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CITY OF SEATTLE
ORDINANCE _____
COUNCIL BILL 118055

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4
5 AN ORDINANCE relating to creation of the Seattle Park District; requesting that a special
6 election be held concurrent with the August 5, 2014 primary election, for submission to
7 the voters residing within the City, a proposition to form the Seattle Park District.

8 WHEREAS, by Article XI of the City Charter, the Department of Parks and Recreation (“DPR”)
9 has the responsibility for the management and control of the City’s public parks and
10 green spaces; and

11 WHEREAS, DPR manages a 6,200-acre park system of 465 parks and extensive natural areas,
12 including athletic fields, tennis courts, play areas, two specialty gardens, and over 25
13 miles of boulevards and 120 miles of trails, and numerous recreational facilities,
14 including 26 community centers, 8 indoor swimming pools, 2 outdoor (summer)
15 swimming pools, 2 small craft centers, 4 golf courses, and an outdoor stadium; and

16 WHEREAS, the cost of the backlog of parks and recreation major maintenance work in 2014 is
17 estimated at \$267 million; and

18 WHEREAS, the City's Comprehensive Plan, Parks 2011 Development Plan and the 2014 Parks
19 Legacy Plan outline key strategies, objectives and investments for preserving and
20 improving parks, open spaces, facilities and programs; and

21 WHEREAS, the City has limited available current and future funding to pay for necessary
22 preservation and maintenance of its existing parks and recreation facilities and programs
23 and to make targeted investments toward creating innovative programs anticipating and
24 responding to future needs; and

25 WHEREAS, by Resolution 31454 (May, 2013) the Mayor and City Council created the Parks
26 Legacy Citizens’ Advisory Committee (“Legacy Committee”) to ensure citizen
27 participation in the development of a potential ballot measure for funding operations,
28 maintenance, development and acquisition of parks and recreation facilities and
programs; and

WHEREAS, the Legacy Committee, after being duly appointed and after spending many hours
in open meetings, receiving public testimony and deliberating, has recommended that the
City Council initiate formation of a metropolitan park district, by placing before the

1 voters within the boundaries of the City of Seattle a ballot measure to create the Seattle
2 Park District ("Seattle Park District"); and

3 WHEREAS, the Legacy Committee recommended that, if a metropolitan park district were
4 formed, measures be taken to provide for ongoing citizen oversight of district funds; and

5 WHEREAS, Chapter 35.61 RCW and other state law provides that a metropolitan park district
6 may be created upon voter approval of a ballot proposition submitted to the voters of the
7 proposed district, and that a metropolitan park district has certain statutory powers,
8 including the power to levy and impose various taxes and fees to generate revenues to
9 provide ongoing funding to maintain, operate and improve parks, community centers,
10 pools, and other recreation facilities and programs; and

11 WHEREAS, the Seattle City Council has determined that formation of a metropolitan park
12 district, to be called the Seattle Park District, that includes the entire area within the
13 boundaries of the City of Seattle would enhance and stabilize the funding available for
14 the current and future parks projects, programs and services within the City; and

15 WHEREAS, the Seattle City Council finds it to be in the interest of the City and its residents and
16 businesses to place before the voters located within the boundaries of the City, a ballot
17 proposition to establish a citywide metropolitan park district to provide stable, ongoing
18 funding to maintain, operate and improve parks, community centers, pools, and other
19 recreation facilities and programs throughout the City; and

20 WHEREAS, the City Council enacted Council Bill 118056, providing that, if voters approve
21 formation of the Seattle Park District, the Mayor is authorized to sign an interlocal
22 agreement with the newly formed District; and

23 WHEREAS, the interlocal agreement provides for, among other matters, continued City
24 ownership of all park assets whether acquired with City or District funds; payment of all
25 District funds to the City for park and recreation services; DPR staff supported by District
26 funds to remain City employees; District budgeting coordinated with the City's regular
27 budget process; continued parks funding from City General Subfund revenues, including
28 a minimum baseline funding level annually adjusted by the Consumer Price Index;
creation of a community oversight committee and a requirement that the Park District
Board consider its recommendations, along with those of the City's community-based
Board of Parks Commissioners and reports from independent sources in making
decisions related to budgets, priorities and levies; compliance with applicable federal,
state, and local laws and the city charter, including but not limited to prevailing wages,
open public meetings, public records, ethics, and nondiscrimination; and termination and
dissolution of the District; NOW THEREFORE,

