



# Economic Growth & Competitiveness

## – Cause & Effect Map

As a community, Bellevue values...

- A community that grows in ways that add value to our quality of life and enhance the opportunity for economic prosperity.
- A business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment and prosperity of the community.

### Factors:

#### City Brand

- City Mission/Vision
- Bellevue’s Reputation
- Regional Character & Location
- Existing Businesses & Industries
- Regional Leader in Commerce
- International Gateway City

#### Costs and Capital

- Incentives to attract entrepreneurial businesses
- Tax Policies & Programs
- Development Processes
- Utility Costs

#### Land, Infrastructure and Planning

- Infrastructure for Communications & Utilities
- Transportation Systems & Choices
- Strategic Growth Plan
- Zoning & Site Development
- Major Facilities

#### Quality of Community

- Social Offerings
- Housing Choices
- Diverse Retail & Tourism
- Parks/Open Space & Well-Kept Neighborhoods
- Sense of Community

#### Workforce

- Diverse Workforce
- Opportunities for Education, Innovation and Research
- Training, Internships, Apprenticeships & Volunteer Programs
- Diverse Employment Portfolio offering living-wage jobs

### Key Community Indicators:

- % of residents who feel the City is doing a good job of planning for growth that adds value to their quality of life
- % of residents and businesses who agree that the City is doing a good job helping create a competitive business environment that supports entrepreneurs and creates jobs.

### Key Performance Indicators:

- % of customers rating inspection or review services as very good or good
- Employment growth rate by sector
- Jobs in Bellevue as a % of total regional jobs
- % change in B & O tax revenue
- Change in Taxable Retail Sales (TRS) per capita
- Employment rate of Bellevue citizens compared with the regional rate



## Budget By Outcome

### Economic Growth and Competitiveness

### Performance Measures

#### Community Values:

As a community, Bellevue welcomes growth that adds value to our quality of life and enhances opportunities for economic prosperity. The City understands the importance of a business environment that makes us competitive in retaining and attracting businesses, assists entrepreneurs in creating jobs, and supports community prosperity.

#### Are We Achieving Results that Matter?

The percent of residents who feel (1) the City is doing a good job of planning for growth and (2) the City is doing a good job of creating a competitive business environment have remained about the same although planning for growth in ways that add value to the quality of life has decreased in the most recent Performance Survey.

By creating attractive places to live, work and play the City provides an environment where businesses can grow and successfully recruit employees. Growth increases the City's tax base, enabling us to maintain its attractiveness and community programs. In the past two decades, Bellevue has become home to a number of high-tech companies, shifting from a suburb to a metropolitan center. Downtown Bellevue has matured with high-rise office development, an array of retail and entertainment uses, and residential development that provides an urban feel and attraction for professionals who both live and work in Bellevue.

Key Community Indicators: Economic Growth & Competitiveness	2012 Results	2013 Results	Change 2012-2013
% of residents who feel that the City is doing a good job of planning for growth in ways that will add value to their quality of life.	83%	76%	-7%
% of residents who agree that the City is doing a good job helping to create a business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment of the community.	85%	82%	-3%

Key Performance Indicators	2011 Results	2012 Results	2013 Results	2013 Target
Percent of region's job growth captured within Bellevue since 2000	12.20%	6.30%	6.0%	7%
Bellevue retail sales and use tax growth rate compared to regional growth rate	0.70%	0.80%	-2.20%	1%
Employment rate of Bellevue residents compared to regional employment rate	1.80%	1.50%	*	1.5%
Percent change in B&O tax revenue	+2.9%	+3.6%	+7.4%	**

*\*data not available; \*\*targets not set*

## Outcome: Economic Growth & Competitiveness

Ranking Sheets as of October 27th

The Preliminary Operating Budget includes the following changes from the Results Team, Leadership Team and City Manager work as of October 27th.

