

2021-2027 Early Look Capital Investment Program (CIP)

Background

The CIP provides for major public facility improvements for items such as park development, transportation roadways, signals, and sidewalks, among others. The CIP is primarily supported by sales and B&O tax, grants, real estate excise tax, transportation impact fees, voted levies, intergovernmental contributions and the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan. Since Sales tax and B&O are split between the general fund and the CIP, the CIP is also experiencing a reduction in revenues.

2021-2027 Early Look CIP

As with historical practice and policy, the early look 2021-2027 CIP:

- extends the years to include 2026 and 2027 resources to the 2019-2025 Amended CIP;
- adjusts revenue streams to be in alignment with the general fund forecast;
- includes the existing debt service and the estimated debt service for the Transportation Infrastructure Financing Innovation Act (TIFIA) loan starting in 2024 at \$5.2 million per year;
- brings forward to 2027 ongoing programs that maintain existing infrastructure in accordance with Comprehensive Finance Management Policy XI.I.;
- continues all voted levies (Fire, Neighborhoods, and Parks) in accordance with voted ballot measure language;
- does not include any additional debt beyond current issuances and the TIFIA loan;
- maintains all discrete projects within the 2019-2025 Amended CIP and does not increase those projects for recosting or re-scoping; and
- accounts for actual 2019 revenues and expenditures, noting the amounts of project carry-forward into 2020 as appropriate.

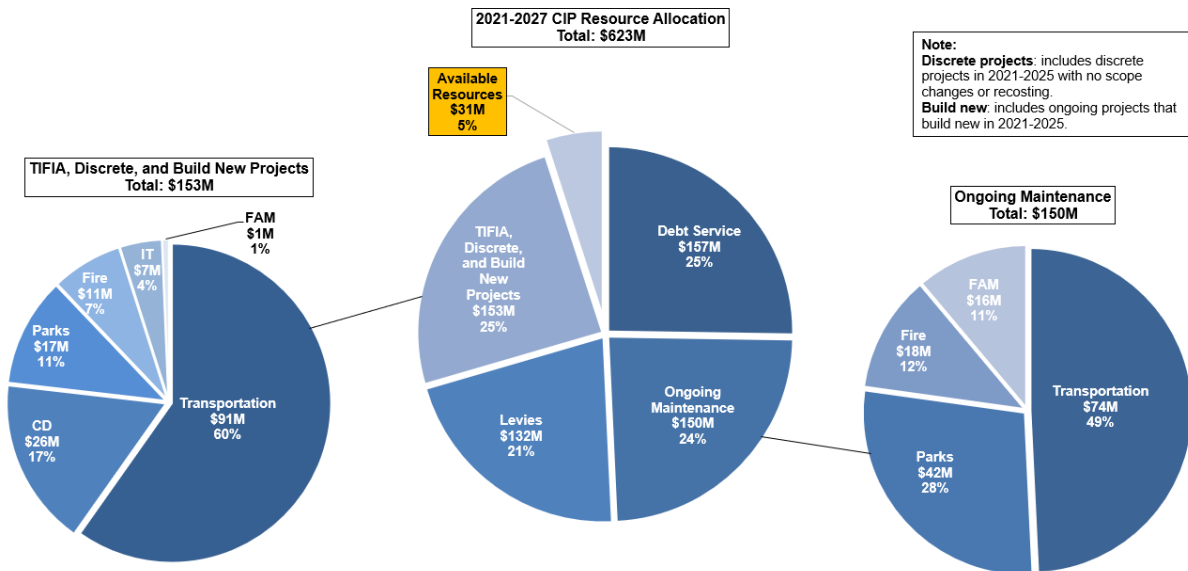
With the addition of 2026 and 2027, and applying the historical practice noted above, the 2021-2027 available resources for allocation is projected to be approximately \$31 million, and those funds are not available until 2026 and 2027.

In addition, with the near term COVID impacts, the projects in the early years of the CIP may need to be adjusted in timing to avoid a near-term cash flow issue. As the forecasts and the budget process continue to be developed, staff will review the timing of projects in detail and propose adjustments as needed, if needed.

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The ~\$31 million is calculated from:

Total Resources Estimated for the 2021-2027 Early Look CIP	\$623M
Less Existing Debt Service through 2027	\$157
Less Ongoing Projects that maintain current infrastructure	\$150
Less Levy Funded Projects	\$132
Less Projects in the existing Amended CIP that the early look assumes will continue (e.g. TIFIA, and other discrete projects)	\$153
Available for recosting and scope changes for discrete projects currently underway and new projects	\$31M



Debt Service

2021-2027 Debt Service makes up 25 percent of the General 7-year CIP (\$157 million). This is consistent with the city's Comprehensive Finance and Asset Management Policies regarding the use of Debt in the CIP (Financial Policy – XI.N). The Debt Service amount starting in 2024 includes the TIFIA loan payback of approximately \$5.2 million annually.

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Ongoing Maintenance Programs

2021-2027 Ongoing programs are those that implement the Council's policy to maintain existing infrastructure before building new, in accordance with Comprehensive Finance Management Policy XI.I and make up an estimated 26 percent of the 7-year CIP (\$156 million). As the City Manager prepares his Preliminary Budget, the estimated 2026 and 2027 ongoing maintenance cost will be revised. Currently in the early look CIP, 49 percent of ongoing maintenance projects are transportation projects including Overlay Program, Traffic Operations, Signals and Lighting, Traffic Safety Improvements, Major Maintenance Program, Wetland Monitoring, Pedestrian Facilities Compliance Program; 28 percent is for Parks Renovation & Refurbishment Plan, 12 percent is for Fire Facility Maintenance programs and 11 percent are Finance & Asset Management projects including Facility Services Major Maintenance.

