

Chapter 6:
**CAPITAL
RECOMMENDATIONS**





Chapter 6:

RECOMMENDATIONS

Capital Recommendations

OVERVIEW

The recommendations for implementing the Park Plan relate specifically to capital improvements for acquisition, development, and redevelopment projects. Renovating parks and facilities are only discussed in general terms in this section. Specific renovation projects are identified in the *Renovation and Refurbishment Plan*, which is an annually updated six-year plan (refer to Focus Area: Renovation, Maintenance, & Security).

Implementing the recommendations contained in this Plan will depend on both opportunity and funding availability. As competing demands escalate for increasingly limited City resource dollars, creative solutions are needed to fund park-related projects. It is clear that completion of the City's park system will take time and will need a sound and realistic financial strategy.

This chapter contains both Comprehensive and Short-Term Capital Recommendations. The Comprehensive Recommendations identify projects to address needs over the 20-year term of this Plan. The Short-Term Recommendations define the more immediate needs over the next ten years, addressing areas that have clear deficits or where expected population growth and scarcity of available land result in an urgency to act.

To achieve a comprehensive park system, it is imperative to acquire key parcels over the next ten years. Acquiring waterfront property, mini-park and neighborhood park sites, open space for greenways and linkages, a community center site serving downtown, and community park additions are all important acquisition initiatives in the short term.

Development and redevelopment are equally important to provide citizens a variety of passive and active recreation opportunities. Renovation of facilities plays a role in ensuring a safe, functional and well-maintained park system. One area cannot have exclusive priority over others. Top priorities include improvements to community parks, construction of a community center south of I-90, and continued improvements to waterfront parks, neighborhood parks, trails, and athletic facilities. There must also be a strong commitment to redevelop older neighborhood and community parks if we are to maximize their open space and recreation potential and ensure the high maintenance levels expected by the community.

PROJECT PRIORITIZATION CRITERIA

Part of the City's *Capital Investment Program Plan* (CIP) includes project prioritization criteria which are used by the Parks Department to evaluate acquisition, development, and redevelopment initiatives. Implementing the various elements in the Park Plan will require assessing the proposed action utilizing the following questions:

- **Park Plan consistency** - Is the project consistent with the mission, vision, goals, objectives, standards, and recommendations of the *Parks & Open Space System Plan*?
- **City Council priority** - Does the project respond to a City Council priority or an adopted plan or ordinance?
- **Maintenance and operations impacts** - What are the maintenance and operations impacts of this project? Will the project support itself? Are there opportunities for partnerships?
- **Citizen input** - Is the project a Parks & Community Services Board or Human Services Commission priority or supported by an advocacy group, public surveys, Neighborhood Enhancement Program, Neighborhood Liaison feedback, or other public input?
- **Multiple benefits** - Does the project serve multiple user groups or respond to recommendations in other plans?
- **Special funding available** - Does this project have the potential for special funding?
- **Affordability** - Is alternative funding available to match with the CIP funding? What is the benefit/cost analysis?
- **Neighborhood impacts** - Would the project have positive benefits to the surrounding neighborhood, and does the community support this project?
- **Suitability of site** - Are the proposed site's natural systems, topography, and neighboring land uses suitable for the project?
- **Geographic distribution** - Will the project help meet the distribution standards of parks and park facilities throughout the City?
- **Economic impact** - Would this project have a favorable economic impact to Bellevue?
- **Urgency** - Does the project represent a distinct opportunity that will be lost?



COMPREHENSIVE CAPITAL RECOMMENDATIONS (2003-2022)

When Bellevue incorporated in 1953, its park system included several street ends. By 1973 several large parcels, including property in Mercer Slough, Kelsey Creek Park, and Robinswood Park had been acquired. By 1993, many of these sites had been developed into major community parks, and the park system began to take on the form that it is today. Sites such as Wilburton Hill and the various greenway and trail connections were acquired, including the Lake-to-Lake Greenway. Since 1993, much of the focus was on developing a strong system of neighborhood and mini-parks throughout the community and acquiring community parks for the newly annexed territory in south Bellevue. Today, much of our park system is in place. However, as discussed throughout this Plan, important key acquisition and development projects remain to be implemented.

The ultimate goal for our park system is to connect and expand its parks and open spaces so that Bellevue remains a “City in a Park” despite its urbanization. As with previous plans, acquisition remains a top

priority for Bellevue parks. However, to satisfy short-term demands and to ensure the park system’s long-term integrity, acquisition must compete with other factors: redevelopment, renovation and new development. The challenge will be to effectively balance all of these priorities. Our success will be dependent on a solid vision and funding resource package.

Each element, such as waterfront access, neighborhood and community parks, recreation facilities, open space, greenways and trails, contributes to the overall plan to make Bellevue a beautiful and livable “City in a Park.” The vision for Bellevue gives us

direction and helps us set goals. At the same time, redevelopment and renovation cannot be neglected if the quality, function, and support of our existing parks are to remain as the City matures. The costs of main-



taining and operating our park system remain an integral component of any park acquisition or development package.

The following recommendations address the physical components needed over the next 20 years to complete the park system envisioned in this Plan. Many of the initiatives found in these Comprehensive Capital Recommendations are proposed for action over the next ten years, and are, therefore, also found in the Short-Term Recommendations that follow this section.

COMPREHENSIVE CAPITAL RECOMMENDATIONS (2003 – 2022)

ACQUISITIONS

Open Space/Greenways/Trails

- Greenway Connections/Extensions
 - > Between large open spaces and regional systems
 - > Native Growth Protection Areas (NGPA)
 - > Lewis Creek Greenway
 - > Kelsey Creek Greenway
 - > Richards Valley
- Lake-to-Lake Trail Connections
 - > Richards Valley
 - > Mercer Slough to Kelsey Creek Park
 - > Lake Hills Greenbelt
- Cougar Mountain
 - > Wildlife corridors and trail connections
- Houghton-to-Marymoor Greenway
 - > Golf Course to Bridle Trails State Park
- Coal Creek County Park and Greenway
- Burlington Northern Railroad right-of-way
- North-south power line and pipeline corridors

Waterfront Access

- Meydenbauer Beach to Marina completion
- Meydenbauer Marina to Downtown Park connection
- Enatai to Mercer Slough Connection
- SE 40th Street Boat Launch parking addition
- Lake Sammamish waterfront
- Park additions



