



TO: Olympia City Council

FROM: Jim Cooper, Chair, Finance Committee

DATE: July 16, 2015

SUBJECT: Questions from July 7, 2015 City Council Meeting

1. Clarify the role of MPD Advisory Committee and its relationship to PRAC
 - a. The MPD Advisory Committee will work closely with PRAC.
 - b. Chair of PRAC could be one of five members of MPD Advisory Board.
 - c. The MPD Advisory Committee focus is primarily on use of MPD funds and strategies to reach acquisition targets.
 - d. PRAC will continue broader oversight of Parks, Arts, and Recreation policy, priorities, and funding.
 - e. The MPD Advisory Committee could meet as needed to do its work.
 - f. The City's General Government Committee could develop a more specific proposed Charter in 2016 for the MPD Board review, including areas of responsibility, member selection criteria, and regular reporting plans to PRAC, City Council, and MPD Board.
2. The ILA puts limits on Council discretion related to future funding priorities
 - a. City Council pledges to make good faith effort to reach 500-acre goal with early emphasis on "at-risk" acquisition.
 - b. "Exigent financial circumstances" still gives Council flexibility and creates sincere commitment to meet 2004 voter intent.
3. The City should complete the Parks Plan first
 - a. We have a good sense of the priorities from eight neighborhood meetings, the Elway survey, months of citizen input, and Oly Speaks.
 - b. The big six priorities are clear. The public process also demonstrated a public desire to focus on acquisition of properties that are at risk first, then come back to development projects in the future. The work of the MPD Board, PRAC, and the MPD Advisory Committee in 2016 will be to advise the City Council on priorities for use of MPD funds.
 - c. Citizen support for maintenance dollars, major repairs and development of park sites is also clear. Without new revenues, none of these goals or priorities is adequately met.
 - d. An increased revenue base for parks will allow for adoption of a more complete Parks Plan, and will also give a high level of confidence to the City's ability to achieve the goals established by the community.
 - e. Timing for a public decision on more parks funding is good. Lots of momentum from the Parks Plan outreach, LBA campaign, work of Capital Vista and others. The economy is strong.

4. What does the Parks Plan look like with or without MPD dollars?
 - a. A Parks Plan without new revenue results in little or no property acquisition until after the bonds are paid off in 2017, and likely reduction in maintenance levels or park closures is likely in the future.
 - b. While we don't have all the specifics on acquisition priorities, we do have a list of major repair needs via our asset management work.
 - c. With MPD funds we could issue up to \$21-25 million in new bonds by July 2016.

5. The City has an over reliance on property tax.
 - a. In terms of overall rate per \$1,000, Olympia ranks #113 in the State.
 - b. Our base tax consists of only two pieces:
 - i. Base levy rate \$2.3978 (includes \$.25 for firefighter levy)
 - ii. Voted excess (retires in 2029) \$.21
 - c. The City is actually over reliant on sales tax – 29%
 - d. Sales tax is very regressive, while property tax is one of the least regressive revenue options for cities.