

**CITY COUNCIL STUDY SESSION ITEM****SUBJECT**

Discussion regarding potential ballot measure(s)

**STAFF CONTACTS**

Toni Rezab, Interim Director 452-7863

***Finance***

Bob Hyde, Deputy City Attorney 452-2033

***City Attorney's Office***

Mark Risen, Fire Chief 452-6895

Marty LaFave, Deputy Fire Chief 452-7872

***Fire Department***

Dave Berg, Director 452-6468

Ron Kessack, Assistant Director 452-4631

***Transportation*****POLICY ISSUES**

The City Council has been in a sustained review of the structure and continued adequacy of capital funds to meet long-term capital plans over the past several years. The Council's work is now focused on identified gaps between community priorities and existing funding in three specific areas, with exploration of potential funding mechanisms to help close that gap (described more fully in materials presented on May 16 and 23, June 6, and July 5). The additional investments contemplated are briefly:

- Pursuit of a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan to address the need for significant capacity projects supporting growth in the City's BelRed corridor;
- Consideration of voter-approved ballot measure(s) to fund:
  - Projects identified in the 2014 Fire Facilities Plan, including seismic upgrades at existing stations to ensure the ability to provide emergency response after an earthquake, replace aging infrastructure, and build a new fire station to serve the population centers of Downtown and BelRed; and
  - Projects to accelerate completion of a variety of smaller-scale transportation projects that improve neighborhood safety, congestion, connectivity and flow for all users of the rights of way (pedestrian, bicycle and vehicles). While existing programs allow the City to fund a small number of these kinds of projects annually, the back-log of requested projects is growing and exceeds our ability to timely address community needs.

During the course of community feedback and outreach about the additional investments described above, we received feedback about other infrastructure needs. It is important to note, and staff will continue to provide education and information about the tools available within the City's existing and future Capital Investment Program (CIP) to address these needs, including funding large scale road projects, parks, general government needs, and other priorities with the revenue available in the CIP.

**DIRECTION NEEDED FROM COUNCIL**

X Action

X Discussion

X Information

Staff is seeking direction on the following topics:

- Should the City proceed with one or more voter-approved ballot measures to support Fire Facilities or Transportation Neighborhood Safety and Connectivity?
- If the Council decides to move forward, what is the rate and composition for the possible ballot measure(s)?

- Should the measure(s) be separated on the ballot or combined as a single measure?

### **BACKGROUND/ANALYSIS**

Since May, Council has been in a sustained review of the CIP long range financial plan. Starting with the May 16 meeting, staff provided an update on the long range financial CIP planning work, community and Council priorities, and gaps between those priorities and projected revenues. Conclusions reached include:

- The update to the long range CIP 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 (in no particular 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 those initiatives may be at a pace that does not meet community expectations for improvement and investment in the near term.

On May 23, Council was briefed on both the 2014 Fire Facilities plan and on example projects that would be addressed in the area of Neighborhood Safety and Connectivity. Council gave staff direction to include neighborhood congestion in the community outreach, in addition to the neighborhood safety, sidewalk and trail maintenance, new sidewalks/trails, new ITS safety and traffic management projects and new bike facilities. In response, staff did include neighborhood congestion in the public outreach and as noted in Attachment A, reducing neighborhood congestion ranked highly in the public feedback.

On June 6, the Fire Department returned to provide revised recommendations that reduced the overall scope and cost of the 2014 consultant plan yet still maintained the goals and needs to be achieved in regard to improved deployment of resources and needed seismic upgrades. Separately, staff also briefed Council on the progress of obtaining a TIFIA loan.

Following the several study sessions in May and June, Council directed staff to take the next steps to pursue a TIFIA loan to address the mobility in BelRed and to pursue community feedback about potential ballot measure(s) approving additional property taxes to accelerate capital investments for both the Neighborhood Safety and Connectivity and the Fire Long Range Facilities areas.

