

Summary and Fiscal Note

1. Legislation Summary

Department: Seattle Parks and Recreation

Title: An ordinance relating to Seattle Parks and Recreation; authorizing the Superintendent to enter into a ten-year contract with Victory Heights Cooperative Preschool to operate and provide management of the Victory Heights Shelterhouse located at 1747 NE 106th Street.

Background: The proposed Council Bill authorizes the Superintendent of Seattle Parks and Recreation (SPR) to execute for and on behalf of SPR a ten-year Operations and Use Contract with Victory Heights Cooperative Pre-school (VHCP) for the Victory Heights Shelterhouse to provide early childhood educational programming including preschool for infants through five years of age, as well as family and community events. SPR has maintained a long partnership with VHCP, who have maintained the contract for this facility since at least 1988.

Operator Selection and Award: SPR issued a Letter of Interest (LOI) for this property in 2024, and VHCP was the only contractor to respond.

SPR began contract negotiations with VHCP for the facility in the Summer of 2024. Both parties reached and agreed upon a financial term that provided a gradual approach to the use fee to support the operations of the preschool including salaries for teachers, affordable registration fees for families, funds for supplies and equipment, along with paying a Use Fee to the City that has a cumulative increase over the ten-year contract.

The total amount received from VHCP over the ten-year contract will be \$280,800 paid in both cash and public benefits.

This legislation continues a long-standing collaboration with VHCP at Victory Heights Shelterhouse in providing early childhood education programs and community events and aligns well with SPR's commitment to provide affordable opportunities for the community.

Financial Terms: Per the contract, VHCP has agreed to the following financial terms, creating an annual two-year increase to the use fee schedule.

Contract Year	Use Fee in Cash (Monthly)	Public Benefits Due Monthly	Total Annual Use Fee	Total Annual Public Benefit	Total Combined Annual Use Fee & Public Benefit	Two-year total
Year 1/2	\$600	\$1,100	\$7,200	\$13,200	\$20,400	\$40,800
Year 3/4	\$900	\$1,100	\$10,800	\$13,200	\$24,000	\$48,000
Year 5/6	\$1,050	\$1,250	\$12,600	\$15,000	\$27,600	\$55,200
Year 7/8	\$1,250	\$1,400	\$15,000	\$16,800	\$31,800	\$63,600
Year 9/10	\$1,450	\$1,600	\$17,400	\$19,200	\$36,600	\$73,200
-	-	-	-	-	Total:	\$280,800

Public Benefits: VHCP has identified public benefits that provide community engagement and support, scholarships, and capital improvements and/or maintenance and projects to the Shelterhouse. VHCP will focus community engagement on activities including seasonal community events and supply drives that provide donations to underserved communities. VHCP will ensure the greater neighborhood and community receive information about events by distributing fliers to surrounding community centers and local family-based non-profit organizations such as Akin. In addition, they have a social media presence through ParentMap, Facebook, and Seattle's Child.

Scholarships are a focus for VHCP, ensuring that children have the opportunity to participate in preschool opportunities. Annually, VHCP provides approximately twenty scholarships averaging about \$2,465 for children and families. VHCP is determined to not turn away a family seeking early childhood education opportunities for their child(ren).

A portion of public benefits agreed to by VHCP over the next ten years include improvements to the Shelterhouse. VHCP commits to capital improvements or additional maintenance to the interior or exterior of the building which could include painting, floor repairs, and cabinet repairs. All capital improvements and maintenance will require consultation with and approval by SPR.

Summary Attachments:

Summary Attachment A – Victory Heights Playground Shelterhouse Map

2. Capital Improvement Program (CIP)

Does this legislation create, fund, or amend a CIP Project?

☐ Yes

☒ No

3. Summary of Financial Implications

Does this legislation have financial impacts to the City?

☐ Yes

☒ No

Note: SPR does not anticipate that the new contract with VHCP will have significant financial impacts on the 2026 Adopted Budget as the budget already assumes concession revenues at this facility.

3d. Other Financial Impacts

a. Does this legislation create any other financial impacts for The City of Seattle, such as direct or indirect costs, one-time or ongoing, that aren't mentioned above? If yes, please explain these impacts.

No.

b. If the legislation has costs that can be covered within the current budget, explain how. Does the department have extra resources in its budget to handle these costs? Or does the department need to shift resources away from other work to handle these costs?

Not applicable.

c. What financial costs or other impacts might happen if this legislation is not implemented?

A decision not to implement this legislation would be a reduction in revenue and loss of public benefits totaling \$280,800 over the next ten years (including capital investments), leaving an SPR facility with no activation, and impacting access to pre-school for roughly 42 students per year.

d. How might this legislation affect other City departments besides the one that proposed it?

Not applicable.

4. Other Impacts

a. Does this legislation require a public hearing?

☒ Yes

☒ No

b. Does this legislation require a notice to be published in The Daily Journal of Commerce and/or The Seattle Times?

☐ Yes

☒ No

c. Does this legislation affect a piece of property?

No

d. Race and Social Justice Initiative impacts:

1. How does this legislation affect vulnerable or historically disadvantaged communities? How did you come to this conclusion? Please consider both impacts within City government (like employees and internal programs) and in the broader community.

VHCP offers affordable early childhood education programs to the community including scholarships to qualifying families.

2. Please attach any Racial Equity Toolkits or other racial equity analyses used to develop or assess this legislation.

SPR strives to prioritize equity as part of the contract process with community partners. The LOI for this process was advertised across numerous media outlets, social media platforms, non-profit organizations, and collaborative groups that support WMBE vendors.

3. What is the Language Access Plan for communicating with the public about this legislation?

Communication will be translated into languages as needed to meet the needs of the community.

e. Climate change impacts:

1. Emissions: Will this legislation significantly increase or decrease carbon emissions? Attach any studies or materials that inform your answer.

Not applicable.

2. Resiliency: Will this legislation make Seattle more or less able to adapt to climate change? If it reduces resiliency, explain what can be done to lessen the impact.

Not applicable.

f. If this legislation creates a new program or expands an existing one, what are the long-term, measurable goals? How will this legislation help achieve those goals? What methods will be used to track progress?

Not applicable.

g. Does this legislation create a non-utility CIP that involves shared funding with a non-City partner or organization?

No.