

Seattle Department of Parks and Recreation

Seattle Board of Park Commissioners
Meeting Minutes
March 10, 2011

Web site: <http://www.seattle.gov/parks/parkboard/>
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<http://www.seattlechannel.org/videos/watchVideos.asp?program=Parks>

Board of Park Commissioners

Present:

John Barber
Terry Holme, Chair
Diana Kincaid, Vice-chair
Jackie Ramels

Excused:

Jourdan Keith
Donna Kostka

Seattle Parks and Recreation Staff:

Christopher Williams, Acting Superintendent
Eric Friedli, Acting Deputy Superintendent
Sandy Brooks, Coordinator

This meeting was held at Seattle Park Headquarters at 100 Dexter Avenue North. The February 24 meeting was cancelled due to snow and some agenda items from that meeting were re-scheduled to March 10. The meeting began early to accommodate these topics.

Commissioner Holme called the meeting to order at 6:30 pm and reviewed the meeting agenda.

Commissioner Barber moved approval of the March 10 agenda, January 27 and February 10 minutes, and record of correspondence received by the Board since the February 10 meeting. The motion was seconded by Commissioner Kincaid. The vote was taken and the motion was approved.

Superintendent's Report

Acting Deputy Superintendent Friedli reported on the following topics. To listen to the report, see <http://www.seattlechannel.org/videos/video.asp?ID=5591107> and move cursor to position 5.00.

Pacific Northwest Magazine Article on Seattle's Parks System: Acting Superintendent Williams referred to a lengthy article in the Sunday, March 6, edition of Northwest Magazine <http://seattletimes.nwsources.com/html/pacificnw/> regarding the Department's budget needs. All the Commissioners read the article.

Viretta Park Update: A Seattle Parks Department employee has been actively supporting the idea of a memorial to Kurt Cobain [lead singer of the Northwest band *Nirvana*. The following is excerpted from Yahoo Travel: "One of Seattle's many obscure, postage-stamp-sized parks, Viretta Park has become a landmark of sorts in recent years, thanks to association with the late Kurt Cobain, who died in the shingled house to the north of the park. Fans leave flowers and other offerings on the park benches."] The employee is supporting the idea as a private individual; however, his involvement in the proposal is confusing to the public, with some

under the impression the Department is making the proposal. The Department has received e-mails and letters in support of the idea, while the parks' neighbors are not in favor. Seattle Parks does not allow memorials in its parks.

Hempfest Update: This festival has traditionally been held on the third weekend of August each year at Seattle's Myrtle Edwards Park. Seattle Department of Transportation will be constructing a street overpass to connect Olympic Sculpture Park with Myrtle Edwards Park during August, making part of the park unavailable for the festival. Hempfest filed a lawsuit against the City, with the judge expected to announce a ruling on March 17. Acting Deputy Superintendent Friedli met with the Magnuson Park Advisory Council last night. Parks staff will keep the Board informed of the outcome.

Responding to a question from Commissioner Ramels whether the judge's ruling will determine the festival location, Acting Superintendent Williams answered there are several negotiations and alternative to be decided. Commissioner Kincaid asked about the attendance and Acting Deputy Superintendent Friedli responded that upwards of 200,000 people are expected. No onsite parking will be permitted inside Myrtle Edwards Park. If the festival is relocated to Magnuson Park, there are wetland areas that must be protected and the site will require shuttles to transport attendees. Hempfest will be required to pay for any fencing and shuttles, which may make the site cost prohibitive.

Brenda Brown: Ms. Brown, a 20-year employee of Seattle Parks recently passed away. She pioneered many youth programs in the grounds maintenance division and was an inspiration and mentor for many.

Encroachments on Park Land: The Department is looking at new tools to help remove and avoid encroachments on park land. The City's Law Department has made several suggestions, including an administrative rule which would make it easier for the Department to collect payments from people who use the park property for personal use.

Magnuson Park Building 11 Update: The Parks Department will soon forward legislation to the Mayor's Office authorizing an amendment to the existing lease for Building 11 at Sand Point. Building 11 Investors LLD is proposing to renovate the building to create a mixed-use facility that will include Sail Sand Point, a daycare center, restaurants, offices, including Virginia Mason medical facility, and other water-related uses. The amendment is needed to change the term to accommodate historic tax credits, to extend dates, and to include an outdoor daycare play area and outdoor restaurant seating as part of the definition of the premises.

Responding to a question from Commissioner Barber on how long the Department has been working to lease Building 11, Acting Deputy Superintendent Friedli answered that work began on the lease in 2004 and gave a brief overview of the process, which included a Request for Proposals in 2005, with Building 11 Investors the winning proposal. The legislation will extend the original lease. Commissioner Barber asked how the Department will get fresh ideas if it doesn't do another Request for Proposal. Acting Superintendent Williams answered that there were few responses in 2005 and the economy was much better than it is now.

Budget Update: There is much uncertainty about the City's 2011 and 2012 budget situations. As the federal and Washington State governments try to solve their budget problems, one strategy is to push impacts down to the next lowest level of government. The City of Seattle is at the bottom of this slope. Of course, neither the State nor the federal legislature has made final decisions, so the City can't know its bottom line yet. It will probably be April before there is much certainty.