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

2 **Section 1. Election – Ballot Title.** The City Council directs the City Clerk to file this
3 ordinance with the Director of Elections of King County, Washington, as ex officio supervisor of
4 elections. The Clerk shall request that the Director of Elections call and conduct a special
5 election in the City of Seattle in conjunction with the primary election to be held on August 5,
6 2014, for the purpose of submitting to the voters within the boundaries of the City (which are the
7 boundaries of the proposed district) a proposition to form the Seattle Park District as authorized
8 under chapter 35.61 RCW. The City Clerk is directed to certify to the King County Director of
9 Elections a ballot title in substantially the following form, with such changes as may be approved
10 by the City Attorney:

11
12
13 THE CITY OF SEATTLE
14 PROPOSITION NUMBER 1
15 SEATTLE PARK DISTRICT

16 The City of Seattle Proposition 1 concerns formation of the Seattle Park District, a metropolitan
17 park district.

18
19 This proposition would create the Seattle Park District to provide ongoing funding to maintain,
20 operate and improve parks, community centers, pools, and other recreation facilities and
21 programs. The District would have the same boundaries as the City of Seattle and be governed
22 by a board composed of the Seattle City Councilmembers. It could exercise the powers given to
23 metropolitan park districts in state law, including levying property taxes and contracting with the
24 City to perform the District's functions.

1 [] For the formation of a metropolitan park district to be governed by the members of the
2 Seattle City Council serving in an *ex officio* capacity as the Board of Commissioners of the
3 Seattle Park District.

4 [] Against the formation of a metropolitan park district.

5
6 **Section 2. Boundaries of the Seattle Park District.** The boundaries of the Seattle Park
7 District will be coterminous with the boundaries of the City of Seattle.

8
9 **Section 3. Ratification.** The City Clerk's certification to the King County Director of
10 Records and Elections of the proposition in section 1 and any other acts taken after the passage
11 of this ordinance and consistent with its authority, are hereby ratified and confirmed.

12 **Section 4. Effective Date.** This ordinance shall take effect and be in force immediately
13 upon the approval by the Mayor; but if returned by the Mayor unsigned, then immediately upon
14 its return; or if not approved and returned by the Mayor within ten days after presentation, then
15 on the 11th day after its presentation to the Mayor; or if vetoed by the Mayor, then immediately
16 after its passage over his veto.

17
18 Passed by the City Council the ____ day of _____, 2014, and
19 signed by me in open session in authentication of its passage this
20 ____ day of _____, 2014.

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22 _____
23 President _____ of the City Council

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25 Approved by me this ____ day of _____, 2014

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Edward B. Murray, Mayor

Filed by me this _____ day of _____, 2014.

Monica Martinez Simmons, City Clerk

(Seal)

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	CBO Analyst/Phone:
Parks and Recreation	Eric Friedli/684-8369	Catherine Cornwall/684-8725

Legislation Title:

AN ORDINANCE relating to creation of the Seattle Park District; requesting that a special election be held concurrent with the August 5, 2014 primary election, for submission to the voters residing within the City, a proposition to form the Seattle Park District.

Summary of the Legislation:

The proposed ordinance places on the August 2014 primary ballot a measure which would create a metropolitan park district (the Seattle Park District). Upon voter approval of the measure, the Seattle Park District would be formed with the same boundaries as the City of Seattle and the City Council members, acting *ex officio* and independently, would comprise the governing board (the District Board).

Seattle Parks and Recreation (DPR) has worked since June 2013 with a Mayor and City Council appointed citizens' committee, the Parks Legacy Citizens' Advisory Committee (Legacy Committee), to develop a funding measure for parks and recreation programs and services. In its March 12, 2014 final report, the Legacy Committee recommends the creation of a Seattle Park District. The Mayor agrees with this recommendation and therefore has submitted this legislation to place on the August 2014 ballot the creation of a Seattle Park District in the City of Seattle.

