



Operating Discussion List November 22, 2010 Summary List

During Council meetings in October and November Council reviewed the 2011-2012 Operating Budget and identified proposals for further discussion (see table below). A copy of each proposal is attached for your review.

Outcome	Prop #	Project	Potential		Current Status	Page #
			Adds (Biennial Numbers)	Deletes		
IVCC	100.07NN	Youth Health & Fitness		?	Funded at \$1,273,779	13
	100.10A1	BDA special events (at least partial funding)	\$135,000		Funded at \$232,739	17
	100.13NN	Youth Link Advisory Council & Board	\$100,000		Funded at \$436,944	21
	100.18NA	Human Services	\$224,000		Funded at \$9.18M	25
	100.39A1	Parks Maintenance	TBD		Funded at \$16M	31
	115.05NN	Downtown Livability project	\$284,429		Not Funded	35
	115.09A1	Arts	\$80,000		Funded at \$405,828	39
IM	130.05A3	Downtown Transportation Plan	\$241,394		Operating Not Funded	45
	130.07PA	East Link Overall		N/A	CIP Funded	49
	130.29A1	Traffic Data Program	\$150,918		Funded at \$231,413	55
	130.34A2	TDM Program	\$179,000		Funded at \$1,145,993	59
	130.39PN	East Link Tunnel		N/A-	CIP Funded	65
	130.56NN	Eastlink (CIP Proposal)	\$250,000		Legal – CIP Funded	CIP 41
QN	130.15DN	Residential Parking Zone Costs	\$105,000		New Permit Fees	69
SC	070.01NA	Aid Car Staffing	\$724,890			73
	100.21A2	Probation Services	\$450,000			77
	120.07A1	Two Motorcycle Officers	\$252,090		Net cost (adjusted for revenue)	83
	130.027A2	Street Lighting	\$387,200			87
EGC	055.01A2	Memberships & Sponsorships	\$118,000			91
	055.04A1	New Capital Funding for Bel-Red	\$200,000			95
	N/A	Blue Ribbon Panel for ED	TBD			
RG	030.01NN	Council Reduction		TBD		99
	045.01A1	Service First Staff	\$167,584			103
HSE		R&R Contribution	\$3,097,040			107
Total			\$7,146,545	\$0		



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Detail List

Proposal #	Topic	Potential Change Amount (+ or -)	Council Identified Discussion Items w/ Current Funding Level Rationale	Page #
Innovative, Vibrant & Caring Community Discussed on 10/4 & 10/18/2010				
100.07NN	Youth Health & Fitness	(TBD)	<p>Cut some or all programs in order to support maintenance.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> Program costs significantly offset by user fee revenues (62% cost recovery), with subsidy targeted to Skate Park and TRACKS programs. 	13
100.10A1	BDA Special Events	\$135,000	<p>Restore all or part of City cash contribution to BDA Special Events.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> City cash contributions to BDA initially targeted as event start-up funding and not ongoing subsidy. City will continue to provide in-kind support for events, including traffic control, park maintenance, and police services. 	17
100.13NN	Youth Link Governance Structure	\$100,000	<p>Restore some/all funding to maintain Advisory Board and Council.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> Recommendation to shift staff support to Wrap-Around Services expansion and Youth Safety, and conduct a study of alternative youth leadership models. Option exists to shift staff resources back to Youth Link Board/Council due to federal grant for Wrap-Around Services. 	21



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Proposal #	Topic	Potential Change Amount (+ or -)	Council Identified Discussion Items w/ Current Funding Level Rationale	Page #
100.18NA	Human Services	\$224,000	Human Services Commission recommendation for one-time funds in 2011-2012. Current Funding Level Rationale: <ul style="list-style-type: none"> • Recognition of the importance of Human Services held it harmless. No cuts to Human Services proposed, with funding continuing to grow for inflation and population. 	25
100.39A1	Parks Maintenance	TBD	Elimination of recreation programs or reduce subsidy further vs. parks maintenance reductions Current Funding Level Rationale: <ul style="list-style-type: none"> • Parks maintenance reductions targeted to minimize public impact. • Need to maintain balance between programs and maintenance levels as both contribute toward a thriving park system. 	31

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Proposal #	Topic	Potential Change Amount (+ or -)	Council Identified Discussion Items w/ Current Funding Level Rationale	Page #
115.05NN	Downtown Livability	\$284,429	<p>Restore funding to provide resources for refining the design guidelines, zoning incentive system, parking standards, and other regulations that are the foundation for development in downtown Bellevue.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • Proposal was ranked priority 31 out of 41 proposals by IVCC Results Team. • Leadership Team recommended this proposal as just below the funding line and not as critical as other funding priorities, in part because project is a new and enhanced level of service. • Timing is good to conduct this work now, but not a fatal flaw to defer for 2 years. 	35
115.09A1	Arts Core Program	\$80,000	<p>Arts Commission petitioned to restore full funding based on arts groups' feedback that reductions could cause some to close or leave Bellevue. The Eastside Arts Partnership provides funding to Bellevue groups based on the merits of the overall organization and Special Projects that are based on a specific project proposal that must occur in Bellevue.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • The Budget One process was sensitive to the impact of the funding reduction; yet it concluded that the reduced funding level would continue to provide basic support for key Bellevue groups, with sensitivity to those most impacted by the economy. 	39



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Improved Mobility Discussed on 10/25/2010				
130.05A3	Downtown Transportation Plan Update	\$241,394	<p>Fund the Downtown Transportation Plan at the proposed level.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • Consultant support for this proposal is funded in the proposed CIP (Proposal 130.05A2) at \$350,000, but the operating budget proposal (130.05A1) for the staff to work on the project is not funded in the proposed Operating Budget. Funding for other Improved Mobility proposals was considered a higher priority. • Work could be undertaken on the project by funding staff time out of the proposed CIP allocation. This would reduce the consultant budget, and scope, significantly, but still enable some work elements of the project to be completed. 	45
130.07PA	East Link	\$250,000	<p>Legal costs currently funded by CIP moved to Operating Budget.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • Legal funds are a component of the East Link Overall proposal, intended to enable the City Manager and City Council to solicit independent legal advising on East Link issues as they arise during the biennium. This advising would supplement City Attorney's Office services with specialized credentials. • Anticipated uses may include advising on formal binding agreements such as the tunnel funding agreement, mitigation agreement, right of way use, and other issues as they arise. \$125,000 per year is proposed, based upon activities of the past two years and anticipated intensifying Sound Transit – City of Bellevue negotiations and agreements. • Longstanding practice to fund litigation associated with particular CIP projects in the CIP project. 	49

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130.07PA	East Link Overall	N/A	<p>Funding for East Link was proposed as a potential reduction to provide funding for other potential restorations. Please note that reductions to the East Link Operating Proposals do not provide savings to the GF since costs are fully supported by the CIP.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • The proposal funds a multi-department staff team that will provide technical support to the City Council, City Manager, and community as it pursues City goals and objectives through the East Link project development process. • The proposed funding level will enable close participation between the City and Sound Transit during the project development process. Anticipated activities include: policy and planning support to the City Council; engineering review; traffic review/mitigation and right of way management; station area planning; updates of city plans, policies, codes and regulations; consultant management (of consultant work funded by the “East Link Analysis and Development” CIP proposal; community engagement; and other activities. 	49
130.29A1	Traffic Data Program	\$ 150,918	<p>Restore the Traffic Data Program by providing funding for 0.8 FTE to continue existing level of traffic data collection and analysis.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • Collection of mandated traffic data is funded • Additional funding for discretionary data is not recommended in favor of funding higher priority improved mobility needs such as Traffic Demand Management and Maintenance. 	55



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130.34A2	TDM Program	\$179,000	<p>Restore the Transportation Demand Management (TDM) Program to existing service level.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • Funds Administration of the Downtown Growth & Transportation Efficiency Center (GTEC). • Funds Oversight of the Commute Trip Reduction Activities. • Funds Other TDM Programs and Activities (i.e. ChooseYourWayBellevue.org website, mode share surveys, coordination with other City initiatives such as Environmental Stewardship). • Funds Regional TDM Engagement (Coordinate and represent Bellevue's interests with other agencies including WSDOT, PSRC, and King County). • Does Not Fund less critical programs for Transportation Management Program (TMP) Code Monitoring and Administration and implementation of TDM Programs Citywide. 	59
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130.39PN	East Link Tunnel	N/A	<p>Funding for East Link was proposed as a potential reduction to provide funding for other potential restorations. Please note that reductions to the East Link Operating Proposals do not provide savings to the GF since costs are fully supported by the CIP.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> The proposal anticipates that the City and Sound Transit will develop and execute a tunnel funding agreement during the first half of 2011 and begin implementation of the agreement in the second half of 2011 through 2012. The proposed staff resources would be used to develop and implement the agreement. A separate mitigation agreement would also be supported by the proposed resources. This agreement would outline the specific mitigation measures and commitments needed to address the negative impacts of the East Link system in Bellevue. The tunnel agreement may include a combination of contributions, such as City owned properties and/or easements; City-funded permit reviews and inspections; tax revenue turn-backs; cash contributions; and City responsibility for some capital elements of the project. The mitigation agreement will allow the City to secure commitments from Sound Transit for the entire portion of the East Link alignment that is within Bellevue. 	65
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Quality Neighborhoods Discussed on 10/18/2010				
130.15DN	Residential Parking Zone	\$105,000	<p>Remove the requirement to charge residents \$35 for a two year permit to park in a residential parking zone (RPZ).</p> <p>Current Funding Level Rationale:</p>	69



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				<ul style="list-style-type: none"> • Charging for RPZ parking consistent with actions of other local cities. • Paying for permits allows a discretionary program to continue with funding by those who benefit. 	
Safe Community Discussed on 11/1/2010					
070.01NA	Aid Car Staffing		\$724,890	<p>Restore aid car staffing to 24 hours per day.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • Director's analysis shows minimal impact to public safety. • Maintains staffing levels during peak hours (8AM-8PM). • Maintains operations out of all existing 9 fire stations. 	73
100.21A2	Probation Services		\$450,000	<p>Restore reduction to probation services.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • Results Team recommendation to conduct an independent evaluation to ensure that programs are "right-sized" and use the study results to determine the final budget allocation for this proposal. • Options exist to manage to the proposed budget for duration of study. 	77

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120.07A1	Two Motorcycle Officers	\$252,090	<p>Police Proposal 120.07A1, Traffic Enforcement – Motorcycles, Proposed Additional Cost \$252,090 (\$402,090 – ((\$35K x 2) + (\$40K x 2))) = \$252,090</p> <p>Restores motor staffing to normal level of eleven. Corrective contacts with the public will be restored; special events traffic coverage will not be affected; speed, DUI and Speed enforcement will continue at normal levels and response times will not be degraded.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • Director’s analysis shows minimal impact to public safety. • Funding directed to more critical public safety needs such as Narcotics enforcement, bicycle patrol, and participation in the FBI-Terrorism Task Force (JTTF). 	67
130.27A2	Street Lighting	\$387,200	<p>Restore \$100,000/yr to fund electricity costs for 1,400 mid-block arterial streetlights and restore funding for 1.0 FTE to provide for continual year-round maintenance of streetlights.</p> <p>Current Funding Level Rationale:</p> <ul style="list-style-type: none"> • Reducing the street lighting maintenance FTE will still allow for replacing burnt out lights every summer through the use of temp help. • Turning off street lights was recommended in favor of funding higher priority public safety services. 	83

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Economic Growth & Competitiveness Discussed on 11/1/2010			
055.01A2	OED Operations	\$118,000	Restore some or all of the reduction to OED M&O for memberships or other OED activities. Current Funding Level Rationale: <ul style="list-style-type: none"> OED activity is valuable but difficult to quantify. It was unclear that reduction to memberships would significantly impact the effectiveness of the program. When prioritized against other outcomes, this proposal was not ranked as high as other critical core services in other outcomes.
055.04A1	New Capital Funding for Bel-Red Corridor	\$200,000	Would provide funding for lobbyists to pursue new grant funding for Bel-Red projects. Current Funding Level Rationale: <ul style="list-style-type: none"> Investment seen as valuable, but not affordable in the current economic environment. Potential funding redirected to core critical services.
See Operating Memory Bank EGC-7	Blue Ribbon Panel for ED		The panel would be similar to an effort conducted in 1993 and consist of local leaders, business people, and government officials and discuss a wide variety of options, ideas, alternatives, actions, etc. to better achieve a strong, stable and sustaining economy in Bellevue. The process of the discussion and exploration and any forthcoming recommendations would be designed to embrace the entire community and its institutions. Some who deal with these efforts feel that the process could be as important as the ideas created. Current Funding Level Rationale: <ul style="list-style-type: none"> N/A -- this proposal was not considered in the budget process. See Memory Bank item for more information.

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Responsive Government Discussed on 11/8/2010				
030.01NN	Council	5% reduction	Proposed reduction of up to 5% of Council budget/operating cost	99
			Current Funding Level Rationale: See Responsive Government Memory Bank item for additional information.	
045.01A1	Service First	\$167,584	Restore Level of Service Reduction of 1 FTE.	103
			Current Funding Level Rationale: <ul style="list-style-type: none"> Results Team determined that current service levels are “gold plated”. Proposed service levels are right-sized to deliver value to the community at a cost the City can afford. Changes in service level will occur through workload prioritization (e.g., walk-in customers will take priority over telephone customers), clear communication of wait times and response times, and elimination of some services. 	
Healthy & Sustainable Environment Discussed on 11/8/2010				
140.48A1	Operating Transfer to R&R	\$3,097,040	Restore some or all of reduction to Utilities operating transfer to R&R.	107
			Current Funding Level Rationale: <ul style="list-style-type: none"> Reduced level of funding in response to economic downturn. Provides short-term rate reduction. Would require future higher rate increase(s) if we choose to return to planned funding levels. 	



2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: Youth Health & Fitness		Proposal Number: 100.07NN
Outcome: Innovative, Vibrant and Caring Community		Proposal Type: Existing Service
Staff Contact: Ted Mittelstaedt, x4882		One-Time/On-Going: On-Going
Fund: General	Attachments: Yes	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): N/A		

Section 2: Executive Summary

Youth Health & Fitness programs (Bellevue Skate Parks, Youth Sports & Fitness and the TRACKS Outdoor Initiative (TRACKS stands for Teaching, Recreation, Adventure, Competency, Knowledge & Stewardship) provide opportunities for children, youth and teens to improve their health, reduce their risk of obesity, expand their knowledge of the environment and develop athletic and social skills through participation in indoor and outdoor activities. These introductory non-competitive activities are offered through a full spectrum of camps, clinics, leagues and drop-in activities with service to over 12,000 participants annually.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$377,165	\$397,394
Other	247,260	251,960
	<u>\$624,425</u>	<u>\$649,354</u>

Supporting Revenue	2011	2012
	\$385,761	\$393,090

LTE/FTE	2011	2012
FTE	4.0	4.0
LTE	0.0	0.0
Total Count	<u>4.0</u>	<u>4.0</u>

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Cost Savings/Innovation

- Reduction in skate park operation by 100 hours during summer weeknights. **Cost Savings:** \$2,750.
- Elimination of low performing classes and renegotiation of provider contracts **Cost Savings:** \$5,000.
- Reduced printing/ mailing materials by utilizing other communication tools, such as Facebook, Blogs, Twitter and websites. **Cost Savings:** \$3,200.
- Add revenue producing summer camp opportunities.
- Fee increases within City pricing policies and expanded revenue through retail outlet at skate park.
- Add to existing base of volunteers for day-to-day operations, special events, and marketing by recruitment of new partners, such as the Bellevue School District career resource specialists.

Partnerships/Collaboration

- Bellevue School District, Skyhawks, Mountaineers, Cascade Bicycle Club, Converse Shoes.
- We will be expanding our sponsorship model for donors. Current sponsorships are approximately \$40,000 per year. Our goal for 2011 is \$ 65,000 and an annual increase of 5% each year after (**Attachment 1**).

Section 5: Budget Proposal Description

The Youth Health & Fitness proposal provides programs, activities and events that deliver a high return on

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investment, in terms of improved physical health, social development, and activity skill development in a non-competitive environment. This proposal is inclusive of three program areas including Bellevue Indoor Skate Park, Youth Sports and Fitness and The Tracks Outdoor Initiative. These programs directly relate to the City's Recreation Program Plan Goals and the City Comprehensive Plan (**Attachment 2**).

1. Youth Sports & Fitness programs provide children and youth opportunities to develop introductory skills in individual and team sports. Programs and activities focus on maintaining a healthy atmosphere while fostering positive skill developmental and improved physical fitness. Additionally, Youth Sports & Fitness programs have strong partnerships with other youth sports organizations and contractors. Examples include the Bellevue School District, Skyhawks, East King County Track and Field and Soccer Tech Inc.
2. The Bellevue Indoor Skate Park provides a safe, supervised indoor space for youth, teens, and families to recreate, skateboard, socialize, have mentorship and volunteer opportunities, and simply "hang out" year-round. The facility operates primarily when kids are out of school (afternoons, evenings and weekends).
3. TRACKS is an outdoor initiative, which provides activities and events for youth teens and families to participate in outdoor activities. Additionally, TRACKS connects youth and teens to nature, educates them about healthy and sustainable environments and cultivates individual and community stewardship of the outdoors. Its *Teens Outside* program has sponsorship from the National Parks and Recreation Association.

Section 6: Mandates and Contractual Agreements

Contractual Agreement: Bellevue School District, Skyhawks, Mountaineers, Cascade Bicycle, Soccer Tech, U.K. Soccer. In addition to these organizations the program contracts with 6-10 individual instructors.

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

Opportunities for Interaction

Purchasing Strategy: Youth Health & Fitness offers a variety of active recreational opportunities for people to express creativity, learn new skills and enjoy the outdoors. During a typical week of the Summer Program, Youth Health & Fitness offers 347 program hours. During a week in the school year, 87 program hours are offered. The Center for Disease Control recommends that children 8-18 receive, at minimum, one hour per day of physical activity. Youth Health & Fitness helps bridge this gap. With over 17 percent of U.S. children currently obese, prevention must start early in life, and participation in sports is part of a nationally accepted strategic plan for obesity prevention. With our focus on introductory, structured and non structured activities we attract a wide variety of children and youth from diverse ethnicities, and cultures. Activities choices include skill camps and lessons, clinics and leagues, volunteer and community service programs, and special events that reduce barriers, build social bonds and foster acceptance between people.

B. Purchasing Strategies addressed by this proposal - for the SECONDARY outcome(s):

Built environment

Purchasing Strategy: The Bellevue Skate Parks (originally advocated by teens through the City's Youth Link Program) provides indoor and outdoor spaces for people to gather, interact, and recreate. The indoor skate park provides a safe place for youth and teens to be active and interact year round, regardless of the weather. The indoor skate park serves over 7,500 participants per year through drop-in, camps, lessons and events. In a study conducted by the Tony Hawk Foundation in 2009, over 100 police officers were interviewed from communities where skate parks had been established. Ninety percent responded favorably when asked if they considered their skate park an important community asset, and almost half credit the skate parks for reducing incidents of youth crime in their communities.

In a statistically representative survey of Bellevue residents taken in September 2009, three out of four respondents agreed that Parks & Community Services should place a priority on increasing recreational

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opportunities for people. In the same survey, when asked which age group should be the highest priority for recreation programming, Bellevue residents were more likely to prioritize school-age children (age 6-12) than any other age group. Second to school-age children, teenagers (age 13-17) were the group given the next highest priority.

Safe Community: Prevention

Purchasing Strategy: Encourage Youth Involvement, Prevent high risk behavior and noncompliance and Promote/Influence

According to Bellevue Police statistics, juvenile arrests have dropped just over 37% between 2003 and 2008. Using a conservative cost-benefit analysis, researchers conclude that every dollar invested in afterschool programs saves society two dollars and fifty cents in future costs related to juvenile crime. The Skate Park, Youth Sports & Fitness and TRACKS all support prevention based activities that support a safe community purchasing strategy.

Healthy & Sustainable Environment All five TRACKS initiatives support the educational components of each factor. These outdoor activities all have a component of their curriculum that provides youth, teens and families opportunities to enhance their awareness and understanding of the benefits and importance of our natural environment.

Schools

Purchasing Strategy: Recreation

In the Bellevue School District, K-8 students receive 40 minutes a week of Physical Education classes.¹ However, State Law² mandates that 100 minutes of PE instruction per week should be received by students in kindergarten to 8th grade. Children and adolescents with easy access to recreational facilities and programs are more active than those without access to recreational programs.³ The more often youth use recreational facilities, the greater their total physical activity.⁴ Youth Health and Fitness proposal helps fill the community gap, providing non school fitness activities for youth and teens.

C. Short- and long-term benefits of this proposal

Short-term:

- Youth Health & Fitness programs provide supervised indoor and outdoor activities to hundreds of Bellevue youth and teens daily.
- Youth Health & Fitness programs create positive activities for youth during peak times (3-6pm) where statistically juvenile crime has the highest potential.
- Youth Health & Fitness programs provide parents with beginning and intermediate recreation opportunities and choices for their children.

Long-term:

- Youth Health & Fitness programs support the needs of Bellevue by providing programs and activities that are creative, preventative, proactive, and respond to the needs of the Bellevue residents as well as provides community activities that enhance their quality of life (**Attachment 3: City Comprehensive Plan POLICY PA-34-39**).
- A healthy community where children, youth, and teens have opportunities to participate in indoor and outdoor activities that lead to a balanced life through physical activity. Studies suggest that both physical and emotional health is greatly improved through long term physical activities and exposure to the

¹ Jennifer Johnson, PE/Health Curriculum Director BSD-405

² WAC 392-410-135 (see attachment)

³ Outdoor Recreation, Health and Wellness, Geoffrey Godbey, May 2009

⁴ Outdoor Recreation, Health and Wellness, Geoffrey Godbey, May 2009

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outdoors.

D. Performance metrics/benchmarks and targets for this proposal

- Number of registered program participants: 2011 (6,000); 2012 (6,180) (3% increase)
- Skate Park drop-in annual visits: 2011 (6,365); 2012 (6,556) (3% increase)
- Percentage of participants rating overall satisfaction with the course/activity: 90%
- Percentage of participants rating the quality of the instructor/coach: 88%

E. Describe why the level of service being proposed is the appropriate level

The proposed level of service is based on the identified needs and programming gaps in the community. The proposed service level provides a range of introductory indoor and outdoor activities for children, youth and teens during their out of school time.

Section 8: Provide a Description of Supporting Revenue

Program service rates reflect and are in accordance with the policies of the Recreation Services Pricing Guidelines (attachment 4.) Revenue is generated through participation fees. In 2009, \$342,000 in revenue was collected (Skate Park: \$55,000; Youth Sports & Fitness: \$285,000; TRACKS: \$2,000). Most programs are "Merit Priced" (attachment 5.) Scholarships are provided to residents who qualify via the Parks & Community Services scholarship granting criteria.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all

1. Legal: N/A
2. Customer Impact: Youth Health Fitness serves 12,100 participants annually. Eliminating this proposal will reduce or in many cases eliminate opportunities for children, youth and teens to participate in safe introductory, non-competitive activities. Taking away an opportunity for physical activity could cause obesity rates of Bellevue children to increase. As the State Department of Health points out, "Obesity contributes to a host of chronic disease and causes a greater likelihood of premature death." President Obama, in a nationally televised speech in June 2009, noted, "More than 50 percent of all healthcare costs are due to three mostly preventable conditions: 1) heart disease; 2) diabetes; 3) obesity." A key strategy to combat rapidly increasing obesity, the increased risk of heart conditions and diabetes, is to utilize prevention and promote physical activity. "
3. Investment/Costs already incurred: 2009 Indoor skate park remodel costing \$80,000. The Highland Plaza NEP project was funded for \$150,000, State of WA RCO Grant \$300,000, KC Facility Grant \$50,000. Youth Health and Fitness has over \$217,200 invested in equipment, supplies and infrastructure (skate ramps.)
4. Other: N/A

B. Consequence of funding at a lower level

The proposed programs and services engage our community and help children, youth and teens have a variety of healthy activities. Reducing funding would effectively reduce the quality and quantities of services, and would reduce opportunities to recreate and be physically active. Current facilities would be used less, and the City's revenue would decrease.

2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: Special Events Permitting & Sponsorship		Proposal Number: 100.10A1
Outcome: Innovative, Vibrant and Caring Community		Proposal Type: Reduction of Service
Staff Contact: Jon Wilson, x4278		One-Time/On-Going: On-Going
Fund: General	Attachments: Yes	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): Related to 100.09NN, Northwest Arts Center (includes staffing for Fourth of July event planning)		

Section 2: Executive Summary

This proposal supports the administration of the Special Events Code (BCC 14.50), including the work of the Special Events Committee, which issues permits for large community events taking place on public property or using public right-of way. In addition, the City’s annual production and sponsorship of multiple community special events is included. Providing for safe and well-managed, free or low-cost special events is a way to promote a vibrant community and quality neighborhoods while supporting the city’s economic competitiveness and quality of life. Per the Results Team recommendation, City cash contributions toward special events will be eliminated. The reduction impacts three Bellevue Downtown Association events – The Magic Season (\$25K), Bellevue Jazz Festival (\$40K), and Live at Lunch (\$2.5K.) In addition, Police Department overtime has been reduced by \$13,000 per year.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$0	\$0
Other	115,319	117,420
	\$115,319	\$117,420

Supporting Revenue

	\$30,000	\$30,000
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LTE/FTE

FTE	0.0	0.0
LTE	0.0	0.0
Total Count	0.0	0.0

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Cost Savings/Innovation

The original proposal included a 5% reduction in costs associated with the City’s production of the Family Fourth of July event. Cost savings associated with the operation of the Special Events Committee and administration of the Special Events Code are limited in the short term by the Code itself (BCC 14.50), which mandates activities, processes and fees. Change to the structure and content of the code necessitates that code amendments be considered and approved by City Council. This action is recommended, outside of the budget process. Sponsorship support for other community events included in the original proposal was set at historic funding levels. Due to changes recommended from the Budget One process, city cash contributions have been eliminated and Police Department overtime has been reduced in this proposal.

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Partnerships/Collaborations

The Special Events Code provides an avenue for the City to participate at a partnership level with community event organizers. By continuing to fund sponsorship of community events, over and above special event permitting, the City has the ability to attract and support special events that provide the most impact for Bellevue residents and businesses. The City's sponsorship also leverages sponsorship of other community institutions and corporations that underwrite the costs of community events.

Section 5: Budget Proposal Description

Bellevue City Code 14.50.040: "It is the policy of the city, as implemented through this code and any procedures adopted hereunder, to recognize the substantial community benefits that result from special events. These events provide cultural enrichment, promote economic vitality, and enhance community identity and pride. They also may provide opportunities for family activities and funding for our community's nonprofit agencies. Partnerships between the city, event sponsors and the community are valuable in ensuring successful events. Therefore, the city will strive to accommodate special events."

To implement this policy, this proposal incorporates two aspects of the City's support for special events. First, administering the Special Events Code (BCC 14.50), which requires pre-event planning and mitigation of impacts by private organizations in order to obtain a special events permit from the City. The permit allows the City to assess the impacts of events taking place on public property or right-of-way with a goal of protecting public health, safety and welfare. The Special Events Code includes a schedule of fees, which provide revenue to offset the costs of permit issuance. The Code is administered by the Special Events Committee (SEC), a Council-appointed board including City staff from various departments and community stakeholders.

The second element of this proposal includes direct production and sponsorship of several major public events that occur on an annual basis within the City of Bellevue. These events include the City-produced Family Fourth of July Celebration, Kelsey Creek Farm Fair and Kelsey Creek Sheep Shearing events and sponsorship of privately produced events including the Bellevue Jazz Festival, Live at Lunch Concert series and the Magic Season. In addition to production support and sponsorship, the proposal includes a request to support extraordinary staffing costs in the Police, Fire, Transportation and Parks & Community Services Departments that have been identified for on-going special events held in the past and anticipated for 2011–2012 (see **Attachment 1** for detail). Staffing costs for Police and Fire are overtime costs that have not been recovered in the past from the producing organization due to either partnership agreements or historical precedence. Other costs incurred by Transportation and Parks reflected in this proposal include traffic and pedestrian control devices, other equipment such as portapotties and generators, and day of event staffing costs.

The Family Fourth of July Celebration in Downtown Park, attracting 65,500 spectators a year, is unique as it is produced by the City in partnership with the Bellevue Downtown Association. The event involves multiple City Departments in the planning and implementation process and impacts budgets for set-up, break-down and day of event logistics support. Operating costs for day of event operation and setup/breakdown are included in this proposal. The staffing costs for planning and oversight of the Fourth of July as well as other smaller scale events produced by Parks & Community Services such as the Summer Movies in the Park series has been incorporated into the budget proposals of the business units responsible for those events.

Per the Results Team recommendation, City cash contributions toward special events will be eliminated. The reduction impacts three Bellevue Downtown Association events – The Magic Season (\$25K), Bellevue Jazz Festival (\$40K), and Live at Lunch (\$2.5K.) In addition, Police Department overtime has been reduced \$13,000.

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Section 6: Mandates and Contractual Agreements N/A

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

City-Wide Purchasing Strategies

- Leverages collaboration or partnerships with external organizations
- Is a catalyst for increasing citizen participation and support
- Enhances Bellevue's image

Innovative, Vibrant & Caring Community: Opportunity for Interaction

This proposal addresses the purchasing strategies listed for this factor. Special events held throughout the City give residents the opportunity to connect with each other and the greater community. Social bonds are created, cultural diversity and cooperation is recognized as people of different backgrounds and cultures interact at the event. Special events add to a sense of vibrancy to the City and its neighborhoods as well as strengthen the overall sense of community. Due to the free or combination of free/fee activities, special events can reduce barriers to involvement and interaction. They offer opportunities for citizen involvement in the planning and production of the event and promote community involvement in the provision of services.

Special events held throughout the City contribute to the goals of the City's Cultural Compass, including Goal 1: Employ Bellevue's arts and cultural assets to further the City's economic development and Goal 2: Promote the arts and cultural tradition of Bellevue's increasing diverse population to distinguish and enrich civic life.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s):

Quality Neighborhoods

Special events, both community wide or neighborhood focused help strengthen the Sense of Community by encouraging people to gather and interact, thereby increasing neighborhood cohesion.

Economic Growth & Competitiveness

Special events present economic and tourism benefits to the community. For the City, revenue is generated through sales and hotel tax revenue. Through partnerships and collaborations, resources are leveraged and maximized to provide events. Special events contribute to the Quality of Community through events that enhance the arts, promote cultural diversity and support business. Special events also enhance and support the city's reputation as well as contribute to the development of the "City Brand". Events such as Garden D'Lights and the Bellevue Arts Fair have achieved regional and national recognition.

