

Agenda Report

TO: CITY COUNCIL

DATE: November 15, 2004

FROM: CITY MANAGER

SUBJECT: CONSIDERATION OF POTENTIAL PARK FUNDING BALLOT MEASURE

RECOMMENDATION

This item is for information only.

BACKGROUND

At the request of Councilmember Holden, staff has compiled information on potential funding options for major capital investment in city parks and recreational facilities. Provided herein is a summary of Pasadena voters' record on past State and County park bond measures; a preliminary list of capital needs in City parks; a discussion of potential funding alternatives; and finally, a summary of the process that led to the enactment of the Library Special Tax in 1993.

PASADENA'S VOTING HISTORY ON PAST PARK MEASURES

Pasadena voters have supported the last five County and State-wide park bond measures, as evidenced by the following City-wide election results:

Name of Measure	Date	Yes	No	% of votes
Proposition A - Los Angeles County Safe Neighborhood Parks 1992	Nov. 3, 1992	31,300	15,097	67%
Proposition A - Los Angeles County Safe Neighborhood Parks 1996	Nov. 5, 1996	24,264	9,640	72%
Proposition 12 - Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act of 2000	Mar. 7, 2000	18,847	7,218	72%
Proposition 13 - Safe Drinking Water, Clean Water, Watershed Protection, and Flood Protection Bond Act 2000	Mar. 7, 2000	19,041	6,944	73%
Proposition 40 - California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act 2002	Mar. 5, 2002	9,603	4,665	67%

PARK CAPITAL NEEDS

Pasadena faces major funding challenges for capital investments in City parks. While routine operation and maintenance are funded with General Fund dollars, the only dedicated funding source for capital improvements is the Residential Impact Fee. As a result, the park infrastructure has many unmet needs. A preliminary assessment of the capital needs throughout the city, found approximately \$65 million in needed improvements. For a list of these needs, please see Attachment A.

FUNDING OPTIONS

Staff has identified various mechanisms which may be used to fund park improvements. The two options are debt financing through a bond or the establishment of an assessment or a tax.

Benefit/Assessment District – A benefit assessment is an involuntary charge levied on property to pay for public improvements that provide benefits. The philosophy behind benefit assessments is to link the cost of public improvements to those landowners who specifically benefit from those improvements. The amount of the assessment on a particular property is related to the amount of benefit that property receives. The assessment may be used as repayment for the debt service on a bond or as a method to collect fees for improvements.

Charter cities may levy any benefit assessment not otherwise prohibited by state law. The Council may establish an assessment district by resolution, however, a special election on the proposed assessment must be submitted to affected property owners for approval or rejection, after notice and public hearings. If a majority of the property owners protest the assessment district, it is nullified.

Parcel Tax – Through this tax, the Special Library Tax was established in 1993. This type of tax would be imposed on each residential dwelling unit or non-residential parcel within the city for the purpose of generating funds for capital improvements in parks. The establishment of a parcel tax requires a 2/3 vote of approval. This option of a special tax ensures that the benefits received would be appropriate for the taxes levied. A parcel tax may be used as repayment for debt service on a bond or as a method to collect fees for improvements.

Ad Valorem Tax – The tax is based on the assessed value of real (land and improvements) and personal property. It requires a 2/3 citizen vote of approval. Payment is based on a single tax rate (set each year) with a maximum rate amount. The City could use this revenue to sell a General Obligation Bond to generate a larger amount for capital purposes.

LIBRARY SPECIAL TAX PROCESS

In 1993 Pasadena voters passed a Library Special Tax by a vote of 14,370 to 3,642. The new tax imposed a special tax on each residential dwelling unit or non-residential parcel within the City for the purposes of generating funds for the maintenance and operations costs of the library, and the costs of enforcement and administration of the new tax. Previously, the Library Commission had explored alternatives to the special tax including contracting for library services or joining the L.A. County system.

Preliminary Stages of Preparation

Before the special tax initiative was placed on the ballot, the City created a Citizens Task Force that was comprised of ten active community members who worked closely with the library. Each member was selected based on a cross-section of interests, with backgrounds in education, finance, and housing.