If approved by a majority of the voters within its proposed boundaries, the Seattle Park District would be formed as a separate municipal corporation, similar to the City's Transportation Benefit District. It would have all of the powers given to metropolitan park districts under state law, including the power to levy a property tax and the ability to act in conjunction with the City to maintain, operate and improve parks, community centers, pools, and other recreation facilities (including, without limitation, open spaces, zoo and aquarium facilities) and programs.

This proposed ordinance has a companion proposed ordinance which provides for a form of interlocal agreement between the City and the proposed metropolitan park district, which specifies additional detail about how the City and the Seattle Park District would cooperate and which authorizes the Mayor to execute such an agreement on behalf of the City.

Background:

Parks Legacy Citizens' Advisory Committee

In May 2013, the Seattle City Council adopted Resolution 31454, creating the Parks Legacy Citizens' Advisory Committee to develop a potential package of parks and recreation projects to submit to the voters. The resolution directed the Legacy Committee to:

- a. Review data and information about existing and potential park and recreation projects, maintenance and operations, and programs.
- b. Review the draft Parks Legacy Plan and its findings and provide input and comment.
- c. Review and comment on criteria for assessing Parks investment initiatives and options for the Mayor and Council's consideration.
- d. Apply criteria and review investment initiatives prepared by City staff and provide comments and/or recommendations for Mayor and Council consideration.
- e. Review pros and cons for potential funding mechanisms for implementing the investment initiatives, including consideration of the dollar amount needed to fund them and whether permanent or short-term funding is needed or appropriate, and make recommendations.
- f. If a short-term funding solution is considered, then the Committee will address the pros and cons of various term lengths and make recommendations.
- g. If a permanent funding solution is considered, then the Committee will address the pros and cons of appropriate funding mechanisms, including a permanent levy and a Seattle Park District, and make recommendations.
- h. Conduct outreach to the broader public to gather recommendations and comments.
- i. Advise the Mayor and City Council on the pros and cons for moving forward with a possible ballot measure in 2014 to replace the current parks levy, which expires at the end of 2014.
- j. Submit a final report with findings to the Mayor and City Council by March 14, 2014.

Funding for a Prioritized List of Investment Initiatives

After initial meetings learning about the parks and recreation system, Legacy Committee members adopted assessment criteria for use in evaluating proposed projects to be funded over the next six years through either a renewed levy ballot measure or another mechanism, such as the formation of a metropolitan park district. The criteria looked at how the initiatives would further Parks outcomes of healthy people, healthy environment, sustainability and strong communities, and how they measure up to providing equitable, innovative and state of the art services.

An initial list of investment initiatives were reviewed by subcommittees of the Legacy Committee, and then prioritized by the full Committee.

The Ballot Measure

In order to ensure long-term, stable funding for the investment priorities of the Legacy Committee and provide for the future, the Legacy Committee recommended that the City place before the voters a ballot proposition to form a metropolitan park district within the boundaries of the City.

Simultaneously with the adoption of this ordinance, the City Council is considering Council Bill 118056, which approves the form of an interlocal agreement with the Seattle Park District, upon its formation following approval by the voters. The Interlocal Agreement addresses such concerns as:

- Community input into the development of six-year spending plans;
- A budget process to ensure the limitation of property tax levies by the Seattle Park District;
- A clear statement that the City would own and control all park properties and facilities;
- Minimum levels of funding by the City from the General Subfund;
- Avoidance of duplication by requiring the Seattle Park District to contract solely with the City and DPR for staffing for all projects, programs and services;
- Providing for a Community Oversight Committee; and
- Other related issues.

This legislation does not have any financial implications.

This legislation has financial implications.

Appropriations: N/A

Appropriations Notes: This ordinance provides no appropriation authority. The budget authority needed to implement Seattle Park District projects, programs and services would be considered as part of the annual budget process or through other ordinances.

Anticipated Revenue/Reimbursement Resulting from this Legislation: N/A

Revenue/Reimbursement Notes: This ordinance creates no revenue; however passage of the Seattle Park District proposition will allow the Seattle Park District to collect property taxes up to \$0.75 per \$1,000 of assessed value.

