



# 2011-2012 Budget Proposal

## Section 1: Proposal Descriptors

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

## 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	\$242,143	\$219,164
Other	94,273	94,104
	<u>\$336,416</u>	<u>\$313,268</u>

Supporting Revenue	2011	2012
	\$0	\$0

LTE/FTE	2011	2012
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. Additional savings resulted from a staff retirement; the position FTE has been maintained but the budget has been reduced; the workload will be absorbed by the remaining staff. 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

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Alliance, State of Washington, US Commercial Service, Seattle area Sports Council, and various foreign 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 116<sup>th</sup> 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 4<sup>th</sup> 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.



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## Section 1: Proposal Descriptors

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

	\$0	\$0
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### LTE/FTE

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

<b>Proposal Title:</b> Bellevue Convention Center Authority (BCCA) Operations		<b>Proposal Number:</b> 060.11PN
<b>Outcome:</b> Economic Growth and Competitiveness		<b>Proposal Type:</b> Existing Service
<b>Staff Contact:</b> Carla Beauclair, x7671		<b>One-Time/On-Going:</b> On-Going
<b>Fund:</b> Hotel/Motel 1350	<b>Attachments:</b> No	<b>Enter CIP Plan #:</b>
<b>List Parent/Dependent Proposal(s):</b> 060.11DN – BCCA Reserves		

## Section 2: Executive Summary

This proposal provides 100% of Transient Occupancy Tax (approximately \$10 million in the 2011/2012 biennium) for the continuing support of and partnership with the Bellevue Convention Center Authority (BCCA) to promote tourism. BCCA fulfills its mission by supporting the operations of the Meydenbauer Convention Center. The BCCA and Meydenbauer Center provide an economic engine to the community to create jobs, tax revenues, and commercial activity and provide a facility for community events and performing arts while maintaining a self-supporting status.

## Section 3: Required Resources

<b>Hotel/Motel</b>			
<b>Fund</b>	<b>(\$ In Millions)</b>	<b>2011</b>	<b>2012</b>
IF Transfer to Trustee		4.4	4.8
IF Transfer to BCCA		0.1	0.8
Annual Total		<u>\$ 4.5</u>	<u>\$ 5.6</u>

<b>Supporting Revenue</b>			
TOTAL		\$ 4.5	\$ 5.6

<b>LTE/FTE</b>			
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 reflects the continuing partnership of the City of Bellevue with the Bellevue Convention Center Authority in support of the Meydenbauer Center to increase economic growth and competitiveness.

## Section 5: Budget Proposal Description

This proposal provides for continued support of the partnership with the Bellevue Convention Center Authority through the allocation of 100% of Transient Occupancy Tax(TOT), approximately \$10 million in the 2011/2012 biennium, to promote tourism. BCCA fulfills its mission by supporting the operations of the Meydenbauer Convention Center.



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The BCCA and Meydenbauer Center:

- provide an economic engine to the community to create jobs, tax revenues, and commercial activity;
- operate in a manner that continues its competitive position in the marketplace;
- maximize local hotel room use to support the hotel industry; and
- provide a facility for community events and performing arts while maintaining a self-supporting status.

The City's operating agreement with BCCA provides that funds are first directed to debt incurred in building and renovating the Convention Center, and second, to support Center operations.

## Section 6: Mandates and Contractual Agreements

- Bellevue Ordinance #4092 and RCW 35.21.730; Bellevue currently has an operating agreement with BCCA to provide 100% of transient occupancy tax in support of the Meydenbauer Center.
- RCW Revenue restrictions on the use of TOT Revenues

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

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

#### People and Partnerships

We believe that the City's partnership with the BCCA provides significant value to the City of Bellevue's priority outcome of Economic Growth and Competitiveness.

This proposal directly addresses purchasing strategies related to People and Partnerships as well as Quality of Community and City Brand. Evidence of this value is demonstrated through the following areas of impact:

#### People and Partnerships

- *The City partners with Meydenbauer Convention Center to foster economic growth.* One of the primary benefits Meydenbauer Convention Center provides to the community is economic impact. Events at Meydenbauer Convention Center bring people into the City, generating hotel and sales tax dollars for the region, stimulating employment, and increasing business activity. Information obtained from the International Association of Convention and Visitors Bureaus (IACVB) is used to calculate the economic impact of Meydenbauer Convention Center activity. Based on the 2009 data, the estimated economic impact attributable to Meydenbauer Convention Center activity was \$16.5 million.

#### Infrastructure

- *Meydenbauer Center provides a quality Convention Center that includes reliable and efficient services and creates economic growth.* The Center operates efficiently with a coverage ratio (ratio of operating revenues to operating expenses) for 2009 at 93%, exceeding its target of 88%. This rate compares favorably to the industry norm, which ranges from 65% to 75%. Additionally, the Convention Center continues to achieve an exceptional customer service rating. Customers are pleased with staff, food and beverage services, as well as the quality of the facility. The 2009 food and beverage rating exceeded the target, with 95% of customers rating service and quality "good" to "excellent". The overall customer service rating was at 99%.
- *Meydenbauer Convention Center generated 15,100 hotel room nights attributable to events held at the Center in 2009. Bringing people into Bellevue hotels generates hotel and sales tax dollars for the region, stimulates employment, and increases business activity.* This measure is based on actual room nights booked for specific conventions. This methodology does not capture room nights booked outside the block – such as bookings made through the internet, which are becoming more prevalent with the discount prices available.



