



CITY OF MERCER ISLAND RECREATION DIVISION ANNUAL REPORT 2022

DIVISION OVERVIEW

The City of Mercer Island strives to offer the community a wide variety of recreational services and opportunities through city-coordinated efforts, partnerships, and private providers. The municipality's recreation services are important to the quality of life on Mercer Island and play a unique role in creating equitable access and promoting community values and goals.

The Recreation Division is housed within the Public Works Department. The Division has been dedicated to following the *"Strategy for Mercer Island Community and Event Center & Recreation Program and Services"* (established in 2021) as a roadmap to reset how and what recreational services are delivered post-pandemic. Division staff offer a core set of services including Arts Council and Parks and Recreation Commission support, Marketing and Community Engagement, Park and Facility Scheduling, Special Event Permitting, coordination of Recreation Programs, and operation of the Mercer Island Community and Event Center (MICEC).

IMPLEMENTATION OF 2022 SERVICES

In 2020 most Recreation Division services were eliminated or suspended. To enable future recreation services, the City Council adopted the 2021-2022 City Budget to include \$400,000 for "2021 Recreation Recovery Plan Startup Funding." These funds were set as a placeholder and not appropriated at that time. Funds were not originally allocated for 2022 during the City's biennial budgeting process.

The following ambitions and approaches guided the Recreation Division's supplementary 2022 budget proposal and corresponding workplan. They are deemed necessary for long-term division success:

- Professional management and smart business operations.
- Increased community access to the MICEC.
- Flexible, cross-trained staff.
- Leveraging community partnerships and service provider contracts.
- Developing more programs and services, consistent with Division goals and evaluations.
- Boosting self-service possibilities and reducing staff inefficiencies.
- Increasing staffing resources as pandemic conditions improve.

On December 7, 2021 (Reference: [AB 5954](#) and [AB 5992](#)), the City Council allocated \$1.83M in funding for the Recreation Division through a Mid-Biennial Budget Adjustment to further enable the delivery of recreation services in 2022.

2022 GOALS, SUCCESS MEASURES AND SERVICES OFFERED

The goals for 2022 were to expand upon 2021 services by continuing to implement the Reset Strategy, to develop a budget for the 2023-2024 biennium, and to deliver the following services:

- Implement additional recreation programs through community partnerships, contracts, and rentals.
- Continue summer camp programming.
- Continue MICEC drop-in activities.
- Open MICEC Fitness Center access.
- Expand MICEC operating hours from 41 hours to 60 hours per week.
- Implement MICEC facility rentals, with availability up to 92 hours per week.
- Develop donation management and sponsorship policies.
- Restart 2022 City-hosted special events including Mostly Music in the Park, Shakespeare in the Park, Illuminate MI, Juneteenth, and TBD Seasonal/Town Center focused events, and to explore associated partnerships and sponsorships.
- Coordinate and implement the return of Summer Celebration.

2022 SUMMARY OF SERVICE DELIVERY

The Recreation Division met and exceeded the stated objectives above. Staff made significant strides in expanding facility access and engagement opportunities with the Mercer Island community. By the conclusion of 2022, the MICEC was at full operational status offering a variety of rental opportunities and drop-in programs. The automation of processes and the implementation of new policies has placed the Division in a position to expand on current service offerings in the future.

2022 BUDGET AND COMPARISON

	2021 Budget	2021 Actual	2022 Budget	2022 Actual
Expenditures	\$ 1,265,003	\$ 1,125,649	\$ 1,942,250	\$ 1,590,642
Revenue	\$ 180,880	\$ 591,665	\$ 1,051,452	\$ 1,046,245
Cost Recovery	14%	53%	54%	66%

