

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Study Session Worksheet

Presentation Date: 3/25/2014 **Approx Start Time:** 3:00 p.m. **Approx Length:** 60 Min

Presentation Title: NCPRD Master Plan Update and Governance

Department: North Clackamas Parks & Recreation District

Presenters: Gary Barth, Chris Storey

Other Invitees: NCPRD Senior Management Team and Advisors: Laura Zentner, Jeroen Kok, Carl Switzer, Karen Tolvstad.

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

Direction on whether NCPRD should pursue an alternative governance structure as recommended in the District's draft Master Plan and by the District Advisory Board.

EXECUTIVE SUMMARY:

In June, 2013 the NCPRD Board voted unanimously to have NCPRD pursue an "aspirational" path forward in finalizing a Master Plan for Board review and adoption in the spring of 2014.

Consistent with Board direction, the District has been moving forward with its Master Planning process and keeping on a timeline that has the District returning to the Board this spring to present the final recommendations. The original timeline considered the potential of a vote of District residents to implement the higher funding level necessary to support an aspirational Master Plan as early as November 2014, if approved by the Board. A high-level timeline of the progress of the Master Planning process is included in this packet.

Since the last Board update, District staff was asked to present information at this Study Session about a possible change in governance and to include a recommendation from the District Advisory Board, and input from the cities that are within the District. The formal recommendation of the District Advisory Board is attached. This week staff is meeting with both the Happy Valley and Milwaukie City Councils and will share the Councils' input at the Study Session.

Because governance is considered in the recommendations of the aspirational Master Plan and is a key component of being able to pursue additional funding, the District will give the board a brief update on the draft Master Plan, which was finalized and presented to the District Advisory Board on March 12, 2014.

An executive summary of the 2014 Draft Master Plan is provided with this packet. A complete copy can be found at: www.ncprd.com/planning/master-plan. Because findings and recommendations of this Master Plan update are consistent with those of the 2004 Master Plan, a copy of the 2004 Master Plan Executive Summary is included for reference.

FINANCIAL IMPLICATIONS (current year and ongoing):

If the Board provides approval to move forward with the aspirational master planning process, detailed feasibility analyses will be conducted in April and May 2014.

LEGAL/POLICY REQUIREMENTS:

Governance and/or funding changes require detailed steps which are highlighted in the Regulatory Timeline provided in this packet. A new district must be formed for any of the alternative options presented below.

PUBLIC/GOVERNMENTAL PARTICIPATION:

There has been and will continue to be extensive public engagement and coordination with the cities of Milwaukie and Happy Valley as an integral part of the Master Plan update project.

OPTIONS:

The first options is for NCPRD to remain as it is now. Three options for governance and funding alternatives, and their impact on the Master Plan, are presented as part of this packet. They include:

A. Increased Funding. Forming a new County Service District under ORS 451 at a higher rate to be determined, to help achieve the goals of the District's aspirational master plan.

B. Different Governance. Forming a new Special Parks & Recreation District under ORS 266, governed by a dedicated and independent board elected from among District residents, at the current permanent rate of \$0.5382 per thousand AV. This option would not enable the District to pursue the aspirational plan.

C. Change in Funding and Governance. Forming a new Special Parks & Recreation District under ORS 266, governed by a dedicated and independent board elected from District residents, at a higher permanent rate to be determined, to help achieve the goals of the District's aspirational master plan.

RECOMMENDATION:

The District Advisory Board recommends the NCPRD Board pursue Option C above, and seek to both increase funding and change governance. If the Board chooses this option, staff recommends that they be directed to prepare a feasibility study examining the financial and other factors implicated in forming a new district, and engage experts to undertake the polling necessary to validate at what rate a new district should be established. This additional research would provide the information needed for the Board to make a determination in May 2014 as to whether to approach voters on governance and/or funding changes.

