

CITY/PARK DISTRICT INTERLOCAL AGREEMENT--POLICIES TO BE CONSIDERED BY MAYOR AND COUNCIL

The following policies for configuration and operation of a Seattle Metropolitan Park District (Park District) will be considered by the Mayor and Council in their evaluation of future park funding options. The recommendations of the Park Legacy Citizen Advisory Committee (Legacy Committee) are the foundation for these policies, which are expected to be included in an interlocal agreement proposed by the Mayor.

- 1. Legislation.** Policy direction to place a Park District on the ballot will be provided by 2 ordinances proposed for adoption at the same time. One ordinance will place on the August 2014 ballot a simple question to form (or not form) a Park District. The second ordinance will approve District service and funding arrangements as part of an interlocal agreement between the City and District. Concepts from this summary are expected to be in the interlocal agreement.
- 2. District Boundaries.** The Park District will have the same boundaries as the City of Seattle, as City boundaries currently exist or as they may exist following future annexations.
- 3. Park District governing board (District Board).** The Seattle City Council will be the District Board. Although Board member compensation is allowed under state law, the City Council will not receive additional compensation as members of the District Board.
- 4. No Separate Election of the Governing Board.** Because their role as the District Board will be one of their many responsibilities, there is a concern that the election of Seattle City Council members does not give voters a strong enough mechanism to hold Council members accountable for their park decisions. Any decision to pursue a Park District will assume that City Council elections provide adequate accountability for voters. The proposed interlocal agreement between the City and District also clarifies service responsibilities, giving voters a basis for judging during elections whether Council members are meeting park service expectations.
- 5. Use of City Staffing and Processes.** Much like the Transportation Benefit District, the Park District will use established City decision-making processes. The Park District will commit via interlocal agreement 100% of its revenues to the City as sole provider of District services. The District will have no staff and no other contracts. City attorneys, legislative and financial staff, and Department of Parks and Recreation (DPR) staff will perform District services, but only DPR and the Department of Finance and Administrative Services are expected to receive District funding for those services. If condemnation, local improvement district formation, policing, or contracts for business activities in parks are needed, City authority (not District authority) and processes will be used. Either City or District bonding authority could be used to finance capital projects. Park District revenue will be integrated into the established City budget development and approval process. The District Board will approve a final Park District budget showing how Park District revenues will fund part of DPR's budget.
- 6. Compliance with City Rules and Laws.** As City officials and departments, the Mayor, Council and DPR must comply with City laws, ethics rules, and labor contracts when performing District services under the interlocal agreement.

- 7. Ownership.** The District will own no land, facilities, or equipment. Existing City park lands and facilities will remain the property of the City of Seattle. Any new or replacement land, facilities, and equipment created or developed with Park District funds will become the property of the City of Seattle. Selling City-owned park land or facilities, whether they were bought with City or Park District funds, will be subject to City procedures and Initiative 42 restrictions on the sale of park property.
- 8. Use of District Funds.** District funds will be used only for park and recreation services provided by the City of Seattle. Although state law gives park districts broader authority for activities such as street-related improvements and airports, the District-funded DPR activities will fit within DPR's scope of authority as a City department. District services in the first 6 years are described in the Prioritized List of Investment Initiatives as recommended by the Legacy Committee and amended by the Mayor and City Council.
- 9. City General Fund Commitment.** To ensure continued City support of park and recreation services, the City will continue to use City revenues to fund Parks and allocate at least 2014 levels (\$89 million) of General Fund to DPR, adjusted annually for Consumer Price Index (CPI) inflation. By $\frac{3}{4}$ vote of the Council, a lesser amount could be allocated in cases of a natural disaster or exigent economic circumstances. The City funding commitment will be to DPR and no City dollars will go to the Park District.
- 10. District Revenue Collection.**

 - A. Upper Limit. Under state law there is nothing to prevent the District Board from increasing tax collection at any time up to its 75 cents per \$1,000 assessed value limit. However, the interlocal agreement will commit the District for the first 6 years to collecting sufficient revenue (about 42 cents per \$1,000 if it were in place in 2014) to support an average \$54.3 million/year spending plan including inflationary adjustments each year.
 - B. Long-Term Reliability. Although the District is a junior taxing district that during a recession theoretically could have its tax collection curtailed in favor of more senior districts, in Seattle only State, County, and City property taxes receive priority over District taxes, making the possibility of curtailment (called "proration") small.
- 11. District Permanence.** Once voters approve formation of a Park District, voters alone cannot dissolve it. The District can be dissolved only by a vote of the District Board. Many might view the District's permanence as important for maintaining stable, long-term park funding. Others want voters to be able to undo their original decision if the District doesn't measure up. The Legacy Committee recommended that the District Board agree to dissolve the District if there is a majority vote of the people of Seattle calling for dissolution. State law allows 10% of City voters in the last general election to petition the District Board to dissolve the District. To remain consistent with state law, any decision to pursue a Park District will rely on that very low voter petition threshold to provide adequate voter input on whether the District should continue.

12. Community Input and Oversight.

- A. Oversight Committee. In the interlocal agreement between the Park District and City, the District will require the City to form a Community Oversight Committee to provide advice and oversight for District services. The Oversight Committee will supplement the advice provided by the citizen-based Park Board serving under SMC 3.26. The committee will include four members of the Park Board plus seven additional community members. The Mayor will appoint the Chair of the Oversight Committee. The initial terms will be staggered.
- 1) Oversight Committee terms for Park Board members will coincide with their Park Board terms. The 7 other members will serve 3-year terms that begin in April.
 - 2) The Oversight Committee will advise the Mayor, City Council, Park Board and department on District-funded spending and activities, including:
 - a. Making recommendations to the Superintendent on annual allocation of the Major Projects Challenge Fund.
 - b. Reviewing the annual District report including assessment of performance measures and reporting to the Superintendent and Park Board on implementation issues, concerns and needed adjustments in services or spending.
 - c. Holding public meetings and making recommendations to the Superintendent as input to each 6-year update to the District spending plan.
 - 3) The Oversight Committee will hold regularly-scheduled public meetings.
- B. Civic Engagement. In addition to the public review and accountability process provided by the Community Oversight Committee, DPR will conduct an on-going, robust civic engagement strategy.
- C. Spending Plan Beyond Year 6. DPR will conduct a community-oriented process to determine spending priorities every 6 years through the life of the Park District. The District Board, after considering the recommendations from the public process and the Community Oversight Committee, will determine the spending levels and updated Prioritized List of Investment Initiatives for years 7 through 12 as part of the 2021 budget process. This process of adjusting the spending levels (with annual inflation adjustments) and revising the list of investment initiatives will continue for the life of the Park District.