

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE: Bond Advisory Committee Recommendation
DEPARTMENT: City Manager's Office
PRESENTED BY: Robert Olander, Deputy City Manager Dick Deal, Director of Parks, Recreation and Cultural Services

Problem/Issue Statement:

On October 10, 2005 the Bond Advisory Committee presented their recommendations to the City Council (Attachment 1) and the Council accepted public testimony on the proposed package. Prior to staff developing a final ordinance setting an election date and an amount the City Council needs to conclude their deliberations on the bond recommendations, amount and timing. The following are several alternatives for Council consideration.

Alternatives:

Option 1

This option would be to approve the Bond Advisory Committee recommendation as presented. The advantages are that it is a well balanced package and takes into account that we already have significant park and open space in the southeast area of town. It allows for the purchase of approximately 15 acres of added park and open space near or adjacent to the existing 80 acres of Hamlin Park (8.3 acres from SPU, approximately 4 acres from the \$2,000,000 bond allocation plus another 3 acres from the School District from the CIP at \$750,000 for a total of approximately 15 plus acres). The downside is that we would need to continue searching for additional financing to purchase the remaining 8 acres of South Woods, as anticipated in the 6 year CIP.

Supplemental Strategy

The following provides one suggested strategy to acquire all or most of the remaining South Woods property. Essentially, the proposal is to utilize the proceeds of the sale of the City owned "parking lot" property at Shoreline Community College to supplement currently planned sources of funding. Approximately 6 acres of Shoreview Park have been utilized for years by the community college as a gravel parking lot (attachment 2). This area is uphill from the developed park and separated by a steep wooded slope. It is not usable as part of the developed park area and is not reasonable to develop as a separate park. The park was purchased with State of Washington Interagency Committee for Recreation (IAC) and federal funds and is required to be utilized for park

purposes. The use of the property for a college parking lot does not meet this requirement. Since the college needs this property for parking an/or expansion, we have been discussing this issue with the college for several years (Attachment 3). Recently the IAC has requested that the issue be resolved in the near future. We are proceeding with surveying and appraising the property and sharing the cost with the college. We have agreed to jointly approach the legislature for supplemental funding for the college to purchase this property from the City. IAC rules require that the funds either be returned to the State or utilized to purchase like or better park property in the City. A low "guesstimate" for the value is \$500,000/acre. If the college cannot purchase the property it might be sold for private development, similar to what the School District and the Water District are proposing for South Woods.

The South Woods is approximately 15.5 acres with an estimated value of \$475,000/acre. (The SPU property has recently been appraised at \$464,000 an acre. There is no current appraisal on the South Woods property.) Based on these value estimates, acquisition of South Woods property could be approached as follows:

Cost

3 acres from School District	\$ 750,000
12.5 acres @ \$475,000/acre	<u>5,937,500</u>
TOTAL	\$6,687,500

Revenue

Conservation Futures Grant	\$ 350,000
CIP (2007 CIP allocation from General Capital Fund Surplus)	400,000
Bond Issue	2,000,000
Proceeds from "college lot"	<u>3,000,000</u>
TOTAL	\$5,750,000

This would leave approximately \$937,500 to fund through future grants or CIP allocations. There is a possibility that the college property may be worth more than \$500,000/acre. It may also be reasonable to increase the bond amount slightly, perhaps about \$400,000, with out significantly altering the fiscal impact and the chances for passage. The benefit of this option is that it utilizes the sale of basically unusable park property to purchase more accessible and useable property. It also solves the IAC requirement and potentially meets the needs of the college. The downside is the uncertainty factor in securing funding from the legislature or neighborhood concern if it is sold for single family development.

Option 2

This option would eliminate the purchase of the SPU property from the proposed bond and increase the amount requested for South Woods.

