



ADMINISTRATIVE SERVICES COMMITTEE

Agenda

Wednesday, January 21, 2015
1:00 pm

Madison Avenue Meeting Room
500 SW Madison Avenue

- | | |
|------------------------------------|--|
| Discussion/ Possible Action | I. Council Policy Review and Recommendation: 4.14, "Use of City Hall Plaza and Kiosk" (Attachment) |
| Discussion/ Possible Action | II. Fiscal year 2013-2014 Parks and Recreation Department Cost Recovery Review (Attachment) |
| Information | III. Other Business |

Next Scheduled Meeting

Wednesday, February 4, 2015 at 1:00 pm
Madison Avenue Meeting Room, 500 SW Madison Avenue

Agenda

None at this time.

MEMORANDUM
January 12, 2015

TO: Administrative Services Committee

FROM: Carla Holzworth,  City Recorder

RE: Review of Council Policy 4.14, "Use of City Hall Plaza and Kiosk" and alternative Council Policy format

ISSUE:

Changes to Council Policy 4.14, "Use of City Hall Plaza and Kiosk" are necessary due to the removal of the kiosk. The elements of the Policy that relate to the City Hall Plaza have not changed.

In addition, an alternative version of the Council Policy format is attached for consideration. If Council approves, the new format would be applied to Council policies as they came forward for review.

Council action is required.

DISCUSSION:

As part of the way-finding sign project in the City Hall block that occurred in 2014, a Madison Avenue Task Force (MATF) committee assisted in development and review of new exterior signs. During the review process, MATF recommended removal of a kiosk that was located in front of City Hall. The kiosk was constructed in 1999 with funds provided by the MATF. The plexiglass panels on the exterior of the kiosk were used to display City meeting information, event posters, and other non-profit notices of community interest. A small interior space was available for non-profits who wished to sell goods or promote events, but it was rarely used.

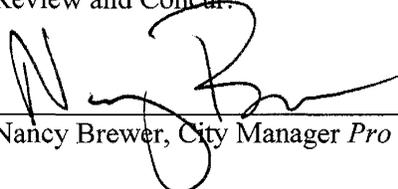
The request to remove the kiosk was submitted to the City Manager (Jim Patterson at the time), who approved MATF's recommendation based on the kiosk's rare interior usage and because MATF funded construction of the kiosk in the first place. In late June 2014, the kiosk was re-located to the Benton County Fairgrounds.

Public Works staff and MATF member David Livingston have been working on a new apparatus for displaying posters and other information of community interest. In the meantime, materials have been posted on the Library's community bulletin board.

RECOMMENDATION:

Staff recommends amending the Policy to remove references to the kiosk. When a new apparatus for displaying non-profit information has been installed, staff will return to the Committee with proposed policy revisions that will include a description of the new information display apparatus.

Review and Concur:



Nancy Brewer, City Manager *Pro Tem*

CITY OF CORVALLIS
COUNCIL POLICY MANUAL

POLICY AREA 4 - LEISURE AND CULTURAL ACTIVITIES

CP 99-4.14 **Use of City Hall Plaza and Kiosk**

<u>Adopted</u>	<u>November 15, 1999</u>
Revised	October 21, 2002
Revised	October 17, 2005
Affirmed	November 3, 2008
Revised	November 7, 2011

4.14.010 **Purpose**

This Policy establishes the process, rules, and regulations for the use of the City Hall plaza as a place for festivals, events, and public assembly, ~~and for the use of the kiosk by non-profits for distributing information, selling tickets, promoting events, and conducting fund raisers.~~

~~4.14.020~~ ~~Definitions~~

- ~~a. Official public notices — Address governmental and public institutional activities.~~
- ~~b. Non-public notices — All others of general interest to the community.~~
- ~~c. Community event or activity — An activity or event of general interest to the community where participation or attendance is not restricted to a particular interest group.~~
- ~~d. Nonprofit — A community organization which either has a 501(c)3 designation or operates as a non-profit organization.~~

Council Policy 99-4.144.14.0230 Policy

The Plaza in front of City Hall is available for festivals, events, and public assembly.

