



CITY OF KIRKLAND

Department of Parks & Community Services

505 Market Street, Suite A, Kirkland, WA 98033 425.587.3300

www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: Jennifer Schroder, Director, Parks and Community Services

Date: May 3, 2012

Subject: Six-month funding for Green Kirkland Partnership Program

RECOMMENDATION:

To authorize the repurposing of \$43,298 from unallocated Real Estate Excise Tax 1 (REET) to fund the Green Kirkland Partnership Program for the second half of 2012 (July–December). The funding is needed to cover the salary and benefits of the Environmental Education and Outreach Specialist (EEOS) and the on-call clerical support.

BACKGROUND DISCUSSION:

The staff support for the Green Kirkland Partnership program has been funded primarily from the Parks Capital Improvement Program (CIP) and by grants from the King Conservation District (KCD). In 2011, staff applied for a \$59,561 grant from KCD to fund half of the EEOS and 1,000 hours for on-call clerical assistance for 2012. KCD was unable to fund the full 12 months requested and instructed Kirkland to submit a grant request for \$35,600 to cover the first six months of 2012 and to re-apply in 2012 for the remaining six months.

In recent weeks, KCD announced a suspension of this year's grant program due to a court decision issued on February 16, 2012. The Washington State Supreme Court ruled 9-0 on the case of Cary v. Mason County that the Mason County Ordinance imposing a special assessment of \$5.00 per parcel plus zero cents per acre was invalid because it failed to meet the statutory requirement (RCW 89.08.400(3)) which requires counties to classify lands into suitable classifications according to benefits conferred.

Because KCD receives funding through a King County Ordinance that contains a classification of lands similar to that included in the Mason County Ordinance, KCD believes the assessment will likely be declared to be invalid on similar grounds. Therefore, KCD does not anticipate that there will be 2012 assessment funding available for District operations or District grants. A letter from the KCD explaining that there will be no authorized grants for 2012 is included as Attachment A.

The KCD (along with other Conservation Districts around the state) secured new state legislation regarding district funding that addresses the court case this year. Unfortunately revenues from the new legislation will not be available until 2013 at the earliest.

Also attached is a 2012 Service Package Request (Attachment B) that details the position costs and a fiscal note to support this request. Note that the Personnel Recap shows an assumed 10% increase in the EEOS position salary. A reclass for this position has been initiated with the Human Resources department and it is anticipated that the process will be completed in the next month. As the program has grown since 2005, so has the level of responsibility required of this position which has led to the need for a reclassification.

FUNDS TO SUPPORT THIS REQUEST:

Real Estate Excise Tax - Part of the mid-biennium budget update process included the opportunity to request \$100k in unallocated REET funds to restore service level reductions. Parks submitted a request for \$54,853 to fund staff support to open restroom facilities in neighborhood parks, landscape maintenance in parks and at the Cemetery as well as maintenance of benches, tables, gates and other park amenities. Based on the amount that was allocated from the \$100k of available REET, there is a fund balance of \$45,147. A fiscal note is included as Attachment C.

The intent is that this supplemental funding is only a one-time request. In addition to the potential new KCD funding, ongoing funding for the Green Kirkland program is also included in the potential parks maintenance ballot measure. So if the Council chooses to place the measure on the ballot and it is approved by voters, the program will be fully funded starting in 2013. If that does not happen, future funding of the Green Kirkland program will be evaluated during the 2013-2014 budget process.

- Att. A. KCD Letter of Funding Impacts
 B. Service Package
 C. Fiscal Note



King Conservation District

1107 SW Grady Way Suite 130 • Renton, WA 98057 • Phone (425) 282-1900 • Fax (425) 282-1898 • www.kingcd.org

March 20, 2012

Hello King Conservation District Partners, Cooperators and Friends,

I am writing to you today to let you know about some significant recent events that will impact the King Conservation District's services and grant programs in 2012. The long awaited Washington State Supreme Court ruling in the Cary v. Mason County case was issued on February 16, 2012. The Court ruled 9-0 that the Mason County Ordinance imposing a special assessment of \$5.00 per parcel plus zero cents per acre was invalid because it failed to meet the statutory requirement (RCW 89.08.400(3)) which requires counties to classify lands into suitable classifications according to benefits conferred. The Court ruled that a classification with a per acre rate of zero cents is not a suitable classification for lands that benefit from a district's activities.

Impact of the Ruling

Because King CD receives funding through a King County Ordinance that contains a classification of lands similar to that included in the Mason County Ordinance, our assessment will likely be declared to be invalid on similar grounds. As you may know, King CD has funded its grant programs as well as its core operations with assessment funds. As it stands right now, ***King CD does not anticipate that there will be 2012 assessment funding available for District operations or District grants.***

2013 and Beyond

In order to address previous legal challenges and arguments made by other property owners relating to the imposition of special assessments, a coalition of Conservation Districts, including King CD, Pierce CD and Spokane CD worked with legislators to introduce a bill (HB2567) to the state legislature which provides for a system of rates and charges as an alternative to the special assessment system. This bill has passed through the 2012 legislature and will be signed by the Governor today. The bill will provide an alternative option for the future. However, ***it cannot be implemented until 2013*** because of the clearly defined statutory process for adopting a new rates and charges system.

