

**SUMMARY and FISCAL NOTE\***

<b>Department:</b>	<b>Contact Person/Phone:</b>	<b>Executive Contact/Phone:</b>
Seattle Parks and Recreation	Paula Hoff /615-0368	Catherine Cornwall /684-8725

**1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE authorizing an agreement with the Arboretum Foundation for support of the Seattle Japanese Garden.

**Summary and background of the Legislation:** The purpose of the legislation is to authorize approval of the Terms of Agreement (Term Sheet) which sets forth the understanding of Seattle Parks and Recreation (SPR) and the Arboretum Foundation (Foundation) with respect to the operation of the Japanese Garden. SPR is transitioning fundraising responsibilities for the Garden, previously undertaken by the Associated Recreation Council (ARC), to the Foundation. The new arrangement with the Foundation is intended to ensure the financial sustainability of the Japanese Garden. Seattle Parks and Recreation desires to strengthen the Japanese Garden, ensure its long term sustainability and preserve the cultural connection the garden provides. In order to best operate and support the garden, the Japanese Garden Society joined with Seattle Parks and Recreation to co-sponsor an Optimal Operations Study that explored opportunities to increase capacity, improve financial sustainability, address capital needs and improve operations. The study's ultimate goal was to identify a model that would provide the greatest public benefit.

The study was completed by ConsultEcon, Inc. in April of 2014. It reviewed three models for operations: the current model (ARC/Seattle Parks and Recreation model), an 'Improved ARC Model', and operations by a non-profit organization. The report reviewed baseline operating conditions; gave a market overview; sought stakeholder input; and provided an evaluation and recommendation for each model. The Study concluded that the Japanese Garden had the best chance for long-term success under a non-profit operating structure. The Associated Recreation Council has been filling this role; however their primary expertise is providing programming for Seattle Parks and Recreation facilities. The Arboretum Foundation has financial stability, a proven track record, geographic proximity, and a long history with the Japanese Garden and a focused mission on supporting the Washington Park Arboretum. The Foundation was instrumental in securing the funds for construction of the Tateuchi Room and the Gate House at the Japanese Garden. The Foundation's proven ability for securing endowments and their past contributions to the Japanese Garden make them the best fit to move into a role of fundraising, special events, marketing, membership support, volunteer and advocacy responsibilities for the Garden.

**The Term Sheet states SPR and the Foundation** will work together in good faith to identify the best way to achieve long-term sustainability for the Japanese Garden, ensuring that SPR can continue to provide the necessary maintenance and operations and that the Foundation can administer the fundraising, special events, memberships, marketing and volunteer programs. Both parties will work with ARC on the transition plan and ensure that the history and culture of the Japanese Garden is reflected and honored through programming, priorities and cultural events. The Arboretum Foundation has a proven track record in delivering events, fundraising,

marketing and membership support for the Washington Park Arboretum. Adding these functions to the operations of the Japanese Garden will help create the on-going support needed to ensure a bright future for this gem in our Parks and Recreation system.

## 2. CAPITAL IMPROVEMENT PROGRAM

This legislation creates, funds, or amends a CIP Project.

## 3. SUMMARY OF FINANCIAL IMPLICATIONS

This legislation does not have direct financial implications.

## 4. OTHER IMPLICATIONS

- a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?** Yes, these terms are designed to improve the marketing, fundraising and visits at the Japanese Garden. Once the full agreement is executed, Parks and Recreation will request appropriation authority of approximately \$70,000 (of which \$30,000 is one-time) in a quarterly supplemental to implement the terms of the agreement for 2016 (backed by an anticipated increase in admission and pass revenues). The 2017-18 budget process will establish the ongoing appropriation.
- b) **Is there financial cost or other impacts of not implementing the legislation?**  
Implementing this legislation will provide the organizational structure necessary to ensure long term sustainability of the Japanese Garden. As noted, the Arboretum Foundation has a strong history in delivering events, fundraising, marketing and membership support for the Washington Park Arboretum. Adding these functions to the operations of the Japanese Garden will help create the on-going support needed to ensure a bright future for this gem in our Parks and Recreation system.
- c) **Does this legislation affect any departments besides the originating department?**  
No
- d) **Is a public hearing required for this legislation?**  
No
- e) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
No
- f) **Does this legislation affect a piece of property?**  
Yes, the Japanese Garden located at the Washington Park Arboretum.
- g) **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**

Bringing the Arboretum Foundation on as the primary support organization for the garden is intended to improve the customer experience and access to the Japanese Garden. This partnership will provide an opportunity to increase opportunities for visitors and volunteers, as well as enhance public education and programming for populations that are not familiar with this facility. This agreement also maintains the current fee structure which sets admission and pass fees as part of the Parks and Recreation Fee Schedule. Special event and program fees will be set in cooperation with the Arboretum Foundation (similar to the previous approach with the Associated Recreation Council).

- h) If this legislation includes a new initiative or a major programmatic expansion: What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.**

N/A

- i) Other Issues:** None

**List attachments/exhibits below:** None