4.14.030 Policy Guidelines

The following guidelines govern the use of the City Hall plaza and kiosk:

- a. The City Manager is authorized to establish guidelines and issue permits for activities in the plaza, which includes the space between the north curb of Madison Avenue to City Hall and ~~west to~~ **between** Sixth Street and ~~east to~~ Fifth Street. ~~and for use of the kiosk in the plaza and Madison Avenue between Fifth and Sixth Streets.~~
- b. ~~The use of the plaza is for activities such as festivals, events, and public assemblies.~~
- e. b. Use of the plaza is allowed under the following conditions:
 1. The group or organization reserving the space in the plaza must first obtain a permit from the City Manager **to ensure there are no conflicts between users, and users must have the permit at the event.**
 2. The activity must not impede the passage of pedestrians through the area.
 3. The City Manager may impose fees for the use of the plaza. If fees are established, this shall be included in the annual fee review for City services.
- d. c. ~~The City Manager is authorized to establish guidelines and issue permits for activities in the kiosk. The kiosk is for selling and/or displaying information, and the use of the kiosk is allowed under the following conditions:~~
 1. ~~The informational panels on the kiosk will be used to post official public notices and to promote community events or activities of general interest.~~
 2. ~~Permission to post a notice must be obtained from the City Manager. Permitted information will be posted by the City Manager's Office within two business days.~~
 3. ~~Notices for illegal activities will not be permitted.~~

Council Policy 99-4.14

- ~~4. Non-public notices must be dated and may not be posted for more than thirty days.~~
 - ~~5. The sale of tobacco, alcohol, and other drugs is not permitted in the kiosk.~~
 - ~~6. The sale of goods or materials in the kiosk is limited to non-profit groups on a first-come-first-serve basis or on a lottery system.~~
 - ~~7. Use of the kiosk for the sale of goods or materials by any one group is limited to thirty consecutive days each year.~~
 - ~~8. The City Manager may impose fees for the use of the kiosk. If fees are established, they shall be included in the annual fee review for City services.~~
- d. Exceptions to these guidelines must be approved by the City Manager.

4.14.040 Review and Update

The City Recorder will prepare the Council Policy review every three years for Council approval. ~~This Policy shall be reviewed every three years by the Assistant to City Manager/City Recorder and updated as appropriate.~~

Council Policy 99-4.14

Corvallis City Hall Information Kiosk

GUIDELINES FOR USE

The Inside of the Kiosk

DESCRIPTION:

~~The kiosk has a Dutch door that opens into a small enclosed space equipped with light, electricity, and water. The lower panel of the door is topped with a shelf so that it functions as a counter from which business may be conducted. Opposite this door is a window that can open to allow air circulation.~~

USE:

~~Use by individual City departments and non-profit community organizations is authorized for periods of time not to exceed thirty days. From the kiosk the organization may do such things as distribute information, sell tickets, promote events, and conduct fund raisers; this activity must be staffed at all times.~~

PROCEDURE:

~~The City Manager's Office will issue permits for use of the space inside the kiosk. These permits may be issued up to six months before the date of use. Users obtain the keys to the kiosk from the City Manager's Office.~~

~~At the end of the permitted use of the kiosk, the inside space and outside area must be immediately cleaned and cleared of all evidence of the event and the keys must be returned to City Manager's Office.~~

The Outside Plexiglas Covered Panels

DESCRIPTION:

~~Around the outside of the kiosk are three locked, Plexiglas covered, panels. All keys are kept in the reception area of the City Manager's Office.~~

USE:

~~Panel 1: (To the left of the kiosk door)
For official public notices.~~

~~Panel 2: (To right of the kiosk door)
For promotional information by the group currently signed up to use the kiosk's interior space.~~

~~Panel 3: For posters and other written notices about community events defined as performances, festivals, displays, and other such events open to the general public. Notices must be dated, contain the name and number of the contact person, and cannot be posted for more than thirty days before the event.~~

Council Policy 99-4.14**PROCEDURE:**

~~Panel 1: (Left of the kiosk door)~~

~~Will be managed by the City Manager's Office.~~

~~Panel 2: (Right of the kiosk door)~~

~~Non-profit groups that have been given a permit to use the inside of the kiosk may promote their event and open hours on panel 2. The representative would obtain a key from City Manager's Office along with the key to the kiosk door. Panel 2 must be cleared of all materials, notices, staples, tacks, and tape when the permit expires and the keys are returned to the City Manager's Office.~~

~~Panel 3:~~

~~Individuals or groups wishing to post a notice may present the information to the City Manager's Office. Once the information is approved by the City Manager, the permitted information will be posted by the City Manager's Office within two business days.~~

~~When posting notices, previously posted materials may not be covered or removed unless they are outdated.~~

~~The City Manager's Office is assigned to periodically remove outdated notices and left-over tape, staples, and tacks.~~

	<p>City of Corvallis Leisure and Cultural Activities City Council Policy Policy # 4.14 Use of City Hall Plaza and Kiosk</p>	
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Purpose: This Policy establishes the process, rules, and regulations for the use of the City Hall plaza as a place for festivals, events, and public assembly and for the use of the kiosk by non-profits for distributing information, selling tickets, promoting events, and conducting fund raisers.