Rank <sup>1</sup>	Proposal Title	Council Priority	Proposal #	Proposal Type*	2013-2014 Proposal \$**	2016 FTE/LTE	2015-2016 Proposal \$***	RT Proposed Changes	2015-2016	2015-2016 Total Proposal Cost	Total Requirement	Funding Sources
									Preliminary Budget Recommendations		(Net of DB and Reserves)	
1	Development Services Review Services	•	110.03NA	En	9,463,928	52.95	13,878,940	(259,279)	196,911	13,816,572	13,816,572	DS, Utilities, General
2	Economic Development Core Program and Services	•	115.15NA	E	676,800	2.00	774,530	(70,000)	-	704,530	704,530	General
3	Economic Development Strategy Implementation	•	115.16NA	En	350,000	1.00	842,312	(200,000)	(70,000)	572,312	572,312	General
4	Broadband Fiber and Cable Franchise Program	•	090.15NA	N	-	1.00	380,997	(8,064)	8,064	380,997	380,997	IT
6	Downtown Parking Enforcement		130.17NA	E	240,923	0.10	233,231	(233,231)	233,155	233,155	233,155	General
NR	Bellevue Convention Center Authority (BCCA) Operations <sup>2</sup>		060.10PA	E	16,891,000	0.00	26,269,500	-	-	26,269,500	26,269,500	Hotel/Motel Tax
<b>Total Funded</b>					<b>27,622,651</b>	<b>57.05</b>	<b>42,379,510</b>	<b>(770,574)</b>	<b>368,130</b>	<b>41,977,066</b>	<b>41,977,066</b>	
5	Downtown Parking Enforcement Alternative		130.17NB	N	-	0.00	1,201,019	(370,084)	(830,935)	-	-	General
<b>Total Not Funded</b>					<b>-</b>	<b>-</b>	<b>1,201,019</b>	<b>(370,084)</b>	<b>(830,935)</b>	<b>-</b>	<b>-</b>	

\*Proposal Type:

E = Existing - same service level as previous biennium

En = Enhanced - expanded service level or budget request

N = New - entirely new proposal

\*\* 13-14 Proposal \$ is an estimate, proposals have been split and/or combined from 13-14 to 15-16

\*\*\* Includes technical adjustments, such as changes to personnel from CPI-W and/or union settlements.

<sup>1</sup> Proposal Rank with NR were not ranked by the Results Team.

<sup>2</sup> BCCA proposal includes pass through expenditures previously not submitted to an Outcome.



## Budget By Outcome

### Economic Growth and Competitiveness

### Preliminary Budget Recommendations

**The table and explanations below outline the changes made to the budget between July 28th and the October 6<sup>th</sup> Budget Workshop.**

The 2015-2016 Preliminary operating budget includes the following changes from the Results Team, Leadership Team and City Manager work as of October 27th.

- Funded the Development Services Review Services proposal 110.03NA.
  - The Leadership Team and/or City Manager reinstated a Land Use position in the Development Services Fund. This position is General Fund backed per the City’s current cost recovery policy and was reinstated due to the increase in major project review activities.
  
- Funded the Broadband Fiber and Cable Franchise Program proposal 090.15NA.
  - This nominal amount of additional funding was due to a technical adjustment.
  
- Eliminated funding for the Downtown Parking Enforcement Alternative proposal 130.17NB.
  - Based on feedback from the Council on July 28, the Leadership Team and/or City Manager did not fund proposal 130.17NB.
  
- Funded the Downtown Parking Enforcement proposal 130.17NA.
  - Based on feedback from the Council on July 28, the Leadership Team and/or City Manager restored funding for proposal 130.17NA to continue to provide parking enforcement using the City’s current model.

Proposal	Proposal Type*	Title	2015	2016	2015-2016 Budget Recommendations as of 10/6/14
110.03NA	En	Development Services Review Services	\$96,700	\$100,211	\$196,911
090.15NA	N	Broadband Fiber and Cable Franchise Program	\$8,064	\$0	\$8,064
130.17NB	N	Downtown Parking Enforcement Alternative	(\$160,225)	(\$670,710)	(\$830,935)
130.17NA	E	Downtown Parking Enforcement	\$115,186	\$117,969	\$233,155

\*Proposal Type:

- E = Existing - same service level as previous biennium
- En = Enhanced - expanded service level or budget request
- N = New - entirely new proposal

These recommendations are reflected in the ranking sheet.



