

May 23, 2016

CITY COUNCIL STUDY SESSION ITEM

SUBJECT

Long Range Financial Planning Update

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POLICY ISSUES

Council's 2014 Two Year Priorities include the "establishment of a transportation capital plan for future growth and mobility of the city, and determining a long term capital funding mechanism(s) to support the plan" within the strategic target area for Transportation and Mobility. Development of a long-term funding mechanism for transportation planning prompted a significant amount of Council work around capital needs in 2014, identifying an approximately \$800 million gap that exists between revenue available and potential projects. As a result of that work, Council took a number of steps:

- The 2015-2021 Capital Investment Program Plan included a first step in making progress toward the urgent unmet investments with a 2% (\$700,000 annually) Councilmanic property tax increase in overall revenues, allowing sales tax to be targeted at Council priority projects;
- Directed staff to explore opportunities for funding a package of significant capacity investments through the federal government's TIFIA (Transportation Infrastructure Finance and Innovation) loan program;
- Developed a long-range fire facilities plan outlining the investments needed to ensure that Bellevue's fire and emergency medical response remains among the best in the world; and
- Continued focus on long-term stable financial solutions to fill the capital needs gap through a set of updated Council priorities adopted in April of 2016:

- Establish a long range financial strategy that includes options that respond to the future operating and capital needs of the City;
- Continue to execute on our transportation capital plans for future growth and mobility of the City, including projects in Downtown, BelRed, Wilburton and other growth areas; and
- Continue to implement projects in the neighborhoods, with a focus on safety and connectivity with a particular emphasis on sidewalks, crosswalks, and traffic calming.

DIRECTION NEEDED FROM COUNCIL

- X Action
- X Discussion
- X Information

Tonight's presentation continues the conversation from May 16 regarding long-range capital needs linked to Council goals and priorities. The information presented tonight will include additional detail about the Fire Facilities Plan, as well as a proposed scope for continued community outreach. Following discussion, staff is seeking further discussion and direction on:

- Whether to continue research around the priorities of neighborhood safety and connectivity and public safety. Council may wish to include other areas as well. If Council directs staff to continue research, then second, staff seeks direction on:
- A specific plan for stakeholder engagement around needs, potential projects and voted revenue options.

BACKGROUND/ANALYSIS

May 16, 2016 Meeting Recap

At the May 16, 2016 Council Study Session, staff provided an update on the long range financial planning work, community and council priorities, and gaps between those priorities and projected revenues. (Attachment A provides a reprint of the May 16 Council Packet Agenda Memo.) Conclusions reached include:

- The update to the long range financial plan funding available to address discrete projects (i.e. projects other than debt and ongoing maintenance) remains at approximately \$400 million. The potential projects for the City remain well in excess of that.
- Compilation of themes from historical and recent citizen and business surveys (not in any order) include traffic congestion/growth, public transportation, public safety, open space/parks, and affordable housing. All of these priorities have existing initiatives that are currently underway, but in some cases, implementation of these initiatives may be at a pace that does not meet community expectations for the pace of improvement and investment in the near term.

Staff identified three areas with clear funding gaps where additional investments could allow for accelerated implementation of projects:

- Mobility in BelRed
- Neighborhood Safety and Connectivity
- Fire Long Range Facilities

In response, Council on May 16 discussed the following options to address the near term investment opportunities:

Mobility in BelRed - The City is currently pursuing a federal low-interest TIFIA (Transportation Infrastructure Finance and Innovation Act) loan that would allow the City to accelerate certain projects in the BelRed Corridor, fueling the redevelopment that is anticipated in that area. It is important to note that TIFIA is not grant funding, it is a loan with favorable terms for the City. The City must repay the loan in accordance with the terms of issuance. Staff is currently preparing the first step with a Letter of Interest, and targeting completion in July 2016. Staff will return in June with a further TIFIA update, and seek additional Council direction at that time.

Neighborhood Safety and Connectivity and Fire Long Range Facilities -- Additional revenue options, including a voted measure, could help bridge the gap between projected needs in these two areas and forecasted revenue. Tonight's discussion will focus on a proposed plan for stakeholder input into whether additional revenue is warranted given community support for acceleration of projects in these areas.

