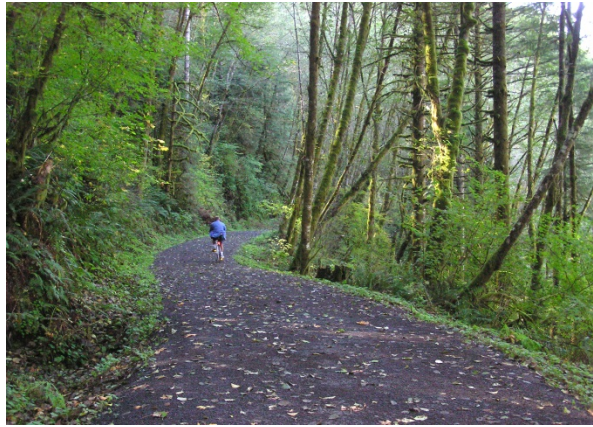


Metropolitan Parks District Park Funding Sources & Park Impact Fees



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Board of County Councilors Work Session
9/13/16

Purpose

- To provide the Board with information on parks finance history, future outlook, and options to be considered and direction.
- Discuss general fund and Metro Parks District levy.
- Discuss Park Impact Fees (PIF) which were raised recently to support the Parks Capital Facilities Plan.

Parks Funding

Two primary funding sources for parks:

1. The General Fund – Supports all rural unincorporated parks in Clark County.
 - 13 Regional Parks Totaling 2,242 Acres
 - 22 Campus Landscapes Totaling 187 Acres
2. Metropolitan Parks District Park Levy Fund – Supports all urban unincorporated parks.
 - 49 Neighborhood & Community Parks plus 15 Urban Open Spaces Totaling 1,084 acres

General Fund Parks Budget History

	2005		2006		2007		2008		2009		2010	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
General Fund Parks Maintenance	1,813,093	1,705,260	1,813,093	1,794,196	2,269,724	1,971,144	2,269,724	2,317,350	1,773,902	1,971,746	1,773,902	1,034,615
Interlocal VCPR - Parks Admin	1,240,529	949,640	1,240,529	1,531,417	1,279,506	1,102,367	1,279,506	1,394,970	1,066,361	991,999	1,066,361	1,096,176
County Parks Admin												
Total	3,053,622	2,654,900	3,053,622	3,325,613	3,549,229	3,073,511	3,549,229	3,712,320	2,840,262	2,963,745	2,840,262	2,130,791

	2011		2012		2013		2014		2015		2016	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
General Fund Parks Maintenance	1,377,100	1,198,753	1,377,100	1,330,947	1,366,532	1,325,648	1,366,532	1,377,633	1,683,757	1,255,449	1,848,460	
Interlocal VCPR - Parks Admin	880,361	877,180	880,361	802,132	880,362	728,460	498,884					
County Parks Admin						18,983	381,478	586,159	246,838	302,566	467,388	
Total	2,257,461	2,075,933	2,257,461	2,133,079	2,246,894	2,073,092	2,246,893	1,963,792	1,930,595	1,558,015	2,315,848	-

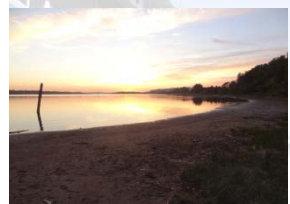
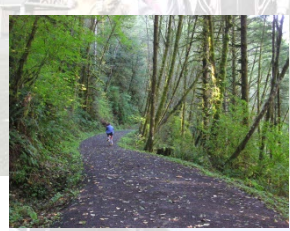
General Fund Budget Summary

Fiscal Year	General Fund	Percent change
2005-06	\$6,107,243	
2007-08	\$7,098,458	+16%
2009-10	\$5,680,524	-20%
2011-12	\$4,514,921	-20%
2013-14	\$4,493,786	-0.5%
2015-16	\$4,246,443	-5.5%

Over the last 5 biennium periods, general fund parks have realized \$1.86 million in reductions to the maintenance and administration budgets. \$1.6 million was due to the transfer of 13 general fund parks to the Metropolitan Parks District in 2010.