Responsive Government

The Special Events Code insures an equitable and open process for approval of events, and provides a centralized entry point for event producers. It creates a more efficient and effective delivery of City services. The requirements for a Special Events Permit also protect the public health, safety and welfare of Bellevue residents by insuring that (1) public safety services are not hindered by events, (2) adequate security and crowd controls are in place to manage large gatherings, and (3) secondary effects such as traffic, noise and other impacts are mitigated to the greatest extent possible for neighboring residents and businesses.

Safe Community

Day of event staffing support by police, fire and other appropriate Department staff contributes to the safety of large events in the areas of traffic control, crowd management and emergency response.

C. Short- and long-term benefits of this proposal:

Short-term: The Special Events Committee provides oversight and guidance for numerous special events throughout the City, in particular privately produced events occurring on public property or right-of-way. Funding of day of event staffing costs for specified events will continue critical Police, Fire and Parks staff support to manage safety concerns and event management as appropriate. Providing City funding to

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community organizations for identified special events will ensure that signature events continue to be an important part of the City's cultural identity.

Long-term: Include the above as well as the opportunity to review, evaluate and consider reforms regarding the City's management and permitting of special events including potential code revisions. A goal of this review is to design further efficiencies into the program in order to realize additional cost savings for the City.

D. Performance metrics/benchmarks and targets for this proposal

- Number of events reviewed by Special Events Committee
- Estimated attendance at community events permitted through the Special Events Code
- Economic benefit calculated for special events through Economic Development Office
- Percent of cost recovery of Special Events through permit fees, direct service charges and partnership value

E. Describe why the level of service being proposed is the appropriate level

This proposal institutes a cost savings over the prior budget cycle without sacrificing the number of community events sponsored by the City or permitted through the Special Events Code. The work program will also include an in-depth review of the existing Special Events Code and functions of the Special Events Committee to determine if code changes that bring efficiencies to the current permit process are advisable for City Council consideration outside of the budget process.

Section 8: Provide a Description of Supporting Revenue

\$30,000 through a combination of Special Event Committee fees and event revenue.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all

1. Legal: Without funding, the code requirements of BCC 14.50 (Special Events Code) could not adequately be implemented
2. Customer Impact: Without funding to manage the permit review and approval process, or provide sponsorship support for community events, the City would have to decide to either not allow large scale events to take place at all, or accept a higher degree of impact to neighboring residents and businesses as well as increased public safety risk for events that may not be held to current permit conditions.
3. Investment/Costs already incurred: Many special events, such as the Family Fourth of July, Garden D'Lights and the Bellevue Arts Fair provide regional and national attention for the City of Bellevue brand and enhance the quality of life for Bellevue residents. Without support for these events, these benefits could not be realized.
4. Other: N/A

B. Consequence of funding at a lower level

A 5% reduction in expenditures related to production of the Family Fourth of July is included in this proposal. Currently, staff time spent administering the Special Events Code and permitting process, are absorbed by the departments that participate. No additional funding is requested for these functions. A lower level of funding may reduce the amount available for the City to sponsor other community events throughout the year. Funding Police and Fire overtime costs at a lower level will either result in reduced services at special events or passing costs on to the event producing organization which may result in fewer special events.

Per the Results Team recommendation, City cash contributions toward special events will be eliminated. The reduction impacts three Bellevue Downtown Association events – The Magic Season (\$25K), Bellevue Jazz Festival (\$40K), and Live at Lunch (\$2.5K.) In addition, Police Department overtime has been reduced \$13,000.



2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: Youth Development		Proposal Number: 100.13NN
Outcome: Innovative, Vibrant and Caring Community		Proposal Type: Reduction of Service
Staff Contact: Helena Stephens, x2834		One-Time/On-Going: On-Going
Fund: General	Attachments: Yes	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s):		

Section 2: Executive Summary

The Youth Development Program supports Ground Zero Teen Center, GREAT Summer Camp, the Community Leadership Awards and the Youth Involvement Conference. As a group, they provide opportunities for middle and high school youth to participate in recreation, leadership, and prevention activities. Youth Development provides services to 22,000 youth annually and helps keep Bellevue a vibrant and caring community.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$84,118	\$88,725
Other	130,817	133,284
	\$214,935	\$222,009

Supporting Revenue	2011	2012
	\$36,330	\$37,020

LTE/FTE	2011	2012
FTE	1.0	1.0
LTE	0.0	0.0
Total Count	1.0	1.0

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Cost Savings/Innovation

This proposal includes \$268,000 in cost savings from the prior year budget achieved by restructuring existing Youth Development programs and focusing support on the set of programs described in this proposal. The programs being restructured include the 24-Hour Relay Challenge, Youth Link, Bellevue Youth Council, Youth Link Board and Shutterbugs Photography Day Camp. As a result, these programs will be discontinued in 2011.

Partnerships/Collaboration

- Boys & Girls Clubs of Bellevue manages Ground Zero Teen Center to provide recreation and leadership activities. The Jubilee REACH Center provides facility support for the GREAT Summer Camp.
- Bellevue School District provides access to students and school facilities for Community Leadership Awards and the Youth Involvement Conference.

Section 5: Budget Proposal Description

The Youth Development Program provides activities and events that deliver a high return on the community's investment by providing recreation, social and leadership development in a positive, supervised and structured setting. The program includes four elements including Ground Zero Teen Center (GZ), GREAT Summer Camp (GREAT), Community Leadership Awards (CLA) and the Youth Involvement Conference (YIC).

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Ground Zero Teen Center: Established in 1993 in downtown Bellevue, Ground Zero Teen Center is operated by the Bellevue Boys and Girls Club and serves more than 20,000 teen visits annually. The Center offers a variety of programming such as a local music festival and web tech classes, after-school activities, youth workshops, summer activities, leadership and employment trainings, teen meals, counseling services, and leadership opportunities throughout the year. For example, the GZ Club Store teaches youth about selling, pricing and leadership. Ground Zero actively seeks to increase access to low-income youth for clothing, food and counseling services. The Youth Development Program provides 55% of the operating budget in partnership with the Bellevue Boys and Girls Club.

GREAT Summer Camp: This six-week program provides a series of leadership and self-motivation activities for middle school age youth in a safe, supervised setting. Healthy activities, field trips and positive role models give parents a seasonal, child care alternative for this age group that might otherwise experience a “latch key” environment at home with no or little supervision by working parents.

Community Youth Leadership Awards and Youth Involvement Conference: These events, held annually and biennially (respectively), are leadership development events encouraging youth to engage in civic activities through community service projects and future planning for their community. Each event attracts 250 – 350 students. Youth practice civic responsibility in the areas of recreation, safety, education, transportation, employment, health and are recognized for outstanding leadership in academics, sports and community service.

Section 6: Mandates and Contractual Agreements N/A

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

Citywide Purchasing Strategies

- Provides for gains in efficiency and cost savings and ensures that services are “right-sized”
- Leverages collaboration or partnerships with other departments and external organizations
- Is a catalyst for increasing citizen participation and support
- Is innovative and creative

Innovative, Vibrant & Caring Community: Opportunities for Interaction, Support Services & Involve Citizens

Youth Development meets multiple purchasing strategies of three IVCC factors by offering year round recreation and leadership opportunities for young people to experience skill and social development, practice civic engagement, access services and learn from positive adult role models.

Youth Development offers 40 program hours per week during the school year and 80 program hours during the summer, serving over 22,000 youth annually. *In 2003, Search Institute Profiles of Student Life: Attitudes and Behaviors* surveyed 150,000, 6th- to 12th-grade youth in 202 communities and found that 57% felt that after-school youth programs were vital to their health and well being¹. In 2004, the Search Institute and the Social Development Research Group at the University of Washington² completed a study on “Successful Young Adult Development”. The study identified eight elements essential to the healthy transition of adolescents to young

¹ Search Institute is an independent, nonprofit, organization committed to helping create healthy communities for every young person.

² Peter L. Benson and Peter C. Scales, Search Institute (SI), and J. David Hawkins, Sabrina Desterle, and Karl G. Hill, Social Development Research Group (SDRG), University of Washington

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adulthood. They include: physical health; psychological and emotional well-being; life skills; ethical behavior; healthy family and social relationships; educational attainment; constructive engagement; and civic engagement. Further research includes the Search's Institute's 40 Development Assets³, which the City has incorporated as the curriculum model for youth programming since 1996. Seventeen of the 40 Developmental Assets are key elements in the curriculum offered at Ground Zero, GREAT Summer Camps, the Community Leadership Awards and the Youth Involvement Conference. Some of the primary assets include: #4- Caring Neighborhood; #14 Adult Role Models; and #40 Positive View of Personal Future. These programs are supported by the City's Recreation Program Plan and Comprehensive Plan Policies PA-11 and PA-14.

B. Factors/Purchasing strategies addressed by this proposal - for OTHER outcome(s):

Innovative, Vibrant & Caring Community: Built Environment

This proposal supports programs for youth at a variety of community facilities, public and private geographically distributed throughout the city. These sites include the non-profit operated Ground Zero Teen Center and Jubilee REACH Center. Programs are in school and city facilities as well as King County Housing Authority apartment complexes. Geographic dispersion allows youth, and particularly youth from low- and moderate-income families, an opportunity to easily access safe and structured activities for youth and teens with adult supervision, while keeping teens safe and reducing negative behaviors.

Safe Community: Prevention

The Youth Development program provides youth an alternative choice to negative, risky and possible criminal behavior. Ground Zero Teen Center receives 20,600 youth visits annually (**Attachment 1**). GREAT hosts summer activities for up to 250 middle school student visits per week. Ground Zero Teen Center offers an example of how the existence of these programs maintains low levels of criminal behavior. The West Bellevue area, which includes Ground Zero, has received 77 police calls, averaging 11 calls per year from 2002 through 2009. Ground Zero makes a positive contribution to keeping juvenile criminal behavior in West Bellevue and Downtown areas to a minimum.

Responsive Government: Community Connections

The Youth Involvement Conference and Community Leadership Awards offer a rare opportunity for youth to have a voice in the affairs of their local government and recognize the value of local community leadership. Through the Youth Involvement Conference specifically, teens are able to express their immediate and long-term ideas to City and School District leaders on how to make Bellevue a more inviting for the youth population.

C. Short- and long-term benefits of this proposal:

- Provides safe, supervised and structured programs for youth throughout Bellevue
- Promotes positive youth development and encourages active citizenship

D. Performance metrics/benchmarks and targets for this proposal:

- Increase participation in Youth Involvement Conference and Community Leadership Award programs.
2009-10 Actual: 655 unduplicated youth 2011-12 Target: 650
- Increase participation in Ground Zero prevention services (alcohol/drug/ violence).
2009-10 Actual: 99 unduplicated youth per week 2011-12 Target: 150
- Aim for at least 35% ethnic diversity among program participants.
2009-10 Actual: 41% 2011-12 Target: 45%

³ The Developmental Assets 1990 Search Institute report "The Troubled Journey: A Portrait of 6th -12th Grade Youth

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E. Describe why the level of service being proposed is the appropriate level:

This proposal demonstrates a strong partnership with youth related non-profits to provide accessible programs and services that meet the needs of the youth population (supported by Comprehensive Plan Policies HS-2, HS-4 and HS-9). The staffing level proposed is appropriate to assure a successful program with the necessary accountability and stewardship of City funds. On-site contract monitoring and technical assistance is also provided to contractor and partner agencies to meet City requirements.

Section 8: Provide a Description of Supporting Revenue

The Youth Development program includes a variety of services and activities that are either free or have registration fees associated with them. Program service rates are set in accordance with the policies of the Recreation Services Pricing Guidelines. Scholarships are provided to residents who qualify via the Parks & Community Services scholarship granting criteria.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

The elimination of funding would impact 7,000 youth, including 41% youth of color and low-income youth who would be without after-school and late night programming. The absence of these programs could subject youths and the broader community to higher risk of negative behavior.

1. Legal: N/A
2. Customer impact: Eliminating funding for Ground Zero could result in the Center closing or a reduction of operating hours and/or staffing levels. GREAT would have to reduce the number of participants reducing revenue to the City and the two special events – Youth Involvement Conference and Community Leadership Awards would be eliminated. The reduction would leave a minimum of 6,000-7,000 youth without age-appropriate programs during out of school hours.
3. Investment/Costs already incurred: Over many years, the City has invested \$1.75M in the Ground Zero Teen Center. Further, other Youth Development programs included in this proposal have developed name and brand recognition and will be noticeably missed by the community if they are canceled by the City.
4. Other: N/A

B. Consequence of funding at a lower level:

This proposal already includes a reduction in expenses of \$268,000 over the prior budgeted levels. As described in Section 4, existing youth programs have been restructured in order to scale the revenue to support the programs in this proposal. Further reductions in funding would negatively impact the scope of services able to be provided, and potentially result in some programs or events being suspended or cancelled. As such, the benefits of prevention would be lost to the community and additional societal costs may result from a youth population without access to safe, structured and supervised activities.

2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: Human Services Contracts with Non-Profit Agencies		Proposal Number: 100.18NA
Outcome: Innovative, Vibrant and Caring Community		Proposal Type: Existing Service
Staff Contact: Emily Leslie, x6452		One-Time/On-Going: On-Going
Fund: General & Grants/Donations (federal CDBG)	Attachments: Yes	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): N/A		

Section 2: Executive Summary

Residents struggling to meet basic needs for themselves or their families are unlikely to be or feel connected to their community. Funds will be used to respond to the increased and unmet needs documented in the 2009-2010 Human Services Needs Update to ensure that all residents, especially low and moderate-income persons, have affordable access to support services by providing funds to local non-profit agencies who are experts in a broad array of human service programs, e.g. basic needs (food, shelter, etc.), crisis support and intervention, education and training, and prevention programs. There were 109 applications totaling \$4.0 million for General Fund and federal Community Development Block Grant (CDBG) human services contracts submitted to the City on 4/29/10 which exceeds the amount of funds proposed for 2011 contracts by more than \$632,000, or 18%.

Section 3: Required Resources -

OPERATING

Expenditure	2011	2012
Personnel*	\$199,738	\$210,348
Gen Fund Contracts	2,548,191	2,627,039
CDBG Contracts	880,807	897,542
Pooled Contracts	899,912	917,011
	<u>\$4,528,648</u>	<u>\$4,651,940</u>

Supporting Revenue

CDBG Funding	\$880,807	\$897,542
Contribs.& Interest	15,000	15,000
Pooled Cities \$\$	899,912	917,011
	<u>1,795,719</u>	<u>1,829,553</u>

LTE/FTE

FTE*	2.0	2.0
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*NOTE: these are the equivalent FTEs reimbursed with federal CDBG funds. The other FTEs associated with the management of these contracts are included in proposal 100.15NN - Human Services Planning and Contract Management.

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Cost Savings

These services are offset by \$880,807 in revenue from the U.S. Department of Housing and Urban Development (HUD) in 2011 for CDBG funds awarded to the City. Other offsetting revenue includes employee contributions, interest income, and funding from 8 other cities for 13 joint contracts.

Innovation

For 2011-2012, Bellevue participated with 16 other cities in North, East, and South King County in a joint online application process through the eCityGov Alliance. This online application process resulted in significant cost-savings to non-profit agencies since they only needed to submit one application rather than separate ones to each city. It also provided efficiencies for cities and their Human Services Commissions in their review processes. In addition, Bellevue collaborates with 8 cities in North and East King County by pooling funds in 13

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joint contracts for 24 human services programs.

Partnerships/Collaboration

External: a) partnerships with non-profit human services agencies, e.g. Hopelink, Eastside Domestic Violence Program, Sound Mental Health, Youth Eastside Services, Therapeutic Health Services, Senior Services, etc.; and b) the City's Home Repair Program partners with King County Housing Authority to serve low- and moderate-income Bellevue homeowners make health and safety repairs.

Internal: Human services programs support the efforts of Police (domestic violence, sexual assault, and homeless intervention services), Fire (resources for vulnerable populations identified by paramedics and emergency management), Planning & Community Development (resources for Mini-City Hall, affordable and homeless housing), Transportation (special needs populations), Utilities (tax rebate program for low-income), and Parks (Probation, youth & teen Services, services for older adults, etc.)

Section 5: Budget Proposal Description

This proposal is the City's response to the increased and unmet needs documented in the City's *2009-2010 Human Services Needs Update* through contracting with non-profit human services organizations to provide critical support services to Bellevue residents. It also includes contracts and administration of federal Community Development Block Grant (CDBG) funds awarded to Bellevue from the U.S. Department of Urban Development (HUD) and staff support for the City's Home Repair Program for low- and moderate-income homeowners to make health and safety repairs.

The Human Services Commission is responsible for reviewing applications for both General Fund and CDBG dollars and making funding recommendations to the City Council according to the Council-approved funding formula based on inflation and population growth (**Attachment 1**). The Commission will develop a contingency plan if the funds approved are 10% more or 10% less than 2010 funding levels. High ranking applications demonstrate the need for their services, are cost-effective, demonstrate sufficient skill and capacity to provide high quality services, and significant leveraging of other funding resources. Applications are also reviewed according to the funding strategies identified by the Commission. A primary focus area in the current funding cycle is intervention programs which serve those residents most affected by the economic recession. The Commission also recommends the allocation of federal CDBG funding from HUD.

General Fund resources required include \$2,548,191 in 2011 and \$2,627,039 in 2012 for contracts with non-profit human service agencies to provide support services to residents. The costs associated with contract management, staff support for the Human Services Commission, and regional planning and partnerships, are included in proposal 100.15NN.

This proposal also supports the City's Home Repair Program which provides zero-interest loans and emergency grants for low- and moderate-income residents for health and safety repairs. Approximately 50-60 homeowners are served annually. In cooperation with King County Housing Authority, it also assists in maintaining the attractiveness and quality of their surrounding neighborhoods. This program addresses the need for affordable housing which has been identified as the most pressing community problem in surveys of Bellevue residents over the past 12 years.

Section 6: Mandates and Contractual Agreements

The City of Bellevue is an entitlement city receiving federal Community Development Block Grant (CDBG) funds (Public Law 93-383, 24 CFR Part 570). The City will have contractual agreements with approximately 45 non-profit agencies. Bellevue also has a Memorandum of Understanding (MOU) with 9 cities in North and East King County for 13 joint contracts for 24 human services programs.

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Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome

Support Services

This proposal facilitates provision of a range of human services to individuals and families, including basic needs (food, shelter, etc.), crisis support and intervention, education and training, and prevention programs. Basic needs must be met before people can be involved and engaged in their community. Once these needs are met, further support services provide additional assistance to enable residents to support themselves. These services also assist the full range of diverse populations in Bellevue, e.g. immigrants/refugees, older adults, persons with disabilities, children and youth, etc.

Opportunities for Interaction

This proposal fosters healthy opportunities for interaction by reducing barriers to involvement and interaction, and fostering acceptance between people of different backgrounds and cultures. The biennial *Human Services Needs Update* guides the process for equitably distributing funding to those groups in the community with the greatest need. A key component of the *Update* is to identify barriers to services.

Citywide purchasing strategies are as follows

- **Best value in meeting community needs and gains in efficiency and/or cost savings:** The cost of each service is evaluated by the Human Services Commission to ensure that City funds are spent efficiently.
- **Leverage collaboration or partnerships with other departments and/or external organizations:** The City's partnership with non-profit human services agencies supports the work of several City departments. Agency contractors must also demonstrate partnerships and collaborations with other service providers.
- **Innovative and creative and Best Practices:** Proposals are evaluated by the Human Services Commission to determine how programs address existing community problems and if and if Best or Promising Practices are being used in providing the services.
- **Eliminate low value-added activities:** The Human Services Commission recommends reducing or eliminating funding where services are not performing and/or there is no longer a demand for the service.
- **Short- and long-term financial impacts:** Investment in human services, especially prevention and early intervention, will result in long-term cost savings by avoiding more costly intervention-based programs.
- **Sound management of resources and business practices:** The Human Services Commission reviews the overall financial stability of contracted agencies, including annual financial statements and independent audits. The requirements for the administration of federal CDBG dollars are even more stringent and are monitored by HUD as well as the State Auditor.
- **Enhance Bellevue's image:** Providing access to affordable supportive human services enhances Bellevue's image as a "City with a heart" and one that is caring and welcoming to all who live, work, or play here.

B. Factors/Purchasing strategies addressed by this proposal – for the OTHER outcome(s)

Many human services programs also address the following outcomes (**Attachment 1**):

Safe Community

Domestic violence and sexual assault interventions.

Improved Mobility

Transportation for frail elderly.

Economic Growth & Competitiveness

Employment services, English-as-Second Language instruction, child care subsidies, etc.

Quality Neighborhoods

Volunteer chore services for seniors, helping limited English-speaking find needed services, support for families, afterschool and summer programs for children and youth, etc.

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C. Short- and long-term benefits of this proposal

Short-term: Bellevue residents have access to needed human services and City funds leverage significant other resources, both public and private. On average, Bellevue's funding is 6% - 10% of the total cost. In the short term, it is anticipated that federal CDBG funding, which reimburses a portion of staff costs, will continue but not increase significantly.

Long-term: Investment in human services, especially prevention and early intervention, results in significant long-term savings for the City by avoiding more costly intervention public safety and criminal justice programs. Following are research based examples of cost savings: 1) a \$1 investment in early childhood development programs saves between \$7-\$8 in future costs, such as incarceration, counseling, and law enforcement; 2) for every child who participates in a high quality preschool program, the public benefit is \$70,000 in avoided crime costs; 3) adolescents whose mothers received in-home support (quality home visitation programs) when they were infants are 55% less likely to have been arrested and 80% less likely to have been convicted of a crime; and 4) the lifetime costs of each high school dropout, in terms of lost earnings and foregone taxes alone, have been conservatively estimated at \$300,000.

D. Performance metrics/benchmarks and targets for this proposal

Contract Management

- **Number of Bellevue residents served** by each human services contract (benchmarks and targets vary by contract and service).
- **Percentage of human services programs meeting contract performance goals** – each human services contract includes the quantity of the service provided, e.g. emergency bednights for homeless, mental health counseling hours, domestic violence crisis calls, etc.

Benchmark: 85% of 2009 contracts met contract performance goals.

Target: 85% will meet contract performance goals.

- **Percentage of successful program outcomes** - each contract requires documentation of program effectiveness through annual outcomes reporting.

Benchmark examples: 95% of families at risk of homelessness maintained their housing for 6 months after receiving rent or mortgage assistance; 89% of adult survivors of sexual assault indicated an increased ability to understand and cope with the trauma, etc.

Target examples: Same as benchmarks

E. Describe why the level of service being proposed is the appropriate level

This funding level is consistent with the Council-approved formula for funding human services, based on inflation and population growth. The amount requested for 2011-2012 funding by non-profit human services agencies greatly exceeds this level of funding by more than \$632,000, or 18%. As a result, the Human Services Commission will make difficult funding recommendations, knowing that many critical human services needs for Bellevue residents will not be met. Monitoring the federally funded contracts adds another layer of accountability and documentation that federal rules and requirements are met. The staffing level for the Home Repair Program is appropriate when considering the 48% increase in the number of households served between 2005 and 2009.

Section 8: Provide Description of Supporting Revenue

Community Development Block Grant (CDBG) Funds: Bellevue receives federal CDBG funds directly from the US Department of Housing and Urban Development (HUD). It is required these funds be used primarily for capital/facility projects, but federal rules allow up to 15% to be used for direct human services and up to 20% for planning and administration costs to manage these federal funds. Total CDBG funds for this proposal are projected to be \$880,807 in both 2011 and 2012. CDBG funds reimburse the City for personnel costs for the

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equivalent of two FTEs in the following positions: Human Services Manager (10%), Human Services Grant Coordinator (25%), Human Services Planning Coordinator (55%), and Administrative Assistants (10%). In addition, CDBG reimburses the City for 100% of the cost of the Home Loan Repair Specialist in the Home Repair Program.

Employee Contributions to the Human Services Fund: City employees donate to the Human Services Fund during the annual charitable giving campaign in the Fall, estimated to be \$10,000 each year.

Interest Income: Annual interest income from the Human Services Fund is estimated to be \$5,000.

Pooled Funding from Other Cities: Bellevue is the lead agency in collaboration with 8 other cities in North and East King County pooling funds in joint contracts with 13 agencies and 24 human services programs. The amount of income from these cities is estimated to be \$899,912 in 2011 and \$917,010 in 2012.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all

1. Legal: N/A
2. Customer Impact: The human services infrastructure, or support services “safety net,” has taken years to develop. It is critical to prevent the erosion of this network because these interconnected systems will be difficult, if not impossible, to rebuild once they are gone. Examples of potentially dire consequences of not investing in human services are: a) Bellevue residents who are homeless will experience worse health problems, mental health issues, and addiction; b) Bellevue youth who lack social and family supports are more likely to engage in at-risk behaviors, e.g. violence, drug use, sexual activity, and school failure; and c) domestic violence victims in Bellevue are at significantly higher risk to develop medical problems, depression, psychological distress, eating disorders, and alcohol/substance abuse issues. There would also be no staff resources to administer the federal CDBG funds. Low- and moderate-income homeowners, especially seniors, would not have access to interest free loans to make health and safety repairs to their homes and the condition of housing stock and neighborhood quality would suffer.
3. Investment/Costs already incurred: The City risks losing federal revenue from HUD for the costs reimbursed by CDBG funds. In addition, a significant amount of Bellevue’s funding for human services is used for personnel costs at non-profit agencies, e.g. staff responsible for providing direct services to clients. Examples include English-as-Second-Language (ESL) Instructors, Emergency Assistance Coordinators, Case Managers, Bilingual Cultural Navigators, Emergency Shelter Site Managers, Food Bank Coordinators, Domestic Violence Advocates, Mental Health and Chemical Dependency Counselors, etc. Eliminating funding for these human services programs would impact 118 individual staff positions, totaling over \$1.2 million. The loss of these jobs would not only have a negative economic impact on the lives of those employees and the communities where they live, but also the lives of the people they help.
4. Other: N/A

B. Consequence of funding at a lower level: Federal funds could be at risk if insufficient resources exist to comply with the complex requirements associated with these funds. Given the demand and gaps in services documented in the *2009-2010 Human Services Needs Update*, a reduction in funding would cause longer waits for services which could have serious consequences in crisis services such as domestic violence shelter, homeless services, emergency assistance, etc. In addition, over 118 staff from non-profit agencies could have their hours reduced or be laid off, thus reducing or eliminating the services they provide to Bellevue residents and potentially resulting in their need for services themselves as clients.

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Section 1: Proposal Descriptors

Proposal Title: Street Trees, Landscaping & Vegetation Management Program		Proposal Number: 100.39A1
Outcome: Innovative, Vibrant and Caring Community		Proposal Type: Reduction of Service
Staff Contact: Dan DeWald/Parks, x6048; Tom Kuykendall/Parks, x7924		One-Time/On-Going: On-Going
Fund: General	Attachments: Yes	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): The ability to execute this program and maintain requested service levels relates to funding in the Enhanced Right of Way and Urban Boulevards CIP 100.74NA & Water Irrigation Conservation Program RFR 100.53NA		

Section 2: Executive Summary

This proposal includes the City’s Street Trees and Landscaping Program that manages over 9,000 trees and 184 acres of landscaping planted and maintained by the City on public ROW improvement projects. These trees and landscapes enhance the aesthetic quality and connectivity of our neighborhoods, provide pedestrian separation and tree canopy in the Downtown, and improve Bellevue’s visual character which attracts businesses and fosters the reputation of Bellevue as a “City in a Park”. This proposal has been reduced 22% from current funding levels, including a 5% reduction in the department’s initial proposal and an additional 17% reduction through the Budget One process. This requires a fundamental shift in the City’s approach to maintenance of landscaping and response to ROW vegetation, including the elimination of essential maintenance frequencies, tree pruning and vegetation control. Staff will prioritize safety related roadside vegetation and hazard tree response and respond to the most critical safety related issues first, with aesthetics and arborcultural pruning and maintenance becoming a secondary priority.

Section 3: Required Resources

OPERATING		
Expenditure	2011	2012
Personnel	\$366,148	\$385,683
Other	463,225	472,413
	<u>\$829,373</u>	<u>\$858,096</u>
Supporting Revenue		
	\$0	\$0
LTE/FTE		
FTE	4.0	4.0
LTE	0.0	0.0
Total Count	<u>4.0</u>	<u>4.0</u>

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

A 22% reduction of the Street Trees, Landscaping and Vegetation Management Program represents a fundamental shift in the City’s approach to maintenance of landscaping and the public safety response to Right-of-Way (ROW) vegetation. This reduction in service would require staff to perform emergency triage and prioritize safety related roadside vegetation mowing and hazardous tree response. This proposal requires the elimination of essential maintenance frequencies, tree pruning, and vegetation control.

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Cost Savings: This proposal reflects service delivery through 2012 at a 22% reduction in the Parks & Community Services general fund budget for Street Tree and Landscaping. Parks' saving will be achieved through reductions in services of temporary employees, utilizing more low-maintenance horticultural practices, and reducing non-essential landscape improvements.

Section 5: Budget Proposal Description

Bellevue's **Street Tree and Landscape Program** provides management and maintenance of the City's CIP investment in trees, landscaping, gateway and neighborhood identity improvements on major arterials and streets in Downtown Bellevue. This program includes contracted tree and landscape maintenance, non-essential and emergency services, arboricultural services, safety inspections, site renovation, contract administration, and plan review project management for multiple departments. Components of the Street Tree and Landscape Program include maintenance of street trees and tree grates, planting strips; and formal landscapes, including turf areas, benches, sidewalks and pathways, trash receptacles and litter service.

The workloads and frequencies performed as part of the Street Trees and Landscaping Program are based on service levels and workloads developed from modes provided by the National Recreation and Parks Association (NRPA). Parks & Community Services used these modes to indicate levels of service in a successful application for accreditation by the Commission for Accreditation of Park and Recreation Agencies. Any reduction of service would have future impacts on maintaining the Department's accreditation. The modes developed by the NRPA include:

Level 1: associated with high-visibility areas that require the highest level of maintenance

Level 2: associated with well developed areas and is the NRPA recommended level for most park areas

Level 3: associated with locations that have moderate to low levels of development or visitation, or because budget restrictions, cannot afford a higher level of maintenance

Level 4: associated with locations affected by budget restrictions

Level 5: one step before the land is allowed to return to its original state

Level 6: land is allowed to return to its original state

The Street Trees, Landscaping & Vegetation Management Program currently maintains 41% of the maintained area in a level 2 mode and 59% of the sites at a Level 3 mode. With an additional reduction of 10% in service level, 41% of the maintained landscape area would drop from service Level 2 to Level 3, and 59% of the maintained landscape area would drop from service Level 3 to 4.