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## Quality of Community

- *Meydenbauer Center enhances the quality of life in Bellevue by providing events and theatre performances that promote cultural diversity, enhance the arts and provide community amenities with occasional and year-round activities.* While the Meydenbauer Center was impacted by the economic downturn in 2009, the theatre was booked 71% of the year (259 days) and Center events totaled 311.

## City Brand

- *Meydenbauer Center's marketing program focuses on marketing Bellevue as an urban destination that provides the type of getaway that many find attractive with its close proximity to wine country, mountains and downtown Seattle to this mix of lodging, dining and retail.* The staff at Meydenbauer Center are working to position Bellevue as an attractive destination for meeting planners, business travelers and leisure visitors. Increasing visitors in turn leads to increases in jobs, tax revenues and strong evidence exists that suggest it increases the overall desirability of the destination as a place to meet, live, work and locate businesses.

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

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

In the short and long-term, continuing operations of the Meydenbauer Center supports:

- the *People and Partnerships* purchasing strategy by supporting partnerships that foster economic growth bringing people to Bellevue, which in turn creates tax revenues, jobs and commercial activity;
- the *Infrastructure* purchasing strategy by maintaining economic growth in the City by supporting a quality establishment that is reliable and efficient in its service delivery as noted above;
- the *Quality of Community* purchasing strategy by enhancing the quality of life in Bellevue through providing the community a place to hold and experience arts and cultural events;
- and the *City Brand* purchasing strategy by enhancing the City's Brand through their marketing program and positioning Bellevue as a urban destination.

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

Performance Metric	Target
1. \$ of economic impact generated (\$ millions)	\$16.10
2. # of hotel nights generated (thousands)	14
3. Customer service rating: quality of facility/equipment "good" to "excellent"	95%
4. Customer service rating: food & beverage service/quality "good" to "excellent"	95%
5. # of Meydenbauer Center events	329
6. Coverage ratio (operating revenues/operating expense)	88%
7. Theatre days booked	274



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

The City’s partnership with BCCA has produced the results that have been identified. Our current operating agreement continues the same level of partnership with the continued benefit described above.

**Section 8: Provide a Description of Supporting Revenue**

BCCA receives 100% of the City’s transient occupancy tax to pay Meydenbauer Center’s debt commitments and support operations.

**Section 9: Consequences of Not Funding the Proposal**

**A. Consequence of not funding the proposal at all:**

1. Legal:
  - Liability to cover debt backed by the full faith and credit of the City should BCCA operations be unable to make payments.
  - Amend operating agreement with BCCA.
2. Customer Impact:
  - Loss of “Good Will” with Community/Bondholders.
3. Investment/Costs already incurred:
  - The City owns the land that the Convention Center is located on and an additional parcel adjacent to it.
4. Other:

**B. Consequence of funding at a lower level:**

- Negative impact to Meydenbauer Centers operations and thus their ability to pay debt and provide economic benefits to the City.



# 2011-2012 Budget Proposal

## Section 1: Proposal Descriptors

<b>Proposal Title:</b> Development Services – Review Services		<b>Proposal Number:</b> 110.03PA
<b>Outcome:</b> Economic Growth and Competitiveness		<b>Proposal Type:</b> Existing Service
<b>Staff Contact:</b> Gregg Schrader, DSD, x6451; Laurie Gromala, Transp, x6013		<b>One-Time/On-Going:</b> On-Going
<b>Fund:</b>	<b>Attachments:</b> Yes	<b>Enter CIP Plan #:</b> n/a
<b>List Parent/Dependent Proposal(s):</b> None		

## Section 2: Executive Summary

This proposal provides for Development Services (DS) review of designs and applications for private and public development projects. We issue 10,000-14,000 permits and approvals per year that contribute to the economic prosperity of the city. The goal of development review is to ensure that buildings are safe, that land uses and project designs are appropriate, that traffic impacts are managed, and that utilities and other infrastructure that are built as part of a development meet the city’s standards for quality and achieve the Community Vision.

## Section 3: Required Resources

### OPERATING

Expenditure	2011	2012
Personnel	\$4,097,342	\$4,304,087
Other	378,214	385,754
	\$4,475,556	\$4,689,841

Supporting Revenue	2011	2012
	\$3,259,325	\$3,981,427

LTE/FTE	2011	2012
FTE	39.25	39.25
LTE	0.0	0.0
Total Count	39.25	39.25

## Section 4: Cost Savings/Innovation/Partnerships/Collaboration

- Cost Savings:** Providing predictable and effective review services reduces project delays for customers and associated costs, and allows for the most efficient use of staff time. According to the 2009 Customer Survey, 75% of the responders felt that staff were knowledgeable about codes and regulations affecting their property. Collaboration with regional cities creates consistency, predictable customer experience, and builds a better customer who is familiar with similar requirements and procedures. Also, review consultant costs have been reduced by \$275,000.
- Innovation:** In 2009, Development Services (DS) developed the Development Services High Performance Ideals as part of the DS Forward initiative to further on-going improvement efforts (See 110.03PA\_Attach 1). DS delivers quality services that are fast, predictable, and understandable. Customer service has been increased by new initiatives such as the Quick Attack review team.
- Partnerships:** MyBuildingPermit.com, Bellevue School District, Puget Sound Energy, Department of Ecology, WA State Department of Transportation, Sound Transit, King County, WA Association of Building Officials, Structural Engineers Association of WA, King Co Emergency Management Division
- Collaboration:** Development Services, Fire, Transportation, and Utilities Departments



# 2011-2012 Budget Proposal

## **Section 5: Budget Proposal Description**

This proposal funds cross-department (DS) staff positions in four departments (Development Services, Utilities, Transportation, and Fire) for review of a wide range of development projects such as commercial development, residential construction, infrastructure projects, use of the right of way, city parks, and schools. Many applications are highly complex and/or controversial, with technical, legal, and political issues. Staff are called upon to represent the City in public forums, including preapplication meetings, public meetings, and hearings.

