



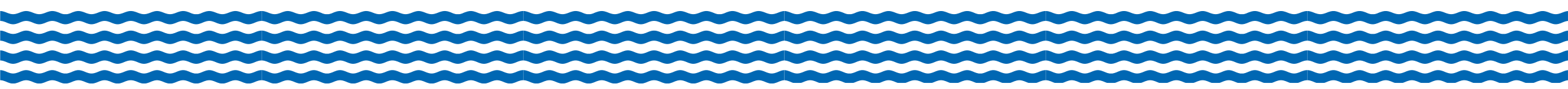
Parks Maintenance & Operations Levy Renewal

AB6111



Agenda

- Follow-up from June 21, 2022 City Council meeting
- First Reading of Ordinance No. 22-13 related to the parks levy renewal.
- Review Explanatory Statement
- Next Steps
- **Note:** This PPT slide deck will be added to the City Council packet after the meeting.

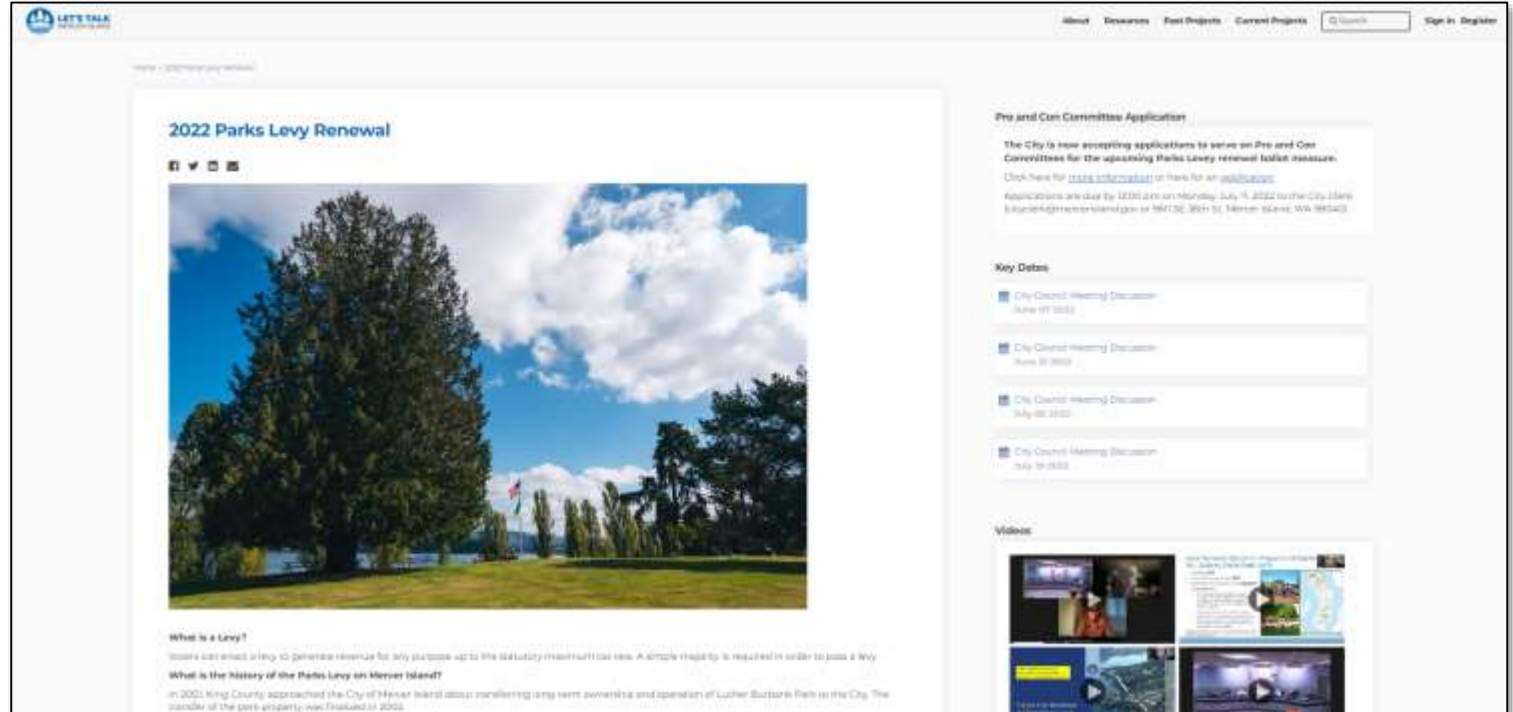


Follow-Up Items from the June 21, 2022 City Council Meeting



Parks Levy Renewal: Let's Talk Page Launched

- The Let's Talk page for the Parks Levy Renewal was launched at the end of June.
- This is the landing page for all of the background information on the parks levy renewal.
- The page also includes links to the City Council packets, past presentations, and meeting videos.
- This page is for information only.



<https://letstalk.mercergov.org/parks-levy-renewal>

Background Presentations Recorded: Playground Replacements & Pioneer Park

- The PowerPoint Slide deck prepared for the June 21, 2022 City Council meeting included a large number of background slides on playground replacements and Pioneer Park.
- Due to the length of the City Council meeting, staff elected not to present those background slides in their entirety.
- On June 22, 2022, staff recorded the background presentation on both topics.
- The videos are available on the Let's Talk Page.



<https://letstalk.mercergov.org/parks-levy-renewal>

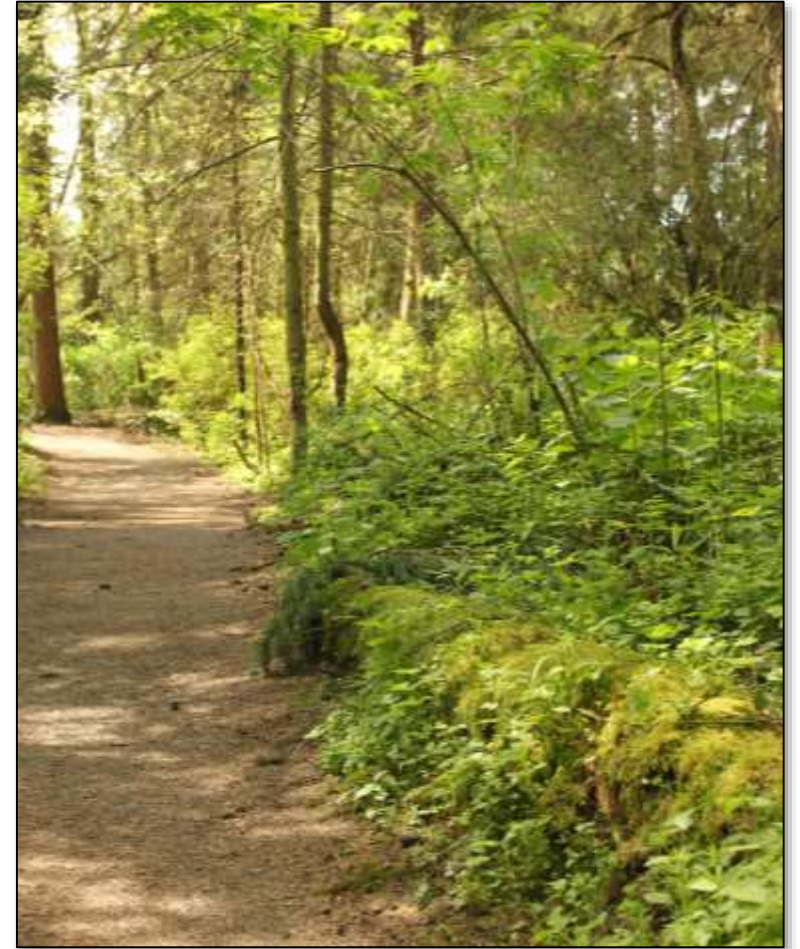
Correcting Math Error in AB6105

- Staff identified a minor error in the calculation of the levy scenarios that were presented at the June 21, 2022 City Council meeting
- The prior calculation omitted the \$70 increase in base levy funding for Pioneer Park across all three parks levy scenarios.
- The error does not meaningfully affect the levy rate.