## Budget By Outcome Economic Growth and Competitiveness Preliminary Budget Recommendations

**This page outlines the changes since the October 6<sup>th</sup> Budget Workshop.**

- Adjusted professional services funding from the Economic Development Strategy Implementation proposal 115.16NA to restore professional services funding for the Arts Core Program in IVCC Outcome.

Proposal	Proposal Type*	Title	2015	2016	2015-2016 Budget Recommendations since 10/6/14
115.16NA	En	Economic Development Strategy Implementation	(\$10,000)	(\$60,000)	(\$70,000)

\*Proposal Type:

- E = Existing - same service level as previous biennium
- En = Enhanced - expanded service level or budget request
- N = New - entirely new proposal

These recommendations are reflected in the ranking sheet.

# City of Bellevue 2015-2016 Operating Budget Proposal Summaries by Outcome

## Economic Growth and Competitiveness

060.10PA     **Title:** Bellevue Convention Center Authority (BCCA) Operations

**Department:** Finance

	<b><u>2015</u></b>	<b><u>2016</u></b>
<b>Budget:</b>	\$17,451,500	\$8,818,000
<b>FTE/LTE:</b>	0.00/0.00	0.00/0.00

This proposal provides 100% of transient occupancy tax (approximately \$21 million in the 2015-2016 biennium) for the continuing support of and partnership with the Bellevue Convention Center Authority (BCCA) to promote business and tourism. BCCA fulfills its mission by supporting the operations of the Meydenbauer Convention Center. Meydenbauer Convention Center serves as an economic engine to the community. Their activities bring people into the City which provides for increased transient occupancy tax (TOT), sales, and business and occupation (B&O) tax revenues. Additionally, they provide a facility for community events and performing arts while maintaining a nearly self-supporting status.

<u>Performance Measure</u>	<u>2013</u> <u>Actual</u>	<u>2014</u> <u>Target</u>	<u>2015</u> <u>Target</u>	<u>2016</u> <u>Target</u>
Meydenbauer Center - Dollar of Economic Impact Generated (\$m)	\$34.60	\$53.90	\$55.50	\$57.20
Meydenbauer Center - Operating Revenue	\$8.70	\$8.10	\$8.30	\$8.50
Meydenbauer Center - Coverage Ratio	100%	92%	90%	90%
Meydenbauer Center - Number of hotel nights generated by operations (thousands)	38.3	30.9	31.8	32.8
Meydenbauer Center - Number of events	282	263	270	278
Theatre days booked	234	211	217	224
Customer Service Rating: overall quality of service	99%	95%	95%	95%
Customer Service Rating: overall courtesy of Meydenbauer Center staff	100%	95%	95%	95%

Note – Operating Proposal Executive summaries are listed in proposal number order by Outcome. They do not include debt proposals or reserve proposals, nor do they include CIP proposals which can be found in the CIP section. They are shown as provided by the Department submitting the proposal, have been adjusted and tie to the column titled “2015-2016 Total Proposal Costs” on the allocation sheet. City Council will continue deliberations through December when the final budget is adopted.

# City of Bellevue 2015-2016 Operating Budget Proposal Summaries by Outcome

## Economic Growth and Competitiveness

090.15NA **Title:** Broadband Fiber and Cable Franchise Program

**Department:** Information Technology

	<b><u>2015</u></b>	<b><u>2016</u></b>
<b>Budget:</b>	\$186,691	\$194,306
<b>FTE/LTE:</b>	0.00/1.00	0.00/1.00

This proposal responds to a Council Priority to “develop the Smart City strategy to include high speed data options to support businesses and residents and determine implementation steps” and ties to EDP objectives. Proposal outcomes include a survey to I.D. needs (including connectivity), levels of satisfaction and price point sensitivity. The information will be used to develop foundational strategies to ensure that quality, affordable internet connectivity is available. The proposal also includes limited resources for short-term capacity to enhance City relationships with service providers, facilitate solutions for service needs as they arise, coordinate City infrastructure investments to address gaps and bottlenecks and assist in identification of options for next steps. This is a first step toward meeting the overall goal to attract new investment and service providers by creating an environment that facilitates competition.

