Economic Growth & Competitiveness
– Cause & Effect Map

As a community, Bellevue values...

- A community that grows in ways that add value to our quality of life and enhance the opportunity for economic prosperity.
- A business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment and prosperity of the community.

Factors:

**City Brand**
- City Mission/Vision
- Bellevue’s Reputation
- Regional Character & Location
- Existing Businesses & Industries
- Regional Leader in Commerce
- International Gateway City

**Costs and Capital**
- Incentives to attract entrepreneurial businesses
- Tax Policies & Programs
- Development Processes
- Utility Costs

**Land, Infrastructure and Planning**
- Infrastructure for Communications & Utilities
- Transportation Systems & Choices
- Strategic Growth Plan
- Zoning & Site Development
- Major Facilities

**Quality of Community**
- Social Offerings
- Housing Choices
- Diverse Retail & Tourism
- Parks/Open Space & Well-Kept Neighborhoods
- Sense of Community

**Workforce**
- Diverse Workforce
- Opportunities for Education, Innovation and Research
- Training, Internships, Apprenticeships & Volunteer Programs
- Diverse Employment Portfolio offering living-wage jobs

**Key Community Indicators:**

- % of residents who feel the City is doing a good job of planning for growth that adds value to their quality of life
- % of residents and businesses who agree that the City is doing a good job helping create a competitive business environment that supports entrepreneurs and creates jobs.

**Key Performance Indicators:**

- % of customers rating inspection or review services as very good or good
- Employment growth rate by sector
- Jobs in Bellevue as a % of total regional jobs
- % change in B & O tax revenue
- Change in Taxable Retail Sales (TRS) per capita
- Employment rate of Bellevue citizens compared with the regional rate
Community Values:
As a community, Bellevue welcomes growth that adds value to our quality of life and enhances opportunities for economic prosperity. The City understands the importance of a business environment that makes us competitive in retaining and attracting businesses, assists entrepreneurs in creating jobs, and supports community prosperity.

Are We Achieving Results that Matter?
The percent of residents who feel (1) the City is doing a good job of planning for growth and (2) the City is doing a good job of creating a competitive business environment have remained about the same although planning for growth in ways that add value to the quality of life has decreased in the most recent Performance Survey.

By creating attractive places to live, work and play the City provides an environment where businesses can grow and successfully recruit employees. Growth increases the City’s tax base, enabling us to maintain its attractiveness and community programs. In the past two decades, Bellevue has become home to a number of high-tech companies, shifting from a suburb to a metropolitan center. Downtown Bellevue has matured with high-rise office development, an array of retail and entertainment uses, and residential development that provides an urban feel and attraction for professionals who both live and work in Bellevue.

<table>
<thead>
<tr>
<th>Key Community Indicators: Economic Growth &amp; Competitiveness</th>
<th>2012 Results</th>
<th>2013 Results</th>
<th>Change 2012-2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of residents who feel that the City is doing a good job of planning for growth in ways that will add value to their quality of life.</td>
<td>83%</td>
<td>76%</td>
<td>-7%</td>
</tr>
<tr>
<td>% of residents who agree that the City is doing a good job helping to create a business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment of the community.</td>
<td>85%</td>
<td>82%</td>
<td>-3%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Key Performance Indicators</th>
<th>2011 Results</th>
<th>2012 Results</th>
<th>2013 Results</th>
<th>2013 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of region’s job growth captured within Bellevue since 2000</td>
<td>12.20%</td>
<td>6.30%</td>
<td>6.0%</td>
<td>7%</td>
</tr>
<tr>
<td>Bellevue retail sales and use tax growth rate compared to regional growth rate</td>
<td>0.70%</td>
<td>0.80%</td>
<td>-2.20%</td>
<td>1%</td>
</tr>
<tr>
<td>Employment rate of Bellevue residents compared to regional employment rate</td>
<td>1.80%</td>
<td>1.50%</td>
<td>*</td>
<td>1.5%</td>
</tr>
<tr>
<td>Percent change in B&amp;O tax revenue</td>
<td>+2.9%</td>
<td>+3.6%</td>
<td>+7.4%</td>
<td>**</td>
</tr>
</tbody>
</table>

*data not available; **targets not set
### Outcome: Economic Growth & Competitiveness

**Ranking Sheets as of October 27th**

The Preliminary Operating Budget includes the following changes from the Results Team, Leadership Team and City Manager work as of October 27th.