One possible scenario shows a \$10 million problem in 2011 and a \$23 million problem in 2012. The Parks Department is about 9% of the City's General Subfund (GSF) expenditures in 2011 and about 21% of GSF expenditures excluding those on public safety. Therefore, a possible rule-of-thumb is that Parks should bear between 10% and 20% of the City-wide problem. This would require reductions of \$1m - \$2m in 2011 and \$2.3m - \$4.6m in 2012. Thanks to the work of Parks employees in cutting expenditures wherever possible and the anticipation of the over \$10m of reductions already taken in the 2011 budget, the Department has \$3.3m

in unreserved Parks Fund balance at the end of 2010. The Department's Finance Director hopes this will lessen the impact of needed budget reductions on Parks.

Queen Anne Community Center: Due to budget cuts, the Queen Anne Community Center is now one of five community centers on a limited hours of operation schedule. The Queen Anne neighborhood is interested in raising funds to add an additional 26 hours of operation weekly. Parks staff recently met with the community, which would raise the money and has already set up a bank account for this purpose, with the Associated Recreation Council serving as the fiscal agent.

Commissioner Ramels commented this is a great idea and asked if neighbors who proposed the idea. Acting Superintendent Williams answered that the Queen Anne Community Council and the Advisory Council are the leads and the idea is moving forward. He will report back to the Board on this proposal.

Parks and Seattle Center Committee (PASC) Update: Parks staff briefed PASC on the Parks and Green Spaces Levy. The Fund has an inflation amount built in and this has accrued a huge balance. Parks staff have proposed to City Council to use \$10 million of this fund for basic major maintenance needs. Councilmember Rasmussen commented that \$24 million is not adequate to purchase additional open park space and wants to consider adding more open space with the \$10 million. PASC will discuss this issue further before making any recommendations for these funds.

Parks staff also brief PASC on the parking Statement of Legislative Intent (SLI). PASC recommended a pilot parking program at South Lake Union, which might generate \$100,000 annually in revenue.

Bicycle Sundays: To date, Seattle Parks has not received the same level of sponsorship as in past years for the Bicycle Sunday program. If additional sponsorship from outside organizations isn't forthcoming, the Department will be forced to reduce the program back to one or two Sundays a month. Parks staff are working with potential new sponsors and should know more in the next few weeks. The every Sunday schedule, which began two years ago, allowed consistency and was well received by the community.

Magnuson Park Building 30 Special Event Drawing: *[Parks staff reported the following to the Board at its November 18, 2010, meeting: There have been many recent news stories on this building, which is used for a number of community events. The City's Department of Planning and Development and the Fire Department have now restricted the number of events, due to the building's condition. In past years, 38 events were allowed. Beginning in 2012, only seven will be allowed, including the Friends of the Library book sale.....Parks will develop the criteria for the competitive process it must implement in 2011.]*

Parks has since developed the criteria and received a total of nine event applications: 4 for 1st quarter, 2 for second, 1 for 3rd, and 2 for 4th quarter. Diana Kincaid, Park Commissioner conducted the drawing and picked in rank order the winners. If the number one applicant withdraws or declines for whatever reason, then the slot goes to the next highest ranked applicant. The winners were Seattle Tilth, Northwest Craft Alliance, Friends of the Library, and the Pancreatic Cancer Walk. Commissioner Kincaid commented that for her it was a sad event, as in past year more than 40 organizations were allowed to hold their events at Building 30.

UPCOMING EVENTS

Delridge Playfield Opening - Saturday, March 12, 2011

12:30-2:30 p.m. The celebration will include soccer and disc games and a dedication ceremony.

Thomas C. Wales (Dexter Pit) Park - The grand opening dedication for this park is schedule for Saturday, April 16, at 10:00 a.m.

Hubbard Homestead Official Opening - April 23 at 10 a.m.

Myrtle Reservoir - April 30

Summit Slope - May 1.

Oral Requests and Communication from the Audience

The Chair explained this portion of the agenda is reserved for topics that have not had, or are not scheduled for, a public hearing. Speakers are limited to two-to-three minutes each, will be timed, and are asked to stand at the podium to speak. The Board's usual process is for 10 minutes of testimony to be heard at this time, with additional testimony heard after the regular agenda and just before Board of Park Commissioner's Old/New Business. Two people testified. A brief summary of their testimony follows:

Gail Chiarello: Ms. Chiarello testified in opposition to the proposed lease amendment of Magnuson Park's Building 11, and believes it is disadvantageous. She noted that the deed restriction covenant for this property was lifted and transferred to Parks Department's Crown Hill property – which isn't shoreline property like Magnuson. She doesn't believe this lease amendment has been vetted to the public and the City is getting less than \$1 million annually for this waterfront property. She asked the Board to determine if this is beneficial to both the City and Building 11 Investors LLD.