Metropolitan Parks District tax levy

- In February 2005, voters in the unincorporated urban area outside the city of Vancouver approved a property tax levy, primarily to pay for maintenance and operations of new facilities in the Metropolitan Parks District.
- The Metropolitan Parks District provides approximately \$3 million per year in revenue.
- Under state law, the district's levy is used primarily for maintenance and operations.
- The Metropolitan Parks District's property tax rate is set at a maximum of 27 cents per \$1,000 of assessed property value. Clark County averages approximately 22 cents per \$1,000 for parks. The tax rate went as low as 16 cents per \$1,000 during the recession.
- Metropolitan Parks District parks are located only in the Vancouver UGA.



Metropolitan Parks District Budget

- In February 2005, voters in the unincorporated urban area approved a property tax levy, primarily to pay for maintenance and operations of new facilities in the Metropolitan Parks District (MPD).
- The MPD provides approximately \$3 million per year in revenue with the exception of 2013 when the levy was reduced to make other levies whole.

Revenues	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15
MPD (Property tax receipts)	3,083,619	3,132,057	3,199,246	3,073,281	3,045,183	1,789,541	2,894,377	2,963,179
Expenses	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15
Existing MPD Parks Expense	1,666,778	1,914,814	2,662,995	2,657,689	2,526,349	2,786,024	3,004,737	3,353,655
GF Parks Transfer to MPD			644,630	617,407	606,495	810,194	664,503	937,973
Total Annual MPD Budget Expense	1,666,778	1,941,814	3,307,625	3,275,096	3,132,845	3,596,218	3,869,240	4,291,628

MPD Expenses have risen with each year as newly constructed parks are added to the maintenance budget.

The GF Parks transfer to MPD in 2010 as a temporary measure during the great recession has created an unsustainable burden to the MPD budget.

MPD Cash Flow Projection

MPD CASH FLOW PROJECTION THROUGH 2028



Policy Decisions

Problem:

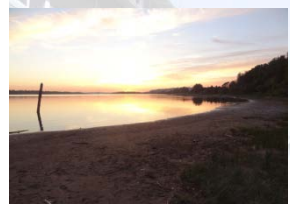
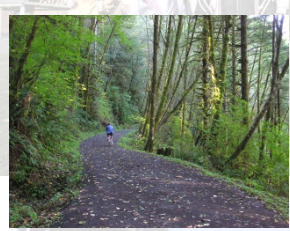
MPD cannot sustain the maintenance cost of additional parks , which will cause the budget to go negative in 2026.

Revenue Options:

1. Raise the MPD Levy rate from the current 22 cents per/1000 valuation to the maximum allowable rate of 27 cents per 1000 valuation.
 - a) Add \$681,800 in revenue per year.
2. Other options: add Community Park shelters to the reservation list, increase existing shelter and special use reservations, or increase sports field rental rates.
3. Re-establish parking fees.
4. Move GF parks out of MPD to provide \$1,465,000 in relief to the MPD balance.
5. Appropriate the use of REET funds for capital repairs/major maintenance of MPD parks.
6. Reduce maintenance service standards to reduce expenses.

Park Impact Fees

- Park impact fees (PIFs) are fees assessed on construction of new residential housing to help pay for park acquisition and development and apply only to the Vancouver UGA. The county has been charging PIFs since 1996.
- When PIFs were initiated, state statute (RCW 82.02) had authorized Washington counties and cities to collect impact fees to “ensure adequate facilities are available to serve new growth and development.”
- Impact fees are charges placed on new development as a condition of development approval to help pay for various public facilities the need for which is directly created by new growth and development. They cannot be used to correct pre-existing deficiencies or to pay for maintenance costs. They also cannot exceed a proportionate share of the total cost for system improvements per RCW 82.02.050.



Adopted PIF Rates

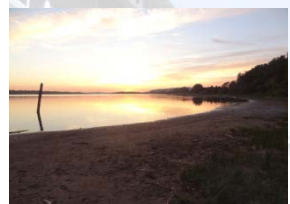
	Current Rates	Single-Family PIF Rates			Current Rates	Multi-Family PIF Rates		
		Year 1 2017	Year 2 2018	Year 3 2019		Year 1 2017	Year 2 2018	Year 3 2019
PIF District		80%	90%	100%		80%	90%	100%
5	\$1,799	\$3,482	\$3,918	\$4,353	\$1,314	\$2,520	\$3,023	\$3,359
6	\$1,543	\$4,458	\$5,015	\$5,572	\$1,127	\$3,225	\$3,870	\$4,300
7	\$1,885	\$3,402	\$3,827	\$4,252	\$1,377	\$2,461	\$2,953	\$3,282
8	\$1,800	\$3,167	\$3,563	\$3,959	\$1,315	\$2,291	\$2,750	\$3,055
9	\$2,016	\$4,400	\$4,950	\$5,500	\$1,472	\$3,183	\$3,820	\$4,244
10	\$1,534	\$3,082	\$3,467	\$3,852	\$1,120	\$2,229	\$2,675	\$2,973