<table>
<thead>
<tr>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Development Services Review Services</td>
<td>110.03NA</td>
<td>En</td>
<td>9,463,928</td>
<td>52.95</td>
<td>13,878,940</td>
<td>(259,279)</td>
<td>196,911</td>
<td>13,816,572</td>
<td>13,816,572</td>
<td>DS, Utilities, General</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Economic Development Core Program and Services</td>
<td>115.15NA</td>
<td>E</td>
<td>676,800</td>
<td>2.00</td>
<td>774,530</td>
<td>(70,000)</td>
<td>-</td>
<td>704,530</td>
<td>704,530</td>
<td>General</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Economic Development Strategy Implementation</td>
<td>115.16NA</td>
<td>En</td>
<td>350,000</td>
<td>1.00</td>
<td>842,312</td>
<td>(200,000)</td>
<td>(70,000)</td>
<td>572,312</td>
<td>572,312</td>
<td>General</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Broadband Fiber and Cable Franchise Program</td>
<td>090.15NA</td>
<td>N</td>
<td>-</td>
<td>1.00</td>
<td>380,997</td>
<td>(8,064)</td>
<td>8,064</td>
<td>380,997</td>
<td>380,997</td>
<td>IT</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Downtown Parking Enforcement</td>
<td>130.17NA</td>
<td>E</td>
<td>240,923</td>
<td>0.10</td>
<td>233,231</td>
<td>(233,231)</td>
<td>233,155</td>
<td>233,155</td>
<td>233,155</td>
<td>General</td>
<td></td>
</tr>
<tr>
<td>NR</td>
<td>Bellevue Convention Center Authority (BCCA) Operations</td>
<td>060.10PA</td>
<td>E</td>
<td>16,891,000</td>
<td>0.00</td>
<td>26,269,500</td>
<td>-</td>
<td>-</td>
<td>26,269,500</td>
<td>26,269,500</td>
<td>Hotel/Motel Tax</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>Downtown Parking Enforcement Alternative</td>
<td>130.17NB</td>
<td>N</td>
<td>-</td>
<td>0.00</td>
<td>1,201,019</td>
<td>(370,084)</td>
<td>(830,935)</td>
<td>-</td>
<td>-</td>
<td>General</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total Funded</th>
<th>27,622,651</th>
<th>57.05</th>
<th>42,379,510</th>
<th>(770,574)</th>
<th>368,130</th>
<th>41,977,066</th>
<th>41,977,066</th>
</tr>
</thead>
</table>

**Total Not Funded** 1,201,019 (370,084) (830,935) - -

*Proposal Type:
- E = Existing - same service level as previous biennium
- En = Enhanced - expanded service level or budget request
- N = New - entirely new proposal

** 13-14 Proposal $ is an estimate, proposals have been split and/or combined from 13-14 to 15-16

*** Includes technical adjustments, such as changes to personnel from CPI-W and/or union settlements.

1 Proposal Rank with NR were not ranked by the Results Team.

2 BCCA proposal includes pass through expenditures previously not submitted to an Outcome.
The table and explanations below outline the changes made to the budget between July 28th and the October 6th Budget Workshop.

The 2015-2016 Preliminary operating budget includes the following changes from the Results Team, Leadership Team and City Manager work as of October 27th.

- Funded the Development Services Review Services proposal 110.03NA.
  - The Leadership Team and/or City Manager reinstated a Land Use position in the Development Services Fund. This position is General Fund backed per the City’s current cost recovery policy and was reinstated due to the increase in major project review activities.