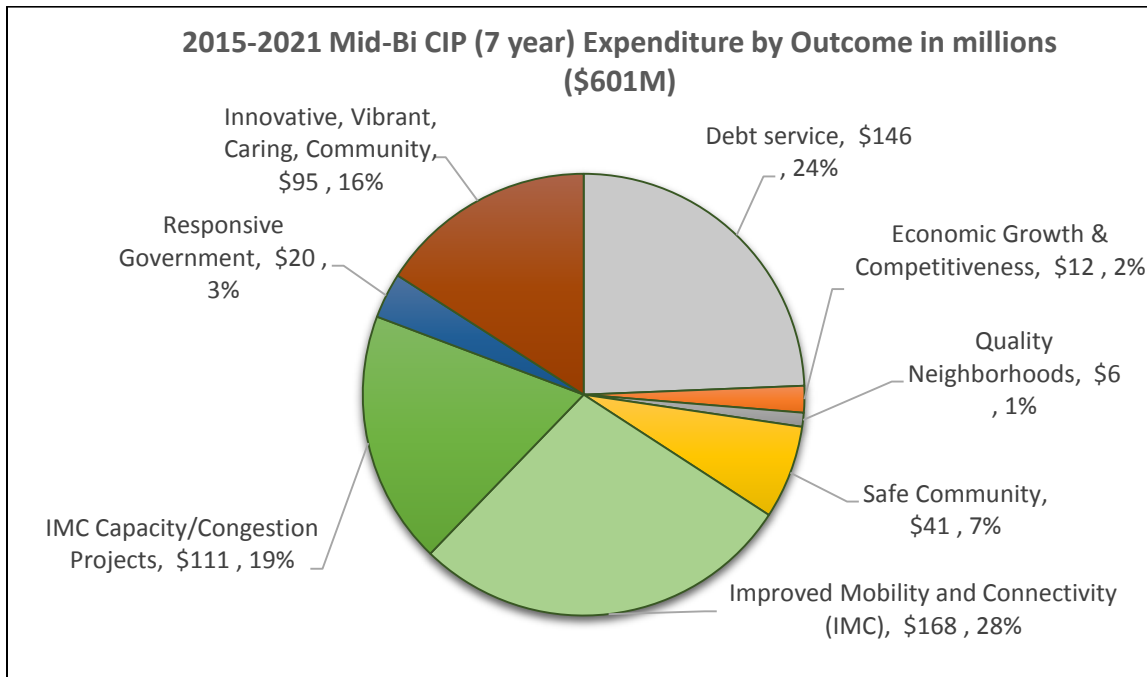
At the July 5 meeting, Council received a high-level summary of the feedback developed through that public engagement including (See Attachment A):

- Interim results from the online survey,
- Open house feedback, and
- Transportation Commission feedback.

### **Funding tools for the overall City CIP**

The City's CIP sets the strategy that allows for continued progress in meeting the City's capital investment needs within a constrained budget. In 2014, Council had a significant amount of discussion about the City's capital investment strategy, including the gap between the large list of unfunded capital projects and the existing CIP revenue stream. The conclusion reached in 2014 noted that there remained a large unfunded potential projects list throughout the City totaling an estimated \$1.2 billion (2014\$), with the acknowledgement that the list is neither complete nor cost validated beyond the near term. Based on the existing CIP revenue stream, approximately \$400 million (2014\$) is estimated to be available over the next 20 years for all discretionary capital projects (i.e. projects other than debt and ongoing maintenance) or \$25 million on average each year. This analysis was updated to current streams and the conclusions reached were the same. The City continues to have a large backlog of unmet capital needs, such as neighborhood, fire facilities, and long-term infrastructure projects. These needs go far beyond what can be addressed within this adopted budget or in future budgets.

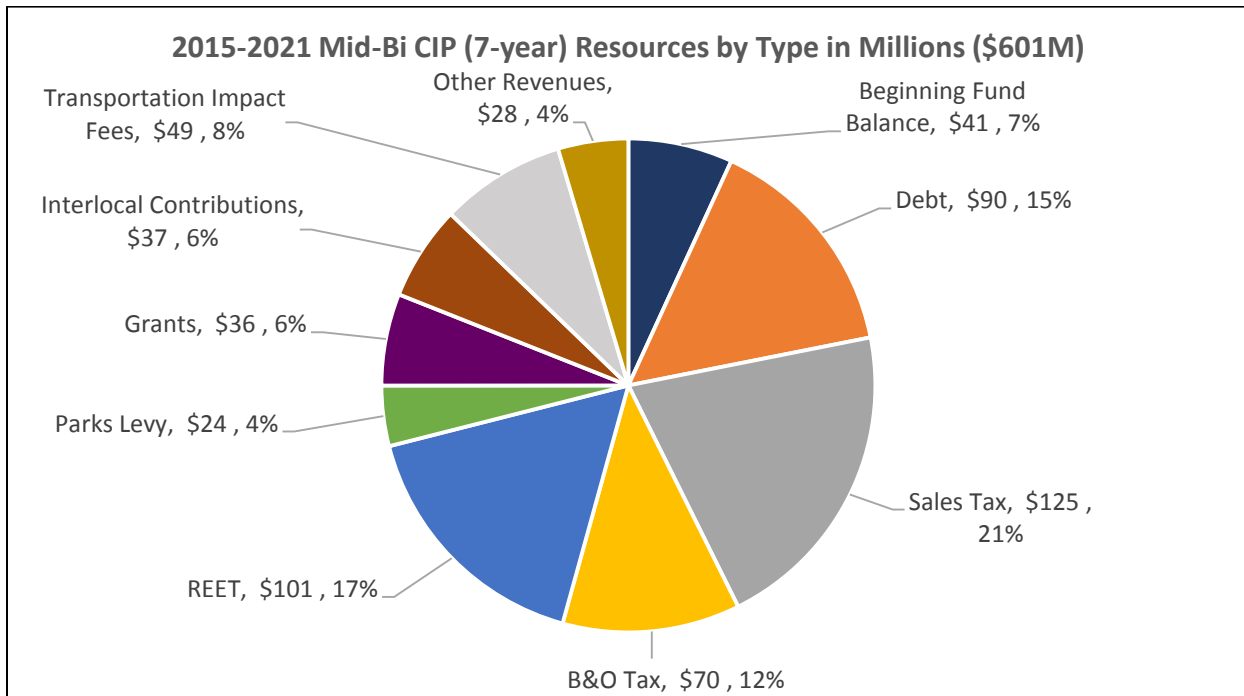
The 2015-2021 Adopted Mid-Biennium CIP (the last Council adopted CIP) funds many City infrastructure needs including congestion and capacity projects.