## **Section 6: Mandates and Contractual Agreements**

All WA Cities and Counties are mandated to verify compliance with the following state and federal laws.

- Growth Management Act; Local Project Review; State Environmental Policy Act; FEMA National Flood Insurance Program; WA State Building Code (RCW 19.27) International Building Code; International Fire Code; National Pollutant Discharge Elimination System (NPDES) clean water acts (RCW 90.48 & Title 33 US Code, Section 1251 et seq – Federal Water Pollution Control Act); Plats, RCW 58.17; Water Resources Act; Shoreline Management Act; National Environmental Policy Act; Endangered Species Act; The Telecommunications Act of 1996; Americans with Disabilities Act (Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act); Water purveyor cross-connection control program (WAC 246-290-490).

## **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 supports City-wide purchasing strategies to provide the *best value for meeting community needs by leveraging cross department collaborations* to provide efficient and predictable review services to *ensure sound management of resources and business practices*. Over the last development cycle, Building, Utilities, and Land Use have used outside consultants to maintain review timelines when workload has required additional resources. Review work provided by consultants ranges from \$80 to \$200 per hour. Review services provided by DS staff are at a lower cost and with greater efficiency and effectiveness as DS staff are most familiar with city codes and standards. In general, twice the project review production is achieved per unit cost by DS staff versus outside consultants, and customers repeatedly express a preference for in-house review of projects. Level of service would be maintained by using the cross departmental expertise of DS staff to provide the technical expertise needed to support development review functions.

People & Partnerships: Approximately 75% of respondents to the 2009 Customer Survey felt that reviewers dealt with them with a positive, “here’s what needs to be done to get your permit approved” approach, rather than a negative “you can’t do that” approach. Staff maintain relationships with long-time citizen activists and new residents in order to facilitate communication between developers, franchise utilities, and residents who may potentially be affected by proposed projects. Staff is currently working with telecommunication providers to review current regulations in light of the latest 3G technology and its deployment. DS plays a significant partner role in eGovAlliance, promoting consistency and ease in permitting amongst local agencies. Review staff are often the first point of contact with citizens and developers and are key in establishing a collaborative partnership to promote quality development and community vision.

Community Policy, Planning & Development: DS is committed to continuing examination of review policies and procedures to support the implementation of Bellevue’s Comprehensive Plan. The Plan reflects citizen involvement, technical analysis, and the judgment of decision-makers such as the city council. DS staff is tasked with ensuring that land uses and infrastructure development meet codes and standards and that future development remains consistent with the Plan. Having a strategic comprehensive plan supported by an efficient and predictable review process helps Bellevue attract businesses, developers, and entrepreneurs who seek an attractive and business friendly environment. Businesses that locate in Bellevue benefit from the quality and stability of development that results from the DS review process. Eighty-six percent of respondents to the survey felt that overall, Bellevue does a good job inspecting projects and reviewing permit applications.



# 2011-2012 Budget Proposal

Infrastructure: DS staff analyzes development to determine the need for mitigation of impacts on the transportation and utilities systems. Mitigation includes not only improvements to pedestrian and street facilities, but also monetary contributions to capital improvement projects. All improvements and contributions are previously documented in adopted plans and codes, providing predictability to the business community as to the cost of doing business in Bellevue. The maintenance and safe installation of reliable public and private utilities in the public right of way is vital for future growth.

Quality of Community: DS staff administers codes and standards that create attractive commercial districts, neighborhoods, and community facilities. Staff insures public safety and mobility during construction related activities. Staff partners with city departments that are responsible for road, utility, and park construction to improve delivery of quality facilities.

City Brand: DS staff is responsible for implementing codes and regulations that protect the natural environment within an increasingly urban city. The successful integration of the natural and built environment is one of the many elements that identifies Bellevue as a desirable place to live and work.

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

Safe Community – Planning & Preparation: DS staff implement design standards that support quick and reliable access and facilities for emergency response. Staff are able to issue permits quickly following a disaster. Staff enforces codes that protect health and safety, such as building venting and exiting, and fire fighting and prevention. Special procedures to require coordination with BP Olympic Pipe Lines mitigate the threat of damage to these liquid fuel lines running through the city.

Improved Mobility – Built Environment: The review services proposal provides infrastructure improvements and impact fee contributions by tying development approval to provision of adequate facilities. Through the review process, DS staff requires participation by new development in alternative travel modes through Transportation Demand Management strategies.

Innovative, Vibrant & Caring Community: DS staff impose requirements for amenities such as play areas and open spaces. This supports community values by ensuring compliance with the Comprehensive Plan.

Quality Neighborhoods: Many city codes deal with protecting and promoting quality neighborhoods. Neighborhood character includes natural attributes such as trees, lakes, and streams as well as the built form and land use context. Codes and standards that require new public facilities such as utilities, roads, and community spaces contribute to quality neighborhoods.

