

# 18  
CB 117316

Terry Roche  
DPR 2008 Levy Inflation Use 2011 ORD  
August 31, 2011  
Version # 6

**ORDINANCE**

1  
2 AN ORDINANCE relating to the 2008 Parks and Green Spaces Levy; accepting the  
3 recommendations of the 2008 Parks and Green Spaces Levy Oversight Committee  
4 concerning the Development Category Inflation Adjustment and the Opportunity Fund  
5 category; reallocating funds from the Development Category to the Opportunity Fund  
6 Category; and creating new major maintenance projects in the Opportunity Fund  
7 Category; all by a three-fourths vote of the City Council.

8 WHEREAS, Ordinance 122749 authorized a proposition to Seattle's voters, a Parks and Green  
9 Spaces Levy (Parks Levy) to levy for up to six years regular property taxes in excess of  
10 the limitation on levies in Chapter 84.55 RCW for the purposes of acquiring, developing,  
11 or restoring parks, recreation facilities, cultural facilities, green spaces, playfields, trails,  
12 community gardens, and shoreline areas; and

13 WHEREAS, the proposed 2008 Parks Levy was approved by Seattle voters on November 4,  
14 2008; and

15 WHEREAS, Ordinance 122749 created four major funding categories for levy funds: 1)  
16 Acquisition; 2) Development; 3) Environment; and 4) Opportunity Fund; and

17 WHEREAS, the Opportunity Fund category is to fund acquisition and development projects not  
18 identified for funding in the remainder of the 2008 Parks Levy program; and

19 WHEREAS, Ordinance 122749 established a Parks and Green Spaces Levy Oversight  
20 Committee (Oversight Committee), with responsibilities including advising upon  
21 expenditures and allocations for the following year, making recommendations on the  
22 implementation of particular projects and any reallocations, adopting evaluation criteria  
23 and recommending Opportunity Fund awards to the Superintendent, Mayor, and City  
24 Council; and

25 WHEREAS, the Parks and Green Spaces Levy Development Category includes a \$14 million  
26 inflation contingency to cover escalating costs on construction and improvement projects  
27 in future years; and

28 WHEREAS, Parks Levy projects have not experienced inflation to date and have benefitted from  
a very competitive bid climate due to the economic recession; and

WHEREAS, the economic recession has led to declining Real Estate Excise Tax (REET)  
revenues which fund major maintenance projects in parks and other facilities; and



1 WHEREAS, based upon the absence of construction industry inflation and reduced REET  
2 revenues, the Parks and Green Spaces Levy Oversight Committee recognized that the  
3 best use of the Development Category inflation adjustment funds was to support the  
4 ongoing preservation of existing park facilities; and

5 WHEREAS, on June 27, 2011, the Oversight Committee held a public hearing on a preliminary  
6 recommendation to use \$9,758,000 of Development Category levy inflation adjustment  
7 dollars to fund major maintenance projects and received favorable citizen comment and  
8 support; and

9 WHEREAS, on July 25, 2011, the Oversight Committee voted in favor of a final  
10 recommendation to use \$9,758,000 of Development Category levy inflation adjustment  
11 dollars to fund major maintenance projects; and

12 WHEREAS, the recommended major maintenance projects are not presently included in the  
13 Parks and Green Spaces Levy; and

14 WHEREAS, Ordinance 122749 provides that, after considering recommendations made by the  
15 Oversight Committee, City Council may create new projects in the Opportunity Fund  
16 Category and, with a three-fourths vote, transfer Parks Levy allocations across categories  
17 and subcategories; and

18 WHEREAS, it is anticipated that appropriations for the recommended major maintenance  
19 projects will be included in the 2012 Budget and the projects will be included in the  
20 2012-2017 Capital Improvement Program; NOW, THEREFORE,

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

22 Section 1. Effective January 1, 2012, the Parks and Green Spaces Levy Oversight  
23 Committee recommendation to reallocate \$9,758,000 within the 2008 Parks Levy Fund from the  
24 Development Category Inflation Adjustment to the Opportunity Fund, and to allocate these funds  
25 for 17 high priority major maintenance projects, is adopted.