Revised Levy Alternative Comparisons						
	Alternative A		Alternative B		Alternative C	
	2023 (AB6105)	2023 (Corrected)	2023 (AB6105)	2023 (Corrected)	2023 (AB6105)	2023 (Corrected)
Luther Burbank Park (O&M)	\$376,737	\$376,737	\$376,737	\$376,737	\$376,737	\$376,737
Parks Maintenance (O&M)	\$358,666	\$358,666	\$358,666	\$358,666	\$358,666	\$358,666
Luther Burbank Small Capital Projects (Capital)	\$111,100	\$111,100	\$111,100	\$111,100	\$111,100	\$111,100
Pioneer Park Forest Management (Capital)	\$77,770	\$77,770	\$77,770	\$77,770	\$77,700	<u>\$77,770</u>
Open Space/Vegetation Management (Capital)	\$65,650	\$65,650	\$65,650	\$65,650	\$65,650	\$65,650
Alternatives:						
Playground Replacement Costs	\$207,178	\$207,178	\$414,355	\$414,355	\$414,355	\$414,355
Funding for Forest Management Plan projects	\$105,577	\$105,577	\$225,054	\$225,054	\$403,748	\$403,748
Total	\$1,302,608	\$1,302,678	\$1,629,262	\$1,629,332	\$1,807,956	\$1,808,026
Total Change		+\$70		+\$70		+\$70

King County Elections – Even Numbered Years

- King County Council approved a ballot measure to amend the County Charter on times for holding elections for County-elected positions only. It does not impact city elected positions.
- It was incorrectly stated during the June 21, 2022 parks Levy presentation that this would affect timing of Mercer Island City Council elections
- During the 2022 Legislative Session, the legislature did consider a bill to move city elections to even-numbered years, but it did not move forward.



2022 Parks Levy Renewal: Ordinance 22-13



Parks Levy Ordinance 22-13

- Upon receiving direction from the City Council on the parks levy renewal at the June 21, 2022 meeting, staff and legal counsel have developed Ordinance No. 22-13 (Exhibit 1).
- The ordinance includes the parks levy renewal ballot title, which consists of three elements:
 - Ballot Caption (name of jurisdiction and a statement of the subject matter).
 - A concise description of the ballot measure (75-word limit).
 - A question to the voters.
- This is the first reading of the ordinance.



Alternative B: Base Parks Levy + Option 1D & 2C

- This alternative includes the base levy plus:
 - Fully Funding the cost of playground replacements (Option 1D).
 - Funding all of the Pioneer Park Forest Management Plan projects, except for the second phase of tree planting (Option 2C).

Base Parks Levy + Alternative B		
	2022 (Current Levy)	2023 (Proposed Levy)
Luther Burbank Park (O&M)	\$373,007	\$376,737
Parks Maintenance (O&M)	\$355,115	\$358,666
Luther Burbank Small Capital Projects (Capital)	\$110,000	\$111,100
Pioneer Park Forest Management (Capital)	\$77,000	\$77,770
Open Space/Vegetation Management (Capital)	\$65,000	\$65,650
Alternative B:		
Option 1D: Fund 100% of Playground Replacement Costs	-	\$414,355
Option 2C: Fund all Forest Management projects except for the second phase of tree planting	-	\$225,054
Total	\$980,122	\$1,629,332

Ballot Title

- The ballot title included in Ordinance 22-13 is shown here.
- The word count is at 73, which does not include the first sentence.
- For increased readability and ease of understanding, we have stated the revenue generated by the parks levy renewal as “approximately \$1,630,000” instead of the exact \$1,629,332 figure.

CITY OF MERCER ISLAND PROPOSITION NO. 1

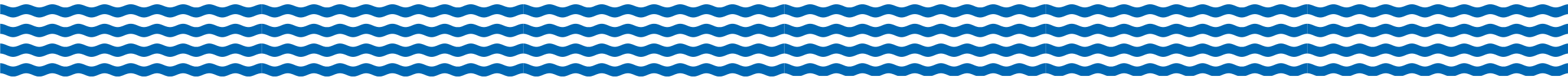
LEVY LID LIFT FOR PARK OPERATIONS AND MAINTENANCE

The City Council of the City of Mercer Island adopted Ordinance No. 22-13 concerning property taxes to maintain and operate parks and to provide funding for parks capital projects. This proposition would increase the City’s regular property tax levy by approximately \$1,630,000 to a maximum rate of \$0.862/\$1,000 for collection in 2023, and increase the levy under RCW 84.55.050 for 16 years thereafter to operate and maintain open spaces, parks, and recreation facilities and to fund playground replacements, operations and maintenance of Luther Burbank Park, and forest restoration at Pioneer Park. Qualifying seniors, veterans, and others would be exempt, per RCW 84.36.381.

Should this proposition be approved:

YES?

NO?



Setting the Levy Rate

- State law requires that ballot measures state the maximum property tax rate to be imposed as a result of the passage of the measure
- In other words, the ballot must account for all of the property taxes to be collected by the City should the measure pass.
- Ordinance No. 22-13 states the maximum property tax rate will be **\$0.862 per \$1,000** assessed valuation upon passage of the parks levy renewal.



Property Tax Rate Calculation

- How is the maximum property tax rate calculated?
- The property tax rate is derived by the following formula:
 - $\text{Total Property Tax Levy} / \text{Assessed Valuation} = \text{Levy Rate (per \$1,000 AV)}$
- By law, this number is expressed in terms of a dollar rate per \$1,000 of assessed valuation.
- For example, a rate of \$.000257 is expressed as \$0.257 per \$1,000 of assessed value.



Total Property Tax

- The first step in calculating the property tax rate is to estimate the total property tax amount to be collected by the City in 2023, should the measure pass. This includes:
 - The City's regular property tax levy
 - Assumes a 1% increase will be taken
 - Includes estimates for new construction and the re-levy of prior year refunds.
 - Includes the parks levy lid lift renewal (assuming it receives voter approval).
 - Includes \$0 for the current parks levy lid lift, which will end one year early upon passage of the levy renewal.



Total Property Tax

- The total estimated property tax to be collected by the City of Mercer Island in 2023 is \$14,676,877.

CITY OF MERCER ISLAND TOTAL PROPERTY TAX LEVY			
	2021 Final Levy	2022 Final Levy	2023 Estimated Levy
Regular Property Tax Levy			
Prior Year Levy	\$12,261,847	\$12,436,982	\$12,700,540
Plus 1% Optional Increase	\$73,571	\$124,370	\$127,005
Plus New Construction (Estimated)	\$101,564	\$139,188	\$200,000
Plus Re-levy of Prior Year Refunds (Estimated)	\$3,711	\$9,864	\$20,000
Total	\$12,440,693	\$12,710,404	\$13,047,545
Property Tax Levy Lid Lifts			
2008 Parks Maintenance & Operations Levy	\$970,418	\$980,122	-
2012 Fire Station & Fire Rescue Truck Levy	\$693,013	-	-
2022 Parks Operations & Capital Projects Levy	-	-	\$1,629,332
Total	\$1,663,431	\$980,122	\$1,629,332
Total City of Mercer Island Property Tax Levy	\$14,104,124	\$13,690,526	\$14,676,877

