

APPENDIX D

Feasibility Studies

D-1. Feasibility Study.

a. The intent in requiring a private sector or individual to provide a feasibility study is to demonstrate that the entity can make a reasonable return of profit on a yearly basis for the proposed recreational development and that such development is economically viable. Factors such as the input of capital to develop the facility(s), maintenance cost, insurance, labor, etc. should be addressed. The type and size level of the facility(s) (e.g., 250 camping spurs vs. 100 spurs, 200 marina boat slips vs. 100) should also be addressed to demonstrate a reasonable rate of profit would occur. The numbers of visitors needed and the associated fee for these services should also be addressed. Detailed charts, graphs, and projections are not required; however, enough data must be provided to demonstrate such factors have been considered and that a profit can be generated.

b. Feasibility studies for Federally recognized Indian Tribes, public (Federal, state and local), or quasi-public entities will also be required. However the content of the analysis is limited to the types and size of the facility and evidence that yearly profits of the facility will offset or nearly offset the yearly operational cost of the proposed facility(s). Private sector or individuals working through a public entity for a development request (third party) will be required to furnish a feasibility study that complies with the requirements for a private requestor or individual as referenced above.

c. All costs associated with a market study, NEPA documents, land surveys, preparation and review of the ultimate lease by the Corps as well as any other administrative costs associated with Corps review and approval of any proposed development are the responsibility of the entity proposing the recreation development.