26 Section 2. Effective January 1, 2012, the following projects are established in the  
27 Opportunity Fund Category of the Parks and Green Spaces Levy:



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28

Department	Project Name	Project ID	Amount
Parks and Recreation	Ballard Community Center Roof Replacement	K730159	\$ 635,000
Parks and Recreation	Beacon Hill Playground Comfort Station Renovation	K730160	\$ 200,000
Parks and Recreation	Comfort Station Renovations-2008 Parks Levy	K730161	\$ 300,000
Parks and Recreation	Evers Pool Roof Repairs	K730162	\$ 1,600,000
Parks and Recreation	Fairmount Playfield Comfort Station Renovation	K730163	\$ 200,000
Parks and Recreation	Fairmount Playfield Fence Replacement	K730164	\$ 25,000
Parks and Recreation	Garfield Community Center Roof Replacement	K730165	\$ 465,000
Parks and Recreation	Green Lake Bathhouse Roof Replacement	K730166	\$ 456,000
Parks and Recreation	Lower Woodland Playfield Tennis Court Lights Replacement	K730167	\$ 310,000
Parks and Recreation	Loyal Heights Boiler And Electrical System Replacement	K730168	\$ 852,000
Parks and Recreation	Madrona Playground Shelterhouse Restrooms Renovation	K730169	\$ 200,000
Parks and Recreation	Matthews Beach Park Bathhouse Renovation	K730170	\$ 350,000
Parks and Recreation	Queen Anne Pool Plaster Liner Replacement	K730171	\$ 140,000
Parks and Recreation	Rainier Beach Playfield Play Area Renovation	K730172	\$ 300,000
Parks and Recreation	Rainier Beach Playfield Tennis Courts and Lighting Replacement	K730173	\$ 1,300,000
Parks and Recreation	Seward Park Water System Replacement	K730174	\$ 2,200,000
Parks and Recreation	Van Asselt Community Center Gym Roof Replacement	K730175	\$ 225,000



1 Section 3. This ordinance shall take effect and be in force 30 days after its approval by  
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it  
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.

4 Passed by a 3/4 vote of all the members of the City Council the \_\_\_\_ day of  
5 \_\_\_\_\_, 2011, and signed by me in open session in authentication of its  
6 passage this  
7 \_\_\_\_ day of \_\_\_\_\_, 2011.

8  
9  
10 \_\_\_\_\_  
11 President \_\_\_\_\_ of the City Council

12 Approved by me this \_\_\_\_ day of \_\_\_\_\_, 2011.

13  
14 \_\_\_\_\_  
15 Michael McGinn, Mayor  
16

17 Filed by me this \_\_\_\_ day of \_\_\_\_\_, 2011.

18  
19 \_\_\_\_\_  
20 Monica Martinez Simmons, City Clerk  
21

22 (Seal)

**FISCAL NOTE FOR CAPITAL PROJECTS ONLY**

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>CBO Analyst/Phone:</b>
Department of Parks and Recreation	Terry Roche/233-2776	Amy Williams/233-2561

**Legislation Title:** AN ORDINANCE relating to the 2008 Parks and Green Spaces Levy; accepting the recommendations of the 2008 Parks and Green Spaces Levy Oversight Committee concerning the Development Category Inflation Adjustment and the Opportunity Fund category; reallocating funds from the Development Category to the Opportunity Fund Category; and creating new major maintenance projects in the Opportunity Fund Category; all by a three-fourths vote of the City Council.

**Summary of the Legislation:**

This legislation will transfer \$9,758,000 of levy inflation adjustment dollars from the Development Category of the 2008 Parks and Green Spaces Levy (Parks Levy) to the Opportunity Fund Category of the Parks Levy, creating 17 new major maintenance projects in the Opportunity Fund Category.

**Background:**

The 2008 Parks and Green Spaces Levy includes a \$14 million inflation allowance for development projects intended to ensure that projects implemented in the later years of the Levy would have sufficient funding. To date, Levy projects have not experienced inflation and have benefitted from a very competitive bid climate.

Based upon the absence of construction industry inflation, the Parks and Green Spaces Levy Oversight Committee discussed ideas for spending the inflation allowance at its first five meetings in 2011. The Committee recognized that limited capital funds are available to invest in the preservation of park facilities. Therefore, they recommended spending the inflation allowance funds on priority major maintenance projects including roof replacements at community centers and comfort station (restrooms) repairs.

At their May 23, 2011 meeting, the Committee made a preliminary recommendation to Seattle Parks and Recreation (DPR) to reallocate \$9,758,000 of the inflation allowance to 17 high priority projects in DPR's major maintenance backlog. Approximately \$1.3 million of the inflation contingency was previously allocated for spray parks and contracting costs, and \$2.9 million remains available after the \$9.8 million is reallocated.

On June 27, 2011, the Committee held a public hearing on the recommendation and received favorable citizen comment and support. The Committee met again on July 25, 2011, and made a final recommendation that \$9,758,000 be reallocated from the inflation adjustment for development category to the Opportunity Fund for 17 high priority major maintenance projects.

This legislation would accept and implement the Committee's recommendation and reallocate



the funds to the 2008 Parks Levy Opportunity Fund in the 2012-2017 Proposed Capital Improvement Program effective January 1, 2012. This approach is required by Ordinance 122749 which provides that the City Council may transfer Parks Levy allocations across categories and subcategories with a three-fourths vote after considering recommendations made by the Oversight Committee.