ATTACHMENTS:

2014 Draft Master Plan Executive Summary
2004 Master Plan Executive Summary
NCPRD District Advisory Board Letter of Recommendation
Master Plan Timeline to Date
Regulatory Timeline
Current and Alternative Structure Chart

SUBMITTED BY:

Division Director/Head Approval *Laura Zentgraf*
Department Director/Head Approval _____ Director NCPRD
County Administrator Approval _____ Administrator NCPRD

For information on this issue or copies of attachments, please contact Lisa Meurs @ 503-742-4344
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NCPRD Master Plan Executive Summary

The North Clackamas Parks and Recreation District (NCPRD) has been providing and maintaining quality parks and recreational programming for residents of the District since 1990. The District serves residents of a 36 mile area of north Clackamas County that includes Milwaukie, Happy Valley and a large urban portion of the county that is unincorporated.

The District's first Master Plan charted the course for a strong parks and recreation system. An update ten years later set additional goals, but without the necessary funding to accomplish them. Since that time, the City of Happy Valley joined the District and NCPRD adopted additional priorities for parks and recreation services in and around Happy Valley.

Now in its third decade, this update of NCPRD's Master Plan is necessary to meet the changing needs of the community and to set realistic goals and objectives that provide a roadmap for the future direction of the District.

Included in this Plan

This Master Plan summarizes the previous plans of the District and their goals and accomplishments, it catalogs all the District's past capital expenditures and sources of funds, evaluates its current operations, funding sources, and the level of service provided through its parks and facilities. It identifies what District residents want in a parks and recreation system and identifies clear recommendations for achieving strategic growth to meet those needs and desires into the next decade.

The master planning process included significant outreach to the community including many public meetings, stakeholder interviews, and statistically valid surveys. Together with extensive analyses of operations and current levels of service provided, the outreach helped solidify the issues that are the most important to consider when planning the District's future. The findings were consistent with those identified in the 2004 plan, but have grown in significance along with the District's size and changing needs of its residents.

The District's growth and changing needs have been largely influenced by the addition of Happy Valley. With its strong growth patterns and differing demographics, as well as its high level of contribution to parks and recreation funding, it has called attention to the issue of how parks and recreational services are dispersed throughout the District. As part of this master planning process, significant emphasis was placed on evaluating "geographic equity" issues and ensuring District citizens get the most benefit possible from their investments.

The Value of Parks and Recreation

Through this master planning process, the value the public puts on parks and recreation programs and facilities was made very clear. Parks and recreational opportunities are seen as important building blocks to creating a healthy community and important in promoting health and wellness, connecting people with nature, providing youth with positive, healthy activities and keeping seniors socially active. It is also recognized that parks and open spaces contribute to the livability of a community, raise property values, promote economic development, and provide important environmental stewardship.

The impact of the health and social benefits make parks and recreational programs one of the most positive and cost-effective public services.

A robust parks and recreation system reduces public costs in many areas. It has a positive impact on public health, crime prevention and juvenile delinquency, and ecology and environmental sustainability. Parks and recreational programs are far from a luxury, but play a vital role in creating vibrant, healthy communities.

Summary of Master Plan Key Findings

- While there is a high degree of satisfaction with the parks and recreation services that are currently provided by NCPRD, there are unmet needs and strong desires for additional parks, trails, natural areas, and recreational programming.
- Funding for capital investments in new parks and facilities, and for improvements to existing facilities, is not adequate for meeting the needs.
- Given the growing number of parks and facilities, increasing operations and maintenance costs, and relatively fixed operating revenue, NCPRD's current funding sources are inadequate to maintain the current level of service throughout the District, and/or support additional growth.
- Property tax revenues make up the largest portion of the District's operating budget and property taxes cannot be increased unless the District is re-formed.

- The District’s current governance structure provides an Advisory Board of District residents dedicated to parks and recreation issues, but without authority to implement policy changes or recommendations. Other types of park districts have governance models where their resident board is the decision making body.
- Survey data indicated District residents are willing to support a higher level of service. 74% of respondents in a statistically valid survey said “yes” or “maybe” to whether they would support an increase in the NCPRD tax rate. 75% responded “yes” or “maybe” to whether they would support a capital bond to fund new facilities.