Neighborhood and Mini Parks

- Downtown subarea
 - > NW and SE quadrant neighborhood parks
 - > Mini Park transfers (from Transportation Department)
- Crossroads subarea
- Factoria subarea
- Newport Hills subarea
- Bridle Trails subarea
- Surplus school sites

Community Parks

- Existing park additions and enhancements
- Surplus school sites
- Surrey Downs county site

Recreation and Special Facility Sites

- Community center site serving Downtown
- Resource Management facility site

DEVELOPMENT/REDEVELOPMENT

Open Space/Greenways/Trails

- Lake-to-Lake Trail
- Pedestrian and Bicycle Plan implementation
- Power line corridors
- Richards Valley connections
- Mountains-to-Sound Greenway Trail and connections
- Lewis Creek and South Bellevue Greenway Trails
- Coal Creek Park forestry and trail improvements
- Downtown Urban Trail System

Waterfront Access

- SE 40th Street Boat Launch parking addition
- Lake Sammamish Waterfront Park development
- Enatai Beach Park completion
- Downtown Park to Meydenbauer Bay connection
- Meydenbauer Beach/Marina Park development - Phase II
- Chism Beach redevelopment

Neighborhood and Mini Parks

- Factoria subarea
 - > Meadow Wood Park
 - > New site
- Crossroads subarea - new site
- Downtown
 - > NW and SE quadrants - new sites
 - > Existing mini-parks (four corners)
 - > Ashwood Park
- Eastgate/Newcastle - Norelius/Sunrise
- North Bellevue - Chapin site
- Newport Hills subarea - new site
- Wilburton - Glendale site
- Enatai Neighborhood Park - redevelopment
- Elementary school site improvements

Community Parks

- Lewis Creek Park - full development
- Eastgate Park - development
- Wilburton Hill Park
 - > Botanical Garden Visitor Center
 - > Botanical Garden Expansion
 - > Complete Park Master Plan
- Downtown Park - phased development
- Mercer Slough - Environmental Education Center
- Airfield property - full development
- Kelsey Creek - redevelopment
- Crossroads Park - phased development
- Middle school and high school site improvements

Recreation and Special Facilities

- Community centers and community buildings
 - > South Bellevue Community Center
 - > Downtown Community Center
 - > Crossroads Community Center addition
 - > North Bellevue Community Center addition
 - > School buildings
- Teen activity center(s)
- Sportsfields
 - > Synthetic soccer field surfaces
 - > Two lighted ballfields at Marymoor
 - > Lighted sportsfields at the Airfield site
 - > Light fields at selected community and school sites



- > Improve school sportsfields
- > Construct one ballfield at Wilburton
- Resource Management capacity improvements
- Facility partnership potential
 - > Aquatic Center
 - > Ice rink
 - > Fieldhouse
 - > Off-leash dog area
 - > Historic building improvements
- Alternative sports facilities
 - > Skate park(s)
 - > Climbing structure(s)
 - > Challenge course(s)
- Enterprise Fund improvements
 - > Golf Course
 - > Tennis Center
 - > Aquatic Center

RENOVATION

Separate renovation projects are not listed.

SHORT-TERM CAPITAL RECOMMENDATIONS (2003-2012)

The challenge over the next ten years will be to balance acquisition and development while remaining flexible enough to take advantage of opportunities as they arise. With this in mind, the short-term recommendations (2003-2012) have been separated into acquisition, development/redevelopment, and renovation categories, and further organized by the major focus areas described throughout the Plan.

Preserving the remaining open spaces in Bellevue is consistently rated among the highest priority elements to the community, and this plan recommends a continued focus on connecting open spaces and activity areas into a unified greenway system to serve both people and wildlife. Connected greenways and wildlife corridors expand the variety of animals that can survive within an urban environment, and trails through these corridors can also provide connections for people to meander through neighborhoods to various parts of the open space system. Greenways provide buffers between various land uses, access to high points with magnificent views, create neighborhood identity, and provide a means of binding the City together.

CHAPTER 6 *Capital Recommendations*

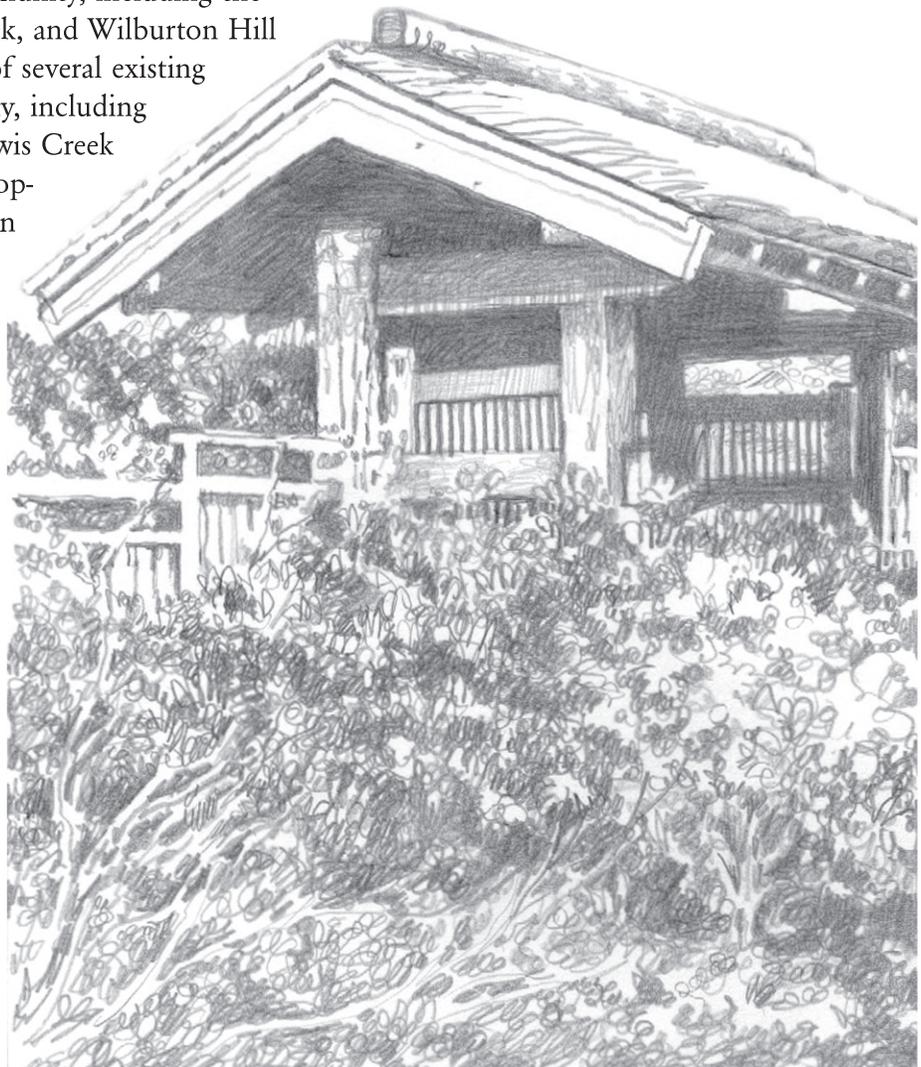
To satisfy our goal of providing additional public access to the City's waterfront, we must complete the acquisition of land and initiate public improvements along Meydenbauer Bay between Meydenbauer Beach and the marina and connect these properties to the downtown. A second major waterfront initiative is to develop a presence on Lake Sammamish.

