



MEMORANDUM

Date: October 2, 2015
To: Park District Oversight Committee
From: Michael Shiosaki, Planning and Development Division Director, 4-0750
David Graves, Strategic Advisor, 4-7048
Subject: Major Projects Challenge Fund

Abstract

Investment Initiative Title and Reference Number: 4.2 – Major Projects Challenge Fund

Scope: This fund could support improvement(s) to parks and/or park facilities city-wide

Schedule: Funding becomes available in 2016; the first award could take place in the 3rd Quarter of 2016 in small increments to fund planning and outreach, design and permitting work in advance of any construction funding.

Budget: \$1.6 Million per year

Requested Committee Action

At the District Oversight Committee (DOC) Meeting on September 8th, Seattle Parks and Recreation (SPR) staff presented draft criteria and outlined a process whereby staff would solicit input from the public to identify potential projects that could be funded by the Major Projects Challenge Fund. Based on discussion with the DOC at the meeting on the 8th, it became clear that a better way to begin the process may be to have SPR identify potential projects based on staff's knowledge of facilities and conditions (attached) and then work with communities to find partners for projects, paying special attention to underserved and underrepresented communities. The DOC was also wanted to get past just the criteria and see how these criteria might be scored and weighted. Attached is draft scoring and weighting of the criteria.

To that end, SPR has adjusted our approach to initiating the funding process. Rather than going to community groups with a blank slate, SPR staff has generated a list of potential projects and will seek community partners with which to pursue funding to move a project or projects forward. Some of the identified projects may already have a potential partner or partners and some may not. There could be a range of funding in 2016, from relatively small increments (\$20-50,000) for planning and outreach, design and permitting to construction funding, depending on project readiness.

SPR staff requests the committee's review and input on this updated approach and scoring and your recommendation to move forward with the process outlined below to award funding in relatively small increments (\$20-50,000) in 2016 for planning and outreach, design and permitting. Staff does acknowledge that there could be a project that is ready for construction funding in 2016 and wishes to

retain the flexibility to recommend awarding a larger amount for construction. Any project that receives funding in 2016 would be expected to meet the criteria and the scoring would be a way to prioritize the projects and funding.

Staff Recommendation (if applicable)

Again, based on our discussions on the 8th, SPR staff recommends using the previously presented draft criteria and attached scoring as the basis for screening any requests for funding to be awarded in 2016.

Investment Initiative Description and Background

During our discussions on September 8th, questions were asked regarding SPR's knowledge of potential projects and what would qualify as a "major project", and about scoring and weighting of criteria. In response to the DOC's questions:

- SPR staff has generated an initial list of potential list of sites and/or facilities in need of improvement that may be eligible for funding. Some facilities have established groups of advocate(s) that SPR could partner with and some have even started to seek matching funds. Others have no identified group.
- "Major Project" remains a somewhat nebulous term but ideally it would be a significant upgrade, improvement or expansion of an existing facility beyond routine maintenance, i.e., replacement of a boiler or roof system wouldn't qualify. Dollar wise, the project should be in excess of \$2 million. SPR staff will present recent project examples to give the DOC a sense of what a "major" project might look like, both in budget and in scale.
- Finally, regarding scoring and weighting of the criteria, SPR staff has prepared a scoring sheet based on the draft criteria discussed on the 8th in response to questions from the DOC. Included with the scoring is an Equitable Prioritization matrix which looks to census data on age, poverty level and other factors to help identify underserved and underrepresented populations within the City.

The timeline previously discussed is still the intended plan for rolling out the Major Projects Challenge Fund in 2016:

Major Project Challenge Fund – Proposed Timeline

- **July – September 2015** – Development of Draft Process and Criteria
- **August 2015** – Presentation to Division Directors
- **September 8, 2015** – Presentation to District Oversight Committee
 - Draft Screening Criteria
 - Strategy for 2016
- **October 13, 2015** – Presentation to District Oversight Committee
 - Review initial potential project list and finalize screening criteria and strategy for 2016.
- **September – December 2015** - Staff Development of outreach strategy and On-line materials
- **January – March 2016** – Public Outreach (may include workshops or information sessions for potential proposals)
- **March 2016 – Proposal Letters Due**

- **April – May 2016** – Staff review of applications
- **June 2016** – District Oversight Committee review and recommendation to Superintendent
- **July 2016** – Funds awarded to project. Projects will be managed by SPR.

