

CITY OF SEATTLE

ORDINANCE _____

COUNCIL BILL 118055

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4
5 AN ORDINANCE relating to creation of the Seattle Park District; requesting that a special
6 election be held concurrent with the August 5, 2014 primary election, for submission to
7 the voters residing within the City, a proposition to form the Seattle Park District.

8 WHEREAS, by Article XI of the City Charter, the Department of Parks and Recreation ("DPR")
9 has the responsibility for the management and control of the City's public parks and
10 green spaces; and

11 WHEREAS, DPR manages a 6,200-acre park system of 465 parks and extensive natural areas,
12 including athletic fields, tennis courts, play areas, two specialty gardens, and over 25
13 miles of boulevards and 120 miles of trails, and numerous recreational facilities,
14 including 26 community centers, 8 indoor swimming pools, 2 outdoor (summer)
15 swimming pools, 2 small craft centers, 4 golf courses, and an outdoor stadium; and

16 WHEREAS, the cost of the backlog of parks and recreation major maintenance work in 2014 is
17 estimated at \$267 million; and

18 WHEREAS, the City's Comprehensive Plan, Parks 2011 Development Plan and the 2014 Parks
19 Legacy Plan outline key strategies, objectives and investments for preserving and
20 improving parks, open spaces, facilities and programs; and

21 WHEREAS, the City has limited available current and future funding to pay for necessary
22 preservation and maintenance of its existing parks and recreation facilities and programs
23 and to make targeted investments toward creating innovative programs anticipating and
24 responding to future needs; and

25 WHEREAS, by Resolution 31454 (May, 2013) the Mayor and City Council created the Parks
26 Legacy Citizens' Advisory Committee ("Legacy Committee") to ensure citizen
27 participation in the development of a potential ballot measure for funding operations,
28 maintenance, development and acquisition of parks and recreation facilities and
29 programs; and

30 WHEREAS, the Legacy Committee, after being duly appointed and after spending many hours
31 in open meetings, receiving public testimony and deliberating, has recommended that the
32 City Council initiate formation of a metropolitan park district, by placing before the
33 voters within the boundaries of the City of Seattle a ballot measure to create the Seattle
34 Park District ("Park District"); and

1 WHEREAS, Chapter 35.61 RCW and other state law provides that a metropolitan park district
2 may be created upon voter approval of a ballot proposition submitted to the voters of the
3 proposed district, and that a metropolitan park district has certain statutory powers,
4 including the power to levy and impose various taxes and fees to generate revenues to
5 provide ongoing funding to maintain, operate and improve parks, community centers,
6 pools, and other recreation facilities and programs; and

7 WHEREAS, the Seattle City Council has determined that formation of a metropolitan park
8 district that includes the entire area within the boundaries of the City of Seattle would
9 enhance and stabilize the funding available for the current and future parks projects,
10 programs and services within the City; and

11 WHEREAS, the Seattle City Council finds it to be in the interest of the City and its residents and
12 businesses to place before the voters located within the boundaries of the City, a ballot
13 proposition to establish a citywide metropolitan park district to provide stable, ongoing
14 funding to maintain, operate and improve parks, community centers, pools, and other
15 recreation facilities and programs throughout the City; and

16 WHEREAS, on the date of this ordinance, the Council will consider Council Bill ____, approving
17 the form of an interlocal agreement with the Seattle Park District, if formation of the
18 district is approved by the voters within the City; and authorizing the Mayor to execute
19 such agreement on behalf of the City; NOW THEREFORE,

20 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

21 **Section 1. Election – Ballot Title.** The City Council directs the City Clerk to file this
22 ordinance with the Director of Elections of King County, Washington, as ex officio supervisor of
23 elections. The Clerk shall request that the Director of Elections call and conduct a special
24 election in the City of Seattle in conjunction with the primary election to be held on August 5,
25 2014, for the purpose of submitting to the voters within the boundaries of the City (which are the
26 boundaries of the proposed district) a proposition to form the Seattle Park District as authorized
27 under chapter 35.61 RCW. The City Clerk is directed to certify to the King County Director of
28 Elections a ballot title in substantially the following form, with such changes as may be approved
by the City Attorney:

1 THE CITY OF SEATTLE

2 PROPOSITION NUMBER 1

3 SEATTLE PARK DISTRICT

4 The City of Seattle Proposition 1 concerns formation of the Seattle Park District.

5
6 This proposition would create the Seattle Park District to provide ongoing funding to maintain,
7 operate and improve parks, community centers, pools, and other recreation facilities and
8 programs. The District would have the same boundaries as the City of Seattle and be governed
9 by a board composed of the Seattle City Councilmembers. It could exercise the powers described
10 in state law, including levying a property tax and contracting with the City of Seattle to perform
11 the District's functions.

