

1. Chapter Seven:

Implementation

The City of Sequim has several different funding sources it draws on to provide for park acquisitions, operations, maintenance, and improvements. It does not yet charge for use of facilities (other than rentals for the Guy Cole mini-convention center) for athletic or family events.

Typically, funding for each year's operations comes from the General Fund, and is divided into a couple of locations. Public Works gets the lion's share of the budget for its personnel costs to maintain the park system. Then the rest of parks needs are funded as a line item expense paid for through these General Fund allocations.

I. Capital Improvement Program:

A capital improvement program (CIP), as it relates to this parks and recreation plan, is a list of fundable major improvements over the next six years. These improvements are arranged in order of preference to assure that they are carried out in priority and in accord with the city's ability to pay. The CIP should be reviewed annually. The proposed CIP for the City of Sequim is shown in Table 7-1.

The CIP is intended to maintain the acceptable level of service for the City's park and recreation system. As discussed in Chapter Five, level of service standards provide detailed targets that allow the city to assess the progress toward meeting community goals. These standards, established by the National Recreation and Park Association (NRPA), recommend that between 6.25 and 10.5 acres of "close-to-home" parkland be provided per 1,000 population for a community similar to Sequim. This plan identified level of service standards for a variety of individual park type classifications considered "close-to-home" and facilities typically provided for a balanced recreation system (Table 5-5).

Close-to-home classifications included city-owned community and neighborhood parks, urban malls and squares and the areas of school district recreation facilities generally available to the public.

Specific recommendations and projects have been included in this capital improvement program to address the anticipated needs, based on forecast population levels for the City for these "close-to-home" park classifications and facilities.

II. Existing and Potential Funding Sources:

A wide variety of funding sources are available to implement the recommendations listed in this plan. Some of these sources include:

General Fund - This fund is used to account for all non-restricted financial resources. Restricted resources are accounted for in separate funds. Most restricted funds are due to regulations. However, City Council can voluntarily agree to restrict the use of certain general revenues for specific purposes. For example, revenues from the cell tower in Carrie Blake Park are restricted and accounted for in the Parks Restricted Fund.

There are three major types of funds: Governmental Funds, Proprietary Funds and Fiduciary Funds.

- Governmental Funds include: general fund (non-restricted revenues), special revenue funds (revenues restricted for a particular purpose: Lodging (Hotel/Motel) Tax Fund, Gifting and Donations Fund, Parks Restricted, etc.), debt service funds, capital projects funds and permanent funds (only earnings and not principal can be used).
- Proprietary Funds include: enterprise funds (Water, Sewer) and internal service funds.
- Fiduciary Funds include: pension, trust funds, private-purpose trust funds, and agency funds.

Bonds –

- General Obligation Bonds are notes of credit approved by the voters. The voters, in approving a general obligation bond, agree to levy themselves an increase in property tax to pay the interest and principal of the bond.
- Councilmanic Bonds are notes of credit approved by the City Council to be paid by current operating revenue. These differ from voter approved bonds as the debt is paid by the general City operations and maintenance budget, and the funds must come from new sources (i.e. additional sales tax revenues, fees and assessments).
- Revenue Bonds are notes of credit, the interest and principal of which are paid from the profits from operating the facility whose construction is funded by the sale. Revenue Bonds are approved by the City Council.

Cell Tower Rental - The City receives rental revenue for cell towers placed on city property. A restricted Parks Fund was established when Council voted to voluntarily restrict revenues from the cell tower in Carrie Blake park.

Haller Park Fund - This is a permanent fund. The principle that established this fund was contributed by the Haller Family; who placed a restriction that only the interest could be expended for Park upgrades.

Vacated Streets/Open Space Fund – These funds are derived from payments made by developers who request and receive approval for the vacation of a proposed street right-of-way. It also receives funds when/if a developer makes an “in-lieu payment” for a variance allowing greater lot coverage, and he mitigates the lost open space with an “in-lieu” payment.

Private Donations – This may occur when an individual makes an external land contribution or gifts of cash or other assets, which are then to be used or expended for a specified purpose or activity. Most donations received by the City are for things like memorial benches that are typically placed in Carrie Blake Park or the Water Re-use Demonstration Park.

Dedications – Dedications involve transfers of property to the city for a specific use as defined by the Sequim Municipal Code and property owners. The city also requires a dedication of 10% of the parcel size be allocated for recreational purposes when a 10-lot or greater residential subdivision is proposed. These areas are typically earmarked for the use by the future residents of the subdivision. State Environmental Policy Act (SEPA) mitigation requirements for developments may add either park acreage directly by dedication or may provide an equivalent monetary dedication for park capital acquisition by the City, based upon documented needs.

User Fees – User fees are levied on participating individuals and groups when utilizing certain facilities. User fees provide an additional method of offsetting the cost of facilities and reduce the burden on the general fund for the operations and maintenance costs.

Grants – External contributions that are awarded based on an approved grant application. Some grants require the City to match a percentage of the funds awarded. Most grants that the City receives are from State and Federal Agencies for capital projects such as streets, water and sewer system upgrades, and for the reuse water utilization project. Some examples of grants available for park site acquisition and recreation development are:

- Washington Wildlife and Recreation Program administered by the Washington State Interagency Committee for Outdoor Recreation (IAC) is the largest fund focused solely at recreation land acquisition and facility development.
- US Soccer Foundation, Babe Ruth Baseball Association and the US Tennis Association also provide grants for creating/maintaining/operating these like facilities.
- Boating Facilities Program, also administered by the IAC, provides funds for shoreline and upland projects which enhance boating-related facilities.

- Aquatic Lands Enhancement Account (ALEA) is administered by the State Department of Natural Resources and provides funds for the acquisition and development of lands which provide public access to the state's shorelines. The status of this fund is dependent upon legislative appropriation.
- Coastal Zone Management Fund is administered by the State Department of Ecology. Funds from this source are intended to provide facilities for public access to previously inaccessible shorelines.

Impact Fees – These are fees charged to developers to cover, in whole or in part, the anticipated costs of improvements that will be necessary as a result of the impact the development has on the City's infrastructure (e.g., streets, sidewalks, parks, etc). The City does not have impact fees in place at this time.