Healthy & Sustainable Environment: The city's critical areas regulations, shoreline master program, clearing and grading codes, and storm and surface water codes promote a developed environment that is sustainable and healthy. The Right of Way (ROW) section assures that work performed in the ROW meets or exceeds required BMPs for erosion control, runoff, and dust.

Responsive Government: DS staff provide exceptional customer service, timeliness, and predictability.

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

**Short Term:** Customers receive fast and predictable review services delivered by a highly qualified and engaged staff which helps to ensure that projects are completed on time and in compliance with codes, regulations, and standards. Developers are attracted to Bellevue due to the predictability of the permitting process and the vibrant and growing community.

**Long Term:** Developers and citizens of Bellevue are the beneficiaries of high quality development that protects their health, safety, property, environment, and investment.

## 2011-2012 Budget Proposal

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

DS compares current year-to-date timeline performance to target timeline and past years' performance. Specific measures include: total number of completed applications, percentage of applications meeting timeline targets, number of days in which 80% of applications are completed, median number of days it takes to complete an application, and percentage of applications with no revisions.

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

This level of service includes core staffing to retain expertise and meet timelines for the current mix of work, which involves more single-family remodels and reinvestment in older commercial properties. This generates review demand, but does not generate much revenue. In 2009, the DS organization was right-sized in response to reduced demand and a total of 19.5 positions were cut or not filled in review and inspection. As development recovers, additional positions will be needed to respond to the workload accompanied by increased revenue.

### **Section 8: Provide Description of Supporting Revenue**

\$6,457,000 (2011-2012 combined total) of the supporting revenue identified in Section 3 reflects review fees paid by our clients. Fees paid by an applicant for review and/or inspection services are considered a restricted funding source per RCW 82.02.020. In 2003 the City Council endorsed a set of financial management principles and cost recovery objectives established for Development Services. Those cost recovery objectives dictate that the cost of review services performed by Development Services staff (e.g. Building, Fire, Transportation, and Utilities) is recovered through fees. Land Use review services are 50% recovered through fees and 50% borne by the City. As a result, approximately \$998,000 of this proposal is funded through general tax collections for Land Use review services. Other supporting revenue includes \$783,000 of Right of Way/Telecommunications Lease fees and Street Restoration fees, which support the cost of review related to franchise utility and development work. An additional \$1,034,000 of this proposal is funded with Development Services reserves reflecting fees collected in prior periods

### **Section 9: Consequences of Not Funding the Proposal**

#### **A. Consequence of not funding the proposal at all:**

1. Legal: An increased potential for lawsuits, project delays, inconsistent code application, and harm to existing residents and businesses. Exposure for not complying with State and Federal mandates, and a danger of unsafe development components being missed.
2. Customer Impact: Less guidance provided in meeting codes and standards on projects, delays in obtaining permits, and a greater potential for developments permanently impacting the environment and neighborhoods.
3. Investment/Costs already incurred: A major investment in staff training and experience and in permit software, including Amanda, MyBuildingPermit.com, IVR, and the internet site.
4. Other: Inability to qualify for state and federal grant funding for city projects due to failure to follow mandates, increased threat to public/private infrastructure leading to life-safety issues and unrepaired infrastructure damage, and no coordination between system users increasing traffic congestion and delay.

#### **B. Consequence of funding at a lower level:**

Refer to the DS Review alternate level of service proposal. The consequences are delayed permits, increased costs, reduced customer service, and unsafe construction.



# 2011-2012 Budget Proposal

## Section 1: Proposal Descriptors

<b>Proposal Title:</b> Paperless Permitting Initiative		<b>Proposal Number:</b> 110.08NN
<b>Outcome:</b> Economic Growth and Competitiveness		<b>Proposal Type:</b> Enhancing an Existing Service
<b>Staff Contact:</b> Joe Guinasso, x4481		<b>One-Time/On-Going:</b> Both
<b>Fund:</b> Development Services Fund	<b>Attachments:</b> No	<b>Enter CIP Plan #:</b>
<b>List Parent/Dependent Proposal(s):</b>		

## Section 2: Executive Summary

The Paperless Permitting Initiative (P2I), in partnership with the eCityGov Alliance ePlan project, encompasses the design, implementation, and support of an end to end electronic and paperless permit processing solution accessible to any computer with an internet connection. The P2I leverages existing technologies, with a core focus is on re-engineering business processes and implementing supporting technologies that will allow customers to submit plans, pay fees, and receive approvals anytime from anywhere.

## Section 3: Required Resources

Personnel	\$253,353	\$266,831
Other	100,000	100,000
	<u>\$353,353</u>	<u>\$366,831</u>

### Supporting Revenue

Reserve Funding	\$353,353	\$366,831
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### LTE/FTE

FTE	0.0	0.0
LTE	2.56	2.56
Total Count	<u>2.56</u>	<u>2.56</u>

## Section 4: Cost Savings/Innovation/Partnerships/Collaboration

**Partnerships/Collaboration:** This proposal reflects collaboration between City departments (Development Services, Fire, Transportation, Utilities, Information Technology, City Clerk's Office), other jurisdictions in the region through MyBuildingPermit.com (MBP.com), and our clients in the development community. Permitting services for Development Services (e.g. Building and Land Use), Fire, Transportation, and Utilities will be accomplished through paperless permitting, both for the applicant and for internal permit review process. Collaboration with the Information Technology Department and the City Clerk's Office will ensure we are maximizing our current investment in technologies before investing in new, and creating of an efficient and sustainable solution that meets customer and city business needs.