Bill Bradburd: Mr. Bradburd testified that the Seattle Community Council Federation is also concerned with the lease amendment. It recommends that the Department use \$2 million of the Opportunity Fund inflation fund and rehabilitate the building to rent out. The Federation believes the Department could make much more than \$1 million in annual revenues and encourages the City and Board of Park Commissioners to be fiscally prudent with City funds. He will send the Board an e-mail with further testimony and cc: the City Council.

Presentation: John C. Little Award

John C. Little was accorded many honors and awards during his lifetime. He received King County's first Martin Luther King, Jr. Humanitarian Award; the Washington State University President's Faculty Award for Community Service; the Salvation Army's Torch Award for Service to the Community; the Bishop Foundation Youth Worker of the Year Award; and the City of Seattle Community Service Award. In 1994, he received Safeco's Rudy Award for dedicated service to the community which included a \$30,000 prize that he donated to the Seattle 4-H program.

John C. Little also served the community as a member of the Washington Human Rights Commission, and as a member of the Seattle Board of Park Commissioners from 1990 – 1997, but his heart always was in creating a better life for the young people of the community. His motto became, "In order to improve the life of all people, you must improve the life of young people."

An annual award in his honor recognizes the Seattle Parks and Recreation employee who exemplifies John's service to youth and community.

Acting Superintendent Williams presented the 2011 award to Ron Mirabueno of the Department's Recreation Division. Photo below shows Mr. Mirabueno, second from left, with Mrs. John C. Little (right), Acting Superintendent Williams (center) and other members of Mr. Little's family.



Acting Superintendent Williams presented the award. "I am pleased to announce that **Ron Mirabueno** has been selected as the 2010 recipient of the John C. Little Spirit Award.

This is the tenth year we have awarded the John C. Little, Sr. Spirit Award. Past recipients have been Pat Warberg, Elaine Dunn, Don Ganchorre, Dennis Cook, Tom Ostrom, Isiah Anderson, Patti Petesch, Folas Titalii, Jr. and Royal Alley-Barnes.

In addition to his countless honors and volunteer positions, John Little, Sr. served the community as a member of the Seattle Board of Park Commissioners from 1990 - 1997. In John's seven years on the Board of Park Commissioners, he is most remembered for his gentle judgment of how a proposed policy or new undertaking would be perceived by the people we serve, particularly by the young people. His sensitivity to the needs and the attitudes of youth was extraordinary. John C. Little's motto was, "In order to improve the life of all people, you must improve the life of young people." We created this award in his honor. To be eligible for nomination, the individual must demonstrate the following characteristics: mentoring our youth; providing leadership in the community; making a difference in young lives; and going above and beyond the call of duty.

Ron Mirabueno has been dedicated and committed to serving Seattle's youth for over a decade. He started working for Parks when he was a freshman in high school and has not missed a beat since. He has coached youth track, coached basketball, and worked in our before- and after-school programs at Bitter Lake Community Center. More recently, he has worked hard to improve and expand youth employment training opportunities for many youth. Thanks to his hard work, the YES (Youth Engaged in Service), STEP (Student Teen Employment Preparation) and the new SOS (Summer of Service Program), have become some of the most respected and successful teen programs Seattle Parks and Recreation offers. Ron's collaborative approach to creating service opportunities to young people has helped to link student school learning to community application.

In Ron's nomination application, it was stated that, "Ron is an excellent communicator whose multi-cultural understanding and ability to work well with many diverse ethnic groups is impressive. He possesses excellent listening skills and has a sincere concern for others."

The Youth Employment and Academic Enhancement Teen Unit Ron supervises, focuses on creating opportunities for youth to experience workplace expectations and develop marketable skills to enhance their future employment opportunities. Ron's phenomenal attitude and resilient character have kept the Youth Employment and Academic Enhancement unit's teen programming moving forward through many challenges through the years. He has continued to provide valuable "Hands-on" experiences for our City's young people to grow and learn. Ron's positive attitude and tenacious approach to serving youth has gained him the highest respect from his peers, community partners and Seattle Parks and Recreation's leadership."

Members of Mr. Little's family addressed the Commissioners and audience, with the Little family presenting a gift of flowers to Mr. Mirabueno, who also made comments. The meeting adjourned for a 15 minute break, with refreshments served.

Briefing: Trust for Public Lands

Eric Friedli, Acting Deputy Superintendent, presented an update briefing on the Trust for Public Lands study commissioned in 2010 by then-Superintendent Gallagher and the Seattle Parks Foundation. Prior to tonight's meeting, the Board received a copy of the report, with the background and executive summary included below, and the full report made available to the public on the Board's web page.

At the Park Board's January 14, 2010, meeting, Trust for Public Land Executive Director Peter Hornik presented a briefing to the Board. To read the written briefing paper and Board discussion, see <http://www.seattle.gov/parks/parkboard/minutes/2010/01-14-10.pdf>. To watch the Seattle Channel meeting tape, see <http://www.seattlechannel.org/videos/video.asp?ID=5591005>.

To watch tonight's presentation and listen to the Board's discussion, see <http://www.seattlechannel.org/videos/video.asp?ID=4814> and move cursor to position 1.00.