As noted in the pie chart above:

- 19% (\$111 million) of the \$600 million CIP funds transportation and mobility large scale congestion and capacity projects. The CIP provides funds from a variety of sources, including grant funds, impact fees and general revenue to support these large scale projects. Capacity projects funded in the 2015-2021 CIP include the NE 4<sup>th</sup> Street Extension; 120<sup>th</sup> Avenue NE Corridor work; Spring Boulevard Zones 1, 2 and 4; 124<sup>th</sup> Avenue NE Corridor work; and design work for projects like the NE 6<sup>th</sup> Street Extension and Bellevue Way HOV.
- Within the total Improved Mobility (non-capacity/congestion) are projects for neighborhood traffic safety programs, some funding for new sidewalks and ped/bike enhancements, pavement management, and other needs. City growth, traffic volumes/speeds, and the desire for alternative safe modes of travel have increased the volume of requested projects outstripping the current capability to fund these types of projects in the timely manner expected by our residents. As an example, the existing CIP contains \$1.2 million annually for new sidewalks which produces on average 1 to 2 new sidewalks a year (depending on length and complexity), the backlog of known sidewalk requests exceeds 30 locations.
- Included within Safe Community are the three funded Fire Facilities projects: Rebuilding Fire Station Five (\$12 M); Purchasing property for a new downtown fire station (\$7.5 M); and, partial funding for the expansion of the Public Safety Training Center (\$5.0 M). There remains approximately \$90 to \$100M (2015\$) of projects identified in the Fire Long Range Plan.

The CIP is funded through a diverse set of revenue streams. The City regularly reviews and updates the revenue streams.



- Transportation impact fees (reviewed and last updated by Council in 2015 with an increase from \$3,000 average per trip in 2015 to \$4,703 in 2016)
- Sales and Business & Occupation Tax (regularly updated with forecast revisions and fluctuates with economic conditions)
- Grant funding – (Staff actively pursue eligible grants to meet project objectives. Project lists are reviewed regularly in coordination with grant calls to identify the best possible project candidates to put forward to meet the scope of the grant call.) (Transportation specific grants: \$16.7 million received in 2014; \$10+ million year-to-date in 2016)
- Real Estate Excise Tax (regularly updated based on property sales)
- Voted Parks Levy (expires in 2028)
- Other revenues such as contributions, interlocal governmental partnerships, etc.

### **Tonight's Council Discussion**

Staff seeks direction on whether to continue to move forward with a voter approved ballot measure for the November election. More specifically,

- (1) Should the City proceed with both a fire facilities and a transportation neighborhood safety ballot measure?
- (2) If so, what is the rate and composition for each of the possible ballot measures?
- (3) If the City moves forward with both possible measures, should they be separated on the ballot or a combined measure?