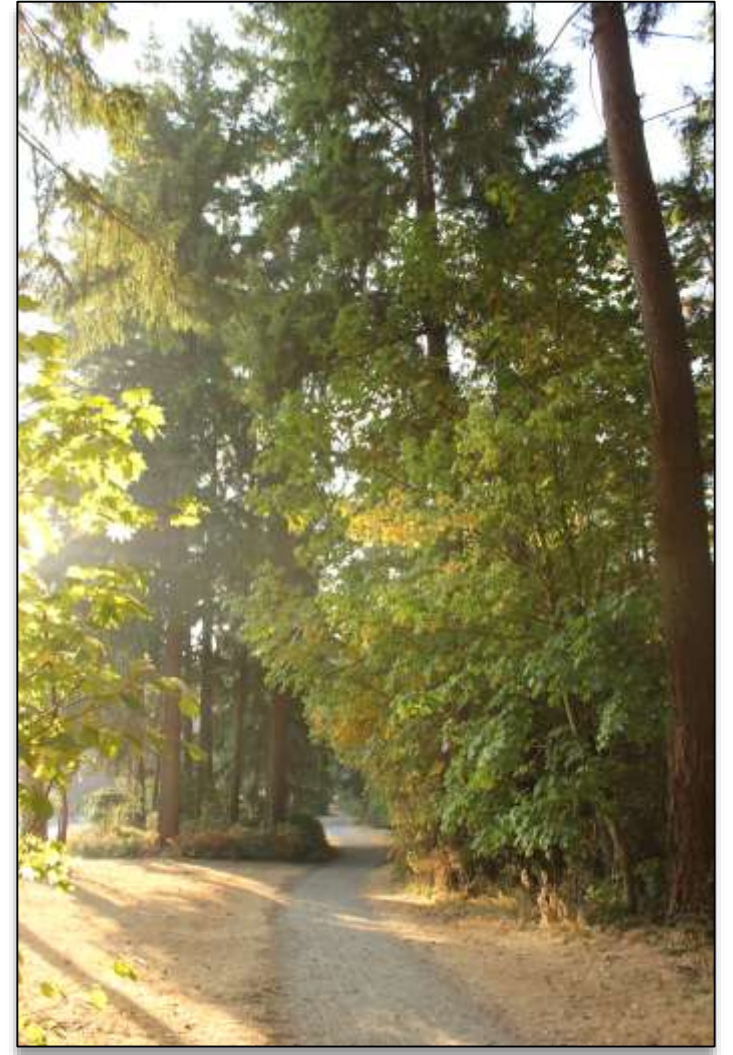
Assessed Valuation

- The next step in calculating the property tax levy rate is to identify the total assessed valuation (AV) of all properties on Mercer Island.
- The AV is calculated annually by the King County Assessor's office and the final number is provided to Mercer Island around the second week of December.
- Because the actual AV will not be known until after the November election, **the City has to estimate the AV for purposes of preparing the ballot language.**



Estimating AV for the Parks Levy Renewal

- **The AV included in the property tax levy rate calculation for the parks levy renewal is \$17,028,480,105.**
- This assumes a 0% increase in AV from 2022 to 2023.
- During prior presentations to the City Council on the parks levy renewal, the City's AV was modeled using a 5% growth estimate from 2022 to 2023. That number was derived based on feedback from the City's financial consultants.
- **Considering changing market conditions, City legal and financial consultants are now encouraging a more cautious approach, and instead making no assumptions of how AV will change.**



Why the Conservative Approach?

- Estimating the AV higher than actual could restrict the City's ability to collect the full amount for the parks levy renewal.
- Wouldn't estimating the AV too low result in the City being able to levy more than was intended by the ballot measure?
 - The City has a fixed target of \$1,629,332 in additional property tax revenue it seeks to generate from the parks levy renewal in 2023 and that number is included in the ballot measure.
 - Upon receiving its total AV at the end of this year, and upon passage of the parks levy renewal, **the City Council will adjust the property tax levy rate to ensure the Parks levy generates only the amount requested, which is \$1,629,332.**



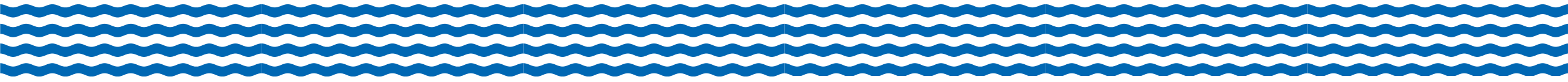
Property Tax Rate Calculation

- The maximum property tax rate stated in Ordinance No. 22-13 is **\$0.862 per \$1,000** of assessed valuation, along with the total amount to be collected through the renewal of the parks levy (approximately \$1,630,000) are included in Ordinance 22-13.
 - Total Property Tax Levy / Assessed Valuation = Levy Rate (per \$1,000 AV)

 $\$14,676,877 / \$17,028,480,105 = \$.000862$

 $= \$0.862 \text{ per } \$1,000 \text{ of valuation}$

Property Tax Rate for Parks Levy Ballot Measure			
	2021 Final Levy	2022 Final Levy	2023 Levy (est.)
Total City of Mercer Island Property Tax Levy	\$14,104,124	\$13,690,526	\$14,676,877
Assessed Valuation (AV)	\$15,291,040,335	\$17,028,480,105	\$17,028,480,105
Property Tax Levy Rate per \$1,000 of AV	\$0.922	\$0.804	\$0.862



Alternative B: Base Parks Levy + Option 1D & 2C

Estimated 2023 Property Tax Impact: Base Parks Levy + Alternative B		
Total Base Parks Levy + Alternative B:		\$1,629,332
Property Tax Rate per \$1,000 Assessed Value (Levy Renewal Only)		\$0.09568
Estimated Home Value	Estimated Monthly Cost for Homeowner	Estimated Monthly Increase from 2022 Parks Levy
\$1,375,000	\$10.96	\$4.37
\$1,875,000	\$14.95	\$5.96
\$2,375,000	\$18.94	\$7.55
\$2,875,000	\$22.92	\$9.13
\$3,375,000	\$26.91	\$10.72

Notes:

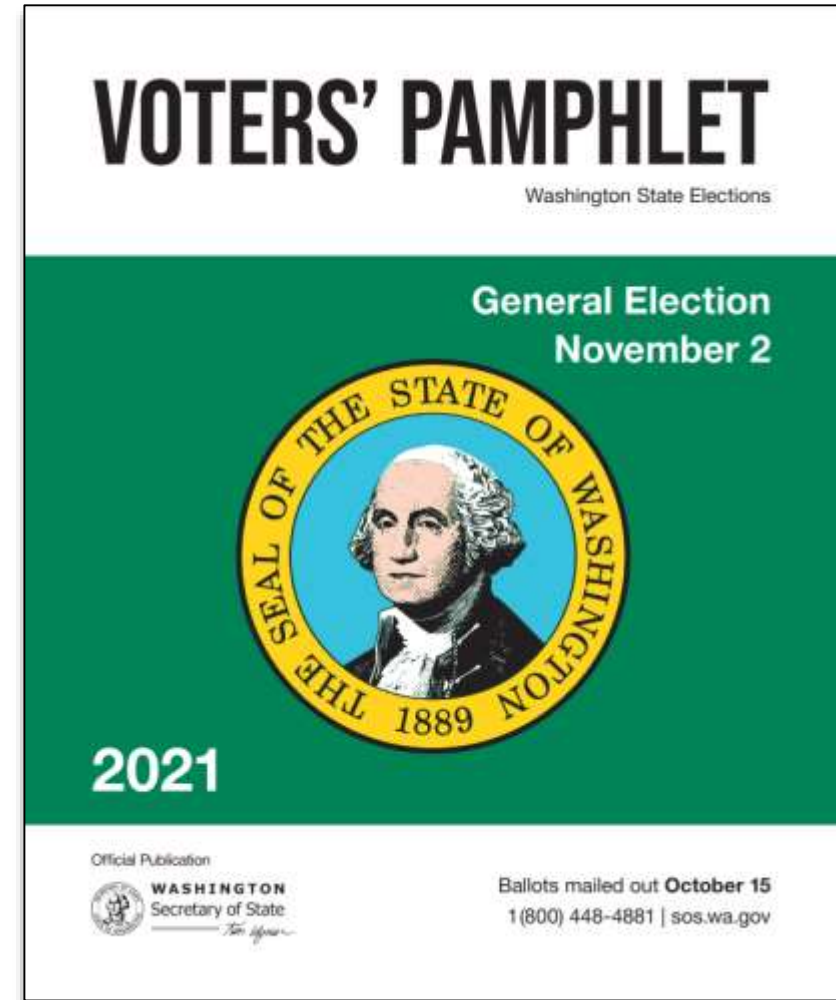
- The 2023 total assessed value of Mercer Island properties is estimated at \$17,028,480,105, which is a 0% increase from 2022
- The median market value of a Mercer Island home in 2023 is currently estimated at \$2,375,000. The table below includes estimated monthly tax impacts for a range of home values above and below the median in addition to the estimated monthly property tax increase compared to 2022.