Written Information from Report – Background

Cities are economic entities. They are made up of structures entwined with open space. Successful communities have a sufficient number of private homes and commercial and retail establishments to house their inhabitants and give them places to produce and consume goods. Cities also have public buildings – libraries, hospitals, arenas, city halls – for culture, health, and public discourse. They have linear corridors – streets and sidewalks – for transportation. And they have a range of other public spaces – parks, plazas, and trails, sometimes natural, sometimes almost fully paved – for recreation, health provision, tourism, sunlight, rainwater retention, air pollution removal, natural beauty, and views.

In successful cities the equation works. Private and public spaces animate each other, the value of the whole surpassing the sum of its parts. In unsuccessful communities, some aspect of the relationship is awry: production, retail, or transportation may be inadequate; housing may be insufficient; or the public realm might be too small or too uninspiring.

A city's park system is integral to this equation, but research on the topic has largely been absent in cities even though the economic impact of stadiums, convention centers, and museums has been promoted widely. Based on a two-day colloquium of park experts and economists held in Philadelphia in October 2003 (see Appendix II), the Center for City Park Excellence believes that there are seven attributes of a city's park system that are measurable and provide economic benefits to the city. (For a listing of studies done on these issues, including some by colloquium participants, see Appendix III.)

What follows is a description of each attribute and an estimate of the specific economic value it provides in Seattle. The numerical calculation sheets can be obtained from the Center for City Park Excellence or accessed at www.tpl.org/seattleparkvalue.

Executive Summary

Seattle has long been a city of great parks. Found in more than 5,400 acres within the city's boundaries, the parks have countless amenities – 26 recreation centers, 114 ballfields, 165 tennis courts, trails for bike commuters, and even a mountain bike course underneath a freeway colonnade. While the natural beauty of the Northwest is evident in the views of Puget Sound and Mount Rainier, it is the many verdant outdoor spaces and vibrant public places that define the Emerald City. From the City's first public park – Denny Park, built in 1887 – to the parkways laid out by famous designer John Charles Olmsted; to the Forward Thrust investments pushed by James Ellis, Mayor Dorm Braman, and others; to the recent addition of Lake Union Park and the expansion of Cal Anderson park; this enduring legacy has great economic value.

Seattle's park system was always thought of partly as an economic development tool. In fact, the Olmsted Brothers firm was hired to design a showcase system for the millions of people who came to the 1909 Alaska-Yukon-Pacific Exposition. Yet the actual economic value of this asset has never been measured. Now this study provides it. Knowing the numbers can help planners and policymakers recognize the role of parks not just in sound-good buzzwords such as "quality of life" and "livability" but in terms of the real economic development of the city, quantifying past investments and informing future spending and budgetary decisions.

This study enumerates seven major factors that relate to the economic value of Seattle parks: property value, tourism, direct use, health, community cohesion, clean water, and clean air. While the science of city park economics is in its infancy, the numbers reported here have been carefully tabulated, considered, and analyzed for the most recent year available at the time of this study. The valuation includes Seattle's entire park and recreation system – its trails, natural areas, neighborhood and community parks, and parkways.

Two of the factors provide Seattle with *direct income* to the city's treasury. The first is increased property tax from the increase in value of residences that are close to parks. This came to early \$15 million. The second consists of sales tax receipts from tourism spending by out-of-towners who came to Seattle primarily because of its parks. This value came to nearly \$4.4 million.

In addition to increased tax money, these same factors bolstered the *collective wealth* of Seattleites – by more than \$80 million in total property value and by more than \$30 million in net income from tourist spending.

Two other factors provided Seattle residents with *direct savings*. The larger by far stems from Seattleite's savings by using the city's public parks, recreation centers, trails, and facilities instead of having to purchase these items in the private marketplace. This value came to more than \$447 million. Second is the health benefit – savings in medical costs – from getting physical activity in the parks. This came to just over \$64 million.

The last three factors also provided savings, but to city government rather than to individuals. The first involves water pollution reduction – the fact that the trees and soil of Seattle's parks retain rainfall and thus cut the cost of treating stormwater. This value came to just over \$2.3 million. The second concerns air pollution – the fact that park trees and shrubs absorb a variety of air pollutants. This value came to nearly \$530,000. Third is the community cohesion benefit of people banding together to save and improve their neighborhood parks. This "know-your-neighbor" social capital, while hard to tabulate exactly, helps ward off all kinds of antisocial problems that would otherwise cost the city more in police, fire, prison, counseling, and rehabilitation costs. We estimate this value at just over \$9.5 million.

The park system of Seattle thus has provided the city with annual revenue of \$19.2 million, a municipal cost savings of \$12.4 million, a resident savings of \$511.6 million, and a collective increase of resident wealth of \$110.8 million.

To read the entire report, see <http://c232.r32.cf2.rackcdn.com/ccpe-seattle-park-benefits-report.pdf>

Verbal Briefing/Board Discussion

Mr. Friedli introduced himself and gave an overview of information in the report. He noted that the Trust for Public Lands has previously prepared studies for the cities of Denver, Colorado, and Charlotte, North Carolina. He next reviewed the report's summary and conclusions.