12
13 For the formation of a metropolitan park district to be governed by the members of the
14 Seattle City Council serving in an *ex officio* capacity as the Board of Commissioners of the
15 Seattle Park District.

16 Against the formation of a metropolitan park district.

17
18 **Section 2. Boundaries of the Seattle Park District.** The boundaries of the Seattle Park
19 District will be coterminous with the boundaries of the City of Seattle.

20
21 **Section 3. Ratification.** The City Clerk's certification to the King County Director of
22 Records and Elections of the proposition in section 1 and any other acts taken after the passage
23 of this ordinance and consistent with its authority, are hereby ratified and confirmed.

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Parks and Recreation	Eric Friedli/684-8369	Catherine Cornwall/684-8725

Legislation Title:

AN ORDINANCE relating to creation of the Seattle Park District; requesting that a special election be held concurrent with the August 5, 2014 primary election, for submission to the voters residing within the City, a proposition to form the Seattle Park District.

Summary of the Legislation:

The proposed ordinance places on the August 2014 primary ballot a measure which would create a metropolitan park district (the Seattle Park District). Upon voter approval of the measure, the Park District would be formed with the same boundaries as the City of Seattle and the City Council members, acting *ex officio* and independently, would comprise the governing board (the District Board).

Seattle Parks and Recreation (DPR) has worked since June 2013 with a Mayor and City Council appointed citizens' committee, the Parks Legacy Citizens' Advisory Committee (Legacy Committee), to develop a funding measure for parks and recreation programs and services. In its March 12, 2014 final report, the Legacy Committee recommends the creation of a Park District. The Mayor agrees with this recommendation and therefore has submitted this legislation to place on the August 2014 ballot the creation of a Park District in the City of Seattle.

If approved by a majority of the voters within its proposed boundaries, the Park District would be formed as a separate municipal corporation, similar to the City's Transportation Benefit District. It would have all of the powers given to metropolitan park districts under state law, including the power to levy a property tax and the ability to act in conjunction with the City to maintain, operate and improve parks, community centers, pools, and other recreation facilities (including, without limitation, open spaces, zoo and aquarium facilities) and programs.

This proposed ordinance has a companion proposed ordinance which provides for a form of interlocal agreement between the City and the proposed metropolitan park district, which specifies additional detail about how the City and the Park District would cooperate and which authorizes the Mayor to execute such an agreement on behalf of the City.

Background:

Parks Legacy Citizens' Advisory Committee

In May 2013, the Seattle City Council adopted Resolution 31454, creating the Parks Legacy Citizens' Advisory Committee to develop a potential package of parks and recreation projects to submit to the voters. The resolution directed the Legacy Committee to:

- a. Review data and information about existing and potential park and recreation projects, maintenance and operations, and programs.
- b. Review the draft Parks Legacy Plan and its findings and provide input and comment.
- c. Review and comment on criteria for assessing Parks investment initiatives and options for the Mayor and Council's consideration.
- d. Apply criteria and review investment initiatives prepared by City staff and provide comments and/or recommendations for Mayor and Council consideration.
- e. Review pros and cons for potential funding mechanisms for implementing the investment initiatives, including consideration of the dollar amount needed to fund them and whether permanent or short-term funding is needed or appropriate, and make recommendations.
- f. If a short-term funding solution is considered, then the Committee will address the pros and cons of various term lengths and make recommendations.
- g. If a permanent funding solution is considered, then the Committee will address the pros and cons of appropriate funding mechanisms, including a permanent levy and a Parks District, and make recommendations.
- h. Conduct outreach to the broader public to gather recommendations and comments.
- i. Advise the Mayor and City Council on the pros and cons for moving forward with a possible ballot measure in 2014 to replace the current parks levy, which expires at the end of 2014.
- j. Submit a final report with findings to the Mayor and City Council by March 14, 2014.

