



Parks, Recreation & Cultural Affairs
Master Plan Funding Alternatives
Recreation, Cultural Affairs and Public Works
Committee
June 5, 2013



Vision Initiative:	Est. Cost:
1. New and/or Improved Parks	\$21,400,000
2. Athletic Facilities and Programs	\$2,000,000
3. Nature Parks and Programs	\$ (incl. within #1)
4. Cultural Facilities and Programs	\$12,750,000
5. Recreation Centers, Pools, and Programs	\$11,100,000
6. Trails and Bikeways	\$7,886,000
TOTAL:	\$55,136,000
<i>Ongoing Maintenance 5% of Capital Costs (annually)</i>	<i>\$2,751,800</i>



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2	1,000,000	37,500	1,500,000	462,500
3	1,000,000	57,500	1,500,000	442,500
4	1,000,000	87,500	1,500,000	412,500
5	3,806,250	87,500	1,500,000	(2,393,750)
6	3,806,250	87,500	1,500,000	(2,393,750)
7	3,806,250	87,500	1,500,000	(2,393,750)
8	3,806,250	87,500	1,500,000	(2,393,750)
9	3,806,250	125,000	1,500,000	(2,431,250)
10	3,806,250	125,000	1,500,000	(2,431,250)
11	3,806,250	125,000	1,500,000	(2,431,250)
12	3,806,250	125,000	1,500,000	(2,431,250)
13	2,750,000	125,000	1,500,000	(1,375,000)
14	2,750,000	125,000	1,500,000	(1,375,000)
15	2,750,000	125,000	1,500,000	(1,375,000)
16	2,750,000	125,000	1,500,000	(1,375,000)
17	2,750,000	250,000	1,500,000	(1,500,000)
18	2,750,000	250,000	1,500,000	(1,500,000)
19	2,436,000	280,800	1,500,000	(1,216,800)
20	1,750,000	351,000	1,500,000	(601,000)
	55,136,000	2,751,800	30,000,000	(27,887,800)



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Potential funding approaches:

1. Maintain same level of funding, approximately \$1.5 annually from CIP, grants, sponsorships, donations, etc.
2. Dedicated millage rate increase
3. Sales tax
4. Bonding
 - a) Revenue bonds
 - b) General Obligation bonds



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1. Maintain same level of funding, approximately \$1.5 annually from CIP, grants, sponsorships, donations, etc.
 - If current funding pattern continues annually, approximately \$30M would be available for implementing portions of the Master Plan over the next 20 years.
 - For large projects, this would require rolling over CIP project funds for several years to accumulate larger amounts of funding.



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2. Dedicated millage rate increase

- City Commission increases millage rate and dedicates incremental property tax revenue to funding Master Plan projects
- Can be done either through a voter referendum or City Commission designation
- Based on funding requirements would require approximately one-quarter mill increase to existing millage rate for 20 year period
- One-quarter mill equates to annually, \$25 per \$100,000 of the taxable property value



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3. Sales tax similar to Wild Space Public Places

- Sales tax implemented through voter referendum (Wild Spaces Public Places model ½ cent)
- Generates funds over relatively short time frame
 - Tax revenues and interest generated on accumulated revenues funds Master Plan projects
- Assuming revenue levels generated similar to WSP, estimated tax duration of four years required to meet Master Plan funding requirements



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4a. Revenue bond issuance (funds capital costs only)

- City issues debt, pledging legally available non ad valorem revenues to repay debt service
- Projections indicate that three separate 20 year issues would be required to fund Master Plan projects
 - \$9.5M in Year 5
 - \$9.5M in Year 10
 - \$7.45M in Year 15
- Requires identification of new revenue source or expenditure side solution to pay debt service
- Total payout (principal & interest \$34.6M)



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4b. General obligation bond issue(capital costs only)

- Voter referendum to approve millage rate increase, with incremental property tax revenue funding debt service associated with bonds
- Projections indicate that three separate 20 year issues would be required to fund Master Plan projects
 - \$9.5M in Year 5
 - \$9.5M in Year 10
 - \$7.45M in Year 15
- Total payout (principal & interest \$34.6M)



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Other Funding Recommendations in the Master Plan:

- A. Approve during 2014 Budget Process a Surcharge collected on all appropriate PRCA fees to help fund top priority recommendations/needs such as a Partnership/Development Coordinator to increase revenues, grants, sponsorships, in-kind support.
- B. Revisit 2014 – 2017 CIP Allocations to better align with Master Plan recommendations during 2014 Budget Process i.e. Heating Westside Pool; improving one park per year, etc.



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Other Funding Recommendations in the Master Plan (cont.):

C. Develop and Approve during the 2014 Budget Process 1) a Differential Pricing Strategy that vary prices by weekday and weekend, regular weekend and holiday weekend; 2) add resident discounts to existing fees where appropriate, 3) to create consistency in the department, add administrative fees for park reservations and pool reservations similar to facility reservation fees.

D. Include Trails and Bikeway Recommendations as part of future Transportation Infrastructure Plans



Questions?