



City Council

Sustainable Budget, including Olympia Metropolitan Park District

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Title

Sustainable Budget, including Olympia Metropolitan Park District

Recommended Action

Finance Committee Recommendation:

Finance Committee recommends placing a measure on the 2015 General Election ballot to establish an Olympia Metropolitan Park District.

City Manager Recommendation:

Continue to discuss sustainable budget strategies and the Finance Committee recommendation to pursue an Olympia Metropolitan Park District in 2015 general election.

Report

Issue:

The Finance Committee has continued to work towards the City Council goal of adopting a sustainable budget. That process has included several discussions to identify existing funding gaps within the City budget, and a variety of strategies to address those funding gaps. During this Special Study Session the Finance Committee is expected to recommend to the full City Council that the City of Olympia propose to the voters a ballot measure that would establish an Olympia Metropolitan Park District in the 2015 general election.

Staff Contact:

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Presenter(s):

Steve Hall, City Manager
Jane Kirkemo, Administrative Services Director
Paul Simmons, Parks, Arts and Recreation Director

Background and Analysis:

At the City Council Retreat in January the Finance Committee was directed to continue working towards the City Council goal of adopting a sustainable budget. More specifically, the Finance

Committee was to work with staff and the community to identify current and future funding gaps within the City budget; and a variety of strategies to address those gaps.

These discussions included an in-depth analysis of funding gaps that currently exist in the General Fund, Pavement Management Program, the Facility Repair and Replacement Fund, and Parks Operations and Major Maintenance. The discussions also highlighted funding shortfalls associated with Percival Landing maintenance and replacement, and also evaluated current and future use of the 2% Voted Utility Tax that is committed to Parks.

The Finance Committee evaluated a variety of different revenue strategies, which included a Levy Lid Lift, an Excess Levy, a Metropolitan Park District, and multiple combinations of these strategies. The Committee highlighted that if the City does nothing, there will likely be cuts to City services within the next two to five years.

With direction from the full City Council, the Finance Committee held their most recent meeting on May 13 to focus on the option of placing a ballot measure to establish an Olympia Metropolitan Park District in the 2015 general election. The Committee also received a report from staff that outlined a preliminary allocation for how an Olympia Metropolitan Park District could be distributed. This draft allocation was based on extensive community input that was received over a seven month public process that has been facilitated in order to update the Parks, Arts and Recreation Plan.

At this study session staff will make a presentation focused on the follow areas:

- How did we get here (in terms of having an unsustainable budget)?
- How have we already responded?
- What are current funding levels for parks?
- What is a Metropolitan Park District and how is it formed?
- What would the staff recommendation be for allocating the proposed Olympia Metropolitan Park District?
- How would the proposed Olympia Metropolitan Park District enhance current funding levels for the Parks Department?
- What are the required next steps if the City Council decides to move forward with the Finance Committee recommendation to place a ballot measure to establish an Olympia Metropolitan Park District in the 2015 general election?

Following the staff presentation, the Finance Committee is expected to make their recommendation for full City Council consideration.

Neighborhood/Community Interests (if known):

- The Finance Committee has been meeting twice per month since January to discuss this issue, and in April invited a broad group of community stakeholders to participate in the discussion.
- The Parks and Recreation Advisory Committee (PRAC) discussed this issue at their May 7 meeting and is expected to discuss the recommendation further at their June 4 meeting.
- The draft allocation of the proposed Olympia Metropolitan Park District is based on more than seven months of public input that includes eight neighborhood meetings, data collected through Olyspeaks, and a random citizen survey that was recently commissioned and focused

on parks. The results of this public input process can be found at [olympiawa.gov/parplan](http://www.olympiawa.gov/parplan) <<http://www.olympiawa.gov/parplan>>.

Options:

1. Direct staff to prepare the required materials for a future business meeting of the City Council to create a ballot measure to establish an Olympia Metropolitan Park District.
2. Provide direction to delay this initiative to 2016 or beyond.
3. Provide direction to pursue other funding strategies designed to work towards achieving the City Council goal of adopting a sustainable budget.
4. Do nothing at this time.

Financial Impact:

As proposed, the Olympia Metropolitan Park District would increase property taxes 0.54/\$1,000 of Assessed Value (AV) and would generate an estimated \$3,000,000 per year in additional funding for Parks, Arts and Recreation purposes. The estimated cost to the owner of a \$250,000 home is approximately \$135/year or \$11.25 per month.