**Innovation:** The award winning MBP.com program is the only regional on-line program of its kind in the nation. The City is a key Alliance member.

## Section 5: Budget Proposal Description

This effort is a continuation of work accomplished in 2003 when Development Services, in partnership with the eCityGov Alliance, implemented a solution that allows clients to submit permit applications through the MyBuildingPermit.com portal for Over The Counter (OTC) permits (relatively simple permits that can be issued



# 2011-2012 Budget Proposal

without plan review). Approximately 65% of OTC permits are now issued online; the Paperless Permitting Initiative will expand the online services to include the remaining, more complex, permit types that have accompanying plans and documents subject to city review.

The Paperless Permitting Initiative represents a quantum step beyond the current online submittal process. It will be used as an opportunity for Development Services to re-examine underlying business assumptions and processes, and aim to:

- Reduce levels of complexity and improvise efficiency by carefully examining and re-engineering today's business processes.
- Provide for online permit application submission, payment, review, and issuance.
- Provide customers with online permit status and interactive permit and plan review tools.
- More effectively manage the City's content, from both records compliance and storage capacity perspectives.

The Paperless Permitting Initiative will allow the City to leverage significant investments in current technology resources which include: (1) AMANDA – permit tracking system; (2) ECM – Electronic Content Management system; (3) MyBuildingpermit.com – the eCityGov Alliance web portal. By integrating a viewer (or mark up) tool, these four systems will work in unison allowing staff to route plans and make revisions/notations electronically. Clients will be able to submit and access their plans and documents electronically eliminating the significant cost of plan and document reproductions and driving to City Hall to submit applications.

## **Section 6: Mandates and Contractual Agreements**

There is no state or federal mandate requiring the City to provide electronic permitting. The "Interlocal Agreement Establishing the eCityGov Alliance" was established in accordance with the Interlocal Cooperation Act, Chapter 39.34 of the RCW. The City Council passed a resolution in 2001 authorizing the City Manager to execute this agreement on the City's behalf. The City is also the IT host and fiscal agent for the Alliance.

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

### **A. Factors/Purchasing strategies addressed by this proposal - for the PRIMARY outcome (*shown in italics*):**

This offer would support City-wide purchasing strategies to *provide gains in efficiency and ensure that services are "right sized"* by streamlining how plans are routed and reducing the complexity of the permitting process. This will prepare the organization to deliver fast, predictable, and one city services when the next upturn in development activity occurs and will reinforce *sound business practices*. Implementing P2I will occur through *collaboration with other departments* (DS departments, ITD, and City Clerk's Office). The City will *leverage partnerships* with the eCityGov Alliance and the jurisdictions participating in MyBuildingPermit.com to offer seamless electronic permitting throughout the region.

This proposal will advance the Economic Growth & Competitiveness outcome through the following factors and purchasing strategies.

People and Partnerships. *Build upon, participate in and leverage local, regional, state, federal or international partnerships and relationships* – Since 2001 the City has been a member of the eCityGov Alliance, a partnership of 39 jurisdictions from across the region that promote the delivery of e-commerce for the partner jurisdictions. P2I allows Bellevue to not only participate, but to be a leader in the delivery of the eCityGov Alliance's ePlan project. *Maximize collaboration with other appropriate entities to eliminate duplication and increase efficiency* – In partnership with the eCityGov Alliance and its member jurisdictions, the City will develop the tools that allow



## 2011-2012 Budget Proposal

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clients to embark on the permitting process in a consistent manner no matter which jurisdiction they are developing in.

Community Policy, Planning & Development. *Improve the City's development review processes to be more clear, fair, friendly, predictable and timely* – Most engineering and architectural firms already develop plans using electronic tools. P21 allows them the ability to submit their current electronic plans rather than taking the time and money to have them printed and delivered. By routing plans electronically, the City staff will be able to review plans concurrently (several functions of Development Services reviewing simultaneously) allowing for quicker turnaround time. *Promote business-supportive City procedures, policies and programs* – P21 will allow developer clients to not only see the status of their project online and view plans throughout the review process. This will allow for required changes to be made in a more timely manner, as opposed to a formal written communication compiling all changes. In addition, moving to e-commerce solutions aligns the City's services with how the industry currently operates and will operate in the future.

City Brand. *Help make the City of Bellevue organization known for its second-to-none customer service* – Through the Development Services Improvement (DSI) Initiative, the City set the bar for delivering fast and predictable permitting services as a single organization. P21 is the next big step in continuous improvement as clients will no longer have to make a trip to City Hall to apply for or pick up their permits. They will still have the ability to contact staff and ask questions but greater amounts of the information will be available to them on a 24/7 basis. *Contribute to positive perceptions of Bellevue as a great place for business and development* – P21 is the next big step in our commitment to deliver exceptional customer service to our clients. The City attracts first-class development companies, architectural firms, and contractors. P21 will help tailor the way the City does business to align with the private sector businesses that develop here, some with their home offices outside the region.

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

This proposal also advances several other outcomes because of the impacts it will have on external and internal clients as well as the way services are delivered throughout the region: **Responsive Government** (Strategic Leadership in the region, Engaged workforce – staff from throughout DS are re-engineering processes and designing systems to be more efficient and customer focused, providing Exceptional Service through greater convenience for clients, reducing client printing costs, and providing clients with more timely information); **Healthy & Sustainable Environment** (Conservation through reduced paper products and trips generated to City Hall); **Improved Mobility** (Travel options by providing an alternative to driving to City Hall).