Policy: The plaza in front of City Hall is available for festivals, events, and public assembly.

Responsibility: **City Manager:** The City Manager has authority to establish guidelines for use of the City Hall Plaza, approve uses of the City Hall Plaza, and assess fees for such use.

Guidelines: The following guidelines govern the use of the City Hall plaza:

1. Use of the plaza is allowed under the following conditions:
 - a. The group or organization reserving the space in the plaza must first obtain a permit from the City Manager to ensure no conflict between users and must have the permit at the event.
 - b. The activity must not impede the passage of pedestrians through the area.
 - c. The City Manager may impose fees for the use of the plaza. If fees are established, this shall be included in the annual fee review for City services.

2. Exceptions to these guidelines must be approved by the City Manager.

Review/Update: The City Recorder will prepare this Council Policy review every three years for Council approval.

Rev #	Name	Change Date	Character of Change
0		11-15-1999	Initial Release
3	E. Volmert	11-07-2011	Deleted "Guidelines for Use" (included in Administrative Policy 1.12); minor wording c changes (4.h and Review/Update section
4	C. Holzworth		Deleted language associated with the kiosk, which was re-located from the plaza.



MEMORANDUM

To: Administrative Services Committee *KCO*
From: Karen Emery, Director Parks and Recreation
James Mellein, Aquatics Supervisor and Budget Liaison *JM*
Date: January 21, 2015
Subject: Parks and Recreation Cost Recovery Methodology Update FY 13-14

Issue:

Corvallis Parks and Recreation Department (CPRD) has implemented the Cost Recovery Methodology (CRM) reviewed by the Parks, Natural Areas and Recreation Advisory Board (PNARAB) and adopted by City Council in January 2012. Per the City's Financial Policy 10.03.060, the Parks and Recreation Department Director shall conduct an annual comprehensive review of cost recovery targets. The following is an update regarding the progress and observed outcomes for review with emphasis on the FY 13-14 results as compared to FY 11-12.

Background:

In September 2011, the Parks and Recreation Department engaged the services of GreenPlay, a national parks and recreation management consulting firm to assist in developing a Cost Recovery Model and Resource Allocation Philosophy which includes a model, philosophy and policy based on the community's values for parks and recreation services, and the Department's mission and vision for the future. This model, based on *The Pyramid Methodology*, assists the City as staff plans for a sustainable future. It is a critical component for the development of both current and future Parks and Recreation facilities, programs, and services.

Cost Recovery is the basis for the degree to which the operational and maintenance costs of service provision are financially supported by user fees and/or other applicable funding mechanisms such as grants, partnerships, donations, sponsorships, volunteers, or other alternative funding sources. In contrast, subsidy includes non-dedicated General Fund sources such as General Fund Property Taxes that financially support operations and maintenance of services. Subsidy dollars provide for service costs that are not recovered by either user fees or other forms of alternative funding. The local operating levy is categorized as alternative funding as it was pursued to replace existing General Fund resources. Essentially, subsidy is the community's investment in public parks and public recreation.

The Parks, Natural Areas and Recreation Board reviewed this update at their December, 2014 meeting and continue to be impressed with the implementation and improved revenues, while serving people of all incomes.

Discussion:

Parks and Recreation implemented Cost Recovery Model and Resource Allocation Philosophy utilizing *The Pyramid Methodology* to restructure programming to meet or exceed the cost recovery goals. This methodology helps the Parks and Recreation Department adjust to the current economic climate, while continuing to serve all incomes.

The primary goal is to continue organizational sustainability through a logical and thoughtful philosophy that supports the core values, vision, and mission of the Corvallis Parks and Recreation Department as developed through community process.

CRM is utilized to establish the degree to which the direct operational and maintenance costs of service are recovered; indirect costs are not expected to be covered through fees in the CRM. Financial targets for all services were established through a community process in the Fall of 2011. Staff uses a variety of approaches to meet that target which includes user fees, grants, partnerships, donations, sponsorships, alternative revenue, volunteers, increased marketing, rebranding and increased participation, to name a few.

