



AGENDA FOR STUDY SESSION

ASHLAND PARKS & RECREATION COMMISSION (APRC) November 3, 2021 – 6:00 p.m. Electronic Meeting

Public Participation Instructions

This meeting will be held electronically via Zoom Webinar. Registration is required to view the meeting. A link to the meeting will be sent to you once registration has been completed: https://zoom.us/webinar/register/WN_QeXW9VIWQRC6LbX_PG0TjA

Written testimony will be accepted via email sent to sean.sullivan@ashland.or.us. Please include "**Public Testimony for November 3, 2021 Study Session**" in the subject line. Written testimony submitted before Tuesday, November 2, 2021, 11:00 am will be made available to the Parks Commissioners before the meeting. All testimony will be included in the meetings minutes.

Oral Testimony will be taken during the electronic public meeting. If you wish to provide oral testimony, send an email to sean.sullivan@ashland.or.us, preferably before Tuesday, November 2, 2021, 11:00 am. Late requests will be honored if possible. Please provide the following information: 1) make the subject line of the email "**November 3 Speaker Request**", 2) include your name, 3) the agenda item on which you wish to speak on, 4) specify if you will be participating by computer or telephone, and 5) the name you will use if participating by computer (Zoom Name) or the telephone number you will use if participating by telephone. Staff will provide information necessary to join the meeting upon request.

6:00 p.m.

- I. CALL TO ORDER
- II. PUBLIC INPUT
- III. DISCUSSION ON LONG TERM FUNDING OPTIONS FOR APRC
- IV. ITEMS FROM COMMISSIONERS AND STAFF
- V. ADJOURNMENT

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the City Administrator's office at (541) 488-6002 (TTY phone number 1-800-735-2900). Notification 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to the meeting (28 CFR 35.102-35.104 ADA Title I).

ASHLAND PARKS & RECREATION COMMISSION

340 S PIONEER STREET • ASHLAND, OREGON 97520

COMMISSIONERS:

Mike Gardiner
Leslie Eldridge
Rick Landt
Jim Lewis
Julian Bell



Michael A. Black, AICP
Director

541.488.5340
AshlandParksandRec.org
parksinfo@ashland.or.us

PARKS COMMISSIONER STAFF REPORT

Date: October 28, 2021
To: Ashland Parks and Recreation Commissioners
From: Michael Black
Subject: Long-Term Funding for Ashland Parks and Recreation

The Parks Commissioners adopted the following goal as their number one priority:

“Investigate, develop and implement a dedicated permanent funding source to ensure the long-term financial sustainability of the Ashland Parks and Recreation Commission.”

SITUATION

The Ashland Parks and Recreation Commission (APRC) was formed in 1908 by a vote of the citizens of Ashland and from 1908 to 2022, the organization has been funded primarily through property taxes collected by the City of Ashland and passed through to APRC. The traditional level of funding has been \$2.09/\$1,000 of assessed value. In 2019, the formulation for funding changed to \$1.89/\$1,000 of assessed value, which was a decrease in funding for APRC equal to \$500,000 per year.

In 2022, the formulation will change again, and APRC will receive less funding from property tax and more from Food and Beverage Tax. The result of the new funding will still equal \$1.89/\$1,000 of assessed value, which continues to be less than the traditional funding allotment.¹

Additionally, the funding allocation for 2022 reduces APRC’s CIP by \$562,000 – another cut to our budget.

BACKGROUND

The funding shortfall for the City of Ashland requires them to either reduce expenses or increase revenues – reducing expenses requires a reduction in services to the community and increases in revenue may require more funding from the community to maintain the level of services. This does not appear to be a short-term issue for the City, so budgets for all general fund departments and APRC will need to be rationed – unless additional revenue can be generated.

Simply stated, there isn't enough money to go around. The Council will have to decide on whether to cut services or generate more revenue.

ASSESSMENT

As stated above, cutting expenses means that services will be cut. Cities will generally cut non-essential services first, before cutting essential services. I have heard many definitions of what essential vs non-essential services are. I think I can sum it up with this: essential services are related to the health and safety of the community and non-essential services are everything else.

A traditional example of health and safety services would be clean water, adequate wastewater disposal and police and fire protection.

The reality is, however, that the community decides what is essential and what is not. In recent surveys, our community has placed a high value on the availability and maintenance of parks and trails. This is an argument for parks and open space being an essential service but given the current methodology of funding APRC – receiving our funds through the City of Ashland – APRC Commissioners may not have a say in determining what is an essential service vs. non-essential service.