Cost

3 acres from School District	\$ 750,000
12.5 acres @ \$475,000/acre	<u>5,937,500</u>
TOTAL	\$6,687,500

Revenue

Conservation Futures Grant	\$ 350,000
CIP	400,000
Possible transfer of SPU grant to South Woods	150,000 (estimate)
South Woods Bond allotment	2,000,000
Transfer from SPU Bond project	<u>3,300,000</u>
TOTAL	\$6,200,000

The advantages of this option are the recommended bond amount stays the same and we could purchase all or nearly all of the South Woods property. Disadvantages are that we would have to request the transfer of the \$450,000 Conservation Futures grant for the SPU property to the South Woods project. Initial indications from Conservation Futures staff is that it is unlikely that they would be willing to transfer the entire SPU amount to South Woods. Also, we would not be able to purchase the SPU 8.3 acres that is already contiguous to and used as part of Hamlin Park. It is not recommended that any other bond projects be reduced since this would skew the geographic and use balance recommended by the Bond Committee.

Option 3

Another option would be to raise the total amount of the bond by up to \$4 million (\$6,687,500 for South Woods as itemized above minus the \$2,750,000 in identified revenue = \$3,937,500). This would raise the bond amount to about \$19 million and the millage rate from 24 cents to 30 cents per \$1,000 assessed value. The increase on an average home of \$289,000 would be from \$69.00 to \$87.00 a year. An intermediate increase of \$2 million would result in a levy of about 27¢ per \$1,000 A.V. and cost approximately \$78.00 annually. This would purchase about 4 acres, leaving the remaining 4 acres to be purchased with future grants or CIP allocations.

The advantage of this option is that voters may be inclined to tax themselves more to purchase open space that is endangered. One disadvantage is that it unbalances the bond proposal geographically and functionally. If adopted, this option would have approximately one-half (\$9.3 million) of the total bond issue devoted to land purchase in

the southeast quadrant of the City (\$6 million for South Woods and \$3.3 million for SPU) where we already have 80 acres in Hamlin Park. It would also exceed the upper limits strongly recommended by the Bond Advisory Committee.

RECOMMENDATION

Staff supports the proposal submitted by the Bond Advisory Committee and recommends Council adoption substantially in that form. Staff also believes that the disposition of the parking lot property offers a reasonable strategy and plan to acquire the balance of South Woods. It would solve a long standing obligation with the IAC, benefit the college and convert a parcel of unusable park property into better park space for the community. It is suggested that the City Council conclude the public hearing and consider moving this item forward to November 14 for discussion and decision.