Primary Recommendations

- Adopt an aspirational Capital Improvement Plan to meet the needs of residents and balance levels of service throughout the District.
- Identify funding sources for the aspirational Capital Improvement Plan; explore a bond for capital.
- Review and update System Development Charges zones, rates and methodology.
- Identify funding sources for additional recreational programming and operations and maintenance; consider increasing the District’s permanent tax rate.
- If re-forming the District to increase the permanent tax rate, consider re-forming as a Special Parks and Recreation District under ORS 266 in order to get the benefits of representative governance and the agility of a special purpose board.

This new Master Plan provides significant information about the District, its history, investments, and funding sources. Most importantly, it provides information about its residents and their needs and desires for parks and recreational facilities. The recommendations outlined in chapter 10 were designed to deliver what residents want from their Parks District.

Implementing the vision developed throughout this planning process will require effort, creativity, and additional resources in order to fund acquisition, development, operations and maintenance.

Through a focused and thoughtful effort, together with partners and stakeholders, the District can achieve strategic growth to meet the needs and desires of District residents into the next decade.

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PURPOSE OF THE PLAN

The North Clackamas Parks & Recreation District was formed in 1990 when residents voted to create a County Service District to fund a higher level of parks and recreation facilities and programs in northern Clackamas County. As a *County Service District*, North Clackamas Parks & Recreation District is legally separate from other Clackamas County departments and has its own taxing authority. The Board of County Commissioners acts as the District's Board of Directors.

In 1990 a Citizen Task Force and Clackamas County Planners developed the first Master Plan for the District. This, along with a Neighborhood Parks Master Plan, has guided North Clackamas Parks & Recreation District in providing parks and recreation facilities, programs and services to its residents.

During the years since the first Comprehensive Master Plan was developed, the District has experienced dramatic changes. Population has grown significantly, the citizenry has become older and more ethnically diverse, and recreation preferences have changed.

The most debilitating changes have resulted from the passage of statewide property tax limitation Measure 47/50 in 1997, which has affected almost all public agencies. Since 1997, District revenues have grown only 3 to 4 percent each year; operations costs have grown by 7 to 8 percent. The costs of land acquisition and development have also continued to rise.

North Clackamas Parks & Recreation District initially struggled to prevent cuts in programs and park development by using monetary reserves. However, in the last five years, lower revenues have forced staff cuts, program reductions, and reduced funding for maintenance. Voter

rejection of two local option levy requests suggests that the District will need to re-evaluate service delivery options and clearly define priorities to assure maximum impact with limited financial resources.

The Master Plan represents the recreation needs of the community. The District cannot bear the responsibility alone for meeting these needs, but has the ability to bring stakeholders and interest groups together to coordinate the provision of services and facilities throughout the community. The entire community – public agencies, schools, private businesses, and non-profit organizations – must all collaborate and contribute to meet the recreation needs of the residents of North Clackamas County.

The Master Plan, like a roadmap, must be updated as conditions change. The purpose of this planning process has been to complete the first update – to develop strategies that will help the District respond to the challenges it faces today, to provide a course for the next six years, and to refine a vision for the next 20 years and beyond.

PLANNING PROCESS

The District Advisory Board (DAB) approved the formation of an 11-member Citizen Advisory Committee (CAC) to work with staff and consultants to develop a draft document. The DAB requested that the plan be realistic and achievable.

The CAC worked intensively with staff and consultants over a period of 15 months to develop a Draft Master Plan that responded to the needs expressed by District residents, and reflected the economic challenges facing the District.

More than 800 District residents participated in the process of updating the

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Master Plan. They attended workshops and open houses, responded to surveys, and followed the process on the District's website. District staff made presentations to civic and service organizations, met with Neighborhood Parks Advisory Boards (NPAB) and the Milwaukie Center Community Advisory Board (C/CAB).

Ultimately, the CAC unanimously endorsed the draft plan that includes a recommendation to dissolve the current *County Service District* and create a *Special Parks District* with a higher permanent tax rate.