The Near Future

When conservation funding was more plentiful five to six years ago, the King CD Board prudently began building a reserve fund to temporarily cover its operations and core programs and thus be able to support its partners should a funding emergency occur. Unfortunately, the funding challenges that plagued conservation programs from 2006 forward prevented the District from growing its reserve to the level initially intended.

The District is currently moving forward on several fronts to ascertain what unanticipated expenses are, and will be incurred, in 2012 in order to cope with the new situation. ***Additionally, the District is working on an analysis of what cuts can be made to operations, programs and grants for 2012 and the first half of 2013 when new revenue will be available.*** King Conservation District will be consulting with King County, its jurisdictional partners, the watershed forums and partner NGOs, both directly and through its Advisory Committee, to mitigate disruption to the District's operations and grant programs until a new funding system can be developed and implemented. We ask for your understanding, support and assistance as we work together to find solutions to this challenge.

Bill Knutsen,

A handwritten signature in blue ink that reads "Bill Knutsen". The signature is written in a cursive, flowing style.

Chair, King Conservation District

CITY OF KIRKLAND
2012 SERVICE PACKAGE REQUEST

TITLE	Forest/Habitat Restoration	3	
DEPARTMENT	DIVISION	FUND	
PCS	Administration	General Fund	
CITY PHILOSOPHIES			
Environmental Stewardship, Investment in Infrastructure, Community Involvement			
DESCRIPTION AND JUSTIFICATION			
Continue 2012 level of service, expand adding one restoration site per year, recruit and train one volunteer steward per year. Highlights of program to-date: six restoration sites, 38 acres in restoration, 16 volunteer stewards, 8,000 volunteer hours per year and 87 volunteer restoration events.			
Is this Service Package tied to a CIP Project? <input type="checkbox"/> No <input type="checkbox"/> Yes CIP # _____			
NUMBER OF FTE's REQUESTED	1.00		
COST SUMMARY	2012		
	Ongoing	One-Time	
	Total		
Personnel Services	\$ 133,908	\$ -	\$ 133,908
Supplies & Services	\$ -	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -
Total Service Package Cost	\$ 133,908	\$ -	\$ 133,908
Expenditure Savings	\$ -	\$ -	\$ -
Offsetting Revenue	\$ 90,611	\$ -	\$ 90,611
Net Service Package Cost	\$ 43,298	\$ -	\$ 43,298

2012 SERVICE PACKAGE REQUEST

TITLE Forest/Habitat Restoration	3
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Description	Org Key	Object			2012		Total
			Ongoing	One-Time	Ongoing	One-Time	
PERSONNEL SERVICES							
Regular Salary (1.0FTE)	010 110 7910	5 10 01 00			\$ 78,349		\$ 78,349
Regular Benefits	010 110 7910	5 20 01 00			\$ 31,672		\$ 31,672
Hourly Wages (1,000 hrs)	010 110 7910	5 10 02 00			\$ 20,190		\$ 20,190
Hourly Benefits	010 110 7910	5 20 02 00			\$ 3,697		\$ 3,697
							\$ -
							\$ -
Total			\$ -	\$ -	\$ 133,908	\$ -	\$ 133,908

SUPPLIES & SERVICES							
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
							\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL OUTLAY							
							\$ -
							\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

CORRESPONDING EXPENDITURE SAVINGS (if applicable)							
							\$ -
							\$ -
							\$ -
							\$ -
Total			\$ -	\$ -	\$ -	\$ -	\$ -

CORRESPONDING OFFSETTING REVENUE (if applicable)							
Est CIP Funding .5FTE EEOS	310 000 0000				\$ 55,011		\$ 55,011
KCD Grant 2012	010 000 0000	3 37 08 05			\$ 35,600		\$ 35,600
Total			\$ -	\$ -	\$ 90,611	\$ -	\$ 90,611

NET SERVICE PACKAGE REQUEST	\$ -	\$ -	\$ 43,298	\$ -	\$ 43,298
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FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Jennifer Schroder, Director Parks and Community Services							
Description of Request							
Request for \$43,298 from the Real Estate Excise Tax (REET 1) Reserve to provide one-time staffing support for the Green Kirkland Partnership (Green Kirkland) program due to the unavailability of planned grant funding.							
Legality/City Policy Basis							
Fiscal Impact							
One-time use of \$43,298 of the REET 1 Reserve. This reserve is able to fully fund this request and falls within the REET flexibility program as set by Council.							
Recommended Funding Source(s)							
<i>Reserve</i>	Description	2012 Est End Balance	Prior Auth. 2011-12 Uses	Prior Auth. 2011-12 Additions	Amount This Request	Revised 2012 End Balance	2012 Target
	REET I Reserve	1,019,907	149,387	0	43,298	827,222	1,035,000
	2011-12 Prior Authorized Use of this reserve: \$94,534 in 2011 and \$54,853 in 2012 for Parks service level reduction restoration. There have been no authorized additions.						
<i>Revenue/Exp Savings</i>							
<i>Other Source</i>							
Other Information							

Prepared By	Neil Kruse, Senior Financial Analyst	Date	May 3, 2012
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