The following table summarizes the projects that will be funded with the inflation allowance funds. A detailed description of each project listed in this table can be found in the 2012-2017 Proposed Capital Improvement Program.

Project Name	Project ID	Project Location	Start Date	End Date
Ballard Community Center Roof Replacement	K730159	6020 28th Ave NW	2012 Qtr 3	2013 Qtr 4
Beacon Hill Playground Comfort Station Renovation	K730160	1902 13th Ave. S	2012 Qtr 3	2013 Qtr 4
Comfort Station Renovations-2008 Parks Levy	K730161	Multiple	2012 Qtr 1	2013 Qtr 4
Evers Pool Roof Repairs	K730162	500 23rd AVE	2012 Qtr 1	2013 Qtr 4
Fairmount Playfield Comfort Station Renovation	K730163	5400 Fauntleroy Way SW	2012 Qtr 3	2013 Qtr 4
Fairmount Playfield Fence Replacement	K730164	5400 Fauntleroy Way SW	2012 Qtr 2	2013 Qtr 4
Garfield Community Center Roof Replacement	K730165	2323 East Cherry St	2012 Qtr 1	2012 Qtr 4
Green Lake Bathhouse Roof Replacement	K730166	7312 W Green Lake DR N	2012 Qtr 1	2012 Qtr 4
Lower Woodland Playfield Tennis Court Lights Replacement	K730167	1000 N 50th ST	2012 Qtr 2	2013 Qtr 4
Loyal Heights Boiler And Electrical System Replacement	K730168	2101 N 77th ST	2012 Qtr 1	2013 Qtr 4
Madrona Playground Shelterhouse Restrooms Renovation	K730169	9253 34th Ave.	2012 Qtr 3	2013 Qtr 4
Matthews Beach Park Bathhouse Renovation	K730170	9300 51st AVE NE	2012 Qtr 2	2013 Qtr 4
Queen Anne Pool Plaster Liner Replacement	K730171	1920 1st AVE W	2012 Qtr 2	2013 Qtr 4
Rainier Beach Playfield Play Area Renovation	K730172	8802 Rainier AVE S	2012 Qtr 2	2013 Qtr 4
Rainier Beach Playfield Tennis Courts and Lighting Replacement	K730173	8802 Rainier AVE S	2012 Qtr 3	2013 Qtr 4
Seward Park Water System Replacement	K730174	5902 Lake Washington BLVD S	2012 Qtr 1	2013 Qtr 4
Van Asselt Community Center Gym Roof Replacement	K730175	2820 S Myrtle ST	2012 Qtr 3	2013 Qtr 4

This legislation creates, funds, or anticipates a new CIP Project.

This legislation does not have any financial implications.

This legislation has financial implications.

**Appropriations:**

Fund Name and Number	Department	Budget Control Level*	Existing 2011 Appropriation	New 2011 Appropriation (if any)	2012 Anticipated Appropriation
2008 Parks Levy Fund (33860)	Parks & Recreation	2008 Parks Levy – Opportunity Fund Development K720041	\$0	\$0	\$9,758,000
<b>TOTAL</b>			<b>\$0</b>	<b>\$0</b>	<b>\$9,758,000</b>

Appropriations Notes: The anticipated appropriation listed above is just for the 17 major maintenance projects that will be funded out of the funds set aside in the levy to cover inflationary increases on development projects and which are included in the 2012-2017 Proposed Capital Improvement Program. Approximately \$9.4 million was appropriated in 2011 for the first round of Opportunity Fund Projects, and an additional \$250,000 (in addition to the \$9,758,000 from the inflation allowance funds) will be included in the 2012-2017 Proposed Capital Improvement Program to begin the second round of the Opportunity Fund.

**Spending Plan and Future Appropriations for Capital Projects:**

Spending Plan and Budget	2011	2012	2013	2014	2015	2016	Total
Spending Plan		4,476	5,282				9,758
Current Year Appropriation							
Future Appropriations		9,758					9,758

Spending Plan and Budget Notes: These projections are for these 17 projects only. Other 2008 Parks Levy projects will be included in subsequent legislation and/or the annual CIP. These projects are not eligible for the 1% for Art.

**Funding Source:**

Funding Source (Fund)	2011	2012	2013	2014	2015	2016	Total



<b>Name and Number, if applicable)</b>						
2008 Parks Levy Fund (33860)		9,758				9,758
<b>TOTAL</b>		<b>9,758</b>				<b>9,758</b>

Funding Source Notes: The funding for the projects in this appropriation are a portion of the funds expected from the 2008 Parks Levy. The 2008 Parks Levy Fund balance was \$29.5 million as of July 31, 2011 and will be sufficient for these projects.