That community input, coupled with additional Council Study Session time in June and July will focus on answering several questions raised at the May 16 meeting, and will culminate in final Council direction on the question of pursuing additional revenue options in late July.

Below in broad terms are the areas of need and themes that would be explored through community outreach tools, including discussions at the Transportation Commission, open houses, and on-line interactive tools. No specific project decisions are being made at this time, rather all of the information developed through the outreach process and additional council discussions will be used to inform final decisions on additional revenues and specific projects or programs that warrant investment of those revenues.

Neighborhood Safety and Connectivity

Neighborhood Connectivity is the umbrella term used to represent those capital projects that connect residents to the places they want to go, improving connections across the City and allowing for a comprehensive approach to enhancing Bellevue's rights of way for all users. Roadway improvements, local sidewalks, trail and bike projects will provide safe routes desired by neighborhoods to connect to schools, parks, transit and other services. Supplementing existing neighborhood safety and maintenance programs with additional revenue would accelerate the building of safe pedestrian/bike crossings and neighborhood traffic safety improvements. Other projects could help the City progress in the direction of the Vision Zero objectives outlined in Council Resolution 9035.

Below is a representative description of the types of projects that could enhance Neighborhood Connectivity. The below are merely examples to provide clarity about the types of projects envisioned.

Neighborhood Safety Category - examples could include among others:

Neighborhood Traffic Safety Program	<i>Speed/Traffic mitigation in neighborhoods</i>
Downtown Mid-Block and other Crossings	<i>Mid-block and lighted crossings</i>
Accident Reduction Program	<i>Rapid response to potential accident issues</i>

Sidewalk and Trail Maintenance Category – examples could include among others:

	Providing Access to:
140 th Ave. NE Boardwalk – BelRed to NE 20 th St.	<i>Parks, trails, shopping</i>
I-90 Trail Repair – Eastgate to Sunset Elementary	<i>Parks, trails, shopping</i>
134 th Ave. NE Trail Repairs – Bridle Trails	<i>Trails, transit</i>

New Sidewalks/Trails Category – examples could include among others:

	Providing Access to:
128 th Avenue - SE 7 th St. to NE 2 nd St.	<i>Schools, parks, trails</i>
SE 34 th Street Sidewalk	<i>Schools, parks, trails</i>
158 th Pl SE - SE 6 th St. to Main St.	<i>Schools, parks, transit, shopping</i>

New ITS Safety and Traffic Management Projects, based upon the updated ITS Master Plan.

New Bike Facilities – Projects identified in BRIP – examples could include among others:

108 th Avenue SE - SE 30 th St. to Main St.	<i>Bike lane/sharrows</i>
108 th Avenue NE - Main St. to NE 12 th St.	<i>Bike lane/sharrows</i>
108 th Avenue NE - NE 12 th St. to NE 24 th St.	<i>Neighborhood greenway</i>

Fire Long Range Facilities

Bellevue Fire has a long tradition of excellence, as evidenced by its performance in preventing, preparing for, and responding to emergencies; its strong public image, as well as its reputation among partners and peers in the region. City policies place a priority on ensuring that we remain able to provide critical services to the community through continuous fire and emergency operations during earthquakes, power outages, and other emergency events. The Fire Department has 10 facilities to maintain with unique and special conditions required to operate these facilities 24 hours per day.

A key component of the City’s response capabilities is the provision of adequate facilities to serve a growing community with equitable service to all areas of the City, and to ensure that the fire stations are functional in case of a major disaster. The City originally approached its fire station location and configuration systematically through a strategic plan developed in the late 1970s. At the time of the original 1979 Strategic Plan, the population for the City was 79,903 with the location of major growth areas and population oriented east to west. Since that time the population has grown to 133,992 (150,000+ including the department’s contract cities of Beaux Arts, Hunts Point, Medina, Newcastle and Yarrow Point), and the orientation of the city changed to north/south.