- Funded the Broadband Fiber and Cable Franchise Program proposal 090.15NA.
  - This nominal amount of additional funding was due to a technical adjustment.

- Eliminated funding for the Downtown Parking Enforcement Alternative proposal 130.17NB.
  - Based on feedback from the Council on July 28, the Leadership Team and/or City Manager did not fund proposal 130.17NB.

- Funded the Downtown Parking Enforcement proposal 130.17NA.
  - Based on feedback from the Council on July 28, the Leadership Team and/or City Manager restored funding for proposal 130.17NA to continue to provide parking enforcement using the City’s current model.

<table>
<thead>
<tr>
<th>Proposal Type*</th>
<th>Title</th>
<th>2015</th>
<th>2016</th>
<th>2015-2016 Budget Recommendations as of 10/6/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>110.03NA En</td>
<td>Development Services Review Services</td>
<td>$96,700</td>
<td>$100,211</td>
<td>$196,911</td>
</tr>
<tr>
<td>090.15NA N</td>
<td>Broadband Fiber and Cable Franchise Program</td>
<td>$8,064</td>
<td>$0</td>
<td>$8,064</td>
</tr>
<tr>
<td>130.17NB N</td>
<td>Downtown Parking Enforcement Alternative</td>
<td>($160,225)</td>
<td>($670,710)</td>
<td>($830,935)</td>
</tr>
<tr>
<td>130.17NA E</td>
<td>Downtown Parking Enforcement</td>
<td>$115,186</td>
<td>$117,969</td>
<td>$233,155</td>
</tr>
</tbody>
</table>

*Proposal Type:
- E = Existing - same service level as previous biennium
- En = Enhanced - expanded service level or budget request
- N = New - entirely new proposal

These recommendations are reflected in the ranking sheet.
This page outlines the changes since the October 6th Budget Workshop.

- Adjusted professional services funding from the Economic Development Strategy Implementation proposal 115.16NA to restore professional services funding for the Arts Core Program in IVCC Outcome.

<table>
<thead>
<tr>
<th>Proposal</th>
<th>Proposal Type*</th>
<th>Title</th>
<th>2015</th>
<th>2016</th>
<th>2015-2016 Budget Recommendations since 10/6/14</th>
</tr>
</thead>
<tbody>
<tr>
<td>115.16NA</td>
<td>En</td>
<td>Economic Development Strategy Implementation</td>
<td>($10,000)</td>
<td>($60,000)</td>
<td>($70,000)</td>
</tr>
</tbody>
</table>

*Proposal Type:
E = Existing - same service level as previous biennium
En = Enhanced - expanded service level or budget request
N = New - entirely new proposal

These recommendations are reflected in the ranking sheet.
This proposal provides 100% of transient occupancy tax (approximately $21 million in the 2015-2016 biennium) for the continuing support of and partnership with the Bellevue Convention Center Authority (BCCA) to promote business and tourism. BCCA fulfills its mission by supporting the operations of the Meydenbauer Convention Center. Meydenbauer Convention Center serves as an economic engine to the community. Their activities bring people into the City which provides for increased transient occupancy tax (TOT), sales, and business and occupation (B&O) tax revenues. Additionally, they provide a facility for community events and performing arts while maintaining a nearly self-supporting status.

