

Department of Parks and Recreation

Seattle Board of Park Commissioners
Meeting Minutes
September 10, 2009

Web site: <http://www.seattle.gov/parks/parkboard/>
(Includes agendas and minutes from 2001-present)

Also, view Seattle Channel tapes of meetings, June 12, 2008-most current, at
<http://www.seattlechannel.org/videos/watchVideos.asp?program=Parks>

Board of Park Commissioners:

Present:

Neal Adams, Vice-chair
John Barber
Terry Holme
Jourdan Keith
Diana Kincaid
Jackie Ramels, Chair

Excused:

Donna Kostka

Seattle Parks and Recreation Staff:

Tim Gallagher, Superintendent
Christopher Williams, Deputy Superintendent
Sandy Brooks, Coordinator

Commissioner Ramels called the meeting to order at 7:00 pm and reviewed the meeting agenda topics. **Commissioner Holme moved approval of the agenda as presented, the August 13 minutes, and the record of correspondence received by the Board since its August 13 meeting. Commissioner Barber seconded the motion. The vote was taken, with all in favor. Motion carried.**

Superintendent's Report

Superintendent Gallagher reported on several park items. For more information on Seattle Parks and Recreation, visit the web pages at <http://www.seattle.gov/parks/>.

Budget Update: Superintendent Gallagher reported that most of the City's unions voted to accept furlough days (two weeks off without pay) in 2010 amounting to 80 hours for full time staff. The City's management staff began furlough leave in 2009 to help with the budget shortfall. The Mayor will submit his budget proposal to City Council on September 26. No additional major cuts are anticipated to Parks in 2010, due to the furloughs.

Magnuson Park Grand Opening: The grand opening of the 43-acre Wetland, Habitat, and Athletic Field Development is scheduled for Saturday, September 25, from 9 am-1 pm. This event will celebrate the completion of one of the final Pro Parks Levy projects. Mayor Nickels and Deputy Superintendent Williams will both speak at the event.

Hubbard Homestead Groundbreaking: The groundbreaking for this new Northgate area park will be held at 10:30 am on Saturday, September 25. This innovative new park is located at the former site of a park and ride. Mayor Nickels, King County Councilmember Bob Ferguson, Deputy Superintendent Williams, and members of the Hubbard family will be present.

Discovery Park Capehart Housing Update: The military are in the process of moving from the houses and plan to be completely out by the end of the year. The Navy will then demolish the houses, with Parks staff removing the concrete slabs and restoring the areas with vegetation, plantings, etc.

Responding to a question from Commissioner Holme on when the fence will be removed, the Superintendent responded that it will come down once the demolition of the houses begins. Commissioner Barber understands that American Eagle, the agency in charge of the Capehart Housing, is having financial problems. Superintendent Gallagher agreed and stated that Forest City bought out American Eagle and is responsible for tearing down the houses. There are also a number of Victorian houses at the site which housed the officers. These houses are scheduled to be sold to the public. Forest City may hold off on selling these until the real estate market is stronger.

Discovery Park Cougar Captured: The Superintendent complimented Deputy Superintendent Williams and Parks staff for the recent closure of Discovery Park due to cougar sightings. The park was closed on Thursday afternoon before Labor Day and the 140-lb. cougar was captured early the following Sunday morning inside the park. This year the park has had the cougar, as well as a black bear sighting.

Delridge Park Skate Park: Parks is using savings from other projects to move ahead with this project.

Golf Master Plan: Earlier this year, the Park Board held a public hearing on the Golf Master Plan. Option 4B, a \$20 million package, has now been submitted to City Council by the Mayor's office. The Option has had some modifications including a delay of the upgrade of the West Seattle Clubhouse and maintenance facility from Phase I. These will be part of the next phase of golf course improvements.

Responding to a question from Commissioner Ramels on whether the current Option 4B includes restroom renovations, Superintendent Gallagher answered that it doesn't. Commissioner Holme asked if the West Seattle driving range is included and the Superintendent stated that it is.

Economic Benefit of Parks Study: The Trust for Public Lands will be in Seattle during the fall as part of their national study to determine the economic benefit of parks. Parks staff will brief the Park Board on the outcome of the study, which will last from four-six months. For more information on the Trust for Public Lands, see http://www.tpl.org/?gclid=COn3yL_4hZ0CFR4UagodpTwvbq.

Bell Street Design Bid: A high number of bidders applied to do the design for the Bell Street project. Staff members have recommended SVR+Hewitt and are now negotiating the contract. For more information on this project, see http://www.cityofseattle.net/parks/projects/bell_street/boulevard_park.htm.

WRPA Mid-year Conference: This year's Washington Recreation and Parks Association's mid-year conference is scheduled for Friday, November 20 at the Washington State Convention Center. Commissioners are encouraged to attend and were given registration sheets to fill out. Charles Jordan, former director of Portland's Parks and Recreation Department, is the keynote speaker.

Oral Requests and Communication from the Audience

The Chair explained that this portion of the agenda is reserved for topics that have not had, or are not scheduled for, a public hearing. Speakers are limited to two minutes each and will be timed, and are asked to stand at the podium to speak. The Board's usual process is for 10 minutes of testimony to be heard at this time, with additional testimony heard after the regular agenda and just before Board of Park Commissioner's business. One person testified.

Jim Snell: Mr. Snell addressed the Board about the trimming of his neighbors' trees by Parks staff to enhance the neighbors' view. The City also removed diseased trees near the Leschi Natural Area and he reported that someone poisoned a nearby tree. He stated that the new owner wants additional tree trimmings for view enhancement and that Parks' Senior Urban Horticulturist is sympathetic to this request. Deputy Superintendent Williams will work with Mr. Snell and report back to the Board.

Briefing/Public Hearing: Proposal for a Magnuson Park Advisory Committee

Kevin Bergsrud, Seattle Parks' Senior Project Planner, briefed the Board on the Proposal for a Magnuson Park Advisory Committee. Commissioners received a written briefing paper and a copy of the draft Operating Procedures several days prior to this meeting. Both were posted to the Board's web site and are included below.

Written Briefing

Requested Board Action

The Board is being asked for feedback on a proposal to create a Magnuson Park Advisory Committee. The proposal will formalize stakeholder involvement in planning, development and management of Magnuson Park.

Project Description and Background

Magnuson Park has a long history of public involvement in planning and development of the park; advisory committees existed through the early years of park planning and implementation.

- In 1975, Resolution 24871 established a Sand Point Community Liaison Committee with the responsibility for reviewing N.O.A.A. and Park plans to ensure "...compatibility with nearby residential communities..."
- In 1997, a City-University of Washington agreement established a site committee of owners, tenants and park users to coordinate community involvement in park planning, including a Sand Point parking plan.
- In 1998 the Sand Point Historic Reuse and Protection Plan established a Sand Point Design Review Committee made up of professional and community representation to provide oversight and guidance to "all projects at Sand Point, including those likely to affect historic resources."

Over time, as new projects began, project-specific advisory committees were established (Off Leash Area, Garden, Housing, Community Center, Ballfields/Wetlands). To best coordinate the advice of these various committees, the Magnuson Park Community Communication Committee (MPCCC) was established in 2002 (originally called the Sand Point Community Communications Committee). The MPCCC serves as a forum where the University of Washington, Magnuson Park housing and Parks and Recreation could provide the community with information on park activities and development. Though members could provide feedback, it was not seen as an advisory committee.

In the early years, attendance at the MPCCC was good and resulted in productive discussions. Over the past several years, attendance dropped off. At the last several meetings, when discussions with the Superintendent regarding future planning for the Park was an agenda item, attendance was very good and attendees were engaged in the discussion. During one of these MPCCC meetings, community members requested a more formal process for providing feedback and recommendations to the Superintendent. The idea of an advisory committee was suggested and the Superintendent agreed to consider the idea and asked Park staff to develop a draft proposal for an Advisory Committee. The draft was reviewed at the July 8, 2009 MPCCC meeting with the Superintendent present. There was a lively discussion with many good ideas presented. The second draft, incorporating many of these ideas, has been completed and will be reviewed at the September 9, 2009 MPCCC meeting. (Attachment A) It is hoped that a final proposal can be agreed upon at this meeting. The MPCCC is aware that the proposal will be presented to the Park Board for comment and approval.

Strategic Action Plan

The establishment of the Magnuson Park Advisory Committee will support Goal 3 of the Department's Strategic Action Plan by building and sustaining relationships with the public, finding ways to collaborate with communities, and strengthening "...working relationships with Community Councils, Neighborhood Associations and other geographic alliances." (Goal 3.4.ii).