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<u>Performance Measure</u>	<u>Actual</u>	<u>Target</u>	<u>Target</u>	<u>Target</u>
Residents are satisfied with the quality of telecommunication services available to them	N/A	N/A	N/A	N/A
Residents agree Bellevue is doing a good job of helping to create a competitive business environment	82%	N/A	N/A	N/A

090.19NA **Title:** G-38 Expanded Community Connectivity

**Department:** Information Technology

	<b><u>2015</u></b>	<b><u>2016</u></b>
<b>Budget:</b>	\$0	\$0
<b>FTE/LTE:</b>	0.00/0.00	0.00/0.00

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# City of Bellevue 2015-2016 Operating Budget Proposal Summaries by Outcome

## Economic Growth and Competitiveness

110.03NA **Title:** Development Services Review Services

**Department:** Development Services

	<b><u>2015</u></b>	<b><u>2016</u></b>
<b>Budget:</b>	\$6,847,661	\$6,968,911
<b>FTE/LTE:</b>	52.95/1.00	52.95/0.00

This proposal provides for Development Services (DS) review of designs and applications for private and public development projects. DS issues 12,000 to 14,000 permits and approvals per year that contribute to the economic prosperity of the City. The goals of development review are to ensure that buildings are safe, that land uses and project designs are consistent with the community vision, that the environment is protected, that traffic impacts are managed, and that developer-built utilities and other infrastructure meet the city's standards.

<u>Performance Measure</u>	<u>2013 Actual</u>	<u>2014 Target</u>	<u>2015 Target</u>	<u>2016 Target</u>
Customers noting review services as very good or good	N/A	85%	85%	85%
Customers treated in helpful, courteous and knowledgeable manner	N/A	95%	95%	95%
Total applications applied for online	44%	55%	60%	70%
First review decision (FRD) timelines meeting target	55%	65%	70%	80%

115.15NA **Title:** Economic Development Core Program and Services

**Department:** Planning & Community Develop

	<b><u>2015</u></b>	<b><u>2016</u></b>
<b>Budget:</b>	\$346,457	\$358,073
<b>FTE/LTE:</b>	2.00/0.00	2.00/0.00

This proposal for the Economic Development Core Program and Services will continue to support the core functions of the Economic Development Office, at existing service levels: business retention and recruitment, business ombudsman, international business development, small business development, marketing and promoting the City as a place to do business. Through the ED Program the City works with local and regional business and governmental organizations to promote business in Bellevue and provide regional leadership on economic issues.

<u>Performance Measure</u>	<u>2013 Actual</u>	<u>2014 Target</u>	<u>2015 Target</u>	<u>2016 Target</u>
Number of annual business openings in Bellevue	3,414	3,500	3,500	3,500
Percent of region's job growth captured within Bellevue since 2000	N/A	7%	7%	7%
Percentage of residents who agree that the City is doing a good job helping to create a business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment of the community.	82%	80%	80%	80%
Bellevue retail sales and use tax growth rate compared to regional growth rate	-2%	1%	1%	1%
Employment rate of Bellevue residents compared to regional employment rate	N/A	1.5%	1.5%	1.5%

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# City of Bellevue 2015-2016 Operating Budget Proposal Summaries by Outcome

## Economic Growth and Competitiveness

115.16NA     **Title:** Economic Development Strategy Implementation  
**Department:** Planning & Community Develop

	<b><u>2015</u></b>	<b><u>2016</u></b>
<b>Budget:</b>	\$254,165	\$318,147
<b>FTE/LTE:</b>	1.00/0.00	1.00/0.00

This proposal is to implement the City’s new Economic Development Strategic Plan, with a series of targeted actions in pursuit of a strengthened and diversified economic base. The focus is on the “direct strategies” identified in the Plan, which include actions to enhance high opportunity local employment clusters, to further position Bellevue as a Pacific Rim gateway, and to better market and promote the City’s economic development prospects.

Requested resources include funding to support 1.0 FTE and \$300,000/year in professional services needed to make significant progress on the strategies identified in the Plan. Included within this amount is funding for the “Visit Bellevue” tourism proposal, as this directly supports a target cluster identified in the Plan.

