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CITY COUNCIL STUDY SESSION ITEM

SUBJECT

Neighborhood Enhancement Program (NEP-2) proposal

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POLICY ISSUES

In Council's *Vision 2035: The City Where You Want to Be*, Council initiated a priority to "Re-create a neighborhood program that supports neighborhood leadership, engagement, and community-directed investment." To achieve this priority, the City Council approved the 2015-2021 General Capital Investment Program (CIP) Plan budget, allocating \$5,075,000 in CIP funds for the new Neighborhood Enhancement Program (CIP Plan No. NEP-2) over the next seven-year CIP cycle.

Tonight's Study Session will provide Council with a proposal for implementing the new Neighborhood Enhancement Program 2.0 and will seek input on the program's elements, structure and timeline.

DIRECTION NEEDED FROM COUNCIL

☐ Action

☒ Discussion

☐ Information

This overview provides a new approach to the Neighborhood Enhancement Program. Council input is sought on the program design, structure and implementation strategy.

BACKGROUND/ANALYSIS

Launched in 1988, the Neighborhood Enhancement Program (NEP) provided residents the opportunity to select small capital projects for City-funded improvements in their neighborhoods. NEP sparked community efforts to come together with the City to build something positive in their own neighborhoods. The success of NEP has been attributed to the philosophy that residents themselves are in the best position to decide how to improve their own neighborhoods. The Neighborhood Enhancement Projects rotated through 13 NEP areas over a three-year cycle, allocating up to \$150,000 per project, with residents voting in their neighborhood areas for their top priorities for small local capital improvement projects.

The years of operating the previous Neighborhood Enhancement Program provide helpful insight as we approach a new program structure for the new Neighborhood Enhancement Program. Some of those lessons learned include:

- ❖ The small CIP budgets (\$150K) per project were increasingly insufficient to build identified projects.
- ❖ Community engagement (including project submittal and regional voting), prioritized the projects of the best organized neighborhoods – consequently underserving the CIP needs of under-represented neighborhoods.
- ❖ The NEP program required City-wide interdepartmental coordination and placed significant demands on staffing and ongoing maintenance resources (Parks, Transportation, Utilities, Planning, etc.).
- ❖ Environmental, contracting, permitting and other regulatory process requirements added time and extended completion periods, generating overlapping project management across NEP cycles.

The Neighborhood Enhancement Program was successful in providing a method for funding small but important improvements that could not compete successfully for funding against larger or higher-priority CIP projects. It also provided a way to engage residents in a democratic process to direct City funds for local improvements that could be accomplished in the near-term.

GUIDING PRINCIPLES The design of the new Neighborhood Enhancement Program will seek to build from previous success, and adhere to the following guiding principles:

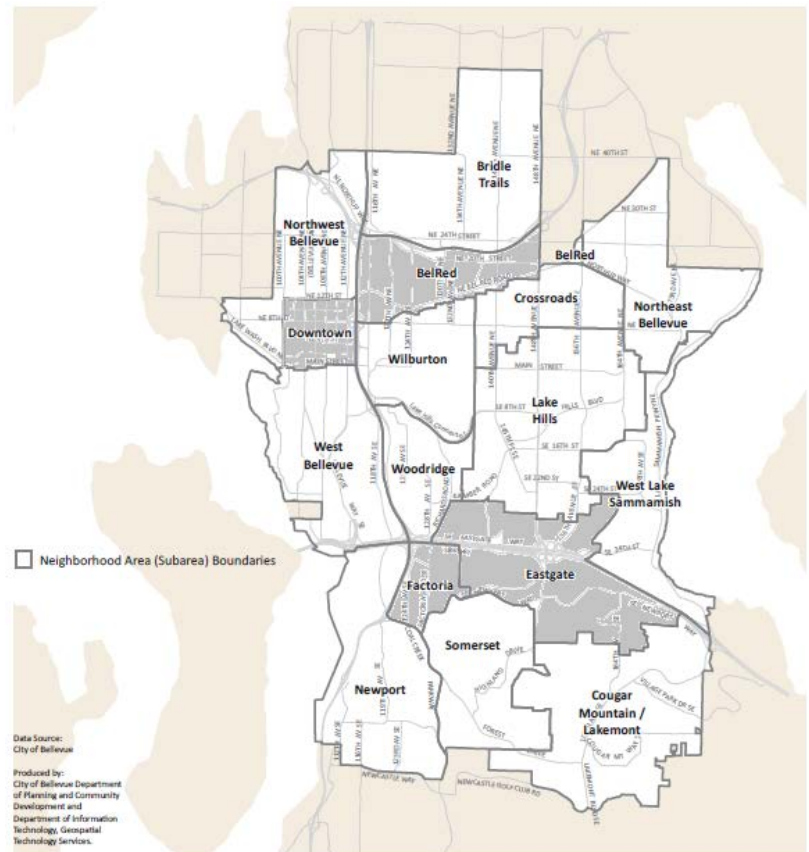
- ❖ *Enhance Neighborhood Character* The Neighborhood Enhancement Program encourages and coordinates neighborhood participation in projects to enhance their unique neighborhood character.
- ❖ *Engage Neighborhood Leadership* NEP will depend on the engagement of local residents at every stage of the program (from project idea submissions to project selection and local design and implementation).
- ❖ *Identify Opportunities for Maximizing Public Benefit* In collaboration with residents and City departments, NEP will work to identify projects that address critical needs, align with City planning, enhance neighborhood character, and maximize the public benefit for the community.
- ❖ *Adequate Resource for Small-Scale Neighborhood Improvements* The NEP budget for each neighborhood area will correspond to the area's population (ranging from \$133,000 to \$508,000).
- ❖ *Near Term Completion* The scope of approved NEP projects must be projected to be feasibly doable and constructed within the NEP seven-year cycle. The program will provide an expedited way of constructing the requested projects in the near term. The expectation is that all NEP projects will be completed within five years after selection, with the majority of projects being completed within three years.
- ❖ *Democratic Process for Community-Directed Investment* NEP is built on the foundational principle that residents know best what is needed for their neighborhoods.