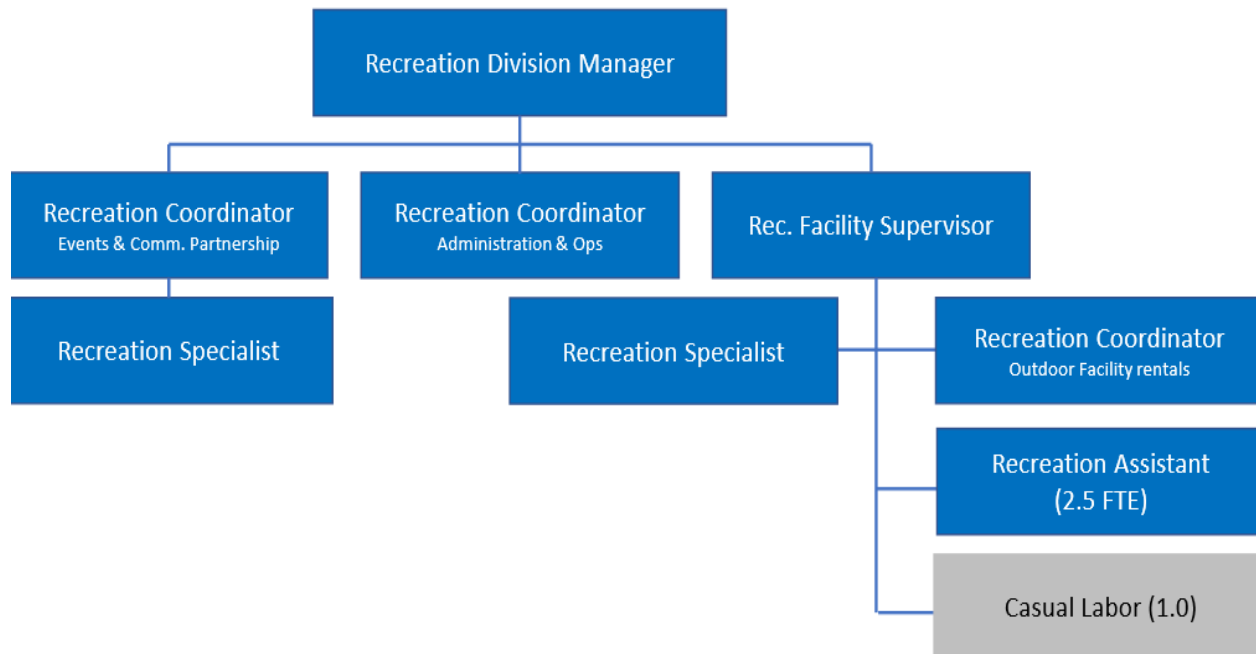
Note: 2021 and 2022 Revenue shown above includes Turf Sinking Fund contributions not included in the 2021 Annual Report.

Revenue by Service Area				
Revenue Area	2021 Budget	2021 Actual	2022 Budget	2022 Actual
Grants	\$ 12,480	\$ -	\$ 11,950	\$ 62,805
Concessions	\$ -	\$ 184	\$ 500	\$ 328
Boat Launch	\$ 67,800	\$ 55,168	\$ 54,402	\$ 35,552
Ball Fields	\$ 13,100	\$ 97,080	\$ 165,000	\$ 67,038
Picnic Shelter Rentals	\$ -	\$ 11,968	\$ 10,000	\$ 24,473
Special Event/Use Permits	\$ 1,000	\$ 8,366	\$ 18,000	\$ 8,399
Special Events /SC!	\$ -	\$ -	\$ 51,000	\$ 49,404
MICEC Drop-ins	\$ -	\$ 20,937	\$ 50,000	\$ 73,247
Recreation Programs/Camps	\$ -	\$ 95,254	\$ 114,000	\$ 96,500
MICEC Rentals	\$ 80,000	\$ 89,548	\$ 480,000	\$ 425,387
Donations / Misc. Revenues	\$ 5,000	\$ 2,904	\$ 76,600	\$ 33,176
Registration System Fee	\$ 1,500	\$ 10,283	\$ 20,000	\$ 10,727
Turf Replacement- Sinking Fund		\$ 200,000	\$ -	\$ 159,209
Total:	\$ 180,880	\$ 591,692	\$ 1,051,452	\$ 1,046,245

