



Whatcom County Parks System Budget Trends and Opportunities

OVERVIEW:

The purpose of this report is to support discussion on identifying ways and means to increase recreational opportunities offered by the Whatcom County Parks System. Over the last three years, funding for the system has fluctuated. At current funding levels, it is unlikely that the parks system can meet the growing needs of an expanding population for outdoor recreation. As more people use the parks system, it is likely that conflicts between competing using groups will increase. The report reviews recent funding trends for the system and it identifies what other park systems have done to augment funding and provide additional recreational opportunities in order to meet demand and disperse use.

FUNDING FOR COUNTY PARKS.

Whatcom County Parks & Recreation manages or oversees 16,122 acres of land comprised of 73 properties. These include natural areas, parks, gardens, tidelands, beaches, historic buildings, special use areas, and sixty-five miles of recreational trails. Additionally, the department manages or provides funding for eight senior activity centers, a community center, and a firearms range.

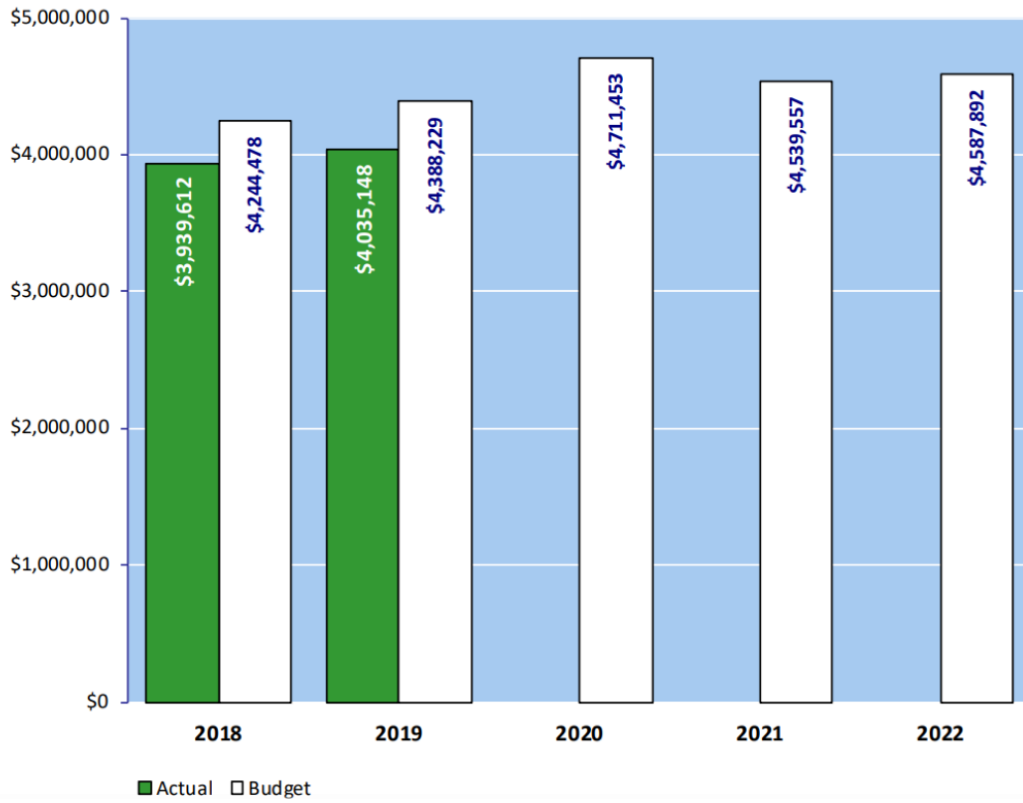
General Fund Available for Parks

Parks & Recreation accounts for 4.8% of the County's General Fund budget. The amount of land under Parks supervision has grown significantly over the past few years with the acquisition and development of the Lake Whatcom Park property as well as a major development and renovation project underway at Silver Lake Park.

