



BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 5908
July 6, 2021
Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 5908: Mercer Island Community and Event Center & Recreation Programs and Services Strategy Adoption	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
RECOMMENDED ACTION:	<ol style="list-style-type: none">1. Accept the <i>Strategy for the Mercer Island Community and Event Center and Recreation Programs and Services</i>.2. Receive presentation on 2022 recreation, MICEC and arts preview and provide input. Direct City staff to return in the fall with the 2022 budget proposal.	
DEPARTMENT:	Public Works	
STAFF:	Jason Kintner, Chief of Operations Ryan Daly, Operations & Transition Team Manager	
COUNCIL LIAISON:	Jake Jacobson	
EXHIBITS:	<ol style="list-style-type: none">1. Strategy for MICEC and Recreation Programs and Services2. Articulate, confirm, and communicate a vision for effective and efficient city services. Stabilize the organization, optimize resources, and develop a long-term plan for fiscal sustainability.	
CITY COUNCIL PRIORITY:		

SUMMARY

The purpose of this agenda bill is to seek City Council acceptance of the *Mercer Island Community and Event Center & Recreation Programs and Services Strategy* (also known as the *Reset Strategy*) and solicit Council input on 2022 recreation, MICEC, and arts services.

BACKGROUND

On April 20, 2021, the City Council held a joint Study Session with the Parks and Recreation Commission to review the *Reset Strategy*. The *Reset Strategy* included a roadmap and a philosophy to guide the selection, delivery, and support for future programs and services. It also included implementation of a cost recovery and resource allocation plan, an approach to pricing recreation services, and a commitment to policy development. City staff fielded questions from the City Council and stated that the *Reset Strategy* would return to a future City Council meeting for acceptance.

During Regular Business that same meeting, in [AB 5848](#) City Council appropriated the remaining \$328,000 increment of the 2021 adopted budget to begin implementation of the Recreation Division's recovery. The City Council voiced a desire for the Parks and Recreation Commission to approve and recommend, as appropriate, policies listed in the *Reset Strategy* workplan. The City Council also stated support for continuing implementation of the *Reset Strategy* and to begin some recreation programs and services, as pandemic constraints and budget allowed.

UPDATE ON MICEC RE-OPENING

The April budget appropriation – along with Transition Team funding and a small amount of base budget funding – are being spent in 2021 toward delivering the following programs and services:

- Summer camps
- Picnic area rentals
- Boat launch parking permits
- Field rentals
- Community and Event Center facility rentals (gym rental, only)
- P-Patch use
- Drop-in programs (sports and fitness)
- Special events (permitting and delivery of a limited number of events, with specific limitations).
- Arts Council Immediate Action Plan (including three *Mostly Music in the Park* concerts and hosting a few art exhibits at the Mercer Island Gallery).
- A select number of outdoor recreation programs
- Inclusion services
- Reset work: program design and evaluation, cost recovery analysis, policy development, etc.
- Administrative services
- Maintenance/custodial services
- Private lease of the Annex
- Scholarship program

At the end of July 2021, the public operating building hours will total 41 hours per week, with the possibility of adding another 19 hours for gymnasium rentals. Days of operation will be Tuesday through Saturday.

Summer camps are underway and Mercer Island residents are accessing the MICEC for the first time since March 2020. All of the 2021 activities and services in the list above have been implemented except for:

- Drop-in activities in the gymnasium (including pickleball) are anticipated to begin at the end of July.
- *Mostly Music in the Park*, in coordination with the Arts Council, will take place the last two Thursdays of August and the first Thursday in September.
- Gymnasium rental reservations will be accepted in July, with rentals starting in September.
- Gallery exhibitions will begin this fall, in coordination with the Arts Council.
- A variety of outdoor recreation programs will also begin this fall.

The Recreation Division is using a variety of means to communicate about the events and activities taking place in 2021.

RESET STRATEGY

While 2021 recreation services are being implemented, City staff and consultant Emily Moon are preparing the division for 2022 and full implementation of the *Reset Strategy*. During tonight's City Council meeting, the staff are seeking City Council's acceptance of the *Reset Strategy* (Exhibit 1). This is the same document provided at the April 20, 2021, joint study session with the Parks and Recreation Commission.

Please refer to the April 20, 2021 [meeting materials](#) for a comprehensive explanation of the *Reset Strategy*.