### **Summary of Public Feedback**

Results from the public engagement are provided in detail in Attachment A. Key data points to consider include:

- On-line survey (interim results as of July 1, survey remains open): Out of 456 respondents (margin of error of 4.6%):

- 69% strongly supported or somewhat supported a ballot measure for transportation neighborhood safety and connectivity; 71% support fire facilities. The possible levy rate surveyed was 12.5 cents for 20 years, generating approximately \$5.5 million annually or \$120 million over 20 years.
  - The most important problem reported facing Bellevue is traffic/congestion at 36%, followed by growth development (22%), and transportation/public transportation (11%).
  - Data regarding which measure should be a high priority is transportation neighborhood safety and connectivity (33%), fire facilities (27%), both (25%), neither or undecided/didn't respond (14%). See Attachment A for all data responses.
- Open Houses: The City held three open houses in late June, full results are located in Attachment A with all comments. Data results are as follows and compared to the on-line survey results.

Fire Facilities and Emergency Response	Open House Input Form (n=39-42)	On-Line Survey (n=456)
	% Indicating High Priority	% Indicating High Priority
Seismic Upgrades	74%	54%
Establish New Downtown Station	67%	35%
Remodel Outdated Stations	54%	27%
Existing Station Upgrades	44%	42%
Improve Facility Locations	36%	25%

Transportation - Neighborhood Safety and Connectivity	Open House Input Form (n=41-43)	On-Line Survey (n=456)
	% Indicating High Priority	% Indicating High Priority
Neighborhood Safety	65%	58%
Reducing Neighborhood Congestion	63%	55%
New Sidewalks and Trails	53%	41%
Enhanced Technology for Traffic Management	48%	53%
Sidewalk and Trail Maintenance	36%	35%
New Bike Facilities	24%	29%

- Transportation Commission: The Transportation Commission met on May 26 and June 9. The full report is included as Attachment B. As an overall message, the Transportation Commission “would like to convey our support for new resources that will help keep Bellevue up with the demand for all modes of transportation, and to ensure adequate maintenance of existing facilities.” They also recommended five thematic funding categories – not intended to be in any prioritized order: Capital Maintenance Program Enhancements, Neighborhood Safety Program Enhancements, Sidewalk/Pathway and Bikeway Connectivity, Neighborhood Traffic Congestion Solutions, and Intelligent Transportation Systems (ITS) & Advanced Technology.

#### Transportation Neighborhood Safety and Connectivity Descriptors

The community feedback gathered to date reinforces the conclusion that additional investments in the areas of neighborhood safety and connectivity are desired and seen as high priority. Questions have been raised about what kinds of projects would be accelerated if additional funds were approved. In large part, the City has existing programs in these areas, each with a substantial backlog of requested projects within the City. Staff will present a representative project list on Monday night to provide examples of the kinds

of projects that could be accelerated with additional funds in a ballot measure. If Council chooses to place a Transportation Neighborhood Safety and Connectivity measure on the ballot and if it were successful, we anticipate that specific projects and timing for use of the revenue in the categories included in the measure would be accomplished through the biennial budget process with Transportation Commission review and recommendation. Based on Council discussions and public feedback to date, the priority areas for consideration are (see Attachment C for maps of representative projects as noted below. The maps are representative of needs that are known to the City. They do not indicate priority or funding levels.):

- Neighborhood Safety to improve safety for all neighborhood transportation users by more rapidly implementing speed/traffic mitigation projects in neighborhoods and around schools; adding mid-block and lighted crossings, and; supplementing the Collision Reduction Program. See Attachment C.
- Reducing neighborhood congestion through projects that provide relief for identified problem areas and where improvement could be accomplished through changes within the existing right-of-way. Funding in this program will improve traffic safety and flow by funding the engineering of projects that will ease congestion in and out of neighborhoods. Potential projects may include intersection/roadway improvements at:
  - 150th Avenue SE & Newport Way
  - 112<sup>th</sup> Avenue NE & NE 24<sup>th</sup> Street
  - 148<sup>th</sup> Avenue NE & NE 8<sup>th</sup> St
  - Factoria Boulevard & SE 38<sup>th</sup> St
  - Coal Creek Parkway & Forest Drive
  - West Lake Samm Parkway & Northup Way
  - Lake Hills Connector & SE 8<sup>th</sup> Street
  - 148<sup>th</sup> Avenue & Main Street
  - BelRed Triangle Area – BelRed Road/156<sup>th</sup> Avenue/NE 24<sup>th</sup> Street
  - SE 37<sup>th</sup> Street & I-90 EB Ramp
  - 148<sup>th</sup> Avenue NE vic. SR-520 Interchange
  - 150<sup>th</sup> Avenue SE & SE 37<sup>th</sup> St
  - 150<sup>th</sup> Avenue SE & SE Eastgate Way
  - 112<sup>th</sup> Avenue SE/Bellevue Way/108<sup>th</sup> Avenue SE
  - 143<sup>rd</sup> Place NE Extension – BelRed Rd to NE 20<sup>th</sup>
  - Bellevue Way SE HOV
  - 129<sup>th</sup> Pl SE Extension
- New sidewalks and trails to improve walkability by connecting neighborhoods to gathering places, recreational opportunities and other neighborhoods. See Attachment C.
- Enhanced technology for traffic management in order to position the City to take advantage of new technologies to increase network efficiency and improve traffic flow. Funding for this program will improve the city’s capability to respond to emerging technologies that improve safety and traffic flow. Potential projects may include:
  - Enhanced Travel Information
  - Connected Vehicle Integration
  - Parking Management
  - Smart Streetlights
- Sidewalk and trail maintenance to repair and improve existing facilities. See Attachment C.
- New bike facilities to create a safe and connected bike network for commuting, recreation and family activities. See Attachment C.

