

**Park Advisory Board
Meeting Minutes
October 5, 2023
Meeting called to order 5:30 PM**



1. ATTENDANCE:

- A. Park Board Members Present: Board Member, Michelle Musgrave
Board Member, Don Mitchell
Board Member, Lori Wood
Board Member, Gregory Webb
- B. Board Members Absent: Board Member, Jacob Powers
- C. Staff Present: J.C. Kennedy, Parks & Recreation Director

2. Agenda Approval: A Motion to approve the Agenda was made by Mr. Mitchell. Second by Mr. Webb. Agenda Approved.

3. September 7, 2023 Minutes: Motion to approve the minutes was made by Mrs. Wood. Second by Mrs. Musgrave. Minutes approved.

4. Department Update:

• **Weekly Report**

Mr. Kennedy asked the board if they had any questions about the most recent weekly report, nothing was noted.

• **Revenue Report**

Mr. Kennedy highlighted current Revenue Status:

AHRC Revenue Year to Date	\$1,149,789.62
AHRC Expenditures Year to Date	\$1,406,959.48
AHRC Subsidy Year to Date	\$257,169.86
AHRC Cost Recovery % Year to Date	81.72%

• **Structural Gap for 2024 Proposed General Fund Budget**

The City Manager issued a letter to all Department Heads this past week. The letter states the fact that the City is facing a structural General Fund budget gap of \$4 million. We have \$4 million more in expenses than revenues proposed for 2024. These circumstances make it important to engage in cost reduction approaches to balance the budget and lessen the dependence on reserve utilization and ensure year over year expenditures match reoccurring revenues.

Budget Reduction Process

The method for cost reduction is anchored in a two-prong approach that uses community feedback and relative size of the departments. The City previously collected feedback from the community that identifies prioritization for city services. The community input identifies public safety services as their highest priority. It is also important to consider department operations are not all the same across the board. Some department operations are larger or smaller and grow at

various rates relative to others. Accordingly, this budget reduction process uses proportional reductions. It does not request the same level of reduction from each department.

The City Manager has asked departments to identify a prioritized list of expenditure reductions using their 2024 budget proposal according to the reductions noted below.

Department	Percentage Reduction	Total Reduction Required
Police	34%	\$2,240,000
Fire	2%	\$42,000
Court	20%	\$160,000
Rec Center	46%	\$995,053
Park	12%	\$50,000
Finance	3%	\$30,000
Administration	12%	\$63,000
Economic Development	37%	\$387,664

Reductions with the least impact on programs and services should be the first in line for reduction. The budget proposals should describe how the reduction can be accomplished and the impact of the reduction. Departments can also identify opportunities for revenue growth, without increasing expenditures, that have a high degree of confidence in achieving revenue projections. Mr. Kennedy expressed his concern with this request as it is simply not attainable. It is not functionally possible to cut our proposed budget by 46% and keep any resemblance of what our department does. Cut what has already been gutted is the mandate.

Coming out of COVID the department was forced to cut full time employees and make significant cuts to part time staffing. The department is already operating at a minimum staffing level and has already reduced hours of operation to make the current operating model feasible. Any real reductions will significantly reduce the revenues that what is cut brings in creating a net zero or negligible reduction in expenses.

The department is being mandated to reduce expenses by \$995,053 when to date in 2023 the department is realizing a 81.72% cost recovery and is only being subsidized by \$257,169.86. This represents the department being asked to cut \$737,883.14 more than it costs to operate.

The department is also being mandated to cut \$50,000 from the Parks Budget. This year we added another park that we will be responsible for maintaining with the addition of the Highland Village Park becoming our maintenance responsibility next season. This increases irrigation expenses and staffing expenses.

The City has also added additional pathways with plans to add significantly more next year yet we receive zero dollars from the Streets Fund to maintain the pathways and right of ways. Since 2008 when we took over these responsibilities Mr. Kennedy has been stressing the importance of

refilling the FTE that was cut when Public Works had these responsibilities. At that time the City had no pathways to maintain, the SR2 pathway had not been installed so the dedicated FTE that Public Works had didn't have to do as much. There was enough work in 2008 to require a FTE for Public Works but in 2023 we get no funding support to address maintaining significantly more.

The premise in the reduction letter is that the Parks & Recreation Department is not a priority for the community even though the community passed the bond initiative to build the Recreation Complex. This is contradictory to the analysis that the Consultant that the City hired in 2020 coming out of COVID recommended in the final report. The COVID-19 Recovery report:

MISSION

Chart a thoughtful course and employ a community-centered approach to the City of Airway Heights business recovery. Seek to understand the post-pandemic reality, which may or may not reveal emerging, critical community needs and opportunities. Assess how to respond, across multiple dimensions, to changing community needs resulting from this health and economic crisis.