One key responsibility of the Advisory Committee members will be to keep their constituencies informed about the work of the Committee and important activities/issues at Magnuson Park. Committee meetings will be open to the public and the Committee will be charged with implementing public involvement strategies, such as open houses, when there are issues and topics of widespread interest.

Public Involvement Process

By the time of this briefing, two public MPCCC meetings will have taken place during which the proposal for a Magnuson Advisory Committee was reviewed. The first meeting was held on July 9, 2009 with approximately 30 attendees, including community members, Park tenants and owners. Many good ideas were presented and community members expressed their appreciation to the Superintendent and the Department for moving forward with this idea. Staff agreed to incorporate the ideas presented into the draft proposal and have a second MPCCC meeting, scheduled for September 9, for additional review and discussion with the Superintendent.

Issues

Magnuson Park is an important community asset for nearby neighborhoods. At times, community members have expressed concerns that their opinions have not been considered when decisions or plans have been made for the Park. The MPCCC is viewed by many of these stakeholders as helpful, but not an effective vehicle for collaboration with Parks. An Advisory Committee will provide a clearer line of communication with the Superintendent and the Park Board, and help to develop a stronger partnership between the Department and park stakeholders.

Citizen Concerns/Opposition

Community members, park tenants and owners who attended the meeting on July 9 were all extremely supportive of the idea of a Magnuson Park Advisory Committee. There was some disagreement at first regarding which neighborhoods should be represented on the committee – whether to include only those in close proximity to the park or also include a broader geographic representation. In the end, there was agreement to broaden representation, as the park has an impact on a larger geographic area and is an important asset to the extended Seattle community. It was also acknowledged that Advisory Committee meetings were to be public meetings, open to all interested parties.

Community members requested inclusion of a process in the proposal that would delineate how possible instances, for example when the Superintendent did not agree with Advisory Committee's recommendations, would be addressed. At the recommendation of several community members, everyone agreed that the Advisory Committee would implement an evaluation process after the first year to assess how well the committee functioned, and to identify ways in which it could be more effective in carrying out its responsibilities.

Environmental Sustainability

One of the proposed members of the Magnuson Park Advisory Committee will be appointed by the Magnuson Environmental Stewardship Alliance and another, appointed by the Superintendent, will represent broader environmental interests. Meeting attendees agreed with these appointees and expressed strong support for continued environmental stewardship of the Park.

Budget

There will be no cost or additional resources allocated by the Department for implementing the Magnuson Park Advisory Committee, beyond what is currently allocated to the MPCCC: staff will continue to assist in scheduling meetings and distribution of meeting notices. Parks staff will work with the Committee to develop agendas; the Committee Secretary will be responsible for meeting minutes and correspondence.

Schedule

July 9, 2009 – MPCCC meeting: introduce Magnuson Park Advisory Committee proposal
Sept 9, 2009 – MPCCC meeting: review revised proposal
Sept 10, 2009 – Park Board meeting: briefing and public hearing for proposal
Sept 24, 2009 – Park Board meeting: discussion and recommendation for proposal

Additional Information

Rebecca Salinas, Director, Partnerships Unit
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Magnuson Park Advisory Committee Operating Procedures

The Committee

Name and Authority

The Name of the Committee is the Magnuson Park Advisory Committee. The Committee is approved by the Superintendent of Parks and Recreation in consultation with the Park Board of Commissioners.

Mission

The Magnuson Park Advisory Committee will advise the Seattle Department of Parks and Recreation on the stewardship of Warren G. Magnuson Park for the benefit of current and future generations.

Responsibilities

The Magnuson Park Advisory Committee will hear presentations and conduct reviews on every aspect of Warren G. Magnuson Park, including its management, development and use, shall advise and make recommendations to the Superintendent of Seattle Parks and Recreation on said matters, and oversee the communication of such matters to the public. The Committee will hold public meetings open to the public on a regular basis and conduct open houses whenever necessary on issues and topics of widespread interest. The Committee will promote the use of the Park to meet a broad variety of interests.

The Committee may from time-to-time establish subcommittees or task forces consisting of Committee members plus additional community representatives as appropriate to advise on special matter such as shoreline development or facility construction.

Members

Representation

Membership on the Committee will be 13 volunteer members appointed as follows:

- 3 Members representing Park owners:
 - Park Board Commissioner appointed by the Park Board
 - Solid Ground appointed by same
 - University of Washington appointed by same
- 1 Member who is a resident of Sand Point Housing (or future housing) appointed by residents
- 3 Members representing park tenants:
 - 1 member representing sports interests, appointed by the tenants
 - 1 member representing arts and cultural interests, appointed by the tenants
 - 1 member representing water related recreation interests, appointed by the tenants
- 4 Members representing community interests
 - 1 member appointed by the Northeast District Council representing neighborhood interests
 - 1 member appointed by MESA (Magnuson Environmental Stewardship Alliance)
 - 1 member appointed by Friends of Magnuson Park Liaison Committee
 - 1 member appointed by the Presidents of View Ridge, Windermere North Community Association, Laurelhurst Community Association, and Hawthorne Hills Community Association.

- 2 members representing Park users from neighborhoods not represented by the above organizations
 - All members appointed by the Superintendent of Parks and Recreation representing environmental interests and sports field user organizations

Terms and vacancies

- Each member will be appointed for an initial term of three years, staggered, with set beginning and ending dates.
- Should a member resign or fail to serve for any reason, a replacement member shall fill the vacancy for the remainder of the unexpired term, and, may apply for subsequent terms.
- Initial terms of members are as follows:

Pos #	Name	Appointing Authority	Term Begins	Term Expires
1		Solid Ground	2009	2010
2		UW	2009	2011
3		Park Board	2009	2012
4		Housing Resident	2009	2011
5		Park Tenants	2009	2010
6		Park Tenants	2009	2011
7		Park Tenants	2009	2012
8		NE Council	2009	2011
9		MESA	2009	2012
10		FOM	2009	2010
11		Community Organizations	2009	2011
12		Parks	2009	2011
13		Parks	2009	2012

Officers and term of office.

The Chair and Vice-chair will be appointed at the beginning of each year by the Superintendent.

Duties of Officers

- Chair – The Chair will preside over all meetings of the Magnuson Park Advisory Committee, establish the agenda and the order of business of the Committee in consultation with the members of the Committee, as well as the Superintendent of Parks and Recreation or designated Park staff, appoint any subcommittees, cancel any meeting, if deemed appropriate, and perform such other duties as may be expected of the Chair.
- Vice-Chair – The Vice-Chair shall preside at meeting of the Magnuson Park Advisory Committee when the Chair is not present at such meetings. The Vice-Chair shall perform such other duties as are assigned by the Chair.
- Secretary – The Secretary shall cause to have the minutes of all meetings of the Magnuson Park Advisory Committee taken and records and correspondence of the Committee, including these Operating Procedures, and amendments thereto or restatement thereof, kept. The Secretary shall certify as to the adoption of the minutes of any meeting and as to the authenticity of any other document adopted by the Committee. The Secretary shall chair any subcommittee charged with considering amending or restating these Operating Procedures.

Meetings

Regular Meetings

The Magnuson Park Advisory Committee shall meet once per month during the course of the calendar year. The Committee will meet on the first Wednesday of each month at 6:00 p.m., in the Magnuson Park Bldg 30

Conference room unless the Chair announces a different time of day/location at least 72 hours before the start time of the regularly scheduled meeting. Such meetings will be conducted according to Robert's Rules of Order, Newly Revised, to the extent they are not inconsistent with the Operating Procedures. All regularly scheduled meetings shall be public meetings.

Special Meetings

Specially scheduled meetings of the Magnuson Advisory Park Committee may be called for any purpose by the Chair or any 7 members of the Committee. The Committee at the next regularly scheduled meeting will have the option to confirm or disaffirm any action taken at a special meeting, and if they disaffirm, the action is undone.

Voting

Each member of the Magnuson Park Advisory Committee shall have one vote and each vote must be exercised, including that of the Chair. An abstention or failure to vote by a member present at the meeting shall be deemed to be a vote against the proposition. Proxies shall not be permitted.

Quorum

At any regularly or specially scheduled meeting of the Magnuson Park Advisory Committee, 7 members must be present for a quorum to be constituted. It shall take a simple majority of those members present at a meeting at which a quorum is present to pass a motion. In the event a quorum is present at the roll call for any meeting, then a quorum shall be deemed constituted for the entirety of the meeting until and unless only one member is present.