2022 Parks Levy Renewal: Explanatory Statement



Parks Levy Renewal Explanatory Statement

- City staff, with support from legal counsel have prepared an Explanatory Statement for inclusion in the local voter's pamphlet (Exhibit 2).
- The Explanatory Statement states the effect of a ballot measure if passed into law.
- The statement must not be an argument in favor of or in opposition to the measure.
- **Staff are seeking feedback from City Council on the explanatory statement.**



Parks Levy Renewal: Pro and Con Committees



Pro and Con Committee

- The City is currently recruiting for the Pro and Con Committees. This includes:
 - An article on the Park Levy Let's Talk Page
 - An article in the MI weekly email
 - Advertisement in the MI reporter
 - Messaging on all City social media profiles

<https://letstalk.mercergov.org/parks-levy-renewal>

Pro and Con Committees for Upcoming Parks Levy Renewal

30 Jun 2022

City of Mercer Island Seeks Community Members to Serve on Pro and Con Committees for Upcoming Parks Levy Renewal Ballot Measure

On June 21, 2022, the Mercer Island City Council directed the City Manager to prepare a parks levy renewal ordinance for placement on the November 8, 2022 ballot. The City Council is anticipated to approve a final ballot measure ordinance on July 19, 2022.

Councilmembers voted unanimously for a ballot measure that includes the base parks levy, full funding for the playground replacements, and funding for all Pioneer Park Forest Management Plan projects except for the second phase of tree planting. The total proposed annual parks levy renewal amount is \$1,629,332 in 2023.

The existing parks levy, passed by voters in 2008, provides just over \$980,000 in annual funding for maintenance and operations of Luther Burbank Park in addition to supporting operations at all City parks, open spaces, trails, and recreation facilities. The current parks levy also funds capital projects at Luther Burbank Park, Pioneer Park and open spaces across Mercer Island.

King County Elections and Washington State Law establishes that the City of Mercer Island may organize the appointment of committees to prepare statements in favor of and in opposition to ballot measures. The City is seeking applications from interested community members to serve in these roles.

Pro and Con Committees Requirements

Each committee will be limited to three members. The primary role of each committee is to prepare a statement in favor of or in opposition to the ballot measure respectively.

Each committee is required to submit their respective statements (200-word/four paragraphs limit) to King County Elections by August 9, 2022. Rebuttal statements (75-word/two paragraph limit) are due by August 11, 2022. All materials are due by 4:30pm on the day of the deadline.

How to Apply for Pro or Con Committees

If you are interested in serving on one of these committees, please apply by submitting an application ([available here](#)) to City Clerk Andrea Larson by email (cityclerk@mercergov.org) or mail (Andrea Larson, 9611 SE 36th St, Mercer Island, WA 98040) **before 12:00pm on July 11, 2022**. Please limit your application statement to 300 words.

The City Council will review the applications and make appointments to the pro and con committees at the regular City Council Meeting on July 19, 2022.

Requests for an application can also be made by calling: 206-275-7795.



Pro and Con Committee


- Interested in applying?
- Applications and more information are available on the Let's Talk page:

<https://letstalk.mercergov.org/parks-levy-renewal>

- Applications are due by 12:00 pm on Monday, July 11, 2022 to the City Clerk
 - cityclerk@mercerisland.gov or
 - 9611 SE 36th St
Island, WA 98040

Mercer

Please be advised that personal information provided on this form may be disclosed to requestors under the Public Records Act (RCW 42.56).



CITY OF MERCER ISLAND
Pro and Con Committees for Upcoming Parks Levy Renewal

Please complete the entire application to assist the City with the appointment process.

I am interested in the following committee:

Pro
 Con

Name Primary Phone No.
Address Email

STATEMENT OF INTEREST

Please provide brief background information about yourself and why you should be appointed to the Pro/Con committee. Please limit your statement to 300 words.

Applications are due by 12:00 PM on Monday, July 11, 2022 to the City Clerk (cityclerk@mercerisland.gov or 9611 SE 36th St, Mercer Island WA 98040).

Please be advised that personal information provided on this form may be disclosed to requestors under the Public Records Act (RCW 42.56).

Pro and Con Committee

- The applications received from community members interested in serving on either the Pro or Con Committee will be presented to the City Council for appointment at the July 19, 2022 City Council meeting.
- The committees will be comprised of a maximum of three individuals
- Pro and Con Statements are due to King County by August 9, 2022 and Rebuttals are due by August 11, 2022.