Funding for a Prioritized List of Investment Initiatives

After initial meetings learning about the parks and recreation system, Legacy Committee members adopted assessment criteria for use in evaluating proposed projects to be funded over the next six years through either a renewed levy ballot measure or another mechanism, such as the formation of a metropolitan park district. The criteria looked at how the initiatives would further Parks outcomes of healthy people, healthy environment, sustainability and strong communities, and how they measure up to providing equitable, innovative and state of the art services.

An initial list of investment initiatives were reviewed by subcommittees of the Legacy Committee, and then prioritized by the full Committee.

The Ballot Measure

In order to ensure long-term, stable funding for the investment priorities of the Legacy Committee and provide for the future, the Legacy Committee recommended that the City place before the voters a ballot proposition to form a metropolitan park district within the boundaries of the City.

Simultaneously with the adoption of this ordinance, the City Council is considering Council Bill ____, which approves the form of an interlocal agreement with the Park District, upon its formation following approval by the voters. The Interlocal Agreement addresses such concerns as:

- Community input into the development of six-year spending plans;
- A budget process to ensure the limitation of property tax levies by the Park District;
- A clear statement that the City would own and control all park properties and facilities;
- Minimum levels of funding by the City from the General Subfund;
- Avoidance of duplication by requiring the Park District to contract solely with the City and DPR for staffing for all projects, programs and services;
- Providing for a Community Oversight Committee; and
- Other related issues.

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations: N/A

Appropriations Notes: This ordinance provides no appropriation authority. The budget authority needed to implement Park District projects, programs and services would be considered as part of the annual budget process or through other ordinances.

Anticipated Revenue/Reimbursement Resulting from this Legislation: N/A

Revenue/Reimbursement Notes: This ordinance creates no revenue; however passage of the Parks District proposition will allow the Parks District to collect property taxes up to \$0.75 per \$1,000 of assessed value.

Total Regular Positions Created, Modified, or Abrogated through this Legislation,

Including FTE Impact: N/A

Position Notes: This ordinance creates no new positions. However, implementation of the Park District projects, programs and services will require a number of new positions. Positions will be added to the Parks Department as part of the annual budget process or through other ordinances. Park District revenues will provide the funding for these positions.

Spending/Cash Flow: N/A

Spending/Cash Flow Notes: Attachment A shows a six-year spending plan for Park District funds. Spending beyond year six will be determined after a community-based planning process and review by the Oversight Committee. For each six-year cycle, beginning with the cycle that includes 2021 through 2026, the City Council and the Mayor will consider the recommendations of the Community Oversight Committee, upon conclusion of a public process, and will recommend to the District Board an updated list of Park District funded projects, programs and services including projected costs, as part of the budget process.

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
Approval of the legislation and potential approval by the voters of a Park District will provide Parks and Recreation with a sustainable, stable source of funds.
- b) **What is the financial cost of not implementing the legislation?**
Existing City revenues are insufficient to fund all the Park District projects. Voter-approved taxes of some form are therefore necessary to implement these projects. Without this ordinance, the Parks District will not be created and the Parks Department will be unable to perform the projects, programs and services described in the spending plan.
- c) **Does this legislation affect any departments besides the originating department?**
No.
- d) **What are the possible alternatives to the legislation that could achieve the same or similar objectives?**
A short or long-term levy could generate funding for parks and recreation purposes. The Legacy Committee weighed the pros and cons of a park district and levy and ultimately recommended a park district. The projects, programs and services proposed by the Legacy Committee are ongoing in nature which require a permanent source of funding. This approach lends itself to a parks district.
- e) **Is a public hearing required for this legislation?**
No, but the City Council has scheduled a public hearing, and the Legacy Committee held

a public hearing and three public meetings

f) Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No

g) Does this legislation affect a piece of property?