VISION AND GOALS

The vision and goals contained in the 1990 Comprehensive Master Plan were refined to reflect today's North Clackamas Parks & Recreation District and its constituents, and to provide guidance for the future.

The vision for North Clackamas Parks & Recreation District is:

A well-functioning and well-maintained park system that enhances the quality of life by offering a diversity of recreational opportunities for people of all ages and needs.

Existing goals were reviewed and refined and new goals were written to articulate the District's commitment to:

- Quality of life
- Financial stability
- Sense of community
- Maintenance and safety
- Diverse programs and facilities
- Meeting community needs
- Efficiency and collaboration
- Long-range flexible planning
- Education

- Preservation
- Accessibility
- Environmental advocacy and stewardship

RECOMMENDATIONS

For the District to meet today's challenges and for it to remain viable in the future, recommendations address every aspect of the organization.

The District is committed to implementing recommendations according to the priorities established as funding permits. However, in the complex world of today and tomorrow, financial, environmental, legal, and political conditions change rapidly. The plan allows the District the flexibility to adjust priorities and respond to conditions as they change.

GOVERNANCE AND FINANCING

The District's permanent tax rate currently is \$0.5382, the lowest of any of the parks districts used for purposes of comparison during this process. The recommended financing strategy is the creation of a new *Special Parks District* with a higher permanent tax rate.

The governance structure for a *Special Parks District* (ORS 266) would consist of an elected board of directors with three or five members who reside in the District. Geographic representation could be achieved by establishing a five-member board of directors with one board member from each of the five planning areas in the District. If geographic representation were provided through the elected Board of Directors, subcommittees could be organized around a classification other than geography such as interest area, facility or age group.

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ORGANIZATIONAL STRUCTURE

To meet the challenges of the future, the District must be a strong organization composed of staff who are equipped and motivated to work together as a unit. The organizational structure should support the efforts of staff. The current organizational structure should be re-evaluated and reshaped to provide maximum support for reaching the District's goals and implementing the recommendations contained in the updated Master Plan.

PARKS AND RECREATION FACILITIES

To leverage the use of the District's resources and to continue to provide new parks and facilities in the face of a shrinking vacant land inventory, recommendations for capital projects rely heavily on partnerships with local school districts and other public agencies. The highest priority capital projects include those in unserved and underserved areas of the District, that provide high recreation value for the dollar, such as:

- Renovation of existing parks
- Development of land currently in the District's inventory
- Development of trails in partnership with Metro and other regional partners
- Development of neighborhood parks on local school district property
- Renovation of sport fields on local school district property

PROGRAMS AND SERVICES

Recommendations were developed for each program area. They were designed to provide the following benefits to residents:

- Positive benefits for youth
- Improved community livability

- Equal access to programs, services, and facilities for people of all ages, abilities and income levels.

PARTNERSHIPS

Partnerships have been formed with more than 40 public and private organizations to improve recreation opportunities for District residents. In order to respond effectively to current and future needs for programs, services, parks, open space and recreation facilities, these partnerships should be expanded and new partnerships initiated.

BOARD OF COUNTY COMMISSIONER REVIEW

In September of 2003, the Board of County Commissioners began reviewing the Draft Master Plan. The Board recognized the many challenges confronting the District and supported the general vision articulated in the Plan. However, the Board had perspectives on some of the Plan's components that differed from the recommendations of the CAC. The opinions of the Board were influenced by events occurring subsequent to the completion of the CAC's work on the Draft Master Plan that included:

- Defeat of the District's second local option levy request in November of 2002.
- Continued economic difficulties, high unemployment and significant reduction in funding at all levels of government.
- Receipt of formal notice from the City of Happy Valley indicating their intent to withdraw from the Urban Services Agreement with the District for parks, recreation and open space services.
- DAB's conclusion that the CIP included in the Draft Master Plan was neither realistic nor achievable within a 20-year time frame.