Attendance

It is anticipated that serving on the Magnuson Park Advisory Committee will require a time commitment of a minimum of 4 hours a month. This may increase depending on the number of issues the Committee deems necessary to address in any given month. Should a member miss three consecutive meetings without due cause, they may be asked by the Committee Chair to resign their seat.

Process for Making Recommendations

The Magnuson Advisory Park Committee shall make recommendations to the Superintendent of Seattle Parks and Recreation, in writing, clearly stating the recommendation being made, and providing a clear and concise rationale for the recommendation. The Superintendent will respond to the Magnuson Park Advisory Committee's written recommendation, in writing, by the next scheduled MPCCC meeting or within 14 days, whichever is the longer period. If the Superintendent does not agree with the recommendation, the Superintendent will provide a written rationale for his decision to not approve the Committee's recommendation. The decision of the Superintendent is final.

Amendments

The Operating Procedures may be amended at any time upon consideration of any proposed amendment by a subcommittee appointed by the Chair for that purpose and then upon affirmative vote by no fewer than 9 of the members of the Magnuson Park Advisory Committee. Final approval of any proposed amendment will be made by the Superintendent of Seattle Parks and Recreation.

Evaluation

The Magnuson Park Advisory Committee will operate for one year. At the end of this initial term, Committee members will evaluate how well the Committee functioned and how effective the Committee was in carrying out the responsibilities as outlined in these Operating Procedures. The evaluation will be discussed with the Superintendent and any major recommended changes will be implemented as approved by the Superintendent.

Approved this _____ day of _____, 20_____

By: _____
Superintendent of Seattle Park and Recreation

By: _____
Magnuson Park Advisory Committee

Verbal Briefing/Discussion

Mr. Bergsrud introduced himself and reviewed the information in the written briefing.

Commissioner Kincaid asked if the committee is working on the National Historic Listing submittal for the park and Mr. Bergsrud answered that once the committee is formed, it will do so. Commissioner Kincaid, who was previously a member of the Magnuson Park Advisory Council, believes the committee has a good balance of park tenants, which she finds impressive.

Commissioner Adams asked if this committee is unique to the Department and Superintendent Gallagher agreed that it is. It is being established due to the size, complexity, and scope of Magnuson Park. Commissioner Adams asked how its responsibilities would differ from those of the Park Board. Superintendent Gallagher answered that the committee will look at many aspects of Magnuson Park that would never reach the Park Board (operations, scheduling, etc.) and it will also look at new ideas for the park and coordinate those with existing uses. Mr. Bergsrud added that the committee will discuss and coordinate the large events that are held at Magnuson Park, assess new ideas for the park, and help determine how to best implement the historic planning elements. Those discussions do not come to the Park Board. Commissioner Adams asked what issues would be brought to the Park Board and the Superintendent responded that the same types of issues that are currently brought to the Board - changes to the Master Plan or major policy change - will be discussed in the committee and then come to the Board. Commissioner Adams asked if the public will continue to testify to the Park Board about Magnuson Park issues and Mr. Bergsrud agreed that it would.

Commissioner Holme agreed with Commissioner Adams that the roles of the new committee and the Park Board must be clearly separated and defined, and asked that language be added that indicates that reviewing City Council ordinances that pertain to Magnuson Park is Park Board business and not that of the committee. He asked if the reason a Park Board member will be on the committee is to sanctify its actions. Commissioner Ramels sees Board membership on the committee as a way for the Park Board to keep informed about the committee's work. Mr. Bergsrud added that the Park Board member is there to take a park-wide perspective, and not a narrow interest. The Superintendent agreed that this is important, as not all Magnuson Park users are local. Commissioner Adams stated that he won't be comfortable with this committee unless the Department delineates what this committee does vs. what the Board does and that the Board's role is included in the policy. Mr. Bergsrud agreed to discuss this with the Superintendent and Rebecca Salinas, Seattle Parks' Partnership Manager. Commissioner Ramels agreed with Commissioner Adams' request.

Commissioner Kincaid believes that Magnuson is the most complex park in the city and involves a great deal more than the Park Board can look at. This new committee establishes a better communication system and she credited Superintendent Gallagher with the idea. It would be a real disadvantage to not move ahead with this.

Commissioner Keith asked about the term limits and questioned if the appointing authority for each position agreed with the length of the terms. The Superintendent responded that the initial terms are staggered so that the committee will have terms that end on a rotational basis. There are no term limits, so members can apply for additional terms. Commissioner Ramels noted that the terms are three years, as are those of Park Board members. It could be problematic if a Commissioner is appointed who is near the end of their term.

Commission Barber referred to a Blue Ribbon panel that was convened in 1999 by then Mayor Schell and asked that Parks keep the Panel's recommendations in mind. He is concerned about the continuity, planning, and history of the park. He asked if the Blue Ribbon Panel's recommendations will be brought to the new advisory committee, and Mr. Bergsrud responded that the recommendations of the Panel were a product of the times, with a focus on the parks' operations. He deferred to the Superintendent as to whether the panels' recommendations would be kept in the forefront. Commissioner Barber answered that the Blue Ribbon committee had many good ideas.

Public Hearing

The public hearing began. Commissioner Ramels stated that testimony may be given for up to two minutes. Written testimony may also be submitted up until the Board discusses the proposal and makes a recommendation to the Superintendent. One person testified.

Lynn Ferguson: She has been involved with Magnuson Park for quite a few years and believes this is a wonderful step for the park. This is one outcome of a legal document that reads to "set up an advisory committee of interested parties" for a communication system between interested parties. This committee will deal with the many operational issues at the park. It is time for groups to stop fighting over this park and get on the same page. She totally supports the formation of the advisory committee.

She also invited the Board to attend the 85th anniversary of the first flight around the world, which made a stop at Magnuson Park. This event is scheduled for Sunday, September 27, 2-4 pm. Seattle Parks is helping sponsor this event.

The Board thanked Mr. Bergsrud for the briefing, and plans to discuss this proposal at its September 24 meeting and make a recommendation to Superintendent Gallagher

Annual Briefing: Museum of History and Industry Move to South Lake Union

Leonard Garfield, Executive Director of the Museum of History and Industry (MOHAI), briefed the Board on plans to move MOHAI from its current location in McCurdy Park to The Armory in South Lake Union Park. Prior to this meeting, Commissioners received a written briefing which was posted on the Board's web page and is included in these minutes.

Written Briefing

Requested Board Action:

MOHAI is presenting updated information to the Park Board regarding the museum's plans to move from its current location in McCurdy Park to the Naval Reserve Armory Building in Lake Union Park. The briefing will be informational and will not require a vote of the board.

Project Description and Background:

In 2012, the Museum of History & Industry will open a new regional history museum in the Naval Reserve Armory at Lake Union Park, transforming the landmark structure into a highly interactive experience that engages Seattle residents and visitors in the rich heritage of our region and allows visitors to experience the power of history as a tool for making decisions about the future. The museum expects to serve over 100,000 visitors a year, including thousands of school children, and will feature strong partnerships with the area's heritage organizations, including the maritime heritage groups already located at the park. The museum will include approximately 28,000 square feet of exhibit space, including a long term exhibit that explores the region's growth from wilderness to world city; a special gallery for traveling shows from national partners like the Smithsonian; a community gallery to share with other heritage organizations; and a maritime gallery to highlight the special maritime history of the region. The new museum will also include a café serving park and museum visitors, a retail space, publically accessible restrooms available for park users, meeting spaces

(including space for community gatherings and a work space for parks staff), and an orientation theater. A terrace along the west facade will provide opportunities for park and museum visitors to gather informally and for special outdoor events.

The MOHAI project is a partnership between the museum and the City of Seattle, the State of Washington and civic partners, and is precipitated by the need to vacate the current Montlake building due to the widening of SR 520. Detailed development and lease agreements will be reviewed by the City Council in September and October, which will establish the terms of the project development and ongoing museum operations. Under the terms of these agreements, MOHAI will be responsible for maintaining the Armory building and provide museum services for a period of 55 years (together with a wide variety of public benefits) while the city will assume responsibility for the underlying pilings.

Public Involvement Process:

The development of the MOHAI project has been an extensive public-private partnership that has been developed over several years, and guided by a series of City Council resolutions adopted after numerous public hearings and votes. The current agreements are the result of a Council resolution adopted in October 2008. The final agreements are proposed for review at the City Council's Parks and Seattle Center Committee on September 29, 2009.