<u>Performance Measure</u>	<u>2013 Actual</u>	<u>2014 Target</u>	<u>2015 Target</u>	<u>2016 Target</u>
Percent of region's annual IT cluster job growth captured in Bellevue	N/A	18%	18%	18%
Firm diversification in IT cluster	N/A	N/A	N/A	N/A
Percent of region's annual Tourism cluster job growth captured in Bellevue	N/A	9%	9%	9%
Firm diversification in Tourism cluster	N/A	N/A	N/A	N/A
Number of buiness openings in the IT cluster	160	200	200	200

130.17NA     **Title:** Downtown Parking Enforcement  
**Department:** Transportation

	<b><u>2015</u></b>	<b><u>2016</u></b>
<b>Budget:</b>	\$115,186	\$117,969
<b>FTE/LTE:</b>	0.10/0.00	0.10/0.00

This proposal will continue to provide enforcement for on-street parking in the Downtown. Short-term on-street parking in the Downtown creates turnover in parking spaces, thus increasing the overall parking availability for retail customers and general downtown visitors, a goal of the Downtown Subarea Plan. This proposal includes staff and resources needed to hire a contractor to provide enforcement services and to administer the Downtown parking enforcement program.

<u>Performance Measure</u>	<u>2013 Actual</u>	<u>2014 Target</u>	<u>2015 Target</u>	<u>2016 Target</u>
Weekly enforcement hours	60	60	60	60
Annual DT Parking enforcement contract cost	\$92,466	\$92,466	\$99,000	\$99,000
# Downtown parking spaces available	N/A	310	305	300
Downtown parking complaints received/responded	119	200	200	200

<b>Total:</b>	<b><u>2015</u></b>	<b><u>2016</u></b>
<b>Budget:</b>	\$25,201,660	\$16,775,406
<b>FTE/LTE:</b>	56.05/2.00	56.05/1.00

Note – Operating Proposal Executive summaries are listed in proposal number order by Outcome. They do not include debt proposals or reserve proposals, nor do they include CIP proposals which can be found in the CIP section. They are shown as provided by the Department submitting the proposal, have been adjusted and tie to the column titled “2015-2016 Total Proposal Costs” on the allocation sheet. City Council will continue deliberations through December when the final budget is adopted.

# City of Bellevue 2015-2016 Operating Budget

## Not Recommended Proposal Summaries by Outcome

### Economic Growth and Competitiveness

130.17NB     **Title:** Downtown Parking Enforcement Alternative

**Department:** Transportation

	<u>2015</u>	<u>2016</u>
<b>Budget:</b>	\$149,460	\$659,638
<b>FTE/LTE:</b>	0.00/0.00	0.00/0.00

Short-term on-street parking in the Downtown creates turnover in parking space, thus increasing the overall parking availability for retail customers and general downtown visitors. This proposal is to convert the approximately 300 on-street parking stalls in the Downtown to pay parking. It will provide the staff and resources to develop and perform an outreach effort with Downtown merchants and business owners, install an estimated 55 electronic pay station kiosks in the Downtown, and manage the expanded Downtown Parking Program. In addition, this proposal includes funding of an enforcement contract, similar to the existing contract, which includes enforcement of time restrictions for on-street-parking and general duties such as coordination with Bellevue District Court, attending court, researching vehicle registration information, and public contact. Equipment replacement funds (EERF replacement account) for the kiosks are also included in this proposal.

<u>Performance Measure</u>	<u>2013</u> <u>Actual</u>	<u>2014</u> <u>Target</u>	<u>2015</u> <u>Target</u>	<u>2016</u> <u>Target</u>
# Downtown parking spaces available	N/A	310	305	300
Downtown parking complaints received/responded	119	200	200	200
Downtown parking space occupancy rate	N/A	0%	80%	85%
Downtown parking payment compliance	N/A	0%	90%	90%

**Total:**

	<u>2015</u>	<u>2016</u>
<b>Budget:</b>	\$149,460	\$659,638
<b>FTE/LTE:</b>	0.00/0.00	0.00/0.00

Note – Operating Proposal Executive summaries are listed in proposal number order by Outcome. They do not include debt proposals or reserve proposals, nor do they include CIP proposals which can be found in the CIP section. They are shown as provided by the Department submitting the proposal, have been adjusted and tie to the column titled “2015-2016 Total Proposal Costs” on the allocation sheet. City Council will continue deliberations through December when the final budget is adopted.



