



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
Date: May 21, 2014
Subject: Proposition 2 – 2013 Park Levy Accountability Report

RECOMMENDATION:

That the City Council reviews the preliminary 2013 Park Levy Accountability Report and provides staff feedback prior to the final report being accepted by the Council and issued to the public.

BACKGROUND DISCUSSION:

Kirkland was challenged by maintaining and improving parks that meet the community's expectations. The challenge began with the economic downturn that significantly impacted City revenue starting in 2008. With less revenue, it was necessary for the City to implement service level reductions in parks and community services to preserve citizen public safety priorities. Reductions included lower levels of field maintenance, reduced trash collection in parks, less frequent park restroom cleaning, and reductions in lifeguard services.

In September 2011, a group of citizens came forward to ask the City Council to consider a tax measure to restore parks maintenance services and to invest in the City's park system. The City Council responded by creating a citizen advisory task force called Parks Funding Exploratory Committee (PFEC). The PFEC was made up of representatives from all Kirkland neighborhoods, business leaders and park user groups. The PFEC recommended that a combined park capital and operating measure be placed before the voters. Citizen surveys conducted by the Council also showed that the residents of Kirkland were interested in more resources for parks. The City Council then placed the PFEC-recommended measure on the ballot. On November 6, 2012, Kirkland voters approved Proposition 2: Levy for City Parks Maintenance, Restoration and Enhancement. The summary information about Proposition 2 that was prepared for the public is included as Attachment A. The Parks Levy will raise \$2.35 million annually to fund preservation, maintenance, and enhancement of Kirkland's parks and natural areas.

ANNUAL ACCOUNTABILITY REPORT

The Park Levy measure (Ordinance No. 4365) describes the restricted uses for the funding as well as a requirement to produce annually an accountability report documenting actions and status of the programs funded by the Levy. The Park Levy funds are allocated to 1) Park Maintenance and Operations (\$1.095 million) and 2) Annual investment of approximately \$1 million for Park Capital Projects (\$7.5 million over the first seven years).

The Park Levy Accountability Report informs the City Council and the community of annual accomplishments and funding status. The 2013 report will document the results of the Park Levy's first year. The preliminary accountability report is included as a pdf file as Attachment B for Council's review and feedback will be incorporated into the final document which will be brought back for final approval and then distributed to the public. A hard copy of the draft report will also be placed in each of the Councilmember's mailboxes.

A draft of the 2013 report is available here:

[http://issuu.com/cityofkirkland/docs/kirkland_parks_levy_report_2013-14 ?e=11259893/8057826](http://issuu.com/cityofkirkland/docs/kirkland_parks_levy_report_2013-14/?e=11259893/8057826)

Attachment: Parks Levy Fact Sheet



PROPOSITION 2: LEVY for CITY PARKS MAINTENANCE, RESTORATION, and ENHANCEMENT



Voter Ballot Measure Fact Sheet

November 6, 2012 General Election

KIRKLAND, LIKE MANY CITIES, continues to be challenged in maintaining and improving parks that meet the community's expectations. The challenge began with the economic downturn that significantly impacted city revenue starting in 2008 and that continues today. With less revenue, it was necessary for the City to implement service level reductions in parks and community services to preserve citizen public safety priorities. Reductions included lower levels of field maintenance, trash collection in parks, park restroom cleaning, and reductions in lifeguard services. In September 2011, a group of citizens came forward to ask the City Council to consider a tax measure to restore parks maintenance services and to invest in the City's park system. On November 6, 2012, Kirkland voters will be asked to consider Proposition 2: City Parks Maintenance, Restoration, and Enhancement Levy. Proposition 2 would raise \$2.35 million annually and would fund preservation, maintenance, and enhancement of Kirkland's parks and natural areas. The ballot measure proposes an ongoing property tax levy of 16 cents per \$1,000 of assessed value. The estimated annual cost is \$55.36 for a home valued at \$346,000 (the median assessed value of a single family home in Kirkland).

CITY OF KIRKLAND PROPOSITION NO. 2

LEVY FOR CITY PARKS MAINTENANCE, RESTORATION, AND ENHANCEMENT

The Kirkland City Council adopted Ordinance No.4365 concerning a proposition for a park levy rate increase. To restore and enhance funding for park maintenance and beach lifeguards, to maintain, renovate, and enhance docks, park facilities, trails and playfields and to acquire parkland and open space, the City's regular property tax levy base shall be increased permanently by \$.16 per \$1,000 of assessed value for collection beginning in 2013 and such amount shall be used for the purpose of computing the limitations for subsequent levies provided under RCW ch. 84.55. Should this proposition be:

APPROVED?

REJECTED?