Expenditure by Service Area				
Service Area	2021 Budget	2021 Actual	2022 Budget	2022 Actual
Administration (PR)	\$ 821,841	\$ 769,220	\$ 677,079	\$ 643,983
ARPA-Recreation Restart	\$ -	\$ -	\$ 416,000	\$ 347,218
Recreation Programs	\$ 3,983	\$ 7,988	\$ -	\$ 5,308
Aquatics Programs	\$ -	\$ -	\$ 26,000	\$ 12,216
Special Events	\$ 50,000	\$ 33,849	\$ 141,400	\$ 66,256
Sports & Leagues	\$ -	\$ -	\$ -	\$ 2,083
Senior Services	\$ 17,553	\$ 17,553	\$ -	\$ 10,677
Community Center	\$ 339,046	\$ 278,647	\$ 527,971	\$ 389,024
Public Art	\$ -	\$ -	\$ 900	\$ -
Community Arts Support	\$ -	\$ -	\$ 5,500	\$ 3,496
Gallery Program	\$ 4,000	\$ -	\$ 3,900	\$ 231
Cultural & Performing Arts	\$ 26,580	\$ 18,392	\$ 33,000	\$ 25,493
Summer Celebration	\$ -	\$ -	\$ 110,500	\$ 84,658
Special Programs	\$ 2,000	\$ -	\$ -	\$ -
Total:	\$ 1,265,003	\$ 1,125,649	\$ 1,942,250	\$ 1,590,642

2022 RECREATION DIVISION STAFFING SUMMARY & ORGANIZATIONAL CHART

Full Time Equivalent (FTE)			
Position Area	2019	2021	2022
Administration	6	-	3
MICEC/Rentals	7	-	5.5
Events/Programs	1.3	0.75	1
Total FTEs	14.3	0.75	9.5
Limited Time Equivalent (LTE) / Casual Labor			
Administration	0.83	3	-
MICEC/Rentals	0.54	3.4	1
Events/Programs	4.15	0.25	-
Total LTEs	5.52	6.65	1
Total FTEs & LTEs	19.82	7.4	10.5



SUMMARY BY FUNCTIONAL AREA (ADMINISTRATION/ MICEC / PROGRAMS AND EVENTS)

The Recreation Division is segmented into three basic functional areas: Administration, Mercer Island Community & Event Center Operations, and Programs & Events. The sections below provide a summary of 2022 areas of focus and outcomes, as well as anecdotal information regarding the outcomes and service delivery for each section.

ADMINISTRATION

The Administration functional area is primarily directed by the Recreation Manager and supported by various Division staff. This functional area is responsible for prioritizing resources, developing policies and procedures, providing Division budget development and oversight, managing the Division's various systems, contracting services, and establishing and reviewing performance measures and workplan outcomes. Additionally, the Administration functional area is responsible for providing staff liaison support to the Arts Council and Parks and Recreation Commission, as well as indirectly supporting other boards, commissions, and the City Council.

Administration Functional Area Outcomes:

- Developed and implemented 2021 Recreation Division Annual Report.
- Developed, implemented, and/or updated to the following policies: Special Event Sponsorships, Athletic Field Use and Allocation, Gift Acceptance.
- Coordinated and implemented CivicOptimize software.
- Updated the Division's web pages and marketing materials.
- Reviewed, developed, updated, and implemented new division fees.
- Ongoing and regular communications to City Council through City Manager emails and reports.
- Developed the 2023-2024 Recreation Division Biennial Budget.