City of Mercer Island

Official Ballot Title	Explanatory Statement
<p style="text-align: center; margin: 0;"> City of Mercer Island Proposition No. 2 Levy for Park Operations and Maintenance </p> <p style="font-size: small; margin: 0;"> The City Council of the City of Mercer Island adopted Ordinance No. 08-08 concerning property taxes to maintain and operate park and recreational facilities. This proposition would increase the City's regular property tax levy by \$900,000 to a total authorized rate of up to \$1.25 per \$1,000 of assessed valuation for collection in 2009 and increase the levy as allowed by chapter 84.55 RCW for each of the 15 succeeding years to continue operating Luther Burbank Park, improve forest and vegetative health of open spaces, and operate and maintain park and recreation-related facilities and services. Should this proposition be: </p> <p style="text-align: center; margin: 0;"> <input type="radio"/> APPROVED <input type="radio"/> REJECTED </p>	<p style="font-size: small; margin: 0;"> If approved by voters, this proposition would increase the City's regular property tax levy to pay for open space and forest restoration at Pioneer Park and other areas and school-related park and recreation activities. An additional measure on the November 2008 ballot is a Parks Bond. If the Parks Bond is approved by voters, the Parks Operations & Maintenance Levy would provide funding for maintenance costs associated with Parks Bond projects. The Parks Operations & Maintenance Levy would also replace the current levy which pays for operations and maintenance of Luther Burbank Park. Mercer Island City Council agreed to accept transfer of Luther Burbank from King County in 2003 and later that year voters approved a six-year maintenance and operations levy for the park which expires in 2009. </p> <p style="font-size: small; margin: 0;"> The City's regular property tax levy would increase by up to 10.2 cents per \$1,000 of assessed valuation (to a total rate not to exceed \$1.25 per \$1,000 assessed valuation) for collection in 2009 and increase the levy as allowed by chapter 84.55 RCW. For the owner of an average valued Mercer Island home of \$1 million, the estimated annual cost is \$113.68 for the Operations & Maintenance Levy. The property tax increase would be in effect for 15 years. </p>
<p style="background-color: #eee; margin: 0; padding: 2px;">Statement for</p> <p style="font-size: x-small; margin: 0;"> The character of Mercer Island is enhanced by well maintained parks, open spaces and recreational facilities. Prime among these is Luther Burbank Park which was transferred from King County to Mercer Island in 2003. Islanders endorsed a 6 year levy, expiring in 2009, to operate and maintain this park. Before you now is a levy which provides for the future maintenance both of Luther Burbank Park and of the additional and improved park, open space and recreational facilities included in the separately described Capital Park Bond. This levy will pay primarily for future Luther Burbank Park maintenance, for forest restoration at Pioneer Park and for the upkeep of city and school related park and recreation activities. At a time when there is growing environmental awareness and an increasing need for recreational and sporting facilities we must maintain the limited assets we have. This levy will increase the annual property tax by \$113.68 for a \$1 million home but given the expiration of the current Luther Burbank Park levy will result in a net annual increase of \$54.29 for the same home. We urge your strong continuing support for the parks and recreational facilities of Mercer Island. </p> <p style="background-color: #eee; margin: 0; padding: 2px;">Rebuttal of statement against</p> <p style="font-size: x-small; margin: 0;"> The opposition focuses on Luther Burbank Park without fully recognizing the extent to which this proposition funds growing operational and maintenance needs for parks throughout the Island. The expiration of the Luther Burbank Levy in 2009 leaves the City with inadequate funds to appropriately maintain our parks. Recently Mercer Islanders showed they valued parks and open space by strongly supporting the funding of off-island King County parks. Let us now support our own. </p> <p style="font-size: x-small; margin: 0;"> <i>STATEMENT PREPARED BY: Joe Wallis, Bryan Cairns, Julie Crow</i> </p>	<p style="background-color: #eee; margin: 0; padding: 2px;">Statement against</p> <p style="font-size: x-small; margin: 0;"> Five years ago, we warned that if Islanders passed the one-time limited Luther Burbank operations levy, the City Council would definitely be back for more. </p> <p style="font-size: x-small; margin: 0;"> They're back! </p> <p style="font-size: x-small; margin: 0;"> In the past, when we acquired a park, operations were funded in the current budget. King County spent a little over \$200,000 maintaining Luther Burbank. Five years ago, the City Council nearly doubled that to over \$400,000. The Council's statement in the 2003 voters pamphlet claimed that without the levy "there will be insufficient funds to maintain and operate" Luther Burbank, even though we had over \$1 million a year in surplus then and in the five years since then. </p> <p style="font-size: x-small; margin: 0;"> In the Luther Burbank master planning process, the public provided strong direction that operations funding for Luther Burbank should come from the general fund as it does for all other parks. The City Council is ignoring that direction. </p> <p style="font-size: x-small; margin: 0;"> The Council is not only coming back, but coming back for more, expanding the levy from \$400,000 to \$900,000 a year and the duration from 6 years to 15 years. </p> <p style="font-size: x-small; margin: 0;"> There are funds in the budget to maintain all our parks. This levy feeds up those funds for less popular City Council projects. Vote NO. </p> <p style="background-color: #eee; margin: 0; padding: 2px;">Rebuttal of statement for</p> <p style="font-size: x-small; margin: 0;"> Levy supporters wrote in the 2003 Voters Pamphlet, "By limiting the levy to six years, the City Council has stayed true to its promise of examining alternate revenue sources rather than relying only on a permanent levy." <u>This 15-year levy breaks that Council promise.</u> For the first time in Island history, the Council is expanding taxes by imposing continuing levies. Our parks can be maintained within the budget. For documentation and additional details visit www.livewithinbudget.org. </p> <p style="font-size: x-small; margin: 0;"> <i>STATEMENT PREPARED BY: Marty Gale, Ira Appelman, Thornton Gale</i> </p>

98 King County Elections is not authorized to edit statements, nor is it responsible for the contents therein. The complete text of this proposition is available at the Elections Office or visit www.kingcounty.gov/elections.

Next Steps



Ordinance No. 22-13 Second Reading

- Staff are seeking feedback from the City Council on draft Ordinance No. 22-13 (Exhibit 1) and the Explanatory Statement (Exhibit 2).
- Staff will incorporate feedback from the City Council meeting and prepare Ordinance No. 22-13 for a second reading and final approval on July 19, 2022.
- The final Ordinance is due to King County Elections by August 2, 2022.



Recommended Motion

Set Ordinance No. 22-13 for a second reading and final approval on July 19, 2022.



Appendix



Parks Levy History: 2001-2008



Mercer Island Parks Levy History (2001-2002)

- In 2001, King County approached Mercer Island about transferring long-term ownership and operation of **Luther Burbank Park** to the City.
- The transfer of the park property was finalized in 2002.



Mercer Island Parks Levy History (2003)

- In 2003, the Mercer Island community approved a **six-year parks levy** to fund the operations and maintenance of Luther Burbank Park.
- **The \$415,000 annual parks levy passed with 55% voter approval.**

CITY OF MERCER ISLAND

PROPOSITION NO. __

LEVY FOR LUTHER BURBANK PARK OPERATIONS AND MAINTENANCE

The City Council of the City of Mercer Island presents this proposition concerning annual increases in the City's regular property tax levy to pay costs of operating and maintaining Luther Burbank Park formerly owned by King County. This proposition authorizes annual increases in the City's levy for six consecutive years for this purpose. The levy shall be increased in year one above the limit set by RCW 84.55.010 by \$.0662 per \$1,000 of assessed value to collect \$415,000. The levy may increase in years two through six by the June Seattle-Tacoma CPI-W. Should this proposition be approved?

YES

NO

Mercer Island Parks Levy History (2004 – 2007)

- The **Luther Burbank Park Master Plan was adopted in 2006** and established the long-term vision for the park, including providing the framework for future capital investments.
- In 2007, a Citizen's Stakeholder Committee was formed to prepare a recommendation on a parks levy ballot measure (to replace/renew the 2003 parks levy).
- **The Stakeholder Committee recommended that the parks levy should be expanded to support system-wide parks maintenance and operations in addition to funding Luther Burbank Park.**



Mercer Island Parks Levy History (2008)

- In 2008, the Mercer Island community approved a **15-year parks levy**.
- The scope of the parks levy included funding to continue operating Luther Burbank Park and to support operations at all city parks, open spaces, and recreation facilities.
- **The \$900,000 annual parks levy passed with 54% voter approval and began in 2009.**
- While the parks levy passed, the companion capital bond measure did not, having received only 53% approval. Bond measures require 60% approval.

CITY OF MERCER ISLAND
PROPOSITION NO. 2

LEVY FOR PARK OPERATIONS
AND MAINTENANCE

The City Council of the City of Mercer Island adopted Ordinance No. 08-08 concerning property taxes to maintain and operate park and recreational facilities. This proposition would increase the City's regular property tax levy by \$900,000 to a total authorized rate of up to \$1.25 per \$1,000 of assessed valuation for collection in 2009 and increase the levy as allowed by chapter 84.55 RCW for each of the 14 succeeding years to continue operating Luther Burbank Park, improve forest and vegetative health of open spaces, and operate and maintain park and recreation-related facilities and services. Should this proposition be:

APPROVED?.....

REJECTED?.....

