



Finance Committee

Consideration of an Ordinance Amending 2016 Parks General Obligation Bond Anticipation Note (BAN)

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Title

Consideration of an Ordinance Amending 2016 Parks General Obligation Bond Anticipation Note (BAN)

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to direct staff to draft a proposed ordinance amendment to bring before Council which would allow use of 2016 Parks BAN proceeds that have been reimbursed by grants to finance park development projects.

Report

Issue:

Whether to consider drafting an ordinance amending 2016 Parks General Obligation Bond Anticipation Note (BAN) to allow grant proceeds to be used for park development projects. The current ordinance limits use of the BAN for park acquisition only.

Staff Contact:

Paul Simmons, Director, Parks, Arts and Recreation (OPARD), 360.753.8462

Presenter(s):

Paul Simmons, Director, Parks, Arts and Recreation

Background and Analysis:

In 2016, the City Council authorized a \$10 million Parks Bond Anticipation Note (BAN) to purchase property for parks. The BAN is short term financing that is usually paid off with a longer-term bond. These funds, by ordinance are to be used for parks land purchases.

Since 2016, the City has used approximately \$8.8 million of BAN funds to purchase property for parks including LBA Woods, Kaiser Woods, and West Bay Woods. Subsequently, the Washington Recreation and Conservation Office awarded parks \$1.7 million in grant funding to reimburse a

portion of those purchases.

The Olympia Parks, Arts and Recreation Department would like to use the grant reimbursement to help fund several important park development projects that have current funding needs including the Percival Landing Bulkhead, the Woodruff Park sprayground, Grass Lake Nature Park trail, and community park development. In order for the grant reimbursement funds to be used for these development projects, Ordinance No. 7012 which authorized the 2016 Parks General Obligation Bond Anticipation Note (BAN) will have to be amended to allow reimbursed BAN funds to be used for park development projects. Note that all remaining BAN funds, Voted Utility Tax funds, and Non-Voted utility tax funds will continue to be used exclusively for park acquisition.

Neighborhood/Community Interests (if known):

N/A

Options:

- 1) Move to direct staff to draft a proposed ordinance amendment to bring before Council which would allow use of 2016 Parks BAN proceeds that have been reimbursed by grants to finance park development projects.
- 2) Do not move to direct staff to draft a proposed ordinance amendment. Grant reimbursement funds would have to be used for park acquisition. Several park development projects would have insufficient funding to move forward at this time.
- 3) Provide guidance to staff on another course of action.

Financial Impact:

Provides \$1.7 million of BAN funding for parks improvements and development.

Attachments:

None