



City of Seattle
Michael Patrick McGinn, Mayor
Timothy Gallagher, Superintendent

BRIEFING MEMO

DATE: January 12, 2010
TO: Board of Park Commissioners
FROM: Eric Friedli, Manager, Policy and Business Analysis
SUBJECT: Parks and Recreation Fee Setting Policy Proposal

Requested Board Action

The Board is being requested to gather public feedback and make recommendations on a proposed Fees and Charges Policy. This initial briefing will be followed by a public hearing on February 11, 2010. The Commission will be asked to make recommendations on February 25, 2010.

Purpose

The objective for a fees and charges policy is to establish a consistent and equitable framework for setting prices for parks and recreation programs, services and facility use that recognizes 1) the trade-offs between community benefits and individual benefits and 2) the costs of providing programs, services and facilities.

Background

In response to their request, in June 2009 the Superintendent provided to the City Council a review of Seattle Parks and Recreation fees and charges. That review provided background on the legal context, outlined best practices research, summarized information from other jurisdictions, and described policy options. A formal fee policy proposal was not offered at that time but a general outline was introduced. The fees and charges review was shared with the Board of Park Commissioners and an initial briefing on this topic was provided on September 10, 2009. The Board hosted a public hearing on November 5, 2009. The intent of the earlier briefing and public hearing was to gather input from the Commissioners and the public prior to developing a formal policy proposal. In fall 2009, the Seattle City Council adopted a Statement of Legislative Intent “request[ing] the Department of Parks and Recreation to submit a fee policy proposal no later than March 31, 2010.”

The lack of existing policy guidance for setting fees is recognized in Parks and Recreation’s Strategic Action Plan (SAP), which calls for an evaluation of fees and charges policies for programs and services (Goal 6.D.1i-v). Specifically it calls on Parks and Recreation to “evaluate

current fee structures and establish fee policies that consider equity, cost recovery, consistency, and clear understanding for the public” (Goal 6.D.1).

One of the significant challenges is determining a program cost for fee based programs. This is a critical component for measuring cost recovery and establishing a fee policy. Having cost data directly linked to specific programs would be ideal when assessing cost recovery related to fees and charges. Unfortunately, systems are not in place to precisely assign costs to the programs and facilities for which Parks and Recreation collects fees. Staff has developed a method for allocating costs to programs and facilities that utilizes existing information and provides a benchmark for linking fees with cost recovery goals. The verbal briefing will include walking through the methodology and explaining the information sources and calculations.

Next Steps

- Public Hearing, February 11, 2010.
- Board of Park Commissioners discussion and recommendation, February 25, 2010.
- Policy proposal to City Council March 31, 2010.
- Use the policy to develop fees and charges proposal for the 2011/2012 budget.
- Assess the policy and fee setting process after the 2011/2012 budget process is complete.
- Refine policy and fee setting process as appropriate in 2011.

Additional Information

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