No

h) Other Issues:

List attachments to the fiscal note below:

Attachment A: Seattle Parks District Financial Plan 2015-2020

Seattle Park District
Financial Plan: 2015-2020

Revenues

	Proposed	2015 Spending Plan	2016	2017	2018	2019	2020
Park District Property Tax	54,340,201	-	54,369,063	56,563,713	57,888,191	59,151,284	60,575,451
Interfund Loan	-	10,008,808	-	-	-	-	-
Total	54,340,201	10,008,808	54,369,063	56,563,713	57,888,191	59,151,284	60,575,451

Expenses

Operating Expenses

Operating Expenses								
1 FIX IT FIRST								
1.1	Fund Major Maintenance Backlog and Asset Management	590,012	1,345,006	1,654,763	619,882	635,379	651,263	667,545
1.3	Saving Our City Forests	973,646	146,680	997,987	1,022,937	1,048,510	1,074,723	1,101,591
2 MAINTAINING PARKS AND FACILITIES								
2.1	Increase Preventive Maintenance	1,440,122	873,221	1,476,125	1,513,028	1,550,853	1,589,625	1,629,365
2.2	Provide Clean, Safe, Welcoming Parks	2,105,906	1,890,430	2,158,554	2,212,518	2,267,831	2,324,527	2,382,640
2.3	Activate Urban Center Parks	276,089	29,000	282,991	290,066	297,318	304,751	312,369
2.4	Make Parks Safer	485,315	60,000	497,448	509,884	522,631	535,697	549,090
2.5	Improve Dog Off-leash Areas	103,819	103,819	106,414	109,075	111,801	114,596	117,461
3 PROGRAMS FOR PEOPLE								
3.1	Restore Community Center Operations	2,680,689	2,010,517	2,747,706	2,816,399	2,886,809	2,958,979	3,032,954
3.2	Recreation Opportunities for All	465,135	56,605	468,990	480,715	492,733	505,051	517,677
3.3	Better Programs for Young People—Seattle's Future	551,467	275,734	565,254	579,385	593,870	608,717	623,935
3.4	Meeting the Needs of People with Disabilities	170,000	85,000	174,250	178,606	183,071	187,648	192,339
3.5	More Programs for Older Adults	270,000	135,000	276,750	283,669	290,760	298,029	305,480
3.6	Put the Arts in Parks	340,086	-	348,588	357,303	366,235	375,391	384,776
3.7	Get Moving Fund	500,000	76,644	507,973	520,672	533,689	547,031	560,707
3.8	Customer Service and Technology	425,000	-	435,625	446,516	457,679	469,120	480,848
4 BUILDING FOR THE FUTURE								
4.3	Maintain and Activate Seattle's New Waterfront Park ¹	3,510,000	-	-	-	-	3,779,886	3,874,383
4.5	Maintain 14 New Parks at Land-Banked Sites	1,400,000	-	-	800,000	1,000,000	1,400,000	1,435,000
4.7	Maintain Smith Cove Park	200,465	-	-	210,614	215,879	221,276	226,808
4.8	Community Response Fund	400,000	200,000	410,000	420,250	430,756	441,525	452,563
4.9	Activating and Connecting to Greenways	120,848	-	123,869	126,965	130,140	133,393	136,728
4.10	Performance Monitoring and Strategic Management	885,667	442,834	907,809	930,504	953,766	977,611	1,002,051
4.11	Urban Parks Partnership	410,000	125,000	410,000	420,250	430,756	441,525	452,563
Debt Service Expenses								
4.6	Develop Smith Cove Park ²	697,000	-	-	697,000	697,000	697,000	697,000
5	Interfund Loan Payback ⁴	1,487,592	-	1,487,592	1,487,592	1,487,592	1,487,592	1,487,592
Total (Operating)		20,488,859	7,855,488	16,038,687	17,033,828	17,585,059	22,124,957	22,623,466

