

CITY COUNCIL STUDY SESSION

Update on the Proposed 2020-2025 King County Parks, Trails and Open Space Replacement Levy

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Parks and Community Services

DIRECTION NEEDED FROM COUNCIL**INFORMATION
ONLY**

As directed by Council on March 25, staff is providing an update on the final amendments to the proposed King County Parks, Trails and Open Space Levy. The King County Council amended the proposal at its April 17 meeting when it voted to place the proposed levy on the August 6 countywide ballot. Staff from the County's Department of Natural Resources and Parks will provide an update on the final levy proposal.

Tonight's briefing is informational only and staff is not seeking formal Council action. Several of the projects in the proposed levy are of interest to the City of Bellevue, including amendments by the County Council in April. The existing six-year levy expires at the end of 2019.

RECOMMENDATION

N/A

BACKGROUND & ANALYSIS

On March 25, Council received a briefing regarding the proposed 2020-2025 King County Parks, Trails and Open Space Replacement Levy. Council discussed the levy's impacts and benefits to Bellevue residents and visitors. At that time, Council provided feedback to Councilmember John Stokes to support the proposal at the Regional Policy Committee.

Bob Burns, Deputy Director of the King County Department of Natural Resources and Parks, will present an update on the final amendments to the County's proposal for a six-year levy for 2020-2025. The County Council adopted amendments to the levy proposal at its April 17 meeting, bringing the final rate to 18.32 cents per \$1,000 of assessed value (AV) with annual adjustments for inflation and population growth. This is an increase of 1.5 cents from 16.82 cents per \$1,000 AV, the amount that was presented to Council in March. Additional information is provided below in the section "Amendments Incorporated in the Final Proposed Levy" regarding the drivers of the increase.

The first four-year King County parks levy was approved by voters in 2003 to support operations and maintenance of regional and rural parks. It was renewed and increased in 2007 and again in 2013 to support both operations and expansion of parks, open space and trails. If renewed in August, the levy would extend from 2020 to 2025.

The existing levy was approved by voters in 2013 at a rate of 18.77 cents per \$1,000 of AV and, due to rising property values, is being collected at a rate of 12.68 cents in 2019. It is estimated that it will have generated a total of \$420 million over the six-year levy period of 2014-2019. Bellevue property owners contribute approximately \$8 million per year under the existing levy. A home valued at \$941,000 contributes about \$119 annually under the existing levy.

2020-2025 King County Proposed Parks Levy Structure

The proposed levy ordinance limits levy funds to the following objectives:

- Maintenance and operations of the existing King County Parks system, including parks, trails and open spaces
- Improving parks, recreation, access and mobility by acquiring open space and continuing to develop regional trails
- Repairing, replacing and improving local parks and trails in King County's cities
- Woodland Park Zoo maintenance and programming
- Seattle Aquarium capital construction

Each of these carries forward from previous levies, with the exception of the Seattle Aquarium objective, which is newly-proposed for 2020. Also, newly proposed is a focus on addressing disparities in access to parks, recreation and open space for underserved communities through a new Targeted Equity Grant Program.

Original Proposed Levy Funding Plan as Presented to Council on March 25

Council was presented a draft replacement levy on March 25 at 16.82 cents per \$1,000 of AV with annual adjustments for inflation and population growth. The original proposal would have generated \$738 million over the life of the levy. Proposed expenditures included:

- The Seattle Aquarium would receive \$8 million over four years specifically for its new Ocean Pavilion capital project.
- Of the remaining levy funds, 40 percent would be allocated to County Parks maintenance and operations. Within this amount, up to \$6 million would be distributed to local community projects through a new Targeted Equity Grant Program to provide "equitable opportunities and access to public parks and recreation for underserved communities".
- Another 47 percent of levy funding would be allocated to County Parks for acquisition of open space, regional trail development and park system capital improvement. This funding would include a specific \$35 million open space allocation for cities that could be used for active recreation as long as at least 20 percent of the land remains open space, natural land or urban green space available for passive recreation.
- Five percent of levy proceeds would be distributed to the Woodland Park Zoo
- Cities within the County would receive eight percent for local park system projects using the following formula:

- All cities, regardless of size, would receive a minimum of \$25,000 annually.
- Cities with a population over 4,000 would receive a minimum of \$75,000 annually.
- Remaining funds would be divided among cities: 50 percent based on city population and 50 percent based on the AV of parcels within a city.