**City of Bellevue**  
**2015-2016 Budget Development**  
**Proposed Purchasing Plan for Economic Growth & Competitiveness**

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DATE: July 14, 2014  
 TO: Leadership Team  
 FROM: **Economic Growth and Competitiveness Results Team**  
 Team Members: Smitha Vijayan (Lead), Mike Ingram, Stephanie Dompier, Megan Sibbert, Kevin Lorentzen  
 SUBJECT: **Proposed Purchasing Plan**

**Overview**

After Round 1, the Economic Growth & Competitiveness (EGC) Results Team (RT) had a total of six proposals ranked in the order below. These proposals were ranked primarily on how effectively they advance the EGC outcome for the City, address both the Citywide and EGC purchasing strategies and align with Council priorities. This ranking did not change for Round 2.

Ranking	Proposal Number	Proposal Title	Department	Proposal Type (as indicated in proposal)
1	110.03NA	Development Services Review Services	Development Services	Enhanced
2	115.15 NA & 115.16NA	Economic Development Core Program and Services & Economic Development Strategy Implementation	Planning	Existing / Enhanced
3	090.15NA	Broadband Fiber and Cable Franchise Program	Information Technology	New
4	130.17NB	Downtown Parking Enforcement Alternative	Transportation	New
5	130.17NA	Downtown Parking Enforcement	Transportation	Existing

Of these, three proposals are new:

1. Broadband Fiber and Cable Franchise Program
2. Downtown Parking Enforcement Alternative
3. Economic Development Strategy Implementation. This proposal uses an existing proposal number and is categorized as “enhanced”. However, the body of work proposed here is new. In 2013-14, this proposal was to develop the City’s Economic Development Strategic Plan, which was completed and adopted by Council in July 2014. This proposal is to implement this plan. Since this is a new body of work, the EGC RT has considered it as a “new” ask versus “enhanced”.

The remaining existing proposals grew by a total of 27% from the 2013-14 adopted levels. However, the allocated budget for 2015-16 did not grow at this rate. As a result, all proposals funded under the EGC outcome were scaled back from requested funding levels, but still at a higher level than the adopted 2013-14 budget.

### Our Approach

- a. **Collaborated with Proposal Writers:** The RT met with proposal writers to gain a clear understanding of the proposed workplan and their corresponding funding needs for each year. Through these discussions, two of the new proposals were revised to reduce the overall cost and/or redistribute their costs so that they could be accommodated within the 2015-16 allocations.
- b. **Minimized the Impact of Reductions:** Funding for two “new” proposals was reduced in 2015 to fit within the allocation for this year. One approach used was to scale back new positions to account for the time to hire a new resource at the beginning of the biennium. So, even though these proposals could not be funded at the level initially requested, the recommended purchasing plan allows these proposals to move forward in a significant way in the 2015-16 period.
- c. **Prioritized Proposals with Effective Implementation Plans:** The EGC RT made a conscious choice to prioritize proposals that were, in the end, “right-sized” and explicitly laid out their implementation plan with effective measures to track the success of the proposed programs.

### Proposed Purchasing Plan for EGC

The proposed purchasing plan results in a balanced budget for 2015-16 and is outlined below in the order of ranking.

1. **Development Services Review Services:** This is a key service provided by the City, which is under significant pressure with the increased development activity in Bellevue. In 2013, permit applications grew by 13% over 2012 and are projected to increase by an additional 12% in 2014. For 2015-16, this rate is expected to stay at the same level as 2014. Note that this proposal is comprised of 85% dedicated fee-based revenue and 15% general funds. The general fund portion of this proposal grew by 28% from the 2013-14 mid-bi level, which itself was significantly higher than the adopted budget for 2013-14. The requested increase for 2015-16 includes 3 new FTEs, and increases in temporary help, overtime and professional services. *The EGC RT is recommending that the general fund component of this proposal be scaled back by approximately 6.5% (\$72,171) in 2015 and 5% (\$56,896) in 2016.* The EGC RT made a sincere effort to allow this proposal to grow as much as possible within the constraints of the overall allocation.
2. **Economic Development (ED) Core Program and Strategy Implementation:** The two proposals for the ED Core Program and ED Strategy Implementation are interdependent and collectively advance the EGC outcome. As a result, they were ranked together at # 2 in Round 1.