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>2013 Actual</th>
<th>2014 Target</th>
<th>2015 Target</th>
<th>2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Meydenbauer Center - Dollar of Economic Impact Generated (Sm)</td>
<td>$34.60</td>
<td>$53.90</td>
<td>$55.50</td>
<td>$57.20</td>
</tr>
<tr>
<td>Meydenbauer Center - Operating Revenue</td>
<td>$8.70</td>
<td>$8.10</td>
<td>$8.30</td>
<td>$8.50</td>
</tr>
<tr>
<td>Meydenbauer Center - Coverage Ratio</td>
<td>100%</td>
<td>92%</td>
<td>90%</td>
<td>90%</td>
</tr>
<tr>
<td>Meydenbauer Center - Number of hotel nights generated by operations (thousands)</td>
<td>38.3</td>
<td>30.9</td>
<td>31.8</td>
<td>32.8</td>
</tr>
<tr>
<td>Meydenbauer Center - Number of events</td>
<td>282</td>
<td>263</td>
<td>270</td>
<td>278</td>
</tr>
<tr>
<td>Theatre days booked</td>
<td>234</td>
<td>211</td>
<td>217</td>
<td>224</td>
</tr>
<tr>
<td>Customer Service Rating: overall quality of service</td>
<td>99%</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
</tr>
<tr>
<td>Customer Service Rating: overall courtesy of Meydenbauer Center staff</td>
<td>100%</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
</tr>
</tbody>
</table>

Note – Operating Proposal Executive summaries are listed in proposal number order by Outcome. They do not include debt proposals or reserve proposals, nor do they include CIP proposals which can be found in the CIP section. They are shown as provided by the Department submitting the proposal, have been adjusted and tie to the column titled “2015-2016 Total Proposal Costs” on the allocation sheet. City Council will continue deliberations through December when the final budget is adopted.
City of Bellevue 2015-2016 Operating Budget
Proposal Summaries by Outcome

## Economic Growth and Competitiveness

### 090.15NA
**Title:** Broadband Fiber and Cable Franchise Program  
**Department:** Information Technology

This proposal responds to a Council Priority to “develop the Smart City strategy to include high speed data options to support businesses and residents and determine implementation steps” and ties to EDP objectives. Proposal outcomes include a survey to ID needs (including connectivity), levels of satisfaction and price point sensitivity. The information will be used to develop foundational strategies to ensure that quality, affordable internet connectivity is available. The proposal also includes limited resources for short-term capacity to enhance City relationships with service providers, facilitate solutions for service needs as they arise, coordinate City infrastructure investments to address gaps and bottlenecks and assist in identification of options for next steps. This is a first step toward meeting the overall goal to attract new investment and service providers by creating an environment that facilitates competition.

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residents are satisfied with the quality of telecommunication services available to them</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Residents agree Bellevue is doing a good job of helping to create a competitive business environment</td>
<td>82%</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>

### 090.19NA
**Title:** G-38 Expanded Community Connectivity  
**Department:** Information Technology

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget:</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>FTE/LTE:</td>
<td>0.00/0.00</td>
<td>0.00/0.00</td>
</tr>
</tbody>
</table>

Note – Operating Proposal Executive summaries are listed in proposal number order by Outcome. They do not include debt proposals or reserve proposals, nor do they include CIP proposals which can be found in the CIP section. They are shown as provided by the Department submitting the proposal, have been adjusted and tie to the column titled “2015-2016 Total Proposal Costs” on the allocation sheet. City Council will continue deliberations through December when the final budget is adopted.
**City of Bellevue 2015-2016 Operating Budget**

**Proposal Summaries by Outcome**

### Economic Growth and Competitiveness

<table>
<thead>
<tr>
<th>Proposal Number</th>
<th>Title: Development Services Review Services</th>
<th>Department: Development Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>110.03NA</td>
<td></td>
<td>2015: $6,847,661 2016: $6,968,911</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FTE/LTE: 52.95/1.00 52.95/0.00</td>
</tr>
</tbody>
</table>

This proposal provides for Development Services (DS) review of designs and applications for private and public development projects. DS issues 12,000 to 14,000 permits and approvals per year that contribute to the economic prosperity of the City. The goals of development review are to ensure that buildings are safe, that land uses and project designs are consistent with the community vision, that the environment is protected, that traffic impacts are managed, and that developer-built utilities and other infrastructure meet the city’s standards.