2022 Recreation Programs and Services Preview

Tonight, the staff and consulting team will provide the City Council with a high-level preview of the Recreation Division's tentative programs and services for 2022. The team seeks City Council's input on this initial approach. That input, along with suggestions received from the Parks and Recreation Commission, will be incorporated into the biennial budget adjustments the City Council will consider in November.

Areas of concentration for 2022

Fiscal year 2022 marks the first year the Recreation Division will implement the *Reset Strategy*. Implementation includes continued development, testing, and tweaking of processes and tools. Some highlights of what the division will be focused on include:

- Professional management: smart business operations, best practices, accountability, consistency with goals, targeting outcomes.
 - Through hiring staff with the right skills to plan, implement, and evaluate.
 - Through establishing clear goals and policies, and redefining expectations.
 - Through developing more robust tools and reporting capabilities.
- Flexible, cross-trained and retained staff.
 - By creating fewer and broader classifications.
 - By providing clear opportunities to develop staff (including utilizing rotating assignments).
 - By fostering a team approach to training and service delivery.
- Contracting and leveraging partnerships to perform some responsibilities or offer some programs.
 - Through contemplating what the City is uniquely able to provide well and where other partners may be better equipped.
 - Through evaluating opportunities where the return on investment for in-house/on-staff may be less than contracting or partnering.
 - Through exploring the potential benefits of fostering a higher level of community engagement and sponsorship.
 - Through better defining categories of partners and events.
- Adding more programs and services; implementing piloting and evaluation practices.
 - By making space for trying new things and providing flexibility.
 - By being deliberate about sought-after outcomes and performance.
- Aligning facility space allocation with the Strategy and new policies.
 - Through defining categories of user groups.
 - Through balancing needs and interests and assessing "best" use of spaces.
- Boosting self-service possibilities and reducing staff inefficiencies.
 - By making better use of the online calendar feature.
 - By implementing more structured, time-delineated moments for registration and reservations.
 - By revamping procedures.
 - By utilizing more fillable and "smart" forms and, hopefully, the ability to pay online by credit card.

Anticipated Programs and Services in 2022

Pending budget approval and filling staff positions, the Reset Team anticipates that the Recreation Division will offer the following categories of programs and services in 2022. Please note that these categories largely correspond to those found in the *Reset Strategy's* cost recovery and resource allocation pyramid (Attachment

A of the *Reset Strategy*). Specific activities or programs will be announced with the publication of the recreation brochure each quarter.

- All 2021 services and programs, including continued support and workplan facilitation of the Parks and Recreation Commission and Arts Council.
- Expanded drop-in programs (expanding from sports and fitness in the gym in 2021 to more diverse activities in additional rooms).
- Supporting an increased number of special events (permitting and delivery).
- Community and Event Center facility rentals (full-scale rentals).
- Enhanced/expanded summer camp options (pending review of 2021).
- Development and offering of preschool-aged programming.
- Development and offering of programming for seniors that are social service-focused.
- Enhancing community partnerships and exploring development of a volunteer program and greater use of volunteers.
- Therapeutic/adaptive/specialized recreation services (evaluation and development of in-house programming).
- Fitness Center.
- More outdoor recreation activities and programs (focusing on mixed age/family programs).
- Potentially: development and offering of school in-service days or break programming.

MICEC hours will expand to 64 per week; Mondays would be added to the normal operating days. Potential extra hours for private rentals would also expand to 28 per week, including Sunday rentals.

The Arts Council is in-progress with developing their 2022 workplan; however, it is anticipated that the Arts Council's plan for 2022, at a minimum, will include coordinating and operating the art gallery at MICEC, facilitating Mostly Music in the Park, and engaging in other public projects or programs.