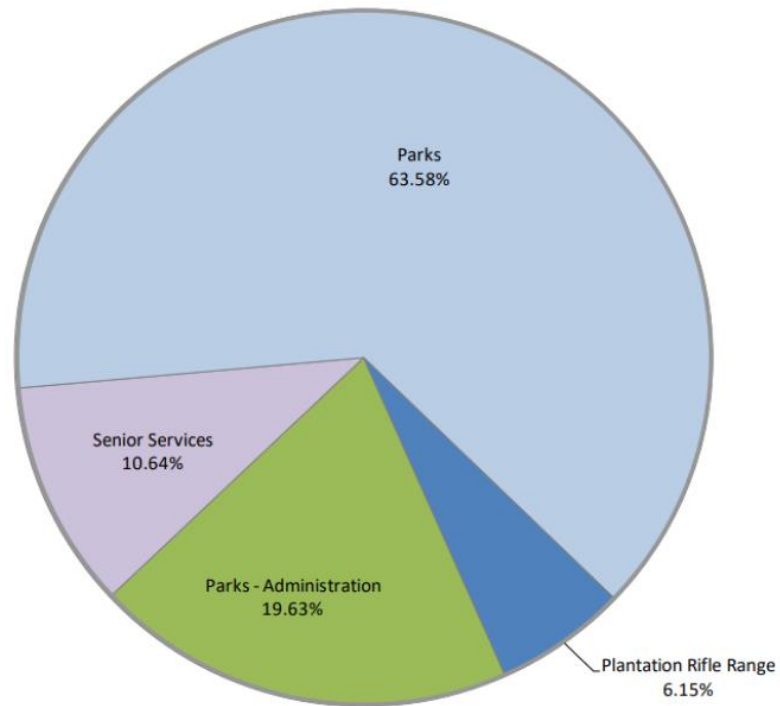
Whatcom County Parks and Recreation Budget Trends

2018	\$4,244,478
2019	\$4,388,229
2020	\$4,711,453
2021	\$4,539,557
2022	\$4,587,892

Expenditure Trends



2021-2022 Budget by Program



Parks & Recreation

Whatcom County
 WASHINGTON

Program Summary

	Actual 2018	Actual 2019	Amended Budget 2020	Budget 2021	Budget 2022	FTEs
OPERATIONS						
Parks Administration						
Parks - Administration	796,892	834,583	892,126	889,899	901,417	5
Senior Services						
Senior Services	556,423	551,277	565,885	485,374	486,094	
Maintenance & Operation						
Parks	2,314,568	2,375,491	2,973,701	2,883,698	2,919,795	
Plantation Rifle Range	271,729	273,797	279,741	280,586	280,586	
Total Maintenance & Operations	2,586,297	2,649,288	3,253,442	3,164,284	3,200,381	21
<i>Total Parks Operations</i>	3,939,612	4,035,148	4,711,453	4,539,557	4,587,892	26
CAPITAL						
Maintenance & Operation						
Parks	12,848	-	21,500	-	-	
Parks Capital						
Capital Projects	429,944	151,595	1,117,371	117,713	379,836	
<i>Total Parks Capital</i>	442,792	151,595	1,138,871	117,713	379,836	
TRANSFERS						
Maintenance & Operation						
Parks	91,533	72,953	122,600	100,000	100,000	
Parks Capital						
Capital Projects	1,278	-	-	-	-	
<i>Total Parks Transfers</i>	92,811	72,953	122,600	100,000	100,000	
TOTAL PARKS	4,475,215	4,259,696	5,972,924	4,757,270	5,067,728	
<i>Percent Change from Previous Year</i>	8.2%	-4.8%	40.2%	-20.4%	6.5%	

Capital Funds Available for Parks

REET I and II Capital Funds

Capital Projects Funds are established in Whatcom County to account for financial resources to be used for the acquisition or construction of major capital facilities. The capital improvement plan is developed biennially by the administration and is reviewed and adopted by the Council. The Council also reviews and adopts a six-year facilities capital plan.

The Real Estate Excise Tax I (REET I) accounts for the 0.25% excise tax on the sale of real property in the unincorporated portion of Whatcom County. Proceeds of the tax may only be used to fund capital projects pursuant to the county's approved capital improvement plan.

The Real Estate Excise Tax II (REET II) accounts for an additional 0.25% excise tax on the sale of real property in the unincorporated portion of Whatcom County. Proceeds of this fund have traditionally been restricted to public works projects including planning, acquisition,

construction, repair, replacement, or improvement of roads, sidewalks, traffic signals, bridges, water systems, storm water systems, and parks.