Board Discussion

Responding to a question from Commissioner Ramels on who commissioned the report, Acting Deputy Superintendent Friedli responded that Seattle Parks Department paid \$40,000 and Seattle Parks Foundation \$5,000. Commissioner Barber believes the number of volunteer hours may be understated. Commissioner Kincaid wants brisk walking to be recognized as a health benefit.

Commissioner Ramels asked what the Department will do with the information. Acting Deputy Superintendent Friedli replied that Parks staff will use these figures when talking with City Council. This report states that the parks have financial value to the city, including increased property value of homes near parks and health. There is healthcare savings when people are active and the parks provide a free/low-cost way to be active.

Acting Superintendent Williams added the information is helpful in determining what Seattleites would have to pay for the services that its parks provide, if they parks weren't available. Previously, there hasn't been adequate information about this value to share with City Council.

Commissioner Holme suggested that Parks staff develop a formal position paper on the report, including how the information will be used. Commissioner Kincaid believes there are three main themes on the value of parks to discuss with City Council: 1) excise tax; 2) health benefits; and 3) the parks direct values. She noted that

many areas of the country are now charging for access to parks. Commissioner Ramels is bothered to by this concept and doesn't want people charged to go into public parks.

Commissioner thanked Mr. Friedli for the update.

Briefing: "Sustaining Seattle's Parks" Report

Thatcher Bailey, Seattle Parks Foundation Executive Director, next briefed the Board on the "*Sustaining Seattle's Parks: A Study of Alternative Strategies to Support Operations and Maintenance of a Great Urban Parks System*" report, commissioned by the Foundation and seven partner organizations. To listen to the presentation, see <http://www.seattlechannel.org/videos/video.asp?ID=4814> and move cursor to position 30.40. Prior to the meeting, Commissioners received a copy of the report, with the Executive Summary included below, as well as an online survey.

Written Information – Introduction

The following information is from the Seattle Parks Foundation's web site:

Seattleites love their parks, trails and green spaces. But our parks lack a consistent, sustainable source of funds to pay for operations, maintenance, rehabilitation, and repair, and the Parks budget is one of the first to be cut when funds are limited. Seattle Department of Parks and Recreation now faces a \$25 million shortfall in the annual cost of operating and maintaining the existing parks system. In addition, there is a backlog of major maintenance projects - such as roof replacements, seismic upgrades and forest restoration - already exceeding \$200 million.

The impacts are seen and felt by all of us today: recreational programs have been eliminated, trash cans are overflowing, weeds are taking over, restrooms are closed, and community center hours are restricted. And because of underlying structural problems with the city budget, the problem will only worsen over time if left unaddressed.

The Seattle Parks Foundation and our partners realize the vital importance of coming together to solve this problem. The report Sustaining Seattle's Parks: A Study of Alternative Strategies to Support Operations and Maintenance of a Great Urban Parks System, prepared for Seattle Parks Foundation and seven nonprofit partners, identifies the problems facing Seattle's Parks and outlines a range of potential solutions based on a nationwide review of best practices. Finding the right mix of solutions for our parks relies on a broad community dialogue.

Written Briefing

Executive Summary

The Seattle Parks and Recreation system continues to enjoy strong public support as demonstrated by the passage of a series of voter-approved tax levies that have provided the resources to expand the system. Yet it lacks a consistent, sustainable source of funds to pay for operations, maintenance, rehabilitation and repair. While most elected officials understand the importance of parks to the city's livability, when funding decisions are being made and resources are limited, their priorities are elsewhere. In the absence of a dedicated funding mechanism, the city government is unable to meet the public's expectations that the city's parks and recreation centers will be well maintained and operating at full capacity.

This Parks Funding Study is intended to explore potential solutions to that challenge. The study analyzes the reasons for the chronic shortfall, explores potential solutions that are being tested through the nation in other urban settings with similar challenges, and identifies those solutions that hold the most promise for Seattle.

The Challenge

Since 1991 voters have approved four separate tax measures totaling nearly \$00 million for the City's parks and recreation centers. However, this high level of voter support for expanding the parks system has not translated into a concomitant level of funding for ongoing operations, maintenance, and repair. The Pro parks Levy in 2000 was the only recent ballot measure that included funds to pay the operating and maintenance costs associated with Levy-funded projects, and that funding expired in 2008.

In absence of a dedicated fund source for operations and maintenance, these needs must be met through the City's operating budget. Competition for resources within that budget process has become more intense in recent years for several reasons:

- a.) The city's ability to raise revenues is constrained by State law;
- b.) The city's limited revenue sources have been capped by state voter initiatives;
- c.) The city is stretching its budget to take on new responsibilities as federal and state resources diminish for needs such as housing and transportation;
- d.) The City's limited revenue sources are highly volatile and have slumped badly in the most recent recession; and
- e.) The cost of taking care of new parks and facilities makes the gap larger.

The report examines how each of these factors contributes to the funding crisis now facing the parks system.