To support the initial effort to launch fund, SPR would like to target \$300K in 2016 for planning and design funding, including \$100K for staff support to help applicant(s) get projects ready to submit for funding and identify matching dollars. The remaining \$1.3 million could be available if there is a construction ready project that meets the criteria or it could be rolled over to subsequent years. Any project that receives funding in 2016 would be expected to meet the previously presented criteria and the scoring would be a way to prioritize the projects and funding.

In 2017 and beyond, the fund would be focused more on construction of an identified project or projects which met the criteria and scored such that they were recommended for funding. The DOC's work in 2016 would focus on reviewing and making recommendations on funding requests.

Key Issues

The key issues of outreach and equity remain as noted in our previous briefing.

Inclusive Outreach and Public Engagement Strategies or Implication

As noted previously, the intent is to go beyond our standard outreach and meeting format to target outreach to the traditionally underserved and underrepresented communities.

Budget and Financial Impacts

The 2016 Budget is \$1.6 million.

SPR is recommending allocating \$300K in 2016 towards the following:

- \$200K for outreach, planning and design
- \$100K for staff support to help applicant(s) get projects ready to submit for construction funding and identify matching dollars in subsequent years.

Note: the Challenge Fund is in SPR's capital budget and therefore has continuing appropriation and therefore any unspent funds in 2016 would be available for a subsequent funding cycle.

Additional Information

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Project Web address (if applicable)

Project website will be created

Attachments/References

- Potential Project List
- Major Projects Challenge Fund criteria and scoring (with attached Equitable Prioritization matrix)



Major Projects Challenge Fund

\$1,600,000 per year

Program category: Building for the Future

Anticipated Key Outcome: Renovated, expanded, or upgraded parks and park facilities, funded through a combination of City and community-generated funds

Racial Equity Outcome(s): Develop a fair and equitable criteria resulting in the implementation of an inclusive process that ensures historically underserved and underrepresented communities will have opportunities to access this fund

Current Situation: The City is often asked to provide financial support to capital development or improvement projects that focus on parks and recreation, for which there is little or no City funding available, and interested communities don't have enough funding to cover the total cost of the project.

Solution: This Challenge Fund will provide City funding to leverage community-generated funding for renovation of parks and park facilities where other City funding is unavailable.

An annual competitive application process will prioritize projects with a parks and recreation mission, public access, leveraged non-City funds, and other pertinent criteria. A portion of funding will be allocated to assist diverse communities and organizations that lack resources for a match.

The purpose of the Major Project Challenge Fund is to provide a funding match, to fund a “major project” that is not otherwise covered by an identified Seattle Parks and Recreation (SPR) fund source. While not specifically defined, it is envisioned that a “major project” is a significant improvement or renovation to an existing SPR owned site or facility. It is not necessarily a collection of small project or a simple building repair such as a new roof. Merely being expensive doesn't necessarily make it a major project – it should significantly expand the life and usability of the subject facility such that it provides more opportunities for people to make use of the facility. The initial idea was that the money would go to one project every year or one project every other year, with some amount of money available for planning and design to get a project ready for construction that might be funded in part by a subsequent funding round. As noted in the language above, “[a] portion of funding will be allocated to assist diverse communities and organizations that lack resources for a match.” However, it may be that the best use of the fund will be to support one or two significant improvement projects. Until SPR reviews the first round of requests for planning/design funding, it is hard to know. To that end, SPR would like to target

\$300K in 2016 for planning and design funding, including \$100K for staff support to help applicant(s) get projects ready to submit for construction funding and help to identify matching dollars.