Total Real Estate Excise Tax Funds I & II

Actual 2018	Actual 2019	Budget 2021	Budget 2022
4,702,278	4,653,206	4,698,032	4,630,480

Parks Special Revenue Funds

Special Revenue Funds are established in Whatcom County in order to segregate resources that are designated to be used for specified purposes. The Parks Special Revenue Fund was created to account for restricted and committed revenues that will be used to fund maintenance, operations, and parks improvements in accordance with external funding sources and County Council requirements.

Parks Special Revenue Fund

Actual 2018	Actual 2019	Budget 2021	Budget 2022
100,458	1,084,400	88,363	88,363

Project #	Funding Source	2021	2022	2023	2024	2025	2026	Totals
1	Nugent's Corner Building Demolition	67,713						67,713
2	Parks Admin Offices HVAC Replacement & Upgrade	81,411						81,411
3	Lighthouse Marine Park Siding & Roofing		168,350					168,350
4	Silver Lake Restrooms & Day-Use Improvements	1,430,000	1,450,000	910,000				3,790,000
5	Birch Bay Beach Park Development	140,000	392,825					532,825
6	Hovander Picnic Shelters		53,200	210,000	105,000			368,200
7	Silver Lake Cabins Capital Maintenance Program			250,603				250,603
8	Hertz Trail Capital Maintenance Program				25,000	195,000		220,000
9	Stimpson Family Nature Reserve Parking Improvements		80,075					80,075
10	Lookout Mtn Forest Preserve Parking Improvements			94,218				94,218
11	Lake Whatcom Park Trailhead	352,025			1,350,000	975,000		2,677,025
12	Lily Point Marine Park Parking Improvements					241,136		241,136
13	South Fork Park Bridges & Connector Trail	29,000	125,000	125,000	515,000			794,000
14	Tennant Lake Interpretive Center Remodel					10,000	56,383	66,383
15	Hovander Park Access Improvements						250,000	250,000
16	Samish Park Parking/Vehicular Circulation Improvements					75,000	225,000	300,000
17	Bay Horizon Hostel Demolition						456,248	456,248
18	Lake Whatcom Trail Development	189,000						189,000
19	Hovander Maintenance Shop	175,000						175,000
20	Maple Falls Park Trailhead Restroom & Parking					182,500	750,000	932,500
21	East Whatcom Regional Resource Center-Replace Boiler		134,770					134,770
22	Hovander Park Tennant Lake Flood Repair and Mitigation Improvements		1,050,000					1,050,000
23	Lookout Mountain Road & Culvert Repair and Mitigation Improvements		500,000					500,000
Parks Totals		2,464,149	3,954,220	1,589,821	1,995,000	1,678,636	1,737,631	13,419,457
Funding Sources:								
1. Real Estate Excise Tax (REET)								
2. Grants								
3. Parks Special Revenue Fund								
4. Economic Development Investment (EDI) Funds								
5. Conservation Futures								

Figure 1 Park, Trail, and Activity Center Projects Over Next Six Years

OPTIONS FOR ADDITIONAL FUNDING TO SUPPORT WHATCOM COUNTY PARKS.

1. Bond Issue/Tax Levy

Description: Depending on the type of bond a certain percentage of the vote is required for approval as well as a certain percentage of the voting public. Some county communities have supported bond issues for schools, fire stations, libraries, ... some have not. For a bond issue to pass it would require a broad base of activated support with a critical mass of champions and an investment for marketing.

Scoping: Competing priorities (e.g., jail, schools, libraries, EMS, fire stations, flood and heat events in excess of past historical trends, suppressed economy due to Covid/inflation,) make it unlikely that a bond issue or tax levy for County Parks could pass in the next few years.

2. Sell Carbon Credits on Market

Description: Forest land owners with large holdings are having success selling carbon credits.

Scoping: Could be done but unlikely to raise large amount of funds due to limited forest land base available.