In summary, the Department now faces a \$25 million shortfall in the annual cost of operating and maintaining the existing parks system. In addition, the Department has a backlog of major maintenance projects, such as roof replacements, seismic upgrade, and forest restoration that already exceeds \$200 million. The Department has increased its reliance on user fees, commercial and nonprofit partnerships, and volunteers to meet the demands of an ever-growing system. In fact, since 1968 as a percentage of the Department's budget, user fees and charges have doubled from 13% to over 26% while General Fund support has decreased from 50% to 35%. And, although the City's annual budget includes the cost of operating and maintaining new parks as they come on line, annual budget reductions from the system as a whole result in a net loss to the Department's ability to meet expenses. For example, from 1999 to 2010 the City provided \$8.2 million dollars to pay for the costs of adding new facilities, while cutting the Department's basic budget by \$13.8 million. Moreover, funding for major maintenance also has declined significantly during the most recent recession, from over \$20 million per biennium to \$11 million.

State and National Context

The Federal Government is facing record deficits and has cut back its support to urban communities in the past three decades. During the same period, voters in many states have passed initiatives to limit the amount of taxes states and local governments can collect, causing most state governments to devolve responsibility to local governments. Fortunately, many state legislatures are granting local government's home rule or the authority to create special districts to fund public services.

Seattle's parks system is not alone in facing an increasingly dire budget crisis. Virtually all parks systems in large urban cities face similar challenges. For example, according to the organization New Yorkers for Parks: *"While the city (NY) has undertaken an enormous citywide park-building campaign...maintenance funding for the New York City Parks Department, when adjusted for inflation, is less than it was in 1986."*

Baltimore parks have suffered a 30% reduction in funding. States are closing state parks, and cities are closing pools and turning over recreation centers to nonprofits.

Like Seattle, many cities across the nation have found public financial support to expand their parks systems, while struggling to find funding for operations and maintenance. Since 1988, states and communities nationwide have approved 2,263 conservation financing measures that have generated more than 454 billion

for local parks, greenways and natural areas. However, nearly all of that funding was for acquiring land and building new parks, rather than major maintenance or repair.

Cities are facing the challenge of maintaining their parks systems in a variety of ways: many are increasing fees or adding commercial uses in parks; others are tapping the value added to adjacent property and businesses by using innovative financing tools such as tax increment financing and business improvement districts; some are creating new taxing districts to acquire, develop, operate and maintain either an entire parks system or a portion of that system; many cities are turning to philanthropy by creating foundations or conservancies. This report explores many of these more innovative strategies, and explores their viability in Seattle.

Options for Seattle to Consider

The report identifies a number of potential strategies that should be considered to secure sustainable funding to operate, maintain and repair Seattle's parks and recreation facilities, and organizes them in three categories:

- a) Strategies that are wise and necessary under any scenario, including:
- Identifying a strategy to fund operations and maintenance for each project before construction;
 - Implementing cost saving efficiencies and conservation measures;
 - Continuing to adjust fees and charges and explore adding more commercial activity in parks;
 - Developing new partnerships with nonprofits;
 - Increasing the use of volunteers;
 - Advocating for a larger share of the City's general fund; and
 - Continuing to work with Seattle Parks Foundation to expand philanthropy's role in supporting the parks system.

Our research revealed that Seattle is already regarded as a pioneer in implementing many of these strategies, and while more can be done in these areas, the gains will not be sufficient to reliably meet the overall needs of an expanding system.

- b) Strategies that can be successfully implemented to offset the cost of specific parks programs or park facilities including:
- Establishing new special districts within the City such as business improvement areas, local improvement districts or tax increment financing districts;
 - Implementing development impact fees;
 - Offering zoning incentives to developers;
 - Creating public development authorities or park specific conservancies;
 - Tapping other project mitigation fees when utilities or other agencies use park land; and
 - Tapping utility funding to pay for the benefits park lands in an urban setting provide in terms of drainage, water quality, etc.

These strategies can be considered for specific parks or a limited group of parks, but most are better suited to fund capital development than ongoing maintenance and operations.

- c) Strategies that could be significant and reliable sources of new funding for the system as a whole:
- Working with the legislature to address the underlying structural problems created by the state-wide "Eyman" initiatives through home rule;
 - Going to the voters with special purpose levies (e.g., 2008 Parks and Green Spaces Levy, the 2000 Parks for All Levy, the recurring Families and Education Levy); and
 - Creating a Metropolitan Parks District to bring a new increment of revenue to the City that is dedicated to parks.

To secure adequate and sustainable funding for the operations and maintenance of Seattle's great parks system, our community will need to implement a combination of the strategies outlined above. The City could continue to implement the strategies in Category A with renewed vigor; explore the strategies in Category B for the development, operations and maintenance of new parks; and most importantly, identify a dedicated revenue stream for parks either by securing state legislation to address the City's structural budget problems; by committing to a regular cycle of special levies for parks; or by creating a Metropolitan Park District to expand the City's tax base and provide the system with a new revenue stream that is dedicated solely to parks.

The next step in the study will be to engage the partners, other stakeholders and the public in evaluating these options, with the goal of creating a comprehensive and reliable strategy to meet Seattle's current and future needs.