Seattle Park District
 Financial Plan: 2015-2020

Capital Expenses

1 FIX IT FIRST								
1.1	Fund Major Maintenance Backlog and Asset Management	19,374,988	900,000	18,809,362	20,355,846	20,864,743	21,386,361	21,921,020
1.2	Community Center Rehabilitation & Development	3,000,000	-	3,000,000	3,075,000	3,151,875	3,230,672	3,311,439
1.3	Saving Our City Forests	1,876,354	353,320	1,923,263	1,971,345	2,020,628	2,071,144	2,122,923
1.4	Aquarium Major Maintenance	1,200,000	300,000	1,200,000	1,230,000	1,260,750	1,292,269	1,324,575
1.5	Zoo Major Maintenance	2,000,000	500,000	2,000,000	2,050,000	2,101,250	2,153,781	2,207,626
2 MAINTAINING PARKS AND FACILITIES								
2.6	Rejuvenate Our P-Patches	200,000	100,000	200,000	205,000	210,125	215,378	220,763
3 PROGRAMS FOR PEOPLE								
4 BUILDING FOR THE FUTURE								
4.1	Park Land Acquisition and Leverage Fund	2,000,000	-	2,000,000	2,050,000	2,101,250	2,153,781	2,207,626
4.2	Major Projects Challenge Fund	4,000,000	-	4,000,000	4,100,000	4,202,500	4,307,563	4,415,252
4.4	Develop 14 New Parks at Land-Banked Sites ³	-	-	4,997,750	4,287,694	4,179,886	-	-
4.9	Activating and Connecting to Greenways	200,000	-	200,000	205,000	210,125	215,378	220,763
Total (Capital)		33,851,342	2,153,320	38,330,375	39,529,885	40,303,132	37,026,327	37,951,985
Grand Total		54,340,201	10,008,808	54,369,063	56,563,713	57,888,191	59,151,284	60,575,451

Footnotes:

- ¹ 4.3 assumes a 2019 start date with funds going to develop 14 landbanked sites from 2016-2018 (4.4).
- ² 4.6 assumes development in 2016 with debt service starting in 2017, ending in 2028. The debt service in 4.6 assumes 5% interest rate on a \$6 million bond.
- ³ 4.4 assumes no annual costs in 2015-2016 with costs increasing as facilities are developed. Unused funds will go towards development of land-banked sites along with funds from 4.3 from 2016-2018.
- ⁴ Park District revenues will not be received until 2016 and a bridge loan will be needed in 2015. Annual payback amount assumes 8 years at 1% interest from 2016-2023.

General notes:

- Initiatives shaded gray in the Reference # column have both capital and operating costs.
- Revenues will be no greater than \$55 million per year adjusted on an annualized basis for inflationary costs.
- The above revenues and expenditures assume 2.5% inflationary increases.
- The assumptions used for the 2015 spending plan are included in a separate worksheet (attached). One-time costs will be covered between 2015 and 2016.



City of Seattle
Edward B. Murray
Mayor

March 18, 2014

Honorable Tim Burgess
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Burgess:

I am pleased to transmit the attached proposed Council Bill that asks the voters of Seattle to approve the creation of a metropolitan park district (the Seattle Park District) to provide sustainable, stable funding for our park and recreation system. The proposed bill establishes the ballot title and directs the City Clerk to file the ordinance with the King County Director of Elections for consideration by the voters at the August 5 primary election.

Our park and recreation system is a gem. From the Olmsted Plan of over 100 years ago through the recent levies supporting parks, the people of Seattle have created a beloved, heavily used and diverse system including 465 parks, 26 community centers, 10 pools and much more. Preserving this legacy for future generations requires a new approach, as our existing means of funding parks has not kept up with the needs, nor can it provide for the future. That is why the proposed bill calls for the creation of the Seattle Park District, a separate taxing district similar to the City's Transportation Benefit District, with the City Council serving as the district's governing board.

Companion legislation authorizes approval of an interlocal agreement which creates procedures for accountability and oversight, and delineates what the Park District will fund for the first six years. The list of projects, programs and services will be updated every six years after the conclusion of a public involvement process.

Approval of this legislation will set the course for the preservation, enhancement and innovation of the City's park and recreation treasures. Sustainable, stable funding will make a difference to the walkers on our 120 miles of park trails, to the teens finding shelter, support and inspiration in our late night programs, to future generations of park users. Thank you for your consideration of this legislation. Should you have questions, please contact Eric Friedli at 684-8369.

Sincerely,


Edward B. Murray
Mayor of Seattle

cc: Honorable Members of the Seattle City Council