The Core Program requested a 12% increase from the mid-bi level. The EGC RT is recommending that this proposal be scaled back by \$35,000 each year, still allowing a 3% growth from mid-bi level. On discussion with the proposal writer, it was confirmed that this amount was being reserved for unanticipated expenses. Unfortunately, our constrained budget does not provide leeway for these kinds of contingency funds.



**City of Bellevue**  
**2015-2016 Budget Development**  
**Proposed Purchasing Plan for Economic Growth & Competitiveness**

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The proposal for the ED Strategy Implementation, which the RT considers “new”, included funding for one FTE and \$300,000 per year in professional services. The EGC RT agrees that a dedicated resource in the City is essential to drive forward the direct strategies identified in the Plan. However, we believe that it will take PCD a few months to hire this resource in 2015. As a result, the RT is recommending funding the new FTE for 6 months in 2015 and all of 2016. The team also struggled to justify \$300,000 per year in professional services without a clearly prioritized implementation plan. The RT is recommending that professional services be reduced by \$95,000 in 2015 and \$45,000 in 2016. Even with these deductions, the RT believes the proposal is adequately funded to make significant progress in the biennium.

3. **Broadband Fiber and Cable Franchise Program:** This proposal offers a foundational strategy to provide the necessary infrastructure for quality, affordable internet connectivity in Bellevue. This is a high priority for Council and supports the direct strategies identified in the ED Strategic Plan. The EGC RT sees this proposal is an important first step towards fostering competition among service providers in Bellevue. Based on feedback from the RT, the proposal writer clarified the scope of work and proactively reduced the projected cost of this proposal for Round 2. With these reductions, the proposal requested a total of \$381,769 for the biennium. While the EGC RT could not fund this proposal in 2015, the RT was able to fund \$373,705 in 2016 (98% of the total requested amount for the biennium).
4. **Downtown Parking Enforcement Alternative:** The pay parking program outlined in this proposal converts what has been an ongoing expenditure for the City to a self-supporting service beginning 2018 that will also provide a consistent revenue stream in future years. To address the initial capital cost for parking paystations, the proposal writer furnished compelling financial data on a “Lease to Purchase” option that reduces the upfront implementation cost by 62% in 2016 (as compared to the cost of outright purchase). At a reasonably priced \$1.50 per hour for parking in downtown Bellevue, the EGC RT is strongly recommending that this proposal be funded with the “Lease to Purchase” option. As a result, the current model followed by the City for Downtown Parking Enforcement is not recommended for funding.

**Conclusion:**

The EGC RT would like to thank the proposal writers and staff who proactively explored funding strategies to economize their proposals. Through this collaborative and iterative process, the EGC RT was able to develop an effective purchasing plan that pushes forward key initiatives to advance the EGC outcome.



## **Budget By Outcome Economic Growth and Competitiveness Purchasing Strategies Summary**

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### **The 2015-2016 Economic Growth and Competitiveness Result Team:**

**Team Leader:** Smitha Vijayan

**Team Members:** Mike Ingram, Megan Sibbert, and Stephanie Dompier

**Team Staff:** Kevin Lorentzen

### **Community Value Statements**

**As a community, Bellevue values:**

- A community that grows in ways that add value to our quality of life and enhance the opportunity for economic prosperity.
- A business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment and prosperity of the community.

### **Community Indicators**

**The Community Indicators for the Economic Growth and Competitiveness Outcome are:**

- % of residents who feel that the City is doing a good job of planning for growth in ways that add value to their quality of life.
- % of residents who agree that the City is doing a good job helping create a competitive business environment that supports entrepreneurs and creates jobs.