Parks and Recreation Commission Outcomes:

- Recommended the *Parks, Recreation and Open Space Plan (PROS)* to City Council.
- Recommended the *Luther Burbank 30% Design* to City Council.
- Recommended the *Bike Skills Area location* to City Council.
- Endorsed the *Special Event Sponsorship Policy* (received City Council adoption).
- Endorsed the *Athletic Field Use and Allocation Policy*.
- Developed the *Aubrey Davis Trail Safety Project 30% Design* (work continuing into 2023).
- Developed the *Gift Acceptance Policy* and provided input toward procedural elements.
- Engaged King County Library System and provided input for expansion of hours and services.
- Cut the ribbon at the new Mercerdale Inclusive Playground!

Arts Council Outcomes:

- Established committees to support special events, Public Art, the Mercer Island Arts Summit, and various policy work.
- Hosted the *Mercer Island Arts Summit*.
- Adopted the *2023-2024 Arts & Culture Priorities*.

MERCER ISLAND COMMUNITY AND EVENT CENTER (MICEC)

The Mercer Island Community and Event Center functional area is guided by the Recreation Facilities Supervisor. Services included under this area are: MICEC gym and meeting room rentals, community facility access, drop-in programming, division-wide customer service, Mercer Island Art Gallery, and supporting Emergency Operations functions such as a back-up Emergency Operations Center. The MICEC also provides an emergency shelter location for heating, cooling, and smoke relief.

The year began with a focus to refine and expand the operations of the facility, specifically for rentals and community access. Highlighted below are quarterly outcomes.

1st Quarter (January-March)

- Opened facility for passive drop-in and community access.
- Opened Fitness Room.
- Began accepting Gym Rental reservations for immediate use.
- Began accepting Meeting Room and Mercer Room bookings for rentals to begin in Q3.

2nd Quarter (April-June)

- Hosted Mercer Island Preschool Circus throughout facility.
- Developed rental marketing information and implemented facility-rental tours.
- Hosted 11 large Mercer Room rentals in May (the month of re-opening the opportunity).
- Rotary Club meetings returned! (Every-other week schedule)
- Served as Emergency Cooling Center in late-June.

3rd Quarter (July-September)

- Hosted weekly summer camps and weekend weddings/events.
- Closed the Fitness Room due to leak in upstairs HVAC.
- Served as Emergency Cooling Center in July/August and Smoke Relief Area in September.
- Renewed the Annex lease.

4th Quarter (October-December)

- Vacancy of Recreation Facilities Supervisor. (Oct. through year-end)
- Renovated the Fitness Room, including removing/reinstalling flooring, replacing drywall, and assembling new fitness equipment. (Oct.)

- Re-opened the Fitness Room on Nov. 21. (Free of charge through Feb. 2023)
- Annual Facility Maintenance closure Dec. 19-Jan. 2.
- Prepared to expand operating hours in Jan. 2023. (M-Th 9am - 7pm, Fri/Sat. 9am - 5pm)

Challenges related to staffing vacancy were persistent in 2022. The Division saw delayed recruitment and hiring of staff due to lingering pandemic-related impacts, and some key staff members transitioned from the organization. The service delivery model of the MICEC relies heavily on casual/seasonal labor to provide support for rental and program operations. Unfortunately, due to limited casual labor hires, this workload was transitioned to supervisory and managerial staff. This delayed the expansion and development of services as well as the immediate implementation of the fully proposed operating hours of the MICEC, and at times overwhelmed available resources. These challenges were compounded periodically by absenteeism related to Covid-19, requiring the staff to maintain a flexible and measured approach to service delivery.

Restructuring of the Division from 2020-2022 proved beneficial to meeting varied scheduling needs at the MICEC. Full-time coordinating, supervisory, and managerial staff had been broadly trained and were able to adapt and alter schedules to address immediate rental and programming needs caused by vacancies. Though not a sustainable approach, this structure allowed for staff to meet immediate rental and event demands, which led to revenues that may otherwise have not been realized.