The Task Force met eleven times during a three-month period from December 1992 to February 1993 and conducted surveys to evaluate the use and level of support for the library; the degree of community awareness of the library's financial shortfalls; the extent to which either increased taxes or reductions in services would be preferable; voters' reaction to special taxes; and insight into what would be the most important or useful aspects of an alternative funding plan.

Task Force Analysis

The Task Force evaluated fifteen alternative funding programs for the library system using eleven pre-established criteria to rate each option. The eleven criteria included: stability and predictability; revenue growth potential; independence from the annual political process; relationship to service; current revenues generated; potential for additional revenues; perception of additional burden; relief for low-income residents; how created; data availability; and ease of implementation. Funding program options included user fees, sales tax, general fund option, higher transient occupancy tax, residential parcel tax, non-residential parcel tax, construction tax, increased business license taxes, and an endowment program. A benefit assessment option, dwelling unit tax, square foot taxes on improvements, and utility taxes all warranted further analysis.

Task Force Recommendation

The option of a utility tax was eliminated since it would have to be used in conjunction with another tax and may have been viewed as double taxation – thereby unnecessarily complicating the ballot measure. The benefit assessment option was eliminated since it could be seen as a way of circumventing the 2/3 citizen vote. There was also a lack of property data to formulate an appropriate fee.

The option of a library special tax was chosen as the most viable solution. The Task Force recommended a two-prong approach to the tax, one for residential and the other for non-residential properties. The option of a special tax ensured that benefits received would be appropriate for the taxes levied and provide relief for low-income individuals and households. The Task Force determined that approximately \$7.1 million in revenue would fund the desired level of Library services needed. The Task Force presented its recommendations to the Library Commission on February 10, 1993 and the Commission accepted the recommendation.

Two surveys, numerous community meetings, and extensive informal contacts were utilized in order to determine what would be considered an acceptable assessment. To this end, the Library Commission held a total of nine public hearings, the Finance Department conducted seven public meetings on the status of the City's budget, and the City Council conducted a public hearing for receiving testimony on the Commission's recommendation. As part of the FY 1994 Operating Budget, the City Council appropriated \$5.83 million in General Fund to the Library. In March 1993, the City Council approved a special election for a \$1.3 million Library Special Tax.

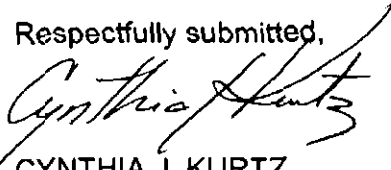
Ballot Measure:

The first annual funding goal for the special tax was \$1.3 million (difference between the \$7.1 million library funding goal and the \$5.83 million General Fund appropriation). The recommended and adopted rate for the special tax ballot measure was \$147 per non-residential parcel, \$20 per single family residence or condominium unit, and \$13 per apartment. This rate adjusts annually based on the lower of the change each year in the consumer price index or the rate of change in per capita income in Los Angeles County. Owners of properties that meet the Lifeline criteria for utility taxes are exempt from the tax. The tax is combined with a given fixed percentage of the General Fund at 10.8% and designed to provide remaining funding when needed. The cost of the special election was expected to cost \$100,000 and be funded by the General Fund Reserve, with an additional cost of \$20,000 to create a database necessary to levy the new tax.

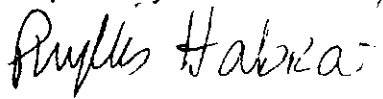
On June 22, 1993, Pasadena voters passed the Library Special Tax by a margin of 79.8% to 20.2%. The tax was to be in effect for five years (1998) and be extended by another election by citizens. In 1997, the Library Special Tax was renewed by the voters for ten years (1998-2008) and will expire in 2008 unless it is extended again.

FISCAL IMPACT

This report is for information only, there is no fiscal impact.