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

Short-term benefits of this proposal will be realized through business process re-engineering work currently underway. Through a step-by-step examination of the current permitting process, the project team is identifying areas that can be streamlined absent any change in technology. Efficiencies being explored include condensing permit types and eliminating the need for certain disciplines in Development Services (e.g. Building, Fire, Utilities, etc.) to review different permit types.

Long-term benefits of this proposal include cost savings to clients who will no longer need to submit multiple copies of plan sets and will not incur printing and delivery costs. Reduced timelines applications currently routed sequentially (step-by-step) will be accessible concurrently to the different disciplines. Electronic rules for records retention can be enforced reducing the chance of error in eliminating project files or losing physical records. Staff and internal/external clients will have access to permit information and will be able to process work from remote locations on a 24/7 basis.

## 2011-2012 Budget Proposal

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

- % of total applications applied for online
- % of applications applied for online (not including OTC permits)
- Application time spent between intake and first review

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

During the feasibility/discovery stage, several alternatives were explored. One alternative was to join other jurisdictions in the eCityGov Alliance to purchase and implement a new permit tracking system that already has an integrated viewing tool. The decision at the end of the alternative systems analysis was to continue with our current system AMANDA avoiding the additional \$1.5 million investment needed to implement a new system. Because this initiative leverages systems the City already owns, the large portion of funding reflects the costs of current staffing resources and Limited Term Employees needed to complete the project.

### **Section 8: Provide Description of Supporting Revenue**

Funding for this project is available through Development Services reserves [reference Proposal No. 110.10NN – Development Services Reserves] allocated for technology initiatives and permit center/system improvements. Reserves for these purposes are accumulated through an operations fee and a portion of technology improvement fees included in development fees.

### **Section 9: Consequences of Not Funding the Proposal**

#### A. Consequence of not funding the proposal at all:

1. Legal: There is no legal mandate driving the City to complete this initiative.
2. Customer Impact: The permitting experience would not change for our clients and would remain status quo. However, our clients will not have the benefit of applying for permits online nor will have as much access to information on a 24/7 basis. In addition, some of the simplified processes may not be implemented if the technology solution is not in place to accommodate them.
3. Investment/Costs already incurred: The existing permit tracking system (AMANDA), Electronic Content Management system (ECM), and MyBuildingPermit.com portal are all existing systems currently owned (wholly or in part) by the City. The cost to interface these three systems and to purchase a viewing tool (software that enables electronic editing/notations on plans) already incurred in 2010 is approximately \$600,000.
4. Other: Other jurisdictions in the region are moving forward supporting the ePlan project. Bellevue may be noticeably absent if work does not proceed on this proposal creating a competitive economic disadvantage in attracting new development.

B. **Consequence of funding at a lower level:** Funding this proposal at a lower level would impact the level of process change that could be accomplished. A key component of this project is to make changes to the existing permit tracking system to accommodate the change in business practice. Depending on the level of funding, electronic permitting may not be offered for the larger, more complex permit types.



# 2011-2012 Budget Proposal

## Section 1: Proposal Descriptors

<b>Proposal Title:</b> Downtown Parking Enforcement – Existing Program		<b>Proposal Number:</b> 130.17A2
<b>Outcome:</b> Economic Growth and Competitiveness		<b>Proposal Type:</b> Existing Service
<b>Staff Contact:</b> Hillary Stibbard, x4357		<b>One-Time/On-Going:</b> On-Going
<b>Fund:</b> General Fund	<b>Attachments:</b> No	<b>Enter CIP Plan #:</b>
<b>List Parent/Dependent Proposal(s):</b>		

## Section 2: Executive Summary

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 space, 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 parking program.

## Section 3: Required Resources

as of 08/05/10

<b>OPERATING</b>		
<b>Expenditure</b>	<b>2011</b>	<b>2012</b>
Personnel	\$37,963	\$39,934
Other	96,000	100,000
	<u>\$133,963</u>	<u>\$139,934</u>
<b>Supporting Revenue</b>		
<b>LTE/FTE</b>		
FTE	0.30	0.30
LTE	0.00	0.00
Total Count	0.30	0.30

## Section 4: Cost Savings/Innovation/Partnerships/Collaboration

N/A.

## Section 5: Budget Proposal Description

This proposal will continue to provide daily, on-going management of the Downtown parking Program. This includes management of and coordination with the enforcement contractor, coordination with Police and Legal, investigation into and response to citizen concerns, and monitoring and revising parking zones when necessary.

The contractor provides 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.

The downtown area, for the purposes of this proposal, is defined as the west side of I-405 to the west side of 100<sup>th</sup> Avenue NE, and the south side of Main Street to the north side of NE 12<sup>th</sup> Street.



# 2011-2012 Budget Proposal

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## **Section 6: Mandates and Contractual Agreements**

The current contract for parking enforcement in the Downtown will expire April 5, 2011. If the Downtown Parking Program is continued at its current level, this contract will be in effect through that date. The \$28,000 that will be paid in 2011 for this contract is included in the expenditures in Section 3 of this proposal.