**Bond Financing Required:** N/A

Type	Amount	Assumed Interest Rate	Term	Timing	Expected Annual Debt Service/Payment
<b>TOTAL</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

Bond Notes:

**Uses and Sources for Operation and Maintenance Costs for the Project:**

O&M	2011	2012	2013	2014	2015	2016	Total
<b>Uses</b>							<b>0</b>
Start Up							<b>0</b>
On-going							<b>0</b>
<b>Sources (itemize)</b>							<b>0</b>

Operation and Maintenance Notes: These projects will renovate existing assets; they will not increase operating costs

**Periodic Major Maintenance Costs for the Project:** N/C

Major Maintenance Item	Frequency	Cost	Likely Funding Source
<b>TOTAL</b>	<b>N/C</b>	<b>N/C</b>	<b>N/C</b>

**Funding sources for replacement of project:** The Levy does not provide a revenue source for ongoing major maintenance. However these projects renew DPR facilities that would otherwise need major maintenance investments.

**Total Regular Positions Created, Modified, or Abrogated through this Legislation, Including FTE Impact:** N/A

Position Title and Department*	Position # for Existing	Fund Name &	PT/FT	2011 Position	2011 FTE	2012 Positions	2012 FTE



	Positions	#		s		**	**
<b>TOTAL</b>	<b>N/A</b>						

Position Notes: N/A

**Do positions sunset in the future?** N/A

**Other Implications:**

- a) **Does the legislation have indirect financial implications, or long-term implications?**  
 Yes. These projects are part of DPR's over \$80 million backlog of major maintenance projects. No other funding for these projects is available through at least 2013.
- b) **What is the financial cost of not implementing the legislation?**  
 Not implementing this legislation would leave the inflation funding within the Development Category of the Levy and it would likely move to the Opportunity Fund eventually. The 17 major maintenance projects would not be completed until other funding becomes available.
- 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?** The projects would be delayed and the facilities continue to deteriorate until other funding becomes available.
- e) **Is a public hearing required for this legislation?** No.
- 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?** Yes, it renovates improvements at 17 DPR sites throughout the City.
- h) **Other Issues:**

**List attachments to the fiscal note below:** None.





City of Seattle  
Office of the Mayor

September 26, 2011

Honorable Richard Conlin  
President  
Seattle City Council  
City Hall, 2<sup>nd</sup> Floor

Dear Council President Conlin:

I am pleased to transmit the attached proposed Council Bill for consideration with the 2012 Proposed Budget. This legislation will transfer \$9,758,000 of levy inflation adjustment dollars from the Development Category of the 2008 Parks and Green Spaces Levy (Parks Levy) to the Opportunity Fund Category of the Parks Levy, creating 17 new major maintenance projects in the Opportunity Fund Category.

The Parks Levy includes a \$14 million inflation contingency to cover escalating costs on development projects. However, the contingency has not been needed for these projects based on a competitive bid climate over the past few years. Therefore, the Department does not need to retain the contingency funds for their original purpose, and is proposing to redirect the money to asset preservation projects.

The Department worked with the Parks and Green Spaces Levy Oversight Committee (Levy Oversight Committee) to develop a recommended spending plan for the funds. The discussions took place during the months of January through July 2011. At the July 25, 2011, meeting, the Committee recommended reallocating \$9.8 million of levy inflation adjustment dollars to the Opportunity Fund to fund 17 major maintenance projects. These projects are the highest priority projects in Parks Asset Management Plan. Of the total \$14 million of inflation adjustment funds, \$1.3 million was previously allocated for spray parks and contracting costs. After the reallocation of the \$9.8 million, \$2.9 million remains available for potential future inflationary cost increases. Appropriations for the \$9.8 million to fund these projects will be included in the proposed 2012-2017 CIP Budget.

With reduced funding available for major maintenance, the Levy Oversight Committee recognized that the best use of the inflation adjustment funds was to support the ongoing preservation of existing park facilities. The Parks Department agrees with the Levy Oversight Committee's recommendation, and believes that it presents the best possible alternative for the inflation contingency funds. Thank you for your consideration of this legislation. Should you have questions, please contact Kevin Stoops, 684-7053.

Sincerely,

Michael McGinn  
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

Michael McGinn, Mayor  
Office of the Mayor  
600 Fourth Avenue, 7<sup>th</sup> Floor  
PO Box 94749  
Seattle, WA 98124-4749

Tel (206) 684-4000  
Fax (206) 684-5360  
TDD (206) 615-0476  
mike.mcgin@seattle.gov