2009 Parks Levy



2009 Parks Levy

- The 2008 ballot language was general and included funding to continue operating Luther Burbank Park and to support operations at all city parks, open spaces, and recreation facilities.
- The City Council allocated parks levy funding to specific categories for budgeting purposes. (See table at right.)
- **The final amount levied in 2009 was \$882,000, establishing the basis for the current 15-year parks levy.**

2009 Parks Levy	
Luther Burbank Park (O&M)	\$370,000
Park Maintenance (O&M)	\$260,000
Luther Burbank Small Capital Projects (Capital)	\$110,000
Pioneer Park Forest Management (Capital)	\$77,000
Open Space/Vegetation Management (Capital)	\$65,000
Total	\$882,000

Comparing the 2009 and 2022 Parks Levy Budget Allocations

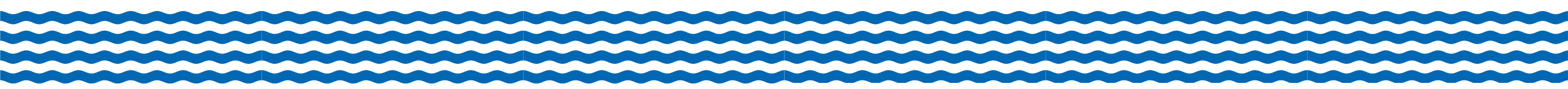
- The table at the right reflects the 2022 parks levy budget allocation, compared to 2009.
- The 1% statutorily allowed increase was taken in all but two years over the life of the parks levy.
- **The 1% increase was applied to the O&M categories, while the capital funding categories remained flat.**

2009 vs. 2022 Parks Levy Budget Allocations		
	2009 Allocation	2022 Allocation
Luther Burbank Park (O&M)	\$370,000	\$373,007
Parks Maintenance (O&M)	\$260,000	\$355,115
Luther Burbank Small Capital Projects (Capital)	\$110,000	\$110,000
Pioneer Park Forest Management (Capital)	\$77,000	\$77,000
Open Space/Vegetation Management (Capital)	\$65,000	\$65,000
Total	\$882,000	\$980,122

Comparing the 2009 and 2022 Parks Levies

- The 2009 Parks Levy budget allocation was:
 - \$630,000 to Operations & Maintenance
 - \$252,000 to Capital Projects
- The 2022 Parks Levy budget allocation is:
 - **\$728,122 to Operations & Maintenance**
 - \$252,000 to Capital Projects

2009 vs. 2022 Parks Levy Budget Allocations		
	2009 Allocation	2022 Allocation
Luther Burbank Park (O&M)	\$370,000	\$373,007
Parks Maintenance (O&M)	\$260,000	\$355,115
Luther Burbank Small Capital Projects (Capital)	\$110,000	\$110,000
Pioneer Park Forest Management (Capital)	\$77,000	\$77,000
Open Space/Vegetation Management (Capital)	\$65,000	\$65,000
Total	\$882,000	\$980,122



2022 Park Operations & Maintenance General Fund - Revenues

- In 2022, the parks levy contributes **\$728,122** to parks operations and maintenance, which is **31% of the funding for Mercer Island parks.**
- Other sources of revenue for parks operations and maintenance include General Fund Revenue such as Property Tax, Sales Tax, & B&O Tax.
- The City also receives funding from WSDOT for the maintenance of Aubrey Davis Park.

2022 Parks Operation & Maintenance Revenue		
Revenue Category	Amount	%
Sales/B&O/Other Property Taxes*	\$842,447	36%
Parks Levy	\$728,122	31%
WSDOT (Aubrey Davis Park)	\$570,596	24%
User Fees	\$198,966	9%
Total	\$2,340,131	

*The tax revenue amounts are estimated and represent the parks operations and maintenance proportionate share of the total tax revenue received in the General Fund.

2022 Park Operations & Maintenance General Fund

- Expenditures

- In 2022, the parks operations and maintenance budget is **\$2.34 million**.

2022 Parks Operations & Maintenance Expenditures		
Expenditure Category	Amount	%
Park Maintenance	\$876,591	37%
Aubrey Davis Park Maintenance	\$530,778	23%
Luther Burbank Park Maintenance	\$373,007	16%
Athletic Field Maintenance	\$294,223	13%
Park Maintenance School Fields	\$195,842	8%
Trails Maintenance	\$69,690	3%
Total	\$2,340,131	

Why renew the parks levy?



Why renew the parks levy?

Mercer Islanders LOVE their parks and open space!

From the 2020 PROS Plan Survey:

- 99% of respondents feel public parks and recreation opportunities are **essential to quality of life on Mercer Island.**
- 94% of respondents are very or somewhat satisfied with the value they receive from Mercer Island Parks & Recreation.
- **68% of respondents visit a park at least once a week.**



Why renew the parks levy?

From the 2021 PROS Plan Survey:

- **95% of respondents** stated they were **somewhat to very satisfied** with the value they receive from Mercer Island Parks & Recreation.
- **75% of residents visit a parks & recreation facility at least once a week.**
- Half of respondents indicated an increase in usage of parks, trails, and open spaces since the start of pandemic.



Why renew the parks levy?

- **Preserve and protect Mercer Island parks, trails, open space and recreation facilities for current and future generations.**
- Continue funding capital reinvestment projects to extend the useful life of parks and open space assets.
- Provide a safe environment for park visitors.
- Have fun! Get outside! Escape! Enjoy!



2009 Parks Levy: 14 Years of Reinvestment



Luther Burbank Park



2022 Parks Levy Budget Allocation

Luther Burbank Park (O&M)	\$373,007
Luther Burbank Small Capital Projects (Capital)	\$110,000
Total 2022 Luther Burbank Levy Investment	\$483,007

Luther Burbank Park Overview:

- **73 acres** of parks and open space
- Luther Burbank Administration Building (9,200 sq. ft.)
- 0.75 miles of shoreline and waterfront infrastructure
- 4.24 miles of trails
- The current parks levy funds nearly 100% of operations & maintenance for Luther Burbank Park at current levels of service

Luther Burbank Park – Operations & Maintenance



2022 Parks Levy Budget Allocation

Luther Burbank Park (O&M)	\$373,007
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- Maintenance of landscaping including the planter beds, lawn upkeep, tree care and pruning, litter pick-up, and garbage.
- Maintenance of recreation facilities in the park including two playgrounds, tennis/pickleball courts, the off-leash dog area, and the swim beach.
- Maintenance of trails, open space areas, the parking lots, and the picnic areas.
- Maintenance of the Luther Burbank Administration Building.

Luther Burbank Park – Capital Projects

14 Years of Reinvestment

- Over the past 14 years, the parks levy supported over \$1.5 million in capital reinvestments in Luther Burbank Park.
- Capital project work included:
 - Park improvement projects
 - Trail improvement projects
 - Facility projects
 - Major landscaping projects & habitat restoration
 - Utilities and drainage projects
 - Critical planning and design projects, such as the dock replacement project

2022 Parks Levy Budget Allocation

Luther Burbank Small Capital Projects (Capital)	\$110,000
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Luther Burbank Park – Capital Projects

14 Years of Reinvestment

Park Improvement Projects

- Floating dock for entry/exit of small unmotorized watercraft
- Playground parts, toys, and repairs
- Milfoil removal from the swim beach
- New/replacement park entrance sign
- Tennis court repairs



Luther Burbank Park – Capital Projects

14 Years of Reinvestment

Park Improvement Projects

- Swim beach piling removal/new buoys
- Repair rotting pilings underneath docks
- Reconstruct and strengthen eroding shoreline at off-leash area with rockery and terracing
- Add additional picnic tables at Area B
- Add new fire truck playground structure



Luther Burbank Park – Capital Projects

14 Years of Reinvestment

Trail Improvement Projects

- ADA walkway improvements at playground
- Park-wide cedar split-rail fence repairs
- Added new Hawthorn Trail
- Added new trail off 84th Ave trail
- Trail asphalt patching



Luther Burbank Park – Capital Projects

14 Years of Reinvestment

Facility and Building Projects

- Replacement of failed Boiler Building drainage system
- Replacement of failing Boiler Building windows with new low-maintenance windows
- Expanded caretaker's yard for native plant nursery
- Installation of automated gate for Administration Building access
- Playground restroom roof repair
- Pergola roof replacement
- Caretaker's house asbestos abatement
- Replace rotted wood wall with concrete wall at boiler building annex



Luther Burbank Park – Capital Projects

14 Years of Reinvestments

Major Landscaping & Habitat Restoration Projects

- Administration building slope planting with native vegetation
- Replace dying and decaying trees with new trees
- Replanting 84th Ave hillside with native trees and shrubs

Other:

- Repair of bricks surrounding *Handsome Bollard*



Luther Burbank Park – Capital Projects

14 Years of Reinvestments

Parking Lot, Utilities, Drainage & Other Projects

- New meadow drainage system to reduce standing water in meadow
- Repaired sewer for restrooms by the dock
- Upgrade outdoor lighting to energy efficient LEDs
- Emergency storm drainage repair to mitigate parking lot flooding
- Reseal and restripe parking lot