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

### **CITYWIDE PURCHASING STRATEGIES**

On-street parking in the Downtown should be recognized as a finite resource, and managed to assure optimal use by retail customers and downtown visitors, thus ensuring sound management of resources.

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

##### **ECONOMIC GROWTH AND COMPETITIVENESS**

**Community Policy, Planning & Development:** By maintaining the availability of on-street parking to support retail businesses, this proposal helps to plan for and implement the continued health of downtown and is itself a business-supportive City program.

**Infrastructure:** With on-street parking located throughout the Downtown, maintaining turnover throughout the day and increasing availability of parking enhances access to commercial centers as a way to support their continued economic health.

**Quality of Community:** The storefront retail businesses in the Downtown, many of them small businesses, are an essential part of the Downtown community for the residents, the office workers, and the general retail visitors. By maintaining the availability of on-street parking, this proposal recognizes and supports businesses that significantly contribute to the City's quality of community in the Downtown.

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

##### **IMPROVED MOBILITY**

**Built Environment:** By providing short-term on-street parking, this proposal promotes and supports the economic vitality of the city by maintaining the overall parking availability for retail customers and general downtown visitors.

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

The short-term benefit of this proposal is the continued availability of time-restricted on-street parking for retail customers and general downtown visitors. The long term benefit is the same.

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

The target for this proposal is to provide turnover of parking in the Downtown.

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

This proposal is not scalable and must be funded at this level or not at all.

# 2011-2012 Budget Proposal

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## **Section 8: Provide a Description of Supporting Revenue**

There is no directly supporting revenue for this program. A portion of the revenue from parking tickets is returned to the City but all of the revenues do not come back – most stay with the court to cover the cost for court. In 2009, the collected parking revenue was about \$150,000, and the City received 18% of all funds back from the court. It must be noted, however, that although a relatively small amount of the revenues are returned directly, there is benefit to the City as these tickets help to pay for the overall court cost.

## **Section 9: Consequences of Not Funding the Proposal**

### **A. Consequence of not funding the proposal at all:**

1. **Legal:** None.
2. **Customer Impact:** Without a formal parking program downtown, on-street parking will fill with office workers and residents with little turnover throughout the day. It will be more difficult to easily access storefront retail businesses, a disservice to both business owners and their customers.
3. **Investment/Costs already incurred:** Signage throughout the downtown indicating allowable parking locations and time restrictions.
4. **Other:** None.

- B. Consequence of funding at a lower level:** This proposal is not scalable. If this proposal, or the enhanced service proposal to purchase and install electronic pay station kiosks, is not funded, there will be no parking program in the Downtown. The on-street parking will be filled by office workers and residents, leaving very little on-street parking available for retail customers and visitors to the Downtown.





# 2011-2012 Budget Proposal

## Section 1: Proposal Descriptors

<b>Proposal Title:</b> Downtown Parking Program		<b>Proposal Number:</b> 130.17A3
<b>Outcome:</b> Economic Growth and Competitiveness		<b>Proposal Type:</b> Enhancing an Existing Service
<b>Staff Contact:</b> Hillary Stibbard, x4357		<b>One-Time/On-Going:</b> On-Going
<b>Fund:</b> General Fund	<b>Attachments:</b> No	<b>Enter CIP Plan #:</b>
<b>List Parent/Dependent Proposal(s):</b>		

## Section 2: Executive Summary

This proposal is to convert the approximately 300 on-street parking stalls in the Downtown to pay parking. This proposal 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. 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. These kiosks will provide the means to collect parking fees for on-street parking. Placed strategically along blocks with on-street parking, kiosks provide payment flexibility, accepting coins, credit cards, and debit cards. They utilize wireless communications, provide real-time on-line credit card authorization, and they are solar powered.

## Section 3: Required Resources

9/3/2010		
<b>OPERATING</b>		
<b>Expenditure</b>	<b>2011</b>	<b>2012</b>
Personnel	\$37,506	\$39,468
Other	691,000	467,500
	<u>\$728,506</u>	<u>\$506,968</u>
<b>Supporting Revenue</b>		
	\$0	\$978,480
<b>LTE/FTE</b>		
FTE	0.30	0.30
LTE	0.00	0.00
Total Count	<u>0.30</u>	<u>0.30</u>

## Section 4: Cost Savings/Innovation/Partnerships/Collaboration

**Cost Savings:** Despite the initial capital outlay for the installation of the electronic pay station kiosks, the revenue forecast for this proposal shows a net income in the third year of implementation. Currently, the enforcement contract and the staff time to administer the existing parking program are a loss to the City of more than \$80,000 annually.



# 2011-2012 Budget Proposal

**Innovation:** Paying for on-street parking is a new concept for Bellevue. Electronic pay stations have become the standard in cities across the country and worldwide over the past decade. They are currently being used in Seattle and Kirkland, and are in the process of being installed in Tacoma. They offer several payment options, accepting coins, credit cards, and debit cards. Pay stations are more reliable, cost less to maintain, and are less susceptible to vandalism and theft than old-style parking meters.

## Section 5: Budget Proposal Description

This proposal is to convert the approximately 300 on-street parking stalls in the Downtown to pay parking. The downtown area, for the purposes of this proposal, is defined as the west side of I-405 to the west side of 100<sup>th</sup> Avenue NE, and the south side of Main Street to the north side of NE 12<sup>th</sup> Street. This proposal 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. The initial task will be to engage the Downtown community and develop support for the new program, while maintaining existing enforcement. It is anticipated that the installation of the pay station kiosks and the management of the new program would be administered by an outside contractor, who would be responsible for collection of monies and general maintenance of the kiosks. 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. These kiosks will provide the means to collect parking fees for on-street parking. Placed strategically along blocks with on-street parking, kiosks provide payment flexibility, accepting coins, credit cards, and debit cards. They utilize wireless communications, provide real-time on-line credit card authorization, and they are solar powered.