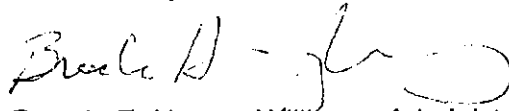
Respectfully submitted,

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List of Potential Projects for the Park Bond

Project	Proposed Funding From Park Bond	Comments
Park Walkway Replacement	777,200	Provides funding necessary for the completion of walkway projects at San Rafael, Singer, Eaton Sunnyslope, Gwinn, Hamilton and Brookside Parks.
Park Improvement ADA Compliance - V	846,709	Provides funding necessary for project completion (Funding for the ADA project at Brookside Park is included)
Replace Restroom Buildings	470,000	Provides funding necessary to complete the restroom projects at Villa and Singer Parks.
Memorial Park - Implement Master Plan	1,299,061	Provides the funds necessary to complete the implementation of the Memorial Park Master Plan.
Robinson Park - Implement Master Plan	12,470,000	Provides the funds necessary to complete the implementation of the Robinson Park Master Plan.
Washington Park - Implement Master Plan	970,000	Provides the funds necessary to complete the implementation of the Central Park Master Plan.
Central Park - Implement Master Plan	5,090,400	Provides the funds necessary to complete the implementation of the Master Plan.
Jefferson Park - Install New Picnic Shelter	75,000	Provides funding necessary for the installation of a picnic shelter at Jefferson Park.
Allendale Park - Various Projects	132,000	Provides funding necessary for the upgrading of tennis court lighting and installtion of walkway/security lighting.
Grant Park- Installtion of New Backstop and Player Seating	36,000	Provides funding necessary for project completion.
Singer Park - Walkway Lighting and Security Lighting	67,000	Provides funding necessary for project completion.
New Playground Equipment and Site Amenities at Various Parks	1,010,000	Includes funds for work at Allendale, Brenner, Grant, La Pintoresca, San Rafael, and Gwinn Parks.
Hamilton Park - Various Projects	761,000	Provides funding necessary for walkway/security lighting, new drainage system, new shade structure, and the replacement of a chain link fence and backstops
Victory Park - Replace Picnic Structures	125,000	Provides funding for the replacement of 3 shelters.
San Rafael - Walkway/ security lighting	76,000	Provides funding necessary for project completion.
Villa-Parke - Various Projects	750,000	Provides funding necessary for softball turf renovation and drainage system, new bleachers at the soccer field and the rehabilitation of the multi-purpose field.
Gwinn Park - New Irrigation System	75,000	Provides funding for the replacement of 3 shelters.
Grant Park- Installtion of Concrete Tennis Courts	250,000	Provides funding necessary for project completion.
Victory Park - Concrete Walkway Extension to East Parking Lot	60,000	Provides funding necessary for project completion.
Victory Park - Concrete Walkway Extensions to Diamonds 2, 3, and 4	70,000	Provides funding necessary for project completion.
Defender's Park - Installation of Security Lighting	90,000	Provides funding necessary for project completion.
Non-Arroyo Subtotal	25,600,370	
Central Arroyo		
Brookside Park Projects		

List of Potential Projects for the Park Bond

Project	Proposed Funding From Park Bond	Comments
Jackie Robinson Stadium Improvements	148,877	Provides funding necessary for project completion.
Upgrade Athletic Field Lighting	210,900	Provides funding necessary for project completion.
Renovation of Security Lighting	160,000	Provides funding necessary for project completion.
Upgrade Picnic Facilities	200,000	Provides funding necessary for project completion.
Repair Parking Lot I	96,000	Provides funding necessary for project completion.
Par Course Improvements	40,000	Provides funding necessary for project completion.
Lower Arroyo		
Implementation of Lower Arroyo Master Plan	1,200,000	Provides the funds necessary to complete the implementation of the Master Plan.
Hahamongna Master Plan		
Restoration of Flint Wash Bridge Crossing	147,500	Provides funding necessary for project completion.
Arroyo Total	1,347,500	
Pocket Parks		
Purchase and Develop Pocket Parks**	38,000,000	parks of approximately 46 vacant lots (31 acres) identified in the Pocket Park Survey.
Final Estimated Cost	64,847,870	

NOTE: ESTIMATED COSTS ARE TAKEN FROM THE CITY'S CAPITAL IMPROVEMENT PROGRAM

**Note: The cost of purchasing the 46 vacant lots identified in the Pocket Park Survey are rough estimates. Due to the short time frame, the estimates do not comply with the Uniform Standards of Professional Appraisal Practice and are intended for planning purposes only. Complete appraisals would likely yield values considerably different.