Although great progress has been made acquiring and developing neighborhood and mini-parks throughout the community over the past ten years, neighborhood site deficits remain in several subareas of the City. Further, citizens continue to indicate a strong desire for locating small parks closer to home. Therefore, the acquisition of new sites and development of existing sites suitable for mini-park or neighborhood park use remain a high priority.

Many of our community parks have been completed. However, other parks require the acquisition of adjacent parcels to increase or enhance their benefit to the community, including the Airfield site, Eastgate, Kelsey Creek, and Wilburton Hill Parks. Completing development of several existing community parks is a high priority, including Crossroads, Enatai Beach, and Lewis Creek Parks. Continuing a phased development approach is more practical in other community parks, such as the Downtown Park, the Botanical Garden, and the newly acquired Airfield site.

Since the late 1980s, the City has aggressively partnered with the School District for the joint use of facilities. The dual use of our school facilities and land serves the community's best interest and should be continued. Improving school sites to satisfy neighborhood and community park needs, and exploring the potential acquisition of surplus school sites, is a high priority.

There remains strong interest throughout the City in providing community centers and facilities for teens. The City needs





to respond to these needs. Development of the South Bellevue Community Center is essential to serving the needs of those living south of I-90. The expansion of the Crossroads and North Bellevue Community Centers to create more full-service centers is also needed. Strong teen/adult partnerships must be utilized in developing the optimum solution to address the need for teen facilities, whether through the use of multiple satellite locations, aggressive program services, a centralized teen center, or a combination of these ideas.

Continued growth and interest in athletics places increasing demand on Bellevue's sportsfields. In close cooperation with many of the community's sports organizations, the City has studied the use and capacity of its existing sportsfields through the Sportsfield Analysis Report and has developed a series of recommendations to address the growing need for sportsfields. Major capital recommendations include the development of new lighted fields at Marymoor Park and the Airfield site, the installation of a synthetic field surface at Robinswood Park, and a continued improvement of school sportsfields.

Public support for parks and open space has been high. Through meetings, surveys, and the ballot box, the community has indicated they want to preserve Bellevue's exceptional natural amenities. Over the years, Bellevue has demonstrated its commitment to protect and enhance the environment, retain open space, and provide both passive and active recreation opportunities.

The following list of projects should be given priority in the short term. It is intended to serve as a "blueprint" for action and utilized as a tool to develop the Parks Department CIP and the biennial Parks CIP budget. Circumstances will influence which and how many of these recommendations can be accomplished in the anticipated timeframe.

Many of the listed projects are either funded in the current 2003-2009 CIP or were identified in whole or in part in the Park and Open Space Bond Issue elections that were narrowly defeated in September and November of 2002.

A comparison of the short-term project recommendations are provided in the two figures below. Figure 7 compares the proposed expenditures by category (acquisition, development, and renovation). Over time, it is expected that the acquisition and development categories will diminish as expenses to redevelop and renovate the park system will increase. Figure 8 compares the project recommendations by park type, or major focus area, as presented in this Plan. Note the balance of expenditures reflected in the major park types proposed over the next 10 years.

FIGURE 7: PROPOSED EXPENDITURES BY CATEGORY (\$ IN MILLIONS)

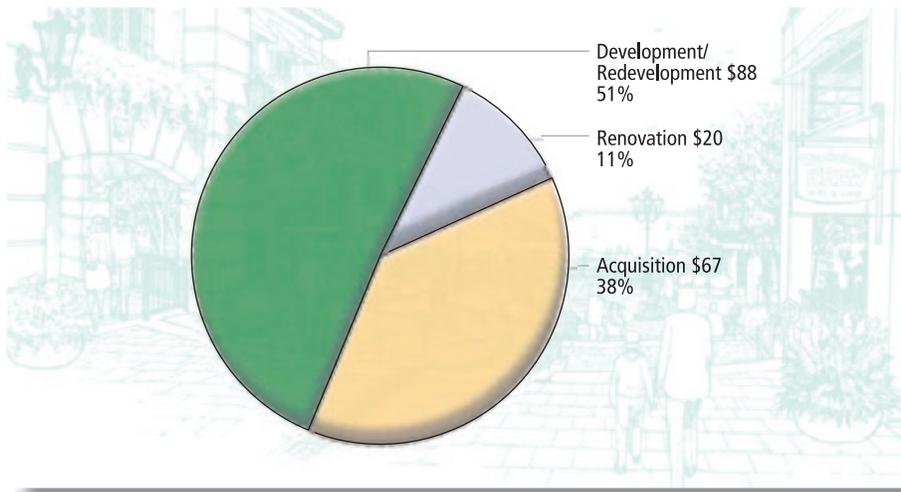
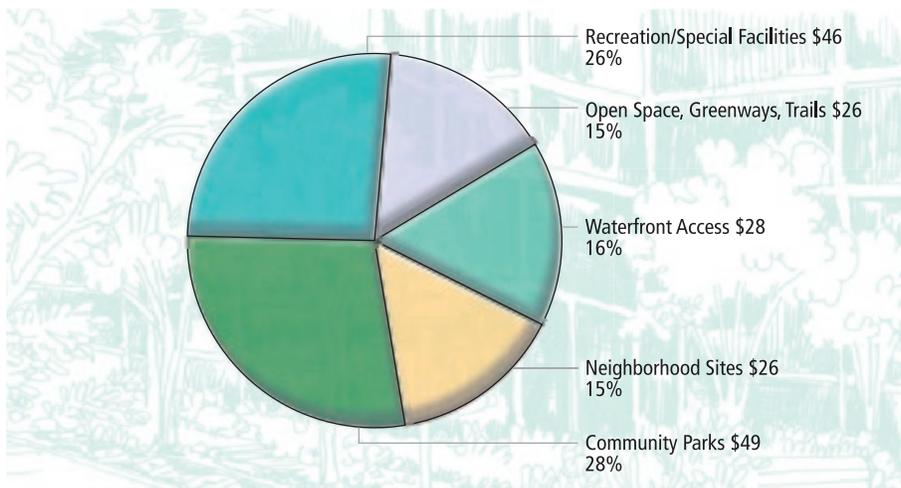