This pandemic provides the Airway Heights community an opportunity to respond in a powerful, inclusive, and transformative way. Through aligning information and resources, Airway Heights can grow stronger and better position themselves for the future.

Recommendations

With consideration given the context of the City of Airway Heights business community, the Washington State Phases of Reopening, and with recognition to short, mid, and long-term implications and potential needs of the community, please see the following chart.

These strategies are formulated with inclusiveness, diversity, and overall sustainability in mind. These are designed to foster well-being, encourage social connection, and fostering the relationship between the City of

Airway Heights and the businesses. This connection will help inform the city of potential risks going into the future (business closure, etc.).

The single greatest strength the City of Airway Heights has to offer is the Airway Heights Recreation Center.

Partnering and collaborating with outside sources (chamber(s), other municipalities, libraries, consultants etc.) when and where feasible, should not be overlooked. *Special attention should be given to operating agreements with partnering entities (chambers, consultants, matching business grant proposals etc.)* to ensure the interests of the Airway Heights community are met and deployed in the manner which is feasible and accessible to them.

Mrs. Wood asked what the Cities plan is if the reductions can't be reached. Mr. Kennedy stated that he did not know, those conversations have not taken place to date.

- 5. Park Land Dedication Policy:** Mr. Kennedy informed the board that he has been coordinating with the Planning Director, Mrs. Trautman to create a Park Land Dedication Policy that can be added to the update of the Cities

Comprehensive Plan update. Mrs. Trautman has been presenting the Comprehensive Plan Updates in sections to the City Council and at a recent Study Session meeting Council Member Perry asked about how the City could address the Level of Service (LOS) deficit that is forecasted as population continues to grow for Park Land. Mr. Kennedy presented his suggestion for a draft Policy to Mrs. Trautman.

POLICY

As authorized by RCW [58.17.110](#)(2) or its successors, in order to meet the health, safety and welfare needs of the public and mitigate the impacts of the proposal, the City, as a condition of approval of any plat or replat that will be used for residential purposes, shall require the dedication of land for park purposes, the payment of fees in lieu thereof, or any combination of the above as may be determined by the City Council. The adopted comprehensive plan and the properly adopted parks and recreation plan shall be used as a basis for determining the location and size of a proposed park site.

Mr. Kennedy also informed the board that he presented a rudimentary analysis regarding the update to the Park Impact Fees.

Current Land Valuations in Airway Heights

1 Acre 43,560 Sq Ft

Comparable #1				
13417 W. 13th Ave.	7,405 Sq Ft	Cost	Cost Pr Sq Ft	Cost for Acre
	17.00% of an Acre	\$110,000	\$14.85	\$647,076.30
Comparable #2				
13725 W. Redding Drive	7,841 Sq Ft	Cost	Cost Pr Sq Ft	Cost for Acre
	18.00% of an Acre	\$148,500	\$18.94	\$824,978.96
Comparable #3				
13713 W. Koa Ct.	8276.00 Sq Ft	Cost	Cost Pr Sq Ft	Cost for Acre
	19.00% of an Acre	\$148,500	\$17.94	\$781,616.72
Comparable #4				
13610 W 8th Ct.	5663.00 Sq Ft	Cost	Cost Pr Sq Ft	Cost for Acre
	13.00% of an Acre	\$95,000	\$16.78	\$730,743.42
Comparable #5				
1021 S. Lundstrom St.	7841.00 Sq Ft	Cost	Cost Pr Sq Ft	Cost for Acre
	18.00% of an Acre	\$79,900	\$10.19	\$443,877.57
Comparable #6				
12528 W. 19th Ave. Airway Heights	6,970 Sq Ft	Cost	Cost Pr Sq Ft	Cost for Acre
	16.00% of an Acre	\$67,500	\$9.68	\$421,850.79
		Average Cost Pr Sq Ft		\$14.73

Cost Pr Acre when the Impact Fees 2006 \$148,000.00 Average Cost Pr Acre 2023 \$641,690.63

Mr. Kennedy informed the board that he has recommended engaging the appraiser that developed the land valuation when the Impact Fees were originally created to update this valuation more accurately and then proceed to update the Ordinance accordingly to account for the increases in land values that the City has experienced.

6. **Project Updates:**

- **Sunset Park Restroom Removal**

Mr. Kennedy informed the board that the Mr. Bro has finally demolished the old Restroom. He is still working through a water line issue with Public Works. The line is capped and our understanding is that it is a top priority for Public Works to get it capped so that it can be buried. Mr. Bro is working to get the power relocated down to the maintenance shed and also working to fill in the area, get it leveled cleaned up hoping that we can get sod ordered and installed before the weather turns worse for the season.

7. **Adjourn:** A motion to adjourn the meeting was made by Mrs. Wood. Second by Mr. Mitchell. **Meeting adjourned at 6:15 pm.**