ADDITIONAL INFORMATION

PARK AND LANDSCAPE PROJECTS TEN YEAR HISTORY

Status of Project	Project Name	Project Costs (3/31/04)
Completed	Allendale Park - Reconstruct Tot Lot	52,138
Under Constr.	Allendale Park - Renovate Picnic Area	31,500
Completed	Allendale Park - Replace Existing Bleachers	22,178
Completed	Allendale Park - Athletic Field Lighting, Irrigation, Turf Renovation, etc.	280,430
	TOTAL ALLENDALE PARK	<u>386,246</u>
ARROYO PROJECTS		
Completed	Arroyo Seco - Environmental Impact Review (Does not include staff time or legal)	528,513
Under Constr.	Arroyo Seco - Reforestation	453,441
	TOTAL GENERAL ARROYO	<u>981,954</u>
Under Constr.	Central Arroyo - Restoration of Stream	999,670
Under Constr.	Central Arroyo - Trail and Rubble Wall Restoration	275,000
	TOTAL CENTRAL ARROYO	<u>1,274,670</u>
Under Constr.	Oak Grove Park - Reforestation	<u>206,416</u>
Under Constr.	Lower Arroyo - Casting Pond	50,000
Under Constr.	Lower Arroyo - La Casita Retaining Wall	90,000
Under Constr.	Lower Arroyo - Master Plan	1,472,186
Under Constr.	Lower Arroyo - Restroom Demolition	85,000
Under Constr.	Lower Arroyo - Revegetation	200,000
Under Constr.	Lower Arroyo - Trail, Ruble Wall Restoration	250,000
	TOTAL LOWER ARROYO	<u>2,147,186</u>
Under Constr.	Hahamongna Watershed Park - Enhance Existing Nursery	26,000
Completed	Hahamongna Watershed Park - Erosion Control	662
Completed	Hahamongna Watershed Park - Habitat Restoration	378
Under Constr.	Hahamongna Watershed Park - Implement Master Plan	2,351,900
Completed	Hahamongna Watershed Park - Preparation of Base Map	6,861
Under Constr.	Hahamongna Watershed Park - Remove Asphalt on Trail	48,000
Under Constr.	Hahamongna Watershed Park - Renovate 3 Existing Restrooms	121,000
Under Constr.	Hahamongna Watershed Park - Renovate Existing Sports Fields	316,000
Under Constr.	Hahamongna Watershed Park - Restoration of Filtridge Wash Bridge	1,161,000
	TOTAL HAHAMONGNA WATERSHED PARK	<u>4,031,801</u>
	GRAND TOTAL ARROYO SECO	<u>8,642,027</u>
Completed	Brenner Park - Repair Existing Walkways	32,358
Completed	Brenner Park - Conv Basketball Court	26,274
Under Constr.	Brenner Park - Modify Irrigation System	50,000
Completed	Brenner Park - Restroom Bldg Reconstruction	125,013
Completed	Brenner Park - Irrigation, Play Equipment, Resurface Sports Courts, etc.	120,100
	TOTAL BRENNER PARK	<u>353,745</u>
Under Constr.	Brookside Park - ADA Comp Phs V	442,291