Issues:

To this point, there has been no formal citizen opposition or concerns to the project. Current tenants of the Armory have concerns about plans for their relocation once the building is prepared for its new use. There are concerns as well about the parking availability at the park to accommodate the more intensive visitation envisioned by the museum plan.

Environmental Sustainability:

The project has received all appropriate shoreline and environmental permits. The project itself will achieve LEED certification.

Budget:

The MOHAI project is a multi-phase, multi-faceted project, but the actual renovation of the Armory and upgrade for museum purposes is \$30 million, with an additional \$15 million for tenant improvements, exhibitry and interactive media. In addition, MOHAI will be increasing its endowment by \$8 million, increasing its operational cash reserves and enhancing its operating infrastructure as part of the project (for a \$60 million total project cost). The sources of funds come from MOHAI's own fundraising, including proceeds from the sale of real estate assets elsewhere in the city (\$40 million, of which approximately \$17 million is already secured), proceeds from the condemnation of the museum's current parks-owned facility in McCurdy Park which will be assigned to MOHAI for the purposes of the Armory project (amount currently unknown), and proceeds from the sale of historic tax credits that will accrue from the rehabilitation of the Armory (anticipated to be valued at \$5 million).

Schedule:

Construction in the Armory is anticipated to start in January 2011, with construction complete and exhibitry installed in mid-2012, and a tentative public opening date set for October 2012. Currently, the museum has completed architectural design documents and will complete exhibit design documents this year. We have selected a general contractor and are working with the City Landmarks board regarding the proposed design.

For More Information

Leonard Garfield, Executive Director
Museum of History & Industry
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Verbal Briefing/Board Discussion

Mr. Garfield introduced himself and thanked Seattle Parks for 57 years of a great partnership. He stated that it has been wonderful to work with Parks staff and complimented the grounds staff on the great job they do to keep the landscaping looking great. MOHAI is proud of the connection it has with local school kids and averages 13,000 annually visiting the museum.

MOHAI is at a crossroads, with its current building in McCurdy Park scheduled for demolition in 2012 as Washington State Department of Transportation widens SR520. However, it is a good opportunity for MOHAI to move to the Armory at South Lake Union Park. He is thrilled and excited about the opportunity. This is a unique opportunity to move the museum to the center of Seattle. MOHAI is growing and expanding, with a rapidly increasing membership making this a good time for the move.

MOHAI's building at McCurdy Park has 55,000 sq. ft., with a portion used for storage. The South Lake Union armory is 50,000 sq. ft. and only a small amount of space will be used for storage. The cost for the move is \$60 million, with the funding sources outlined in the briefing paper. MOHAI, which is a 501c3, is optimistic that it will reach the funding goals and stay on the timeline of moving in 2011 and opening to the public in 2012. Seattle City Council will vote on the move in October.

Commissioner Holme asked if MOHAI has performed a parking study for the South Lake Union site. Mr. Garfield responded that two studies have been made. There is a small amount of parking at the park itself, with thousands in the immediate community. The site is also accessible by buses and the trolley; however, parking will be challenging. The Superintendent added that there is a parking lot at the site now and it will eventually be metered. The City will get 120 parking spaces for the park upon its completion, but that is still a few years away. Mr. Garfield noted that many MOHAI visitors are elderly and school kids and may be willing to try new forms of transportation.

Commissioner Holme asked for a future briefing to the Board to describe the design of the Armory to accommodate MOHAI and Mr. Garfield agreed to do so. He noted that a goal of the design is to preserve the current architectural details. The building will be conveyed to MOHAI for 55 years, and then reverts back to the City. The land is leased to MOHAI, but is owned by the City.

Commissioner Adams commented that this partnership sounds successful. He asked Mr. Garfield to describe more about the relationship of Parks and MOHAI. Mr. Leonard responded that in 1952 MOHAI built the McCurdy Park building on park land and a few years later the building was conveyed to the City. This same pattern will be followed at South Lake Union. This is a great partnership model.

Commissioner Kincaid noted that the armory is vacuous and has sound problems and wondered if the designers will work on this. Mr. Garfield responded that the acoustical designers are working on a solution. He added that 30 hours of community events will be scheduled in the building each month. Commissioner Barber asked if the re-designed building will contain an auditorium and Mr. Garfield thinks it unlikely.

Mr. Garfield noted an exciting element of the new location – every child 14 and under will be admitted free of charge. He believes that MOHAI will be the first museum in the country to have such an admission policy. He added that the South Lake Union Park location will provide a wonderful opportunity for families to spend the day there, with the waterfront park, MOHAI, and Center for Wooden Boats adjoining each other. He invited the Commissioners and public to visit the facility at McCurdy Park to view the Alaskan-Yukon-Pacific exhibit celebrating the 100th anniversary of the A-Y-P Exposition.

Commissioners thanked Mr. Garfield for the briefing and look forward to a future briefing on the re-design of the Armory.

Briefing: Fee Setting Policy Review

Eric Friedli, Seattle Parks' Policy and Business Analysis Manager, presented a briefing on the Department's Fee Setting Policy Review. Prior to this meeting, Commissioners received a written briefing which was posted on the Board's web page and is included in these minutes.

Written Briefing

Requested Board Action

The Board is being requested to provide feedback on fee setting policies and price setting strategies including initial comments, concerns and suggestion on what additional information ought to be considered in Parks review. The Park Board will be asked to host a public hearing and to make a recommendation on this topic in October.

Background

The lack of existing policy guidance for setting fees is recognized in Parks and Recreation's Strategic Action Plan (SAP), which calls for an evaluation of fees and charges policies for programs and services (Goal 6.D.1i-v). Specifically it calls on Parks and Recreation to "evaluate current fee structures and establish fee policies that consider equity, cost recovery, consistency, and clear understanding for the public" (Goal 6.D.1).

In fall 2008, the Seattle City Council adopted a Statement of Legislative Intent stating that it "intends to review the Department of Parks and Recreation's (DPR) fee setting policies in 2009 to ensure DPR's fee setting policies are consistent and equitable when DPR submits its next fee ordinance in 2011." Through the SLI, the Council asks Parks to provide certain information by July 1, 2009. That information includes:

- 1) "Criteria DPR uses to determine fee increases or decreases;
- 2) The potential for congestion pricing of athletic facilities rentals, including athletic fields, to better manage demand;
- 3) DPR's cost recovery goals for various fee-supported program[s]; and
- 4) An explanation and rationale for how DPR balances cost recovery with affordability."

In response to the SLI and the SAP, Parks has developed the attached review of fees and charges and policy proposal (Attachment 1).

Purpose

The objective of developing a fees and charges policy proposal is to establish a consistent and equitable framework for setting prices for parks and recreation programs, services and facility use that recognizes the trade-offs between community benefits and individual benefits.

Parks has developed a possible approach to this policy that is in two parts – Cost Recovery Goals and Price Setting Protocols. The attached review and policy outline is at the policy level and does not address specific fee or charges such as congestion pricing of athletic fields. We anticipate moving into that level of detail after considering the policy framework and as fees come up for revision in the 2011-12 biennial budget.

One of the significant challenges is determining program costs for fee based programs which is a critical component for measuring cost recovery and useful in discussing fee setting policies. Having cost data directly linked to specific programs would be beneficial to understanding what cost recovery goals, if any, would be appropriate for specific programs or facilities. Unfortunately we do not have that data available and no systems in place to collect it at this time. Our Strategic Action Plan recognized this deficiency and calls on Parks to rectify it. Parks is moving towards having cost data in sufficient detail and organized in a way that will allow us to determine program costs. We have developed a system that is currently being tested through which our staff can easily record what work task they are doing at which facility. Many of our parks maintenance staff are already using this system. As we expand its use to recreation program and administrative staff over the next 1-2 years we will be able to easily determine program costs. Until that

system is fully implemented we can use existing information to estimate program costs for generalized program categories such as pools and community centers.

The lack of detailed programs costs should not preclude us from having a discussion about the process and rationale for setting fees. Engaging in a discussion now, prior to a lot of detailed data analysis, allows us to understand what issues and concerns community members may have early in our thought process which is Parks purpose for engaging in this discussion now.