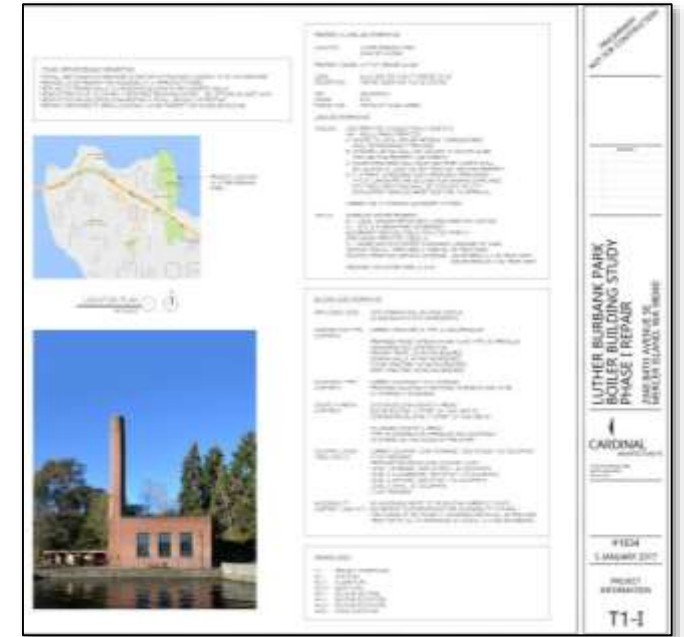


Luther Burbank Park – Capital Projects

14 Years of Reinvestments

Planning and Design Projects

- Demand study for waterfront access for dock replacement project
- South Shoreline Trail design and permitting
- Mapping boundaries of the wetlands
- Boiler Building renovation feasibility study
- Aquatic lands lease renewal and annual payment to Department of Natural Resources
- Boundary survey to address encroachments



Park Maintenance

14 Years of Reinvestment



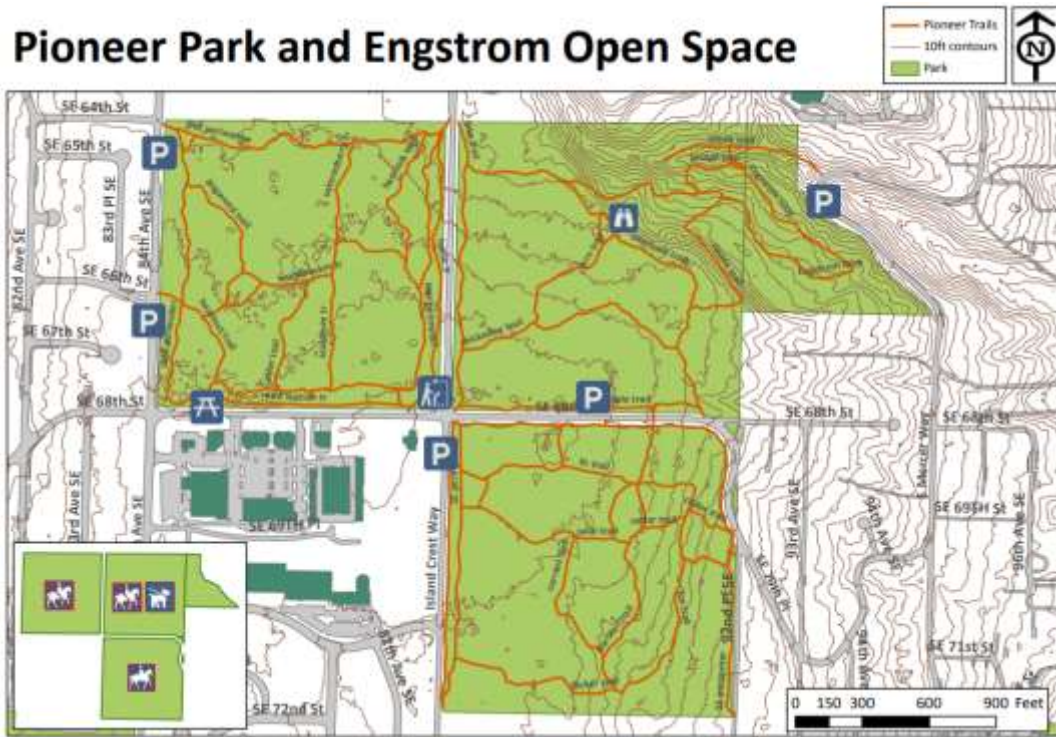
2022 Parks Levy Budget Allocation	
Parks Maintenance (O&M)	\$355,115

Overview

- Parks levy funding supports operations and maintenance on over **200 acres of park land**.*
- Landscaping and lawn care, maintenance of restrooms, sport courts, and picnic shelters and preservation of shorelines.
- 28 miles of walking paths and trails, 14 Playgrounds.*
- Supports the maintenance and operation of athletic fields across the Island including Island Crest Park, the South Mercer Playfields, and Homestead fields.

*Figure does not include open space areas, Pioneer Park, or Luther Burbank Park.

Pioneer Park Forest Management 14 Years of Reinvestment

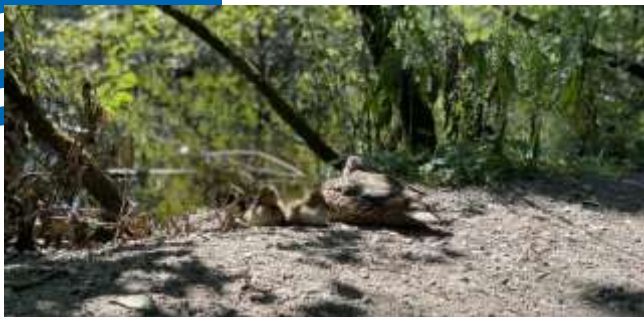


2022 Parks Levy Budget Allocation

Pioneer Park Forest Management (Capital)	\$77,000
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Overview

- Pioneer Park and Engstrom Open Space provide **122 acres of forested open space**, comprising 43% of the open space in the City.
- Management of these properties is guided by adopted vegetation management plans.
 - 2003 Pioneer Park Forest Management Plan.
 - 2009 Forest Health Survey.
 - These plans focus on canopy regeneration, invasive tree removal, and ivy management as the key steps towards achieving a healthier and more resilient forest.



Pioneer Park Forest Management

14 Years of Reinvestment



2022 Parks Levy Budget Allocation

Pioneer Park Forest Management (Capital)	\$77,000
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Project Overview

- Mitigation of holly and other weedy tree infestation of forest understory.
- **Planting of over 15,000 native trees and shrubs in nearly 75 acres of Pioneer Park and Engstrom Open Space.**
- New trees will replace aging canopy and become the future forest for next generations.

Open Space / Vegetation Management

14 Years of Reinvestment



2022 Parks Levy Pioneer Park / Open Space Funding

Open Space/Vegetation
Management

\$65,000

- **164 acres of open space** throughout Mercer Island in addition to Pioneer Park and Engstrom Open Space
- The Open Space Vegetation Plan, adopted in 2004 and updated in 2014, guides stewardship and restoration in these open spaces
- Parks levy funds ivy removal from the base of existing tree canopy across 95 acres of forest and the planting of nearly 16,000 native trees and shrubs

Parks Levy Renewal Scenarios



Presented: 06/21/22
Revised: 07/05/22 to address a \$70
calculation error that occurred
across all three levy alternatives.



Base Parks Levy: Maintain Current Parks Levy Funding Levels

- The 2023 proposed parks levy renewal maintains the current funding levels and the same categories as the current parks levy.
- The 2023 funding amounts reflect a 1% annual increase applied uniformly to all levy categories.

