

MANAGEMENT MODELS

OPTIONS TO BE CONSIDERED AND DEVELOPED AS MANAGEMENT MODELS

Title	Example/Model	Legal Structure	Description	City Funds	ARC Funds	Major Funding	Other Funds	Issues/Obstacles per small craft?
1 ARC Partnership	Current small craft operation	Approved by State Auditor. Master Use Agreement approved by ordinance and would cover modified operation as developed	Seattle Parks leadership and management with support from ARC; fees collected retained by advisory council. Approved by State Auditor; authorized by ordinance as Master Agreement	Leadership staff, building maintenance and small amount of operation expenses	Equipment maintenance & acquisition; operation expenses.	ARC administration structure funded by fees to all advisory councils	Advisory council fund raising required to cover a portion of basic expense	Detailed analysis of income and expense needed with an eye to restructuring or defining the partnership finances
2 Non-profit management	Seattle Aquarium	Master Use Agreement approved by ordinance as part of a multi-year effort toward independence	Non-profit group relationship where advisory-like group assumes full responsibility for all aspects of aquarium operation. Staff become SEAS employees	Assumes responsibility for all operating expenses. City staff may stay for up to 5 years with costs reimbursed to city.	None. No connection with ARC.	All program expenses shift to SEAS while building expense continues with Parks. Fish collection transfer to Parks at end of agreement.		Longer lead time required for this shift. Use of Parks employees continues as an option which would allow repayment for key recreation personnel. Unique operation allows for agreement without RFP.
3 Non-profit lease	Performing and Visual Arts - Pratt/Bathhouse Theater; Lake City LLC	Ordinance authority requires action by City Council	Non-profit group relationship where exchange of services matches City priorities. May honor the history of a long term relationship where value of program matches City priorities. Leasehold tax exemption may apply.	Value of program considered as partial offset for rent. Assessment of leave value is completed. Using PVA model, income to City would be low and affordable; not considered as City revenue source, but as a high public value.	None. No connection with ARC.	All program expenses shift to no-profit group while building expense continues with Parks		Can value of fund raising efforts be considered in sole source award to current advisory council? RFP process does not guarantee relationship with current advisory council. Value of capital improvements at MB or equipment at both locations comes primarily from grants and fund raising where public expectation is tied to ongoing operational structure.
4 Lease - Long Term	Concessionaire (Green Lake Boat Rental, or Moorage Management)	RFP process selects concessionaire; generally a for-profit business. Ordinance authority requires action by City Council. Generally a 5 year award with 5 year extension; rebid after 10 years.	Capital element added as justification for extended lease. Revenue source. Leasehold tax may apply. Concessionaire assumes responsibility for routine maintenance, landscape care, custodial and liability protection	Payment of a fee to City which is usually a percentage of income paid only after a minimum revenue threshold is reached	None. No connection with ARC.	All program expenses shift to advisory council while building expense continues with Parks		Fragile, expensive equipment purchased by advisory council fund raising is critical to program operation and needs to be protected as a critical asset/resource as a selection process is defined. There is a RISK in an open RFP process.