Section 6: Mandates and Contractual Agreements

- **RCW 17.10.140 Owner's duty to control spread of noxious weeds:** Directs the City to be responsible to control the spread of noxious weeds on all properties that it owns or manages, including right-of-ways.
- **RCW 39.12 Washington State Prevailing Wage Statute for Public Works:** Per RCW 39.12, the City of Bellevue is required to pay State set prevailing wages for contracted public works and maintenance contracts.

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

The Street Tree, Landscape and Street Vegetation Management Program addresses the following purchasing factors and strategies:

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Innovative, Vibrant & Caring Communities

- Maintains capital investments of formal landscapes installed as part of the Transportation CIP, Neighborhood Enhancement, Gateways and Urban Boulevards, Neighborhood Investment Strategies, and Environmental Strategies programs. The improved value of these investments is over \$48,000,000.
- Street trees and street landscapes provide a positive memorable experience for those who live in, or visit the community thereby enhancing property values and promoting Bellevue as a place to live, shop, and do business (Attachment 1 & 3).
- Effective response to reported hazards adds to the feeling of well-being in the neighborhoods (Attachment 1 & 3).
- Protects those qualities and characteristics of the physical environment that are unique in the city and help define the “City in a Park” experience.
- Implements and maintains a set of actions under the umbrella of the Environmental Stewardship Initiative adopted by Council in 2007.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s):

Quality Neighborhoods

- This program promotes community use of public spaces.
- This program preserves and enhances neighborhood character and retail centers.

Healthy & Sustainable Environment

- Street trees and street landscapes reduce urban heat, remove pollutants from the air and help manage water runoff as outlined in the *Bellevue Urban Ecological Analysis*. October 2008 (Attachment 2).

Responsive Government

- This program provides for timely and predictable service delivery, providing the public with street maintenance services that they expect.

Economic Growth & Competitiveness

- Street Trees and street landscapes are critical in providing and enhancing the quality of the community’s green spaces, adding to the economic vitality of retail, business and neighborhoods of Bellevue (Attachment 1 & 3).

C. Short- and long-term benefits of this proposal:

Short-term: Continued maintenance of attractive and functional landscapes that enhance boulevards and downtown areas at service levels that public surveys indicate are appropriate.

Long-term: Reduced storm water runoff and potential flooding, increased tree canopy and associated values, reduced water contamination, reduced air pollution, increasingly attractive boulevards, preservation of property values, and improved public safety. If trees are regularly maintained and pruned, their assessed dollar value increases over time. If they are not maintained, they may develop safety issues or become liabilities. (Attachment 2).

D. Performance metrics/benchmarks and targets for this proposal:

- Percent of residents rating appearance of Bellevue parks and facilities as very good or excellent (Target 95%, Actual 95% in 2009)
- Percentage of residents who agree that Bellevue has attractive neighborhoods (Target 90%, Actual 89 in 2009)
- Cost per square foot to maintain ROW landscapes (Target 19 cents per square foot, Actual in 2009 19 cents)
- Number of hazardous tree report responses (Target 200, Actual 282 in 2009)

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E. Describe why the level of service being proposed is the appropriate level:

This proposal funds street tree and landscape management and maintenance at a minimal level, meeting basic public safety requirements, but eliminating or severely reducing regularly schedule maintenance of street ROW areas.

Section 8: Provide a Description of Supporting Revenue N/A

Section 9: Consequences of Not Funding the Proposal

A. Consequence of funding at a lower level:

1. Legal: RCW and Washington State requirements for maintenance of right-of-ways and noxious weed removal. By not addressing sight line hazards, hazardous tree issues, and other public hazards, the city is increasing risk management issues, including the likelihood of increased liability claims.
2. Customer Impact: Decrease in aesthetics when driving or walking on city streets, decrease in adjacent property values, potential increase in traffic accidents, decrease in traffic mobility, decrease in customer satisfaction, increase in liability and risk exposure to the City. Reduced maintenance will impact the visual quality of the City's neighborhoods, retail centers, and Downtown degrading Bellevue's reputation as a "City in a Park". Maintain aesthetic quality and connectivity of our neighborhoods by maintaining attractive and functional street trees and landscaping is important in attracting business and residents to our community. Reductions in neighborhood aesthetics will impact property values.
3. Investment/Costs already incurred: The City has invested in excess of \$48,000,000 in formal landscapes installed as part of the Transportation CIP, Neighborhood Enhancement, Gateways and Urban Boulevards, Neighborhood Investment Strategies, and Environmental Strategies programs. If maintained in a proactive manner, street trees and landscapes are City assets that improve in value and function over time. If not proactively maintained, they become liabilities. Other: Public safety compromised, water quality compromised, reduction in environmental benefits as trees decline and are not replaced.

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Section 1: Proposal Descriptors

Proposal Title: Downtown Livability		Proposal Number: 115.05NN
Outcome: Innovative, Vibrant and Caring Community		Proposal Type: New Service
Staff Contact: Emil King, x7223		One-Time/On-Going: On-Going
Fund: General Fund	Attachments: No	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): None		

Section 2: Executive Summary

This proposal provides resources for refining the design guidelines, zoning incentive system, building form and height provisions, parking standards, and other regulations that are the foundation for development in Downtown Bellevue. These elements need to be updated prior to the next development cycle. This work stems from the Downtown Implementation Plan, which concluded that Downtown’s competitive edge will increasingly depend on creating and maintaining a viable, livable and memorable environment in our urban center.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$0	\$109,429
Other	\$0	\$175,000
	\$0	\$284,429

Supporting Revenue	2011	2012
	\$0	\$0

LTE/FTE	2011	2012
FTE	0.0	0.0
LTE	0.0	0.0
Total Count	0.0	0.0

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Internally, this proposal will be a collaboration among PCD, DSD, Transportation, and Parks & Community Services. Externally, the process will include critical input from the design and development communities to help identify and review key issues and alternatives.

Section 5: Budget Proposal Description

The Downtown amenity incentive system, design guidelines, and building envelope (form and height provisions) are the critical “DNA” that guides the character and quality of Downtown Bellevue. To create a more livable, memorable, walkable urban center, these elements must set the right direction. In as dynamic a center as Downtown Bellevue, perhaps it is surprising that these provisions have not been significantly amended for several decades. The City now faces a pressing need to update these elements, in order to improve the pedestrian environment, integrate “Great Streets” concepts, create more inviting public spaces, address the cohesion and livability of Downtown’s emerging residential neighborhoods, and integrate newer concepts from the Downtown Implementation Plan and recent design experience.

This proposal aims to make Downtown Bellevue a more livable place by updating much of the design framework that guides private and public development, involving both technical work and significant engagement of

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citizens who live, work, and own property in the area. It is proposed at the 1.0 LTE level for the 2012 calendar year and include \$175,000 in consultant resources to assist in review and development of design guidelines, allowed heights and densities, and a re-tooled incentive system based on market economics and desired public amenities. The project will likely take up to 2 years to fully complete. If started in 2012, it would extend out into 2013. If this project is moved to a 2011 start date, then additional resources (LTE and consultant funds) would be needed in 2012 to complete the project.

A public process will engage a full range of downtown stakeholders, with review and recommendations by the Planning Commission and ultimate adoption of desired changes by Council. The major components of this proposal will include the following:

Amenity Incentive System: This component updates the Downtown amenity incentive system whereby additional building square footage and height are earned by providing identified features deemed to have special public benefit. The existing framework dates back to 1981. Neither the specific bonus features nor bonus rates have been updated over the past quarter century to respond to changes in the Downtown environment and market.

Building Form and Height: This component includes analysis of building height and form to determine if there are specific areas where increases may be warranted in return for additional public amenities or with density transfer opportunities. This would be done consistent with the long-standing “wedding cake” framework of tiered heights from the tallest in the core to progressively shorter buildings at the edges of downtown.

Design Guidelines: Current design guidelines govern building/sidewalk relationships, the perimeter (edges) of downtown, the core of downtown, Old Bellevue, the Civic Center District, and downtown as a whole. Varying levels of success have been achieved by projects built under these guidelines. This component would refine existing guidelines to gain a stronger architectural interest, help reflect downtown neighborhoods, and improve public open space and the pedestrian environment.

Downtown Parking: Parking is a key piece of the land development equation. It needs to respond to shifts in demand, promote multi-modal mobility, and reinforce economic vitality. This component would result in parking ratios and design standards to meet future needs, considering downtown mobility implications.

This proposal would also have a relationship, though not parent/dependent, to the Pedestrian Corridor CIP proposal (115.06NN) to advance the vision for NE 6th Street within downtown.

Section 6: Mandates and Contractual Agreements

N/A

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

PRIMARY OUTCOME: INNOVATIVE, VIBRANT AND CARING COMMUNITY

Opportunity for Interaction: This proposal will foster opportunities for interaction by improving the variety and quality of public spaces and activities available within downtown. A key outcome is a revised framework for public spaces and associated amenities built through new development. Within downtown, many of these public spaces are right at the center of where work, home, and leisure come together because of the close-knit nature and proximity of jobs, residents, shopping, and dining. These will help build social bonds by fostering more informal interactions by people from different backgrounds that might not otherwise interact.

Built Environment: This work will directly improve community design and downtown livability. It will create a positive, more memorable experience for those who live, work, or visit downtown. The design guidelines and how urban form is treated, defines the look and feel of the built environment from the pedestrian’s perspective. Design guidelines aim to ensure that all individual components fit together in a complementary and comprehensive manner. Improving outdoor spaces and connections via sidewalks and through-block

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connections, will make downtown a more walkable, people-oriented place encouraging personal activity and health.

Involved Citizens: This proposal will inform and involve citizens. The work to update the land use code is built around a full public involvement process that would include, among others, an emerging set of stakeholders – downtown residents. This will provide an opportunity for them to become involved in character issues relating specifically to the downtown neighborhood, and meet others who are interested in civic engagement.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s):

SECONDARY OUTCOME: QUALITY NEIGHBORHOODS

Sense of Community: This work will help foster the sense of downtown as a series of unique neighborhoods. What is still viewed as a somewhat homogeneous area with little differentiation in character, downtown will be examined with a critical eye towards furthering the sense of distinct neighborhoods as envisioned in the Downtown Subarea Plan. This proposal will build neighborhood capacity as it involves downtown residents as part of the process to rethink what public amenities are most important as we move forward.

Facilities & Amenities: This proposal will improve the quality of public amenities including open spaces and plazas. There will be a greater number and heightened sense of design aesthetic and function for these public gathering spaces.

Mobility: A key part of the downtown transportation system is the pedestrian environment, including sidewalks and through-block connections. This proposal will incorporate the Great Streets concepts into the downtown land use code. By making downtown a more walkable place by providing safe and convenient connections, the reliance on the automobile for short trips will be reduced.

SECONDARY OUTCOME: ECONOMIC GROWTH AND COMPETITIVENESS

Community Policy, Planning & Development: The amenity incentive system is a zoning provision that applies to all downtown development. It is important for it to reflect today's economics. The current Code and incentive system should be improved to reflect today's market realities and provide greater flexibility in implementing desired amenities. This proposal will reassess the underlying assumptions of the incentive system and update them to current economics. This proposal also addresses the economics of parking as part of the development equation.

Quality of Community: This proposal will enhance downtown's sense of place by improving the quality of the built environment. This will include new guidelines to reflect the latest thinking in desirable urban form and design treatments, a refined set of public amenities, and enhanced streetscapes on downtown streets.

SECONDARY OUTCOME: IMPROVED MOBILITY

Built Environment: This proposal addresses mobility in two important ways. The first is improvement of the pedestrian system within downtown through refinements to the building/sidewalk interface. The second is the work on parking standards that will respond to shifting demands and promote multi-modal mobility.

CITYWIDE PURCHASING STRATEGIES

The proposal also most closely addresses the following citywide strategies.

- **Provides the best value in meeting community needs** by reexamining the list and calibration of the public amenities that are part of the downtown incentive system. These amenities would otherwise need to be provided by others such as the city.
- **Leverages collaboration or partnerships with other departments and/or external organizations** by utilizing a One-City approach to the work program and engaging and collaborating with key organizational stakeholders such as the Bellevue Downtown Association.
- **Is a catalyst for increasing citizen participation and support** by engaging long-standing and new stakeholder groups. Downtown residents have shown early interest in civic engagement and neighborhood building.
- **Considers short- and long-term financial impacts** by doing work in the near-term to set up the City for

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longer-term benefits in the form of new development in line with new implementing regulations.

- **Enhances Bellevue's image – "Beautiful View"** by raising the bar of architectural quality within downtown as well as improving the look, feel, and activity of the sidewalk environment.

C. Short- and long-term benefits of this proposal:

In the short-term, a new set of implementing regulations would be developed through a public process and adopted by Council prior to the next development cycle. The public process would help build engaged citizens (especially those living downtown). Long-term the results would be evident as new development occurs as it would be consistent with the updated design framework.

D. Performance metrics/benchmarks and targets for this proposal:

The following could be used to measure the effectiveness of this proposal:

- Array of public amenities that are pursued through the amenity incentive system.
- Percent of residents who feel the City is fostering a sense of neighborhood in the Downtown Subarea.
- Percent of residents who feel the downtown street/sidewalk environment is improving.
- Feedback from the public on the architectural quality of the built environment in downtown.

E. Describe why the level of service being proposed is the appropriate level:

A 1.0 LTE level over the course of 2012 is the minimal amount needed to staff an initiative of this size and complexity. In addition, \$175,000 in consultant resources is necessary to assist in review and development of design guidelines, allowed heights and densities, and a re-tooled incentive system.

Section 8: Provide a Description of Supporting Revenue

N/A

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. Legal: N/A
2. Customer Impact: The City faces a pressing need to update the Downtown code and design guidelines, in order to improve the pedestrian environment, integrate "Great Streets" concepts, create more inviting public spaces, address the cohesion and livability of Downtown's emerging residential neighborhoods, and integrate newer concepts from the Downtown Implementation Plan and recent design experience. The project cannot occur if not funded, affecting Downtown residents, workers, visitors, tenants and developers. This work needs to be done, and timing is of the essence:
 - These Code amendments and design guidelines will leverage millions of dollars in public and private investments
 - A development lull is excellent timing for accomplishing Code changes
 - As the economy recovers in the next several years, there will be a tremendous lost opportunity if these Code amendments are not in place
 - The re-construction and mitigation associated with upcoming Sound Transit light rail construction will be influenced by this work.
3. Investment/Costs already incurred: N/A
4. Other: N/A

B. Consequence of funding at a lower level: This proposal represents the minimum necessary to undertake this work program in a comprehensive manner. Funding at a lower level would mean this project could not occur.

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Section 1: Proposal Descriptors

Proposal Title: Arts Core Program		Proposal Number: 115.09A1
Outcome: Innovative, Vibrant and Caring Community		Proposal Type: Reduction of Service
Staff Contact: Mary Pat Byrne, x4105		One-Time/On-Going: On-Going
Fund: General	Attachments: Yes	Enter CIP Plan #:
List Parent/Dependent Proposal(s): 115.09DN is a dependent proposal		

Section 2: Executive Summary

The Arts Core Program’s purpose is to develop and support a strong network of arts and cultural organizations that serve Bellevue residents by providing opportunities to engage in arts of all kinds and at all levels. These cultural activities contribute uniquely to Bellevue’s quality of life and establish Bellevue as the arts and cultural center of the Eastside. **This proposal will purchase** 1) Arts Commission liaison and support services; 2) an update of the City’s Arts and Cultural Plan, the *Cultural Compass*; and 3) public information, and partnerships with regional and national organizations that benefit Bellevue. **Reducing the funding of arts organizations (\$80,000) along with previous savings proposed (\$15,000) will decrease the Operating budget by 22%, (\$95,000.)**

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$104,165	\$109,663
Other	\$94,500	\$97,500
	<u>\$198,665</u>	<u>\$207,163</u>

Supporting Revenue

	\$0	\$0
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LTE/FTE

FTE	1.0	1.0
LTE	0.0	0.0
Total Count	<u>1.0</u>	<u>1.0</u>

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

SAVINGS: Reducing the funding of arts organizations (\$80,000) along with previous savings proposed (\$15,000) will decrease the Operating budget by 22%, (\$95,000.)

COLLABORATIONS & PARTNERSHIPS: Principle collaborations and partnerships for 2011-12 include: **ArtsFund** (private, regional arts funder), conducting Economic Impact of the Arts study with break-out figures for the Eastside; **Eastside Arts Coalition**, participating in coalition activities such as providing technical assistance to Eastside Arts Groups; **4Culture Site Specific Program**, jurying and co-sponsoring inventive artist performances in non-traditional locations in Bellevue; **Bellevue residents**, updating the *Cultural Compass* (adopted by Council in 2004); **Parks Dept.** Recreation Division, providing rehearsal and performance venues for artists in exchange for workshop participation and other services benefitting Bellevue residents; **Economic Development division:** consulting on international cultural matters as needed e.g. provided advice and expertise on the Gandhi Statue project and on local Indian festival development; served as city’s cultural representative at functions with Indian Consulate and Ambassador.

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Section 5: Budget Proposal Description

The Arts Core Program is the City's only program that nurtures the entire network of arts and cultural activity, artists, and arts organizations in Bellevue. Other programs, public and private, support narrowly defined areas of arts activity such as programs for children, entry level programs, or programs serving only certain disciplines such as music or fine arts. The Arts Core Program works with the community to map out a comprehensive course for developing and sustaining the community's arts and cultural assets, Bellevue's *Cultural Compass*. Through strategic use of City resources and guidance from the Bellevue Arts Commission, the Program helps implement the *Cultural Compass* with public information and technical assistance. Program staff also manages the Public Art Program funded through the CIP. One of City Council's long-held visions is to establish Bellevue as the cultural heart of the Eastside. Bellevue's Comprehensive Plan includes the goal "to encourage and support the arts as a vital part of community life." Addressing these two directives form the basis of the Arts Core Program. **Program components are:**

Arts Commission (BAC) Liaison and Support. The Arts Commission was established in 1973 with aim of advising Council on arts and cultural issues. Working with staff, the Commission also guides the development of arts projects funded under the Arts Core Program and the CIP-funded Public Art Program. Program staff supports the Commission's work by coordinating meetings, developing information and meeting content; implementing projects; and keeping the Commission informed on City initiatives and issues that provide opportunities to achieve *Cultural Compass* goals. Staff coordinates opportunities for Commissioners to represent the City on panels and committees dealing with topics that include the arts. Staff also coordinates and prepares commissioner presentations to community and Council and reports to Council on Program activities as needed.

Cultural Compass tracking and limited update. As the City's guiding framework for cultural investments, the *Cultural Compass* is used as a reference by the Arts Core Program and other city programs such as Parks Department programs. Significant changes and developments in Bellevue since 2004 are likely to alter priorities on how our limited resources should be used for cultural investments. A limited update means a staff-managed process that engages community members through a variety of means in considering a series of key arts development issues facing the community, including many which did not exist when the plan was adopted in 2004. Examples include opportunities for public art for East Link stations and surrounding areas, Downtown's transformation including its new residential neighborhood, Bel Red subarea plan policies identifying a new Bel Red arts district, and the Commission's strategic vision for the public art program, adopted by Council, which includes the art walk, public art in the neighborhoods and increasing developers' use of public art.

Community and City Dept. Resource/Liaison, Consultant. Program staff is a central information source on arts and culture for the city and the region. Staff provides expertise and information, responding to Council, staff and citizen inquiries on arts matters, and consults and collaborates with other departments. For example, program staff provides the Economic Development division annual data on the number of businesses and employees in Bellevue that are engaged in "creative industries" based on figures compiled by Dunn and Bradstreet.

City representative in regional arts efforts. Program staff participates in regional efforts that bring information, resources and desirable opportunities to Bellevue and that make us an effective regional and national partner.

Section 6: Mandates and Contractual Agreements

The Arts Commission and its broad duties are enabled by city ordinance, City Code Ch. 3.56. The Comprehensive Plan Urban Design element's Goal 8 provides the program's goal, "To encourage and support the arts as a vital part of community life."

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Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome: IVCC

Increases awareness and access to services from City or other organizations. Receiving 40,000 hits in 2009, Arts Program web pages are well-used by the public. Page content focuses on public art projects, the Eastside Arts Partnerships and Special Projects funding programs and the *Cultural Compass*. Common requests for more information include public art maps, organizations funded, and status on specific public art projects. This proposal includes expanding program information on the website to increase its usefulness for Bellevue residents and artists serving Bellevue residents.

Involve Citizens: Bellevue's Cultural Plan, the *Cultural Compass*, provides a broad framework of goals and objectives for developing and fostering the cultural life of our community. Goals address 1) sustaining Bellevue's arts organizations and artists; 2) supporting economic development, 3) supporting arts education for all ages; 4) embracing the cultures of newcomers to Bellevue; 5) developing and supporting cultural facilities; 6) increasing support from businesses; and 7) resetting goals and updating processes for the Public Art Program. Since Council's adopting the Plan in 2004, new challenges and opportunities, some with limited windows of opportunity, have emerged and the community needs to discuss what priorities should be set to address these new conditions.

The *Cultural Compass* Update will engage citizens in a process to assess where we are today in achieving our goals, to examine new challenges that have developed since 2004, and to set priorities in line with limited city resources and community resources. Approximately 250 citizens participated in developing the 2004 plan. For the update we will use current technology and Neighborhood Outreach division resources to broaden participation including those for whom English is a second language.

Build social bonds: Arts participation has a strong correlation to civic engagement and social activities. People who engage in the arts are active in their communities in other areas as well. The presence of arts activity is an indicator of civic engagement (NEA Civic Engagement Study Brief attached).

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcomes:

CITYWIDE PURCHASING STRATEGIES: 1) **Provide best value:** Program costs are minimal beyond staff time.

3) **Leverage collaboration w/other depts. and/or external organizations** The Arts Core Program collaborates with **Parks** and **Economic Development** within the city. The Arts Program will work with Parks to give artists/arts groups greater access to parks facilities for rehearsal, performances, workshops, in exchange for benefits to citizens such as scholarships and free tickets. It will provide ED with information on economically significant cultural events and arts economic data.

4) **Catalyze increased citizen participation & support.** 1) *Cultural Compass* tracking and update will engage community in evaluating progress and updating objectives. 2) Increased web information will make it easier for residents to participate in Arts Core Program projects.

6) **Best Practices:** Updating *Cultural Compass* will keep Bellevue's cultural plan relevant and effective.

ECONOMIC GROWTH AND COMPETITIVENESS: Build upon, participate in & leverage local, national & international relationships. Cultural exchange a fundamental means of establishing international relationships. Arts Core Program staff consult with ED program staff on cultural matters related to international business events such as visits from dignitaries and delegations, gifts, and local arts resources that may be useful in relationship-building.

Maintain close connections with/access to info about local business trends. Participating in the Economic Impact of the Arts Study for King County conducted by ArtsFund will provide separate figures for the Eastside.

Enhance the Arts. This entire proposal is geared towards enhancing the arts for the community.

Provide events, tourist attractions and community amenities... Staff is a key information source and advisor, and provides the first point of contact for arts groups and events coming to the community.

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RESPONSIVE GOVERNMENT – Community Connections Factor, Engage the Community strategy: This proposal includes staff necessary to support and collaborate with the Arts Commission (BAC). Commissioners are selected from the community by City Council to represent the community's arts and cultural interests to the City. This proposal will also buy a process to engage the community in evaluating progress implementing the *Cultural Compass* and updating its objectives.

C. Short- and long-term benefits of this proposal: **Short term:** Conducting a limited update of the *Cultural Compass* will efficiently use limited City resources to produce useful information on our arts community's status and community priorities for the future. **Long term:** A limited update of the *Cultural Compass* now will provide essential information on how the Arts Program should be re-positioned for the future and will provide the community with a reasonable process for determining which of the current opportunities it wishes to pursue.

D. Performance metrics/benchmarks and targets for this proposal: 1) *Cultural Compass* update completed and report published; 2) Increased web site hits and subscribers to arts web pages.

E. Describe why the level of service being proposed is the appropriate level. This proposal is a requested modification which eliminates the only funding program supporting artists and arts organizations working in Bellevue. It is not considered the appropriate level of service.

Section 8: Provide a Description of Supporting Revenue

In additional to COB general fund, we anticipate receiving small grants from 4Culture (under \$10,000).

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

Customer Impact: This revised proposal eliminates funding programs for artists and arts groups, Eastside Arts Partnerships and Special Projects.

1. This is the only source of City funding for artists and arts organizations serving Bellevue residents. This funding is how we leverage significant community benefit from very limited City resources, enabling these organizations to provide services that the City itself cannot provide. Recognized as a best practice by leaders in the field such as ArtsFund, 4Culture, and Washington State Arts Commission, our funding is designed to build capacity for arts organizations such as the Bellevue Arts Museum, the Bellevue Philharmonic Orchestra, and many others. Eliminating this funding, especially during these tough economic times, could seriously impact the viability of these organizations. The City has worked for years to help them build capacity; a two-year lapse in our support would be a setback to these efforts lasting far longer than two years. For example, the Bellevue Philharmonic Orchestra's future is in jeopardy as it continues trying to recover from earlier management errors. While it has corrected the errors, recovery has been impossible because of the economy. The orchestra's artistic quality is excellent; it's administrative capacity to raise funds and reach audiences is minimal. Eliminating City funding will almost certainly close the orchestra. Earlier this year, after receiving an financially attractive offer to move its productions to Renton, our only professional theater Bellevue Civic Theater decided to stay in Bellevue. They told us City funding is part of the reason they chose to stay. In 2010 we are funding 17 special projects. Eight of these would not take place without our support. City funding for all others was a key factor in the ability of those artists and organizations to bring their work to Bellevue.
2. People of limited financial means would be penalized by having fewer scholarships available for arts learning organizations such as the Bellevue Youth Symphony Orchestra and Music Works Northwest, a community music school. There would be fewer free performances and fewer opportunities for residents to participate in arts activities of their choice. For instance, one highly accomplished local choral group would have to give fewer performances or stop performing altogether. Another faces similar difficulties because City funds help pay for both rehearsal and performance space.

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3. These funding programs have been increasingly effective in encouraging new residents to share their artistic and cultural skills with the larger community. Foreign language announcements for funding opportunities began to draw inquiries in 2009. This promising avenue for engaging people otherwise isolated by language barriers or lack of information about cultural opportunities, would lose this promising avenue to community engagement.
4. Without this funding, Bellevue becomes unable to attract new artists and arts organization and grow its arts community. For example, a desirable organization receiving funding from the City of Seattle would not consider giving up that funding to move to a city offering no funding.
5. Funding applications and follow-up reports provide critical data on the financial and managerial health of local arts groups as well as data on how well they are serving the community. With no funding program requiring organizations to provide this information, we would lose our knowledge of the status and health of our arts community.
6. The community would lose the long-term benefit of innovative ground work underway to seed a new arts district in Bel-Red. Arts Districts take years to establish, and the best time to seed an arts district is before property values go up. In 2010 we took early steps towards building a Bel-Red arts district by funding two projects that together provide art and build relationships with Bel Red businesses. Eliminating this funding would shrink the already-limited time window for affordable arts investments in a Bel Red arts district.

Investment/Costs already incurred: None

Other: 1) This revised proposal eliminates the only program, public or private, dedicated to supporting artists and arts groups serving Bellevue. 2) Eliminating the funding programs would be expected to draw negative press for the City, calling in to question our desired image of Bellevue as a creative/innovative city. 3) It has an impact on decisions of regional and national funders such as 4Culture, Washington State and the National Endowment for the Arts who consider local support a key measure of an organization's merit.

B. Consequence of funding at a lower level: This revised proposal was not asked to address this question.

2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: Downtown Transportation Plan Update		Proposal Number: 130.05A3
Outcome: Improved Mobility		Proposal Type: Existing Service
Staff Contact: Kevin O’Neill, x4064		One-Time/On-Going: One-Time
Fund: General Fund	Attachments: No	Enter CIP Plan #:
List Parent/Dependent Proposal(s): Downtown Transportation Plan CIP Proposal 130.05A2		

Section 2: Executive Summary

This proposal would expand upon current Downtown transportation planning to identify roadway and transit improvements needed to prevent gridlock and ensure downtown mobility through 2030. The proposal will build on current work to identify specific improvements to roadway operations and transit service to determine how best to link buses to the future light rail system. The latest planning data predicts the Downtown transportation system, including currently programmed roadway and transit improvements, cannot accommodate planned growth over the next 20 years. This scenario assumes budgeting consultant costs directly in the CIP Proposal 130.05A2.

Section 3: Required Resources

as of 08/05/10

OPERATING		
Expenditure	2011	2012
Personnel	\$116,134	\$122,096
Other	1,574	1,590
	<u>\$117,708</u>	<u>\$123,686</u>
Supporting Revenue		
LTE/FTE		
FTE	0.95	0.95
LTE	0.00	0.00
Total Count	0.95	0.95

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

The project would **leverage collaborations** with other City departments (particularly PCD) and Downtown stakeholders, including the Bellevue Downtown Association. **Cost savings** will be achieved by using city staff to do most of the computer modeling work that predicts travel demand and its impact on the transportation system, allowing consultant dollars to be spent on specialized tasks that cannot be undertaken by City staff. The project will use **innovative** operational modeling software (called VISSIM) that simulates all travel movements in Downtown (car, bus, light rail, and pedestrian), and can be linked with visual simulations of future Downtown buildings. The project will build upon an innovative pilot project undertaken by the City of Bellevue and the Puget Sound Regional Council looking at how different modes of transportation can meet the needs of future growth.

Section 5: Budget Proposal Description

Downtown Bellevue is the City’s primary economic and growth center, and a key urban center within King County. The Downtown Subarea Plan was updated in 2004 after a major community planning process that resulted in the Downtown Implementation Plan, or DIP. In order to ensure mobility in the Downtown, the

2011-2012 Budget Proposal

Bellevue Mobility Initiative was identified in 2008 as a strategic initiative by the City Manager's Office. One component of the initiative is to extend the Downtown Subarea Transportation Plan to 2030, consistent with the time horizon for other recent planning efforts, such as the Bel-Red Subarea Plan update and East Link analysis. City Council funded this effort for the 2009-2010 budget, but the vast majority of funding and staff time has been diverted to analyzing Downtown East Link light rail alternatives. This proposal will in part build and expand on that effort, and identify a full list of transportation improvements needed by 2030, consistent with the Council's earlier direction.

