

CITY COUNCIL REGULAR SESSION

Final Public Hearing on the 2023-2024 Budget and 2023-2029 Capital Investment Program Plan.

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Finance and Asset Management Department

EXECUTIVE SUMMARY

This public hearing is an opportunity for residents and other stakeholders to provide input on the 2023-2024 Preliminary Budget, including all proposed levies, taxes, fees, and rates to aid the City Council in their review, discussion, and eventual adoption of the City's 2023-2024 Budget and 2023-2029 Capital Investment Program (CIP) Plan. Following the public hearing, staff seeks any areas for further Council discussion or requests for information to bring forward to Council on November 14 in advance of tentative adoption on November 21.

RECOMMENDATION

Move to hold the final public hearing on the 2023-2024 budget and the 2023-2029 Capital Investment Program Plan.

BACKGROUND/ANALYSIS

Bellevue's budget is produced every two years and includes a seven-year capital budget. It serves as a major policy document and describes how the City intends to finance its services and infrastructure. This meeting marks another step in a process that launched earlier this year during the Council's biennial budget workshop. As part of the process, Bellevue's budget process puts the emphasis on community expectations and Council priorities for government services, as opposed to individual departments within the organization.

Previous Council Discussions

On September 26, the City Manager presented his 2023-2024 Preliminary Budget and 2023-2029 Capital Investment Plan (CIP) plan to the City Council. The Preliminary 2023-2024 biennial budget totaled \$2.2 billion. This total includes \$1.4 billion in operating budget (\$592 million in general fund, \$261 million in internal service and other operating funds, \$568 million in Enterprise Funds), \$139 million in special purpose expenditures (such as grants, donations and debt, among others), and \$679 million for the 2023-2024 portion of the General and Utilities CIP. See Attachments B and C for the City Manager's transmittal letter and the Preliminary 2023-2024 Executive Summary.

On October 3, an overview of investments in: Public Safety, Homelessness, the American Recovery Plan Act (ARPA) and, the Safe Clean, Vibrant City initiative was presented. The agenda memo and meeting materials can be found at the link below or by searching from the [Bellevue.wa.gov](https://bellevue.wa.gov) website under the Council Meetings section.

<https://bellevue.legistar.com/LegislationDetail.aspx?ID=5859889&GUID=B65054A3-8E2F-48BD-9E03-8D3A26898C9C>

On October 10, the Utilities Department presented materials to the City Council on proposed rates. Agenda materials can be found at the link below or by searching from the Bellevuewa.gov website under the Council Meetings section.

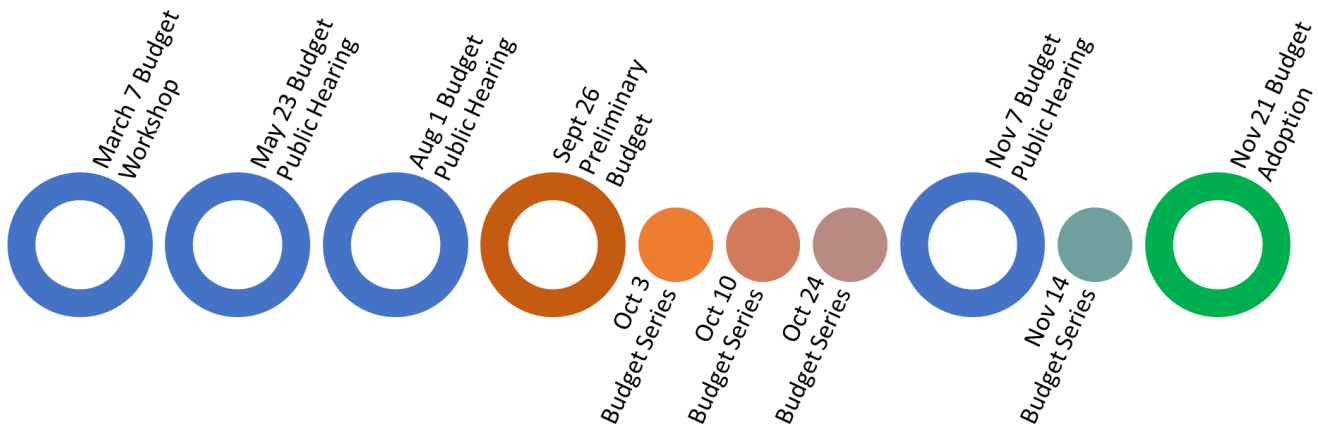
<https://bellevue.legistar.com/LegislationDetail.aspx?ID=5866748&GUID=08347F75-87D2-4D51-9D4A-E34151F467FC>

On October 24, the Development Services Permit Fees and Issaquah and Renton School Impact Fee Schedule Update, Environmental Stewardship Initiative (ESI) and Diversity Equity and Inclusion (DEI), and Human Services were presented to the City Council. Agenda materials can be found at the link below or by searching from the Bellevuewa.gov website under the Council Meetings section.