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>2013 Actual</th>
<th>2014 Target</th>
<th>2015 Target</th>
<th>2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers noting review services as very good or good</td>
<td>N/A</td>
<td>85%</td>
<td>85%</td>
<td>85%</td>
</tr>
<tr>
<td>Customers treated in helpful, courteous and knowledgeable manner</td>
<td>N/A</td>
<td>95%</td>
<td>95%</td>
<td>95%</td>
</tr>
<tr>
<td>Total applications applied for online</td>
<td>44%</td>
<td>55%</td>
<td>60%</td>
<td>70%</td>
</tr>
<tr>
<td>First review decision (FRD) timelines meeting target</td>
<td>55%</td>
<td>65%</td>
<td>70%</td>
<td>80%</td>
</tr>
</tbody>
</table>

### Economic Development Core Program and Services

<table>
<thead>
<tr>
<th>Proposal Number</th>
<th>Title: Economic Development Core Program and Services</th>
<th>Department: Planning &amp; Community Develop</th>
</tr>
</thead>
<tbody>
<tr>
<td>115.15NA</td>
<td></td>
<td>2015: $346,457 2016: $358,073</td>
</tr>
<tr>
<td></td>
<td></td>
<td>FTE/LTE: 2.00/0.00 2.00/0.00</td>
</tr>
</tbody>
</table>

This proposal for the Economic Development Core Program and Services will continue to support the core functions of the Economic Development Office, at existing service levels: business retention and recruitment, business ombudsman, international business development, small business development, marketing and promoting the City as a place to do business. Through the ED Program the City works with local and regional business and governmental organizations to promote business in Bellevue and provide regional leadership on economic issues.

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>2013 Actual</th>
<th>2014 Target</th>
<th>2015 Target</th>
<th>2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of annual business openings in Bellevue</td>
<td>3,414</td>
<td>3,500</td>
<td>3,500</td>
<td>3,500</td>
</tr>
<tr>
<td>Percent of region’s job growth captured within Bellevue since 2000</td>
<td>N/A</td>
<td>7%</td>
<td>7%</td>
<td>7%</td>
</tr>
<tr>
<td>Percentage of residents who agree that the City is doing a good job helping</td>
<td>82%</td>
<td>80%</td>
<td>80%</td>
<td>80%</td>
</tr>
<tr>
<td>to create a business environment that is competitive, supports entrepreneurs,</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>creates jobs, and supports the economic environment of the community.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bellevue retail sales and use tax growth rate compared to regional growth rate</td>
<td>-2%</td>
<td>1%</td>
<td>1%</td>
<td>1%</td>
</tr>
<tr>
<td>Employment rate of Bellevue residents compared to regional employment rate</td>
<td>N/A</td>
<td>1.5%</td>
<td>1.5%</td>
<td>1.5%</td>
</tr>
</tbody>
</table>

Note – Operating Proposal Executive summaries are listed in proposal number order by Outcome. They do not include debt proposals or reserve proposals, nor do they include CIP proposals which can be found in the CIP section. They are shown as provided by the Department submitting the proposal, have been adjusted and tie to the column titled “2015-2016 Total Proposal Costs” on the allocation sheet. City Council will continue deliberations through December when the final budget is adopted.
City of Bellevue 2015-2016 Operating Budget
Proposal Summaries by Outcome

**Economic Growth and Competitiveness**

<table>
<thead>
<tr>
<th>Title: Economic Development Strategy Implementation</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department: Planning &amp; Community Develop</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budget:</td>
<td>$254,165</td>
<td>$318,147</td>
</tr>
<tr>
<td>FTE/LTE:</td>
<td>1.00/0.00</td>
<td>1.00/0.00</td>
</tr>
</tbody>
</table>

This proposal is to implement the City’s new Economic Development Strategic Plan, with a series of targeted actions in pursuit of a strengthened and diversified economic base. The focus is on the “direct strategies” identified in the Plan, which include actions to enhance high opportunity local employment clusters, to further position Bellevue as a Pacific Rim gateway, and to better market and promote the City’s economic development prospects.