A focus of the new effort will be to identify specific improvements to the transit system needed to meet "mode split" targets for the percentage of commute trips by transit versus trips in single occupancy vehicles. The Downtown Implementation Plan assumed 40 percent of commute trips would be on transit by 2020. The Downtown Subarea Plan also forecast that a doubling of transit service, and a quadrupling of transit ridership, will be needed to support 2020 land use. Even more transit service will likely be needed by 2030 to serve additional growth. The Downtown Transportation Plan Update would look at improvements to other transportation modes to serve future Downtown development, and also include a look at necessary regional general purpose capacity, such as express lanes on I-405. Finally, the project will assess potential changes to the City's concurrency system relating to Downtown. Components of the proposal will include:

- Identify short-term improvements already planned for Downtown, and document their effectiveness.
- Update the 2030 baseline transportation network for Downtown, using data produced in the analysis of East Link light rail alternatives. This baseline would then be used as a way to evaluate future work.
- Identify and evaluate the performance of specific transit improvements, such as new routes and more frequent headways on existing routes.
- Identify and evaluate the performance of programmed changes to the regional system, how they serve Downtown Bellevue, and impacts to the local street system.
- Develop a Downtown transportation/transit plan for 2020 and 2030, with a phased implementation strategy.
- Identify specific traffic operational improvements to be implemented in Downtown.
- Identify proposed changes to the Downtown level of service standard and concurrency, to ensure that all travel modes in Downtown are being taken into account.

The work will be accomplished with .95 FTE in Transportation Planning and modeling. The project would also be supported by a \$350,000 consulting budget that would be funded out of the CIP. This type of project is generally appropriate for consultant assistance, in that a multi-dimensional consultant firm or team could bring several areas of expertise to the project to support staff: additional modeling support; operational analysis of any proposed or alternative downtown intersection or channelization changes; identification of greenhouse gas (GHG) or vehicle miles travelled (VMT) benefits of different alternatives; more focused identification of surface transit improvements, etc. **Collaboration** will be done with PCD staff as well.

Section 6: Mandates and Contractual Agreements

No specific mandates. Downtown Bellevue is a designed regional growth center in the regional Vision 2040 plan, and is an urban center in the King County Countywide Planning Policies. Under the countywide planning policies, cities with urban centers need to make provisions in their comprehensive plans for supporting pedestrian, bicycle, and transit use, and limit the use of single-occupant vehicles for commuting. While there are programs in place (such as the City's transportation demand management program) to reduce commuter trips, this proposal will look comprehensively at Downtown transportation and land use trends in the longer term, and identify strategies to ensure mobility and adequate transit service into the future.

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Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

The primary outcome for this proposal is Improved Mobility since the focus of the work is specific to transportation planning (the 2030 land use forecasts and zoning for the Downtown have been established). This proposal primarily responds to the factor/purchasing strategy relating to **Existing and Future Infrastructure**, specifically relating to **plan to accommodate future demand**. As noted, the Downtown is the City's main growth center, accommodating approximately 75 percent of the city's planned residential and employment growth to 2020. Planning and modeling work done to date to evaluate Downtown East Link alternatives shows that by 2030 Downtown will be more congested than the City's adopted level of service standards allow, which threatens achieving the land use vision. Daily person trips will grow from 350,000 in 2008 to 695,000 in 2030. The proposal responds to the **Built Environment** purchasing strategy (specifically **promote and support the economic vitality of the city**) by ensuring that Downtown's transportation system can accommodate future employment growth (estimated to be 79,000 jobs by 2030, up from 44,000 today). The proposal also responds to **Traffic Flow**, since transportation modeling shows significant congestion in Downtown in 2020 and 2030 and a number of extremely congested intersections that, if not addressed, will inhibit movement for cars, carpools, and buses. Analysis work done to date shows that by 2030 the core of Downtown will have 12 intersections at or near Level of Service F, which means long delays and congestion. Finally, the proposal also responds to the **Travel Options** purchasing strategy (specifically **ensure that the full range of travel choices are integrated into local and regional planning**) since a focus of the work will be to identify the transit system needed to support projected land use growth and the type of transportation options needed for the Downtown street system to function for all users. Again, based on current planning work to date, the transit mode split for Downtown, under current assumptions, will only produce a 32 percent transit mode split. This is below the assumption made for 2020 in the DIP, and not enough to ensure overall mobility in Downtown by 2030.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s):

The proposal responds to several other Outcomes and factors/purchasing strategies, including:

- Innovative, Vibrant & Caring Community – **[BUILT ENVIRONMENT]**. This proposal responds to the purchasing strategy relating to “accommodate future growth and development in terms of demographics, amount, location, design, environmental factors, and **infrastructure**” (emphasis added). This is critical for Downtown since it's the City's primary growth center, and the major regional center in East King County.
- Economic Growth & Competitiveness – **[INFRASTRUCTURE]** Downtown Bellevue is a major employment center for the City and for the Eastside. The future economic viability of Downtown as an employment center depends on it having a multi-model transportation system that can accommodate future growth. Business executives from corporations located in the downtown area (including Microsoft, Expedia, and Symetra) have gone on record stating that convenient access to the Bellevue Transit Center is a significant reason to locate their business Downtown.
- Healthy and Sustainable Environment – **[CLEAN AIR]** Approximately 50% of greenhouse gas (GHG) emissions in the Puget Sound region come from transportation (generally emissions from car engines). Given that Downtown is the City's major growth center, and most densely developed area, identifying strategies for travel to, from, and within Downtown via modes of transportation other than the car is critical for the City to meet its GHG reduction goals, as established by the city's Environmental Stewardship Initiative.

C. Short- and long-term benefits of this proposal: In the short term, the proposal will help address questions that often come from stakeholders (including Council members) about what type of overall transit system is needed (in terms of new routes, headways, etc.) to serve Downtown, now and in the future. In the longer-term, the proposal will ensure that a multimodal transportation system is identified that can serve Downtown's projected growth.

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D. Performance metrics/benchmarks and targets for this proposal:

- Identifying and evaluating (through transportation modeling) a Downtown transportation system that meets the identified level of service standard (current, or as amended) for the Downtown Bellevue Mobility Management Area (MMA) in 2030.
- Identifying and evaluating (through transportation modeling) a Downtown transit system that at meets (or exceeds) the identified transit mode split target (40 percent) in the current Downtown plan by 2030.

E. Describe why the level of service being proposed is the appropriate level: This is work that both requires complex technical assistance (in terms of planning and transportation modeling and operational analysis) and will likely include **significant stakeholder involvement**. The staff resources identified will support overall project management, public involvement, and much of the technical work. The rest of the technical work will be supported by consultants (that expense is captured in the accompanying CIP proposal).

Section 8: Provide a Description of Supporting Revenue

None identified.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all

1. Legal: No immediate concerns, although transportation analysis done to date indicates in the longer term (by 2030) Downtown Bellevue will not meet adopted (by plan and code) concurrency standards.
2. Customer Impact: Downtown stakeholders from the BDA have expressed concern on several occasions about whether the transit system that is currently in place can serve the long term needs of the Downtown, and what are specific improvements that are needed to ensure that it can. This proposal **will be a catalyst for increasing citizen participation** by working in conjunction with Downtown stakeholders, and would help determine the answers to those questions; not undertaking the proposal, on the other hand, would leave those questions and concerns unanswered.
3. Investment/Costs already incurred: The City spent significant resources (both staff and consultant) earlier in 2010 to evaluate several light rail alternatives in Downtown Bellevue, using a 2030 time horizon. This analysis showed that the currently identified future transportation and transit system cannot accommodate forecasted downtown growth. Not doing this proposal would leave those issues unaddressed.
4. Other: N/A

B. Consequence of funding at a lower level: Funding this proposal at a lower level would make it difficult to complete the project. Staff has been identified in Transportation Planning to manage the project (and the consultants who would be supported in the accompanying CIP proposal) and that work would include planning and public involvement support. Modeling staff would be involved to do most if not all of the travel demand modeling to support the project, with some accompanying operational analysis. Reducing either the planning or modeling support would mean likely having to increase the consultant scope and budget, perhaps significantly if all modeling had to be done by consultants.

2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: East Link Overall		Proposal Number: 130.07PA
Outcome: Improved Mobility		Proposal Type: Enhancing an Existing Service
Staff Contact: Bernard van de Kamp, x6459		One-Time/On-Going: On-Going
Fund: General Fund	Attachments: No	Enter CIP Plan #:
List Parent/Dependent Proposal(s): This is a parent proposal. Dependent proposals include: <ul style="list-style-type: none"> • East Link Tunnel Funding Package and Project Umbrella Agreement • East Link Analysis and Development CIP proposal 		

Section 2: Executive Summary

This proposal will allow for continued City of Bellevue involvement in the East Link light rail project. East Link is a voter approved \$2.5 billion extension of light rail that will connect Bellevue with Overlake, Mercer Island and Seattle. It will support the continued growth and development of downtown Bellevue and the redevelopment of the Wilburton and Bel-Red areas. This project is “owned” by Sound Transit, which will complete environmental review and will advance the project’s design during 2011-2012. The City’s role is to ensure that the project matches the objectives of south Bellevue, downtown, the Hospital District, Bel-Red, and Overlake neighborhoods, and the city overall. This complex project is a major focus for the City Council and broader community. It is viewed as a transformational project that will shape development in Bellevue for at least the next 50 to 100 years.

Section 3: Required Resources

09/19/10

OPERATING		
Expenditure	2011	2012
Personnel	\$1,195,263	\$1,257,527
Other	23,402	23,837
	<u>\$1,218,665</u>	<u>\$1,281,364</u>
Supporting Revenue		
	\$1,218,665	\$1,281,364
LTE/FTE		
FTE	10.05	10.05
LTE	0.00	0.00
Total Count	10.05	10.05

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

A multi-department effort will be used for this proposal, relying on a matrix management approach consistent with the “One City” initiative. By continuing with this approach, which has proven to be successful for the past year, staff resources will be utilized in the most cost-effective manner possible. This proposal envisions a continued close collaboration between city staff from multiple departments to address and solve issues related to the East Link project, in lieu of heavy reliance on specialized consultants or on Sound Transit. It also continues a partnership between the City of Bellevue and Sound Transit, which will allow for close city involvement in the project and access to Sound Transit analyses.

Section 5: Budget Proposal Description

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This proposal will provide the staff support required to advance the project and support City Council deliberations and decisions on East Link issues. During the past several years there have been significant disagreements between the community, City and Sound Transit, resulting in intense technical and political scrutiny of the project. As a consequence, enhanced resources are required to adequately support the project so that stakeholders are kept informed and technical analyses are high quality. This proposal will provide the means to pursue the City's objectives for East Link.

During the 2011-12 budget cycle, an East Link environmental review will be completed, serving as the basis for a final decision on the system alignment and location of stations. The City will influence this decision through technical input and City Council recommendations, which will be supported by staff analyses. Staff from multiple departments – Transportation, Planning and Community Development, City Manager's Office, Utilities, Development Services, Parks and Community Services – will be involved in reaching this milestone.

Concurrently, preliminary engineering work also will be completed and reviewed, advancing the project's design to 30 percent completion in mid-2011. Like the completion of environmental review and associated decisions, preliminary engineering is a major milestone because it establishes many of the system's specific attributes. Staff from multiple departments will continue to refine the East Link design through the 2011-12 budget cycle.

In order to successfully implement the project according to public expectations the City will assist Sound Transit by updating its codes, policies, and plans, such as the Comprehensive Plan, development code, street design manual, and others. Considerable effort will be required to adequately research and evaluate options.

City staff roles and responsibilities will reach beyond supporting East Link project development. This proposal includes the staff resources needed to conduct station area planning for the six or seven Bellevue light rail stations (number dependent upon early 2011 alignment decision). These plans will include reviews of land use, transportation, and other policies in the vicinity of the light rail stations and will ensure that the community is involved in modifications. This proposal includes staff resources for managing consultants that would be funded through the dependent CIP proposal, "East Link Analysis and Development", which would average approximately \$500,000 or more annually. The following provides an overview of staff activities and services that would be provided by this proposal:

- Policy and planning support to City Council: Alignment deliberations, review of East Link Final Environmental Impact Statement, alignment and station alternatives, research and support Council deliberations and community questions, concerns, and consideration of trade-offs.
- Engineering review: Review and trade-offs analysis, evaluate Sound Transit plans and designs for compatibility with City projects and plans (e.g., NE 15th/16th), ensure Sound Transit plans are compatible with City objectives, standards, and community expectations and preferences. Sound Transit will complete 30 percent design in 2011 and will approach or complete 60 percent design in 2012, providing the basis for property acquisitions, final definition of mitigation strategies (e.g., noise), and the initiation of utility relocations.
- Traffic and right of way: Ensure traffic mitigation meets City standards, both for the construction period and more permanent. Engage in construction planning, right of way use strategies and agreements, and terms of use.
- Station area planning: Initiate City led planning and project programming in the vicinity of the six to seven stations in Bellevue. Community based planning approaches will be undertaken to ensure community objectives and understood and pursued through City policies and project programming.

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Land use, parks, and transportation actions are examples of the issues anticipated in the context of light rail implementation.

- Community engagement: While the need for a high level of community engagement is anticipated, staff will accommodate community engagement within their work programs. No additional resources specifically for community engagement are provided with this proposal.
- Comprehensive planning and regulatory requirements: Provides resources required to identify and address project related regulatory issues, thereby clarifying policy and planning intents. Policy support and resolution of “gaps” in City plans and permitting requirements.

The resource requirements for this proposal total 10 full-time equivalent employees, including: 7 FTEs in Transportation (3 Regional Projects, 2 Long Range Transportation Planning, 1 Traffic Management/Right of Way, and 1 Capital Project/Engineering); 2 FTEs in Planning and Community Development; and 1.0 FTE in Development Services. The City Manager’s Office, Civic Services, the City Attorney’s Office, Utilities Department, and Park and Community Services departments will also participate, but have accounted for their FTE needs in separate proposals.

Section 6: Mandates and Contractual Agreements

N/A

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome

This proposal primarily responds to the **Improved Mobility Outcome** and addresses the following factors:

- The proposal responds to the factor, **Existing and Future Infrastructure**, addressing all of its purchasing strategies (*plan to accommodate future demand, maximize the benefits of investments made by regional and state agencies, include safe infrastructure design for all users, leverage partnerships and maximize opportunities with other agencies, provide multi-modal infrastructure, and provide convenient connections between destinations*). Numerous City and regional transportation plans over the past decades have concluded that Bellevue and the broader region must turn to high capacity transit investments for key corridors within the Puget Sound region. East Link will serve this function. The project also is consistent with city policies, such as the Council’s Regional Transportation Vision, several interest statements, and Comprehensive Plan policies that call for high capacity transit as part of the broader city transportation strategy. The City’s involvement in the project will help to shape the location and design of the line and its stations so that East Link best serves the City’s and Region’s interests. This proposal also relates to the **Built Environment** factor and the purchasing strategies to *promote and support the economic vitality of the city strategy* by advancing the voter approved project. Light rail will provide downtown Bellevue, the Bel-Red redevelopment area and Wilburton/Hospital redevelopment/growth areas (and the Bellevue portion of the Overlake area) with high frequency service. The station area planning component of this proposal fits with the objective to *include projects and programs that are designed to fit neighborhood character*, particularly in the downtown, the Bel-Red and south Bellevue areas. Similarly, this proposal responds to the objectives to *plan and locate services near existing transportation facilities and/or where people live, work and play* and *protect neighborhoods from negative traffic impacts*. This proposal also will advance design on stations that serve downtown, and emerging centers such as the Hospital District, Bel-Red, and Wilburton areas. Without devoted City resources, this work would not be accomplished.
- This proposal also responds to the **Travel Options** factor. It directly responds to following purchasing strategies: *ensure that the full range of travel choices are integrated in local and regional planning;*

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provide convenient access to all users; and increase local and/or regional connectivity. East link is being planned and designed to satisfy all of these goals. This proposal will provide the resources needed to ensure that the system is well integrated with existing and future transportation investments such as the King County Metro bus system and Sound Transit Regional Express bus system. With this proposal, City resources will be used to influence and compliment Sound Transit efforts. The resources will be used to plan and program new transportation investments and apply City policies and modify them as appropriate.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s)

The proposal also supports the outcomes of: **Economic Growth and Competitiveness** (*Infrastructure factor, purchasing strategy to enhance access to and circulation within commercial and employment centers*); **Healthy and Sustainable Environment** (*Clean air factor, purchasing strategy to reduce air pollution through clean behaviors related to ... transportation*); and **Quality Neighborhoods** (*Mobility factor, purchasing strategy to reduce reliance on automobiles for day-to-day activities*). City activities allowed by this proposal will focus on maximizing the utility of the light rail investment and ensuring that the project is appropriately mitigated. This proposal will allow for the update and application of City design standards, creation of community-based station area plans, and review and appropriate modification of project plans to meet City requirements.

C. Short- and long-term benefits of this proposal:

The primary short-term benefit of this proposal is to ensure that the City has the resources to actively participate in and influence East Link project development. By being actively involved in the project, the City will have the opportunity to shape benefits for the next 50 to 100 years of Bellevue's development.

D. Performance metrics/benchmarks and targets for this proposal:

The primary performance metrics for this proposal relate to the goals of on-time and on-budget implementation, consistent with City goals and objectives. However, this project is "owned" by an external agency (Sound Transit), so the City has limited control over it delivery.

E. Describe why the level of service being proposed is the appropriate level:

This proposal has been shaped to reflect necessary staffing levels based upon approximately four years of efforts and intensifying work. This proposal accounts for station area planning.

Section 8: Provide a Description of Supporting Revenue

N/A

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all

1. **Legal:** If this proposal is not advanced, the City will not have the means to review Sound Transit environmental or design work and provide quality control. This could result in misinterpretation of City codes and policies and ultimately result in substandard designs, inadequate mitigation or safety issues. This could increase City and Sound Transit legal exposure.
2. **Customer Impact:** A lack of City involvement in East Link's project development would likely result in a light rail system that does not meet City objectives. The community is heavily reliant on the City to advocate its concerns – without this proposal there would be no resources to do so.
3. **Investment/Costs already incurred:** The City has been highly active in the development of East Link over the past four years. The City has spent well over \$1 million on directly related consultant assistance

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(such as the “Light Rail Best Practices” effort, specialized review of Sound Transit’s work, and independent studies) and has devoted considerable staff resources (4-plus FTEs for several years).

4. **Other:** The City Council has made East Link one of its highest priorities over the past several years. There is intense community interest and advocacy regarding the project. Halting all City work on the project would be poorly received and would have a severely negative impact on the project.

2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: Traffic Data Program		Proposal Number: 130.29A1
Outcome: Improved Mobility		Proposal Type: Reduction of Service
Staff Contact: Hillary Stibbard, x4357		One-Time/On-Going: On-Going
Fund: General Fund	Attachments: No	Enter CIP Plan #:
List Parent/Dependent Proposal(s):		

Section 2: Executive Summary

This proposal will provide Traffic Data at a reduced level of service to the Transportation Department, the public, and outside agencies. Traffic volume counts and turning movement counts at signalized intersections will be performed only at critical or mandated locations, and general traffic engineering studies will be eliminated. Vehicle speed studies will be performed as scheduling permits, and traffic data will continue to be provided to WSDOT for the Federal Highway Administration’s (FHWA) Highway Performance Monitoring System (HPMS), as mandated.

Section 3: Required Resources

OPERATING		9/3/2010
Expenditure	2011	2012
Personnel	\$106,318	\$112,028
Other	6,488	6,578
	\$112,806	\$118,606
Supporting Revenue		
LTE/FTE		
FTE	1.10	1.10
LTE	0.00	0.00
Total Count	1.10	1.10

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Cost Savings: This proposal significantly reduces the Traffic Data Program from its current level, eliminating more than half of the staffing and a proportionate amount of service.

Collaboration: Internally with Traffic Signals, Modeling, and Neighborhood Services divisions of Transportation; Police and Development Services Departments. Externally with WSDOT, FHWA, and neighboring cities.

Section 5: Budget Proposal Description

This proposal will provide Traffic Data at a reduced level of service to the Transportation Department, the public, and outside agencies.

- The Mechanical Count Program will perform traffic volume counts annually at the 64 locations needed to provide Highway Performance Monitoring System (HPMS) data to WSDOT, which is less than half of the 140 locations that are currently counted on a quarterly basis. The Mechanical Count Program will still perform the annual screenline volume counts at 60 locations for the City’s traffic model and volume counts at 15 locations for the Holiday Counts. It will no longer be able to provide all the special volume

2011-2012 Budget Proposal

counts for neighborhood projects, all-way stop analyses, and signal warrant studies.

- The Manual Count Program will perform PM peak (afternoon rush hour) turning movement counts at 104 signalized locations every two years for Mobility Management Area (MMA) studies, rather than at all 182 signalized intersections annually. It will only perform turning movement counts at AM (morning rush hour) and noon peak periods on a request basis, as scheduling allows, rather than once every three years.
- The Mechanical Speeds Program will provide 24-hour speed study data for speed limit review, signal warrant studies, traffic calming studies and various other traffic engineering functions on a limited request basis, as scheduling allows.
- Data management will continue to include review of count data for accuracy; store, maintain and distribute data using customized databases; calculate the yearly factor update; and provide the HPMS update to WSDOT annually. However, the work will not include the Annual Traffic Flow Map, the Annual Traffic Counts book, or maintenance of the intersection diagrams.

Section 6: Mandates and Contractual Agreements

The City provides traffic, pavement and inventory data to WSDOT for the Highway Performance Monitoring System (HPMS). The primary purpose of HPMS is to provide transportation information to the Federal Highway Administration (FHWA). The FHWA uses the HPMS data for policy and decision-making, to set funding levels, and to allocate funds to the states, which are used for improvements to city, county and state roadways.

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

CITYWIDE PURCHASING STRATEGIES

This proposal *provides for cost savings* by reducing the staffing level of the Traffic Data Program to less than half of its current level (from 1.9 FTE to 0.9 FTE).

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

IMPROVED MOBILITY

Existing and Future Infrastructure: This proposal assists the City in the *planning to accommodate future demand* by providing data to calculate growth rates and verify the City's traffic model. Traffic volume, manual turning movements, and speed study data is used to evaluate locations for the annual accident reduction program. Data from speed studies is used to identify and evaluate traffic calming and safety projects, which results in improvements for *safe infrastructure design for all users*.

Traffic Flow: The manual turning movement counts at signalized intersections provide data for developing signal timing plans for the traffic computer, which helps both *maximize the efficiency of the system* and *increase predictability of travel times*.

Built Environment: This proposal provides traffic data in the form of speed studies to help evaluate concerns about speeding in neighborhoods. Based on these studies, improvements that *protect neighborhoods from negative traffic* impacts and improve safety for all users of the transportation system can be identified and implemented.

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B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s):

ECONOMIC GROWTH AND COMPETITIVENESS

Infrastructure: This proposal provides data used to develop signal timing plans for the traffic computer which helps to enhance access to and circulation within commercial and employment centers as a way to support their continued economic health.

C. Short- and long-term benefits of this proposal:

The short- and long-term benefits of this proposal consist of the savings created by reducing the staffing level by more than half. Some of this cost savings will be offset by the need to contract out for some of the services currently provided.

D. Performance metrics/benchmarks and targets for this proposal:

Targets that this proposal must still achieve include:

- Provide HPMS data to WSDOT, for FHWA program
- Provide screenline volume counts to Transportation Planning Modeling Division
- Perform manual turning movement counts at MMA signalized intersections for Transportation Planning Modeling Division.

E. Describe why the level of service being proposed is the appropriate level:

The level of service being proposed provides the critical data needed by the City and by WSDOT, while providing a cost savings. It does, however, require that some services be contracted out when needed.

Section 8: Provide a Description of Supporting Revenue

None at this time.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. **Legal:** Not applicable.
2. **Customer Impact:** The burden of contracting out all work needed for the Transportation Planning division's work and for the data submittal to WSDOT would be even greater than the effort that will be needed under this proposal for reduced service level. Support for the Signals Division to develop signal timing plans for the traffic computer would be nonexistent. Consultants working for the City, as well as for other agencies, are accustomed to obtaining current, quality data from the City which contributes to the quality of their services.
3. **Investment/Costs already incurred:** The Traffic Data program has 28 mechanical traffic counter units and a few hundred feet of rubber hose used to perform mechanical volume counts and speed studies. This mechanical equipment was purchased two years ago as a replacement for outdated and failing equipment.
4. **Other:** The ability to quickly obtain accurate data at specific locations has been a distinct advantage to many divisions of the Transportation Department in analyzing issues and identifying solutions.

B. Consequence of funding at a lower level: This proposal reduces Traffic Data staff by more than half and greatly reduces the services currently provided. Additional reductions to staff would result in an even lower level of service, and would require some necessary data collection to be contracted out.

2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: Transportation Demand Management (TDM)		Proposal Number: 130.34A2
Outcome: Improved Mobility		Proposal Type: Reduction of Service
Staff Contact: Eric Miller, x6146/Michael Ingram, x4166		One-Time/On-Going: On-Going
Fund: General Fund	Attachments: No	Enter CIP Plan #:
List Parent/Dependent Proposal(s): None		

Section 2: Executive Summary

This proposal (service reduction alternative) provides resources for Transportation Demand Management (TDM) activities to support provision of commute programs by employers and use of non-drive-alone travel options by employees and residents. The Comprehensive Plan sets targets for the proportion of commute trips to occur by non-drive alone modes and increasing the proportion of trips made by transit, rideshare, bicycle and walk modes aligns with the factors and purchasing strategies of the *Improved Mobility* outcome and several other Budget One Outcomes. Results of the City’s 2008 Budget Survey show strong support for TDM measures as a strategy to address transportation problems (the issue cited most often as a problem the City should address), with 86 percent supporting the statement: *“Encourage and Make it More Attractive for People to Choose Transportation Alternatives.”*

Section 3: Required Resources

as of 08/05/10

OPERATING		
Expenditure	2011	2012
Personnel	\$180,528	\$189,916
Other	621,098	154,452
	\$801,626	\$344,368
Supporting Revenue		
	\$486,728	\$20,000
LTE/FTE		
FTE	1.60	1.60
LTE	0.00	0.00
Total Count	1.60	1.60

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

TDM activities support provision of commute programs by employers and use of non-drive-alone travel options by employees and residents. Cost savings to the public accrue through avoiding construction and on-going maintenance of the additional roadway infrastructure that would otherwise be needed to address congestion as well as time savings due to less-congested streets.

The City pursues TDM activities in Downtown under the framework of state’s innovative Growth & Transportation Efficiency Center (GTEC) program (established by legislation in 2006 and unique in the United States). The State provides technical support for the Bellevue GTEC. Funding for TDM activities in Downtown comes primarily from federal Congestion Mitigation & Air Quality grant funds passed through King County and, in recent years, from state funds targeted at reducing demand while construction is underway on I-405. The City contracts with the Bellevue Downtown Association (BDA) to provide direct outreach to employers, employees

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and residents. Because Bellevue is a major regional employment center and much of the traffic congestion comes from recurring commute trips, a key strategy involves engaging employers to support their commute programs for employees. State data show that every dollar of State money spent on facilitating commute trip reduction activities is augmented by \$18 in funds from employers.

Internally, TDM staff have committed to collaborate with staff in PCD in support of a parking analysis for Downtown. Staff will also support the City's Environmental Stewardship Initiative (ESI) and its new Eastside Sustainable Business Partnership program, along with other relevant ESI activities to address climate change. The transportation sector is the largest source of greenhouse gas emissions in the state (45 percent of all emissions), and TDM will need to have a significant role in any effective climate change strategy.

Section 5: Budget Proposal Description

This alternate, reduction of service proposal eliminates capacity (0.5 FTE reduction) to pursue new TDM initiatives in areas outside Downtown (i.e., implementation of Citywide TDM plan now under development). It also eliminates capacity (0.5 FTE reduction) to monitor Transportation Management Program (TMP) compliance at buildings subject to these requirements (currently, there are 54); associated with this reduction, it is anticipated the City Code requirements for TMPs would be eliminated.

Staff funded by this proposal will:

- **Provide administration of the Downtown GTEC (0.8 FTE).** Efforts involve assistance to employers with commute program development and direct outreach to the 40,000 Downtown workers and 5,000 residents. The GTEC Plan is due for update in 2011, per State framework. City staff provide program guidance and monitor effectiveness, manage funding agreement with King County and manage implementation agreement with the BDA/TransManage. Federal funds (mostly) and State funds provide the primary support for GTEC program activities (covering ~80% of non-FTE program costs) and there are certain categories of work (e.g., graphic design services, printing) that cannot be delegated to our contractor, the BDA (which is designated a "vendor" for federal program proposes). City staff have to handle such transactions and also must closely coordinate all activities with King County staff, as the County is the primary recipient of the grant funds (which are then passed through to the City via an agreement).
- **Provide oversight of Commute Trip Reduction (CTR) activities at large worksites (0.2 FTE).** State law directs the City to develop a plan and enact regulations (BCC 14.40) that require large employers to pursue CTR activities. Funding for implementation is largely provided by the State. City staff oversee a contract with King County for implementation outreach to the 62 worksites in the city, affecting 24 percent of workers citywide. City staff manages administration of the State grant and development of an implementation contract with King County. The Bellevue contract is customized to include more extensive targeting of worksites that are underperforming and/or have potential to improve as well as extensive tracking of employer commute program features and regular review of implementation performance with City staff.
- **Other programs and activities (0.4 FTE).** Maintain website, ChooseYourWayBellevue.org, as a resource for employers, workers, residents and visitors. Facilitate elimination of TMP code requirements and, as appropriate, TMP conditions at existing buildings (TMP conditions at some of the buildings were implemented as mitigation measures under SEPA). Other projects may include the Mode Share Survey (which we do every 2-3 years to determine overall commute modes used by workers in Bellevue's key activity centers) and a TDM market analysis of Downtown (to better understand how to frame and communicate TDM issues and programs). Also included is coordination and partnering with internal City initiatives that relate to or complement TDM program goals. These include working with PCD on an analysis of parking supply requirements for Downtown and with the Environmental Stewardship Initiative on community strategies to address climate change and reduce carbon emissions.