Included in the process will be some key strategies to mitigate historic and current barriers preventing access and opportunities by underserved and underrepresented communities. One of the most critical components of this process will be the outreach to underserved and underrepresented communities. The second critical component will be staff support to enable these communities to effectively navigate the application process. Third will be identification of the match; some communities may have easier access to dollars with which to provide a match. Other projects may not have any match or the match could be limited to volunteer hours or other in-kind services. Being creative on the type and timing of the match will be important to ensure equity across all project proposals. Finally, providing planning and design money in advance of funding a construction project will also be an important component of this process.

The following is an outline of how the application process could work in 2016. After several months of public outreach, consistent with the City's Inclusive Outreach and Public Engagement guide, a two page letter of intent/project proposal letter would be due to SPR. The idea is to initially require just a simple description of the proposal to make it easy for an applicant to apply for the funds. SPR staff would then have the opportunity to work with the applicant to refine the project, identify potential match source(s) and determine at least a rough order of magnitude cost for the project. It is unlikely that there is any project out there that will be ready to go to construction in 2016 so the focus of next year will likely be on planning and outreach, design and permitting.

Major Project Challenge Fund – Proposed Timeline

- **July – September 2015** – Development of Draft Process and Criteria
- **August/September 2015** – Presentation to Division Directors and Parks RSJI Change Team
- **September 8, 2015** – Presentation to District Oversight Committee
 - Draft Screening Criteria
 - Strategy for 2016
- **October 13, 2015** – Presentation to District Oversight Committee
 - Finalize screening criteria and strategy for 2016
 - Present initial list of projects/facilities
- **September – December 2015** - Staff Development of outreach strategy and On-line materials
- **January – March 2016** – Public Outreach, including use of the IOPE. (may include workshops or information sessions for potential proposals)
- **March 2016 – Proposal Letters Due**
- **April – May 2016** – Staff review of applications
- **June 2016** – District Oversight Committee review and recommendation to Superintendent
- **July 2016** – Funds awarded to project. Projects will be managed by SPR.

For the actual construction funding requests, there could be a longer two-step process that could begin with a letter of intent and then follow up with a formal application for those projects that were recommended to move forward based on their letter of intent. There would be a three to four month gap between the Letter of Intent and the actual funding application submittal to afford the applicant(s), potentially working with SPR staff to refine the proposal and prepare the full application. Then SPR staff

would review the applications and make a recommendation to the District Oversight Committee as to which project(s) should be funded.

Based on all of the above, the following are the draft criteria by which SPR staff would screen the initial requests for planning and outreach, design and permitting funds.

CRITERIA

- a.** Is it on SPR owned property and/or a SPR owned facility?

Rationale: Since the funds come through the Park District, they should be spent directly on SPR property and/or an SPR owned facility. Also, SPR will manage the project.

- b.** Is it an identified capital need at a park or park facility that is lacking in funding; is it a large scale project that may be funded from a variety of public and private funding sources with a total construction cost estimated to be in excess of \$2 million? It should be a single project such as building renovation or expansion, or a facility improvement.

Rationale: There are other City funding sources such as the Neighborhood Matching funds available for smaller projects. The idea is that this funding should go to a significant project that improves or expands an existing facility. What is important is that the project be significant enough to provide long term value to the greater community.

- c.** What is the match? How does the project leverage or have the potential to leverage other resources through the actions of other public agencies, funding from public, private or philanthropic partners, and/or in-kind contributions of time and energy from citizen volunteers?

Rationale: For the actual construction phase of the project, the Major Project Challenge Fund should be leveraged with a 50% match but the match amount could be less and/or provided by other than a monetary match. Ideally, the applicant would be able to raise 50% (or more) of the project cost and the fund would fill the gap to bring the project up to 100% funding. There may be situations where there is significant community support for a project but the applicant doesn't have the resources and/or connections to provide the full 50/50 match. In those situations, this criterion is intended to be flexible in setting a target goal for a match, but not an absolute requirement. There may also be situations where the applicant is unable to identify any match. In those situations, it may be up to SPR staff to step in and help the community with the funding process. If no other funding sources are identified during the initial submittal, it will be incumbent on staff to work with the applicant on funding in advance of submitting the formal application.