Verbal Briefing/Board Discussion

Mr. Bailey introduced himself and Becca Aue, Program Manager for Seattle Parks Foundation. They presented an overview of the Study and a Powerpoint presentation (below.) Everyone who lives in Seattle owns its parks – and they own the problems and the solutions. The Foundation is here tonight to help look for those solutions. The report is just a study and the beginning of the solutions. It contains great information and more information will be added as the process moves forward.

These partners paid for the study: Seattle Parks Foundation, Arboretum Foundation; Associated Recreation Council, Audubon Society, Cascade Land Conservancy; Seattle Aquarium; Woodland Park Zoo; and Museum of History and Industry. The 12-page Powerpoint presentation follows:

Powerpoint



Seattle's people love their parks, and they prove it at the polls:



- Voters have approved levies for parks and recreation centers in 1991, 1997, 2000, and 2008.
- In total, these measures provided \$400 million.
- Except for 2000, levy funding went to capital improvements and acquisitions, not operations and maintenance.

2

People *everywhere* love parks!



- Nationwide, 87 parks and open space ballot measures were on the ballot in 2008.
- 71% passed.
- These measures generated \$8.4 billion.
- Nearly all were for buying land and building parks, not for operations and maintenance.

3

Parks and the Wealth of Cities



Recent studies prove that parks:

- Increase the value of surrounding properties
- Generate higher lease and rental rates
- Create tax revenue

...when they are in good condition!

4

Future Demand for Parks will be driven by:

- Growing population
- Increasing density
- Public health issues
- Special opportunities



5

The Challenge

Seattle's parks and recreation system lacks a sustainable funding source for operations, maintenance and repair.

- Seattle Parks Dept. faces a \$25 million shortfall in annual costs of operating and maintaining the existing system.
- There is a \$200 million backlog of maintenance and repair projects (based on conservative estimates)
- Additional cuts are likely



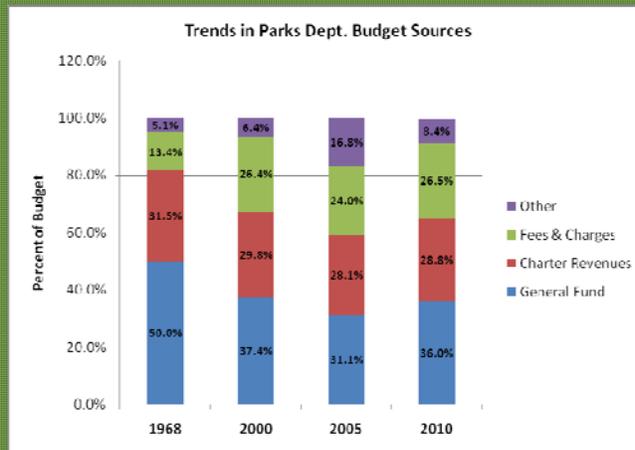
6

WHY?

1. City's ability to raise revenue is constrained by state law.
2. State voters have passed tax limits that Seattle voters opposed (I-747, etc.)
3. Fierce competition from police, fire, libraries etc.
4. Traditional federal and state responsibilities have been shifted to local government (housing, human services.)
5. The City relies upon volatile revenue sources that have suffered in the recession.
6. The new parks funded by the voters make the maintenance gap larger.

7

In the light of these pressures, fees and charges have increased as a percentage of the Parks Department budget.



8

Are other cities facing the same challenge?

- 87% of major urban parks directors say funding for operations and maintenance is a “significant”, “major”, or “huge” challenge.
- Operations and maintenance are seen as a more serious challenge than capital funding by a 3-1 margin.

9

Many cities are trying new strategies to meet the funding challenge

- Capture part of the economic value parks provide
- Tap into and leverage community goodwill and love of parks



10

Moving Towards Sustainability...



Three Categories of Solutions:

1. Strategies that are wise and necessary, but not sufficient.
2. Strategies that can offset costs for specific parks.
3. Strategies that could provide significant new funding for the *system*.

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Wise and Necessary

- Identify ways to finance O&M as part of the capital financing of new projects.
- Savings through efficiencies and innovations.
- Compete for a larger share of the general fund.



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Wise and Necessary

- Recover a larger share of costs through fees, charges, and concessions.
- Expand community partnerships to operate programs.
- Expand volunteer programs
- Expand philanthropy's role in the parks system.



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Strategies for *specific parks*



- Create special assessment districts
 - Local improvement districts (LIDs)
 - Business improvement districts (BIDs)
 - Tax increment financing districts (TIFs)
- Establish development impact fees

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Strategies for *specific parks*



- Create zoning incentives.
- Create a public development authority.
- Tap utility and project mitigation funding.

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Strategies that create new resources for the *system as a whole*

- Work with the State Legislature to exempt Seattle from the initiatives restricting local governments' ability to raise taxes through "home rule"
- Submit special-purpose levies to the voters that include O and M for the park system
- Create a Metropolitan Park District

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This is a community-owned problem, and will require participation by ALL in the solution!