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- **Regional TDM engagement** (0.2 FTE). Represent Bellevue interests in regional initiatives. These are not all known at this point, but may include the WSDOT Flexible Carpooling pilot, PSRC regional TDM Plan, King County Rideshare Online ridematch/commute calendar project, transit route promos. Also in this category is maintenance of regular communication and relations with TDM program staff at adjacent jurisdictions.

Requested resources: This alternate, reduction of service proposal requires 1.6 FTE (including portions of the Capital Programming Division Mgr., a Senior Planner, and one Associate Planner) and an intern (vs. 2.6 FTE in existing service level proposal). Proposal also involves other local financial resources (\$110,000/year) that are used to leverage external grants and fund consultant contracts or TDM measures that are not eligible to be charged to grant sources.

Section 6: Mandates and Contractual Agreements

- State law (RCW 70.94.527) requires that the City develop a CTR plan and enact regulations (BCC 14.40) that require large employers to pursue CTR activities.
- City code (BCC 14.60.070, 14.60.080) requires TMPs at developments of a certain type and size.
- Existing agreement with King County extends through 12/31/11, provides for pass-through of federal grant funding. Approximately \$350,000 would be lost should the City terminate the agreement at the end of 2010.
- Existing agreement with the Bellevue Downtown Association extends through 12/31/11, provides TDM implementation services to employers, employees and residents Downtown, and is mostly supported with funds from the County agreement (approximately 21 percent of cost supported by City funds).

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

TDM activities *leverage collaboration with external organizations, promote environmental stewardship* and are targeted especially at **Improved Mobility**. In particular, TDM functions to *maximize the efficiency and value of existing and future infrastructure investment*.

Existing and Future Infrastructure – TDM shifts a proportion of trips away from drive-alone mode and thereby enhances reliability and maximizes functionality and **value** of transportation infrastructure investment.

Traffic Flow – A primary focus of TDM is on recurring commute trips that occur at peak hours; removing a portion of these trips improves **efficiency** of the system.

Built Environment – By reducing the proportion of drive-alone trips, TDM encourages development of a balanced transportation system, reduces travel volumes and improves neighborhood **livability** by protecting them from negative traffic impacts. The program also promotes **economic vitality** in the city by preserving roadway capacity for trips that cannot be shifted to alternative modes, including movement of goods.

Travel Options – TDM program activities **educate** employers, employees and residents and increase awareness of the full range of travel choices available.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s):

- **Healthy & Sustainable Environment** – Proposal addresses **Clean Air** factor through efficient transportation choices and reduced pollutants as well as **Conservation** factor through being green and reducing greenhouse gases. Transportation is the largest single category of GHG emissions in the State (45 percent).
- **Economic Growth and Competitiveness** – Proposal supports the **People and Partnerships** factor through engagement with businesses and business associations and also supports the **Infrastructure** factor by enhancing access and connectivity in commercial and employment centers.

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C. Short- and long-term benefits of this proposal:

Increase the efficiency of the transportation system and reduce congestion and its adverse effects; maintain existing partnerships with King County (access to Federal & State funding sources); and maintain limited capacity at the BDA/TransManage to engage members of the business community in employee commute programs. (Contracts with buildings for TMP implementation are a key revenue base for TransManage, so elimination of City code requirements for TMPs, as proposed in this service reduction scenario, can be expected to have significant adverse consequences for capacity of TransManage to provide services.) Long term, the proposal positions Bellevue for increased urban growth and maintains a foundation to effectively address any prospective greenhouse gas emission reduction targets that may be assigned to the region and community.

D. Performance metrics/benchmarks and targets for this proposal:

The Comprehensive Plan includes targets for the proportion of commute trips made by modes other than driving alone (Comp. Plan Table TR.1). We measure progress toward achieving these targets via a periodic Mode Share Survey (every 2-3 years). Most recent results for Downtown show an increase in the proportion of commuting trips by non-drive-alone mode, from 29% in 2005 to 39% in 2008 (nearly at the Comp. Plan target of 40%). Results for other areas were mixed. In the future, more aggressive targets will be needed for Downtown and other MMAs. The Citywide TDM plan, currently under development, will develop updated targets for the 2020 horizon year for all of the commercial MMAs (including the new Bel-Red and Wilburton MMAs). From these, Staff will identify incremental targets for 2012.

Non drive-alone mode share (commute trips)						
	2002	2005	2008	Comp Plan Target (existing)	New Target 2020	Operational Target 2012
Downtown	32%	29%	39%	40%	Under dev	TBD
Bel-Red/Northup (old)	20%	26%	19%	25%	N/A	N/A
Crossroads	19%	17%	15%	25%	Under dev	TBD
Eastgate	26%	23%	27%	35%	Under dev	TBD
Factoria	15%	21%	31%	20%	Under dev	TBD
New Bel-Red MMA 12	--	--	15%	None	Under dev	TBD
New Wilburton MMA 4	--	--	23%	None	Under dev	TBD

For large, CTR employers there are specific targets for reduction in the drive-alone commute rate and VMT for each worksite. The individual targets accrue to an overall CTR Plan goal to reduce the rate of drive-alone trips at CTR sites by 10% and VMT by 13%.

Commute Trip Reduction program—overall CTR Plan targets			
	2007 planning base	2011 horizon target	Change
Drive-alone rate	65.3%*	58.7%	-10%
VMT	10.6 miles (one-way)	9.3 miles	-13%

*This figure was best available at time of plan development (2007); recent calculations from State, using a more complete dataset, show a rate of 63.1%

For each survey cycle, surveying at affected sites occurs within a two-year span of time; the “2011” data collection extends into 2012 and overall results should be known by summer 2012. CTR targets beyond 2011/2012 are not yet established. Current indications from the State are that updates of local CTR plans are likely to be postponed from the previously specified 2011-2012 time period (and therefore this work item is not

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included in this proposal). An additional relevant data point is the number of employees and overall proportion of employment in the city that is at a CTR-affected site. In 2007, there were 26,400 employees at CTR sites, representing 19% of overall employment in the city. In 2010, there are 34,000 employees at CTR sites, representing 24% of employment citywide.

The Downtown GTEC has an overall target of reducing 5,000 drive-alone commute trips by 2011 (at employers of all sizes, as compared to the baseline trend). (The GTEC Plan is scheduled to be updated in 2011 and a new target will be established.) Unlike CTR sites, there is no programmatic or legal requirement for small, non-CTR employers to conduct commute surveys. Therefore, only indirect measurement of program impacts is feasible (supplemented by the periodic Mode Share Survey process, which recruits randomly-selected small employers to conduct employee surveys). Metrics we track include the following:

- a. Number of employers who engage in substantive consultation (individual meeting) with our agents (BDA/TransManage for the general "Commute Advantage" program, Telework Advantage Group for our Telework Bellevue program).
- b. Number of employers with whom we consult that implement substantive improvement to their commute program as of 12/31 compared to one year prior and number of employees at these worksites.
- c. Number of worksites that signed new ORCA Passport contracts in calendar year and number of employees at these worksites. (Introduction of FlexPass, the comparable predecessor product, at a worksite was associated with a doubling of transit mode share; we are now working on an updated analysis of impact.)
- d. Total number of worksites with ORCA Passport contracts and total number of employees at these sites. Currently, metrics are tracked separately for Downtown and for "Greater Bellevue" (i.e., all areas outside Downtown). If other areas become a focus of program activity, metrics will be tracked separately for them as well.

E. Describe why the level of service being proposed is the appropriate level:

This is an alternate level of service proposal that reduces staff for the TDM program function from 2.6 to 1.6. This alternate level of service provides the capacity to continue to attract and effectively utilize outside funding for TDM programs in Downtown, as well as capacity to monitor CTR implementation at large worksites citywide. It also preserves the option to continue conducting periodic measurement via a mode share survey, as well as capacity to strategically engage in regional and state-sponsored initiatives and influence them to be consistent with Bellevue's interest. This alternate, reduced level of service does not allow for launching any significant TDM initiatives in areas outside Downtown. Nor does it allow for continued monitoring of Transportation Management Plan compliance at properties that have these requirements; it is anticipated that these City Code requirements will need to be eliminated (or, alternatively, go unenforced).

Section 8: Provide a Description of Supporting Revenue

The following grant revenue supports TDM program activities:

- Federal *Congestion Mitigation & Air Quality* (CMAQ) program funds come through a two-year agreement with King County. The current agreement runs through Dec 31, 2011 and provides \$383,000 in CMAQ funds. (Agreement also includes additional funds that come from the State, targeted at reducing demand while construction is underway on I-405; these are being expended first, as they expire at end of 2010.) A balance of approximately \$350,000 is expected to remain at the end of 2010.
- Federal *Energy Efficiency and Conservation Block Grant* funds: \$60,000 of the City's formula allocation is directed to TDM activities. A balance of approximately \$50,000 is expected to remain at the end of 2010.
- State technical assistance funds through the Washington State Department of Transportation (WSDOT), totaling \$106,728 in 2011, to support the city's Commute Trip Reduction (CTR) program.

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Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. **Legal:** City would have essentially no oversight of state-funded CTR implementation work performed by King County at 62 large worksites.
2. **Customer Impact:** There would be more traffic congestion and delay, especially in the major employment areas of the City. Employers would not have assistance from the City—or BDA, acting on behalf of the City—in developing new commute programs or improving their existing programs.
3. **Investment/Costs already incurred:** City-sponsored website, ChooseYourWayBellevue.org, developed and promoted at a cost of nearly \$100,000 over several years, would be abandoned.
4. **Other:** Loss of funding (City funds leveraging more external funds) may weaken the viability of the Bellevue Transportation Management Association (TransManage, an arm of the BDA), with adverse consequences for near-term capacity and long-term ability to deliver services to the community, (including GTEC implementation activities).

B. Consequence of funding at a lower level:

- Less ability to leverage outside funding (typically secured at rate of 3 to 1 or better in recent years).
- Downtown GTEC activities will be reduced, probably focus primarily on employer engagement, with little in the way of services or outreach to individual employees and residents.
- May impact capacity to undertake periodic Mode Share Survey measurement.
- Less capacity to engage regionally and advance Bellevue's interests in projects and programs sponsored by WSDOT, PSRC, and King County.

2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: East Link Tunnel Funding Package and Project Umbrella Agreement		Proposal Number: 130.39PN
Outcome: Improved Mobility		Proposal Type: New Service
Staff Contact: Bernard van de Kamp		One-Time/On-Going: One-Time
Fund: General Fund	Attachments: No	Enter CIP Plan #:
List Parent/Dependent Proposal(s): Dependent on East Link Overall proposal		

Section 2: Executive Summary

This proposal will allow the City of Bellevue and Bellevue City Council to develop, execute and monitor a memorandum of agreement (MOA) with Sound Transit that establishes the terms for any City contributions towards the East Link light rail project, as well as the mitigation of negative impacts caused by the project. East Link is a voter approved \$2.5 billion extension of light rail that will connect Bellevue with Overlake, Mercer Island and Seattle. In 2010, the City of Bellevue signed a “term sheet” that formalized the City’s intent to contribute up to \$150 million towards the 110th Avenue Northeast tunnel (known as the C9T alternative) in downtown Bellevue. The term sheet called for a formal commitment through a MOA between the City and Sound Transit. This proposal would also incorporate a mitigation agreement into the MOA to cover all mitigation components of the East Link project throughout the City.

Section 3: Required Resources

09/19/10

OPERATING		
Expenditure	2011	2012
Personnel	\$347,695	\$365,970
Other	1,243	1,264
	<u>\$348,938</u>	<u>\$367,234</u>
Supporting Revenue		
	\$348,938	\$367,234
LTE/FTE		
FTE	3.25	3.25
LTE	0.00	0.00
Total Count	<u>3.25</u>	<u>3.25</u>

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

This is a multi-department proposal that relies on a matrix management approach consistent with the “One City” initiative. By continuing with this approach, which has been successful for the past year, the use of resources and city staff will be maximized. This proposal envisions a continued close collaboration between city staff from multiple departments and Sound Transit staff to formulate, implement, and monitor/revise a MOA between the two agencies. It also continues a long-standing partnership between the City and Sound Transit that allows for deep city involvement in the project and access to Sound Transit analyses.

Section 5: Budget Proposal Description

This proposal will provide the staff support required to develop, implement/execute, and monitor a MOA

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between the City and Sound Transit that is required for the project to proceed. The MOA will detail cost sharing commitments and responsibilities related to the construction of the 110th Avenue Northeast light rail tunnel (C9T) in downtown Bellevue and the specific mitigation measures that will be undertaken to address the negative impacts of the East Link system in Bellevue.

During the 2011-12 budget cycle, an East Link environmental review and 30 percent of the design work will be completed. This will serve as the basis for a final decision on the system alignment and location of stations. Sound Transit's decision is expected by mid-2011. The City can influence this decision through City Council recommendations, supported by a technical analysis by staff. Multiple departments will be involved in this work: Transportation, Planning and Community Development, City Manager's Office, Utilities, Development Services, Parks and Community Services, and others. Much of this work will be accomplished through the related "parent" proposal "East Link Overall. This "dependent" proposal will allow for work on the MOA.

The tunnel funding component of the MOA will focus on the City's in-kind and monetary contributions to the downtown tunnel. The 110th Avenue Northeast tunnel is estimated to cost as much as \$320 million more than Sound Transit's East Link budget. As a consequence, the City is expected to contribute up to \$150 million through a combination of methods, including no-cost easements on City-owned properties, City-funded permit reviews, and other means. These City-contributions are accounted for in the "dependent" CIP proposal titled "East Link Analysis and Development." Significant examples of City contributions include City Hall Plaza, visitor and Public Safety parking garage modifications and, development of the 15th/16th corridor in the Bel-Red area.

The mitigation component of the MOA will detail the measures the City and Sound Transit will commit to in order to address the potential negative impacts of the East Link light rail project. The mitigation agreement is required prior to a Federal Transit Administration Record of Decision on the project, which must be completed before advanced project design and construction can begin. The mitigation agreement will address impacts such as traffic, noise, vibration, visual and utilities, and will outline measures to be undertaken in response.

This proposal funds the multi-departmental city staff requirements related to the MOA and subsequent implementation activities. Examples of these activities include: Development, negotiation, implementation, and monitoring of the agreement; development and execution of easements for Sound Transit use of City-owned properties; third party assistance, such as design reviews, construction inspections, police traffic control, fire department tunnel rescue teams; tax revenue turn-backs to Sound Transit ; and cash contributions. Reprogramming of the City's Capital Investment Program may also be necessary. Staff resources would be devoted to monitoring, updating, and amending the MOA to reflect changing priorities and project needs.

The resource requirements for this proposal total 3.25 full time equivalent employees, including: 0.5 FTEs in Transportation (Regional Projects) to assist in developing and tracking the MOA; 0.75 FTE in Development Services for early design and permit review; 1.0 FTE in Planning and Community Development to assist in the process of defining City and Sound Transit roles and responsibilities (MOA), managing the design of the City garage and plaza reconstruction, and coordination of other City mitigation projects; and 1.0 FTE in Civic Services. The City Manager's Office, City Attorney's Office, Utilities Department, and Parks and Community Services Department FTE resource needs accounted for in other proposals.

Section 6: Mandates and Contractual Agreements

In Spring 2010 the City Council authorized the City Manager to enter into a term sheet with Sound Transit. The term sheet calls for a subsequent MOA regarding City contributions towards the C9T downtown Bellevue light

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rail tunnel that would commit the City to up to \$150 million. Additionally, the City has the opportunity to enter into an agreement outlining the mitigation components of project. Development of this agreement is required prior to Spring 2011. If successful, the agreement will require ongoing staff resources to execute, monitor, and potentially amend its content, as appropriate.

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome

This proposal primarily responds the **Improved Mobility** outcome, and addresses the **Existing and Future Infrastructure**, including **all of its purchasing strategies**: “plan to accommodate future demand ... maximize the benefits of investments made by regional and state agencies ... include safe infrastructure design for all users ... leverage partnerships and maximize opportunities with other agencies ... provide multi-modal infrastructure ... provide convenient connections between destinations.” Numerous City and regional transportation plans over the past decades have concluded that Bellevue and the broader region must turn to high-capacity transit investments for key corridors within the Puget Sound region. East Link will serve this function by connecting Bellevue with Overlake, Seattle, and the I-5 corridor between Lynnwood and Federal Way. The City’s involvement in this project is key to ensure that the robust growth in downtown Bellevue and redevelopment of the Bel-Red corridor is supported by light rail, and that stations are appropriately sited. This proposal supplements the East Link Overall proposal by allowing for City resources to be devoted to the formation, execution and ongoing maintenance of a tunnel funding package and mitigation agreement, both of which would be part of a formal, legally binding interlocal memorandum of agreement.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s)

This proposal also relates to the *Built Environment and promote and support the economic vitality of the city strategy* by advancing the voter approved project and moving it towards construction. Light rail will provide downtown Bellevue, the Bel-Red redevelopment area and Wilburton/Hospital redevelopment/growth areas (and the Bellevue portion of the Overlake area) with high frequency service. This proposal would ensure that the City and Sound Transit come to terms through a binding agreement that details the mitigation requirements of the project – requirements that must be satisfied as the project is built and operated. The tunnel funding package agreement is required by Sound Transit prior to a final decision on the project scope and therefore is required if the City is to jointly pursue a downtown light rail tunnel with Sound Transit. This proposal also responds to the **Travel Options** factor. This proposal directly responds to the objectives to *ensure that the full range of travel choices are integrated in local and regional planning, provide convenient access to all users, and increase local and/or regional connectivity*. East link is being planned and designed to satisfy all of these City objectives. The agreement enabled by this proposal will help to secure a tunnel in downtown Bellevue that will increase the speed and reliability of the service as it connects to Seattle, Overlake and elsewhere.

C. Short- and long-term benefits of this proposal:

The primary short term benefit of this proposal is that it will ensure that the City has the resources to actively participate in and influence East Link project development. It will allow the City to ensure that negative impacts are adequately mitigated and to ensure that the project is built in a way that positively contributes to and shapes the City’s development over the next 50 to 100 years.

D. Performance metrics/benchmarks and targets for this proposal:

The agreement will ensure that negative impacts caused by the project are mitigated. Performance metrics/benchmarks will be articulated in the Spring 2011 East Link Final Environmental Impact Statement.

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E. Describe why the level of service being proposed is the appropriate level:

This proposal has been shaped to reflect necessary staffing levels based upon approximately four years of historic efforts and intensifying work.

Section 8: Provide a Description of Supporting Revenue

N/A

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all

1. **Legal:** If this proposal is not advanced, the City will not have the means to negotiate, execute, and monitor/update a tunnel funding and project umbrella agreement with Sound Transit for the East Link project. This could result in Sound Transit adopting and building a project that is inconsistent with City objectives. It could also result in community interests taking legal action against the City and/or Sound Transit, and/or the City initiating legal action against Sound Transit.
2. **Customer Impact:** A lack of City involvement in an East Link mitigation agreement could result in a light rail system that does not meet City objectives or properly serve employees and residents. The community is heavily reliant on the City to advocate its concerns and solidify commitments to address these concerns – without this proposal there would be no resources to do so.
3. **Investment/Costs already incurred:** The City has been highly active in the development of East Link over the past four years. The City has spent well over \$1 million on directly related consultant assistance (such as “*Light Rail Best Practices*,” specialized consultant review of Sound Transit work, and independent studies) and has devoted considerable staff resources (4+ FTEs for several years).
4. **Other:** The City Council has made East Link one of its highest priorities over the past several years and generally views the project as a 50 to 100 year project. There is intense community interest and advocacy regarding the project. A lack of City involvement in formal agreements would undermine the City’s ability to ensure that negative impacts from the project are addressed.

- B. **Consequence of funding at a lower level:** Reducing the funding level would undermine the City’s ability to craft an acceptable MOA. Lower resource levels would increase reliance on Sound Transit to develop an acceptable agreement and would undermine the City’s ability to determine if the terms are realistic.

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Section 1: Proposal Descriptors

Proposal Title: Neighborhood Traffic Calming Program		Proposal Number: 130.15DN
Outcome: Quality Neighborhoods		Proposal Type: Reduction of Service
Staff Contact: Karen Gonzalez		One-Time/On-Going: On-Going
Fund: General Fund	Attachments: No	Enter CIP Plan #: PW-M-7
List Parent/Dependent Proposal(s): 130.15.PN – Neighborhood Traffic Calming Program – Capital Reduction		

Section 2: Executive Summary

This proposal reduces the staffing and operating expenses that address neighborhood traffic impacts. Protecting neighborhoods from adverse traffic impacts are a major concern for Bellevue residents. The City receives over 500 citizen requests each year for solutions to traffic, pedestrian safety and spillover parking issues occurring in their neighborhoods. This proposal provides opportunities, although limited to education programs, signing and pavement markings, to address vehicle speeds, accidents and pedestrian safety. The use of physical traffic calming measures is eliminated. This proposal also addresses the on-going citizen concerns of spillover parking in their neighborhoods through implementation of parking restrictions and/or Residential Permit Parking Zones, by offsetting costs of the program through charging for permits.

Section 3: Required Resources

as of 08/05/10

OPERATING		
Expenditure	2011	2012
Personnel	\$348,328	\$366,421
Other	62,530	62,644
	<u>\$410,858</u>	<u>\$429,065</u>
Supporting Revenue		
	\$52,500	\$52,500
LTE/FTE		
FTE	2.77	2.77
LTE	0.00	0.00
Total Count	<u>2.77</u>	<u>2.77</u>

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Cost Savings - This proposal reduces staffing of the Neighborhood Traffic Calming Program by 1.6 FTE's. These FTE's are responsible for the development and implementation of physical traffic calming plans in neighborhoods. This reduction is a direct result of elimination of the \$450,000 per year capital funding package that pays for these improvements. The remaining 2.77 FTE's would continue to address citizen concerns, but through less restrictive measures and enforcement. Traffic impacts caused by spillover parking would continue to be address through this proposal with operating costs being offset by charging residents for parking permits (currently free) that exempt them from parking restrictions. Biannual permit fees are estimated at \$35.00 per permit with the potential of collecting up to \$105,000 every two years, based on 3000 permit currently issued.

Partnerships - Internal: Staff partners with the Police Department's Neighborhood Action Team (NAT) for on-going enforcement efforts by sharing the results of speed and volume studies. This ensures that enforcement activities can be scheduled and resources deployed when most needed, improving effectiveness and efficiencies. Police Traffic coordinates the Program's partnership with local tow truck operators who voluntarily place two

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NTCP radar trailers throughout the City, encouraging safe driving behavior and saving staff resources.

External: Bellevue School District (BSD), King County, Cities of Redmond, Kirkland, Issaquah, Newcastle

Collaboration—Both the Neighborhood Traffic Calming Program (NTCP) and Residential Permit Parking Zone (RPZ) program have extensive public involvement processes, whereby staff collaborate with residents and/or community associations on finding solutions to neighborhood traffic and parking concerns.

Section 5: Budget Proposal Description

This proposal focuses on the staffing and resources needed to provide exceptional customer service to Bellevue residents concerned with traffic impacts in their neighborhoods. This proposal serves two of the following three components of the **Neighborhood Traffic Calming Program (NTCP)**:

- **Phase I**—Through education programs, signing and pavement markings, staff addresses citizen concerns with respect to speeding vehicles and pedestrian/traffic safety in their neighborhood.
- **Phase II— ELIMINATED** No physical devices, such as speed humps or traffic circles, would be installed.
- **Residential Permit Parking Zone Program (RPZ)** – Respond to citizen concerns regarding traffic impacts from spillover parking in neighborhoods. Install general “No Parking Anytime” restrictions or limit the use of on-street parking to residents and their guests through implementation of an RPZ. Currently, 16 zones exist in the City with approximately 3000 decals and guest permits currently in circulation.



Section 6: Mandates and Contractual Agreements

Not Applicable

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

Citywide Purchasing Strategies: Best Value, Partnerships, Citizen Participation/Support

In the short-term, this proposal provides the **best value** at meeting community needs by eliminating the Operating costs (1.6 FTE's and \$450,000 capital) associated with the installation of speed humps, traffic circles and other physical traffic calming measures. Addressing traffic concerns would be focused on the less expensive traffic calming measures such as education, signing and/or pavement markings. Locations experiencing severe traffic impacts cannot be effectively addressed through education and enforcement efforts, and as a result, this proposal may not provide the best value long-term. However, opportunities to **leverage funding** with other neighborhood programs, such as the Neighborhood Enhancement Program (NEP), could provide opportunities to incorporate physical traffic calming measures into other projects.

Staff **partner** with other agencies and City Departments, such as Police, to encourage safe driving practices in neighborhoods. Another example is the partnership with the Bellevue School District (BSD) to address traffic concerns near elementary schools. These concerns would be addressed through education programs, signing, police enforcement, or another CIP funded programs. Opportunities to partner with the BSD in building improvements, such as raised crosswalks that promote pedestrian safety at and near elementary schools, would be limited. **Citizen participation** and an extensive public involvement process are keys to the success of education programs and the RPZ program. The NTCP **actively engages** the community in addressing citizens' traffic safety concerns. For example, the Neighborhood Speed Reduction Program gives residents the power to decrease speeds in their neighborhood through the placement of informational signs and by pledging to drive the posted speed limit.

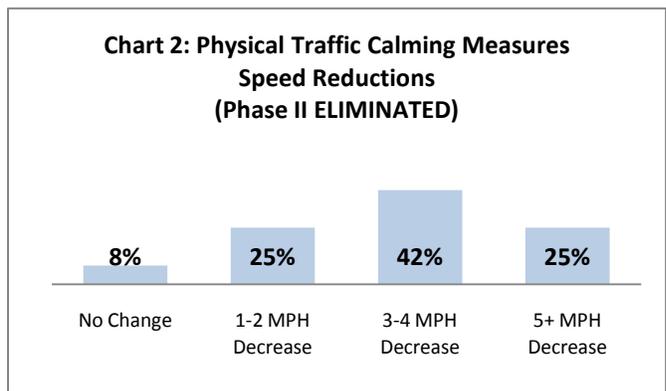
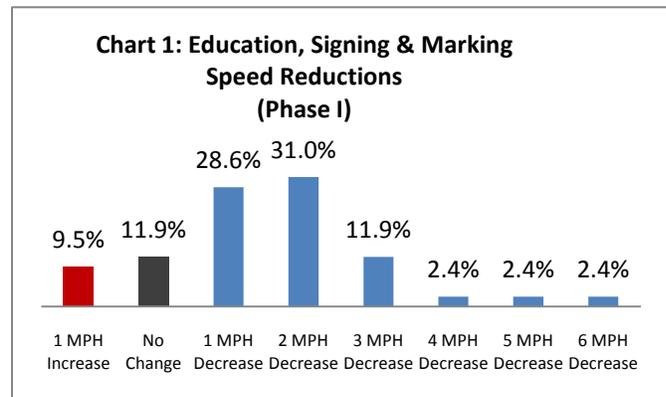
2011-2012 Budget Proposal

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

QUALITY NEIGHBORHOODS—This proposal funds staff to work with the community to provide *for a safe and attractive transportation system* in their neighborhood. In particular, *preserving and enhancing neighborhood character* by addressing transportation concerns for excessive vehicle speeds, spillover parking and pedestrian safety, through implementation of education programs, signing and/or pavement markings. Through this program, residents are encouraged to **partner** with the City and their neighbors to participate in collecting data and implementing neighborhood safety campaigns. To many residents, the street in front of their house is an extension of their home. Staff would continue to *improve safety and to promote the community's use of the most traditional of gathering places*, front yards and street frontages (sidewalks, etc.), which bring together communities and *provide connectivity within neighborhoods*. As no physical traffic calming measures will be available, on streets with high speeds, these education measures may not be effective enough at addressing concerns for residents to feel safe enough to *reduce their reliance on automobiles for day to day activities* and to walk or bike instead. In addition, opportunities to **enhance neighborhood character** by installing entry treatments, landscaped medians and gateways through NTCP would be eliminated.

B. Factors/Purchasing strategies addressed by this proposal – for the OTHER outcomes:

IMPROVED MOBILITY—NTCP Phase I, education, signing and pavement markings, *protect neighborhoods from* a number of *negative traffic impacts* by encouraging motorists to drive responsibly. The speed reductions shown in Chart 1 often remain, even years after implementation. However, in some cases, education and enforcement is not enough to address high speeds. With the elimination of Phase II, this proposal would not address traffic and pedestrian safety issues on those streets where the problems are the most severe and in need of physically changing the roadway environment. Physical traffic calming devices are self-enforcing and show greater speed reductions (Chart 2). In addition, reducing cut-through traffic volumes can only effectively be addressed, through physical measures.



SAFE COMMUNITIES—Staff partners with Police to show *visible enforcement* efforts on residential roadways. Education programs also *promote and influence responsible driving behavior*. Although public involvement opportunities will be dramatically reduced through elimination of physical traffic calming measures, the *community would continue to be engaged and encouraged to volunteer* through Phase I education programs, such as Neighborhood Speed Watch (residents borrow a radar unit and record speeds) and placement of the Radar Dolly (portable radar sign that displays speeds to drivers).

INNOVATIVE, VIBRANT & CARING COMMUNITY—Through RPZ and NTCP Phase I, staff *inform and involve citizens early in the evaluation* of the problem and the implementation of the solution.

C. Short- and long-term benefits of this proposal:

In the short term, the staffing and resource reductions of 1.6 FTEs and elimination of the \$450,000 capital investment for developing and building physical traffic calming plans align with the City's budgetary shortfall. Offsetting RPZ management costs with permits fees allows the City to continue this valued service even in these

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fiscally challenging of times. However, there are benefits lost by not providing opportunities for neighborhoods to protect themselves from transportation impacts of developments and economic growth. There are tradeoffs that the City needs to consider regarding reducing and/or eliminating this service, which residents have come to rely upon. Some of these include:

- NTCP will only focus on less restrictive education programs which have limited effect on reducing traffic impacts such as severe speeds and cut-through traffic.
- There will be limited opportunities to encourage residents to walk and bike instead of driving by calming traffic and addressing concerns with pedestrian safety.
- The City's ability to honoring commitments made to residents in sub-area plans, such as Bel-Red, regarding the mitigation of traffic impacts to neighborhoods from future development, is compromised.
- Initial staff time and operating costs associated with the RPZ modifications may limit cost savings in the short-term. Residents who have come to expect free permits may reduce the number of permits they purchase, which could also limit the amount of funds raised through permit fees.