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

Position Notes: This ordinance creates no new positions. However, implementation of the Seattle Park District projects, programs and services will require a number of new positions. Positions will be added to the Parks Department as part of the annual budget process or through other ordinances. Park District revenues will provide the funding for these positions.

Spending/Cash Flow: N/A

Spending/Cash Flow Notes: Attachment A shows a six-year spending plan for Seattle Park District funds. Spending beyond year six will be determined after a community-based planning process and review by the Oversight Committee. For each six-year cycle, beginning with the cycle that includes 2021 through 2026, the City Council and the Mayor will consider the recommendations of the Community Oversight Committee, upon conclusion of a public process, and will recommend to the District Board an updated list of Seattle Park District funded projects, programs and services including projected costs, as part of the budget process.

Other Implications:

- a) **Does the legislation have indirect financial implications, or long-term implications?**
Approval of the legislation and potential approval by the voters of a Seattle Park District will provide Parks and Recreation with a sustainable, stable source of funds.
- b) **What is the financial cost of not implementing the legislation?**
Existing City revenues are insufficient to fund all the Seattle Park District projects. Voter-approved taxes of some form are therefore necessary to implement these projects. Without this ordinance, the Seattle Park District will not be created and the Parks Department will be unable to perform the projects, programs and services described in the spending plan.
- 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?**
A short or long-term levy could generate funding for parks and recreation purposes. The Legacy Committee weighed the pros and cons of a park district and levy and ultimately recommended a park district. The projects, programs and services proposed by the Legacy Committee are ongoing in nature which require a permanent source of funding. This approach lends itself to a park district.
- e) **Is a public hearing required for this legislation?**

No, but the City Council has scheduled a public hearing, and the Legacy Committee held a public hearing and three public meetings

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?

No

h) Other Issues:

List attachments to the fiscal note below:

Attachment A: Seattle Park District Financial Plan 2015-2020 (version 2)