PARK AND LANDSCAPE PROJECTS

TEN YEAR HISTORY

Status of Project	Project Name	Project Costs (3/31/04)
Under Constr.	Brookside Park - Ball Diamonds 1 & 2	150,000
Under Constr.	Brookside Park - Jackie Robinson Ballfield	122,478
Completed	Brookside Park - Landscape Robinson Field	54,948
Under Constr.	Brookside Park - Play Equipment Safety Replacement	536,375
Under Constr.	Brookside Park - Repair Parking Lot "T"	96,000
Under Constr.	Brookside Park - Replace Picnic Shelter Roof	100,000
Under Constr.	Brookside Park - Replacement Walkways	100,000
Under Constr.	Brookside Park - Restroom Renovation	707,000
Under Constr.	Brookside Park - Restroom Rmvrn-Phase 1	354,620
Under Constr.	Brookside Park - Resurface Tennis Court	44,754
Under Constr.	Brookside Park - Upgrade Lighting	9,100
Under Constr.	Fannie Morrison - Renovation	1,605,122
Under Constr.	Rose Bowl Aquatic Center Deferred Maintenance	75,000
	TOTAL BROOKSIDE PARK	<u>4,397,688</u>
Under Constr.	Central Park - Implement Master Plan	145,600
Completed	Central Park - New Playground	105,164
Completed	Central Park - Renovation of Fountain	16,552
Completed	Central Park - Irrigation, Drinking Fountains, ADA Improvements	67,000
Under Constr.	Central Park - Wlkwy Lights & Sec Lghtng Sys & Wlkwy Rplcmnt-Phase I	944,325
	TOTAL CENTRAL PARK	<u>1,278,641</u>
Under Constr.	City Wide - Central Irrigation	<u>60,900</u>
Under Constr.	Eaton Wash Park - Improvements	1,473,454
	TOTAL EATON WASH PARK	<u>1,473,454</u>
Completed	Eaton Blanche Park - Irrigation, Play Equipment, Resurface Sports Court, etc.	237,300
Completed	Eaton Blanche Park - Facilities Upgrade	13,088
	TOTAL EATON-BLANCHE PARK	<u>250,388</u>
Completed	Eaton Sunnyslope Park - Master Plan	22,138
Completed	Eaton Sunnyslope Park - Play Equipment	116,086
	TOTAL EATON-SUNNYSLOPE PARK	<u>138,224</u>
Completed	Grant Park - Reconstruct Tot Lot	75,900
Under Constr.	Grant Park - Renovate Basketball Court	32,000
Under Constr.	Grant Park - Renovate Picnic Shelter	32,000
Completed	Grant Park - Irrigation, Play Equipment, Drinking Fountains, etc.	114,585
Under Constr.	Grant Park - Walkway/Security Lighting	17,998
Under Constr.	Grant Park - Walkway/Security Lighting	83,000
	TOTAL GRANT PARK	<u>355,483</u>

PARK AND LANDSCAPE PROJECTS TEN YEAR HISTORY

Status of Project	Project Name	Project Costs (3/31/04)
Under Constr.	Hamilton Park - New Bleachers & Picnic Shelter	100,000
Completed	Hamilton Park - Reconstruct Tot Lot	49,356
Under Constr.	Hamilton Park - Rplcmnt Sports Field Drainage	160,220
Completed	Hamilton Park - Irrigation, Play Equipment, Resurface Sports Courts & Sidewalks	445,781
	TOTAL HAMILTON PARK	<u>755,357</u>
Completed	Jackie Robinson Comm. Center - Parking Lot Lighting	4,713
Completed	Jackie Robinson Comm. Center - Painting, gym roof, replace restroom doors, etc.	117,405
	TOTAL JACKIE ROBINSON CENTER	<u>122,118</u>
Completed	Jefferson Park - Fence/Tot Lot	801
Completed	Jefferson Park - New Softball Backstop	2,040
Under Constr.	Jefferson Park - Picnic Area Renovation and Expansion	117,425
Under Constr.	Jefferson Park - Reconstruct/Fence Tot Lot	172,792
Completed	Jefferson Park - Removal of Shuffleboard Court	29,957
Completed	Jefferson Park - Rpic Existing Bleachers	69,513
Completed	Jefferson Park - Irrigation, Resurface Sports Court, ADA Improvements, etc.	121,200
Completed	Jefferson Park - Volleyball/Basketball Courts	24,619
Under Constr.	Jefferson Park - Walkway Replacement	38,000
	TOTAL JEFFERSON PARK	<u>574,347</u>
Completed	La Pintoresca Park - Playground Equipment	50,795
Completed	La Pintoresca Park - Rpic Picnic Shelter	85,538
Completed	La Pintoresca Park - Walkway Replacement, Play Equipment, Recr. Storage, etc.	214,600
	TOTAL LA PINTORESCA PARK	<u>350,933</u>
Under Constr.	McDonald Park - Picnic/Shade Structures	67,270
Completed	McDonald Park - Play Area Expansion	2,340
Completed	McDonald Park - Irrigation, Play Equipment, Replace Restroom, etc.	431,805
	TOTAL MCDONALD PARK	<u>501,415</u>
Under Constr.	Memorial Park - Implement Master Plan	473,339
Under Constr.	Memorial Park - Master Plan (Play Area Design)	30,000
Completed	Memorial Park - Upgrade Existing Restroom Facilities	65,000
Completed	Memorial Park - Irrigation & Levitt Band Shell	252,000
	TOTAL MEMORIAL PARK	<u>820,339</u>
Completed	Multi-Park Sign Installation	<u>25,829</u>
Under Constr.	Park Walkway Replacement	<u>379,600</u>
Completed	Play Equipment Safety Replacement - Central Dist	8,402
Completed	Play Equipment Safety Replacement - West Dist	6,115
	TOTAL PLAY EQUIPMENT SAFETY REPLACEMENT	<u>14,517</u>
Completed	Playground Equip - Lead Abatement	12,811