Citizens' Opinion of High Priority City Services

In the City's biennial survey, Kirkland's residents consistently rank public safety as the City's most essential service. In 2012, for example, 93 percent of respondents said fire and emergency medical services were important. Eighty-five percent said the same thing about police services. To maintain these critical services in the face of the 2009-2010 biennial budget reductions, Kirkland's leaders reduced budgets in parks maintenance, roads maintenance, and neighborhood traffic safety. Also in 2012, 75 percent of respondents said they would be willing to support a fee or a tax-increase to provide funding to maintain parks and roads. Survey participants have also consistently reflected a positive view of Kirkland as a place to live which they attribute to location, small town feel, and the physical environment such as the City's parks.



Playground at Juanita Beach Park



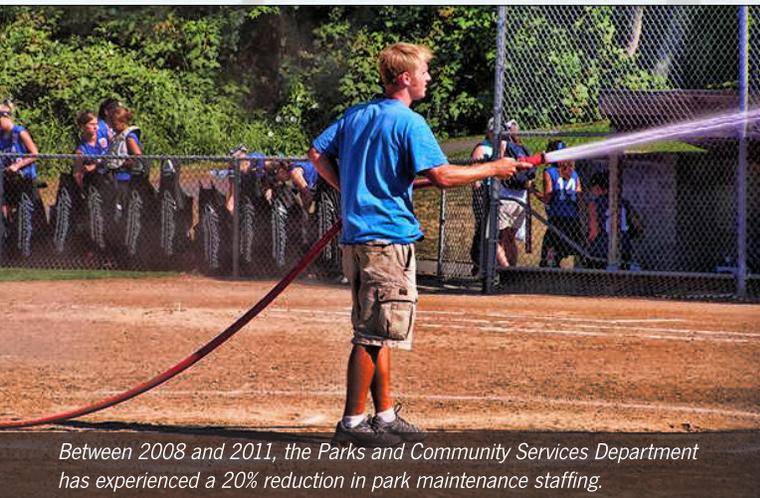
Park Funding Exploratory Committee

In response to citizens' requests for the City Council to consider a parks levy, the Council formed a Park Funding Exploratory Committee (PFEC) in 2011. PFEC served as an ad-hoc group comprised of nearly 50 citizens representing a wide array of the community's neighborhood, business, education, sports, and civic organizations. The PFEC was asked to assess and make recommendations on the short and long-term maintenance, operational, and capital needs of Kirkland's parks and open space system.

The PFEC process involved gathering and interpreting information about the goals, issues, needs, and priorities for Kirkland's park, open space and recreation system; directing public outreach strategies such as citizen surveys and open houses; exploring funding alternatives such as a park bond or levy; and preparing conclusions and recommendations for Council consideration.

Impacts of Economic Downturn

Between 2008 and 2011, the Parks and Community Services Department has experienced a 20% reduction in park maintenance staffing. This has resulted in an unprecedented drop in the level of care for the community's extensive park system. The City tried to minimize the effects of these budget cuts through efficiencies, use of temporary funding, volunteers, and negotiating a contract with Waste Management to re-establish garbage service to neighborhood parks. But preventive maintenance and replacement of equipment has been deferred at city parks, docks, shorelines and trails.



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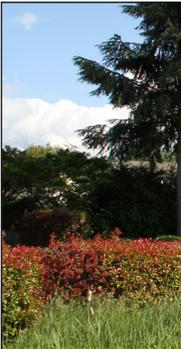
PFEC members discuss priority services and projects for proposed parks levy.

The PFEC extensively considered several options for a park levy including one for maintenance and operations only (M&O), two separate ballot measures including one for M&O and one for capital projects, and one "combined" measure (M&O and capital projects). The City Council accepted the PFEC's recommendation for a combined M&O and capital projects levy.

Likewise, the City's capital investments in its park system have been negatively impacted by the economic downturn. The primary funding source for park capital improvements – Real Estate Excise Tax (REET) that is collected only when homes are sold – has declined to the extent that annual funding in the Parks Capital Improvement Program (CIP) has dropped by more than 38% in the past several years.

Needs of the New Neighborhoods

The City's 2011 annexation of the Juanita, Finn Hill, and Kingsgate neighborhoods brings these service and project issues into even sharper focus. While some additional funding has been allocated to help the City manage five new parks transferred from King County, the City is not able to provide the same level of service in these parks that it had intended when the City chose to proceed with the annexation. With annexation, O.O. Denny Park is now in city limits. The maintenance of the Park has been funded through a levy which has been administered by the Finn Hill Park and Recreation District. The District's levy will expire at the end of 2014 and the City could assume responsibility for the Park if Proposition 2 passes and the Park District could reduce or eliminate its levy.



PROPOSITION 2: Where Will The Money Go?

▶ PARK MAINTENANCE AND OPERATIONS (\$1.095 million)

- Restore maintenance reductions and ensure Kirkland parks are maintained consistent with the community's expectation
- Provide lifeguards at Houghton, Waverly, and Juanita beaches to help ensure safety
- Continue the community's Green Kirkland Partnership which restores and provides healthy forests and habitat areas
- Maintain O.O. Denny Park, a community waterfront park
- Maintain the Cross Kirkland Corridor



If approved, Proposition 2 would help fund an interim bicycle and pedestrian trail within the Cross Kirkland Corridor.