The NEP program will provide a clear democratic process for deciding which projects will be completed.

RECOMMENDED PROGRAM STRUCTURE

Utilize the updated Neighborhood Area Map Neighborhood leaders support creating opportunities to develop, preserve and cultivate distinct neighborhood character. The Neighborhood Area map (with 16 neighborhood areas) provides for local community investment on a neighborhood scale. For the NEP cycle, the less populated areas, BelRed and Factoria, will be combined with neighboring areas. (Downtown/BelRed and Eastgate/Factoria).

Seven-Year City Cycle NEP will rotate through all neighborhood areas within the City's seven-year CIP budget cycle. NEP will provide continuous public outreach, with two NEP areas addressed each year. The expectation is that all NEP projects will be completed within five years after selection, with the majority of projects being completed within three years. The NEP cycle will resume the rotation by neighborhood area where the previous NEP program finished in 2012 (See Attachment #1 for the NEP rotation cycle).



Allocation of NEP Project Budget NEP is structured to allocate \$5 million over seven years, distributing funds proportional to neighborhood area population (see Attachment #1). Individual project budget amounts will be allowed up to the entire neighborhood-area budget.

Neighborhood Area Profile Public outreach would begin with a Neighborhood Area Profile, highlighting current City investments in the neighborhood. This information would provide residents with a better sense of the ways that the City is already responding to neighborhood needs, as well as stimulate ideas to enhance or leverage existing City efforts.

Project Idea Submission Any resident can submit a NEP project idea. “Project Idea Request Cards” will be mailed to every home in the neighborhood area and will be available at local community centers and libraries. Residents will also be able to submit project ideas online on the City’s NEP website. The “Project Idea Request Cards” will be designed to provide low barriers for idea submission, including proposed project descriptions and how the project idea would benefit the larger community. Residents will have one month to fill in the card and return it to the City.

The City anticipates that there will be 100-200 resident submissions per neighborhood area – including NEP project ideas and requests for other types of City service. Only capital improvement ideas will be considered for a NEP project. Operational requests such as maintenance, traffic calming, Police patrol or code enforcement issues will be referred to the appropriate department for response. In addition, City departments will have the opportunity to submit project ideas that they have received from prior community input.

Some examples of types of NEP projects that could be funded include, but are not limited to, those listed below (see Attachment #2 for a sample of potential projects and budget range estimates):

Neighborhood Gathering Places

- ◆ Local “Third Place” development and enhancements
- ◆ Replace/improve playgrounds to include both age levels (2-5 yr. old & 5-12 yr. old)
- ◆ Renovate dog park areas
- ◆ Picnic shelters
- ◆ Viewing platform at parks

Neighborhood Character & Identity

- ◆ Neighborhood Art elements
- ◆ Neighborhood Identity elements with landscaping and median
- ◆ Streetscape Improvements, i.e. benches and decorative signage
- ◆ Neighborhood Entry Signs with landscaping

Neighborhood Mobility

- ◆ Way-finding signage
 - ◆ Major trail connections
 - ◆ Longer bridges and boardwalk trail structures
 - ◆ Neighborhood-wide traffic improvements that include traffic calming elements
 - ◆ Sidewalk segments (possibly longer than the previous NEP program)
- Note: Sidewalk projects tend to be costly but, with larger project budgets, relatively short sidewalk segments are likely feasible.
- ◆ Bicycle stations and amenities

Neighborhood Natural Environment

- ◆ Boardwalks in wetland areas
- ◆ Neighborhood ROW tree planting.

Project Eligibility Once NEP project ideas are submitted, they will need to be reviewed to determine if they represent feasible NEP projects. City staff from the appropriate department must review each request to determine whether it is consistent with City policies and appropriate for NEP funding (per the specific screening criteria listed below). It is estimated that staff will require three months to review project ideas, although timeframe will vary dependent on the number and complexity of requests received.