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While the Board had no desire to modify or amend the CAC recommendations included in the Draft Master Plan, they did want the final document to clearly reflect their formal response and resolution of several key issues:

1. The Board expressed a strong desire to repair, improve and expand the District's working relationship with the City of Happy Valley. This desire is based upon the fundamental belief that meeting the recreational needs of a growing population will require coordination, collaboration and a partnership approach. Towards this end, the Board will adopt the Happy Valley Parks Master Plan concurrently with the District's Master Plan with the intent that the Happy Valley Parks Master Plan will provide primary policy guidance in those portions of the District that are located within the jurisdictional boundaries of Happy Valley.
2. The Board concludes there should be priority emphasis given to the provision of new "community parks" rather than "neighborhood parks." In reaching this conclusion, the Board notes the following facts:
 - a. Community parks provide a larger range of recreational opportunities and are more cost effective to operate and maintain.
 - b. Public preference as indicated in surveys and public comment in the Draft Master Plan was essentially equal for "community" and "neighborhood parks."
 - c. There is a significant shortage of field space for youth baseball, softball, soccer, and football throughout the District. These facilities require larger acreages that are typically classified as "community parks."
 - d. The Board recognizes that due to the lack of suitable vacant land, "neighborhood parks" may be the only alternative in certain areas of the District.
3. The Board will remain the governing body of the District rather than pursue the creation of a special district with an independently elected board of directors. This approach will allow greater flexibility to coordinate and integrate the services of the District and Clackamas County Parks Department.
4. The Board concurs with the DAB that the CIP included in the Draft Master Plan was neither realistic nor achievable within a 20-year time frame. Consequently, the CIP that will be included in the final Master Plan includes a downsized 20-year CIP with a companion list of projects that may be considered in the future.
5. The Board recognizes that downsizing the CIP will impact the recommended "level of service standards" noted in the Draft Master Plan. As the District lacks the financial resources to achieve the recommended "standards," the Board concludes that the recommendations should be classified as "level of service goals."



March 18, 2014

Thank you for your request for a formal recommendation on the governance structure options for the North Clackamas Parks and Recreation District (NCPRD). We are appreciative of the Board of County Commissioners' interest in the issue and in desiring our feedback on a matter that has been raised multiple times during the life of NCPRD.

As a board of District residents who believe strongly in the value of parks and recreation in the vitality of a community, the DAB is eager to implement any policy or governance changes that would help the District achieve its mission.

NCPRD's current structure of governance gives the DAB responsibility for guiding and evaluating the District's offerings and plans, but without the authority to take action to help the District affect change for the District residents' benefit.

The DAB has found the process of needing to get decisions from an additional board challenging. As the Board of County Commissioners, you have many other competing and conflicting priorities, and represent the interests of the entire County. Due to these responsibilities, we understand it can be challenging to dedicate the time and attention to focus on the park and recreation needs of a subset of the county.

The DAB believes that the 115,000 residents that fund NCPRD would be best served if the District's governing body was made up of District residents that had the ability to keep residents' parks and recreation needs and desires at the forefront of decision-making and prioritizing.

Governance is only one piece of being able to successfully meet District residents' needs and desires. The District's current Master Planning process, like the one completed 10 years ago, identified the primary need as additional funding to deliver the facilities and services requested through the constituent survey process. With an independent board, the District would be approaching the voters and asking what they are interested in funding.

The District Advisory Board of the North Clackamas Parks and Recreation District recommends that District approach the voters to create a new independent parks and recreation district under ORS 266, at a new, higher, permanent tax rate in order to implement the aspirational master plan.

We believe this is the best way to serve the needs of the District residents and fulfill the District's mission of enriching community vitality and promoting healthy living through parks and recreation.