Next Steps

- Briefing the Board of Park Commissioners including a public review process between September and November.
- Tentatively establish the Cost Recovery Goals and Price Setting Protocols by the end of 2009.
- Use the proposed goals and protocols to develop fees and charges in 2010 for the 2011/2012 budget process. We do not plan to undertake a complete revision to our fees and charges, but to use the goals and protocols as fees and charges are revised, removed, or newly implemented.
- Assess the utility of the Goals and Protocols for setting fees after the 2011/2012 budget process is complete in 2010.
- Refine goals and protocols as appropriate in 2011.

ATTACHMENT 1

SEATTLE PARKS AND RECREATION

FEES AND CHARGES REVIEW
2009

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SEATTLE PARKS AND RECREATION
FEES AND CHARGES REVIEW

1. Introduction

Fees and charges are necessary to provide financial support to Seattle Parks and Recreation (Parks) for the operation and maintenance of programs, facilities, and park grounds. The revenue generated by these fees

constitutes only a portion of funds required for operating and maintaining the park system. There has not been a comprehensive, public review of Parks' fees and charges in recent memory. The purpose of this review and report is to:

- 1) Review Parks' current fee setting process and policies.
- 2) Consider best practices from other park systems.
- 3) Propose a set of fee policies for Parks.

a) Statement of Legislative Intent (SLI)

In fall 2008, the Seattle City Council adopted a statement of legislative intent stating that they "intend to review the Department of Parks and Recreation's (DPR) fee setting policies in 2009 to ensure DPR's fee setting policies are consistent and equitable when DPR submits its next fee ordinance in 2011." Through the SLI, the Council asks Parks to provide certain information by July 1, 2009. That information includes:

- 5) "Criteria DPR uses to determine fee increases or decrease;
- 6) The potential for congestion pricing of athletic facilities rentals, including athletic fields, to better manage demand;
- 7) DPR's cost recovery goals for various fee-supported program[s]; and
- 8) An explanation and rationale for how DPR balances cost recovery with affordability."

b) Strategic Action Plan (SAP)

In September 2008, Parks completed its six-year Strategic Action Plan (SAP): 2009-2013. The plan outlines an action-oriented work program to guide the department over the life of the plan. Parks developed the SAP through a series of meetings and work sessions with citizens, Parks staff, and elected officials. One of the six key goal areas outlined in the plan is to "strengthen organizational systems and structures." Within that broad goal area the plan calls for an "evaluat[ion] of fees and charges policies for programs and services" (Goal 6.D.1i-v). Specifically it calls on Parks to "evaluate current fee structures and establish fee policies that consider equity, cost recovery, consistency, and clear understanding for the public" (Goal 6.D.1).

c) Current Revenue from Fees

In 2008 Seattle Parks and Recreation collected \$46.6 million from its various fees and charges. This accounted for 38.1% of the department's total expenditures. While department-wide we recover 38.1% of our costs from fees there is substantial variability across program areas. Golf and the Seattle Aquarium recover approximately 115% and 100% of their operating costs respectively. The Recreation Division recovers approximately 26% of its direct costs, but a simple calculation doesn't reflect many indirect costs that are shared across the department such as accounting, human resources, etc. The discussion below outlines many of the complications inherent in calculating cost recovery information.

2. Background

a) Legal Context

Fees and charges are necessary to provide financial support to Parks for the operation and maintenance of programs, facilities, and park grounds. The revenue generated by these fees constitutes only a portion of funds required for operating and maintaining the park system. All fees collected from park and recreation activities and concessions are used exclusively for park purposes, as these funds are deposited in the Park and Recreation Fund, not the City General Fund, per Article XI, Section 3 of the City Charter.

i) Fees and Charges Ordinance

Parks proposes fees and charges each year as a part of the city's budget process. Both the Mayor and City Council review and, by ordinance, authorize Parks to collect these fees and charges. The Park and Recreation Fee Schedule lists each fee and charge Parks is authorized to collect and is adopted by ordinance and published each year. Addendum 1 lists the categories of fees and charges. The full Fees and Charges Schedule can be viewed at <http://www.seattle.gov/parks/reservations/feesandcharges/contents.htm>.

In addition to the fees and charges identified in the adopted Schedule, the user may be required to pay additional non-Departmental fees, Parks costs resulting from user's use, and/or a reasonable portion of the City's costs for traffic control and police services when the user's event requires them. Some fees and charges are set by partnering agencies, and are not published in the City's Fees and Charges Schedule, i.e. the Association of Recreation Councils (ARC) which offers programs at park-owned facilities.

ii) New, Experimental and Promotional Fees and Charges

The Parks Superintendent is authorized to establish a fee for requested uses not included in this Schedule, keeping the Mayor and the City Council advised thereof.

The Superintendent is authorized, as provided in SMC Chapter 18.28, to establish experimental rates, and to engage in special promotional and marketing activities to enhance Parks programs. These include, but are not limited to, use of 2-for-1 coupons, 50% discount coupons, and free admission days for children. Discounts for senior adults (age 65 and older) vary by program. These types of activities may occur at various Parks facilities throughout the year.

iii) Fees and Charges Waivers/Reduction Authority

The Superintendent is authorized, as provided in Seattle Municipal Code (SMC) Chapter 18.28, to waive or reduce any fees in the Schedule. The Superintendent is authorized, as provided in SMC Chapters 18.04 and 18.28, to approve the free use of Parks facilities by the Associated Recreation Council, recognized recreation advisory councils, and reduce fees for other organizations that are open to the public, that further Parks goals and programs, and that apply any proceeds to Parks services.

b) Fees and Charges Setting Process

Proposals for new fees and charges or changes to existing fees and charges are typically developed by Parks program staff in cooperation with Parks and Recreation finance and administration staff. The Superintendent reviews proposals and determines if they should be proposed to the City Department of Finance (DOF) and the Mayor. After review by DOF and a decision by the Mayor to support a new fee or change to an existing fee, the proposal is submitted to the City Council in the Fee Ordinance as part of the Mayor's budget proposal. If the City Council adopts a new fee or changes an existing fee, that change is reflected in the Fees and Charges Schedule.

There are more than 275 different fees and charges listed in the Schedule. Diverse uses such as birthday parties at swimming pools, Camp Long cabin rentals, and commercial photography are each assigned different fees.

Fees are recommended by Parks and the Mayor and adopted by the City Council using a variety of criteria that are not consistent across fees, not based on clearly spelled out policy, and not easily articulated to the public. Fees are reported by Parks staff to be based on cost recovery, the marketplace, and revenue generation goals.

3. Best Practices Research

Park and recreation agencies across the country collect fees and charges for services. No park and recreation agency has been found that does not charge some type of fee for selected services. There is no overall consistent method established for identifying uses for which to charge fees, or for determining what fees to charge. Other jurisdictions take various approaches to addressing equity and access, and vary in their use of cost recovery and allocation in fee setting. Market factors only appear to be important in relation to commercial activities allowed on publicly owned parks property.

a) Pros and Cons

Park and recreation agencies historically did not collect fees, and some park and recreation professionals still believe that few or no fees should be charged. Park and recreation facilities have been viewed as basic

services that ought to be provided free of charge. The economic reality has altered that stance, and fees are now common practice.

Arguments against fees include:

- 1) Parks and park and recreation services meet a basic human need;
- 2) Park agencies provide services to those who often cannot afford any alternative;
- 3) It looks like double taxation to charge for something that tax dollars already support; and,
- 4) Charging fees makes the programs and facilities appear more commercial and driven by a profit motive.

Arguments in support of fees include:

- 1) Fees provide some amount of cost recovery for providing the facility or service;
- 2) Revenue can be used to enhance the facility or program;
- 3) Fees can be used to spread the use of the facility or program to avoid congestion;
- 4) Fees are paid by those directly benefiting from the service; and,
- 5) Fees alleviate competition with the private sector that may be impacted by free public competition (Kelsey and DeFillipo, 2007; Loomis and Walsh 1997).
- 6) Fees – even small ones – tend to make people value a program or service more than if it is free.

The enabling legislation for the Land and Water Conservation Fund allows for fees as long as they are consistent with:

- 1) The public policy or interest served by the agency;
- 2) The direct and indirect costs to the government and the general public;
- 3) The benefits to users and the general public;
- 4) Comparable prices charged by private, other federal and non-federal public agencies;
- 5) The economic and administrative feasibility of fee collection; and
- 6) Other pertinent matters such as effects on public health and safety (Loomis and Walsh, 1997 p.321).

b) Other Jurisdictions

There is a wide variety of approaches taken by other jurisdictions in setting fees. Most jurisdictions appear to have a wide range of fees and no set policy for how those fees should be set. Typically, staff develops fee proposals; some are reviewed by a citizens' Board of Park Commissioners and then approved by an elected City Council. In some instances the City Council has delegated authority for setting fees to the Department. A few jurisdictions have established goals for recovering costs through fees and charges collected by their park and recreation agencies. We have not found a jurisdiction that has a comprehensive policy for setting fees and charges.