Staff is confident the business model and work to streamline other service offerings will provide enhanced opportunity for manageable growth of the programmatic services offered, meeting the larger community need while increasing revenues and community satisfaction. In addition to the stated objectives for 2022, staff found ways to expand recreational opportunities by utilizing partnerships and recreation-focused rentals. These rental partnerships included: Jazzercise, Yoga Bliss, OSHER Life-Long Learning (senior program), and personal training provided by 212 Fitness.

The MICEC finished the year exceeding revenue expectations and has received a significant number of bookings for the 2023 calendar year. It is anticipated that full-time staffing vacancies will be filled by March 2023, and additional casual labor will be available for the 3rd quarter.

RECREATION PROGRAMS AND EVENTS (INCLUDING PARK RENTALS AND ARTS & CULTURE)

The Recreation Programs and Events functional area is guided by the Recreation Manager with significant support from Recreation Coordinators in specific areas. Staff re-engaged the community through an expansion of special events, including the much appreciated and anticipated return of Summer Celebration. City-coordinated special events were delivered on a scale not seen since 2018 and have a renewed focus on supporting the local business community as well as including arts and cultural elements. Special events in 2022 were widely supported through generous sponsorships and the in-kind donation support of businesses, volunteers, and community groups.

Park rentals and permits for athletic fields, picnic areas, and private special events and usages also increased in 2022. Staff dedicated resources early in the year to improve processes and ease access for

users. Most notably, developing the Special Event Sponsorship Policy and online booking for picnic areas contributed to increased usage rates of these facilities.

The year began with a focus to refine and expand opportunities for the community to access park areas and events. Highlighted below are quarterly outcomes.

1st Quarter (January-March)

- Planned the return of community-wide, city-coordinated events.
- Hired and onboarded a new Recreation Specialist.
- Developed Special Events Sponsorship Policy, endorsed by Parks and Recreation Commission and approved by City Council.

2nd Quarter (April-June)

- Hosted Mercer Island Preschool Association’s Circus at MICEC.
- Partnered with One MI and MI High School’s Black Student Union to host Juneteenth celebration at Mercedale Park.
- Partnered with One MI to host Pride event at Mercedale Park.

3rd Quarter (July-September)

- Hosted Mostly Music in the Park at Mercedale Park (5 concerts).
 - Sponsored by: The Mercer Island Community Fund, 4Culture and MIVAL – who brought arts and crafts for kids each week.
- Hosted Shakespeare in the Park at Luther Burbank Amphitheater (19 performances).
- The return of Summer Celebration occurred in July!
 - Sponsors included: The Mercer Island Community Fund, The Mercer Apartments, John L. Scott, Island Books, Windermere, Mercer Island Martial Arts, the Kimball Agency, Jake Jacobson, Healthcare Reimbursement Solutions, and Recology.
- Received a one-time grant of \$30,000 to support Summer Celebration 2022.
- Supported the Kirk Robinson Skate Park Dedication.