FIGURE 8: PROPOSED EXPENDITURES BY FOCUS AREA (\$ IN MILLIONS)





SHORT-TERM CAPITAL RECOMMENDATIONS (2003-2012)

ACQUISITIONS

Open Space/Greenways/Trails

- Greenway Connections/Extensions
 - > Between large open spaces and regional systems
 - > Native Growth Protection Areas (NGPA)
 - > Lewis Creek Greenway
 - > Kelsey Creek Greenway
 - > Richards Valley
- Lake-to-Lake Trail Connections
 - > Mercer Slough to Kelsey Creek Park
 - > Lake Hills Greenbelt
- Coal Creek County Park and Greenway

Waterfront Access

- Meydenbauer Beach to Marina connection
- Meydenbauer Marina to Downtown Park connection
- SE 40th Street Boat Launch parking addition
- Lake Sammamish Waterfront Park acquisition

Neighborhood and Mini Parks

- Downtown subarea
 - > NW and SE quadrant neighborhood parks
 - > Mini Park transfers
- Crossroads subarea
- Factoria subarea
- Newport Hills subarea
- Surplus school sites

Community Parks

- Existing park additions and enhancements
- Surplus school sites
- Surrey Downs county site

Recreation and Special Facility Sites

- Community center site serving downtown
- Resource Management (maintenance) facility site

DEVELOPMENT/REDEVELOPMENT

Open Space/Greenways/Trails

- Lake-to-Lake Trail connections
- Pedestrian and Bicycle Plan implementation
- Richards Valley connections
- Lewis Creek and South Bellevue trail connections
- Coal Creek Park forestry and trail improvements

Waterfront Access

- Enatai Beach Park completion
- Downtown Park to Meydenbauer Bay connection
- Meydenbauer Beach to Marina - Phase I development
- Chism Beach redevelopment

Neighborhood and Mini Parks

- Factoria subarea - Meadow Wood Park
- Crossroads subarea - new site
- Eastgate/Newcastle - Norelius/Sunrise
- Newport Hills subarea - new site
- North Bellevue - Chapin site
- Elementary school site improvements

Community Parks

- Lewis Creek Park - full development
- Eastgate Park - development
- Wilburton Hill Park
 - > Botanical Garden Visitor Center
 - > Botanical Garden Expansion
- Downtown Park - SE quadrant
- Mercer Slough - Environmental Education Center
- Airfield site - Phase I development
- Kelsey Creek - redevelopment
- Crossroads Park - phase development
- Middle school and high school site improvements

Recreation and Special Facilities

- Community centers and community buildings
 - > South Bellevue Community Center
 - > Crossroads Community Center addition
 - > North Bellevue Community Center addition
- Teen activity center(s)



- Sportsfields
 - > Synthetic soccer field surface at Robinswood
 - > Two lighted ballfields at Marymoor
 - > Lighted sportsfields at the Airfield site
 - > Improve school sportsfields
- Resource Management capacity improvements
- Facility Partnership Potential
 - > Off-leash dog area
 - > Historic building improvements
- Alternative Sports Facilities
 - > Skate Park(s)
 - > Climbing structure(s)
 - > Challenge course(s)
- Enterprise Fund Improvements
 - > Golf Course
 - > Tennis Center
 - > Aquatic Center

RENOVATION

(Refer to *Renovation and Refurbishment Plan* for specific projects)

Chapter 7: FINANCING CAPITAL PROJECTS



Drawing by JGM Landscape Architects



Chapter 7:

FINANCING

Financing Capital Projects

Funding Overview

The City's capital needs are funded through an established planning tool known as the *Capital Investment Program Plan*, or CIP. Bellevue was the first city in Washington to formally adopt a systematic plan with dedicated funding for capital facilities. The City Council adopted the CIP in 1983, dedicating new sales tax revenues authorized by the state legislature and an increase in the B&O tax to capital investment. The CIP is a seven-year rolling financing plan that is evaluated and updated every two years by the City Council. As part of the budget process, the CIP identifies, prioritizes and prices capital needs for the City. Planning and implementation of any capital project is dependent on its being part of the City's CIP.

The CIP is the major funding program for park-related facilities including acquisition, development, redevelopment and renovation. The Parks portion of the CIP has traditionally been funded from a variety of sources, such as general CIP revenue (sales and B&O taxes), Real Estate Excise Tax, voter-approved bond issues, state and local grants, and developer mitigation fees. A full description of existing and potentially available funding sources for park capital projects is provided later in this chapter. All parks related capital project costs, including planning, design, construction, maintenance and operations, and borrowing costs must be funded within the total revenue limit allocated to the parks program. Overall, the parks capital program makes up 17% of the citywide 2003-2009 CIP, compared to transportation at 46% and utilities at 18% (See Figure 9 below). The Parks CIP totals \$48 million for the seven-year plan, and is primarily funded with REET and General CIP revenues as shown on Figure 10 below.