Proposition 2 would allow Green Kirkland Partnership to continue to restore and provide healthy forests and habitation areas.

In addition to the maintenance and operations ongoing funding, if approved, Proposition 2 would achieve the following in the first 7 years:

▶ Dock and Shoreline Renovations (\$800,000)

- Complete major repairs and improvements to public docks and park shorelines for safety and property protection

▶ City-School District Playfields Partnership (\$1 million)

- Continue the partnership with Lake Washington School District to upgrade school playfields for neighborhood and community use

▶ Juanita Beach Bathhouse Replacement (\$1.2 million)

- Provide park restrooms, park maintenance, and canoe/kayak boating concession

▶ Edith Moulton Park Renovation (\$1 million)

- Provide funding for renovations to this community park transferred from King County as part of the 2011 annexation

▶ Waverly Beach Park Renovation (\$500,000)

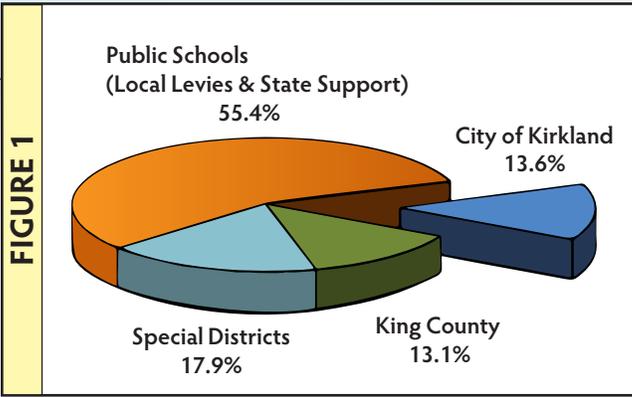
- Provide funding for needed improvements to this popular community waterfront park

▶ Cross Kirkland Corridor Trail (\$500,000)

- Create an interim bicycle and pedestrian trail within the 5.75 mile Cross Kirkland Corridor

▶ Open Space and Park Land Acquisition (\$2.5 million)

- Preserve natural areas and opens spaces and acquire land for future neighborhood parks in areas of the city where new parks are needed



WHERE DO MY PROPERTY TAXES GO?

As shown in the graphic to the left (Figure 1), the City of Kirkland receives about 14% of the total property taxes paid each year. There are 10 taxing districts on a Kirkland property tax bill. The average total property taxes paid on a \$346,000 home is \$3,647 for all taxing districts.

FIGURE 2

City	2012 Regular Levy Rate	2012 Debt Service Rate	Total Property Tax Levy Rate
Sammamish	2.55860	0.00000	2.55860
Shoreline	1.60000	0.27235	1.87235
Redmond	1.76073	0.02282	1.78355
Bothell	1.48357	0.13249	1.61606
Kirkland	1.36766	0.08976	1.45742
Bellevue	1.06605	0.13100	1.19705
Medina	1.07032	0.00000	1.07032

How would Proposition 2 affect Kirkland property tax rates?

Kirkland's levy is the total amount of property tax revenue the City can collect in one year. The King County Assessor determines the assessed valuation of your property. The levy rate is determined by taking the total levy and dividing it by the total property value in the City. The rate is then applied to every \$1,000 of a property's value, which determines the amount of property taxes paid. The table to the right (Figure 2) shows the 2012 property tax rates in Kirkland and other comparable cities in the area.

If approved by voters, what would be the cost of Proposition 2 for a Kirkland homeowner?

The ballot measure proposes an ongoing property tax levy of 16.0 cents per \$1,000 of assessed value. If approved, it would raise \$2.35 million each year. The estimated annual cost is \$55.36 for a home valued at \$346,000 (based upon the median of assessed value of a single family home in Kirkland). See estimated annual cost for a range of home values (Figure 3).

Source: www.kingcounty.gov/Assessor/Reports/StatisticalReports/2012.aspx

Parks Levy Impact at 16.0 cents per \$1,000 of assessed value

FIGURE 3

Home Value	Annual Levy Cost:	Monthly Levy Cost:
\$ 300,000	\$ 48.00	\$4.00
\$ 346,000 ⁽¹⁾	\$ 55.36	\$4.61
\$ 430,000 ⁽²⁾	\$ 68.88	\$5.73
\$ 750,000	\$120.00	\$10.00

- (1) 2012 Kirkland Median Single Family Value
- (2) 2012 Kirkland Average Single Family Value

ELECTION DAY IS NOVEMBER 6, 2012



This FACT SHEET was prepared by the City of Kirkland, 123 5th Ave., Kirkland, WA 98033.

For information about Kirkland's Parks Maintenance and Operations, contact Jennifer Schroder, Director, Parks and Community Services Department at 425-587-3300 or jschroder@kirklandwa.gov.