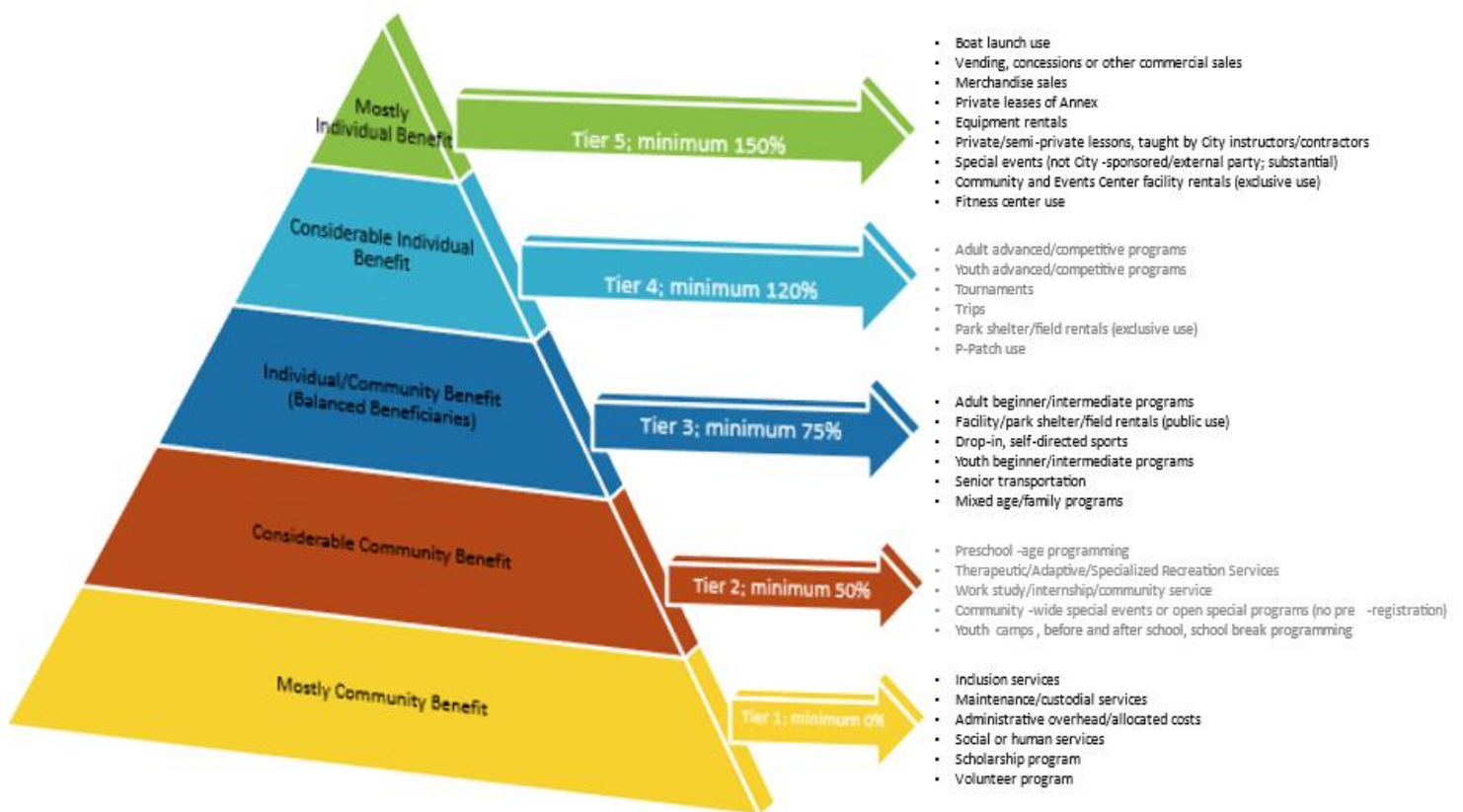
4th Quarter (October-December)

- Hosted “Rocktober” Senior Lunch, sponsored by Aljoia.
- Coordinated and hosted the Pumpkin Walk.
- Supported Town Center Trick or Treating; coordinated with the Mercer Island Chamber of Commerce.
- Coordinated Illuminate MI: Tree Lighting at Mercedale & Firehouse Munch; partnered with the MI Fire Union.
- Coordinated Argosy Christmas Ships at the Luther Burbank Beach.
- Partnered with Chabad Mercer Island for a Menorah Lighting in Mercedale Park, Mercer Island Girl Scouts Toy Drive in Mercedale Park.

OUTCOMES BY TIER / COST RECOVERY

In 2020, the Parks and Recreation Commission assigned various services based upon the criteria shown below within each section of the pyramid as tiers.

The following sections display recreation services by cost recovery tier and indicate the cost recovery of direct costs and participation rates for 2022 programming, rentals, and events. In some cases, where applicable, the service is compared to previous years to demonstrate changes over time. The image below demonstrates the Pyramid Methodology for Resource Allocation/Cost Recovery.