**Attachment A to DPR Ballot Measure Park District Title FISC
Seattle Park District
Financial Plan: 2015-2020**

	Proposed	2015 Spending Plan	2016	2017	2018	2019	2020
V2 April 25, 2014							
Revenues							
Park District Property Tax	47,902,112	-	47,798,348	49,843,849	51,000,331	52,091,227	53,338,893
Interfund Loan	-	10,008,808	-	-	-	-	-
Total Revenues	47,902,112	10,008,808	47,798,348	49,843,849	51,000,331	52,091,227	53,338,893
Operating Expenses							
1 FIX IT FIRST							
Major Maintenance Backlog and Asset Management	590,012	1,492,509	1,640,012	619,882	635,379	651,263	667,545
Saving Our City Forests	487,000	99,680	499,175	511,654	524,446	537,557	550,996
2 MAINTAINING PARKS AND FACILITIES							
Increase Preventive Maintenance	1,383,122	844,721	1,417,700	1,453,143	1,489,471	1,526,708	1,564,876
Provide Clean, Safe, Welcoming Parks	2,037,906	1,839,430	2,088,854	2,141,075	2,194,602	2,249,467	2,305,704
Activate Urban Center Parks	-	-	-	-	-	-	-
Make Parks Safer	237,315	90,000	243,248	249,329	255,562	261,951	268,500
Improve Dog Off-leash Areas	103,819	103,819	106,414	109,075	111,801	114,596	117,461
3 PROGRAMS FOR PEOPLE							
Restore Community Center Operations	1,351,689	1,351,689	1,385,481	1,420,118	1,455,621	1,492,012	1,529,312
Recreation Opportunities for All	460,135	130,105	471,638	483,429	495,515	507,903	520,601
Better Programs for Young People—Seattle's Future	250,467	250,467	256,729	263,147	269,726	276,469	283,381
Meeting the Needs of People with Disabilities	166,000	166,000	170,150	174,404	178,764	183,233	187,814
More Programs for Older Adults	262,000	262,000	268,550	275,264	282,145	289,199	296,429
Put the Arts in Parks	336,086	-	344,488	353,100	361,928	370,976	380,250
Get Moving Fund	250,000	76,644	256,250	262,656	269,223	275,953	282,852
Customer Service and Technology	300,000	-	307,500	315,188	323,067	331,144	339,422
4 BUILDING FOR THE FUTURE							
Maintain and Activate Seattle's New Waterfront Park ¹	3,510,000	-	-	-	-	3,779,886	3,874,383
Maintain 14 New Parks at Land-Banked Sites	1,400,000	-	-	800,000	1,000,000	1,400,000	1,435,000
Maintain Smith Cove Park	200,465	-	-	210,614	215,879	221,276	226,808
Community Response Fund	-	-	-	-	-	-	-
Activating and Connecting to Greenways	115,848	-	118,744	121,713	124,756	127,875	131,071
Performance Monitoring and Strategic Management	878,667	439,334	900,634	923,150	946,228	969,884	994,131
Urban Parks Partnership	570,000	125,000	570,000	584,250	598,856	613,828	629,173
5 Debt Service Expenses							
Develop Smith Cove Park ²	697,000	-	-	697,000	697,000	697,000	697,000
Interfund Loan Payback ⁴	1,487,592	-	1,487,592	1,487,592	1,487,592	1,487,592	1,487,592
Total Operating	17,075,124	7,211,397	12,533,160	13,455,782	13,917,562	18,365,772	18,770,302
Capital Expenses							
1 FIX IT FIRST							
Major Maintenance Backlog and Asset Management	17,474,988	843,291	16,861,863	18,359,659	18,818,651	19,289,117	19,771,345
Community Center Rehabilitation & Development s	4,329,000	700,000	4,329,000	4,437,225	4,548,156	4,661,860	4,778,406
Saving Our City Forests	2,143,000	353,320	2,196,575	2,251,489	2,307,777	2,365,471	2,424,608
Aquarium Major Maintenance	1,080,000	300,000	1,080,000	1,107,000	1,134,675	1,163,042	1,192,118
Zoo Major Maintenance	1,800,000	500,000	1,800,000	1,845,000	1,891,125	1,938,403	1,986,863
2 MAINTAINING PARKS AND FACILITIES							
Rejuvenate Our P-Patches	200,000	100,000	200,000	205,000	210,125	215,378	220,763
4 BUILDING FOR THE FUTURE							
Park Land Acquisition and Leverage Fund	2,000,000	-	2,000,000	2,050,000	2,101,250	2,153,781	2,207,626
Major Projects Challenge Fund	1,600,000	-	1,600,000	1,640,000	1,681,000	1,723,025	1,766,101
Develop 14 New Parks at Land-Banked Sites ³	-	-	4,997,750	4,287,694	4,179,886	-	-
Activating and Connecting to Greenways	200,000	-	200,000	205,000	210,125	215,378	220,763
Total Capital	30,826,988	2,796,611	35,265,188	36,388,067	37,082,769	33,725,455	34,568,591
Grand Total	47,902,112	10,008,008	47,798,348	49,843,849	51,000,331	52,091,227	53,338,893

Footnotes:

¹ 4.3 assumes a 2019 start date with funds going to develop 14 landbanked sites from 2016-2018 (4.4).

² 4.6 assumes development in 2016 with debt service starting in 2017, ending in 2028. The debt service in 4.6 assumes 5% interest rate on a \$6 million bond.

³ 4.4 assumes no annual costs in 2015-2016 with costs increasing as facilities are developed. Unused funds will go towards development of land-banked sites along with funds from 4.3 from 2016-2018.

⁴ Park District revenues will not be received until 2016 and a bridge loan will be needed in 2015. Annual payback amount assumes 8 years at 1% interest from 2016-2023.

Up to \$1.3 million of Initiative 1.2 Community Center Rehabilitation & Development funds may be used for Initiative 3.1 Restore Community Center Operations, contingent on the Executive proposing and the Council Executive proposing and the Council approving a strategic plan for community center operations that would then be reflected in the proposed budget for the following year.

General notes:

- Initiatives shaded gray in the Reference # column have both capital and operating costs.
- The above revenues and expenditures assume 2.5% inflationary increases.
- The assumptions used for the 2015 spending plan are included in a separate worksheet. One-time costs will be covered between 2015 and 2016.