

DRAFT ISTHMUS PARK FUNDING CONSTRAINTS MATRIX (5/15/2014)

The City acquired two parcels on the Isthmus on June 14, 2013 for \$3,280,655.57. The purpose of this table is to identify the funding sources, amounts, and the conditions and restrictions inherent to each funding source.

Funding Source	Amount Received	Match Amount	Funding Conditions	Restrictions	Consequences if the property is not used as a park (conversion).
Park Impact Fees	\$903,647	N/A	Spending authority is granted through Council approval of the annual capital budget. Funds collected must be spent within 10 years of collection.	Park impact fees are collected for three park classifications; Community Parks, Neighborhood Parks, and Open Space. Isthmus park is classified as a Community Park; as such only Community Park impact fees may be spent on it. <u>Park impact fees can only be spent on projects that create new recreational opportunities or increased recreational capacity.</u>	Return funds to Community Park CFP Impact fee account, or re-invest in other community park acquisition or development projects.
Recreation Conservation Office Grant (Grant approved 11/1/13)	\$199,348	\$2,800,652	Upon signing the grant contract, “Sponsor will complete demolition of all structures and the development of a city park on the acquired property no later than 10/31/2018. If all demolition and development of the site is not completed by 10/31/2018, then RCO will consider this inaction a conversion of use and requirements per section 23 of this contract will be invoked and the sponsor will be required to complete a conversion of the acquired property.”	RCO Allowable Uses Framework: “RCO grants are intended to support Washington State’s habitat, outdoor recreation, and salmon habitat resources. Uses of project sites must have no overall impairment to the habitat conservation, outdoor recreation, or salmon habitat resources funded by RCO. To be in compliance with the grant, uses of grant-assisted project sites must be either: A. Identified in the project agreement; OR B. Allowed by RCO policy; OR C. Approved by RCO or the funding board.” The project agreement includes the following project description: “The City of Olympia Parks, Arts and Recreation Department will use this grant to acquire approximately 2.34 acres of property in downtown Olympia, Washington to develop a city park. By acquiring these parcels, the City of Olympia will expand its downtown recreation opportunities, preserve expansive views of the State Capitol Building and Capitol Lake, and provide key connections to surrounding park properties and trails. The primary recreation opportunity provided by the project will be expansion of city park facilities for public recreation and leisure.” For more information on the RCO Allowable Uses Framework, see the attached information from RCO Manual #3 – Acquisition Projects.	If it is determined by the RCO that a conversion of use has occurred, the City must replace the property with a <u>new</u> parcel of equal appraised value and of equal recreation utility. Conversions are a formal process and are approved by the Recreation Conservation Funding Board. For more information regarding the RCO Conversion Policy, see the attached information from RCO Manual #7- Long-Term Obligations.
Thurston Co. Conservation Futures Grant (Grant approved 7/5/11)	\$600,000	None	“ The Board established conditions for your receipt of these funds: that the Foundation acquires and additional \$1 million within 12 months of the date of this letter (7/13/2011), and the remaining funds for Phase 1 (approximately \$3 million) within 24 months.”	Requires additional research at County regarding restrictions.	Requires additional research at County regarding conversion requirements.
SEPA Park Mitigation Fees	\$113,537	N/A	Spending authority is granted through Council approval of the annual capital budget. SEPA mitigation fees are assigned by Thurston County SEPA official.	These fees are based upon a SEPA Fee Analysis for residential subdivisions exceeding 9 lots located in Olympia’s Urban Growth Area. SEPA mitigation fees are collected for three park classifications; Community Parks, Neighborhood Parks, and Open Space. In the case of Neighborhood Parks, SEPA fee assessments are further refined to north, south and west sub-areas. Isthmus park is classified as a Community Park; as such only Community Park SEPA mitigation fees may be spent on it. <u>SEPA mitigation fees can only be spent on projects that reduce the impact of residential development on existing parks.</u>	Return funds to Community Park CFP SEPA Mitigation Fee account, or re-invest in other community park acquisition or development projects.
Voted Utility Tax	\$1,205,816	N/A	Voter-approved funds are to be spent on land acquisition and development of new parks as well as maintenance of parks. Projects are limited to the scope of the ballot language.	Ballot language: “ <u>The Olympia City Council adopted an ordinance to increase the tax on telephone, electrical and natural gas business, for the purpose of funding wildlife habitat, natural areas, open space, parks and trails and recreation-related sidewalks. This ballot measure would allow the City of Olympia to protect and preserve wildlife habitat, natural areas and open space; acquire develop and maintain waterfront, neighborhood, community and special use parks and playgrounds; and construct and improve hiking, biking and walking trails and recreation-related sidewalks by increasing the tax on telephone, electrical and natural gas business by three percent, all subject to review and recommendation by City Council appointed citizen advisory committees.</u> ”	Return funds to CFP Voted Utility Tax account or reallocate funds to another similar project.
CIP General Funds	\$540,900	N/A	Funding approved by City Council through the annual Capital Facilities Plan.	CIP General Funds are appropriated by ordinance by the City Council.	None.