## Fire Facilities

In June 2014, the City embarked on a long range fire facilities plan. The table below compares the results from the 2014 plan with the revised City staff recommendation for each of the facilities. The revised recommendations allow for Fire Department critical goals and needs to be achieved in regard to improved deployment of resources and needed seismic upgrades. If Council chooses to place a Fire Facilities measure on the ballot and if it were successful, the specific timing of fire station capital projects would be accomplished through the biennial budget process. The revised project list recommendations are:

<b>Recommended Project List</b>		
<b>Facility/Location</b>	<b>2014 Plan Recommendation</b>	<b>Revised Recommendation</b>
Station 10 - Downtown	<i>Construction of a new station due to growth in Downtown. Review of siting options underway. Property acquisition was budgeted in the 2015-2021 CIP</i>	<i>Construct a new fire station due to growth in the downtown. Property acquisition is budgeted in the 2015-2021 CIP. Construction and operating costs have not been budgeted</i>
Station 1 – Downtown/West Bellevue	<i>Facility plan called for an extensive remodel of this facility,</i>	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Station 2 – Eastgate/Lake Hills/West Lake Sammamish	<i>Facility plan called for an extensive remodel of this facility,</i>	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Station 3 – Crossroads/NE Bellevue	<i>Facility plan called for an extensive remodel of this facility,</i>	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Station 4 – Factoria/Somerset	<i>Replace as a Task Force Station to allow for redeployment of existing resources. New location required due to existing lot limitations.</i>	<i>Unchanged</i>
Station 5 – NW Bellevue	<i>Replace due to structural deficiencies. Full replacement budgeted in the 2015-2021 CIP.</i>	<i>Unchanged. Full replacement budgeted in the 2015-2021 CIP</i>
Station 6 - Spring District/Bridle Trails	<i>Facility plan recommended Station 6 become a Task Force Station. This would have required relocation of the station.</i>	<i>Remodel apparatus bay to allow for relocation of ladder company, seismic improvements and upgrade of facility infrastructure</i>
Station 7 – Wilburton/Woodridge	<i>Facility plan called for an extensive remodel of this facility,</i>	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Station 8 – Eastgate/Cougar Mountain	<i>Facility plan called for an extensive remodel of this facility,</i>	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Station 9 – Newcastle/Newport Hills	<i>Facility plan called for an extensive remodel of this facility,</i>	<i>Meet current seismic standards and upgrade facility infrastructure</i>
Logistics Center Warehouse	<i>Consolidation of reserve apparatus and specialized equipment repair.</i>	<i>Unchanged</i>
Training Center	<i>Improvements to the Training Center have been deferred.</i>	<i>Deferred</i>

## Next Steps

With Council's feedback on the questions posed tonight, staff will develop draft ballot language for review, refinement and discussion on July 18. The Council could decide as early as July 25 or as late as

August 1 whether to place one or both of the possible ballot measures on the November ballot. The latest Council can take action in order to meet deadlines for inclusion on the November General Election is August 1. In order to move each of the possible ballot measures forward, the Council must take two actions:

- Adopt an ordinance explaining the measure and setting out the ballot language as it will appear on the November ballot; and
- Appoint pro and con committees that will prepare statements in favor of and in opposition to that ballot measure. The pro/con statements will be published in the voter's pamphlet. Each committee is comprised of no more than three people from the public, although an unlimited number of people can assist each committee if necessary. The City has solicited applicants for this process and a slate of potential committee members would be brought forward for action with the potential ballot measures.

### **ATTACHMENT**

Attachment A: Public Engagement Feedback

Attachment B: Transportation Commission Letter

Attachment C: Transportation Neighborhood Safety and Connectivity representative projects