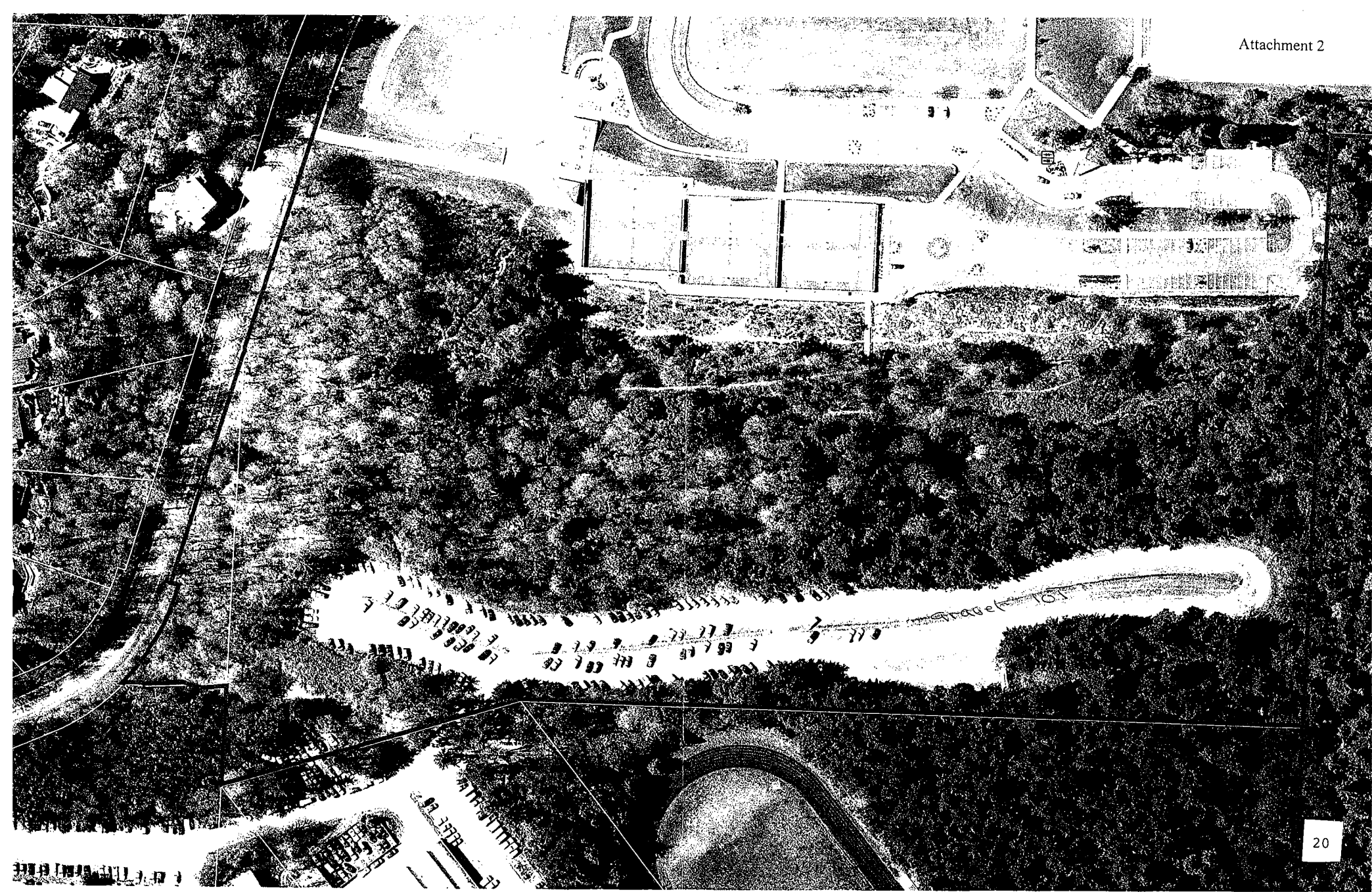
Approved By: City Manager  City Attorney ____

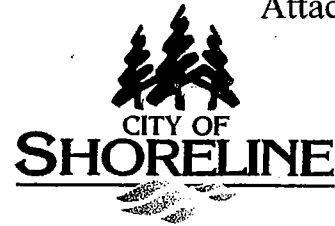
Bond Advisory Subcommittee Draft List of Projects

Objective: To create a reasonably balanced and mixed list of projects (e.g., active, passive, east, west, open space, youth, adult, seniors, community and group support)

# of "dots"	Project	Draft List (7/13/05)	Staff Recommendation	Committee Recommendation
12	Trails, walk/pathways, with connections (20th NW, Richmond Beach Rd. to Saltwater Park; 15th NW, Kruckeberg Gardens to Richmond Beach Rd.) Please note: Park Site TBD-Trails \$1.5 million was added to this one + 4 dots			
7	Hamlin Park (SPU acquisition-8.3 acres)	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
6	South Woods Property Acquisition (15.6 acres)	\$ 3,400,000	\$ 3,400,000	\$ 3,300,000
6	Kruckeberg Gardens (acquisition, parking improvements)	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000
5	Field Turf at Twin Ponds Park	\$ 950,000	\$ 950,000	\$ 950,000
4	Hamlin Park Improvements (backstops, concession stand, restrooms, picnic shelter and tables, trails)	\$ 900,000	\$ 900,000	\$ 900,000
3	South Echo Lake + Weiman House	\$ 400,000		\$ 250,000
3	Richmond Beach Saltwater Park Improvements	\$ 1,000,000		
3	Park Site TBD (Off Leash Dog Park)	\$ 2,800,000	\$ 2,800,000	\$ 2,800,000
2	Cromwell Park Improvements	\$ 100,000	\$ 150,000	\$ 150,000
2	Hamlin Park (field lighting on lower fields)	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
1	Baseball/Softball Field Improvements	\$ 400,000	\$ 500,000	\$ 500,000
0	Lights on Tennis Courts at Shoreline Center	\$ 100,000		\$ 250,000
0	Westside Park Site TBD (Skate Park)	\$ 40,000	\$ 60,000	\$ 60,000
0	Darnell Park	\$ 250,000	\$ 250,000	\$ 250,000
0	Tennis Courts (resurfacing at Meridian Park and Keough Park)	\$ 50,000		
0	Field Turf at Shoreview Park	\$ 20,000		
	TOTAL	\$ 16,810,000	\$ 14,510,000	\$ 14,910,000