TIER 5, 150% MINIMUM - 2022 ESTIMATED COST RECOVERY RATE: 807%

Tier 5 has a minimum cost recovery requirement of 150% for all services within this level. Services identified within Tier 5 are for “mostly individual benefit”.

Tier 5 Services offered: Boat Launch, Vending/Concessions/Merchandise Sales, Annex Lease, Community Center Rentals, Fitness Center Use, Special Events (Private). **Equipment Rentals, *Private/semi-private lessons (*not offered).*

Community Center Rentals

Bookings:

2021: 31 (+486 City Business)

**Gym Bookings began June 2021*

2022: 1,041 (+256 City Business)

Resident Booking Percentage: N/A / *37%

**Doesn't include City Business*

Hours Booked:

2021: 38 (+4,163 City Business)

2022: 3,379 (+809.25 City Business)

Boat Launch (2021/2022)

Annual Passes: 98 / *71

Daily Passes: 2,334 / 2034

Resident Percentage of annual passes: 28% / 41%

**Construction in 2022 limited spaces available.*

Special Event Permits (private) 2021/2022

Bookings: 4 / 39

Resident Percentage: 75% / 33%

Examples: MIHS Cross Country Meet, Sukkot Festival, weddings, company events, other private park/special usage.

Fitness Center (2021/2022)

Visitors: *0 / 2034

Punch Passes Sold: 0 / 112

Resident Percentage: 0 / 86%

**Service not offered in 2021, closed July 2022 to December 2022 due to HVAC leak.*

Recommendation: Move *Fitness Center* to Tier 3 to align with other drop-in activities.

TIER 4, 120% MINIMUM - 2022 ESTIMATED COST RECOVERY RATE: 186%

Tier 4 has a minimum cost recovery requirement of 120% for all services within this level. Services identified within Tier 4 are for “considerable individual benefit”.

Tier 4 Services offered: Park Field Rentals, P-Patch Use, **Advance/Competitive Programs, *Tournaments, *Trips (*not offered)*

P-Patch (2021/2022)

Users: 44 / 44

Resident Percentage: 98% / 98%

Park Field Rentals (2021/2022)

Hours Rented: 8,617 / 9,803.5

Bookings: 2,713 / 2,987

Resident Percentage: 63% / 59%

Recommendation: Staff recommend reviewing requirements for P-Patch program and evaluating if residency should be required.

TIER 3, 75% MINIMUM - 2022 ESTIMATED COST RECOVERY RATE: 306%

Tier 3 has a minimum cost recovery requirement of 75% for all services within this level. Services identified within Tier 3 are for “individual/community benefit” resulting in balanced beneficiaries.

Tier 3 Services offered: *Facility/park/field rentals (public use), Drop-in Sports, *Beginner/Intermediate programs, *Senior Transportation, *Mixed age/Family programs (*not offered).*

Drop-in Sports (2021/2022):

Punch Passes Sold: 295 / 488

Resident Percentage: 35% / 38%

Participants: 4,806 / 15,030

Resident Percentage: 23% / 32%

2022 Offerings: Pickleball, volleyball, basketball, indoor playground, ping-pong, open gym, senior walking, badminton.

Picnic Shelter Rentals (2021/2022):

Bookings: *53 / **142

Resident Percentage: 57% / 30%

**Bookings began July 2021*

***Added Deane’s Children’s Picnic Shelter as a rentable space in 2022.*

Recommendation: Staff have no recommended changes at this time.

TIER 2, 50% MINIMUM - 2022 ESTIMATED COST RECOVERY RATE: 173%

Tier 2 has a minimum cost recovery requirement of 50% for all services within this level. Services identified within Tier 2 are for “considerable community benefit”.