**The Performance Indicators for the Economic Growth and Competitiveness Outcome are:**

- % of customers rating inspection or review services as very good or good
- Employment Growth Rate by sector
- Jobs in Bellevue as a % of total regional jobs
- % change in B & O tax revenue
- Change in Taxable Retail Sales (TRS) per capita
- Employment rate of Bellevue citizens compared with the regional rate

### **Purchasing Strategies**

#### **City Brand**

We are seeking proposals that enhance and promote the City Brand as a core asset. Such proposals will highlight Bellevue's reputation as a great place to live, work, learn and play. Specifically proposals that:

- Develop and support the ideas behind our City Mission/Vision in a unified manner (exceptional public service, upholding the public interest and being a collaborative, innovative organization that is future-focused and committed to excellence).



## **Budget By Outcome**

### **Economic Growth and Competitiveness**

### **Purchasing Strategies Summary**

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- Contribute to the positive reputation of Bellevue as a great place for business and development, a safe and diverse community to live in, and city with a vibrant retail and cultural life.
- Market the city and region’s distinctive qualities and attributes including: our position as an established center of commerce, our central location (heart of the Eastside) and proximity to major transportation corridors (including transit connectivity), and our beautiful parks and open spaces.
- Showcase the city as a forward-looking community with a business-supportive culture and high quality of life (this may include local, national, or international recognition).
- Recognize opportunities presented by the diversity of the Bellevue community and the connections of many residents and workers to the global economy.

#### **Costs & Capital**

We are seeking proposals that support streamlined and predictable development processes while providing flexibility for the City to engage with the business community and regional partners. Specifically proposals that:

- Maintain streamlined, predictable, and customer-focused development processes.
- Facilitate private sector investments and partnerships with other governmental entities, the business community, and other organizations.
- Facilitate desired development by leveraging financing tools such as business districts, incentives, credits and bonds.
- Balance taxes, fees and utility rates with the City’s economic development goals, commitment to high-quality services, and financial health.
- Enhance access to business capital to support development of new and growth of existing businesses.

#### **Land, Infrastructure, and Planning**

We are seeking proposals that promote, create, and maintain economic growth and competitiveness by planning for and providing reliable and efficient infrastructure, systems and services. Specifically proposals that:

- Support development of robust utility and communication networks with quality, reliability and capacity to retain and attract businesses.
- Support the vitality of commercial districts by providing efficient access and circulation with multi-model choices
- Advance long-range economic growth strategies and plans that achieve the City’s vision for the future as articulated in the Comprehensive Plan.
- Coordinate with regional partners for infrastructure and development planning.
- Facilitate a balanced mix of residential and commercial development through zoning and site development review.



## Budget By Outcome

### Economic Growth and Competitiveness

### Purchasing Strategies Summary

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- Promote usage and development of major facilities that attract businesses, residents and visitors.

#### Quality of Community

We are seeking proposals that enhance Bellevue’s quality of community and create community attachment. Specifically proposals that:

- Enhance arts and culture to offer options for people who live here as well as increase the appeal of Bellevue as a destination to visit.
- Promote wellness through a wide range of sports and recreational activities.
- Promote quality housing opportunities for all income levels; including student housing options.
- Support community amenities such as restaurants, farmer’s markets, shops, events, tourist attractions, and other social offerings for citizens to meet and engage with one another.
- Recognize businesses that significantly contribute to the City’s quality of community.
- Enrich community aesthetics including parks and open space as a core element of economic development.
- Establish a “sense of place” through creation of distinct and attractive neighborhoods, streetscapes, and shopping areas.
- Create a “sense of community” that is welcoming to various types of people including families, minorities, and young people entering the workforce

#### Workforce

We are seeking proposals that develop the skills of Bellevue’s present and future workforce so that businesses can successfully attract and retain talent. Specifically proposals that:

- Foster a diverse workforce by skills, culture, age, ability, etc. Provide job-matching or skill-matching services to attract and retain a diverse workforce.
- Support an evolving, growing workforce by providing opportunities for ongoing education within the city.
- Facilitate partnerships between educational institutions and local employers to attract new talent entering the workforce.
- Provide opportunities for on-the-job training via training, apprenticeships, volunteer and internship programs.
- Make Bellevue an attractive employment hub by supporting a diverse portfolio of employment opportunities in a variety of sectors.