D. Performance metrics/benchmarks and targets for this proposal:

- # of locations where vehicle speeds have been reduced through Phase I measures
- # of Residential Permit Parking Zones self-funded

E. Describe why the level of service being proposed is the appropriate level:

This proposal addresses citizen concerns with respect to speeding vehicles and pedestrian/traffic safety by providing staff resources needed to encourage responsible driving with education and signing and pavement markings. This proposal will not meet the needs of citizens where traffic impacts are the most severe and where education and enforcement measures are not effective. However, in these fiscally challenging times, this may be a trade-off the City is willing to accept. Implementing a fee process through the Residential Parking Program is appropriate. Most other agencies, such as the City of Seattle, charge for this service.

Section 8: Provide Description of Supporting Revenue

A component of this proposal, the Residential Permit Parking Zone Program, includes charging residents for decals and guest permits to offset program costs. At a charge of \$35.00 for each decal and visitor permit, the City could potentially generate up to \$105,000 every two years to offset program costs based on the number of permits currently in circulation (3000).

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. **Customer Impact:** The community has come to expect a high level of customer service in responding to traffic concerns in neighborhoods. If not funded, residents will need to rely solely on enforcement efforts. Addressing the most critical traffic and pedestrian safety issues can require more enforcement than is available. In addition, some concerns, such as cut-through traffic and spillover parking, are not effectively addressed through enforcement alone.
2. **Investment/Costs already incurred:** Investments have been made in the Residential Permit Parking Program including parking signs and decals/permits issued to residents.

B. Consequence of funding at a lower level:

This proposal reduces Neighborhood Traffic Calming Program staff by 1.6 FTEs, eliminating Phase II. Additional staff reductions would eliminate Phase I and/or the Residential Permit Parking Zone Program resulting in little or no public service for addressing traffic impacts on neighborhoods in the City.

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Section 1: Proposal Descriptors

Proposal Title: Fire Suppression and Emergency Medical Response		Proposal Number: 070.01NA
Outcome: Safe Community		Proposal Type: Existing Service
Staff Contact: Fire Chief Mike Eisner, x6892		One-Time/On-Going: On-Going
Fund: General	Attachments: No	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): None		

Section 2: Executive Summary

This proposal provides resources for emergency and non-emergency responses for fire suppression and emergency medical incidents for the City of Bellevue and six surrounding municipalities and one fire district that contract for fire services. This proposal identifies cuts necessary to achieve a 3% savings over the previous budget cycle. Cost savings are achieved by reducing the staffing of one Aid car to 12 hours per day during off-peak hours resulting in annual cost savings of \$400,000, and reduces the number of FTEs assigned to this program by eight.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$ 18,182,590	\$ 18,731,384
Other	\$ 2,439,791	\$ 2,485,756
	\$ 20,622,381	\$ 21,217,140

Supporting Revenue	2011	2012
	\$4,758,200	\$4,775,081

LTE/FTE	2011	2012
FTE	162.1	162.1
LTE	0.0	0.0
Total Count	162.1	162.1

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Cost Savings: This proposal reduces the staffing of one Aid car to 12 hours per day during off-peak hours resulting in annual cost savings of \$400,000, and reduces the number of FTEs assigned to this program by eight.

The department currently utilizes the following methods to enhance performance and realize cost savings:

- The Department contracts to provide fire suppression and EMS services with 7 neighboring jurisdictions. This revenue provides for economies of scale and supports service delivery to the community.
- The Department actively seeks and has obtained numerous state, federal and private grants for equipment and training.

Innovation: The department recently implemented station alerting, digital paging and GPS technology to produce faster responses by the closest emergency unit. This has produced measurable performance increases without additional staffing costs.

Partnerships:

- The department contracts with the Northeast King County Regional Public Safety Communications Agency (NORCOM) for 911 call processing and dispatch services. 20 separate agencies share the cost of providing this one essential service.
- The Department has partnered with surrounding fire agencies to establish the Eastside Hazardous Materials Consortium (c. 1984) and regional technical rescue response.
- The City has a contract with Tri-Med Ambulance to assist in transporting Basic Life Support (BLS) patients to the hospital when Fire Department resources are not available.
- The Department has mutual and automatic aid agreements with all King County fire agencies.

Section 5: Budget Proposal Description

The Department currently operates out of 9 fire stations geographically located to provide timely responses to emergencies throughout the city.

This proposal will provide response to fires, motor vehicle accidents, medical incidents, rescues, false alarms, water service calls and other requests for assistance in the City of Bellevue and our contract communities. Additional resources have been assigned to Stations 1, 2 & 3 to accommodate higher call volumes, density, travel time and community risk. These services are provided through a total workforce of 162 firefighters deployed over three shifts to provide 24/7 coverage.

This proposal seeks to minimize the impact of the economic downturn and resulting budget reductions through the implementation of a part-time aid unit. One full-time aid unit will be reduced to peak hour (8am-8pm) staffing. Peak hour staffing will be available to respond to approximately 75% of the current calls for service for this unit and be accomplished through the use of overtime. This reduces the minimum on-duty staffing during non-peak hours from 40 to 38. This also reduces the Department's total number of FTE firefighters by eight.

Additionally, firefighters perform over 5,000 fire and life safety inspections in local businesses and apartment buildings. They also provide periodic visits to schools, businesses and community events for interaction and educational purposes and accommodate citizen tours of fire stations.

Section 6: Mandates and Contractual Agreements

- State Law - RCW 35.103.030: Every city and town shall maintain a written statement or policy that establishes the following: 1) The existence of a fire department; 2) Services that the fire department is required to provide; 3) The basic organizational structure of the fire department.
- City Codes
 - Emergency and safety services group established and tasked with, among other duties: fire prevention, fire control, civil defense, emergency medical services, community education and fire prevention (3.33.010).
 - The fire department is established with the functions which shall include fire prevention, fire suppression, emergency medical services and staff support, and which shall be staffed by firefighters (3.33.020).
 - The city will provide first response emergency medical service (5.04.130).
- Bellevue contracts with six municipalities and one fire district to provide Fire & Emergency Medical Services to their communities. As such, Bellevue Fire's extended service includes the communities of Beaux Arts, Clyde Hill, Medina, Hunts Point, Yarrow Point and Newcastle.

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- The City is contractually committed to King County Emergency Medical Services (KCEMS) to provide for BLS and Advanced Life Services (ALS) through 2013.

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

The 2008 Budget survey found that residents rank “responding to fires” and “providing emergency medical service” as the two most important services of the City. In the same survey, citizens gave those same two areas the highest satisfaction rating. This is evidence that this proposal is both wanted by the community as well as meeting their expectations.

- **Response:** Resources are deployed geographically throughout the community to provide a system of rapid and effective response to emergency incidents for citizens of Bellevue and the surrounding contract communities.
- **Response:** Staff are trained and equipped to mitigate a wide range of emergencies including fire suppression, emergency medical, vehicle extrication, high angle rescue, trench rescue, confined space rescue, water rescue and hazardous material spills.
- **Prevention:** In addition to providing emergency response services, firefighters conduct non-emergency activities including annual building inspections, educational activities, evacuation drills, and high-rise building drills that contribute directly to the department’s prevention activities.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s):

- **Quality neighborhoods** – Emergency response for fire suppression and emergency medical incidents along with non-emergency building and life safety inspections contribute significantly to public health and safety.
- **Healthy and Sustainable Environment** – Hazardous Materials response capabilities and rapid extinguishment of fires, including house, vehicle and wildland fires, promotes a clean living environment.
- **Economic Growth** – Public safety is an important aspect of business and economic growth. Protecting lives and property lowers costs, preserves productivity and prevents business interruptions.
- **Responsive Government** – A rapid and effective emergency response is an important element of exceptional quality service that meets the expectations of the public.

C. Short- and long-term benefits of this proposal:

- The benefits associated with a rapid and effective response to emergencies include greater survivability and recovery from medical emergencies, less property loss and lower insurance premiums for businesses and property owners.
- As the population increases and the calls for service increase, resources can be added as funding allows to maintain and/or enhance current levels of service, as defined in the performance measures listed in Section D.

D. Performance metrics/benchmarks and targets for this proposal:

The departments established total response time objective of six minutes or less, 90% of the time is the accepted standard for all fire and emergency medical incidents. The Department’s accrediting body, the Commission on Fire Accreditation international (CFAI), along with the National Fire Protection Association (NFPA) and the International Association of Fire Chiefs (IAFC) all endorse this standard. The total response time represents the elapsed time from initial 911 phone call answered in the dispatch center to the arrival of emergency responders at the scene.

All of the following performance measures are directly linked to a rapid total response time.

- Maintain a cardiac arrest save rate of at least 50% (2009 performance was 50%)
- Maintain at least a 85% success rate of confining fires to the room of origin (2009 rate was 88%)

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- Maintain a running four-year average of no more than \$2 million dollars loss from fire per year (current average is \$1.5 million).
- Maintain status as an Internationally Accredited Department (one of only 124 worldwide)
 - Maintain a Class 2 WA State Insurance Rating Bureau rating. (Top 1% of all departments)

E. Describe why the level of service being proposed is the appropriate level:

The Department's current level of service has withstood the scrutiny of accreditation, which is the city council-approved justification for service level and staffing. (Resolution #6565)

While properly trained and equipped personnel are critical for dealing effectively with emergency situations, they must arrive promptly at the emergency to maximize positive outcomes. Delays in total response times due to excessive travel time or simultaneous incidents in the same geographical area generally result in higher property loss, lower cardiac survival rates and greater risk of fire fatalities.

The department has analyzed the calls for service throughout the service area and specifically in the central business district (CBD), and has concluded that a part-time Aid Unit, in combination with other emergency response units, would provide an appropriate level of service at this time. As the population density increases and call volumes in the CBD increase, full staffing for the Aid Unit should be reinstated.

Section 8: Provide a Description of Supporting Revenue

Bellevue contracts with six municipalities and one fire district to provide Fire Services to their communities. As such, Bellevue Fire's extended service area includes the communities of Beaux Arts, Clyde Hill, Medina, Hunts Point, Yarrow Point and Newcastle and the unincorporated areas of Eastgate and Hilltop. In total, these communities pay for approximately 14% of the Fire Department's Operating budget including the expenditures for fire suppression and emergency medical services. Revenue collections are based on actual program expenditures. Budget reductions reduce future revenue collections.

In addition, Bellevue receives approximately \$2 million annually from King County EMS Levy to provide BLS Services to the community.

In 2011 and 2012, annual revenue sources will provide \$4.75 million to support this program. This equates to 23% of the Fire Suppression and BLS program budget.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. Legal: Fire suppression contracts with Medina, Hunts Point, Clyde Hill, Beaux Arts, KCFPD #14 and the City of Newcastle would need to be terminated.
2. Customer Impact: The cessation of emergency fire, rescue and medical response to approximately 17,000 incidents.
3. Investment/Costs already incurred: Nine (9) fire stations worth in excess of \$72,000,000 and fire apparatus and equipment worth approximately \$20,000,000.
4. Other: Loss of Accreditation and WSRSB Class II Insurance rating.

B. Consequence of funding at a lower level:

Further reductions in our service levels will decrease our ability to respond and adversely affect our outcomes.

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Section 1: Proposal Descriptors

Proposal Title: Bellevue Probation and Electronic Home Detention Services		Proposal Number: 100.21A2
Outcome: Safe Community		Proposal Type: Reduction of Service
Staff Contact: Tandra Schwamberg, x7191		One-Time/On-Going: On-Going
Fund: General	Attachments: Yes	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): N/A		

Section 2: Executive Summary

The Bellevue Probation Division provides supervision of offenders placed on probation by the judges of King Co. District Court, Bellevue, to aid in the preservation of public order and safety. The electronic home detention (EHD) program is a part of the services provided by the Probation Division, providing a cost-effective alternative to jail, allowing offenders to serve a sentence and/or Pre-trial supervision using electronic monitoring equipment. This program saves the City over \$270,000 per year in jail costs and generates revenue of approximately \$350,000 per year. Programming within the Division is focused on identifying offenders' basic needs that contribute to their criminal behavior and connecting them with internal and external services. Court services provided by the City are part of a larger system of criminal justice services. The operation of each part of this system impacts the outcomes and costs of the other parts; police, dispatch, prosecutor and public defense, probation services, treatment programs, jail and jail alternatives. With a population of approximately 1,000 offenders per year, probation is the largest and most cost effective alternative to incarceration. As part of the Safe Community Results Team recommendation, this modified proposal includes the elimination of two full-time positions and an additional reduction to operating budgets (\$65k per year). The Results Team has also recommended that the Probation Division conduct an independent evaluation to ensure that programs are "right-sized" and then to use the study results to determine the final budget allocation for this proposal.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$1,058,036	\$1,114,586
Other	87,454	87,946
	<u>\$1,145,490</u>	<u>\$1,202,532</u>

Supporting Revenue

	\$340,012	\$346,472
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LTE/FTE

FTE	11.0	11.0
LTE	0.0	0.0
Total Count	<u>11.0</u>	<u>11.0</u>

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

This initial proposal reflected a 5% reduction to this program's base budget. To make other offsetting cuts the Division will reduce service levels or eliminate services completely thereby decreasing the ability to adequately supervise offenders, thus increasing crime and risk to re-offend. In addition to the defendant, we work with victims, prosecutor, defense counsel, judges, police, treatment providers, and advocates.

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This modified proposal now includes the elimination of 2 FTE's (\$160k) and annual M & O reductions (\$65k) across Probation and EHD, and a recommendation to conduct an independent evaluation of programs to ensure that the probation programs are "right sized" Results of the study will determine the final allocations for this proposal.

Section 5: Budget Proposal Description

This proposal responds to the **Safe Community (SC)** RFR. Probation is a court order that places an offender under the supervision of a probation officer, generally in lieu of incarceration, as long as the offender meets certain standards of conduct. All offenders ordered to Probation from the Court are required to be supervised, regardless of attitude, motivation, criminal history, risk for re-offense, or history of violence, substance abuse or mental illness.

Currently, the Division has 14 full-time staff and up to 41 volunteers. Thirteen positions were initially included in this proposal, and one position was included in a joint Domestic Violence proposal with Police and Prosecution. This modified proposal reflects the Results Team recommendation to eliminate 2 FTE positions.

Section 6: Mandates and Contractual Agreements

Court rules and certain RCW's (Attachment 1) require probation services for certain offenses. RCW 10.64.120 Misdemeanor Probation. Washington State Rules of Court. The following RCW's also require Probation Services: RCW 46-Motor Vehicles; RCW 10-Criminal Procedures; Substitute House Bill 2742.

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome

Safe Community: Prevention

Purchasing Strategy: Bellevue Probation monitors adult misdemeanor offenders and holds them accountable to court ordered sanctions in order to protect the public and help curtail recidivism.

Most people talk about their vision of a safer community through effective correctional services. There is always confusion about what constitutes a safer community. Most often, we in corrections are criticized for how much corrections costs (not a safety-based outcome), and what offenders do while they are on supervision (definitely a safety-based outcome). We can and do have some impact on reducing the frequency with which they commit new crimes. Doing that makes us all safer.

To be successful, community corrections programs must promote public safety and respond to the needs of victims, offenders, and the community as well as include a collaborative, comprehensive planning process for the development of policies, programs, and services. The least restrictive and most cost-effective sanctions consistent with public and individual safety require offenders to receive services in a community setting. Probation is a frequently used and cost-effective sanction of the court for enhancing social order and public safety. EHD offers a cost-effective method by which offenders may serve their sentences or await their trials or sentencing, while offering the advantage of outpatient treatment and the ability to maintain or obtain gainful employment, thus enabling offenders to support their families. Data collected from July 2009 to April 30, 2010 show that 63% of the Bellevue EHD participants were able to retain/obtain employment. 78% of EHD participants were able to begin, remain, or complete the recommended level of care assessed by alcohol and drug addiction providers, attend AA and NA meeting, DUI victim's panels, Anger management and Domestic

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Violence classes.

Local and national studies have demonstrated that probation has a definite effect on recidivism rates and keeping the community safe. For Probation, in 2009, 66% of cases closed in compliance; 74% of offenders completed the Deferred Prosecution Program; 85% of offenders completed the Stipulated Order of Continuance Program. A 2009 Whatcom County study (**Attachment 2**) on offense and re-offense rates for offenders concluded that the re-offense rate for defendants sentenced to probation was “reduced three and five years after the sentencing date.”

Safe Community: Response

Purchasing Strategy: Promoting coordination and response by appropriate agencies to efficiently deliver services.

- Knowledge of and access to community resources
- Communication, coordination, and collaboration with agencies

The Division works hand in hand with community groups and social service agencies as well as internal partners to provide offenders and victims the assistance they need. For example, we work closely with Therapeutic Health Services which provides low-cost drug and alcohol treatment to court-ordered clients.

Safe Community: Planning & Preparation

Purchasing Strategy: Bellevue Probation is forward thinking and innovative in planning for the future.

- Helping offenders develop useful skills to secure employment thus reducing re-offending.
- Increasing offenders’ willingness to comply with financial obligations, probation supervision, and lawful reintegration into the community.

Safe Community: Community Engagement

Purchasing Strategy: Bellevue Probation encourages volunteerism, community programming, and partnerships to expand its mission beyond just reducing recidivism to embracing prevention through increased transparency and collaboration.

Bellevue probation offers a checklist of services to support the above components:

- The Volunteer Program: Integrating volunteers into every function of the Division.
- The Gateway Program: Implementing “a jail to community transition” initiative, using volunteers.
- The License Support Program: Coordinating with the prosecutor and Gateway, to assist offenders in regaining their driver license privileges.
- Community Service: Coordinating between community agencies, the Division, and offenders to facilitate completion of court ordered community service obligations.
- Group Intake: Providing Spanish-speaking offenders with assistance during intake and monthly reporting in a group setting, reducing failure to report and increasing successful completion of supervision.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s)

Quality Neighborhoods

Purchasing Strategy: Public Health & Safety

Bellevue Probation positively impacts the community by:

- Monitoring offenders and holding them accountable based on risk to re offend classification.
- Assisting offenders in becoming contributing members of the community.
- Providing the community with opportunities to be involved in City government and the Criminal Justice Field.

C. Short- and long-term benefits of this proposal

Provides Bellevue citizens a less expensive way to manage the misdemeanor offender population, positively

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affecting the community we serve by:

- Providing sentencing alternatives to jail while giving offenders an opportunity to offer reparation.
- Decreasing interpretive fees for Spanish speaking offenders.
- Satisfying the public’s sense of justice while enhancing public safety and promoting offender accountability.
- Providing opportunities for young people and retirees through volunteerism.
- Decreasing the number of court hearings thus reducing costs to the city.

D. Performance metrics/benchmarks and targets for this proposal

- Number of offenders placed on probation: Target: 500
- Number of offenders served: Target: 1,200
- Percentage of Budget Recovery (Revenue): Target: 45%
- Percentage of offender cases closed in compliance: Target: 65%
- Percentage of offenders completing Deferred Prosecution DUI Program: Target: 65%
- Percentage of offenders completing Domestic Violence Stipulated Order of Continuance Program: Target: 68%

E. Describe why the level of service being proposed is the appropriate level

Eliminating services would result in a rise in the number of jail days served. **The average daily cost of incarcerating a misdemeanor offender is \$85/day. The average daily cost for managing an offender in the community is \$3.42.** It is the responsibility of government to develop, support, and maintain correctional programs and services in the community. From research (see resources listed) we know the following elements “greatly contribute to successful outcomes in community corrections” including small caseloads, individualized and flexible programming, intensive, frequent and extensive contacts with offenders.

Section 8: Provide a Description of Supporting Revenue

Division statistics, 2009: Total Probation cases - 3293. Offenders served - 956 (Varies from year to year). Estimated revenue for 2011 is \$340,000. The Judicial officers order fees from the bench and tend to reduce or waive fees, substantially reducing revenue. Nearly 50% of offenders are under employed or unemployed. Revenues may increase in 2011 with the addition of new programs and the support of the Judicial Officers. The City of Spokane’s probation department, which is similar to Bellevue’s, has an operating budget of \$1,093,841, 12 FTEs and revenue of \$290,417.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all

1. Legal: Under the 1999 DUI Law, EHD is a mandatory penalty.
2. RCW 46.61.5955 Alcohol violators-Penalty schedule. Judges have discretion in sentencing, but State law mandates many terms. For instance, a third DUI conviction carries a sentence of 120 days jail, followed by 150 days of electronic monitoring, or a total of 270 days.
3. House Bill 2SHB 2742 addresses accountability for persons driving under the influence of intoxicating liquor and drugs to be in effect on January 1, 2011.
4. Customer Impact: An increase in crime and recidivism in Bellevue. Customers remain in jail, lose their jobs, face eviction or default on payments. Low risk offenders with medical and mental conditions cause increased jail fees to the City and jail overcrowding. Community safety is compromised
5. Investment/Costs already incurred: Per Skip Houser, J.D., M.P.A, in his training on Liability and Legal Issues for Misdemeanant Corrections, “all personnel must be properly trained in all aspects of their jobs. Simply meeting state-mandated minimum standards may not be enough.” In 2009 Probation \$4,784 for

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training.

Safety: An average Bellevue caseload is 150 offenders. National and local studies suggest lower caseloads, no more than 150, provide greater results.

6. Other: N/A

B. Consequences of funding at a lower level

- Increased risk to re-offend
- Not effectively monitored/supervised due to staff reductions
- Increase in jail bed costs
- Funds for renting monitoring equipment inadequate
- Customer not monitored/supervised due to staff reductions
- Delayed response to alerts by monitoring equipment
- Inability to respond to changes in sentencing guidelines and/or DUI laws
- Community safety is compromised

The negative impacts of not funding this proposal: Legislative changes and/or mandates, law enforcement focus, prosecution, and judicial ideologies provide probation with offenders. There is no control over these entities. How well the city provides services and how well probation functions greatly impacts offender rehabilitation, recidivism, and jail costs. According to King County Executive Dow Constantine and District Court Presiding Judge Barbara Linde, "Evidence shows that supervision of offenders is a key component in effective sentencing practices. The extreme and drastic cuts facing the County would mean that repeat drunk drivers and domestic violence offenders would go without supervision. The likely result would be increased recidivism that threatens public safety in the communities and further burdens the jails and courts." That statement holds true for Bellevue as well should the city choose not to fund the division at its current level.

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Section 1: Proposal Descriptors

Proposal Title: Traffic Enforcement – Motorcycles		Proposal Number: 120.07A1
Outcome: Safe Community		Proposal Type: Existing Service
Staff Contact: Captain Denny Bronson, x6171		One-Time/On-Going: On-Going
Fund: General	Attachments: No	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): None		

Section 2: Executive Summary

The Bellevue Police Department Traffic Motor Unit addresses the Safe Community outcome by reducing collisions and injuries and facilitating a safe and expeditious flow of vehicular/pedestrian traffic by encouraging the public’s voluntary compliance with traffic regulations. This is accomplished through a combination of education, engineering, and enforcement. ***This proposal already includes an efficiency reduction of one senior administrative assistant effective January 1, 2010, with savings of \$85,396 in 2011 and \$90,263 in 2012. In addition, as a Round 2 Proposal, this proposal reflects the reduction of two Motorcycle officers, including the associated costs and revenue reductions. See Section 5 for discussion of impacts.***

This proposal requests the continued funding of the Photo Enforcement Pilot Program, whose revenues are guaranteed to match associated expenditures and new funding (\$90,000) for Electronic Ticketing, which is mostly offset by the efficiency reduction mentioned above.

Section 3: Required Resources

Expenditure	2011	2012
Personnel	\$1,439,148	\$1,484,022
Other	671,980	638,883
	<u>\$2,111,128</u>	<u>\$2,122,905</u>
Supporting Revenue		
	\$1,171,927	\$811,591
LTE/FTE		
FTE	13.0	13.0
LTE	0.0	0.0
Total Count	<u>13.0</u>	<u>13.0</u>

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Cost Savings / Innovation

The citizens of Bellevue frequently request traffic calming devices, such as speed bumps, in each of their neighborhoods. The motor officers provide traffic calming strategies and can move from location to location as demand dictates. The flexibility and mobility of the motors are a cost saving model for the city in its efforts to reduce speed through behavior modification. The visibility of the motor officer also provides constant traffic calming measures.

The Photo Enforcement project is an innovative way of providing an efficient means of modifying speed and reducing red light violations, without additional FTE related costs. The project has had a model of cost neutrality while providing enhanced traffic safety measures.

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This proposal includes a new system for the issuance of infraction. Electronic Ticketing is a safer, more efficient and cost effective process for the issuance of notices of infractions. The addition of this technology will enhance the motorcycle officer's abilities to enforce violations at a greater level, providing enhanced traffic safety and subsequent revenue. Increased ticketing will help reduce the number of traffic collisions. The modernization of the ticket writing process will increase efficiency, reduce staff workloads, reduce paper and printing costs, and increase ticket revenue.

To help offset the increased cost of E-Ticketing, ***this proposal includes the reduction of one senior office assistant as an efficiency savings. This is a reduction of \$85,396 in 2011 and \$90,263 in 2012.***

Partnerships/Collaboration

The Traffic Unit collaborates with the Transportation Department, Fire Department, Washington State Department of Transportation, Washington State Traffic Safety Commission, the Bellevue School District, Code Compliance, and the Washington State Patrol on traffic related and parking related problems.

Section 5: Budget Proposal Description

The Motor Unit resides within the Patrol Section. The motor section includes five Corridor Accident Reduction and Enforcement (C.A.R.E.) motorcycle officers, two Traffic Services and Complaint Enforcement (T.S.C.E.) motorcycle officers, four Neighborhood Action Team (N.A.T.) motorcycle officers, two Motorcycle Officer/Parking PSO lieutenants, and one Parking Enforcement Police Support officer. It is supervised by a Traffic captain, for a total of fifteen FTEs.

Eliminating two Motor positions will reduce the number of corrective contacts with the public. In 2009, the Motor Officers who worked the entire year averaged 1700 citations and over 300 verbal warnings. The proposed staff reduction will also negatively impact our ability to staff Special Events for Traffic Control and provide for the safety of those attending. Additionally, recent studies are showing that Traffic Enforcement efforts also have a positive impact not only on reducing accidents, but also reducing crime in general (see attached Law and Order editorial or go to: <http://stko.maryland.gov/DDACTS/tabid/127/Default.aspx>).

Photo Enforcement works to modify driving behavior through consistent enforcement in designated zones. The project is aimed at reducing the running of red lights at key intersections and reducing speed in selected school zones. The intersections were chosen for their history of collisions, rates of red light violations, and their importance to the mobility of our city's infrastructure.

The Electronic Ticketing concept utilizes a handheld device to electronically capture data commonly found on a normal ticket. The modernization of the process reduces the time it takes an officer to write a ticket, making it safer and more efficient. The data can be transferred electronically to the courts and records sections. The increased work efficiency means an increase in ticket generation and therefore increased revenue. This translates to more behavior modification that increases the safety for vehicular traffic. This also translates to fewer traffic collisions and increases the mobility for the City. Electronic Ticketing reduces paper and printing costs and increases system and employee efficiencies.

Section 6: Mandates and Contractual Agreements

The City of Bellevue has a five year contract (with termination clauses) with ATS for its Photo Enforcement Program.

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Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

Prevention:

Motor Unit: The presence of motorcycle officers provides for traffic calming measures in residential neighborhoods and in the City's main corridors. The current efforts of the Traffic Unit have proven results by having one of the lowest traffic fatality rates in the nation. The 2008 Benchmark Cities report showed that the COB had the second lowest rate of fatalities and injury collisions. In 2008, there were no fatality collisions and in 2009, there was a single car collision that resulted in the only fatality collision all year. The enforcement and education efforts by the Motor Unit and related projects have a direct effect on the reduction of poor driving behaviors. The primary behavior modified by the motor officers is speed. Any reduction in speed reduces the severity of a collision and results in safer streets with better traffic mobility. The continued funding of the Motor Unit provides reduced collisions and injuries and helps to facilitate the safe and expeditious flow of vehicular/pedestrian traffic by encouraging the public's compliance with traffic regulations.

Photo enforcement: Photo Enforcement was adopted as a one-year pilot project. The contract was signed in 2008 with the implementation of our first two speed cameras taking place in September of 2009. Three Red Light cameras were deployed in January of 2010 at two different intersections. Speed analysis and ticketing rates indicate a significant reduction in poor driving behaviors. Speed analysis conducted at Lake Hills Elementary prior to and following the implementation of school zone speed enforcement cameras, showed a reduction in speed violations by 34%. The project has guaranteed cost neutrality for the City while influencing poor driving behaviors in a positive manner.

Response:

Motors Unit: The motorcycle enforcement officers have proactive and reactive traffic responsibilities, and are the primary enforcers for all traffic enforcement related issues.

Electronic Ticketing: Electronic Ticketing is a safer, more efficient, cost effective process for the issuance of notices of infractions. The addition of this technology will enhance the motorcycle officer's abilities to enforce violations at a greater level providing enhanced traffic safety and subsequent revenue. Increased ticketing brought about through E-Ticketing will help reduce the number of traffic collisions. Studies have shown that increased police presence and increased traffic ticketing result in lower collision rates.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s):

Quality Neighborhood

The Motor Unit provides quality neighborhoods through traffic enforcement. The enforcement, education, and mere presence of officers in neighborhoods reduce speed of drivers and help to improve mobility and quality neighborhoods.

Improved Mobility

Parking enforcement officers and volunteers help to improve mobility by removing vehicles than obstruct the flow of traffic. Parking complaints are a significant problem for the COB.

C. Short- and long-term benefits of this proposal:

- The short and long-term benefits would translate to safer streets for vehicles and pedestrians
- Increased efficiency in the ratio of targeted citations per hour of motor officer patrol time
- Increase the seatbelt use by Bellevue motorists

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D. Performance metrics/benchmarks and targets for this proposal:

- Reduced speed in City corridors and neighborhoods
- Reduced injury accidents
- Continued low instances of fatality collisions

E. Describe why the level of service being proposed is the appropriate level:

The Motor Unit must continually find alternate sources of funding through grants as they are currently insufficiently funded. Any reduction in their current funding would result in reduced workload and efficiency. The unit has worked diligently to improve workflow process with limited resources and continues to do more with less.