In light of these changes, the City initiated an evaluation of current station locations to review current and projected changes in development and population, as well as an assessment of the adequacy and stability of all fire facilities. This work was performed by Schreiber Starling & Lane Architects and presented to the Council in 2014. Attachment B includes a reprint of the original materials presented to the Council at that time.

Schreiber's report identified several CIP funding needs, the top three of which received partial funding in the 2015-2021 CIP. There remains over \$100M of projects identified in the Fire Long Range Plan recommendations and summarized in the table below. Additional discussions with the Council, as well as community outreach, are planned to help inform the scope of those investments needed to fulfill the community's expectations and City obligations to provide continuous, high-quality emergency response.

Fire Department Station Projects

Plan Recommendations:	
Training Center (currently \$5M in CIP) (constructed in 1983)	<i>Provide appropriate training facilities for current and future staffing levels and regional training activities.</i>
Logistics Center Warehouse at Training Center Location (New)	<i>Consolidation of reserve apparatus and specialized equipment repair.</i>
Fire Station 10 - Downtown (property acquisition funded in CIP at \$7.23M) (New)	<i>Construction of a new station due to continued growth in Downtown. Review of siting options underway</i>
Station 1 – Downtown/West Bellevue (constructed in 1975)	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Station 2 – Eastgate/Lake Hills/West Lake Sammamish (reconstructed in 2002)	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Station 3 – Crossroads/NE Bellevue (constructed in 1983)	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Station 4 – Factoria/Somerset (constructed in 1965/remodeled in 1997)	<i>Replace as a Task Force Station to allow for redeployment of existing resources. New location required due to existing lot limitations.</i>
Station 5 – NW Bellevue (currently funded in CIP \$12M) (constructed in 1967)	<i>Replace due to structural deficiencies.</i>
Fire Station 6 - Spring District/Bridle Trails (constructed in 1983)	<i>Recommended as a Task Force Station to allow for redeployment of existing resources. New location required due to lot limitations.</i>

	<i>Staff is reviewing more cost effective options at this time.</i>
Station 7 – Wilburton/Woodridge (constructed in 1985)	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Station 8 – Eastgate/Cougar Mountain (constructed in 1995)	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Station 9 – Newcastle/Newport Hills (constructed in 1975)	<i>Meet current seismic standards and upgrade facility infrastructure</i>

Public Outreach

If Council directs staff to proceed with additional information and research, staff proposes a public process to include the following:

- Engage the Transportation Commission in a series of discussions around the area of Neighborhood Safety and Connectivity, including an evaluation of need and projects that would be appropriate for acceleration beyond what current resources would allow.
- Engage the Council in additional review of the Fire Facilities Long Range Plan including the scope of investments in existing and new fire facilities would best balance community needs and resources.
- Hold two public meetings (anticipated late June) to obtain broader community input on the need, potential projects, and revenue options in both the area of Neighborhood Connectivity and Fire Facilities. These meetings would be advertised by using a broad array of tools in order to reach a broad audience.
- Connect with existing community groups to provide information and receive feedback.
- Use an online survey as an additional engagement tool to allow for broad public input.

All information received from the public outreach and engagement plan would be compiled for Council with several status updates in June and July. This feedback, together with any other information requested by Council over the course of the coming months, would be used to support Council deliberations, and potentially Council action, on the question of whether the city should take steps to secure additional resources, either voted or Councilmanic, in late July.

See Attachment C for a further detailed plan with calendar dates.

ACTION REQUESTED

Staff is looking for final direction on the below two issues. General concurrence is adequate, a formal motion or resolution is not required.

1. Should staff continue research around the priorities of Neighborhood Safety and Connectivity and Fire Long Range Facilities? If yes, then;
2. Does Council concur with the above outlined plan for public engagement?

ATTACHMENT(S)

Attachment A: Reprint of the May 16, 2016 Council Study Session Packet

Attachment B: Reprint of the 2014 Council materials on Fire Long Range Facilities Plan

Attachment C: Proposed Public Outreach and Engagement Plan

AVAILABLE IN COUNCIL DOCUMENT LIBRARY

Fire Long Range Facility Plan