



**Legislative Department  
Seattle City Council**

March 31, 2014

TO: Select Committee on Parks Funding

FM: Meg Moorehead, Council Central Staff

RE: Parks Funding Proposal

**EXECUTIVE PROPOSAL**

The Mayor has proposed to collect \$54.3 million per year through a newly created Seattle Metropolitan Park District (Park District). Two ordinances have been submitted to implement the proposal. One places the question of whether to create a Park District on the August 2014 ballot. The other authorizes the Mayor to sign an interlocal agreement (ILA) between the City and Park District that commits 100% of District revenue to the City to implement Department of Parks and Recreation (DPR) major maintenance of parks and facilities, recreation programs, community center hours, park acquisition, new park development and other services. Spending in the first six years would follow a list of Parks Investment Initiatives and related spending plan.

**POTENTIAL AMENDMENTS**

At its March 17 meeting, the Parks Funding Select Committee (Select Committee) discussed the key policy choices embedded in the Mayor's Park Funding Proposal (the Proposal):

- Funding Mechanism. Should a levy be considered instead of the proposed Park District?
- Spending Levels. Is the proposed \$54.3 million per year the right level of spending?
- Service Priorities. Are the proposed District-funded services the right ones?
- Ballot Timing. Should the new park funding measure be placed on the August 2014 ballot?

The following potential amendments to the Proposal have been identified so far:

**1. Funding Mechanism**

Although levies have been used to fund added park services in the past, both the Parks Legacy Citizen Advisory Committee (Legacy Committee) and the Mayor have proposed forming a Park District to establish a more stable long-term park funding source. The Select Committee could continue to consider both a levy and a Park District as a source of future parks funding. Options include:

### **Option A: Park District with Further Amendments to the Interlocal Agreement (ILA) or Ordinances**

A Park District is new to Seattle, but would provide stable, long-term park funding. If a Park District is selected as the funding mechanism, the Council wants to ensure that the District will be efficiently run, accountable to the public, and well integrated into City procedures. To address those interests, the Select Committee may consider amendments to the proposed ordinances and ILA including:

- 1) Performance Management. Provide for increased effort to design efficient service delivery models and establish performance indicators during the 2015 ramp-up, and increased performance monitoring in 2016-2020, to ensure that DPR is well positioned to successfully deliver the new level of service.
- 2) Community Oversight. Provide more specificity about Community Oversight Committee (Oversight Committee) qualifications, role in reviewing the effectiveness of District-funded programs and changes in spending, and role in ensuring broader public involvement in District decisions.
- 3) Labor. Clarify the employment implications of District funding, including the intent that the District will have no employees and all staff working on District-funded services will remain City employees working under applicable labor contracts.
- 4) Revenue Ceiling. Set a more specific ceiling on District revenue collection.
- 5) Linking the Legislation. Strengthen the link between formation of the District and the City's commitment to implementing the ILA.

### **Option B: Levy with Lower Spending Level**

A levy could be used for future parks funding instead of a Park District. A short-term levy (such as the 2008 Park Levy) is preferred by many of the commenters at Legacy Committee public meetings. However many park services – particularly operations and routine maintenance – meet ongoing needs that extend beyond the timeframe of a short-term levy. And a park levy would use much of the City's remaining levy capacity, reducing opportunities to use levies for other priorities such as education, housing and transportation. Fewer new and enhanced services could be supported with a levy. The City Budget Office has suggested that a park levy should be limited to \$30 million to \$35 million per year to preserve enough levy capacity for other City priorities. The service implications of lower spending levels are discussed below.

## **2. Spending Levels**

Proposed spending is more than twice the level of the 2008 Parks Levy. To reduce tax payer impacts and allow DPR to demonstrate its ability to deliver an expanded level of service, reduced spending levels could be considered. Lower spending could remain constant during the six-year period. Or, initial lower spending could be increased in later years as DPR demonstrates its ability to deliver District-funded services.

### **Option A: Mayor's Proposed \$54.3 Million Level**

Fund services at the proposed \$54.3 million per year level, which is 53% allocated to major maintenance but also expands recreation programs, acquires and develops new parks and increases routine maintenance of park lands and facilities. Operations and maintenance (O&M) activities would receive 38% of the new funds, with the rest spent on capital projects heavily weighted towards major maintenance.

### **Option B: Legacy Committee Core Investments**

Fund the \$26.3 million per year Core Investments that are the top-priority subset of services recommended by the Legacy Committee. Ninety percent of Core Investments spending is for maintaining existing park lands and facilities, with the rest allocated to community center operations. O&M activities would receive 26% of the new funds, with the rest spent on major maintenance capital projects. The Core Investments would not fund expanded recreation programs, park land acquisition, major maintenance at the zoo and aquarium, forest restoration, or new park development on land-banked sites.

### **Option C: Other Spending Level**

Select a funding level anywhere from the Legacy Committee's \$26.3 million Core Investments level to the Mayor's \$54.3 million Proposal. Criteria to identify funded services could include:

- Use Legacy Committee priorities as a starting point.
- Give preference to activities that:
  - Maintain and enhance existing facilities and programs.
  - Have a strongly documented need.
  - Cannot provide desired benefits with the current level of City funding available.
  - Align with DPR's core mission with few overlaps with other organizations' services and few other funding sources available.

### **NEXT STEPS**

A public hearing on future park funding will be conducted on Monday, April 7, 2014 at 6:00 pm. The Select Committee will consider input from that meeting to develop Council amendments for discussion at its April 14 meeting. A Select Committee vote on Council amendments is scheduled for April 21. The Full Council must act no later than May 5 to place a park funding measure on the August 2014 ballot.