The following summary is not intended to be exhaustive, but to highlight interesting examples of different approaches to fees and charges.

In Everett, the City Council adopted their Parks Department's Cost Benefit Policy in 2007; it included policy direction to set fees to achieve a 35% cost recovery by 2012 and stated that fees ought to be lower for uses that provide community benefits and higher for uses that provide individual benefits. The Department is authorized to set fees after consultation with the Parks Board of Commissioners and notifying the City Council. They are authorized to set resident and non-resident fees and prime and non-prime time fees.

Spokane has developed a Cost Recovery Policy that establishes cost recovery goals for various types of programs ranging from 25% for aquatic programs to 185% for personal interest programs. The Spokane Board of Park Commissioners reviews fees proposed by staff.

The Portland, OR City Council adopted its Parks and Recreation cost recovery goals in 2004, establishing cost recovery goals for direct and total cost recovery and varying it based on the income level of the neighborhood surrounding the facility. Portland City Council established cost recovery goals of 100% for adults, 42% generally for youth and 23% for youth use of facilities in low income neighborhoods. For example, Portland calculated the athletic field use fees by calculating the total maintenance costs and dividing by the schedulable hours for four types of fields in their system (<http://www.portlandonline.com/parks/index.cfm?c=39174&a=176616>).

Chicago recently set seven different price levels for its day camp programs based on the income level of its neighborhoods. It assessed all 270 parks that independently set prices and hours for their day camps. Seven price points were established and each park was assigned a price it could charge for its day camp programs. The result is a consistent and equitable pricing system.

College Station, TX set fee policies for various activities, differentiating between youth and adult programs. Adult fees are designed to recover the costs of maintaining and operating facilities, while youth fees are not. College Station also assesses rental fees to cover all costs and pool admission fees to cover 50% of the pool operating expenses.

Clark County, NV and Walla Walla, WA have fees and charges policies that are non-specific but generally differentiate between commercial and non-commercial activities, and accommodate users' ability to pay through scholarships and waivers.

In San Jose, CA the parks, recreation and neighborhood services department is in the midst of a process to develop a 5-year pricing and revenue plan. Facing challenging budget times they are looking to develop a sustainable and fair pricing plan. They are considering pricing methods including prime time pricing, seasonal variations, benefits based pricing, length of stay and scholarships. Similar to Everett, San Jose is looking at pricing based levels of public versus private benefit associated with each program (<http://sanjoseca.gov/prns/pricing%2Drevenue/default.asp>).

Fee Policy and Price Setting Options

There are a variety of methods that may be used to set prices. More important than the method used to establish a final price is understanding why charging a fee is appropriate in the first place. We first look at various policy parameters to be considered when deciding to establish or extend a fee or charge and then we identify various options for setting prices.

c) Fee Policy Options

There are multiple purposes for charging fees, including generating revenue, making reservations and maintaining control over Parks operated sites and facilities. Park and recreation facilities and services are, in most jurisdictions, supported to some extent by general tax revenues. Given that general tax revenues are collected from the community as a whole and allocated to support park and recreation facilities and programs, there is a reasonable expectation on the part of citizens that they will be provided some level of service at no charge.

The tax revenues used to support programs can be viewed as the measure of the community benefit associated with that program. The fees paid by individuals for a program measure the individual benefit associated with a program. The combination of the community benefit (taxes) and the individual benefit (fees) is the overall benefit of a program. If a program does not provide enough community benefit to warrant tax support, and it does not benefit individuals enough that they are willing to pay fees to support it, then the program ought not to exist. It is the trade-off between community benefit and individual benefit that, while difficult, is important to assess.

For example, the community sees a benefit to having pools and community centers – as demonstrated by numerous votes to tax themselves for the construction and renovation of community centers. There is a great deal of community benefit in the existence of pools and community centers. Overall, we would not expect these facilities to be fully supported by fees and charges.

Within the community centers and pools, however, there are programs that benefit individuals at different levels. There is community benefit to have people know how to swim and to have access to pools for health and fitness activities. Individuals benefit personally through improved health and increased quality of life.

Competitive swim teams provide a great deal of benefit to the individuals who participate, but provide much less benefit to the overall community. Use of the pool or community center room for a retirement party is solely for the benefit of the individual since the rest of public is excluded.

These different types of use and activity demonstrate the range of benefits between community and individual. People using the pools to learn to swim would pay lower percentage of the cost of operating the pool while people participating in swim team or having retirement party would be expected to pay a much higher percentage of the operating costs.

As indicated above, the Cities of Everett and San Jose have both recognized this and provide a useful framework. San Jose distinguishes between public services, merit services, and private services. Everett has adopted a five level classification system of highly individual, mostly individual, individual/community, community/individual, community benefit.

i) Community Benefit or Public Services

These are services that provide to the public generally without restriction and/or benefit the general public equally. Open park land, open community centers, playgrounds, trails are examples of public services for which NO FEE would be charged. Everett has established a cost recovery goal of 0-25% for programs that fall in this category; San Jose is considering 0 – 20%.

ii) Community/Individual

This category includes programs and facilities that have some benefit exclusive to individuals or individual organizations, but also has significant benefit to the community and general public. These include special events, youth recreation leagues, children's and youth classes, youth drop-in activities, youth theater programs, and many programs for seniors and people with disabilities. Everett has established a cost recovery goal of 25 – 50% for programs that fall in this category.

iii) Individual/Community or Merit Services

The programs and facilities that fall into this classification have strong benefits to both the community and the individual person or organization. Swim lessons, after school programs, adult drop-in programs, advanced youth programs, adult theater programs, facility rentals by non-profits for fee based programs open to the public, and introductory adult programs. Everett has established a cost recovery goal of 50 – 75% for programs that fall in this category. San Jose is considering 20 – 90%.

iv) Mostly Individual

As the title suggests, this category encompasses those programs and facilities that provide some level of benefit to the general community but most of the benefit is accrued to the individual. This would include intermediate and advanced adult classes, and adult recreation leagues. Everett has established a cost recovery goal of 75% and 100% for programs that fall in this category.

v) Highly Individual or Private Services

These include programs and facility uses that have minuscule or no benefits for the general public, and are for the almost exclusive benefit of the individual. These include room rentals for private parties, elite youth and

adult sports, private instruction, facility rentals by for-profits for fee based programs, golf, and boat launch. Everett has established a cost recovery goal of 100 – 125% for programs that fall in this category. San Jose is considering 90 – 125%.

d) Price Setting Options

Once a decision is made on whether to charge a fee, and there is a determination about how that fee ought to be weighed – in view of the program’s or facility’s benefit to the community or individual, then there are myriad ways to set the price for that program or facility.

i) NO FEE

Some programs and facilities may be identified as not warranting fee or charges of any type. The community benefit is so significant that consideration of fees is not warranted.

ii) Demand (Peak Load) Pricing

Prices are set to be higher during times of peak demand and use.

iii) Market Based (Comparative Rate) pricing

A scientific survey is conducted of competitive businesses, and the price is set based on what others in the marketplace are charging. It may be based on all other recreation service providers, or just on those of other public parks and recreation agencies.

iv) Loyalty Program

This price would reward frequent facility or program users by offering a reduced rate or “volume buying” discount.

v) Full Cost Recovery

This would require a calculation of the full cost of providing a service or facility and setting prices to recover those costs averaged across the anticipated users. Full cost recovery would include the cost of the capital outlays to construct and maintain the facility, the indirect administrative costs for operating and maintaining the facility (offsite management, accounting, purchasing systems, etc.), and the direct costs associated with the program or facility (on-site instructors, utilities, maintenance, etc.).

- 1) Direct costs: Fees would be set to recover the direct costs associated with the program or facility. For example, this could be the actual cost of the instructor and supplies required for the program.
- 2) Indirect Operation Costs Included: In addition to the “Direct Costs” noted above, this would include overhead expenses such as custodial and utilities. These are daily costs required to keep the doors open. NOTE: This could be used in a calculation of value of use as part of the exchange of services with Seattle Public Schools.
- 3) Capital costs: Costs associated with the construction and long-term maintenance of a facility would be included in full cost recovery.

vi) Partial Cost Recovery

This could mean anything less than full cost recovery. Costs would be calculated and prices set to recover a certain subset of costs.

