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Finance Committee

Continued Discussion about the Proposed Olympia Metropolitan Park District (OMPD)

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Title

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Recommended Action

Finance Committee Recommendation:

The Olympia Metropolitan Park District was referred back to the Finance Committee for further development following the June 9th Special Study Session of the City Council.

City Manager Recommendation:

Continue to discuss the Finance Committee recommendation to pursue an Olympia Metropolitan Park District.

Report Issue:

The Finance Committee has continued to work towards the City Council goal of adopting a sustainable budget. The Finance Committee is expected to continue those discussions and will focus on a proposal to the voters regarding a ballot measure that would establish an Olympia Metropolitan Park District.

Staff Contact:

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Jane Kirkemo, Administrative Services Director, 360.753.8499

Paul Simmons, Parks, Arts and Recreation Director, 360.754.8462

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 June 9th to focus on the option of placing a ballot measure to establish an OMPD. The full City Council also received a report from staff that outlined a preliminary allocation for how funds from the OMPD could be distributed. This draft allocation was based on extensive community input received over a seven month public process in order to update the City's Parks, Arts and Recreation Plan.

Following the June 9th Special Study Session, the City Council directed the Finance Committee to work with staff and park advocates to prepare the necessary documents to put an OMPD on the ballot, and bring those back to the full City Council for consideration on July 7th. At this meeting, the Finance Committee is expected to continue discussing this issue and will provide staff with continued direction.

Neighborhood/Community Interests (if known):

- The Finance Committee has been meeting twice per month since January to discuss the OMPD, 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 and 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 <<http://www.olympiawa.gov/parplan>>.

Options:

1. Direct staff to prepare the required materials for a future business meeting of the City Council to approve official language for a ballot measure to establish an Olympia Metropolitan Park District.
2. Recommend delaying action on a possible OMPD ballot measure until 2016 or beyond.
3. Recommend 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:

Approved Metropolitan Park Districts have the authority to levy property taxes up to 0.75/\$1,000 of

Assessed Value (AV). Previous discussions about the Olympia Metropolitan Park District have preliminarily discussed an increase of property taxes by 0.54/\$1,000 of AV, which 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.