Section 8: Provide a Description of Supporting Revenue

Photo enforcement revenue is guaranteed to be at least as much as the cost of the program. With a full complement of eight cameras (currently the City has five in operation), the cost for Photo Enforcement is estimated to be \$443,400 annually. Even with just five cameras, photo enforcement revenue is expected to be \$943,400 in 2011 and \$743,400 in 2012. Other revenues generated from standard infractions are in addition to these amounts. However, all infraction revenue passes through the King County District Court first, and its costs are deducted before any actual revenue is received by the City. Net infraction revenue from all sources except from Photo Enforcement is estimated to be \$368,807 in 2011 and \$208,471 in 2012. These amounts include estimated revenue reductions of \$35,000 in 2011 and \$40,000 in 2012 for the proposed elimination of two motor officer positions.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. **Legal:** Failure to fund this project would increase the potential for negative litigation and lawsuits against the City. Legal precedents exist that mandate police departments and cities provide a level of safety for the community they serve.
 2. **Customer Impact:** The consequences of not funding all aspects of the Motor Unit are a reduction/elimination of the service that is most requested by our citizens. The top concerns citizens have are traffic and parking.
 3. **Investment/Costs already incurred:** The Bellevue Police Department has invested considerable funding into the implementation and maintenance of the Motor Unit.
 4. **Other:**
- B. Consequence of funding at a lower level:** Any reduction in the Motor Unit would result in poor customer service, increase risks to pedestrians and motorists, and reduced revenue from money generated from ticketing. These reductions would be in the top two categories of significant concern as illustrated in the COB Citizen survey.

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Section 1: Proposal Descriptors

Proposal Title: Street Lighting Maintenance		Proposal Number: 130.27A2
Outcome: Safe Community		Proposal Type: Reduction of Service
Staff Contact: Mark Poch, x6137		One-Time/On-Going: On-Going
Fund: General Fund	Attachments: No	Enter CIP Plan #:
List Parent/Dependent Proposal(s):		

Section 2: Executive Summary

This proposal reduces the cost associated with city-owned street lights by turning off approximately 1400 mid-block street lights between intersections on arterials. This proposal also provides electrical energy and spot repair only to the remaining 1900 city owned street lights and funds 5100 Puget Sound Energy (PSE) owned and maintained lights. This proposal eliminates 1.0 FTE from the original proposal, as well as approximately \$100,000 in electricity costs from the lights that are turned off (starting in May 2011). No relamping or vegetation control programs are funded, and for nine months annually, aerial spot repairs will occur only when a 2-person crew can be formed. For the other three months annually, lights will be repaired using a dedicated 2-person aerial crew accomplished by hiring a temporary employee.

Section 3: Required Resources

as of 08/05/10

OPERATING		
Expenditure	2011	2012
Personnel	\$116,828	\$122,223
Other	1,305,281	1,383,721
	\$1,422,109	\$1,505,944
Supporting Revenue		
LTE/FTE		
FTE	1.25	1.25
LTE	0.00	0.00
Total Count	1.25	1.25

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Cost savings include an estimated \$100,000 in electricity costs by turning off mid-block streetlights, and a reduction in 1.0 FTE to maintain streetlights. Because of this personnel reduction, the proposal to assume outdoor lighting maintenance from Parks, Fire and Civic Services outlined as a collaboration in the original proposal (130.27 NA) is eliminated.

Section 5: Budget Proposal Description

This proposal reduces the cost associated with city-owned street lights by turning off approximately 1400 mid-block street lights between intersections on arterials. This proposal also provides electrical energy and spot repair only to the remaining 1900 city owned street lights and funds 5100 Puget Sound Energy (PSE) owned and maintained lights. This proposal eliminates 1.0 FTE from the original proposal, as well as approximately \$100,000 in electricity costs from the lights that are turned off (starting in May 2011). No relamping or vegetation control programs are funded, and for nine months annually, aerial spot repairs will occur only when a 2-person crew can

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be formed. For the other three months annually, lights will be repaired using a dedicated 2-person aerial crew accomplished by hiring a temporary employee (at the Signal Assistant classification).

City owned lights that would remain on with this proposal include: 1) all street lights at signalized intersections, 2) the street light nearest the unsignalized intersection of an arterial street with a public side street, 3) street lights at mid-block pedestrian crosswalks, and 4) residential street lights. All other street lights are considered mid-block and will be turned off.

This proposal does not include resources to accomplish public involvement to inform citizens which street lights will be turned off and why. It is assumed to take four months to fully complete the work necessary to turn off every light identified in this proposal, although many of the lights could be turned off in the first two months. The 1.0 street lighting FTE funded in this proposal will be used to turn off the street lights, and no street lighting maintenance will take place during this time.

Section 6: Mandates and Contractual Agreements

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

CITYWIDE PURCHASING STRATEGIES - This proposal provides *best value in meeting community needs* (less expensive “per light” maintenance than contracting), and provides *best practices* (night checks).

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

OUTCOME = SAFE COMMUNITY - Prevention – This reduced proposal provides and maintains roadway lighting in residential neighborhoods and some business areas *to provide a safe environment that is well lit*. Studies have shown that illumination reduces crime and significantly reduces traffic accidents. Maintenance of city owned lights that remain on will occur at a reduced level.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s)

OUTCOME = IMPROVED MOBILITY - Existing and Future Infrastructure – This proposal includes provisions for *safe infrastructure design for all users* by providing and maintaining some arterial roadway lighting to increase safety and decrease accidents (See Section 7C).

Traffic Flow - This proposal will *prevent accidents that impact vehicles, pedestrians, and/or cyclists* by providing better roadway visibility during hours of darkness (See Section 7C).

OUTCOME = ECONOMIC GROWTH AND COMPETITIVENESS - Infrastructure and Quality of Community – By providing and maintaining some lighting in areas of commerce and in neighborhoods, this proposal contributes to the infrastructure and quality of community needed to attract and retain business interests.

C. Short- and long-term benefits of this proposal:

Reduced Traffic Accidents

Numerous studies have shown the benefits of street lighting on preventing roadway accidents. A couple of highlights include:

- A FHWA report showed that installing street lighting has the highest benefit-cost ratio of all safety related improvements.

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- The European lighting scan tour of 2000 reported that “many countries reported research results that indicated 20 to 30 percent reduction in the number of crashes when roadway lighting was installed”.

Reduced Crime

The study *Improved Street Lighting and Crime Prevention: A Systematic Review*, by Farrington and Welsh, which was published by the Swedish National Council for Crime Prevention, found that 13 street lighting studies from the United States and the United Kingdom showed that improved street lighting was linked to a significant 21 percent decrease in crime in the experimental areas compared with comparable control areas.

Increased Commerce

By providing and maintaining high quality lighting in some areas of commerce and in neighborhoods, this proposal contributes to the infrastructure and quality of community needed to attract and retain business interests. This is especially true in the Puget Sound area, where darkness begins as early as 4:15pm and lasts as late as 8:00am at the start of winter.

Benefits specific to Bellevue’s street light maintenance and this alternative proposal include the **night check and spot repair programs**:

Night check program – The night check program involves a night time drive of all city arterial streets to determine which city owned and PSE owned street lights are out. The night check is conducted every month except June and August. City street lights that are out would be repaired at a reduced level as described in this proposal. PSE street lights that are out are reported to PSE so they can follow up with repair.

Spot repair program – The spot repair program involves the repair of malfunctioning street lights as they are identified through the night check or from citizen calls. For nine months of the year, aerial spot repairs will occur only when a 2-person crew can be formed, with non-repaired lights being placed on a backlog list. For the other three months annually, lights on the backlog list will be repaired using a dedicated 2-person aerial crew accomplished by hiring temporary help (at the Signal Assistant classification). At the end of this three month period, any unrepaired lights will roll over to the backlog list for the next year, and will not be addressed until that time.

The Relamping and Vegetation Control programs are not provided with this alternative proposal.

D. Performance metrics/benchmarks and targets for this proposal:

Metric	Target
• Night checks performed on time	100%
• # of lights in need of maintenance at any given time	< 175
• # of lights relamped per year	0

E. Describe why the level of service being proposed is the appropriate level:

The level of service proposed is not recommended for the following reasons:

- 1) Resources to provide and maintain all city-owned lights on an ongoing basis should be provided due to the safety and security benefits of street lighting and the expectations of the community.

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- 2) Relamping of street lights is an industry best practice and provides for gains in efficiency and environmental stewardship.
- 3) Vegetation management is a key feature of any street lighting maintenance program because of light blockage issues.
- 4) Turning off certain street lights and decreasing the level of street lighting maintenance for the remaining lights on streets with a city established street lighting guideline increases tort liability exposure and may cost more to the city in the long term.

The City has established street lighting guidelines for the roadway network. With these guidelines comes an expectation that street lights will be provided and maintained. Turning off street lights and maintaining to a lower level increases the likelihood of tort liability. The reductions in this proposal seriously compromise the city's ability to respond to maintenance requests for streetlights. This proposal turns off streetlights on arterials that are between intersections, leaving a dark roadway for vehicles and pedestrians. It is anticipated that citizen complaints will rise with this proposal, and the chance of facing tort liability from an accident is increased over the base proposal.

Section 8: Provide a Description of Supporting Revenue

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. **Legal:** The city has established street lighting guidelines for the roadway network. With these guidelines come an expectation that adequate street light maintenance will be provided. Not providing this maintenance increases the likelihood of tort liability.
2. **Customer Impact:** Street lights will not be provided, resulting in dark streets at night and major concerns from residents and business owners.
3. **Investment/Costs already incurred:** The city already has the equipment, including a bucket truck, inventory, and associated equipment/tools, to provide this service. The value of the city street lighting system is approximately \$23 million.
4. **Other:**

B. Consequence of funding at a lower level:

This alternative proposal will turn off street lights on city arterial streets and will provide reduced street light maintenance levels on a "non-dedicated" basis for nine months of the year, when a 2-person aerial maintenance crew will not always be readily formed. This will result in an increase in dark lights and longer time periods between repairs. The city will receive calls from concerned residents and businesses, with increases in the number of complaints about the dark lights. Accident rates could increase, and the city could be subject to increased claims and lawsuits for the lack of maintenance and for reducing light levels on streets with city established light level guidelines. The proposal has no public involvement resource or component, thus citizens will have decreased chance of comprehending and understanding the reduced service level.

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Section 1: Proposal Descriptors

Proposal Title: Office of Economic Development Operations		Proposal Number: 055.01A2
Outcome: Economic Growth and Competitiveness		Proposal Type: Reduction of Service
Staff Contact: Bob Derrick, x4374		One-Time/On-Going: On-Going
Fund:	Attachments: Yes	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): None		

Section 2: Executive Summary

The OED Master Proposal encapsulates the entire OED program and all of its elements, exclusive of Sister Cities. OED will continue to deliver or fund the following services and programs: Sister City support, business survey, business retention and recruitment, business ombudsman, international business development, small business development, marketing and promoting the City as a place to do business, work with a long list of local and regional business and governmental organizations to promote business in Bellevue, provide information to the public, focus efforts on specific industries and outlook, undertake specific property and land development projects, redevelop the seven neighborhood retail centers among other activities, and provide regional leadership on economic issues appropriate to Bellevue’s place in the region and location relative to major corporations. The overriding “focus” of OED is to “fill spaces with successful businesses and organizations.” All OED programs are oriented to implement the two elements: - filling space in support of developer and property owners, and helping to make local businesses and other organizations successful for long-term growth and sustainability.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$387,849	\$408,004
Other	127,000	126,831
	<u>\$514,849</u>	<u>\$534,835</u>

Supporting Revenue

	\$0	\$0
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LTE/FTE

FTE	3.0	3.0
LTE	0.0	0.0
Total Count	<u>3.0</u>	<u>3.0</u>

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Cost Savings: OED is proposing its cost savings in its Sister City Program by reducing staff there. However, OED’s successful efforts will lead to increased tax revenues for the City. All efforts toward this goal should be emphasized and funded. Therefore OED is trying to preserve as much of its M&O funds to carry out this proposal to meet the requested purchasing strategies.

Partnerships and Collaboration: OED’s work is primarily done with other partners. Some of these include: enterpriseSeattle (business recruitment; industry focus—interactive media, bio-tech, and tech start-ups), Trade Development Alliance (international business and Sister City program), Bellevue Economic Partnership (City, Bellevue Chamber, Bellevue Downtown Association, Meydenbauer Center) (retention, marketing, **tourism**, business welcoming), Bellevue Entrepreneur Center, Regional Small Business Development Program, Trade Alliance, State of Washington, US Commercial Service, Seattle area Sports Council, and various foreign

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consulates and societies. Substantial coordination with other City departments (PCD, Finance, IT, Parks, Transportation, Utilities, Facilities, among others) is continuously required and appreciated.

Innovation: OED is innovating in the types of programs it develops and underwrites. While moving away from (but clearly not eliminating) the strictly land use approach to economic development, OED has created a global health initiative, interactive media efforts, special approaches to international business (Initiative India and Choose China, among others), and new small business programs.

Section 5: Budget Proposal Description

This OED proposal offers the following programs, services and activities:

- business retention and recruitment—get businesses to locate here and stay here (Microsoft, Symetra, Expedia, Motricity, Captaris, Cbeyond for example)—focus on industry clusters, including but not limited to: software companies, mobile communications, interactive media, financial and legal services, A&E, telecommunications, bio-medical devices, clean tech, alternative energy, educational institutions, and the aerospace supply chain.
 - small business development and training—to help businesses be successful (Bellevue Entrepreneur Center and Regional Small Business Development Program among others)
 - international business development and training—to help business be successful and make Bellevue a primary location for international business (Initiative India and Choose China among others)
 - business ombudsman program—solve problems that businesses have in dealing with the City (permits, inspections, business taxes, procurement)
 - tourism marketing—promotes Bellevue as a place to spend tourism dollars
 - City and OED marketing and branding—place Bellevue in people and businesses minds as the best place to work and do business
 - possible business survey to gauge business satisfaction with the City
 - demographic development and information dissemination—help provide data and information for business decision making
 - neighborhood retail center planning and promotion for redevelopment—upgrade the seven or eight retail centers (immediate focus on Newport Hills Center, Lake Hills Center)
 - Sister City program for cultural and economic development
 - land use development project analysis and management—individual projects on specific sites (KC Solid Waste site, hospital projects, prior Sonics arena, Costco projects, NE 116th corridor, Bel-Red Corridor for example)
- For more detail, see the attached OED Bellevue Economic Development Plan 2007-2011 in SharePoint. This is the strategic plan and work plan for OED.*

OED'S MISSION HAS TWO PARTS WHICH CONSTITUTE THE OED BOTTOM LINE:

- OED FOCUS: to fill space with successful businesses and organizations to meet the
- OED GOAL: increase private wealth and increase public revenues Meeting the GOAL sustains City services and improves the City's excellent quality of community and quality of life and business climate.

Section 6: Mandates and Contractual Agreements

OED has no legal mandates. But OED does have a number of contracts for services, economic agreements and membership agreements also requiring services to be delivered to Bellevue. Organizations with these contracts and memberships include: enterpriseSeattle, Bellevue Entrepreneur Center (small business development), Bellevue Economic Partnership (retention, recruitment, marketing), Trade Development Alliance (international business), Seattle Sports Commission (recruitment, tourism), Bellevue Chamber of Commerce (small business development, marketing, recruitment, retention), Puget Sound Regional Council (regional economic development), TechBA—Mexican business Accelerator (business development, recruitment), Regional Small Business Development Program (small business development), Dalian and Qingdao, China (international trade), Meydenbauer Center (tourism and marketing), among others.

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Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

ECONOMIC GROWTH & COMPETITIVENESS: *People and Partnerships—first look at Item 4 and Item 6 above for lists of selected partnerships and their subject areas; while OED is engaged in partnerships for all of its work, the real key is the goal and desired result of each of those partnerships; OED operates at local, regional, state, national and international levels, outreaches to local and regional business associations, works to recruit businesses in targeted industry sectors (energy, clean tech, interactive media, high tech, telecommunications among others), working to create business incubators (e.g., Tacoma Factory, , and Mexican TechBA Accelerator), uses and dispenses an inordinate amount of business related data, works with higher education on training and jobs development (UW Business School, UW/Bothell, Bellevue College, City University). *Community Policy, Planning & Development—OED works to make the City competitive: has an approved economic development five year plan (see attachment in SharePoint), engages in PCD planning for all commercial areas of the City, provides market based tools to aid businesses, business development, retention and recruitment, helps gather data for economic forecasting (See also the OED Proposal for a new business survey), provides Business Ombudsman service to help with the fairness of the application of City rules, regulations and inspections on business activities. *Quality of Community—Improving the quality of community in Bellevue is the real goal for OED. OED efforts work to produce the public and private funding for the quality of life here. All OED actions ultimately lead to meet this goal. Specifically, OED promotes the diversity of the City and its cultural character, supports tourism activities and events and marketing, supports the programs that recognize high quality business contributions to the community, and enhances the arts through direct funding and international cultural events. *Branding—Again, this is a key element of the OED work—marketing the City as a great place to do business and visit (and live here as well). OED produces marketing materials, updates an ever evolving website, make presentations, produce events, host and sponsor seminars, dinners, events, and other activities that promote the City and work extensively to make Bellevue a city well known in Asia. OED also works with the retail industry to highlight the fact that the City has the best high end retail north of San Francisco and west of Chicago.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s):

RESPONSIVE GOVERNMENT—*Community Connections—OED programs connect with the diverse community through international business associations, consultants and cultural associations. OED is helping bring our diversity into additional community engagement. (Initiative India, Choose China, Mexican Accelerator, Japanese-America Society, Korean Consulate, Indonesian Consulate, Greater Chinese Chamber of Commerce, five different Indian business and cultural associations). *Strategic Leadership—Clearly OED in leading and implementing those portions of the Community Vision relating to economic development, which are needed to sustain City revenues and service levels and support businesses. The Vision, in turn, is the basis for the OED Plan (see attachment in SharePoint). OED is heavily engaged in cross jurisdictional programs and services (see Items 4 and 6 above for lists). *Exceptional Service—Exceptional customer service is the key to marketing the City. OED certainly delivers this and works to have the rest of the City organization do likewise.

SAFE COMMUNITY—*Community Engagement—OED works with the business community and Police Department to reduce business related crime; works to encourage business community volunteers; works to reduce vacancies in order to keep business areas vibrant for workers and families

INNOVATIVE, VIBRANT & CARING COMMUNITY—OED works to support the diverse community and healthy interactions. OED works to reduce barriers and build social bonds through its business programs in the community. OED works to improve the built environment to improve commerce, keep the quality of the City's appearance and its image. OED programs involve the entire business community and internationally, involve the entire City.

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HEALTHY & SUSTAINABLE ENVIRONMENT—*Clean Living Environment—OED helps businesses access City programs to improve the environment.

QUALITY NEIGHBORHOODS—OED works to ensure that all the commercial neighborhoods or commercial elements in residential neighborhoods are thriving places that are inviting and safe. OED is working to redevelop the seven or eight neighborhood retail centers and in revamping the Neighborhood Enhancement Program into a new Neighborhood Investment Strategy.

MOBILITY—mobility aids the economic growth of the City and helps brand Bellevue as a place to be.

- C. Short- and long-term benefits of this proposal:** Short and long term benefits are the same—increased public revenues and increased private wealth. These lead to the funding (both public and private) of Bellevue’s excellent quality of community and quality of life. On the way, the City will see continued construction of new office, retail, residential, light manufacturing and other buildings. In turn, the City will see these spaces filled with new businesses and organizations, new and expanded cultural and tourism activities, vibrancy in the community, high quality institutions, and the growing expansion of diversity in the City. Economic development helps all of this be possible.
- D. Performance metrics/benchmarks and targets for this proposal:** See chart in attached OED Bellevue Economic Development Plan for details. Performance focus on jobs growth, new businesses, low vacancy rates, economic climate; targets are increases in all items each year. Plus a target for OED activities regarding business recruitment and retention—growth each year.
- E. Describe why the level of service being proposed is the appropriate level:** This is the appropriate level given the need to reduce expenditures. Any further reductions will make the OED programs more difficult to carry out. Budget increases would make OED more effective.

Section 8: Provide a Description of Supporting Revenue

There is no supporting revenue. (However, OED did secure \$12.5 million in state funds in 2009 for the NE 4th extension). OED also seeks brownfields grant funding.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. Legal: None—all OED agreements can all be amended or terminated
 2. Customer Impact: High impact given the high level of activity OED has generated in the small business development programs—reduced services to Bellevue businesses; international business programs would end with no viable replacement in the City; no business ombudsman to aid businesses doing business with Bellevue or using Bellevue services; no marketing of the City; deteriorating relationships with partners and other economic development entities in the region and nationally. All of this leads to losses to the City in the form of image, decreased or slowed public revenue flow to City, and losses in relationships. ***This will cripple the program and its ability to maintain liaison with the local and regional entities as well as provide small business services.***
 3. Investment/Costs already incurred: Current investment would be totally wasted after one to two years without a program—all dollar costs and all staff and elected official time would be wasted.
 4. Other: N/A
- B. Consequence of funding at a lower level:** Funding at a lower level (which is what is proposed here) makes it more difficult to provide the supporting materials, events, activities and other actions to support the OED program—especially for the small dollar amount saved.

2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: New Capital Funding for Bel-Red Corridor		Proposal Number: 055.04A1
Outcome: Economic Growth and Competitiveness		Proposal Type: New Service
Staff Contact: Robert Derrick, x4374		One-Time/On-Going: On-Going
Fund: General Fund	Attachments: Yes	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): related proposal 130.52NN		

Section 2: Executive Summary

This proposal provides resources for dedicated lobbyists and consultants to seek \$800,000,000 or more in Federal funding to complete much of the Bel-red Corridor capital project implementation very quickly. Lobbyists and consultants would present the Bel-Red plan to EPA, HUD, DOT among others as a model of excellence replicable in other cities for comprehensive planning and redevelopment along a major transportation corridor and incorporating everything green from groundwater to green roofs. Noted agencies are actively seeking ways to integrate their efforts and show more tangible results making this a timely investment.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$0	\$0
Other	100,000	100,000
	<u>\$100,000</u>	<u>\$100,000</u>

Supporting Revenue	2011	2012
	\$0	\$0

LTE/FTE	2011	2012
FTE	0.0	0.0
LTE	0.0	0.0
Total Count	<u>0.0</u>	<u>0.0</u>

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

There are no cost savings—this is a new project.

The innovation is the huge scale and scope of the proposal and the joint partnership and collaboration between so many different levels and different government agencies. This is a massive demonstration and pilot project for all agencies involved.

Partners include city departments of CMO, OED, DSD, PCD, Utilities, Parks, Finance, DOT as well as other state and local agencies (Sound Transit, Metro, King County, state DOT, state Commerce, housing agencies among others) and the Federal agencies of HUD, EPA, DOT among others.

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Section 5: Budget Proposal Description

The project is to work with our Congressional leaders to obtain substantial (in excess of \$100,000,000) Federal funds to implement the Bel-Red Corridor Plan infrastructure. Hence the proposal title—The Big Idea. The Bel-Red Corridor plan not only changed the land use and zoning for the 900 acre planning area, but it also proposed a long list of projects to implement the plan. The redevelopment of the area to high density mid-rise office and residential requires a major upgrading of the related infrastructure. Some of the necessary projects include those for state and city transportation and traffic, light rail related projects with Sound Transit, new and upgraded parks and open space, streams restoration, upgraded water, sewer and drainage lines, new IT lines for high-speed internet and data transmission, arts and cultural facilities, low and moderate housing and urban and aesthetic improvements among others. Substantial funding beyond local resources is needed in order to implement the plan. Once implemented, the Bel Red improvements will serve the entire region and be a model for corridor planning and innovative economic development for other US cities.

Section 6: Mandates and Contractual Agreements

NONE

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

ECONOMIC GROWTH & COMPETITIVENESS—this proposal is so large in scale and impact that all of the primary outcome's elements are affected and would be implemented. **People and Partnerships**—this proposal will lead to a major demonstration of partnerships leading to major economic development in the redevelopment of the BR Corridor. **Community Policy**—this is addressed as a strategy to foster economic development and to advance the BR Plan. **Infrastructure**—clearly, this proposal supports infrastructure since that is its entire reason for being. **Quality of Community**—the proposal, if successful, will obtain funding for a wide array of infrastructure to improve the quality of community in and around the BR Corridor. **City Brand**—with the funded projects come another layer underpinning the quality of the city and the quality of the city brand.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s):

SAFE COMMUNITY—this project will develop and improve city streets and other improvements that aid in emergency response (Response), provide a safe environment (Prevention), and engage the community in project design and implementation (Community Engagement). **IMPROVED MOBILITY**—this proposal will fund streets and other transportation improvements that will maximize the system's effectiveness and add to the multimodal system (Existing & Future Infrastructure), enhance traffic flow with increased capacity (Traffic Flow), enhance the built environment and support economic vitality (Built Environment), and provide a full range of travel options that are integrated and increase connectivity (Travel Options). **INNOVATIVE, VIBRANT & CARING COMMUNITY**—in this factor, the parks, open space, housing and cultural projects among others will improve the quality of the community by having infrastructure to house people, services and cultural activities (Support Services), provide facilities for recreation, culture, people interaction and social bonds (Opportunities for Interaction), allow for increased capacity for future growth, increased the number of community facilities, and provide the places for gathering (Built Environment), and provides facilities and processed for citizen interaction and involvement (Involve Citizens). **QUALITY ENVIRONMENT**—again the parks and open space and stream improvements would strengthen the sense of place in the BR Corridor and add to its character (Sense of Community), build and enhance parks and open space (Facilities and Amenities), help clean up the street-scape and provide sidewalks and street trees and clean up streams (Public Health and Safety), and improve the ability to get around the area with an improved set of travel modes and increased capacity (Mobility). **HEALTHY & SUSTAINABLE ENVIRONMENT**—the funded projects also support this factor through cleaner streams, increased wild life habitat and controlled runoff (Water Resources), through increased vegetation along sidewalks and in open spaces (Clean Living Environment), create additional open space and better stream corridors (Nature

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Space), reduce air pollution with additional green space (Clean Air), and preserve and enhance open space and parks and streams (Conserve). RESPONSIVE GOVERNMENT—and finally, this proposal aids our responsive government factor projects that engage the community (Community Connections), promotes our regional competitiveness economically and cross department and inter agency cooperation (Strategic Leadership), and if funded, this proposal would deliver an unprecedented and exceptional program of projects that promote, enhance and improve the city landscape (Stewards of the Public Trust).

C. Short- and long-term benefits of this proposal:

Long term benefits, if successful, are a massive infusion of funding into the Bel-Red Corridor to implement the Plan. All of the projects listed above would greatly improve the area and have spill-over benefits to other parts of the city—better street network, light rail, parks, improved utilities and IT, additional affordable housing, increased transit, parks, arts programs, and retail, improved natural environment, public health and safety, and improved appearance of the corridor.

D. Performance metrics/benchmarks and targets for this proposal:

--performance success—some or all of the requested project funding is received from the Federal government

E. Describe why the level of service being proposed is the appropriate level:

The level of funding is appropriate to hire the necessary consultants and lobbyist needed to lead and coordinate the project work here and in Washington, DC. Associated costs are for operations, travel and other staff and consultant expenditures.

Section 8: Provide a Description of Supporting Revenue

NONE, until the City receives from the Federal government the requested dollars for capital programs and projects over a multi-year period.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. Legal: NONE
2. Customer Impact: This would be a lost opportunity to seek a major infusion of capital funding to make the Bel-Red Corridor an outstanding pilot program and to speed up its redevelopment. The timing appears to be right to undertake this type of effort. This proposal is for continued economic development in the BR Corridor which is important to future customers to help preserve and improve the quality of life.
3. Investment/Costs already incurred: The work that has gone into all of the programs for the Bel-Red Corridor Plan, Land Use Code amendments, CIP program, land acquisitions, and other city programs in that area.
4. Other: NONE

B. Consequence of funding at a lower level: The City would have a lesser ability to manage the team necessary to implement the proposal and the resource required in Washington, DC may prove to be inadequate.

SEE TWO ATTACHMENTS ABOUT SENATORIAL SUPPORT AND REGIONAL RECOGNITION FOR OUR PLANNING AND REGULATORY WORK IN THE BR CORRIDOR.

2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: Legislative Branch – City Council		Proposal Number: 030.01NN
Outcome: Responsive Government		Proposal Type: Existing Service
Staff Contact: Myrna Basich, x2733		One-Time/On-Going: On-Going
Fund: General	Attachments: No	Enter CIP Plan #:
List Parent/Dependent Proposal(s): Child: 020.02NN City Council Legislative and Administrative Support		

Section 2: Executive Summary

As established by state law, the City Council serves as the legislative branch of Bellevue’s city government and is charged with promoting the health, welfare, and safety of the community. In the course of their work, Councilmembers engage citizens on variety of issues, analyze and enact policies, establish City laws, adopt a fiscally responsible biennial budget, levy taxes, authorize issuance of bonds and other debt financing mechanisms, collaborate and partner with organizations throughout the region, influence the enactment of state legislation, and provide guidance for administering services. The Council is committed to assuring a safe community, providing quality and responsive services, working with citizens and community groups to solve problems, and protecting and enhancing the natural environment.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$ 280,532	\$294,161
Other	53,175	53,775
	\$ 333,707	\$347,936

Supporting Revenue	2011	2012
	\$0	\$0

LTE/FTE	2011	2012
FTE	7.00	7.00
LTE	0.00	0.00
Total Count	7.00	7.00

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Sixty -five percent of the City Council budget is comprised of their salaries, which are established by ordinance in accordance with state law and changeable only after Councilmember reelection, and the employee benefits package made available to all regular employees. Other portions of the Council budget were scrutinized for savings. As a result, reductions were made to Council travel and City-sponsored expenses.

The City Council works with other jurisdictions at the local, state, and national level to promote the City’s interests and advocate for passage of legislation that enhances the City’s capacity to govern and provide essential services. The Council also fosters partnerships with other entities within the region to provide cost-effective regional services such as A Regional Coalition for Housing (ARCH), eGov Alliance, NORCOM, jail services, Municipal Court services, and animal control.

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Section 5: Budget Proposal Description

The City's voters adopted the Council-Manager plan of government upon incorporation in March, 1953. As described in state law, under this plan specific responsibilities are vested in the City Council. Seven Councilmembers are elected at large to serve non-partisan, four-year staggered terms. Under this plan of government, the City Council determines public policy and establishes local laws that regulate community life. The Council hires a professional City Manager to serve as the City's Chief Executive Officer responsible for carrying out the policies and direction set by Council and administering the day-to-day operations of city government in a prudent and professional manner. The City Council articulates the Community Vision and assures that city government is responsive to the needs of the community in a fiscally sound manner.

An increasingly important aspect of Council's role is service on regional bodies such as the Sound Transit Board of Directors, Eastside Transportation Partnership, WSDOT SR 520 Committee, Regional Transit Task Force, Cascade Water Alliance, Human Services Forum, Puget Sound Regional Council, King County regional committees, and the Growth Management Planning Council. This type of representation facilitates communication and interaction with other governmental bodies to discuss and work to resolve regional problems/issues that affect Bellevue.