For the initial phase of planning and design where SPR would make smaller amounts available in the range of \$20,000 – \$50,000 for planning and/or design work, there still should be some sort of match. The percentage and form of the match could be more flexible at this initial phase to get a project ready to apply for the larger construction amount.

- d.** Does the project demonstrate a high degree of community support or involvement as demonstrated through a public review process and/or is the project consistent with approved plans, such as a neighborhood, community council or other recent planning documents?

Rationale: We are looking to fill an established/identified need at a particular facility. Ideally the project would have been previously identified in some prior planning work done by Parks or another government agency, or the community through a community process. A newly identified need/project could be considered, but the proposal will likely have more support if the project fills a long standing gap/need.

- e.** Does the project serve an underserved community?

Rationale: Parks has a commitment to racial equity and social justice. This funding is an opportunity to target improvement(s) to SPR facilities in underserved communities where there is an identified need but no or limited funding sources. These areas deserve special consideration if our goal is to provide equal access to all. SPR staff will be working to ensure that all communities are aware of this funding program and are provided the resources necessary to identify projects and prepare a competitive application. SPR staff will work with underserved communities during the initial application stage to establish a recommended match that will be vetted by the oversight committee. The match could be other funding source(s) or something else such as donated services.

- f.** Does the proposal restore or significantly extend the life of a current park or facility?

Rationale: In keeping with the “fix it first” mantra of the Park District, we are looking for projects that make improvements to existing facilities. The purpose of this challenge funding is not to undertake new capital projects but to make improvements to or expansion of existing parks or facilities.

- g.** What potential effects does the project have on the City’s maintenance and operating costs?

Rationale: We will want to see how the proposed improvement/expansion impacts our maintenance and operating costs at the subject facility. Part of the review of any proposal will be SPR staff determination of potential added facility costs. SPR staff is better suited than any awardee to undertake this detailed analysis and it should be part of the proposal/application review. That said, the initial funding request should include a rough order of magnitude of the additional maintenance and operating costs of an improved/expanded facility; i.e., what are existing costs and what are costs anticipated to be with the expanded or renovated facility. These costs could shift as a design evolves and thus just serve as a baseline in reviewing any proposed application.

- h.** What is the overall benefit of the project to the community?

Rationale: We will want to see the project and hence the expenditure benefit as many people as possible.

Based on the above, see the attached matrix for potential scoring of the criteria.

Post-award and assessment of process: Parks staff will assess the first year of the process and evaluate whether or not the key outcomes have been achieved, propose changes and modifications to the criteria and process as appropriate and present a summary report to the Parks District Oversight Committee.

DRAFT

Attachment A: Major Projects Challenge Fund – **DRAFT** Scoring

Criteria	Possible Points	Score	Rationale
a. Is it an SPR owned facility	0	Yes/No	Must be yes to qualify for funding
b. Is it an identified capital need at a park or park facility that is lacking in funding; is it a large scale project that may be funded from a variety of public and private funding sources with a total construction cost estimated to be in excess of \$2 million?	0	Yes/No	Must be yes to qualify for funding
c. Match	10-30		30% match = 10 points 50% match = 20 points 70% match = 30 points
d. Community Support	20		<p>High (20 pts): The project is consistent with a Parks Approved Plan or other recent Parks Planning Documents such as Vegetation Management Plans, 2011 Parks Development Plan, Neighborhood Matching Fund Plan.</p> <p>Medium (14 pts): The project is identified in the City of Seattle Comprehensive Plan or in a Plan adopted by the City Council such as the North Downtown Park Plan, Ballard Open Space Plan, or Livable South Downtown Planning Study.</p> <p>Low (7 pts): The project has demonstrated a high degree of neighborhood support or involvement as demonstrated through a public review process such as Letters of support from: Neighborhood or Community Council, District council or other organization representing a neighborhood that is recognized by the City's Department of Neighborhoods.</p> <p>Zero (0 pts): The project is not consistent with any approved plans and has no documented neighborhood</p>