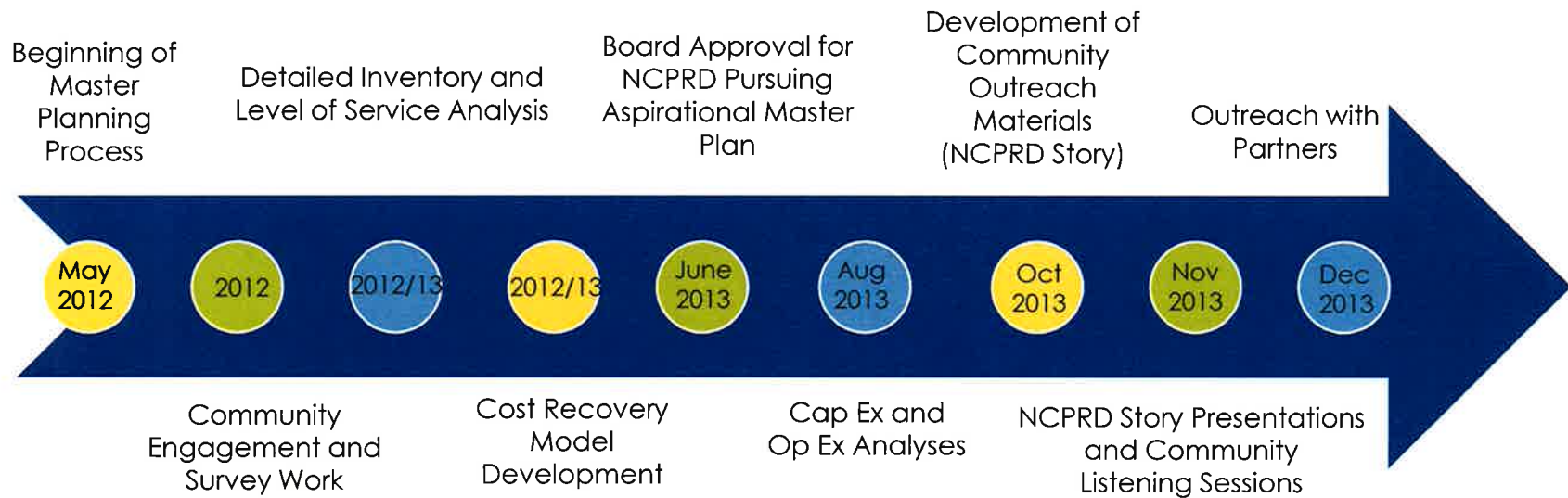
Should the Board accept this recommendation, the DAB further recommends that polling be conducted immediately to determine what higher maximum tax rate residents would support for a new District to provide new facilities and expanded programs and services to meet the needs of residents.

Respectfully submitted,

A handwritten signature in blue ink that reads "Bill Bersie".

Bill Bersie
Chair, District Advisory Board

2012 – 2013 Master Plan Timeline



**New District Formation
Regulatory Timing
Provided by County Counsel**

Lead Staff:

Complementary Staff:

Board approves aspirational plan with proposed new max tax rate for new District

Last possible date for NCPRD Board governing-body resolution

Last possible date for hearing

Last day to submit election material

Vote (new tax rate; new district; old NCPRD merges into new NCPRD)

April

May

6.19

June

7.24

8.14

8.19

9.4

11.4

Happy Valley and Milwaukie City Councils adopt resolutions

CC Approves petition for formation of a new district and files with County Clerk

Economic feasibility report and boundary descriptions completed

Last possible date for 2nd hearing

Election materials completed and filed



NORTH CLACKAMAS
PARKS & RECREATION DISTRICT

NCPRD Current and Alternative Structure/Rate Comparison

Current Structure and Funding		Governance		
ORS 451 County Service District Permanent Tax Rate = \$0.5382		Board of County Commissioners		
Option	Alternative Structure and Funding	Governance	Result in Change in Governance?	Result in Increased Funding?
Option A	ORS 451 County Service District Permanent Tax Rate TBD by Vote = seek more than current rate	Board of County Commissioners	N	Y
Option B	ORS 266 Park & Recreation District Tax Rate = \$.05382/1000	District Board	Y	N
Option C	ORS 266 Park & Recreation District Permanent Tax Rate TBD by Vote = seek more than current rate	District Board	Y	Y