

QUESTIONS AND ANSWERS CONCERNING METROPOLITAN PARKS DISTRICT

Current level funding of parks –

If we're to keep current level funding of parks and implement an MPD how does this fix our general fund budget?

The current MPD proposal is not designed to solve every general fund problem. By providing more funding for parks, it relieves pressure on the general fund to meet parks needs. And the MPD can stabilize funding for parks for the future and provide the resources needed to expand the park system at a level consistent with growth and recent community input.

Are you really saying that current level resources will remain the same even with new MPD revenue?

Proportionately yes, the current proposal maintains existing funding levels for parks as a constant percentage of the general fund budget. This means that if there is a surge in general fund revenue, parks funding will grow proportionately based on current funding levels. Likewise, if there is a reduction in general fund revenues, parks funding will be reduced proportionately based on current funding levels. It is important to note that this excludes dedicated funding sources or any future new revenues the City Council might enact and dedicate to other uses.

How are we solving the other general fund budget challenges if that's the case?

Over the last decade the City has replenished funding levels for police, fire, transportation, and building repair and maintenance. This has been achieved by a combination of voter support and City Council actions. The current MPD proposal has been referenced as "the next step" by the Finance Committee in the goal of achieving a sustainable budget. If the MPD is successful, it will stabilize funding for parks for the future.

All of the discussion has been about parks – I know we have information about other budget challenges. I'd like to see that information presented side-by-side with the parks budget needs.

The discussions of both the Finance Committee and the full City Council have identified funding challenges in transportation, building repair and maintenance, and those have been presented alongside funding challenges in for parks (see attached). This has occurred through eight months of Finance Committee meetings and multiple City Council Study Sessions. Below are some of the reasons why the Finance Committee elected to focus their recommendation on parks:

- *There is a significant level of community energy and focus around expanding and adequately maintaining the park system*
- *There are land acquisition opportunities that will likely be lost if the City does not act now*
- *The proposed MPD strategy has been successful in other communities*
- *The proposed MPD model provides a funding source that can be utilized to support both operating AND capital needs*

- *Public input from the recent parks survey acknowledged strong voter support for extra funding in parks maintenance, development, and acquisition. (More than 70%)*
- *The timing of a fall ballot measure positions the City to be very aggressive in the next state grant cycle*

CAMMP –

I want an update. I think that's part of the story but that's not scheduled to happen until July. I am assuming that there are some simple growth projections for asset management as we add property and facilities. At the very least it would be helpful to show that as part of the projected need for parks.

Updates for both CAMMP and the new Work Force Management were provided to the Finance Committee on January 14 and to the full City Council on February 10 at a Special Study Session. The cost estimates include anticipated increases in costs. An additional update was provided to the Finance Committee on July 8. The Finance Committee indicated that quarterly reports were not necessary, and that they would like an update every six months.

The Workforce Management program does allow for maintenance growth projections as we add property and facilities. Cost ranges for developing a new park can be difficult to predict until there is a use identified.

The "Big Six"

It's difficult to completely quantify costs for the "big six"; however, it seems like it would be helpful to have a cost range for each. There are the purchase costs, costs for build out and costs for maintenance. Some approximation for each level would be helpful to show our resource challenge in realistic terms.

Some projects have broader cost implications. For example, removing Log Cabin Extension from our TIP means that we will have to find significant resources to meet transportation impacts. What's the range of those costs?

The Park Plan will identify a strategy and process for working towards achieving the various community visions around the "big six". Some are acquisition oriented, others are development oriented, and some are both. The proposed MPD focuses on the acquisition projects that have an element of threat so that the City does not miss out on opportunities.

Identifying a specific price for property acquisitions could have a negative impact on the City's ability to negotiate an affordable price. Also, we are finding great variability in the asking price for various parcels.

Percival Landing

I think that the "maintain as is" strategy means that at some point the useful life of the wooden landing comes to an end. This would happen after several years of costly repair. There are diminishing returns from simply repairing the wooden landing. I'd like to see the costs charted

over ten years so that we can more clearly portray the diminishing returns of the “maintain as is” strategy.

The Percival Landing Condition Assessment Report indicated that the \$350,000 the City is invested from 2014 year-end funds should extend the useful life of Percival Landing an additional five years. The report also indicates that the City should anticipate an additional \$700,000 of repairs over five years, extending the useful life an additional five years. The proposed MPD allocates funding to perform these repairs and to continue annual inspections.

2004 Voted Initiative

I think it's going to be very difficult to go to the polls with constant criticism that parks money wasn't spent appropriately. What's the plan to reconcile this ongoing criticism?

Several parks advocate groups have expressed support for the proposed MPD and have committed to help rebuild trust with the community moving forward.

Long Term Expectations

So far, the depiction of what we would be getting from an MPD is at a very high level – without completing the Parks Plan, I'm not clear what we are buying first. Also, there's significant unmet needs for facilities that have costs. I'd like to see at least some range of costs for both facilities and acquisition of 500 acres in 20 years.

The current MPD proposal fully funds the CAMMP, which will rebuild the City's oldest and most deteriorated park infrastructure throughout the City. The MPD provides additional funding for Maintenance and Operations, so that the portion of the VUT that currently funds M&O can be re-focused on acquisition. The MPD proposal provides Safety and Security funding to increase pro-active enforcement parks, and provides funds for splash pads in neighborhood parks. Lastly, the current proposal allocates \$1 million to fund high priority capital projects such as the acquiring the Capital Center Properties, rebuilding Percival Landing, or additional land acquisition focused on achieving the goal of 500 new acres (or a combination of these items over time).

Bonding

I think there may be some false assumptions about whether or not we can issue revenue bonds – or how soon we could do so after initiating an MPD. It would be helpful to simply graph revenue from both the 2004 issuance (capacity from which comes available in 2017) and projections from MPD revenue. Putting a revenue graph right above graph of costs would be helpful (and likely sobering).

This graph information requested will be developed as a component of the Capital Investment Strategy table within the Park Plan update.

It is likely that the MPD itself will not be able to issue debt until it has an established track record. It can however fund the operating portion of the VUT, providing additional debt capacity within the VUT.

Work Ahead

I think people that want parks also want other city services to be stable and well-functioning. I think telling the story of other budget needs and how an MPD helps our entire budget is important. By investing in the Parks Plan, an improved CAMMP, and reconciliation about the balance that needs to be struck between all of our general fund needs – and doing these things before going to the polls – I think we can easily pass an MPD. If the debate is going to continue while there's a campaign I think we risk failing.

The proposed MPD provides stable funding for parks for the future, without making cuts to any other services. This will allow the City to re-direct attention to other City needs in the coming years. This is the same approach that has been taken in previous years with building repair, public safety, and transportation.

SUSTAINABLE BUDGET SYSTEMATIC APPROACH

Six Initiatives

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| <ul style="list-style-type: none"> ✓ Efficiencies ✓ Regionalization ✓ Partnerships | <ul style="list-style-type: none"> ✓ Benefits/Cost Reductions ✓ State Legislative Help ✓ Revenues |
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	Identified Gap	Response	Outcome
1.	Pavement Management	TBD	\$750,000 / Yr.
2.	Fire/Emergency Medical Response	Excess Levy Levy Lid Lift	- 4 th Fire Station - Regional Training - Staffing
3.	Public Safety	Sales Tax	\$1.4M / Year Restore/Add Programs
4.	Building Repair/Maintenance	CATV Tax	\$800,000 / Year
5.	GF Operating Gap	Close B & O Tax Loopholes	\$500,000 / Year
6.	Parks Operations, Major Maintenance Acquisitions	???	

May 13, 2015
Finance Committee