I believe that the community members still place a high value on the services provided by APRC and given the opportunity to poll the entire community, I believe they would support APRC. Regardless, the problem remains – most of the services provided by the City of Ashland are essential and there aren't enough resources to continue to do everything. Something must give.

In recent discussions with the City of Ashland's finance director and City manager, we have agreed to work together to formulate and present a recommendation to the City Council that will address the long-term funding issues of APRC at the December 6th meeting.

RECOMMENDATION

While APRC moves forward and discusses the potential for a recommendation to the Council that will address the long-term funding for our organization, I recommend that the Parks Commissioners focus on solutions that will not require services to be cut.

Recently, Commissioner Landt spoke to the City Council at their October 19, 2021 meeting and suggested that APRC Commissioners will be discussing a few options for future funding. This is an excerpt from his statement:

“ These fiscal hits have left APRC understaffed and our parks under cared for, and along with the potential for more cuts, add up to a rather ominous future for Ashland's parks and recreation. For that reason, APRC staff and Commissioners are exploring creation of a service district, special district, or a special levy. A district would continue the trajectory set up in the City Charter over 100 years ago by once again providing a secure, dependable funding source. Measure 50 disturbed that arrangement, but subsequent City Councils via a “gentlemen's agreement,” continued to fund APRC at \$2.09/\$1000 until 2019 when the agreement was toppled.”

Commissioner Landt's full statement is attached to this memo.

My further recommendation is that APRC follow Commissioner Landt's recommendation to explore the creation of a service district, special district and/or a special levy.

The upcoming APRC meeting is a work session and I look forward to exploring the issue of long-term funding, districts and special levies with the Commissioners, to answer any questions you may have at this point and to get direction from the Commissioners on our path forward. At this point in time, staff is requesting that the Commissioners consider the path of exploration for creating a special or service district and special levy and provide direction to staff so that we can conduct further research and work with the City of Ashland to present several scenarios for funding at the December 6, 2021 Council meeting.

¹ People have asked why APRC refers to a millage, ie: dollars per thousand of assessed valuation, instead of a dollar amount. The easiest response to that is tradition. Article 19, Section 3 of the current City Charter refers to our funding terms of millage, and therefore APRC has always done the same.

Attachment: Commissioner Landt's full statement to City Council on October 19, 2021

Madame Mayor and Councilors:

My name is Rick Landt, an APRC Commissioner sharing my personal views.

I want to express my disappointment with how the APRC budget has been slashed over the past three years. In the last biennium, 2019-2021, for the first time in APRC's 100 plus year existence, its property tax revenues were cut, from \$2.09/\$1000 of assessed value to \$1.89/\$1000 of assessed value, a 10% cut. At the time, it was framed as a "temporary" cut. The budget approved for this biennium was again set at the equivalent of \$1.89/\$1000 assessed value. In addition, central services charged to APRC were increased by half million/year, the equivalent of another 10% cut. The result of these cuts and increased charges are not consistent with maintaining the parks and recreation system that citizens have asked for and have come to expect.

As if that weren't enough, we have just learned through the budget examination by Allison Chan that the 25% of Food and Beverage tax revenue ear-marked for CIP projects and CIP debt payment is going to the operating budget. Fiscal year 22-23 has zero dollars in the CIP budget! This is the equivalent of a third 10% cut to the APRC budget.

These fiscal hits have left APRC understaffed and our parks under cared for, and along with the potential for more cuts, add up to a rather ominous future for Ashland's parks and recreation. For that reason, APRC staff and Commissioners are exploring creation of a service district, special district, or a special levy. A district would continue the trajectory set up in the City Charter over 100 years ago by once again providing a secure, dependable funding source. Measure 50 disturbed that arrangement, but subsequent City Councils via a "gentlemen's agreement," continued to fund APRC at \$2.09/\$1000 until 2019 when the agreement was toppled.

It's true that APRC's Commissioners were recently on record as not supporting a district formation. But that was in the context of not having secured any funding for next year, a higher priority. Now you have approved funding for 22-23, albeit at an unexpected lower level.

Turning to the future, it appears that a district would be the best way to return stability to APRC revenue. A levy could have similar results, but would only be a temporary fix.

I am asking Council to wholeheartedly support APRC's efforts to find a long-term funding solution that will benefit APRC, the City, and allow APRC to continue to provide first class parks and recreation programs for our citizens and visitors.

And, I am imploring Council to make APRC whole for the coming fiscal year, consistent with the budget APRC submitted and that I believe the majority of you thought you approved.

Thank you.