- 10/24 Development Services Materials
<https://bellevue.legistar.com/LegislationDetail.aspx?ID=5893305&GUID=6892E379-6F82-4DB4-BA1F-CA9B3EB363A5>
- 10/24 ESI and DEI Materials
<https://bellevue.legistar.com/LegislationDetail.aspx?ID=5893311&GUID=17014621-DA8B-4C16-A944-F2DF31352F95>
- 10/24 Human Services Materials
<https://bellevue.legistar.com/LegislationDetail.aspx?ID=5893307&GUID=21D5029E-4987-4CD0-8C84-8E4E33199703>

Council Milestone Calendar

Tonight, is the third and final public hearing, which will provide another formal opportunity for the public to offer testimony to the Council regarding the Preliminary Budget. The public hearing is an opportunity for residents and other stakeholders to provide input on the 2023-2024 Preliminary Budget, including all proposed levies, taxes, fees, and rates to aid the City Council in their review, discussion, and eventual



adoption of the City's 2023-2024 Budget and 2023-2029 Capital Investment Program (CIP) Plan. This public hearing is in keeping with Bellevue's long history of overall citizen involvement with the budget process. All information regarding the Preliminary Budget can be found on the City's budget page located at: <https://bellevuewa.gov/budget>. The public is also invited and welcome to submit comments in writing to the City's Budget Manager, Evan Phillips, at EPhillips@BellevueWA.gov or the City Clerk at CityClerk@BellevueWA.gov by 3 p.m. on November 7. Public feedback is welcome at regular Council

meetings during Oral Communications prior to the business agenda. As always, the public may at any time communicate informally to Council by calling, meeting with, or writing to Councilmembers.

Following the public hearing, Council will have the opportunity to provide areas for additional discussion or request information for discussion on November 14 in preparation for tentative adoption on November 21.

The City previously had public hearings on May 23 and August 1. This is the final public hearing prior to adoption of the budget scheduled for November 21.

At all three public hearings on the City's 2023-2024 Budget and 2023-2029 CIP Plan the public is invited to provide testimony on the operating and capital budgets, including all levies, taxes, fees, and rates.

A public hearing on the City's budget is required by State law and gives the public an opportunity to provide feedback to the Council before a final decision is made.

The final public hearing was advertised in the Seattle Times on October 24 and October 31.

Actions Required for Adoption

There are several items that will be required to adopt the 2023-2024 Operating Budget and the 2023-2029 CIP Plan which include:

Ordinance/Resolution Title	Brief Explanation
<i>Human Services Fund Recommendation Ordinance</i>	<i>Adopt funding recommendations for allocations to human services agencies</i>
<i>Community Development Block Grant (CDBG) Recommendation Ordinance</i>	<i>Adopted recommended spending plan for Community Development Block Grant funds</i>
<i>Behavioral Health and Housing-Related Services Housing Stability Program Recommendation Ordinance</i>	<i>Adopt funding recommendations for allocations to human services agencies</i>
<i>2023 Development Services Fee Ordinance</i>	<i>Set Development Services 2023 Rates</i>
<i>2023-2024 Utility Rates Ordinances (3)</i>	<i>Set the Utilities 2023-2024 Rates</i>
<i>2023 Property Tax Banked Capacity Resolution</i>	<i>Preserve the full levy amount available to the City</i>
<i>2023 Property Tax Ordinance</i>	<i>Adopt 2023 property tax levies (RCW 35A.34.230 and RCW 84.55.092)</i>
<i>Business & Occupation Tax Ordinance</i>	<i>Adjust the taxable gross receipts rate</i>
<i>2023-2024 Budget Ordinance</i>	<i>Adopt "umbrella" budget ordinance which includes appropriation approval by fund, 2023 pay plans and, summarizations of grants and donations accepted that are less than \$90,000</i>

Notes: The fire inspection fee ordinance is not needed this year as there is no change. Additionally, a substantial need ordinance is not needed for property taxes as the implicit price deflator surpasses 1 percent. Additionally, a new item for behavioral health and housing -related stability funding was added on October 24 to reflect the need for Council action during the adoption of the Preliminary Budget.

POLICY & FISCAL IMPACTS

Policy Impact

Revised Code of Washington 35A.34.110 requires that the City Council hold a public hearing to develop the budget for the City. This legally required public hearing must be held not later than 25 days prior to commencement of the fiscal biennium.

Fiscal Impact

There is no fiscal impact associated with this public hearing.

OPTIONS

1. Hold the final public hearing on the 2023-2024 Budget and 2023-2029 Capital Investment Program Plan.
2. Provide alternative direction to staff regarding the public hearing.

ATTACHMENTS

- A. Public Hearing Notice
- B. City Manager's Transmittal Letter
- C. 2023-2024 Preliminary Executive Summary
- D. 2023-2024 Fund Appropriation List
- E. Memory Bank through October 24 Council Meeting

AVAILABLE IN COUNCIL LIBRARY

N/A