

**2013-2014 BUDGET LEGISLATION FISCAL NOTE**

|                      |                        |                     |
|----------------------|------------------------|---------------------|
| Department:          | Contact Person/Phone:  | CBO Analyst/Phone:  |
| Parks and Recreation | Amy Williams/ 684-4135 | Jeff Muhm/ 684-8049 |

**Legislation Title:** AN ORDINANCE relating to the Department of Parks and Recreation; establishing the 2013-2014 fee schedule for the use of park properties and other park and recreation facilities and services; superseding previous park and recreation fee schedules; and amending Section 18.28.010 of the Seattle Municipal Code.

**Summary of the Legislation:**

This legislation establishes the Department of Parks and Recreation’s (DPR’s) Fee Schedule for 2013-2014.

**Background:**

DPR’s fees and charges provide financial support for the operation and maintenance of DPR programs, facilities, and park grounds. The DPR Fee Schedule transmitted by this legislation includes new or increased fees to address inflation and improved cost recovery in 2013-2014.

The revenue generated by these fees constitutes approximately 1% of the funding used for operating and maintaining Parks facilities, excluding revenue associated with the Golf Program, which is addressed in Ordinance 121351. All fees collected from DPR activities and concessions are used exclusively for Parks facilities.

DPR evaluates its fees and charges on an annual basis as part of the City’s budget process. Attachment 2 to the Ordinance, “Changes from the Adopted 2012 Fee Schedule to the Proposed 2013-2014 Fee Schedule” reflects DPR’s proposed fee changes for 2013-2014.

DPR’s fees are reviewed annually to determine whether changes to the fee structure are warranted. Improved cost recovery is a consideration when developing fee increases and implementing cost of living adjustments, consistent with the City Budget Office’s inflation guidelines.

In 2009, the City Council adopted a Statement of Legislative Intent (SLI 73-2-A-1) requesting DPR to submit a fee policy proposal no later than March 31, 2010. This proposal was submitted to the Council as requested. The policy established a methodology to consider community benefit, consistency, market pricing consistency, affordability and equity when setting fees. The fee changes proposed in this legislation are consistent with the intent and guidelines of that policy.

Additionally, the legislation restructures and simplifies certain fees, and corrects previous misprints or omissions. Changes to the fee structure are identified in Attachment 2 to the Ordinance.

X  This legislation has financial implications.

**Summary of Changes to Revenue Generated Specifically from this Legislation:**

|  | <b>Revenue Source</b> | <b>2013 Proposed</b> | <b>2014 Endorsed</b> |
|--|-----------------------|----------------------|----------------------|
| <b>Total Fees and Charges Resulting From Passage of This Ordinance</b> | Income from User Fees | 459,482              | 459,482              |

Revenue Change Notes: Income from User Fees include increases for the use of several DPR facilities including increases at our aquatic facilities (\$300,482 in both 2013 and 2014), Langston Hughes Performing Arts Center (\$30,000 in 2013-14), the Volunteer Park Conservatory (\$104,000 in both 2013 and 2014), and Camp Long (\$55,000 both 2013 and 2014).

The swimming pool rate changes increase Youth and Adult Group lessons by 7%, Kinder Group lessons by 6%, and 3-year old and under group lessons by 4%. It also increases Summer Swim League rates by 8%, Personal Instruction by 6%, Semi Private Instruction by 17%, and Swim Team Rental by 16%. These increases bring fees in line with or below the average fee charged at comparable swimming facilities.

The Langston Hughes Performing Arts Center Fee increases (including additional fee categories) are aligned with the newly renovated center and its new performing arts amenities which include: a sprung floor for dance rehearsals and presentations, a recording and music studio, and upgraded theater.

Instituting a \$4 admission fee at Volunteer Park improves the future sustainability of the facility. The Fee structure includes reduced admission for college students and school groups as well as opportunities to visit for free.

The new Camp Long fee is related to their new Ropes Challenge Course, which provides team building activities and experiences integrated with environmental education knowledge. In 2012, the Parks and Recreation Superintendent established these same pilot fees for team-building programs using the Parks and Recreation Fee Setting Policy guideline and a program budget outline.

In addition, several other minor changes were made to the fee schedule that are not expected to result in notable changes to DPR’s revenue. These minor changes include: adding a Student category and Photographer category to annual passes at Japanese Garden, clarifying fees at Amy Yee Tennis Center, bringing rental fees at Warrant G. Magnuson Park in line with other Parks room rentals, deleting fees we no longer are using, and increasing permit fees for commercial

filming/photography at parks facilities. The changes also include clarification of the conditions under which insurance is required for special events consistent with long-standing Park's policy.

**Anticipated Total Revenue from Entire Program, Including Changes Resulting from this Legislation:**

| Fund Name and Number | Revenue Source        | Total 2013 Revenue | Total 2014 Revenue |
|----------------------|-----------------------|--------------------|--------------------|
| (10200)              | Income from User Fees | 30,291,739         | 31,209,990         |
| <b>TOTAL</b>         |                       |                    |                    |

Total Revenue Notes: Does not include Golf, use of Fund balance, or General Fund.

**Other Implications:**

- a) Does the legislation have indirect financial implications, or long-term implications?  
 The changes contained in this proposal are part of a concerted effort on the part of DPR to improve its overall fee structure, maintain costs and, to the extent possible, increase cost recovery. DPR will continue to review its fee policies and schedules, in terms of the economy, changes in park and recreation services provided by other local jurisdictions, and other internal and external factors affecting the Department's budget.
- b) What is the financial cost of not implementing this legislation? Not implementing this legislation as proposed would require reductions in services or programs within the DPR's 2013-2014 proposed budget. Such reductions would impact the Department's ability to generate revenue that is used to pay for costs associated with operating and maintaining its facilities.
- 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? There are not alternatives that could achieve the same or similar objectives. In adjusting its Fees and Charges Schedule, the Department has considered all known external funding resources, such as grants and other one-time funding sources.
- e) Is the legislation subject to public hearing requirements? No
- f) Other Issues: None

Please list attachments to the fiscal note below: None