When the combination of these strategies does not meet the cost recovery target, the program may be discontinued. On all levels of the Pyramid, the goal is to meet or exceed the target. Staff builds on successful programs that generate revenue beyond the cost recovery goal as the market allows. This strategy is a way to help fund services on Tier 1 and Tier 2 that rely on property taxes, such as the park system. This strategy is also used to support the funding of deferred maintenance projects and Family Assistance.

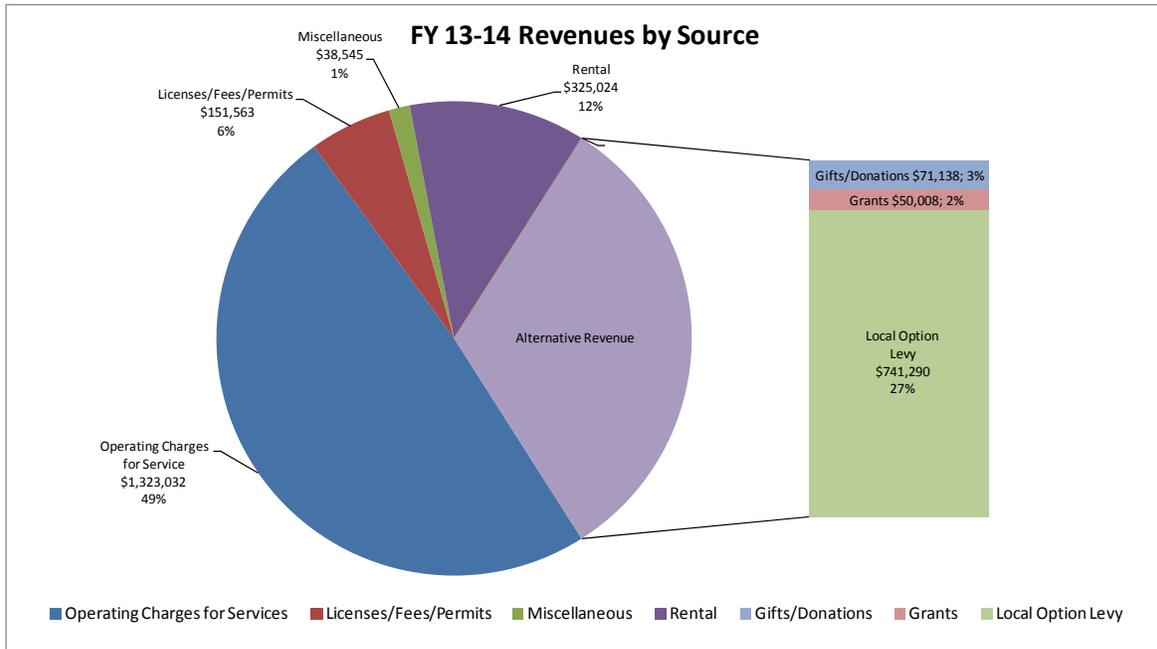
Table 1 illustrates the cost recovery figures for FY 10-11, the last full fiscal year prior to the implementation of the CRM, compared to FY 13-14, the last full fiscal year after implementation. The FY 10-11 figures reflect the former adopted cost recovery methodology which met the goals at that time and was the starting point for the transition to the new model. Staff continues to monitor all programs to meet or exceed the targets and continues to modify all programs to increase cost recovery or discontinue the program.

The tiers are the five tiers of the Cost Recovery Pyramid (see attachment). Tiers 2-5 have seen improvement over FY 10-11. Tiers 1, 3 and 5 have declined as compared to FY 12-13, but still meet the CRM targets and goals. The change in these tiers is due to both the retooling of classes and programs and staff refining collection of direct costs.

Table 1 Cost Recovery Results FY 10-11, FY 12-13 and FY 13-14

TIER	GOAL	FY 10-11	FY 12-13	FY 13-14	Trend over FY 10/11
1	0%	4.61%	4.88%	3.04%	Decrease
2	45%	38.04%	86.71%	87.24%	Improvement
3	90%	77.26%	102.33%	101.51%	Improvement
4	100%	77.78%	110.69%	120.85%	Improvement
5	200%	167.52%	295.01%	285.49%	Improvement

The pie chart below illustrates the sources of revenue for the Parks and Recreation Department in FY 13-14. Operating charges for services is the largest funding source outside the General Fund non-dedicated property tax support. It is important to understand that the local option levy makes up 27.5% of the Department’s dedicated revenue. Without the levy, the Senior Center and Aquatic Center would be faced with closure. Asking voters to continue the levy in November of 2018 or May of 2019 or replacing the levy with a new funding source is a question the City Council will need to address.