Real Estate Excise Tax

- Real Estate Excise (REET) taxes are collected when real estate is sold. Clark County and the city of Vancouver adopted a real estate excise tax for parks in 1996 and re-adopted the tax in 2002. Business, development, and real estate representatives supported both actions.
- The Board of County Councilors determine how to spend revenue from real estate excise taxes collected in the urban and rural areas outside city limits.
- By late 2015, the economy had rebounded enough that the Board of County Councilors agreed to provide a one-time amount of \$239,500 in real estate excise taxes for capital repairs in county parks.

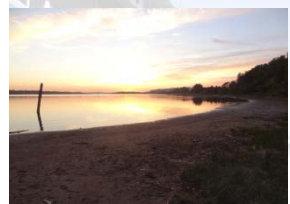
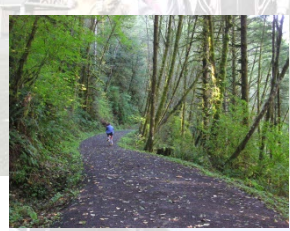
Parks level of service for Acquisition and Development

- **Parks level-of-service:** compares the adopted service standard for the different park classifications to the actual inventory of existing acreage and developed lands as a measure of performance.
- Level-of-service is a significant component guiding the parks capital facility plan and the parks financing supports projects to ensure that parks meet this adopted level-of-service standard.
- The National Recreation and Parks Association (NRPA) recommended level-of-service guideline is 10 acres/1,000 population.
- The adopted County parks standard for urban parks and natural areas, combined is 6 acres/1,000 population, or 60% of the national standard.



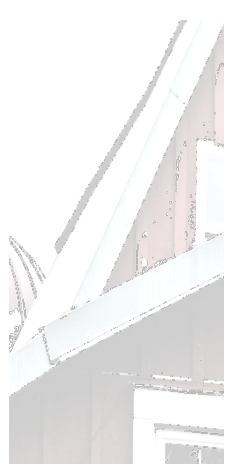
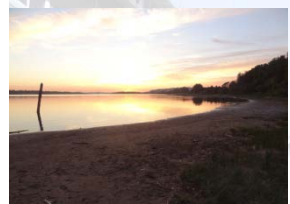
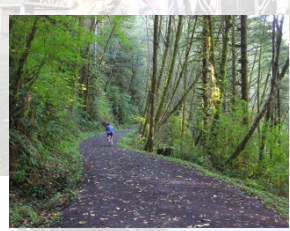
Current level-of-service

- **Neighborhood parks:**
 - **Acquisition:** 2 acres/1,000 population
 - **Achieved:** 67.2% of acquisition target
 - **Development:** 2 acres/1,000 population
 - **Achieved:** 42.9% of development target
- **Community parks:**
 - **Acquisition:** 3 acres/1,000 population
 - **Achieved:** 76.6% of acquisition target
 - **Development:** 2.25 acres/1,000 population
 - **Achieved:** 44.7% of development target
- **Urban natural areas:**
 - **Acquisition:** 1 acre/1,000 population
 - **Achieved:** 169% of acquisition target
- **Regional parks:**
 - **Acquisition:** 10 acres/1,000 population
 - **Achieved:** 59.8% of acquisition target
 - **Development:** 5.98 acres/1,000 population
 - **Achieved:** 46.1% of development target



Plan implementation

- Cost of six-year CFP: \$52,300,000 in the urban area.
- Park Impact Fee revenue: \$12,120,847.
- Estimated public share component: \$40,179,153.



Questions & Board Direction

Questions?

Board Direction regarding:

- Parks funding: options to pursue?
- PIF: retain PIF increase or phase in the increase differently?

Thank you!