elected leadership.



**SHENANDOAH**  
COUNTY  
**PARKS & RECREATION**  
Wellness and Activity Center (WAC)

## **A twofold problem:**

### **The Problem Part 1:**

Constructed in 2004, the Woodstock Fitness and Rehabilitation Center (Woodstock Fitness and Rehab) featured approximately three stories of 20,000 square feet with cardio, machine weights free weight training, as well as rehabilitation for those recovering from injuries and surgeries.

Centrally located, Woodstock Fitness and Rehab served the entire county community as a privately owned, membership-driven facility for nearly 15 years.

In 2018 the original owner of Woodstock Fitness and Rehab sold the building to a private commercial investor who in turn entered into a multi-year lease arrangement with Valley Health, a regional healthcare provider serving northwestern Virginia and portions of the panhandle of West Virginia. From 2018 to 2023, Valley Health operated as Valley Health & Fitness at the site, providing cardio and strength training opportunities, private training, group exercise, and massage therapy. Approximately two years after opening Valley Health relocated medical rehabilitation from the facility to one of their regional hospitals.

On January 1, 2023, Valley Health, citing financial constraints, notified the membership of the facility that they would be closing effective February 1, 2023. Immediately, former members began privately and publicly petitioning the Shenandoah County Board of Supervisors appealing for some intervention. Requests ranged from Shenandoah County negotiating an effective stay for the closure citing public health needs as well as a truncated notice to the county operating the facility. Whatever the objectives of individual petitioners, the collective message was clear: the fitness center is integral to the well-being of the community and needs to be available.



The Shenandoah County Board of Supervisors unanimously expressed sympathy with those patrons and pledged to research what could be done. True to their word, the then Chairman and Vice Chairman met with the leadership of Valley Health who reiterated that remaining open was simply not on the table. However, with this news and continued public calls for intervention the concept of a role for the county to play in the operation of the facility began to germinate.

## The Problem Part 2: A solution to another problem?

Shenandoah County Parks and Recreation for a decade had operated with its offices within the county government center. Parks and Recreation had ample space with respect to its administrative office needs but had no programming space; zero. A decade before, the department had operated out of a former school house which provided ample space for classroom programming, open gyms, etc. However, in 2013 the County comprehensively rehabilitated the then 60-year-old schoolhouse and entered into a long-term lease with United Methodist Family Services who, to this day, operates an alternative regional school for public school students needing a diversion due to behavioral issues. Effectively for 10 years Shenandoah County Parks and Recreation has operated its programming in every available free room in any public building available to it. It is not an over-exaggeration to point out that painting clubs were stuffed into a break room in the government center, basket weavers in a conference room, and Thai Chi instruction offered in the Board of Supervisors meeting room. The fitness facility solved this problem in that it contained several, various-sized multi-purpose rooms and studios that could significantly benefit parks and recreation programming. In short, programming needs could be solved, and as a bonus a fitness center came along. The alternative as noted by members of the Board of Supervisors was the investment of approximately \$10-\$20 million for a new, dedicated recreation center. A number they derived from a 2020 CIP analysis.



As the opportunity began to come into focus, the county initially explored a sublease arrangement with the primary lease holder Valley Health. Valley Health was very supportive of this arrangement recognizing that it would alleviate them of the negative publicity it was receiving. However, the existing lease provided only two additional years before a new lease would need to be negotiated. The Board of Supervisors and county leadership acknowledged that any relocation of county parks and recreation to the fitness facility and to the broader public would need to be a long-term commitment. A move that could potentially have to be reversed 24 months later was unrealistic.



The county made contact with a representative of the owner, a limited liability corporation. The owner's representative initially expressed serious doubt about the owner's willingness to sell, citing the disadvantageous position his client would be in with a sale. However, after several weeks the owner's representative signaled that his client may have another investment opportunity and therefore signaled a willingness to negotiate a possible sale. Simultaneously, Valley Health offered

that \$100,000 of cardio, machine, and free weight equipment would be gifted to the county. The picture began to become even more clear.

The Board of Supervisors charged staff with providing an analysis of the operating and maintenance expenses relative to the operation of the county-operating fitness facility. Using data provided by Valley Health relative to their membership, operating costs, etc., the county provided various options demonstrating that at certain key target points (e.g., memberships) the county could successfully operate the facility without additional general fund support. The Board tasked its parks and recreation administration and its advisory board to provide additional consideration and support for the concept which was readily offered.

Meanwhile, the public petitioning continued. Those former members of the fitness facility were loosely aware that the county was continuing to explore options, but regular (at every meeting for months) in small groups continued to utilize their public comment period to urge the county to acquire the facility and open it once again to the public.

Negotiations culminated in August 2023 resulting in the 5-1 vote to approve the acquisition of the facility for \$2.9 million. The dissenting Board member noted his tacit support of the project, but desired other local government partners, namely the Town of Woodstock where their facility is located, to have been a financial participant in the acquisition.

The Board utilized the remainder of its unencumbered ARPA funding of approximately \$2.4 million with the remainder originating from the unassigned fund balance for the acquisition.



In September 2023 Shenandoah County Parks and Recreation began offering programming thus immediately alleviating the need for the Board meeting room to double as a Thai chi studio amongst others. In fact, parks and recreation were so earnest county administration had to constantly monitor the expansive use of the facility and throttle back as the details of operating the fitness facility were worked out (e.g., liability, training, membership fees, etc.) In December 2023 the Parks and Recreation Administration officially relocated from the government center to the renamed and rebranded Shenandoah County Wellness and Activities Center (“WAC”) for short. Finally, on January 1, 2024, the wellness and activities center began taking memberships for use of the strength and training amenities. The county’s initial objective was to have 400 paying members within the first year of operation. It achieved that in March; three months after opening. In addition, health and fitness-related programming classes have tripled since opening.

The county collaborated with separate entities including Valley Health as well as the third-party owner to secure a long-term investment in the community’s health, fitness, and recreation. The Board of Supervisors had the political foresight to answer a rhetorical question posed by the



county's parks and recreation director in relation to this deliberation: "If not this, when?" "If not this, where do you see the future of this department?"

At times opportunities simply reveal themselves. Being circumspect and forward-thinking in a political environment is easier said than done. In this case, the county recognized the opportunity to solve two problems. Carpe Diem.