The feasibility review will investigate each idea, write more detailed project descriptions and calculate costs of construction and associated staff costs, and examine likely maintenance and operation expenses for future upkeep. Any submitted ideas that are determined to be ineligible as NEP projects will be reported, with an explanation of the reason why they did not meet established criteria, and removed from further consideration. In addition, any project idea submission that does not meet the criteria (listed below) may be referred to another agency or another City program. The eligibility criteria include:

- ❖ **Public Benefit** – Project must benefit the general public within the NEP neighborhood area; projects with limited public benefit (geographically isolated or serving only a small subsection of a neighborhood) would be ineligible and referred to the Neighborhood Match Program or other City programs.
- ❖ **Feasibility** – Project must be physically possible. Project must be within the City’s purview or be approved by the appropriate agency (e.g., Bellevue School District) and include their participation. Projects involving physical construction must be substantially on public property or public easements.
- ❖ **Affordability** – Project must cost less than the total neighborhood area budget (see attachment) unless supplements are available from other City programs.
- ❖ **Consistency** – Project must be consistent with City plans and departmental policies.
- ❖ **Duration & Completion** – The scope of approved NEP projects must be projected to be feasibly doable and constructed within the NEP seven-year cycle. Projects must be complete (as either “stand alone” projects, or enhancements to other CIP projects). Partial projects will not be considered, even if there is funding identified in the next NEP cycle for the same project.
- ❖ **Maintainability** – Projects with extensive ongoing operation and maintenance expenses (such as public park restrooms) will not be eligible. All projects must have funding reasonably secured for ongoing maintenance by the City and/or any involved partners (e.g., Bellevue School District).

Open House, Public Process and Project Selection A public open house will be convened in the neighborhood area to share detailed information about the top project ideas. This will open the public process. All feasible NEP projects will be posted online and a ballot by mail will be sent out to all households. Residents will be allowed to vote for their top 3 projects. Residents will be provided 4 weeks to cast their ballots. The projects receiving the greatest total of votes, up to the neighborhood area budget, will be selected.

Assignment to Project Managers Once the NEP projects have been selected, each project will be assigned to a project manager within an appropriate department (Parks, Transportation, Utilities, etc.). City staff will work with the immediate surrounding community in the design and implementation of the project(s). The project manager will be responsible for all environmental, contracting, permitting and other regulatory process requirements from design to project completion. This will require ongoing City coordination and project management across departments for permitting, outreach and project management.

Staffing Implications Since, at various times, NEP will draw on significant staffing resources from across City departments (Transportation, Parks, PCD, Utilities), it will require dedicated staffing to provide project management services for the program. As the program cycles through the city, overlapping project management and coordination of NEP projects will be required. To support this need, the NEP program proposes to dedicate 14% of the CIP budget (\$100,000 per year) to support the administration of the NEP program, along with project development and the corresponding “surge” of general and transportation requests that typically are generated when NEP rotates to a new neighborhood area.

Next Steps

If the City Council approves the NEP program as outlined above, staff will move forward with launching this program in the fall. A citywide seven year cycle is proposed, aligning NEP with the seven year CIP cycle. NEP will provide outreach and identify NEP projects in two neighborhood areas each year. The rotation of the cycle will resume in the order of neighborhood areas where the previous NEP program left off in 2012, with Eastgate/Factoria being the first neighborhood area to move forward under NEP 2.0.

Summary

The Neighborhood Enhancement Program is designed to “Re-create a neighborhood program that supports neighborhood leadership, engagement, and community-directed investment.” It is structured to preserve the essential principles that made the previous NEP successful, while adapting to the realities of fewer resources, higher construction costs and longer projected timelines for CIP projects. This recommended approach accomplishes this by:

- Preserving active participation of residents at all levels of decision-making.
- Preserving the ability to rotate NEP to all neighborhood areas in the city on a regular basis.
- Increasing the per-project budget limit.
- Extending the rotation cycle time to seven years (allowing for NEP project completion and alignment with CIP budget cycle).
- Preserving public vote to determine project selection.

The Neighborhood Enhancement Program will provide a pathway for residents to participate in a fresh way with the City and see how local participation can directly create neighborhood improvements for the whole city to enjoy.

OPTIONS

Council direction is requested on the NEP 2.0 program. Alternatives include:

1. Approve NEP Program as described. Neighborhood Outreach staff will launch the NEP program this fall and begin outreach to the next neighborhood area.
2. Approve NEP Program with specific modifications.
3. Provide alternative direction for staff.

RECOMMENDATION

Option 1 Approve NEP Program as described.

ATTACHMENTS

1. Estimate of Budget Allocations by Neighborhood Areas, NEP Citywide Rotation
2. NEP Project Types and Budget Estimates
3. NEP Comparison