Levy Funded Activities

- Fire Facilities Levy – In November 2016, Bellevue voters passed the Fire Facilities Levy that will raise approximately \$146 million over 20 years to construct a new fire station and a warehouse space to store and repair special equipment, and to complete capital needs for the nine existing fire stations. The early look 2021-2027 CIP includes \$49 million (\$7 million annually) in accordance with the voted ballot language. Fire facilities levy projects include Fire Station 10, Fire Station 4, Fire Warehouse & Special Projects, and Fire Station 6 Renovation.
- Neighborhood Congestion, Safety and Connectivity levy – Also passed by the voters in November 2016, the Neighborhood Congestion, Safety and Connectivity levy will help the City address a backlog of neighborhood safety, connectivity, sidewalk, bicycle, technology, congestion relief and maintenance projects. The Levy is projected to raise approximately \$175 million over 20 years. The early look 2021-2027 CIP includes \$59 million (\$8 million annually) in accordance with the voted ballot language. Neighborhood Congestion, Safety and Connectivity levy funds Neighborhood Congestion Management projects and Neighborhood Safety & Connectivity projects.
- Parks Levy – Parks & Natural Area levy was approved by the voters in 2008 to fund the \$40 million parks capital program over 20 years. The capital portion of the measure increased the property tax levy by \$3.4 million and will be collected over a total of 20 years, expiring in 2028. The early look 2021-2027 CIP includes \$24 million (\$3.4 million annually) in accordance with the voted ballot language. Parks levy funds Bellevue Airfield Park Development and Park & Open Space Acquisition projects.

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Projects currently underway in the Amended CIP through 2025. None of these projects have expenditures assumed in 2026 or 2027.

The early look CIP assumes that existing projects currently underway in the Amended CIP would continue. It does not assume that these projects would receive additional funding. As the City Manager prepares his Preliminary Budget, these estimates could change. This section includes existing projects through 2025 CIP of \$153 million of which \$41 million is related to the Transportation Infrastructure Financing Innovation Act loan. Transportation projects accounts for roughly \$90 million or 40 percent of this category including the following projects:

- 124th Ave NE - NE Spring Boulevard to Ichigo Way (18th St)
- 124th Ave NE - NE 12th to NE Spring Boulevard (TIFIA)
- 130th Ave NE - Bel-Red Rd to NE 20th St (TIFIA)
- NE Spring Blvd (Zone 1) - 116th to 120th Avenues NE
- NE Spring Boulevard (Zone2) - 120th to 124th Aves N (TIFIA)
- NE Spring Boulevard - 130th to 132nd Ave NE (TIFIA)
- 124th Avenue NE/Ichigo Way (NE 18th St) to Northup Way (TIFIA)
- East Link Analysis and Development
- West Lake Sammamish Parkway, Phase 2
- Bellevue Way SE HOV Lane - 112th Ave SE 'Y' to I-90
- 120th Ave NE Stage 4 Design - NE 16th St to Northup Way
- 124th Avenue NE – NE 8th to NE 12th Street
- West Lake Sammamish Parkway Phase 3
- Neighborhood Congestion Management Project Implementation
- Bellevue College Connection
- 150th Avenue SE at SE Newport Way
- Mountains to Sound Greenway Trail
- Mountains to Sound Greenway Trail – I-405 to 132nd Avenue SE
- Mountains to Sound Greenway Trail – 132nd Ave SE to 136th Place SE
- Neighborhood Traffic Safety Program
- ITS Master Plan Implementation Program
- Downtown Transportation Plan/NE 6th Street Station Access
- Pedestrian and Bicycle Access Improvements
- Neighborhood Sidewalks
- Community Development projects accounts for \$26 million or 17 percent including:
 - Civic Center Plan
 - Public-Private Partnership – Pilot BelRed TOD
 - Competitiveness and Collaboration
 - Station Area Planning Implementation
 - ESI Implementation
 - Mini City Hall Expansion
 - Neighborhood Partnerships
 - Downtown Community/Livability

2021-2027 Early Look Capital Investment Program (CIP)

Grand Connection - Early Implementation

Public Art Program

Enhanced Right of Way and Urban Boulevards (ERUB)

NEP-2.0 Neighborhood Enhancement Program

Affordable Housing Contingency

- Parks projects accounts for \$17 million or 11 percent including:
 - Hearing Assistance for Public Spaces
 - Meydenbauer Bay Phase 1 Park Development
 - Mercer Slough East Link Mitigation
 - Bridle Trails/140th Street Park Development
 - Newport Hills Park Development
 - Meydenbauer Bay Park Phase 2
 - Park Planning & Design
 - 2020-2025 King County Parks Levy
 - Enterprise Facility Improvements
- The rest of the discrete/ build new projects is made up by Information Technology Department (ITD) and Finance and Assets Management (FAM) projects of \$8 million or 5 percent including:
 - Smart City Connectivity
 - Enterprise Application Replacement Reserve
 - JDE System Upgrade and Enhancements
 - Citywide Security Improvements
 - Arts and Culture Fund