- 1) Direct costs only: Fees would be set to recover only the direct costs associated with the program or facility.
- 2) Indirect Operation Costs Included: Some types or level of indirect costs may be included in partial cost recovery.
- 3) No capital costs: Costs associated with the construction and long-term maintenance of a facility would be excluded from the fee setting method.

vii) Social Benefit (Differential) Pricing

Prices are set differentially based on a set of social goals. For example:

- 1) Participant group: Lower fees for youth and senior citizens, higher for young adults
- 2) Commercial enterprise status: Lower fees for non-profit entities, higher for for-profits
- 3) Location of program or facility: Lower fees for people in low income neighborhoods, higher in high income neighborhoods.

viii) Tradition Pricing

Prices are set based on tradition and historic precedent.

ix) Ability to make coin change

Frequently fees are set to allow the cashier to make coin change with few errors and increased speed. For example, at swimming pools, all fees are divisible by \$.25. This allows for speed in transactions which is critical when 100 people are all trying to pay for a one hour swim. The lockers at pools accept quarters so this is an ongoing source of change for basic operations.

x) Applying pricing research theories

Learning Resources Network is one of a number of professional research sources that has studied pricing. For example, they concluded that when a fee is \$49 or \$51 there is a greater trust in the accuracy of these numbers. When a fee is \$50, customers tend to feel this is an inflated figure and are less likely to pay.

xi) Scholarship/Discount Pricing Option

Prices are set based on Full Recovery or are market driven, yet scholarships or discounts are available to citizens who need reduced pricing alternatives. Parks currently has in place mechanisms for reviewing and determining the appropriateness of reducing fees. This process recognizes that for some programs or facilities, the uses benefit primarily an individual. However there is a community benefit to giving access to the program or facility to those who may not be able to afford its cost. In those instances a process for awarding a scholarship or offering a discount price is appropriate.

- a. Scholarship (for example, day care fees)
- b. Reduced prices (for example, golf youth fees)
- c. Fee reduction (for example, facility use for community groups)

4.

5. Cost Recovery Goals

Cost Recovery Goals have been developed in order to establish a clear and shared framework for discussing and developing prices for parks and recreation programs, services, and facility use that recognizes the trade-offs between community benefits and individual benefits. These Goals are expected to be applied, in conjunction with the Price Setting Protocols, to guide settings fees.

Each cost recovery goal is to be applied to major facilities (pools, community centers); specific programs (drop-in basketball, environmental learning center classes); and facility uses (weddings, special facility rentals). Costs should include full direct and indirect costs.

a) Community Benefit or Public Services

- Cost recovery goal: 0 – 25%.

b) Community/Individual

- Cost recovery goal: 20 – 50%.

c) Individual/Community or Merit Services

- Cost recovery goal: 40 – 80%.

d) Mostly Individual

- Cost recovery goal: 75 – 110%.

e) Highly Individual or Private Services

- Cost recovery goal: 90 – 125%.

6. Price Setting Protocols

Price Setting Protocols have been developed to provide: 1) guidance for staff in developing price proposals, and 2) a mechanism for decision-makers to use in understanding, reviewing and adopting prices.

a) Community Benefit or Public Services

Price setting to be based on:

- NO FEE program or facility
- partial cost recovery,
- social benefit,
- scholarship/discount, and
- tradition pricing

b) Community/Individual

Price setting to be based on:

- partial cost recovery,
- social benefit,
- scholarship/discount, and
- tradition pricing

c) Individual/Community or Merit Services

Price setting to be based on:

- partial cost recovery,
- social benefit,
- scholarship/discount,
- tradition pricing,
- peak pricing,
- demand (peak load) pricing

d) Mostly Individual

Price setting to be based on:

- market based,
- full cost recovery,
- peak pricing,
- demand (peak load) pricing

e) Highly Individual or Private Services

Price setting to be based on:

- market based,
- full cost recovery,
- peak pricing,
- demand (peak load) pricing

7. Summary: Cost Recovery Goal and Price Setting Protocols

	Cost Recovery Goal	Price Setting Protocols
Community Benefit or Public Services: <i>Services providing access to the public generally without restriction and/or benefit the general public equally</i>	0 – 25%.	<ul style="list-style-type: none"> Establish as a NO FEE Program or facility partial cost recovery social benefit scholarship/discount tradition pricing
Community/Individual: <i>Some benefit exclusive to individuals or individual organizations, but also has significant benefit to the community and general public</i>	20 – 50%.	<ul style="list-style-type: none"> partial cost recovery social benefit, scholarship/discount tradition pricing
Individual/Community or Merit Services: <i>Strong benefits to both the community and the individual person or organization</i>	40 – 80%.	<ul style="list-style-type: none"> partial cost recover social benefit, scholarship/discount tradition pricing, peak pricing demand (peak load) pricing
Mostly Individual: <i>Programs and facilities that provide some level of benefit to the general community but most of the benefit is accrued to the individual</i>	75 – 110%.	<ul style="list-style-type: none"> Market based full cost recovery peak pricing demand (peak load) pricing
Highly Individual or Private Services: <i>Minuscule or no benefits for the general public and are for the almost exclusive benefit of the individual</i>	90 – 125%.	<ul style="list-style-type: none"> Market based full cost recovery, peak pricing demand (peak load) pricing

**Addendum 1
Seattle Parks and Recreation List of Fee and Charges Categories**

Volunteer Park	
	Admission

	Horticultural Class
	Weddings
	Tours
	Photography permits
Japanese Garden	
	Admission
	School Group Rate
	Annual Pass
Seattle Aquarium	
	Admission
	School Group
	Memberships
	Rentals
	Education Program
Amy Yee Tennis Center	
	Indoor Court
	Outdoor Court
	Special Fee for Tournaments
	Tennis Lessons – Adult
	Tennis Lessons – Junior
	Tennis Lessons – Tiny Tots
	Competitive flights
	Special Events
	Equipment rental
	Public Service Adult Indoor Court Time
Swimming Pools	
	Recreation Swimming
	Fitness
	Instruction
	Safety Courses
	General rental
	Competitive training
	Timing system, rental
	Special use fees
	Birthday Party
	Wading pool rental
	Aquatic Special events
Athletic Facilities	
	West Seattle and Interbay
	Youth Practice
	Youth Games
	Adult games
	School Gym Rentals
	Outdoor tennis courts
	League games
	Sports Fees

	Youth Sports Fees
Facility Rentals	
	Hourly Room rentals
	Gymnasium Rental
	Alcohol Fee
Camp Long	
	Group Day Use
	Cabin rentals
	Lodge Rentals
Discovery Park	
	Group Guided walks
	Room Rentals
	Room Rentals
Carkeek Park	
	Room Rentals
Golden Gardens Bathhouse	
	Booking Fee
	Room rental
	Alcohol Fee
	Maintenance Fee
Langston Hughes	
	Performance rentals
	Marquee rental
	Film/video
	Conference, meeting, seminar
	Rehearsals
	Technician
	Meeting Rooms
Lake Union Park	
	Booking fee
	Room Rentals
	Armory Lawn
	Historic ships wharf
	Application fee
	10% admission/sales fee
	Alcohol fee
	Maintenance fee
	Other rentals
Warren G. Magnuson Park	
	Application fees
	Facility / Site rentals
	10% admission/sales fee
	Alcohol fee
	Tables / chairs rentals
	Staffing fees
Washington Park Arboretum	

Moorage Fees	
	Leschi and Lakewood
Boat Ramp	
	Permits
	Overnight parking permit
	Day Use
Recreation Participation fees	
	CC and Outdoor Class
	Teen dance
	Senior Adult Programs
	Small craft Centers
Park Area Reservation Fee	
	Kubota and Parsons
	Wedding and ceremonies
	Hourly special event
Picnic Reservation	
	Shelter Half Day
	Shelter Half day – special parks
	Shelter Full Day
	Shelter Full Day – special parks
	Table
	Reschedule fee
Day Camps	
Use Permits	
	Application Fee – 1 st amendment
	Application fee standard
	Booth fee
	10% admission/sales fee
	Load/unload fee
	Utility hook-up fee
	Late application fee
	Commercial signage fee
Photography	
	Commercial hourly fee
First amendment vending	
Construction bidding documents	
Revocable Use Permit fee	
Limited Term Permit Fee	
Continuing Use Permit Fee	
View Tree Pruning Permit	

Facility Rentals	
	Hourly Room rentals
	Gymnasium Rental
Recreation Participation fees	
	CC and Outdoor Class
	Teen dance

Verbal Briefing/Board Discussion

Mr. Friedli introduced himself and reviewed information in the written briefing. He stated that this is an important policy that will impact future generations and the Board’s input is being sought early in the process. The Board is not being asked for a recommendation at this time. The Department is developing this policy in response to its Strategic Action Plan and the City Council’s Statement of Legislative Intent (SLI) to review the Department’s fee-setting policy.