FIGURE 9: 2003-2009 CITY CIP BY PROGRAM

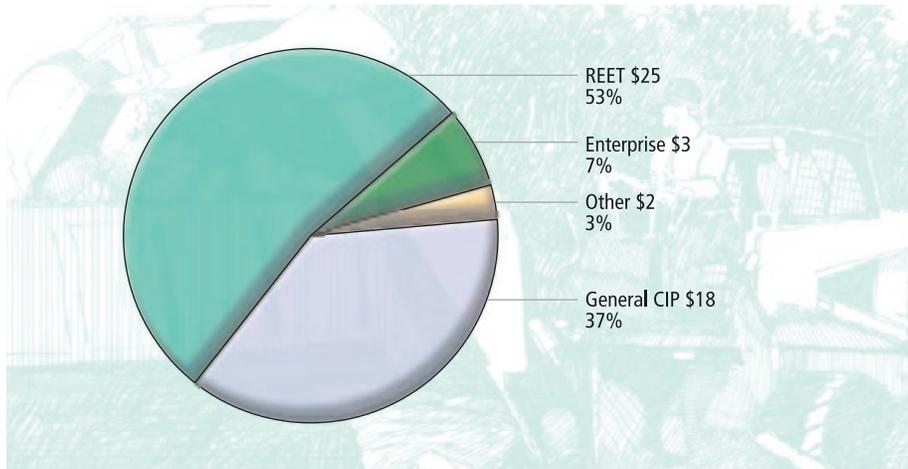
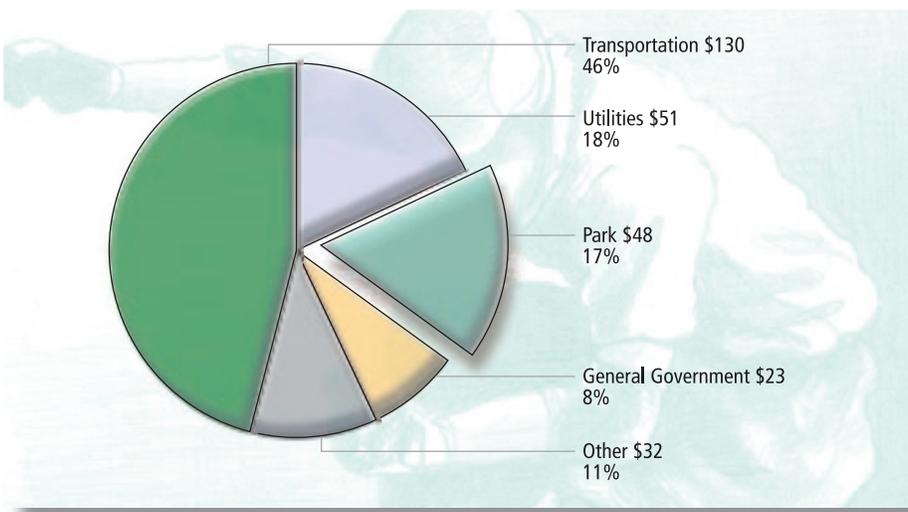


FIGURE 10: 2003-2009 PARKS CIP FUNDING



While there are a variety of revenues that fund the City’s CIP, they are not immune from fluctuations in the local and regional economy. The current slowdown in the Puget Sound economy is affecting the City’s ability to support its capital investment plan. Citywide resources available for the 2003-2009 CIP are \$284 million, or \$66 million less than those supporting the 2001-2007 CIP. Similarly, the parks program absorbed project cuts of \$4.5 million and no new capital projects were approved in the 2003-2009 CIP update. Voter-approved funding limitations and continued economic slowdown will limit available funding



for the next several years, so the City must look for alternative means of financing capital projects if it wants to further implement the *Parks & Open Space System Plan*. The following is a strategy to fund parks capital projects over the next ten years.

Funding Strategies

As documented in the preceding chapter, the *Parks & Open Space System Plan* makes recommendations for parks-related purposes that will result in total expenditures of approximately \$175 million through the year 2012, which represents the short-term capital projects. This includes cost estimates for both funded and unfunded projects, inflation, and anticipated maintenance and operation (M&O) costs not covered by a voter-approved maintenance levy. Cost estimates are preliminary and will be updated as part of the biennial CIP process.

In order to implement the recommendations set forth in the Park Plan, additional funding alternatives will be needed to augment existing CIP dollars. While funding solutions are needed for capital projects (acquisition, development, redevelopment and renovation), funding sources for ongoing M&O must also be determined prior to carrying out the capital projects.

According to City financial policies, maintenance and operations funding plans will need to accompany construction of any new facility. Traditionally, M&O dollars are derived from two primary sources: the use of General CIP funds for maintenance and operations, and voter-approved property tax increases. Future development, absent specific funding sources other than the CIP, will result in an ever-increasing portion of CIP dollars being spent for maintenance and operations, leaving less to fund capital projects. In addition to the property tax increases, M&O funding could also be derived through a variety of other mechanisms, including service area assessments, endowments, user fee increases, or other dedicated tax sources.

The following funding sources are proposed to implement the short-term capital recommendations contained in this Plan.

- **Traditional CIP Funding (\$71 Million).** Funding for the baseline parks CIP will continue to come from a strong combination of existing taxes and user fees. General CIP revenues and REET form the foundation of funding, accompanied by gambling tax revenues for youth facilities, Enterprise Fund revenues for improvements to enterprise facilities, and developer contributions for specific improvements within a certain geographic area. Funding from these sources

is expected to contribute approximately \$71 million over the next ten years. The majority of these funds should be targeted for five purposes:

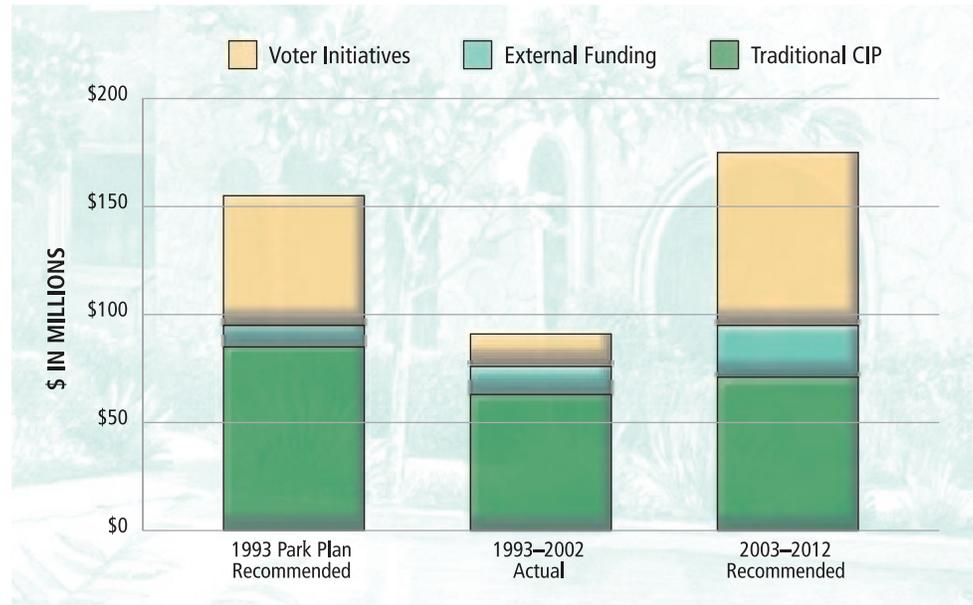
- > Renovation projects, since they often result in reduced maintenance costs
 - > Spot acquisition opportunities
 - > Long-range planning to create a sound basis for future bond issues
 - > Development projects without a large M&O commitment
 - > Existing M&O and debt obligations.
- **Voter Initiatives (\$80 Million).** Voter initiatives spaced at regular intervals will provide funding for major acquisitions and park development. This will continue Bellevue's tradition of regularly placed bond issues that have largely built the existing park system. It is assumed that any bond issue would include an associated M&O funding package. Bond issue(s) over the next ten years would contribute between \$60 and \$80 million in capital dollars.
 - **External Funding Sources (\$24 Million).** As noted throughout this Plan, the City must look more to non-traditional funding sources to achieve its goals. The following are proposed revenue sources:
 - > **King County Conservation Futures** tax revenue will be used to obtain critical open space and greenway connections. We expect to receive \$2 to \$3 million in CFT over the next ten years.
 - > **Grants** from various federal and state sources should be used for a variety of purposes, including acquisition of scarce waterfront properties and open space parcels, outdoor recreation projects, and trails for use by pedestrians and bicyclists. Aggressive pursuit of grant opportunities should provide funding of \$4 to \$6 million over the next decade.
 - > Cultivation of **donations and partnerships** should be emphasized as a creative way to help finance specific projects. We must look for opportunities to match our capital needs with the interests of individuals and organizations. We estimate that \$5 to \$10 million will be received through donations and partnerships over the next ten years.
 - > Expanded use of **user fees** to fund capital projects, as is currently done at Enterprise facilities such as the Bellevue Golf Course. We estimate this source of revenue could raise an additional \$3 to \$5 million in the next ten years to fund specialized facilities.

The funding sources proposed to fund the short-term capital projects are represented graphically on Figure 11 and compared to the recommendations adopted in the 1993 Park Plan and the actual funding sources used to implement the Parks CIP program over the last ten year



period. Note that while the use of the traditional funding sources is proposed to remain fairly constant, a more aggressive use of voter initiatives and external funding sources are proposed.

FIGURE 11: **SHORT-TERM REVENUE SOURCES**



The following assumptions have been made in formulating the funding strategy described above:

- ✓ A relatively stable economy
- ✓ The ability to pass voter-approved bond issues
- ✓ The inclusion of an associated M&O funding package with any bond issue
- ✓ The 2003-2009 CIP as adopted will not change
- ✓ Construction of unfunded projects will occur between 2005 and 2012.

Forecasts for General CIP, REET, and other City revenues used in this funding strategy have been developed by the City's Finance Department and include the following assumptions:

- ✓ Revenue estimates and inflation factors used in the adopted 2003-2009 CIP are accurate
- ✓ No change in the allocation percentage to parks CIP
- ✓ Projected financing obligations related to the new City Hall (formerly Qwest) are included
- ✓ A reduction in the City's B&O tax revenues beginning in 2008
- ✓ Inflation factors for 2010 -2012 are estimated at 2.7%

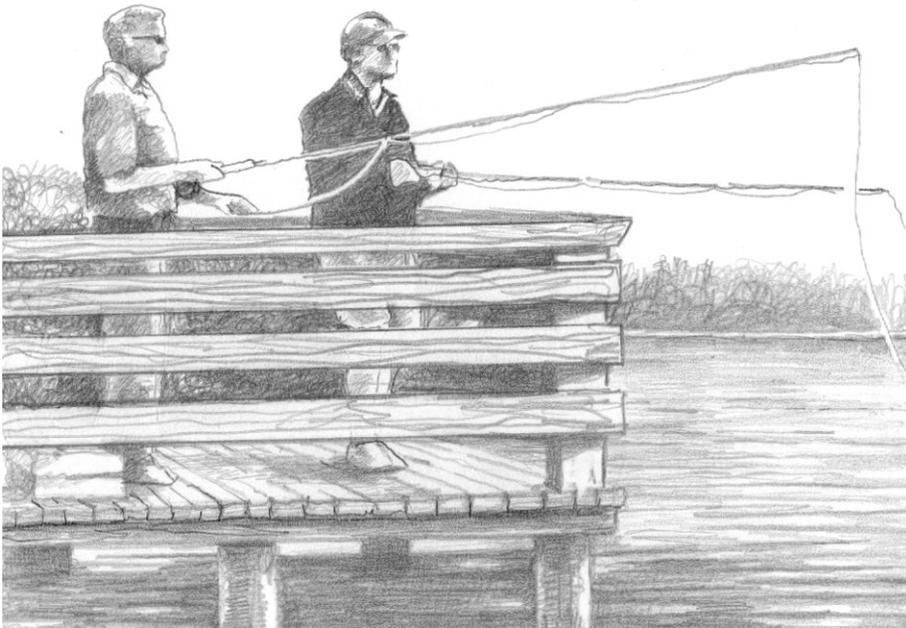
Summary of Funding Sources

General CIP Revenue

According to current fiscal policy, the City Council has dedicated to the Capital Improvement Program .5% of the City's local option sales tax, .03% of the City's Business and Occupation (B&O) tax, interest earnings on unexpended balances, and other miscellaneous unrestricted revenues to fund a variety of capital projects. The amount of available revenue fluctuates with current economic conditions. Within the total available dollars, the percentage of general CIP funds allocated to the Parks capital program has varied throughout the years, with parks normally receiving between 15 and 20% of the total. The parks program was allocated \$18 million of the total available general CIP revenue in the 2003-2009 CIP. While B&O taxes have been a primary funding source for the City's CIP, a bill passed by the State Legislature will reduce Bellevue's B&O taxes dedicated to the CIP by approximately \$800,000 per year in General CIP revenues starting in 2008.