3. Privatize Some Holdings

Description: Some park systems have privatized holdings where feasible for the private sector to make an adequate profit. Sale of the holding results in less maintenance demand upon the remaining parks system. Generally, privatization is done with high intensity uses. It does not work well if maintaining quality of natural resources is one of the goals.

Scoping: Could possibly be considered for the rifle range. Nearby ranges appear to be successfully making a profit and some citizens would question why County Parks is competing with the private sector. Sale of the range, as opposed to closure, would keep the opportunity open to County residents and provide a needed facility to use firearms safely.

4. Cell Phone Tower Leases

Description: Cell phone tower leasing can provide revenue to land owners who own sites of interest to phone companies. In some cases, the aesthetics of the towers has been improved by disguising them to look like trees.

Scoping: County Parks already leases two towers. There may be potential to lease more.

5. Sponsorships/Named Facilities

Description: Although some park systems were initially reluctant to accept named sponsorships in recent years this has become commonplace. Two local examples are the Phillips 66 Soccer Fields and the BP Heron Center (group picnic pavilion) at Birch Bay State Park.

Scoping: there may be possibilities to expand local trail opportunities by enabling local businesses (or clubs) to sponsor mountain bike trails and get named recognition for the trail.

6. User Pay Systems

▪Description: User pay systems are popular in some Western States. For instance, Washington and Idaho have snowmobile programs in which users pay for an annual sticker. Proceeds from the stickers are used to support grooming of snowmobile trails.

Idaho has administered a highly successful motorized trail bike program for many years in which motorized trail users purchase an annual sticker to support the construction of trails for their use (largely on federal lands). There is little, if any, enforcement of the stickers. Basically, users are self-enforcing—in general they consider the sticker a source of pride in supporting their sport.

Scoping: There may be potential to implement a mountain bike sticker program which mirrors the Idaho motorized trail bike program. Revenue from the stickers could be used to support construction and maintenance of mountain bike trails on County and State (DNR lands). Revenue from the sticker program could also be used as a “hard cash” match enhancing the potential to be awarded grants for trail construction.

▪Description: State Parks and DNR charge parking fees for trailheads in Washington State. Something like the Discover Pass could be implemented for county trailhead parking.

Scoping: The logistics of selling such a pass would need to be worked out. Also, similar to the sticker system above, the program would largely rely on voluntary compliance. It could result in an increase in park users parking outside developed parking areas in order to avoid the fee.

7. Grants

Description: The state of Washington (Washington State Recreation and Conservation Office) administers seventeen grant programs which support parks, trails, recreation, and salmon recovery. The agency webpage (https://rco.wa.gov/grants/find-a-grant/?_sfm_max_grant_cap=0+5000000) provides a search function where interested parties can easily locate grant opportunities. The principal program supporting local parks and recreation is The Washington Wildlife and Recreation Program (WWRP) which provides funding for a broad range of land protection and outdoor recreation, including local and state parks, trails, water access, and the conservation and restoration of state land. From 2021-2023 the WWRP awarded eighty grants totaling \$38,519,050. Matching funds (which increase the potential to be awarded grants) totaled \$94,023,844. From 2019-2021 ninety-one grants were awarded totaling \$40,006,025 with \$85,063,624 in matching funds. According to the Seattle Times (8/29/22), this year more than \$100 million is available for award and the state has received \$457 million in grant applications.

Scoping: Grants awarded by this program are highly competitive.

8. Profit Making Facilities

Description: In Southern parts of the Country some park systems have had success (become essentially self-supporting) through construction/administration of high intensity outdoor recreation facilities (e.g., marinas, golf courses, lodges, ...). Due to the climate in the South, these park facilities become profitable because they can attract use all year round. One drawback is that for-fee facilities can increase liability exposure since they elevate the park visitor from “invitee” to “licensee.”

Scoping: Unlikely to be successful in Whatcom County due to the limited use season.

9. Gifts and Donations

Description: Local Park systems typically accept gifts and donations ranging from trees to plant, to benches, to larger areas of land. Bellingham City Parks has a dedicated webpage to accept gifts and donations. The Stimpson Family Nature Preserve is one example of a very successful donation to the County Parks System which the Whatcom Land Trust facilitated.

Scoping: County parks could consider expanding its webpage to facilitate gift, donation, and bequeathal opportunities.