PARK AND LANDSCAPE PROJECTS TEN YEAR HISTORY

Status of Project	Project Name	Project Costs (3/31/04)
Completed	Restrooms - Washington/Alendale/Hamilton Park	<u>1,921</u>
Under Constr.	Resurfacing of Sports Courts	<u>120,400</u>
Completed	Purchase of Highland Plastics	3,948,750
Completed	Robinson Park - Construct Lighted Volleyball Court	907
Under Constr.	Robinson Park - Implement Master Plan	3,030,000
Completed	Robinson Park - Resurface Pool	17,500
Completed	Robinson Park - Irrigation, Play Equipment, Resurface Sports Courts, etc.	309,547
Completed	Robinson Park - Various Improvements	<u>443,925</u>
	TOTAL ROBINSON PARK	<u>7,760,629</u>
Completed	San Rafael Park - Site Improvements	100,562
Completed	San Rafael Park - Irrigation, Play Equipment, ADA Improvements, etc.	61,724
	TOTAL SAN RAFAEL PARK	<u>162,286</u>
Completed	School Park Improvements - Various	<u>79,661</u>
Completed	Singer Park - Tot Lot	23,118
Completed	Singer Park - Irrigation, Play Equipment, ADA Improvements, etc.	244,949
Completed	Singer Park - Various Projects	1,150
	TOTAL SINGER PARK	<u>269,217</u>
Under Constr.	Slurry Seal Asphalt Walkways & Pkg Lots Various Parks	<u>6,770</u>
Under Constr.	Tree Replacement/Planting	<u>1,730,080</u>
Completed	Victory Park - Lighting	60,029
Completed	Victory Park - Maint Storage	213,950
Completed	Victory Park - Irrigation, Play Equipment, Walkway Replacement, ADA Impr., etc.	1,047,448
Completed	Victory Park Comm. Center - New HVAC System, Impr. To Restrooms, Painting, etc.	184,669
	TOTAL VICTORY PARK	<u>1,506,096</u>

PARK AND LANDSCAPE PROJECTS TEN YEAR HISTORY

Status of Project	Project Name	Project Costs (3/31/04)
Completed	Villa Parke - Play Equipment, Turf Renovation, Resurface Sports Courts, etc.	547,040
Completed	Villa Parke - Court Foul Line Fence	6,203
Completed	Villa Parke - New Drinking Fountains & Trash Enclosure	17,244
Completed	Villa Parke - New Picnic Area	32,358
Completed	Villa Parke - Renovate Restroom and Const Concession Stand	81,858
Completed	Villa Parke - Security Fence	35,832
Completed	Villa Parke - Site Improvements	584,356
Under Constr.	Villa Parke - Slope Improvements	108,000
Completed	Villa Parke Comm. Center - New HVAC System, Repair Water Damage, Painting, etc.	459,116
	TOTAL VILLA-PARKE PARK	<u>1,852,007</u>
Under Constr.	Washington Park - Implement Master Plan	626,544
Completed	Washington Park - Rpic Chain Link Fence	48,211
Completed	Washington Park - Rpic Deteriorated Electric Panel Bldg	25,000
Under Constr.	Washington Park - Skurry Seal Asphalt Walkways & Pkg Lots	22,000
Completed	Washington Park - Irrigation, Play Equipment, etc.	238,613
	TOTAL WASHINGTON PARK	<u>960,368</u>
	GRAND TOTAL	<u>38,333,697</u>