Note: Excludes General Fund Property Taxes, see Table 3

Table 2 and **Graph 1** illustrates the trend in revenues, and expenditures prior to implementation of the CRM through FY 13-14. Audited operating revenues (excluding Property Tax revenues) in FY 13-14 over FY 10-11 have significantly increased by 23.81%. These increases are due to staff adjusting fees, securing sponsors, and soliciting donations. Expenditures have increased by 7.47% due to the increased cost of health insurance, materials and supplies and contractors who serve as teachers, sports officials, etc.

Table 2 Revenues and Expenditure Results FY 10-11 and FY 13-14

	FY 10-11 Audited	FY 11-12 Audited	FY 12-13 Audited	FY 13-14 Audited	Percent Change from FY 10-11
Total Department Revenue Fees, Services, Donations, Grants, etc.	\$1,513,146	\$1,597,139	\$1,796,010	\$1,873,444	23.81%
Total Department Expenditures (above the "green" line)*	\$5,333,547	\$5,518,962	\$5,671,510	\$5,732,147	7.47%

*A General Fund financial plan model was developed, to address Council's sustainable budget goal for the property tax supported operations, that matches recurring revenues with recurring expenditures, to ensure a positive "green line" difference between these two numbers, in support of a sustainable financial operation.

Graph 1 Revenue and Expense Results over the last four Fiscal Years

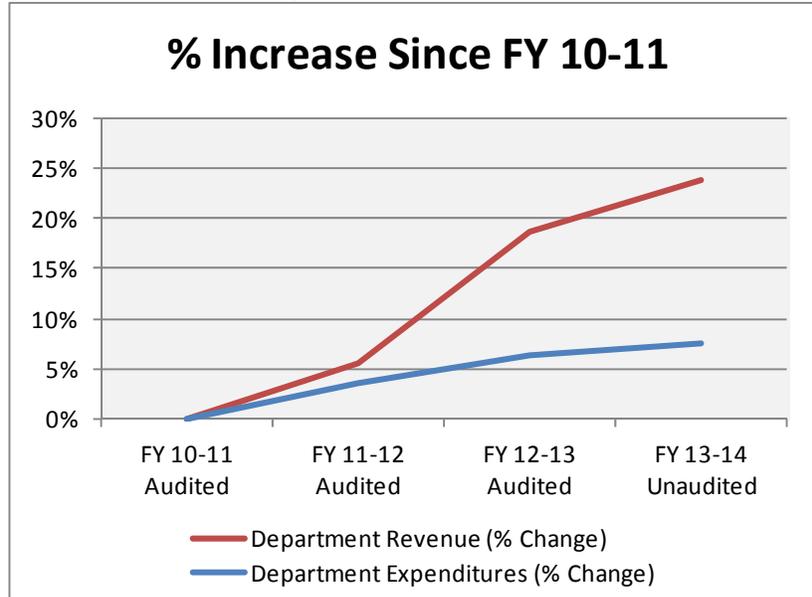


Table 3 illustrates the Department has significantly reduced its draw from the General Fund Property Taxes since FY 10-11, although this was not the intended purpose of Cost Recovery. This reduction is due primarily to three Departmental shifts in its business approach:

1. Passed an operating levy (twice): funds expenses of the Aquatic Center and Senior Center;
2. Reduced expenses: implemented major budget cuts in Department operations in an attempt to mitigate the increase in costs of service delivery (health insurance, step increases, material and supplies, contractors, etc.) and reduced programs that weren't achieving financial goals;
3. Increased revenues: implemented CRM showing 23.81% increase in revenues

These actions, including the first full year of CRM, effectively “freed up” some dollars that may be available to be used to support other City services. The passage of the levy served to continue support for the Parks and Recreation Aquatic Center and Senior Center and other facilities important to the community, which would have otherwise been discontinued or reduced based on prioritization of all services provided by the City.