Tier 2 Services offered: *Youth summer camps, Pre-school programming, Community-wide special events, *Before and after school programs, School break programming, Therapeutic/Adaptive/Specialized Recreation Services, Work Study/Internships/Community Service (*not offered).*

Summer Camps (2021/2022):

Participants: *1,388 / 1,311

of weeks provided 10 / 11

of different options: 8 / 10

2022 Offerings: JCC, LEGO, Paddle Camp, TGA, Challenger Soccer, Seattle Shakespeare, Cartooniversity, Pedalheads, Movie Star, Active Art & Science

**2021 participant numbers were recorded incorrectly in the 2021 Annual Report. Above shows the correct participant numbers.*

Special Events (2021/2022):

of City-Coordinated Events: 1 / 10

of City-Partnered Events: 8 / 7

of Special Event Sponsorships issued: 0 / 9

MICEC Gallery (2021/2022):

of Shows: 1 / 5

of Artists displayed: 15 / 109

Recommendation: Staff recommend adding Senior Programs/Classes to this tier.

TIER 1, 0% MINIMUM - 2022 ESTIMATED COST RECOVERY RATE: 0%

Tier 1 is expected to be 0% and is not calculated at the line-item level.

Inclusion services

Maintenance/Custodial services

Administrative costs/overhead

Scholarship program: No participants in 2022

Recommendation: Staff recommend evaluating collaboration opportunities with Youth and Family Services Department for Scholarship Program to expand access to recreation services.

2022 DIVISION SUCCESSES AND CHALLENGES

SUCCESSES:

- Onboarded new staff members!
- Exceeded overall Division budget cost recovery goals (by 12%!), while remaining within expenditure budget.
- Restored Summer Celebration as a 1-day event and received excellent community feedback.
- Supported new community events through partnerships, sponsorships, and facility access (Art Uncorked, Rotary Dance for Peace, MIPA Toy Swap, MIPA Carnival, Menorah Lighting, and more).
- Secured more than \$60K in grant funding for Arts and Events.
- Renewed Annex Lease.
- Updated facility access systems: key card system for batting cages/concession stands.
- Expanded implementation of online picnic rentals and locations.
- Implemented the Event Sponsorship Policy.
- Restored MICEC access and services to pre-pandemic levels.
- Expended the Mercer Island Art Gallery to City Hall.

CHALLENGES:

- Limited hiring of casual labor and vacancy of Recreation Facility Supervisor position.
- Training predominantly new staff team/loss of historical knowledge.
- Impacts to staff attendance due to Covid-19.
- MICEC building infrastructure issues: HVAC failures in danceroom, Mercer Room Floor replacement.
- Communication/Marketing: limited resources and preparation dedicated to community-wide communications.
- Community desire for delivery of recreation programs (specifically Senior Programs), which were not resourced in 2022.

2023 PREVIEW

In 2023, the Recreation Division will focus operations on continuing and enhancing 2022 services, with the addition of the following services:

- Accept Donations and Gifts.
- Re-establish limited educational, social, and fitness based Senior Programs.
- Expand Youth and Specialized Recreation Programs.
- Utilize community partnerships and contractors to deliver expanded opportunities.
- Expand Division marketing and communications.
- Target market to recreation service providers to utilize MICEC to generate additional revenues and meet community recreational needs.
- Expand MICEC and facility rental business functions to generate additional revenues.
- Increase passive and drop-in access at MICEC.

At the time this report was developed, the Recreation Division concluded Q1 of 2023. All full-time staff positions have been filled (as of March 1), and some casual labor hiring has occurred. Staff has initiated some additional recreation programming, is developing 1-2 Senior focused fitness programs, and is offering a variety of passive social opportunities (coffee hours, meet-up groups, Senior Golf) to accompany the full slate of events scheduled.

A strong end to 2022 has positioned the MICEC to exceed the goal of 1,500 rental bookings in 2023. To date, the MICEC has accepted more than 1,200 rental bookings. In addition to rentals, drop-in activities are expected to exceed projected revenues by more than \$20,000. This success does present challenges to the team. This increase in patronage and services will potentially require additional resources to successfully implement and maintain user experiences. Management and supervisory staff continue to evaluate scheduling and hiring options to maximize efficiency and utilization of existing resources.