Amendments Incorporated in the Final Proposed Levy

Amendments were adopted at the April 17 meeting of the County Council. The final measure that will be on the countywide ballot has a levy rate of 18.32 cents per \$1,000 of AV with annual adjustments for inflation and population growth. The increase from the proposal presented at the March 25 Bellevue City Council meeting is due to the following amendments/additional funding:

- \$44 million for pool maintenance, capital improvements and construction.
- \$22 million for a “Complete Floodplains” grant program.
- \$4 million to increase targeted equity grants, from \$6 million to no more than \$10 million.
- Changes in acquisition guidelines and equity grant guidelines.
- Allowing acquisition program grants for cities/towns/metropolitan park districts to be used for a broad range of capital purposes, and not just limited to acquisitions.
- Allowing levy proceeds to be used for acquisition and development of all public trails.
- Various technical changes for consistency.

The impact of the levy as originally proposed would be approximately \$158 per year for a property in Bellevue assessed at the median value of \$941,000. The impact of the levy with the amendments and additional funding would be approximately \$172 per year for a property assessed at the median value of \$941,000. This represents an increase of \$14 per year for the owner of a home at the median AV. The new, increased rate would bring the total amount collected under the six-year levy to approximately \$810 million, or an increase of approximately \$72 million.

Proposed Parks Levy Projects in Bellevue

Park, trail and open space projects in Bellevue would receive parks levy funding in two ways. One is through the direct levy distribution to cities. The total direct distribution for cities is proposed to increase from \$29 million in the 2014-2019 levy to \$60 million for 2020-2025. Bellevue received approximately \$2.7 million under the existing levy and would receive about \$4.4 million under the proposed levy, about \$730,000 per year.

The second way that levy funds would be received by Bellevue is through the County’s investment in its regional trails system as it extends through Bellevue, including the Eastside Rail Corridor (ERC).

The existing levy is partially funding projects such as the ERC trail improvements south of I-90 that will be constructed concurrent with the Washington State Department of Transportation’s (WSDOT) Renton to Bellevue I-405 project and the vegetated pedestrian bridge over I-405 that will reconnect the ERC at the site of the old Wilburton Tunnel.

The proposed 2020-2025 levy would allocate a total of \$50.5 million to the ERC projects throughout the corridor. In Bellevue, the list of ERC projects includes:

- Trail connection to SR 520 Trail at Northup Way.
- NE 8th Street Pedestrian Bridge overcrossing.
- Wilburton Trestle preservation and trail retrofit.
- Gateway trailhead improvements at the north end of the Trestle in Wilburton.
- Interim connection to the I-90 Mountains to Sound Greenway Trail at 118th Avenue SE and SE 32nd Street.

An additional \$700,000 from the proposed levy's regional trails acquisition fund would help acquire property for the Mercer Slough Gateway at 118th Avenue SE.

The County Council took final action on the proposed levy ordinance on April 17. The proposed levy will be on the August 6 countywide Primary ballot.

POLICY & FISCAL IMPACTS

The **existing levy** was approved by voters in 2013 at a rate of 18.77 cents per \$1,000 of AV and due to rising property values, is being collected at a rate of 12.68 cents in 2019. It is estimated that it will have generated a total of \$420 million over the six-year levy period of 2014-2019. Bellevue property owners contribute approximately \$8 million per year under the existing levy. A home with an AV of \$941,000 contributes about \$119 annually under the existing levy.

The impact of the levy **with the amendments/additional funding** at a rate of 18.32 cents per \$1,000 of AV would be approximately \$172 per year for a property assessed at the median value of \$941,000. This represents an increase of \$53 per year over the existing levy for the owner of a home at the median AV.* Bellevue property owners would contribute about \$11.9 million per year under the proposed levy.

* As noted in the March 25 Council briefing, the impact of the levy **as originally proposed** would have been approximately \$158 per year for a property in Bellevue assessed at the median value of \$941,000.

OPTIONS

N/A

ATTACHMENTS & AVAILABLE DOCUMENTS

A. March 25, 2019 Study Session Agenda Memo

AVAILABLE IN COUNCIL LIBRARY

N/A