Real Estate Excise Tax (REET)

REET consists of money derived from one-half percent of the selling price of real property within the City of Bellevue. Cities planning under the State's Growth Management Act must generally use these funds for capital projects as described by state law. Beginning with the 1993-1999 CIP, one-quarter percent (REET 1) was allocated for capital improvements related to parks, recreational facilities and trails identified in the City's CIP. The City has targeted the second quarter percent (REET 2) for transportation-related improvements.





REET revenues fluctuate with the local real estate market, which directly affects the amount of money the parks CIP receives from this source. For example, REET funding (parks portion) was \$30 million in the 2001-2007 CIP, but only \$25 million in the 2003-2009 Plan.

Voter-approved Bonds/Levies

General Obligation bonds (G.O. Bonds) have been used to develop the backbone of Bellevue's park system. Local park bond issues have been approved in 1956, 1965, 1970, 1977, 1981, 1984, and 1988. County-wide park bond issues have been approved in 1968 (Forward Thrust) and 1989 (Open Space and Trails). Voter-approved G.O. bonds can be generated for acquisition or development and are typically repaid through an annual "excess" property tax levy through the maturity period of the bonds, normally 15 to 20 years. Broad consensus support is needed for passage, as a 60% "yes" vote is required. A validation requirement also exists, wherein the total number of votes cast must be at least 40% of the number of votes in the preceding general election. Two examples of voter-approved bond issues are Bellevue's \$16.5 million parks and open space bond issue in 1988 and King County's 1989 open space bond issue, of which \$6.6 million was targeted for park acquisition and trail development projects in Bellevue.

In September 2002, Bellevue voters were asked to approve a \$68 million park bond. The bond package targeted park and open space acquisition and development of neighborhood parks, sportsfields and existing parks. The bond issue fell just short of the required 60% voter approval (58.9%). The City Council reduced the bond package to \$60 million for the November 2002 ballot, but it again missed the required percentage with 57.4%.

A **levy lid lift** is another voter-approved funding source for financing capital improvements. Unlike a bond issue, no validation is needed and a "yes" vote of 50% plus one vote passes the levy. The proceeds may be received on an annual, pay-as-you-go basis, or bonds may be issued against the levy amount in order to receive the proceeds all at once. If bonds are issued, property taxes can be raised by a set amount (based on the assessed valuation) for up to nine years. However, this funding source has traditionally been used to support the ongoing maintenance and operational costs of bond projects.

A property tax lid lift was approved by voters in 1988 to support the park maintenance and operation costs associated with the 1988 G.O. bond issue. Due to a timing issue, tax proceeds exceeded M&O needs during the early years of this bond, and these revenues were transferred to an endowment fund to be held for future authorization. This money,

and interest earned on it, are restricted for parks M&O costs associated with park improvements implemented through this bond issue. The City Council can approve annual increases to the levy, although they have chosen not to do so since 1994.

Voters approved a property tax levy with a 68% “yes” vote in September 2002 to maintain new parks proposed in the companion bond issue. Because the bond failed, the City Council decided not to collect the supporting levy.

Non Voter-approved Bonds

Councilmanic bonds are G.O. bonds issued by the City or County Council without voter approval. Under state law, repayment of these bonds must be financed from existing City revenues since no additional taxes can be implemented to support related debt service payments. An example in Bellevue was the 1983 purchase of the Downtown Park property, where .2% of the local option sales tax was allocated toward the repayment of the Downtown Park councilmanic bond issue.

Revenue bonds are typically issued for development purposes, and often cost more and carry a higher interest rate than G.O. bonds. Revenue bond covenants generally require that the revenues received annually would have to equal twice the annual debt service payment. Revenue bonds are payable from income generated by an enterprise activity. For example, the City issued \$800,000 in revenue bonds in 1967 for the development of the Bellevue Golf Course.

King County Conservation Futures Tax (CFT)

Conservation Futures tax levy funds are a dedicated portion of property taxes in King County and are available, by statute, only for acquisition of open space, agricultural and timber lands. The King County Council approves funding for projects based on submittals from cities and the county. Bellevue has received approximately \$5 million since inception of this revenue source in 1989 to fund several acquisition projects, including the two Meydenbauer marina properties, greenway system additions, portions of Lewis Creek Park, and Lattawood Park.

Enterprise Fund/User Fees

The City of Bellevue created a Parks Enterprise Fund to account for a number of activities in which user fees and charges are set to recover the cost of operations and certain capital improvements. The Bellevue Golf Course, Robinswood Tennis Center, Robinswood House, and the Bellevue Aquatic Center are all operated in the Parks Enterprise Fund. Enterprise Fund revenues were used for the construction of the air



structure over two of the outdoor courts at Robinswood Tennis Center and for many capital improvement projects at the Bellevue Golf Course. In the future, the City may explore the expanded use of user fees to fund capital projects where feasible to do so.

Grants

The Interagency Committee for Outdoor Recreation (IAC) administers a variety of grant programs from several federal and state sources to distribute to eligible application sponsors for outdoor recreation and conservation purposes. The amount of money available for grants statewide varies from year to year and most funding sources require that monies be used for specific purposes. Grants are awarded to state and local agencies on a highly competitive basis, with agencies generally required to provide matching funds for any project proposal. Bellevue has received approximately \$2.7 million in IAC grant funds over the past twenty years for a variety of projects, including the acquisition of the two Meydenbauer Bay marinas and portions of Lewis Creek Park, development of Enatai Beach Park and Marymoor ballfields, improvements to the SE 40th Street boat ramp, and urban wildlife enhancements in the Mercer Slough.