Table 3 Total General Fund Property Tax Dollars Allocated to Parks and Recreation

	FY 10-11 Audited	FY 11-12 Audited	FY 12-13 Audited	FY 13-14 Audited	Percent Change from FY 10-11
Amount of Department draw on General Fund P-Tax	\$3,897,233	\$3,394,649	\$3,347,221	\$3,530,187	-9.42%

Table 4 illustrates Parks and Recreation total number of programs and participation numbers. Several programs that were unable to meet cost recovery were cut which has

resulted in a reduction in participation numbers in some areas. Although fewer programs were offered in FY 13-14 as compared to FY 11-12, staff offered more programs than FY 12-13, which showed an increase in participation. This Table demonstrates how staff is retooling the programs offered and the resulting impacts on participation.

Throughout the Fiscal Year, staff uses the cost recovery data to make decisions regarding specific programs. When a program is not meeting cost recovery, staff implements changes to meet targets, and in some cases, eliminates the program. A few examples of this are:

- Moved the Sundance day camp from Wilson elementary to Garfield elementary to try to increase participation;
- Changed the fall youth volleyball and football coaches from paid positions to volunteers;
- Noted that there was a trend at the Senior Center of a higher class cancelation rate in the Fall and a waiting list for Spring classes. Staff reduced the number of programs offered in the Fall and increased in Spring;
- Increased prices;
- Secured partner sponsors;
- Discontinued programs.

Table 4 Number of programs offered and participation results

	FY 10-11	FY 11-12	FY 12-13	FY 13-14	Percent Change from FY 11-12	Trend from FY 11-12
Total Programs	910	2,859	2,040	2,508	-12.28%	Decrease
Total Participation	19,980	96,917	85,149	88,912	-8.26%	Decrease

Note: FY 11-12 was the first year the Osborn Aquatic Center program and participation numbers were included in Department Performance Measures

Table 5 illustrates the Parks and Recreation Departments Family Assistance Program utilization and participation rates. The table shows a significant increase in the dollar amount drawn by low income families.

As mentioned, one of the methods staff utilizes to reach CRM targets is to raise prices. Consequently, the City Council and Parks, Natural Areas and Recreation Advisory Board had concerns that this would create a participation barrier for people with low incomes. Staff increased marketing of the Family Assistance Program and developed outreach mechanisms with both the Benton County Health Department and 509J School district. In FY 13-14, staff created a Family Assistance Reserve. The primary funding source for this reserve is through program fees of which approximately 7% are transferred to the reserve.

In an effort to reach a more sustainable budget, PNARAB recommended capping the Family Assistance Program at \$125,000 of support for FY 14-15. Without additional outside funding sources such as grants and donations, the FY 14-15 Family Assistance Program allocation is projected to reach the funding cap utilization around March of 2015. At that time, participants will not be able to use Family Assistance dollars (even if

they have been awarded) for programs or services until they reapply after July 1, 2015 (at the start of the new Fiscal Year). It is also important to note that with higher participation fees, the Family Assistance program can fund fewer families/participants with the same amount of resources.

Table 5 Overview of the Family Assistance Program

Year	2010	2011	FY 12-13	FY 13-14
Family Assistance utilization rate	12.00%	27.00%	62.77%	47.00%
Total dollar amount utilized	\$2,600	\$17,962	\$137,923	\$167,582
Number of Participants			2,275	2,336
Number of Families			731	713

Note: FY 12-13 the Department transitioned to collecting FAP data by Fiscal Year however it included an additional 6 months of data from the beginning of 2012.

Work Plan Highlights for FY 14-15:

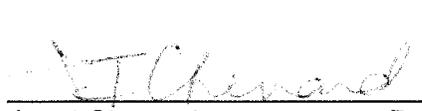
- Purchase through donated funds an indoor pool climbing wall for the Aquatic Center to increase participation during the Winter season;
- Provide concessions at the Aquatic Center Otter Beach during the Summer season;
- Increase banner sales for the Adult Softball program;
- Purchase through donated funds replacement playground equipment for Franklin Square Park;
- Evaluate the summer youth day camp program and implement changes to increase participation and revenue;
- Develop summer youth outdoor camps utilizing natural area resources.

Recommendation: This report is informational only.

Review and Concur:



 Nancy Brewer
 City Manager *Pro Tem*
 Date 1/14/15



 Janet Chenard
 Interim Finance Director
 Date 1/13/15

Attachments: Pyramid Model

Corvallis Parks & Recreation



Cost Recovery Pyramid FY 10-11 vs. FY 13-14