Base Parks Levy: Maintain Current Funding Levels		
	2022 (Current Levy)	2023 (Proposed Levy)
Luther Burbank Park (O&M)	\$373,007	\$376,737
Parks Maintenance (O&M)	\$355,115	\$358,666
Luther Burbank Small Capital Projects (Capital)	\$110,000	\$111,100
Pioneer Park Forest Management (Capital)	\$77,000	\$77,770
Open Space/Vegetation Management (Capital)	\$65,000	\$65,650
Total	\$980,122	\$989,923

Base Parks Levy: Maintain Current Parks Levy Funding Levels

Estimated 2023 Property Tax Impact: Base Parks Levy		
Total Base Parks Levy:		\$989,923
Property Tax Rate per \$1,000 Assessed Value		\$0.05813
Estimated Home Value	Estimated Monthly Cost for Homeowner	Estimated Monthly Increase from 2022 Parks Levy
\$1,375,000	\$6.66	\$0.07
\$1,875,000	\$9.08	\$0.09
\$2,375,000	\$11.51	\$0.11
\$2,875,000	\$13.93	\$0.14
\$3,375,000	\$16.35	\$0.16

Notes:

- The 2023 total assessed value of Mercer Island properties is estimated at \$17,028,480,105, which is a 0% increase from 2022
- The median market value of a Mercer Island home in 2023 is currently estimated at \$2,375,000. The table includes estimated monthly tax impacts for a range of home values above and below the median in addition to the estimated monthly property tax increase compared to 2022.

Alternative A: Base Parks Levy + Option 1B & 2B

- This alternative includes the base levy plus:
 - Funding 50% of the playground replacement costs (Option 1B).
 - 50% of all Pioneer Park Forest Management projects, except for the second phase of tree planting (Option 2B).

Base Parks Levy + Alternative A		
	2022 (Current Levy)	2023 (Proposed Levy)
Luther Burbank Park (O&M)	\$373,007	\$376,737
Parks Maintenance (O&M)	\$355,115	\$358,666
Luther Burbank Small Capital Projects (Capital)	\$110,000	\$111,100
Pioneer Park Forest Management (Capital)	\$77,000	\$77,770
Open Space/Vegetation Management (Capital)	\$65,000	\$65,650
Alternative A:		
Option 1B: Fund 50% of Playground Replacement Costs	-	\$207,178
Option 2B: Fund 50% of all Forest Management projects except for the second phase of tree planting	-	\$105,577
Total	\$980,122	\$1,302,678

Alternative A: Base Parks Levy + Option 1B & 2B

Estimated 2023 Property Tax Impact: Base Parks Levy + Alternative A		
Total Base Parks Levy + Alternative A:		\$1,302,678
Property Tax Rate per \$1,000 Assessed Value		\$0.07650
Estimated Home Value	Estimated Monthly Cost for Homeowner	Estimated Monthly Increase from 2022 Parks Levy
\$1,375,000	\$8.77	\$2.17
\$1,875,000	\$11.95	\$2.96
\$2,375,000	\$15.14	\$3.75
\$2,875,000	\$18.33	\$4.54
\$3,375,000	\$21.52	\$5.33

Notes:

- The 2023 total assessed value of Mercer Island properties is estimated at \$17,028,480,105, which is a 0% increase from 2022
- The median market value of a Mercer Island home in 2023 is currently estimated at \$2,375,000. The table includes estimated monthly tax impacts for a range of home values above and below the median in addition to the estimated monthly property tax increase compared to 2022.

Alternative B: Base Parks Levy + Option 1D & 2C

- This alternative includes the base levy plus:
 - Fully Funding the cost of playground replacements (Option 1D).
 - Funding all of the Pioneer Park Forest Management Plan projects, except for the second phase of tree planting (Option 2C).

Base Parks Levy + Alternative B		
	2022 (Current Levy)	2023 (Proposed Levy)
Luther Burbank Park (O&M)	\$373,007	\$376,737
Parks Maintenance (O&M)	\$355,115	\$358,666
Luther Burbank Small Capital Projects (Capital)	\$110,000	\$111,100
Pioneer Park Forest Management (Capital)	\$77,000	\$77,770
Open Space/Vegetation Management (Capital)	\$65,000	\$65,650
Alternative B:		
Option 1D: Fund 100% of Playground Replacement Costs	-	\$414,355
Option 2C: Fund all Forest Management projects except for the second phase of tree planting	-	\$225,054
Total	\$980,122	\$1,629,332

Alternative B: Base Parks Levy + Option 1D & 2C

Estimated 2023 Property Tax Impact: Base Parks Levy + Alternative B		
Total Base Parks Levy + Alternative B:		\$1,629,332
Property Tax Rate per \$1,000 Assessed Value		\$0.09568
Estimated Home Value	Estimated Monthly Cost for Homeowner	Estimated Monthly Increase from 2022 Parks Levy
\$1,375,000	\$10.96	\$4.37
\$1,875,000	\$14.95	\$5.96
\$2,375,000	\$18.94	\$7.55
\$2,875,000	\$22.92	\$9.13
\$3,375,000	\$26.91	\$10.72

Notes:

- The 2023 total assessed value of Mercer Island properties is estimated at \$17,028,480,105, which is a 0% increase from 2022
- The median market value of a Mercer Island home in 2023 is currently estimated at \$2,375,000. The table includes estimated monthly tax impacts for a range of home values above and below the median in addition to the estimated monthly property tax increase compared to 2022.

Alternative C: Base Parks Levy + Option 1D & 2D

- This alternative includes the base levy plus:
 - Fully Funding the cost for playground replacements (Option 1D)
 - Funding all of the Pioneer Park Forest Management Plan projects including the second phase of tree planting (Option 2D)

Base Parks Levy + Alternative C		
	2022 (Current Levy)	2023 (Proposed Levy)
Luther Burbank Park (O&M)	\$373,007	\$376,737
Parks Maintenance (O&M)	\$355,115	\$358,666
Luther Burbank Small Capital Projects (Capital)	\$110,000	\$111,100
Pioneer Park Forest Management (Capital)	\$77,000	\$77,770
Open Space/Vegetation Management (Capital)	\$65,000	\$65,650
Alternative C:		
Option 1D: Fund 100% of Playground Replacement Costs	-	\$414,355
Option 2D: Fund all Forest Management projects including the second phase of tree planting	-	\$403,748
Total	\$980,122	\$1,808,026

Alternative C: Base Parks Levy + Option 1D & 2D

Estimated 2023 Property Tax Impact: Base Parks Levy + Alternative C		
Total Base Parks Levy + Alternative C:		\$1,808,026
Property Tax Rate per \$1,000 Assessed Value		\$0.10618
Estimated Home Value	Estimated Monthly Cost for Homeowner	Estimated Monthly Increase from 2022 Parks Levy
\$1,375,000	\$12.17	\$5.57
\$1,875,000	\$16.59	\$7.60
\$2,375,000	\$21.01	\$9.62
\$2,875,000	\$25.44	\$11.65
\$3,375,000	\$29.86	\$13.67

Notes:

- The 2023 total assessed value of Mercer Island properties is estimated at \$17,028,480,105, which is a 0% increase from 2022
- The median market value of a Mercer Island home in 2023 is currently estimated at \$2,375,000. The table includes estimated monthly tax impacts for a range of home values above and below the median in addition to the estimated monthly property tax increase compared to 2022.

Staff Recommendation: Alternative B

- Staff recommend Alternative B:
 - Base Parks Levy
 - Fully funding playground replacements (**Option 2D**)
 - Funding all of the projects in the Pioneer Park Forest Management Plan, except the final phase of tree planting (**Option 2C**).
- Staff anticipate there are upcoming opportunities to fund the second phase of tree planting in Pioneer Park including strategies that may be identified in the Climate Action Plan.
- The ideal sequencing of the second phase of tree planting likely puts this work at the end of the 16-year parks levy and into the next levy renewal cycle.