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Several months of public outreach to:

- Educate people about the dimensions of the problem
- Point out the many strategies already being implemented
- Showcase effective strategies other cities are using
- Determine where popular support and opposition lie in relation to proposed strategies
- Identify key opportunities



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Outreach Strategies:

- Website (www.seattleparksfoundation.org)
 - Download the full report
 - Link to a community survey
- Community survey
- List-serves, blogs and social media sites
- Stakeholder group newsletters
- Stakeholder interviews
- Roundtable discussions
- Community presentations
- Professional public opinion polling
- Public event(s)?

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Highlighted Survey Findings:

Use of Seattle Parks:

- Most people are using parks several times a week
- Most common uses are walking and running on trails, strolling, taking in the view, and children's play areas
- Least common uses are community center facilities and programs, leash-free areas, tennis courts and wading pools



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Board Discussion

Responding to a question from Acting Superintendent Williams, Mr. Bailey stated that the online survey is asking participants to suggest ideas they have to help with the park system's funding. Commissioner Ramels is very pleased the Foundation and its seven partners have taken the lead in this study. It is a great report and has new and exciting information. Ms. Aue responded that many people have been calling the Foundation asking how they can help and she believes this effort will generate many more volunteers to help the Parks Department. Commissioner Kinkaid believes this is the most important work the Board will be involved in and thanked the Foundation and its partners for taking the lead in this. She appreciates that the study included a background on how the park system came to its current financial crisis — it is important for the public to understand the history.

Commissioner Holme agreed on the importance of this study. This effort is being driven by the private sector and not by the Department. A next step is to determine the Department and Board's next steps. The Park Board would like to hear that the Foundation's seven partners agree with the report finding and hear how they see this effort go forward in the most effective manner, then open the process up to the public. He is adamant that the study and ensuing process have public meetings and public hearings to gather public input, then the Park Board could, under the condition the study's sponsoring group agrees, take the lead on a public process. He wants at least two Park Board commissioners on the committee overseeing the process.

Mr. Bailey asked for more consideration of the best way to engage the Park Board, as well as what the process would look like with the Park Board taking the lead. He would like groups all over the city to be engaged and help take the lead on this. Commissioner Ramels believes the study should be vetted to the public and open houses held — before any public hearings are scheduled. She added this process may eventually require lobbying and the City's facilities and staff cannot be involved in lobbying, making it problematic for the Park Board to lead the effort. Commissioner Kincaid commented that public outreach and transparency are essential

to the success of this effort, the Park Board should play an important role, public outreach should begin right away, and suggested Seattle Channel be utilized to help with this. Responding to a question from Commissioner Barber on how the public can best understand the history and various proposals, Mr. Bailey answered that the public meetings will have content experts present to answer questions. Commissioner Barber urged that the Parks Foundation should hold some panel discussions that feature different viewpoints or opinions about the options for augmenting Parks resources in the future. Commissioner Ramels suggested that the goals first be established to help develop the steps to reach that goal.

Acting Superintendent Williams added that the Park Board will definitely have a role before any recommendations are made. However, Seattle Parks Department did not commission this study and he does not want the appearance of the Department being self-serving by its advisory Board of Park commissioners taking the lead. Ms. Aue suggested that the Park Board help tell the story and get the word out. The right balance must be found in the leadership role. Commissioner Holme responded that the Board is advisory to the Department and can also make recommendations to the mayor and Seattle City Council.

Mr. Bailey noted that philanthropy is one way to help meet the needs of Seattle's parks but more effective ways to tap into this source must be developed.

The Board thanked Mr. Bailey and Ms. Aue for the excellent work on this study and the presentation. Seattle Parks Foundation will attend a future Park Board meeting to give an update.

Old/New Business

Supplemental Downtown Park Use Guidelines: Commissioner Barber reported he visited Victor Steinbrueck Park [one of the Downtown parks affected by the Use Guidelines] recently on a Saturday evening and it was full of visitors.

Community Council Advisory Committee: Commissioners Ramels and Kincaid represent the Park Board on this committee. Commissioner Ramels reported that the next meeting will focus on what other jurisdictions are doing with community centers in the face of shrinking municipal budgets.

Seattle Parks' Outreach: Commissioner Holme requested that (1) the Department keep the John C. Little award information posted on its main web page for at least one month; and (2) the Park dedication dates have their own list on the website.

He also requested that the Department's communications staff better message the fact that the most recent Park Levies did not cause the current budget crisis. While it is true that the Parks for All Levy does not include funding for maintenance, in the context of the current budget shortfall, the Levy's capital projects are very minor contributors to the larger fiscal structural problem facing the City and Parks Department. The media is mistakenly focusing on the levies as a primary cause of the budget problems the Parks Department is facing. Commissioner Kincaid asked if the Board should write an opinion-editorial to get the message to a broader audience. Acting Superintendent Williams agreed with this approach. Commissioners will discuss the suggestion further at an upcoming meeting.

There being no other new business, the meeting adjourned at 9:30 p.m.

APPROVED: _____

Terry Holme, Chair
Board of Park Commissioners

DATE _____