The portfolio of programs and services listed above ensures that the Division is addressing the goals identified in the *Reset Strategy* and provides opportunities for residents of all ages. There are, however, additional cost recovery and resource allocation categories that may not be provided in 2022. The *Reset Strategy* recommends conducting thoughtful evaluations of programs and services (particularly those in the middle tiers of the pyramid: numbers 3 and 4) and taking a phased approach to implementing additional categories. These are the categories of programs and services that were contemplated as possible or potential future services in the *Reset Strategy* but that are not anticipated to be provided in 2022 (tier level shown in parentheses):

- Private/semi-private lessons, taught by City instructors/contractors (5)
- Merchandise sales (5)
- Adult advanced/competitive programs (4)
- Youth advanced/competitive programs (4)
- Tournaments (4)
- Trips (4)
- Adult beginner/intermediate programs (3)
- Youth beginner/intermediate programs (3)
- Senior transportation (3)
- Work study/internship/community service (2)

- Human services (1)
- Volunteer program (may be in development in 2022; 1)

Anticipated Challenges

City staff are eager to offer more to the community and yet are aware of the challenges ahead. Starting a division from nearly scratch is both a unique opportunity and a somewhat daunting task. These are some of the challenges staff foresee:

- The *Reset Strategy* includes the adoption of new policies and practices. Employees, participants, and customers may need time to acclimate.
- Hiring and contracting in this labor market may be challenging. Most cities are struggling to fill vacancies and contractual assistance is not able to fill the voids.
- Carving out enough staff time for training on, implementing, evaluating, and modifying new practices while simultaneously delivering programs and services will require a diligent commitment.

Recreation staff will continue to develop a plan for meeting these challenges head-on and will keep City Council apprised.

Arts & Recreation Budget

The following table depicts budget figures for recreation and arts programs and services from 2019-2022. The amounts shown exclude some interrelated expenditure line-items – such as from parks maintenance – that are not part of *Reset Strategy’s* budget estimate development work.

The 2022 initial estimates shown below are preliminary and will evolve as input is received and services and programs are refined. Staff estimates the costs to deliver the suite of recreation services in FY 2022 will vary between \$2.1 to \$2.4 million, with corresponding revenues totaling \$1.5 to \$1.7 million depending on the programs offered as part of the *Reset Strategy*.

ARTS & RECREATION <i>as of 7/2021</i>	2019 Budget Actuals	2021 Amended Budget	2022 Adopted Budget	2022 Estimate for future amended
REVENUES	\$ 1,804,357	\$ 614,880	\$ 717,013	\$1.5M - \$1.7M
EXPENDITURES	\$ 2,947,729	\$ 1,247,003	\$ 837,311	\$2.1M - \$2.4M

Timeline

Development and approval of the 2022 budget will continue throughout the remainder of 2021. The implementation of budgeted programs and services in 2022 will take place over the first half of 2022, as new staff and contractors are brought on-board, as specific offerings are created, and as those offerings can be marketed to potential participants and customers. The table at the top of Page 6 depicts the anticipated timeline for 2022:

July 2021	City Council receives preview of 2022.
August-September 2021	Recreation and arts budget proposal is developed.
October 2021	Reset Team determines portfolio of programs to be offered during the first quarter of 2021 and begins marketing.
November 2021	City Council considers the citywide biennial budget amendment, including the Recreation Division proposal.
December 2021	The amended 2022 budget is approved. Existing staff determines the portfolio of programs for the second quarter of 2022 and begins marketing. The approach to summer camp is selected.
January-February 2022	The appropriation becomes available; recruitment and selection are underway for new staff and contractors. As soon as February but not later than early March, summer camp marketing begins.
March 2022	New staff is hired and onboarded. Staff determines the portfolio of programs for the third quarter of 2022 and begins marketing.
April 2022	Some additional programs and services begin to be phased in.
July 2022	All planned 2022 programs and services offered in the third or fourth quarter of 2022

Options

City Council direction is needed so that staff can shape a preferred plan for consideration this fall. There are numerous ways in which the previewed proposal could be modified. Specifically, staff seeks input in the following areas:

- Does the timing/pace of implementation of the *Reset Strategy* work? Should it be implemented more quickly or slowly?
- Is the content of the proposed program and service delivery portfolio acceptable?
 - Services proposed do not include funding for Summer Celebration. If the City Council desires to include Summer Celebration in 2022, at what service level?
 - Services proposed do not include beach front lifeguarding. Should the lifeguarding program be offered in 2022?

City Council direction is needed to help staff align appropriate resource needs for the 2022 budget proposal. Staff will continue to develop and refine the 2022 programming and services portfolio and return to the City Council later this fall.

RECOMMENDATION

1. Accept the *Strategy for the Mercer Island Community and Event Center and Recreation Programs and Services*.
2. Receive presentation on 2022 recreation, MICEC, and arts preview and provide input. Direct City staff to return in the fall with the 2022 budget proposal.