Councilmembers serve part-time. To enhance their ability to perform at optimum efficiency and effectiveness within their time constraints, and to facilitate open communication with staff and the public, the City provides Councilmembers with laptop computers and Personal Digital Assistants, internet access, and e-mail accounts.

Section 6: Mandates and Contractual Agreements

RCW Chapters 35 and 35A provide the organizational and governance basis for cities within the State of Washington. Relevant laws relating to the form of government and role of the Council include:

RCW 35A.11 lays out laws governing non-charter, Optional Municipal Code cities like Bellevue.

RCW 35A.12.010 sets the membership of the Council at seven.

RCW 35A.12.070 addresses changes in compensation for serving and future Councilmembers.

RCW 35A.15 describes the Council-Manager plan of government.

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal – for Responsive Government:

Community connections (two-way engagement, accessibility, inclusive processes, transparency, feedback mechanism) As a natural part of their role as elected officials, the Council routinely engages the community – both as a body and as individuals. Councilmembers make themselves accessible, communicating with citizens and business leaders by telephone, email, attending neighborhood meetings and community events, and one-on-one conversations. These communications allow Councilmembers to assess community opinions and needs and to share the vision and goals of the City with constituents. Council has long embraced open government and transparency, which has been demonstrated by the wide array of public information made available to the community, in a wide variety of languages representative of Bellevue's diverse community. Additionally, the City utilizes regular, statistically-valid surveys to take the pulse of the community and assess City services. Since 1998, Bellevue has conducted an annual Performance Measures Survey which collects statistically-reliable data to gauge Bellevue residents' satisfaction with City services.

The City Council's collective policy and law-making powers are put into action at the Council's meetings. It is here that the Council conducts its business. The opportunity for citizens to be heard, the availability of local officials to the citizenry, and the openness of Council meetings all lend themselves to creating a democratic public forum. Regular meetings are held the first four Mondays of each month, with the exception of August and December when the Council meets on a more limited schedule. Oral Communications opportunities are offered at almost every regular Council meeting, and public hearings are scheduled on significant issues of community interest.

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The Council fosters a number of additional accessible and inclusive public processes. For example, appointed Hearing Examiners conduct land use, administrative appeals, and civil violations hearings on behalf of the City Council (*proposal 020.07NN*). Additionally, the Council has established seven 7-member standing advisory Boards and Commissions that provide significant assistance to the Council in studying issues, holding public hearings, and making recommendations that assist Council in formulating public policy. One Councilmember serves as liaison to each of these standing advisory committees. In addition, special purpose committees and task forces are often appointed by the City Council to address issues of special interest or to conduct background work on technical or community issues and to report back to the Council with their recommendations. Each of these public processes provides an additional forum through which the public may follow discussion and formation of policy recommendations and have opportunities to contribute their opinions and/or feedback.

Strategic Leadership (vision, strategic planning, regional partnerships) The City Council sets the future direction for the City based on their adopted Community Vision and their clearly stated expectations of excellent customer service. The Community Vision provides guidance for the community on Bellevue's future and direction necessary to meet the anticipated challenges. The Council holds an annual retreat each year to foster concentrated discussions around major trends and other factors that influence service provision and capital needs, long-range strategic planning, priority setting, the City's economic competitiveness, and regional leadership. The Council's goal is to create a financially stable structure that will allow the City to deliver high quality services and to invest in high priority capital infrastructure for the foreseeable future.

In addition to their strategic leadership role in governing Bellevue, Councilmembers have played an active role in serving on over 39 regional, state, and national committees or organizations. As regional issues continue to grow in complexity and affect Bellevue both as a residential community and business center, Council involvement and participation in these forums is a major part of their workload. In addition, the City Council actively seeks to influence legislation beneficial to the City at the state and federal levels on regional transportation improvement projects, high capacity transit, water supply, human services, natural resources, environmental protection, and other significant issues. The City tracked 622 state legislative issues during the 2009 Legislative Session and provided information and feedback to legislators on a significant number of them.

Engaged Work Force (recruitment/retention of well qualified employees, well trained/equipped, empowered) The City Council actively supports this factor by creating an environment in which an engaged workforce can thrive. Through adoption of the budget, the Council provides for regionally competitive compensation to attract/retain a highly skilled and professional workforce. The budget also provides for training, tools, materials, technologies, and other resources that enable the workforce to optimize service delivery both to the community and to internal customers. Council encourages staff to be adaptive and innovative to maximize effectiveness and cost containment in the best interests of the public.

Exceptional service (efficient, effective, timeliness, collaboration, innovation) Exceptional service is valued and encouraged by the Council, who desire that the functions of government are performed in the most productive manner in order to maximize the deployment and use of the City's resources. Objective citizen surveys demonstrate that a high percentage of citizens value the work of the City and believe that they receive good value for their tax dollars. Not only does the Council encourage the organization to look internally to identify opportunities to collaborate and implement innovative approaches, but they also utilize "comparative city" analysis to identify best practices and help to enhance Bellevue's service provision. For the last ten years, at Council direction, the City has provided a written *Report to Our Citizens* on the City's "vital signs", a series of twenty measures tracked by a consortium of ICMA cities. This "competition" with other similar cities stimulates Bellevue staff to do their best work. In the 2008 analysis, Bellevue met its performance goals in 15 of the 16 vital signs, 4 more than the previous year. Performance improved in 11 of the 16 measures.

Stewardship of the public trust (financial sustainability, measurement, well maintained public assets, risk management, equitable processes) The Council manages the City's budget and financial condition in a

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deliberate, well thought out, and fiscally prudent manner. As a result of their conservative approach, Bellevue finds itself in a less daunting financial position than many cities around the country or the region. Using the Community Vision as a backdrop, the Council aligns decisions to both balance current demands against future needs and manage risk in order not to unduly burden future generations. One key measure of the Council's success is the maintenance of a Aaa bond rating over the past 12 years, the highest available to municipalities of Bellevue's size.

Council has made strategic property acquisitions and directed the construction and maintenance of well-designed public roads, buildings, utility systems, and other assets. Council has committed to the ongoing maintenance and replacements of critical infrastructure, and has directed that all purchases and contracts be handled through open, fair, and competitive processes. As stewards of the public trust, the Council seeks to avoid unnecessary risks by thoroughly analyzing problems/issues and actively encouraging compliance with regulations.

B. Factors/Purchasing strategies addressed by this proposal - for other outcomes

As the directly elected leadership of the City, the Council is accountable for setting the Vision and policy background for the entire city. As such, it directly addresses, champions, and supports all six remaining RFRs: safe community; improved mobility; innovative, vibrant, and caring community; healthy and sustainable environment; high-quality neighborhoods; and economic growth and competitiveness.

C. Short- and long-term benefits of this proposal:

Retaining the City Council will continue short-term and long-term stability in the City's governance, in compliance with State law.

D. Performance metrics/benchmarks and targets for this proposal:

Across the board, residents continue to be pleased with Bellevue's service delivery performance:

- 97% of the citizens responded that the City was a "good" or "excellent" place to live.
- 88% felt safe downtown and 84% felt safe in their neighborhoods after dark
- 87% of respondents to the citizen survey indicated that the City is generally headed in the right direction
- 86% of residents who feel City government is giving them high quality service and excellent value for their money.

E. Describe why the level of service being proposed is the appropriate level:

Under Washington State Law, cities with populations greater than 2,500 adopting the Council-Manager plan of government establish a 7-member City Council. A change in this plan of government requires a vote of the people.

Section 8: Provide Description of Supporting Revenue

The City Council budget is General Fund supported.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. Legal: Funding of this proposal is essential to continue Bellevue's municipal government. The composition and role of the City Council is mandated by State law.
2. Customer Impact: The Council serves as a readily-accessible point of contact for the community on community issues and City governance.
3. Investment/Costs already incurred: N/A
4. Other: N/A

B. Consequence of funding at a lower level:

Ordinance No. 5163, adopted on September 20, 1999 on the recommendation of a specially-appointed Council Compensation Task Force, sets the Council's compensation at \$1,950/month for the Mayor; \$1,750/month for the Deputy Mayor; and \$1,650/month for Councilmembers. Because any increase or decrease in compensation shall not be applicable to an incumbent Councilmember for the term currently being served, changes in Council compensation are not allowed. Some discretionary line items have been reduced.

2011-2012 Budget Proposal

Section 1: Proposal Descriptors

Proposal Title: Service First		Proposal Number: 045.01A1
Outcome: Responsive Government		Proposal Type: Reduction of Service
Staff Contact: Laurie Leland, x4366		One-Time/On-Going: On-Going
Fund: General Fund	Attachments: Yes	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s):		

Section 2: Executive Summary

Service First provides centralized, seamless, one-stop delivery of a wide range of services and information to customers through our public service desk, six public phone lines, our customer assistance web portal, and our City Hall events program which manages City Hall’s 11,000sf of public meeting spaces. Central to our service delivery approach is that customers shouldn’t have to understand City business or how the City is organized to receive service.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$648,289	\$683,318
Other	13,700	13,960
	<u>\$661,989</u>	<u>\$697,278</u>

Supporting Revenue	2011	2012
	\$12,000	\$12,000

LTE/FTE	2011	2012
FTE	7.0	7.0
LTE	0.0	0.0
Total Count	<u>7.0</u>	<u>7.0</u>

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

Service First will cut 1.56 FTE Coordinator positions from our public service desk, resulting in a personnel savings of \$126,508 in 2011 and \$133,788 in 2012. We will cut our M&O (“other”) costs by \$28,729 in 2011 and \$28,289 in 2012 by eliminating overtime, reducing our sponsorship of the BDA’s “Live at Lunch” concerts, and reducing our training budget (with reduced desk staffing, there will be little opportunity to attend training & still maintain adequate coverage). **Total personnel & other cost savings \$155,237 in 2011 and \$147,748 in 2012.** Our City Hall Events program brings in revenue from space rental fees (expect \$12,000 in rental revenue in 2011 & 2012).

Partnerships/Collaboration: Partnerships include: State Dept of Licensing (registering new businesses), King County (pet licenses, operation of accessible voting center), Bellevue Downtown Association (“Walk Downtown Bellevue” program, Live at Lunch concerts), and Meydenbauer Center (event overflow & coordination).

Section 5: Budget Proposal Description

Budget Required:

- Other Expenditures - general office & operating supplies (\$9,600), staff training (\$2,100), sponsorship fee for one BDA Live At Lunch concert (\$2,000).
- 1.0 FTE Service First Manager – to plan & implement strategies to improve access to services across the organization & enhance the City’s overall service responsiveness; to manage operation of the public service

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desk, customer assistance web portal & associated software, parking & employee transportation services program, and Service First's financial transactions & bank deposits; to ensure successful resolution of customer issues.

- 1.0 FTE Program Administrator – to assist with the above, and administer the City Hall Events program which manages City Hall's 11,000sf of public meeting, event, and display space; to respond to reservation requests from the public, other agencies, and staff for City Hall's public meeting spaces; to coordinate special events/press conferences/photo shoots/temporary displays; to plan & coordinate space setups/takedowns; to determine the relative priority of competing requests for space & ensure compatibility of various uses; to collect space rental fees.
- 5.0 FTE Coordinators – to provide direct service to customers 8a-5p through the public service desk, six public phone lines, and customer assistance web portal; to transact \$68M/year of the City's payment transactions.

Section 6: Mandates and Contractual Agreements

N/A

Section 7: Proposal Justification/Evidence (may insert charts, graphs, tables, etc.)

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome:

Responsive Government - Community Connections: Our public service desk eliminates multiple stops for 5,240 walk-in customers a month who come to City Hall to pay bills, obtain licenses & permits, register for programs, submit project bids, etc. For those seeking services that extend beyond our offerings, we play an important liaison role, performing the research necessary to link them to the services they require. We connect with non-English speaking members of the community using an AT&T Language Line phone that allows 3-way communication between staff, customer, and an interpreter in over 150 languages. We expanded the use of these phones at Community Centers, Mini City Hall, and the Neighborhood Resource Center to facilitate access to their services.

The customer assistance web portal we built in collaboration with IT staff, allows people to report issues, request services, and ask questions all in one place without needing to know who to contact. Since its May 2009 launch, 963 cases have been submitted giving the community seamless access to services & information across the organization.

The event coordination we provide through our City Hall Events program supports public dialogue by engaging the community in discussions about topics and issues affecting them (i.e. Sound Transit Light Rail, 520 Tolling). The gubernatorial press conferences, public open houses, and community events we coordinate increase the opportunity for the community to participate in and understand its government. We work with City staff, neighborhood associations, community groups, and local non-profits to coordinate meetings & events for their programs.

Responsive Government - Strategic Leadership: To support our mission to contribute to ongoing improvements to service delivery throughout the organization, we created a guiding philosophy—*"Services and information should be easy to access and not require customers to understand City business or how we're organized to receive service."* We apply this philosophy to everything we do and push it deeper into the organization when collaborating on service delivery initiatives. Our strategic application of this philosophy has resulted in service enhancements: decentralized cashiering at City Hall allowing customers to pay where they receive service, redesigned City web site focused on what customers want to do not who departments are, A-Z online services directory, expanded customer bill payment options, and customer assistance web portal.

Our mission and guiding philosophy have led us to service delivery partnerships. We partner with the State Department of Licensing so individuals/businesses can obtain their UBI number & Bellevue business license in a single stop at our public service desk (515 licenses issued in 2009). We offer pet licensing services through our

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collaboration with King County Animal Services (130 licenses issued in 2009). Our partnership with King County Elections brings one of three regional accessible voting centers to Bellevue City Hall to serve eastside voters.

We have expanded Bellevue's reputation in the eyes of those who look to our public service desk and customer assistance web portal as the state of the art. Since their implementation, 26 organizations from across the country have contacted us to see how they can apply our service delivery model. Our Service First desk is an innovation in delivery of municipal public services. The centralized delivery of a broad range of services means customers don't have to navigate through the building or understand how the City is organized to get served.

Responsive Government - Engaged Workforce: Having staff with the right service orientation is mandatory to achieving our mission and exceptional service results. For this reason we recruit individuals who share our values and have grown from service industries (i.e. hospitality, event coordination, retail). As part of our work force development and retention strategy, all of our staff is measured against clear performance expectations in a 360 performance evaluation process designed to facilitate open and direct performance feedback.

Responsive Government - Exceptional Service: Satisfaction with service delivery remains extremely high as evidenced in our 2009 external customer survey: 100% rated service they received as "good or excellent"; 100% said our staff had a positive impact on their experience with the City; 91% replied "excellent" when asked how well we are streamlining access to public services. In our 2009 internal customer survey, 99% of City staff respondents said they were satisfied with our responsiveness and quality of service.

The high volume (3,619/mo) and range of complexity of calls we receive combined with our reduced staffing means many calls will go to voicemail. However, we will respond to messages on our public phone lines within 1 business day. Although this response time is significantly longer than with our previous staffing level (all calls were answered live), it does offer customers predictability.

Responsive Government - Stewards of the Public Trust: We transact and safeguard \$68M/year in public funds that flow through our public service desk in the form of payment transactions (27,933/year) and end up in our daily bank deposits. Service First desk is accountable for the receipt and delivery of thousands of documents, records, and other materials (2,915/year) that flow between customers, legal entities, and City staff. The meetings (3,967/year) and special events (99/year) we coordinate in City Hall's public meeting spaces support Council and departments in carrying out their business and put the common good and public interest above individual interests. Our City Hall Events program ensures that users of our spaces comply with Fire & Building codes, Washington State Liquor Control Board requirements for alcohol service, and minimizes the City's exposure to risk from food borne illness and injury from space setup & takedown activities.

B. Factors/Purchasing strategies addressed by this proposal – for the OTHER outcomes:

Healthy & Sustainable Environment – Conservation: We offer "green" meeting guidelines, provide compost & recycle bins at events to minimize waste, and ask caterers to use environmentally friendly food service products, bio-degradable supplies, flatware instead of disposable plastics, and water pitchers instead of bottled water.

Innovative, Vibrant, & Caring Community – Support Services: A significant increase in human services inquiries to Service First in 2009 led to the initiation of "Bellevue Cares," a recession response task force. Service First staff led the team that created the Bellevue Cares training curriculum geared at giving frontline staff across the organization the resources to assist members of our community affected by the economic downturn.

C. Short and long-term benefits of this proposal: Continued leadership in the seamless provision of a broad range of public services via multiple channels (i.e. in person, phone, email, online) but with highest priority given to in person transactions with external customers.

D. Performance metrics/benchmarks and targets for this proposal: Seeking 85% satisfaction rate on:

- Customer satisfaction with Service First's ability to streamline access to public services.
- Customer satisfaction with staff responsiveness & quality of service provided.

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- Customer satisfaction with staff's impact on their experience with the City of Bellevue.
 - Customer satisfaction with the public service desk as a valuable resource.
- E. Describe why the level of service being proposed is the appropriate level:** The level proposed allows us to continue to operate the public service desk 8a-5p with the following operational changes:
- In person transactions (251/day) given priority over phone, web, email
 - External customers priority over internal customers
 - Increased customer wait times, specifically:
 - 11:30-1:30 lunch period
 - Wed mornings
 - During our staff vacations, training, or other leave
 - Phone calls (206/day) to voicemail returned within 1 business day (previously all calls answered "live")
 - "Dial zero" calls transferred to departments (previously most calls went to Service First)
 - Staff meeting room requests responded to within 1 business day (previously was 1 hour)
 - Temporary badges, parking intercom response & motor pool keys not available before 7:30 a.m. (was 7:00 a.m.)
 - Eliminate City Hall tours, daily meeting room checks, last minute meeting room setups/takedowns
 - Return payroll distribution, car wash/storm drain kit checkout, fitness center lock issuance to depts
 - Shift staff room reservations and City Hall visitor parking lot monitoring to SF Manager and SF Program Administrator

Section 8: Provide Description of Supporting Revenue:

Revenue is from space rental fees collected through our City Hall Events program (Attachment A, section 1).

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. Legal: N/A
2. Customer Impact: Must navigate through the building to get served; unable to reserve City Hall's public meeting spaces; no walk-in access to Development Services on-duty staff or other department staff; no repository for delivery of documents; no management of City Hall parking; no central point of contact and accountable service liaison at the City.
3. Investment/Costs Already Incurred: Design & construction of Service First desk, staff recruitment/training, computers, multi-line phones, CRM software & web portal implementation, other misc equipment & supplies.
4. Other: Because frontline services we provide transferred to us from departments on secure floors of City Hall, those departments must determine how to do this work and customers will need access to secure floors; loss of revenue from daily parking fees because we won't do visitor lot enforcement; Bellevue's image as an innovator in service delivery will be tarnished.

- B. Consequence of funding at a lower level:** Staff burnout and retention issues, reduced business hours, elimination of additional services, increased customer dissatisfaction, no afterhours event coordination. Funding at a lower level may require a general re-evaluation of the service delivery model since services & service levels would be significantly reduced. Since the bulk of our FTEs are required for Service First desk operation, we considered other staffing options to reduce costs but determined that none were feasible under our centralized service delivery model (Attachment A, section 2).

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Section 1: Proposal Descriptors

Proposal Title: Operating Transfer to R&R		Proposal Number: 140.48A1
Outcome: Healthy and Sustainable Environment		Proposal Type: Reduction of Service
Staff Contact: Bob Brooks, x7199		One-Time/On-Going: On-Going
Fund: Multiple	Attachments: No	Enter CIP Plan #: N/A
List Parent/Dependent Proposal(s): This proposal is dependent to 140.41PB, Utilities Capital Reserves.		

Section 2: Executive Summary

Bellevue Utilities has infrastructure with a replacement value of about \$3.5 billion. Established by City Council in 1995, Utilities’ Renewals and Replacements (R&R) accounts proactively set aside funds to replace the City’s utility infrastructure as it ages, thereby avoiding the need for large rate spikes and ensuring that each generation of ratepayers pays its fair share of the burden of replacing these systems.

As a temporary measure, in response to the current economic downturn, this proposal funds Utilities’ transfer from rates to capital reserves for the renewal and replacement of infrastructure at a reduced level. This reduction will provide a short-term rate reduction during the 2011-12 biennium, but will create the need for larger rate increases in the future to return to planned contribution levels for funding infrastructure replacements.

Section 3: Required Resources

OPERATING

Expenditure	2011	2012
Personnel	\$ -	\$ -
Other	5,501,193	1,899,328
	<u>\$ 5,501,193</u>	<u>\$ 1,899,328</u>

Supporting Revenue

	\$ 5,501,193	\$ 1,899,328
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LTE/FTE

FTE	0.0	0.0
LTE	0.0	0.0
Total Count	0.0	0.0

Section 4: Cost Savings/Innovation/Partnerships/Collaboration

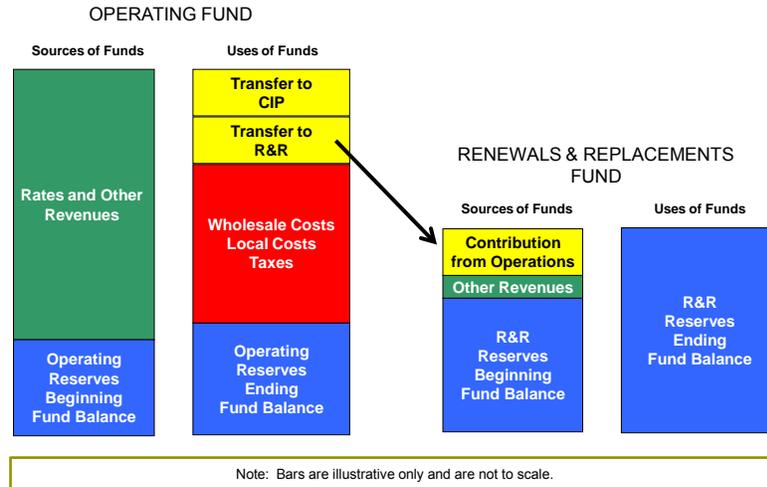
This proposal would reduce planned contributions to long-term capital reserves in both 2011 and 2012. If this proposal is accepted, \$5,510,507 would be cut from planned contributions over the two-year period.

Section 5: Budget Proposal Description

This proposal represents the transfer of monies from rates to fund future capital renewals and replacements (R&R), as graphically illustrated in Figure 1.

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Figure 1
Transfer from Utilities Operations (Rates) to Utilities R&R



The operating transfer provides about 84% of the funding for R&R, with the balance coming from interest earnings and connection fees. Renewal and replacement needs are projected using “survival curves,” to determine the timing and estimated cost of replacing the system over time. Annual transfers from rates are then determined in the long-term financial forecast based on current revenues and expenses and R&R cash flows. The long-term financial forecast projects a certain funding level for the transfers from rates to R&R; rates are established consistent with this long-term financial plan to generate the funds needed for such transfers. The financial policies state that:

- Utilities should fund capital investment from rates and other revenue sources and should not plan to use debt except to provide rate stability in the event of significantly changed circumstances, such as disasters or external mandates.
- Revenues to the R&R account may include planned and one-time transfers from the operating funds, transfers from the CIP Funds above current capital needs, unplanned revenues from other sources, Capital Recovery Charges, Direct Facility Connection Charges and interest earned on the R&R account.
- Funds from the R&R account may be loaned for purposes other than system renewal and replacement provided that repayment is made consistent with the need for these funds and at appropriate interest rates.
- To provide rate stability over the long-term, the R&R account will accumulate high levels of funds in advance of major expenses and should not be used for rate relief.

Section 6: Mandates and Contractual Agreements

- Resolution No. 5967 (1995) established the “Waterworks Utility Financial Policies.” Under these policies, “the Capital Investment Program (CIP) will provide sufficient funds ... for the implementation of both short- and long-term capital projects as identified in each Comprehensive Plan and the City-wide Capital Investment Program as approved by the City Council.”
- Ordinance No. 4783 (1995) created utility capital replacement (R&R) accounts for the Water, Sewer, and Storm & Surface Water utilities “for the purpose of accumulating funding for long term replacement of utility facilities.”

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Section 7: Proposal Justification/Evidence

A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome

How will this Proposal achieve a Healthy and Sustainable Environment (HSE)?

This proposal provides reduced funding for capital replacement projects needed to replace infrastructure as it ages. Replacement of aging infrastructure is critical to achieving the outcome, particularly as it relates to water resources. This proposal funds projects that help minimize water and sewer line breaks as well as flooding at a significantly reduced level, each of which potentially have significant customer impacts. Reducing capital reserves from planned levels would increase the risk that funds will not be available if an emergency repair/replacement is needed; limit Utilities' ability to proactively replace aging infrastructure before it breaks because funding for those projects would be lessened; reduce the flexibility to adjust the long-term capital replacement plan if needed; potentially require the use of debt to finance capital replacement projects; potentially create the need for large, one-time rate spikes to fund infrastructure replacements; and shift the burden of cost replacement from existing customers – who are utilizing the infrastructure – to future customers.

Factors in the Healthy and Sustainable Environment outcome:

- **Factor 1: Water Resources.** This proposal provides funding at significantly reduced levels to protect surface water quality and to provide for resource habitat management, and provide flood control. It does not provide funding for the replacement of infrastructure needed to deliver reliable, clean water supply to the community and/or to remove wastewater/sewage from homes and businesses.

B. Factors/Purchasing strategies addressed by this proposal - for the OTHER outcome(s)

Citywide purchasing strategies addressed by this proposal:

- **Best Value.** The R&R fund provides funding for capital projects beyond the 7-year CIP window. The funding plan utilizes interest earnings and miscellaneous revenues to the extent these are available. Revenues from rates are then used to provide the balance of the needed funding, but are “levelized” to provide a steady source of funds while avoiding unnecessary rate increases. This proposal would significantly reduce contributions to capital reserves that help offset future capital replacement project needs, making Utilities less prepared to meet the high cost of infrastructure replacement; increase costs to ratepayers over the long term due in part to foregoing interest earnings, which then increases the need for revenues from rates; cause the need for high-cost debt in the future, if available funding is inadequate to meet needs; and would shift some of the cost burden from current to future ratepayers.

C. Short-and long- term benefits and risks of this proposal:

Short-term benefits: In the short term, the operating transfer provides limited funding to build R&R account balances in the Storm & Surface Water utility, which in turn provides short-term rate relief.

Short-term risk: This short-term reduction in rates would result in an additional offsetting rate increase if Council chose to return to current target reserve levels in the next biennium.

Long-term benefits: There is no long-term benefit to reducing funding to R&R. Over the long term, adequate funding for renewals and replacements is based on an approach that results in smooth rate transitions to ensure that current ratepayers contribute their fair share of replacement costs, thus providing for long-term equity. Utilities Financial Policies provide for financial planning for long-term capital investment that is based on principles that result in smooth rate transitions, maintain high credit ratings, provide for financial flexibility, and achieve inter-generational equity. Therefore, funding should be provided for long-term capital reinvestment in the system to help minimize large rate impacts as the systems near the end of their useful life and have to be renewed or replaced. This proposal deviates from these objectives.

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Long-term risk: If the shortfall is not recovered over a relatively short period of time, this approach would lower rates for current ratepayers at the expense of future ratepayers. This proposal would result in reduced interest earnings available to help minimize needed revenues from operations, causing higher-than-necessary rate impacts to customers. Reducing capital reserves in the long-term could also require the use of debt or large one-time rate increases to fund future capital replacement projects.

E. Performance metrics/benchmarks and targets for this proposal:

List Performance Measures for this Proposal.

- Annual contribution is between minimum (book value depreciation) and maximum (replacement value depreciation), as specified by Council in the Utilities financial policies.

F. Describe why the level of service being proposed is the appropriate level:

This proposal is not scalable unless Council modifies the Financial Policies governing the R&R accounts or provides direction to deviate from written policy on a temporary basis. Utilities' financial policies, as adopted by Council, mandate the following level of service:

- Funding for capital investments shall be sustained at a level sufficient to meet the projected 20-year (or longer) capital program costs;
- Funding from rate revenues shall fund current construction and engineering costs, contributions to the Capital Facilities Renewal and Replacement (R&R) Account, and debt service, if any;
- Inter-generational equity will be assured by making contributions to and withdrawals from the R&R Account in a manner which produces smooth rate transitions over a 20-year (or longer) planning period; and
- On an annual basis, funding should not fall below the current historical cost (book) depreciation of assets less any debt principal payments.

This proposal is at variance with these financial policies. Funding for future capital replacements would no longer be at a level sufficient to meet projected long-term capital program costs without significant future rate increases and/or the use of debt financing; intergenerational equity is not assured because future ratepayers will bear increased costs to finance short-term rate reductions; and funding will fall below book depreciation levels for the two-year period.

Section 8: Provide Description of Supporting Revenue

The proposal costs are entirely supported by utility rates.

Section 9: Consequences of Not Funding the Proposal

A. Consequence of not funding the proposal at all:

1. Legal: N/A
2. Customer Impact:
The long-term financial forecast projects a certain funding level for the transfers to the CIP and the R&R Accounts. Reducing funding for capital reserves from planned levels would increase the risk that funds will not be available if an emergency repair/replacement is needed; limit Utilities' ability to proactively replace aging infrastructure before it breaks because funding for those projects would be lessened; potentially create the need for large, one-time rate spikes to fund infrastructure replacements; and shift the burden of cost replacement from existing customers – who are utilizing the infrastructure – to future customers.
3. Investment/Costs already incurred: N/A
4. Other:
The intent of the financial policies is that R&R reserve funds will not be used for other purposes or to provide rate relief because that would defeat the long-term equity and could lead to the need for the use of debt to fund the actual needs when they occur.

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B. Consequence of funding at a lower level:

Rates must be consistent with the long-term financial plan to generate the funds for future replacements. Setting rates at lower levels will create a shortfall in capital replacement funding, causing the need for debt and/or higher rates in the future. This will also result in current ratepayers contributing less than their fair share for long-term equity. The financial policies clearly state that capital (R&R) reserve funds will not be used for other purposes or to provide rate relief because that would defeat the long-term equity and could lead to the need for the use of debt to fund the actual needs when they occur. Reducing the level of service as discussed in this proposal will result in insufficient funds available to cover capital replacement costs, necessitating larger rate increases in the future.

A higher level of service would result in a buildup of excess reserves. The most appropriate level of service is to fund capital reserves as outlined in the current policies. Figure 2 illustrates the benefits of doing so. As the figure shows, differences between annual capital replacements and replacement funding from rates in later years far exceeds the extent to which rate revenues are greater than annual capital replacements in early years. This dramatic difference is due to compounding of interest earnings, which benefits ratepayers through lower rates over the long term.