## Section 6: Mandates and Contractual Agreements

None.

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

### CITYWIDE PURCHASING STRATEGIES

This proposal provides for cost savings by initiating payment for a service that the City has provided at a loss for the past 13 years. It also considers short- and long-term financial impacts as the revenue generated will provide a net income to the program. On-street parking in the Downtown should be recognized as a finite resource, and managed to assure optimal use by retail customers and downtown visitors, thus ensuring sound management of resources.

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

##### ECONOMIC GROWTH AND COMPETITIVENESS

**Community Policy, Planning & Development:** By providing revenue to operate the Downtown Parking Program, this proposal will assist in maintaining the availability of on-street parking to support retail businesses, thereby helping to plan for and implement the continued health of downtown. This program is itself a business-supportive City program.

**Infrastructure:** With on-street parking located throughout the Downtown, maintaining turnover over the length of the day and increasing availability of parking enhances access to commercial centers as a way to support their continued economic health.



# 2011-2012 Budget Proposal

**Quality of Community:** The storefront retail businesses in the Downtown, many of them small businesses, are an essential part of the Downtown community for the residents, the office workers, and other retail visitors. By maintaining the availability of on-street parking, this proposal recognizes and supports businesses that significantly contribute to the City's quality of community in the Downtown.

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

**IMPROVED MOBILITY**

**Built Environment:** By continuing to provide short-term on-street parking, this proposal promotes and supports the economic vitality of the city by increasing the overall parking availability for retail customers and general downtown visitors.

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

The short-term benefit of this proposal is the continued availability of time-restricted on-street parking for retail customers and general downtown visitors. The long term benefits include not only the availability of on-street parking, but also revenue that results in a net income for the Downtown Parking Program.

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

Targets for this proposal include:

- Development of support for program by the Downtown business community
- Installation of an estimated 55 electronic pay station kiosks
- Parking stall occupancy rate 80%
- Payment compliance 90%

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

This proposal will generate revenue so that the Downtown Parking Program will no longer operate at a loss, but in fact would have a net revenue in the third year.

**Section 8: Provide a Description of Supporting Revenue**

The supporting revenue for this proposal is based on the following assumptions:

Revenue Assumptions	
Total number of stalls:	300
Days per year charged:	302
Per hour charge:	\$1.50
Hours charged per day:	10
Occupancy %:	80%
Payment Compliance:	90%

The cost assumptions for this proposal are as follows:

Cost Assumptions	
Total number of stations / kiosks:	55
New installation of kiosks (per kiosk):	\$10,000
Parking Enforcement Officers:	2
Parking Enforcement Officer (per year):	\$100,000
Maintenance (per kiosk, per year):	\$500
EERF replacement for kiosks (per year):	\$80,000
Admin fee for OH OR contract (per year):	\$160,000



# 2011-2012 Budget Proposal

Taking into account expenditure for personnel, the revenue and expense forecast is shown below.

Revenue / Expense Forecast						
Year	2011	2012	2013	2014	2015	2016
<b>Annual Revenue</b>	\$0	\$978,480	\$978,480	\$978,480	\$978,480	\$978,480
Personnel	\$37,506	\$39,468	\$40,257	\$41,063	\$41,884	\$42,721
Start-up Cost	\$550,000					
Outreach	\$45,000					
Interim Enforcement	\$96,000					
Ongoing Costs	\$0	\$467,500	\$467,500	\$467,500	\$467,500	\$467,500
<b>Total Costs</b>	<b>\$728,506</b>	<b>\$506,968</b>	<b>\$507,757</b>	<b>\$508,563</b>	<b>\$509,384</b>	<b>\$510,221</b>
<b>Annual Net Income</b>	<b>(\$728,506)</b>	<b>\$471,512</b>	<b>\$470,723</b>	<b>\$469,917</b>	<b>\$469,096</b>	<b>\$468,259</b>
<b>Total Accrued Income</b>	<b>(\$728,506)</b>	<b>(\$256,994)</b>	<b>\$213,729</b>	<b>\$683,646</b>	<b>\$1,152,742</b>	<b>\$1,621,001</b>

## Section 9: Consequences of Not Funding the Proposal

### A. Consequence of not funding the proposal at all:

- Legal:** None.
- Customer Impact:** Without a formal parking program downtown, on-street parking will fill with office workers and residents with little turnover throughout the day. It will be more difficult to easily access storefront retail businesses, a disservice to both business owners and their customers.
- Investment/Costs already incurred:** Signage throughout the downtown indicating allowable parking locations and time restrictions.
- Other:** The current parking program, consisting of enforcement of the free on-street parking in the Downtown, has been not been proposed to continue, as it operates at a loss of more than \$80,000 annually. Not funding this new proposal will result in no parking program for the Downtown, which would in effect be a cost savings.

**B. Consequence of funding at a lower level:** This proposal is not scalable. If this proposal is not funded, there will be no parking program in the Downtown. The on-street parking will be filled by office workers and residents, leaving very little on-street parking available for retail customers and visitors to the Downtown.