Final Draft List Adopted by Subcommittee on 8/4/2005





SHORELINE
CITY COUNCIL

Don Hansen
Mayor
Scott Jepsen
Deputy Mayor
John Chang
Faggie Fimia
Paul Grace
Richard Gustafson
Robert Ransom

July 11, 2005

Dr. Holly Moore, President
Shoreline Community College
16101 Greenwood Avenue North
Shoreline, Washington 98133-5696

• COUNCILMEMBER	_____
• _____	_____
• FULL COUNCIL	Y
• CITY MANAGER	Y
• STAFF	Bobo
• _____	Dick
• _____	Lisa
• FILE	Y

FYI

Dear Dr. Moore:

For the past several years Shoreline Community College has been using the east end of Shoreview Park for student parking. The park property was acquired by King County prior to city incorporation with federal funds that allow it only to be used for recreation purposes. The use of the property for a college parking lot does not meet that requirement. This issue has been brought to city staff attention by the State of Washington Interagency Committee for Outdoor Recreation (IAC) and they are asking for this issue to be resolved in the near future. To meet compliance requirements of the grant that funded the park property acquisition there are two options:

- 1) Sell to Shoreline Community College for the current appraised value all or a portion of the site currently being used for student parking.

For this option to be considered, the City of Shoreline would have to acquire a like sized parcel of property in the city limits to replace the recreational value of the site. There are currently two sites on the east side of town that would meet that requirement. If these properties are sold and we cannot find a comparable sized property in Shoreline, this is no longer a valid option.

- 2) Close off the site to eliminate the non-compliant student parking use.

On March 30th Parks, Recreation, and Cultural Services Director Dick Deal met with Kae Peterson and Randy Stegmeier from your staff to discuss this issue. It was decided that before a decision could be made the value of the property in question would need to be determined. The first step in the process has been completed with the parking lot area identified and flagged during a meeting on site between Dick Deal and Randy Stegmeier on

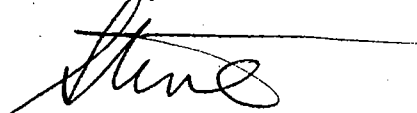
April 20, 2005. It is important that the process continue with a survey of the site and appraisal of the property identified in the survey. The city is willing to share all survey and appraisal costs 50/50 with the College.

If the College agrees to pursue the purchase of the property the City would be a willing partner in working with the College and contacting our local legislators in an attempt to secure funds.

I believe the first option would be beneficial to both the City and the College and we would like to work with you to acquire the needed funding. If we choose this option we do need to move ahead expeditiously to complete the survey and appraisal, and prepare for the next legislative session.

The IAC would like this matter to be resolved as soon as possible, and it is the City's goal to reach closure on this issue prior to the start of the 2006-2007 college school year. If you have questions I can be contacted at (206) 546-1303.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve", with a horizontal line drawn across it.

Steven C. Burkett
City Manager

C: City Council
Darrell Jennings, IAC