The following are state or federal programs administered by the IAC to provide agencies funding to acquire and develop park, open space and recreational lands and facilities:

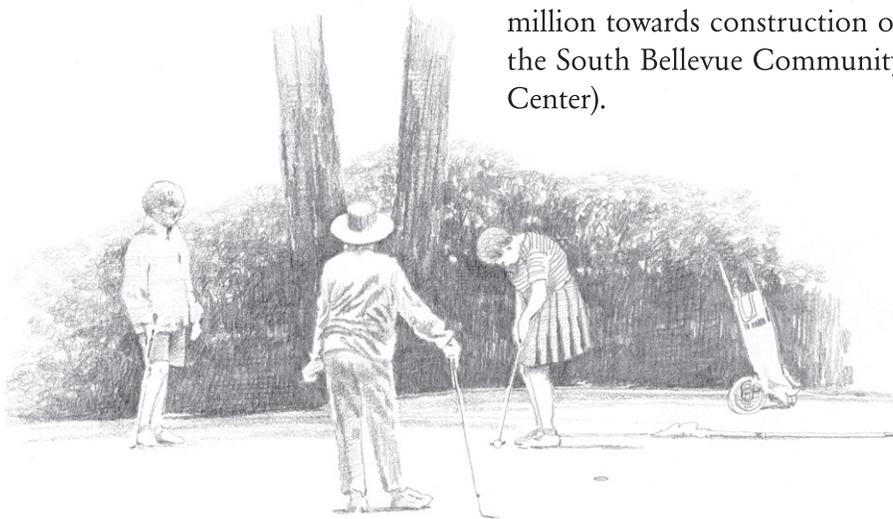
- Washington Wildlife and Recreation Program, or WWRP.
- The Land and Water Conservation Fund
- The National Recreation Trails Program
- Youth Athletic Facilities Fund
- Boating Facilities Program
- Non-highway and Off-Road Vehicle Activities Program (NOVA)
- Salmon Recovery Funding Board

Other state/federal grant programs include:

- **The Aquatic Lands Enhancement Account (ALEA)**, a competitive grant program administered by the State Department of Natural Resources (DNR) to enhance and protect wildlife and fish habitat and provide places for people to enjoy Washington's shorelands and tidelands.
- **The Transportation Equity Act for the 21st Century (TEA-21)**, administered by the U. S. Department of Transportation, provides funding for transportation-related enhancements such as bicycle and pedestrian trails and projects to reduce vehicle-caused wildlife mortality.

Donations/Partnerships

As traditional funding sources become more scarce, the City must search for creative and dynamic methods of financing the Park Plan. To that end, successful marketing of the potential for public involvement in the “City in a Park” vision is imperative. This can include donations, endowment funds, volunteer support and partnerships with community businesses, organizations and residents. Examples of past donations include eight acres of what is now Wilburton Hill Community Park from Cal and Harriet Shorts and \$500,000 from an anonymous donor toward the purchase of the Meydenbauer Marina. Examples of current partnerships that are expected to contribute toward funding capital projects include the Pacific Science Center (\$2.2 million toward the development of the Mercer Slough Environmental Education Center) and the Bellevue Boys and Girls Club (\$1.5 million towards construction of the South Bellevue Community Center).



Programs such as “Your Land, Your Legacy” can motivate people into bequeathing their property (or a portion thereof) for public purposes. Many options exist for potential donors to conserve their land for public use by future generations. Creative financing of property acquisition or donation can be a benefit for both the seller/donor and the City.

Punchboards and Pulltabs Tax

This tax, also known as the “gambling tax,” is imposed on the utilization of punchboards and pulltabs within the City and is set at a rate not to exceed 5% of the gross receipts from such activities. Tax proceeds beyond those needed to enforce gambling laws were reserved by Council policy for the purpose of providing youth facilities. This revenue source is expected to generate approximately \$150,000 per year to support youth-related CIP facilities.



Annexations/Transfers/Donations

Additional land and/or parks may be added to Bellevue's inventory through annexation (e.g. Sunrise and Newport Hills Parks), transfer from King County (e.g. Eastgate and Weowna Parks), transfer of privately owned Native Growth Protection Areas (NGPAs) from homeowner associations, or donations. The financial impact to the City varies for each annexation or transfer. Costs may range from providing ongoing maintenance to planning for future park development or redevelopment. Since the City has already acquired most of the property within its potential annexation area (PAA), limited opportunities exist for new land from King County. The only non City-owned park identified for transfer within the City's current PAA is Coal Creek Park.

Impact Fees/Developer Mitigation Fees

Bellevue does not apply park impact fees (based on Park Plan level of service standards) to new development citywide as a condition of permit approval. Through the State Environmental Protection Act (SEPA), the City collected developer mitigation fees (payable either in cash or through development of recreation facilities) in the rapidly developing South Bellevue subarea. Sunset and Silverleaf are examples of small parks developed through developer mitigation. These developer contributions cannot supplant other revenue sources within a project; they are in addition to existing funding and must be used for a specific purpose. In addition to the development of recreational facilities, the City has received approximately \$800,000 since mitigation requirements were initiated in the Newcastle Subarea in 1990. As this subarea reaches build-out, this source of revenue is expected to diminish.

Parks and Recreation Service Area (P&RSA)

A P&RSA is a junior taxing district which can be initiated by petition signed by at least 10% of the voters residing in the affected area or by county resolution. The county has the authority to create a P&RSA with 60% voter approval. The county can opt to relinquish its governing authority to the City through an interlocal agreement if the P&RSA is centered around an incorporated area.

Real Estate Transactions

Selling or trading parcels of land that the City now owns but does not think will be used for park purposes could be considered as a method to finance acquisition and/or development of more suitable sites. Renting or leasing park-owned property has been used to offset the cost to acquire or manage properties. For example, homes acquired as part of the overall property acquisition along Meydenbauer Bay are being

rented on an interim basis until the City is able to develop the property into a park. Less than fee-simple property acquisition techniques such as life estates and conservation easements can also be used to help reduce the cost of property acquisition. And, finally, leasing property for non-park purposes such as wireless communication facilities can also provide a source of revenue to offset capital costs.

New Tax Sources

The possibility always exists to raise money to fund park-related projects through new tax sources. However, there are currently no identified sources for potential taxation, and the current economic and political climate is one of tax reduction, not creation of new taxing sources.