Criteria	Possible Points	Score	Rationale
e. Located in an underserved and/or under represented community	30		<p>support.</p> <p>High (30 pts): Scores 7-8 on the Equitable Prioritization Criteria.</p> <p>Medium (20 pts): Scores 4-6 on the Equitable Prioritization Criteria.</p> <p>Low (10 pts): Scores 1-3 on the Equitable Prioritization Criteria.</p> <p>Zero (0 pts): Scores 0 or below on the Equitable Prioritization Criteria.</p>
f. Restoration or significantly extend the life of a current park or facility	10		<p>High (10 pts): The project repairs, replaces or upgrades aging infrastructure or facilities, extending their life at least 20 years.</p> <p>Medium (7 pts): The project repairs, replaces or upgrades aging infrastructure or facilities, extending their life at least 10 years.</p> <p>Low (3 pts): The project repairs, replaces or upgrades aging infrastructure or facilities, extending their life at least 3 years.</p> <p>Zero (0 pts) : No Restoration or no extension of life of current park or facility</p>
g. Reduce maintenance and operation costs	10		<p>High (10 pts): No net increase in the City’s maintenance and operating costs.</p> <p>Medium (7 pts): The project increases the City’s maintenance and operating costs and a Business, non-profit or existing approved community group has agreed to take on all maintenance responsibilities for a period of at least 5 years.</p> <p>Low (3 pts): The project has minor increase to the City’s maintenance and operating costs and a Business, non-profit or existing approved community group has agreed to take on some</p>

Criteria	Possible Points	Score	Rationale
			<p>maintenance responsibilities for a period of at least 5 years with a net result being reduction of maintenance costs for the Department.</p> <p>Zero (0 pts): The project will significantly increase Maintenance and Operating Costs.</p>
h. Community benefit	20		<p>Projects which will be used by the greater community and not just a limited audience will score higher.</p> <p>Excellent (20 pts), Very Good (17 pts), Good (14 pts), Adequate (10 pts), Questionable (6 pts), Unacceptable (0 pts)</p> <ul style="list-style-type: none"> • Project includes meaningful effort to create community participation. • Clear community partnerships and support. • Reaches diverse audience. • Demonstrates significant impact for community served. (Cultural, Economic, Educational...etc.) • Evidence that the facility is well used by the community.
Maximum points	120		

Attachment C: Potential Major Projects Ideas

Facility	Details
Madrona Bathhouse (Spectrum Dance)	ADA and overall renovation.
Pratt Park Building	Major renovations needed for the Parks-owned facility.
Green Lake Bathhouse Theater	ADA and overall renovation (does not need a new roof)
Rainier Beach Urban Farm and Wetlands	Completion of the conversion from SPR nursery to urban farm.
Volunteer Park Bandshell	Demolition of existing bandshell and construction of improved facility in the same location.
Olmsted Parks Landscape Renovation	Lower Woodland Park could use landscape renovations, including the picnic shelters. Olmsted Park Trust fundraising possibility.
Green Lake Rowing and Sailing	Expansion of the existing facility
Kubota Garden Comfort Station and other improvements	Improvements including restrooms and ADA.
Japanese Garden Improvements	Improve the pond, steep hillside, new paths. (Implement the business plan.)
Volunteer Park Conservatory Cottage	Renovate the cottage.
Volunteer Park Conservatory Events Space	Implement the Business Plan, with a permanent building.
Camp Long Renovations	Renovate the cabins for year round use, paths and other ADA, and main lodge upgrades for energy efficiency.
Magnuson Park Building Renovations	#18 (Fire House) TI improvements and #2 (Hangar), south end, all renovated.
West Point Lighthouse Renovation	Complete the renovation and reuse for weddings, etc.
Duwamish Improvements	Many projects and could have 2-3 partners.
Amy Yee Tennis Center Expansion	Includes covering 4 outdoor courts or demolishing and replacing existing center with a larger building.
Garden Improvements/Renovations at the Arboretum	
Field Development at Magnuson Park	