Commissioner Kincaid asked if the fee policy will be consistent throughout the city. Mr. Friedli responded that this is a good question for discussion. He gave the International District community center as an example. It is located in a very dense part of the city that includes many businesses and the fee for renting a room at that location might be more than for a community center in a less dense area. Deputy Superintendent Williams added that Seattle Parks’ goal is to provide affordable rentals sites; however, it could set a different market rate for various sites. Commissioner Ramels believes that Parks’ facility rentals are very underpriced and those who could pay more get to rent these facilities for a very low cost.

Commissioner Adams referred to the purpose statement. From that, he understands that if the Department has the right information, and understands the costs for programming, then it can also determine what the community can bear to rent the facilities. He believes this understanding is very important. Mr. Friedli responded that this is another good question and can be part of the cost-recovery determination. Commissioner Holme noted that currently the Department uses a uniform pricing system, with scholarships awarded as a way to equalize the public’s ability to pay. Commissioner Ramels noted that the Department is in the early stages of developing a new policy and doesn’t have all the answers. Mr. Friedli agreed.

Commissioner Adams understands that collecting the data for the analysis will be costly and may take as long as three years. He urged that the Department gather this information as quickly as possible and that it take other steps to develop the fee setting policy while it is collecting the data. Mr. Friedli responded that the Department will do so and may do a pilot at a community center, with set cost-recovery figures. Commissioner Adams asked if staff will continue identifying costs over the next few months and Superintendent Gallagher agreed. However, the data collection is a slow process. Mr. Friedli added that the Department’s Race and Social Justice’s core team is also looking at the data. Commissioner Ramels asked whether this policy would consider capital indirect overhead costs and Mr. Friedli agreed that it would.

Commissioner Holme asked what measures other Washington State cities and towns are using to recover costs. The Superintendent responded that 95% of Parks and Recreation departments set fees by calling other cities and then averaging the rates. None have a comprehensive policy such as the one that is being developed in Seattle.

Commissioner Kincaid asked the Department to consider adjusting costs for dense areas with small apartments and limited areas for the public to gather. Deputy Superintendent Williams commented that the policy will include a statement of equity of access.

Commissioner Jourdan stated that she is impressed with the information Mr. Friedli gathered from other cities. She likes the concept that Portland adjusts costs in relation to age, and urged that Seattle Parks take this further and also base it on income level. She suggested that access to golf be looked at on a case-by-case example. She is impressed with the number of partners Seattle Parks has that help provide access to its

facilities. Commissioner Ramels agreed that the Department should strive to recover basic costs for use of the facilities and also weigh in the community benefit of such use. The Superintendent commented that the case-by-case evaluations can be subjective. No one will argue that golf is an individual benefit; however, a team of golfers might be considered a community benefit.

Commissioner Holme strongly supports youth sports which emphasize access for the broadest population possible, for all ages and abilities, and raised concerns about the reference in the Fee Policy Options, part v) "Highly Individual or Private Services", which singles out elite youth and adult sports, and suggests a higher fee schedule for these groups than for recreational level of play. He stated that in most youth sports, the national trend is towards more select (elite) programs, meant to develop athletes with the most potential to excel, and are not only for the economically privileged. He believes charging more for elite youth programs is not appropriate, and may discourage talented youth from lower-income families from participating.

Commissioner Holme added that parking costs must also be considered in a cost recovery, as parking must be provided at some locations so the public can use the facilities. Superintendent Gallagher responded that he will raise the parking issue with the new administration and noted that some of the Department's parking lots are being used as park-and-rides during weekdays.

Commissioner Barber stated that this is a rich discussion and he had several comments and suggestions: (1) he believes that the State sets the use of public land and it speaks against use of fair market values as the basis for setting fees; (2) he questions how the Department will determine the 0-25% rate for community benefit; and (3) he related that he started to look at the basic cost of an event as a building block. The base, he thought, was the administrative costs of the scheduling and permitting section and asked why this was not part of the discussion.

He referred to the option of going over 100% cost recovery and asked why this would happen. The Superintendent responded that a 100%+ recovery pays for operations and also allows the remainder to be put into capital funds. This could happen if the Department uses a market pricing policy. Commissioner Barber said he does not see charging in excess as a market pricing issue, but rather noted an example that the land where golf is played is very valuable public land that is only used by golfers and deprives use by the general public, and he cautioned the Department about recovering the cost of parking, which might prevent some people from using the community centers and parks.

Commissioner Ramels asked Mr. Friedli how he chose the various towns and cities for research for this policy. Mr. Friedli researched a number of cities and googled the internet to help gather the information. Responding to a question from Commissioner Keith whether he primarily looked at cities similar in size to Seattle, Mr. Friedli answered that he didn't; rather, he looked for those that address fees and charges. Everett, Spokane, and Tacoma were reviewed, as they operate under the same State laws as Seattle. He also selected Santa Fe, as it is also implementing a new Strategic Action Plan.

Commissioner Ramels thanked Mr. Friedli for bringing this issue to the attention of the Board. She stated that she appreciates the Department's relatively new habit of bringing issues to the Board early in the planning stages, asking for the Board's input long before a policy is written. Rather than merely reacting to a proposal, the Board has an opportunity to actively contribute to its creation.

Mr. Friedli thanked the Board for its comments. The Department will continue developing the policy and come back to the Board later this year.

Old/New Business

City Council Open House: Councilmembers will hold an open house to meet the public on September 22 at Rainier Vista. The Park Board is also planning to hold a future community meeting.

Committee Reports:

Seattle Art Museum: Commissioner Ramels appointed Superintendent Gallagher as her representative to attend the SAM Board meetings.

Seattle Park Foundation: This position is vacant.

Downtown Task Force: This committee is being re-convened and Superintendent Gallagher will appoint two Park Board members. Commissioners Keith, Kincaid, and Ramels voiced interest.

Magnuson Park Advisory Committee: Once this new committee is approved, one Park Board member will be appointed to it.

Waterfront Committee: This may be a future committee requiring a Park Board member.

Green Seattle Partnership: Responding to a question from Commissioner Jourdan on whether the Park Board has a representative on this committee, the Superintendent answered that it doesn't. The Green Seattle Partnership executive committee meets four times each year and includes representatives from Seattle Public Utilities, the Office of Environment and Sustainability, the Cascade Land Conservancy, Seattle Parks, and others.

Commissioner Barber: His neighbor complained that Parks crews were mowing the dead grass at Seward Park. He suggested that perhaps in July, August, and September Parks maintenance crews should spend one week a month removing invasives like blackberries and weed clematis. Commissioner Ramels recently observed crews removing invasives on Admiralty Way. He also asked about the Department's policy on trimming trees to improve views and asked for a briefing on the Departments schedule for replacing comfort stations [scheduled for October 8 meeting.] He stated that the Leschi Community Council had expressly invited the Seattle Girls School during the design process for the renovations of Flo Ware Park and Powell Barnett Park in order to ensure that the restoration would produce recreational features useful to the Girls School. Therefore, the Community Council sees itself as a partner with DPR in the process of preparing a partnership agreement with the Girls School.

Commissioner Kincaid: She attended a recent meeting of the Seattle Design Commission which included a presentation on the Historic Designation for Magnuson Park and they were thrilled that a Park Board member was present. The Design Commission meets twice monthly and their meetings last from 10:00 am to 4:00 pm. Commissioner Kincaid suggested that Parks staff schedule a meet and greet for the Park Board and the Design Commission. The Board's coordinator reported that a meet and greet was held about three years ago and included representatives of the Park Board, the Design Commission, and Historic Preservation Board and staff. The Coordinator will follow up on this request.

Commissioner Holme: He asked that Parks staff send the Board details on the opening of the Lower Woodland Playfield.

There being no other new business, the meeting adjourned at 9:00 p.m.

APPROVED: _____
Jackie Ramels, Chair
Board of Park Commissioners

DATE _____