Requested resources include funding to support 1.0 FTE and $300,000/year in professional services needed to make significant progress on the strategies identified in the Plan. Included within this amount is funding for the “Visit Bellevue” tourism proposal, as this directly supports a target cluster identified in the Plan.

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>2013 Actual</th>
<th>2014 Target</th>
<th>2015 Target</th>
<th>2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percent of region’s annual IT cluster job growth captured in Bellevue</td>
<td>N/A</td>
<td>18%</td>
<td>18%</td>
<td>18%</td>
</tr>
<tr>
<td>Firm diversification in IT cluster</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Percent of region’s annual Tourism cluster job growth captured in Bellevue</td>
<td>N/A</td>
<td>9%</td>
<td>9%</td>
<td>9%</td>
</tr>
<tr>
<td>Firm diversification in Tourism cluster</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Number of business openings in the IT cluster</td>
<td>160</td>
<td>200</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Title: Downtown Parking Enforcement</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Department: Transportation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Budget:</td>
<td>$115,186</td>
<td>$117,969</td>
</tr>
<tr>
<td>FTE/LTE:</td>
<td>0.10/0.00</td>
<td>0.10/0.00</td>
</tr>
</tbody>
</table>

This proposal will continue to provide enforcement for on-street parking in the Downtown. Short-term on-street parking in the Downtown creates turnover in parking spaces, thus increasing the overall parking availability for retail customers and general downtown visitors, a goal of the Downtown Subarea Plan. This proposal includes staff and resources needed to hire a contractor to provide enforcement services and to administer the Downtown parking enforcement program.

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>2013 Actual</th>
<th>2014 Target</th>
<th>2015 Target</th>
<th>2016 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly enforcement hours</td>
<td>60</td>
<td>60</td>
<td>60</td>
<td>60</td>
</tr>
<tr>
<td>Annual DT Parking enforcement contract cost</td>
<td>$92,466</td>
<td>$92,466</td>
<td>$99,000</td>
<td>$99,000</td>
</tr>
<tr>
<td># Downtown parking spaces available</td>
<td>N/A</td>
<td>310</td>
<td>305</td>
<td>300</td>
</tr>
<tr>
<td>Downtown parking complaints received/responded</td>
<td>119</td>
<td>200</td>
<td>200</td>
<td>200</td>
</tr>
</tbody>
</table>

**Total:**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget:</td>
<td>$25,201,660</td>
<td>$16,775,406</td>
</tr>
<tr>
<td>FTE/LTE:</td>
<td>56.05/2.00</td>
<td>56.05/1.00</td>
</tr>
</tbody>
</table>

Note – Operating Proposal Executive summaries are listed in proposal number order by Outcome. They do not include debt proposals or reserve proposals, nor do they include CIP proposals which can be found in the CIP section. They are shown as provided by the Department submitting the proposal, have been adjusted and tie to the column titled “2015-2016 Total Proposal Costs” on the allocation sheet. City Council will continue deliberations through December when the final budget is adopted.
City of Bellevue 2015-2016 Operating Budget
Not Recommended Proposal Summaries by Outcome

Economic Growth and Competitiveness

130.17NB  Title:  Downtown Parking Enforcement Alternative
Department:  Transportation

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget:</td>
<td>$149,460</td>
</tr>
<tr>
<td>FTE/LTE:</td>
<td>0.00/0.00</td>
</tr>
</tbody>
</table>

Short-term on-street parking in the Downtown creates turnover in parking space, thus increasing the overall parking availability for retail customers and general downtown visitors. This proposal is to convert the approximately 300 on-street parking stalls in the Downtown to pay parking. It will provide the staff and resources to develop and perform an outreach effort with Downtown merchants and business owners, install an estimated 55 electronic pay station kiosks in the Downtown, and manage the expanded Downtown Parking Program. In addition, this proposal includes funding of an enforcement contract, similar to the existing contract, which includes enforcement of time restrictions for on-street-parking and general duties such as coordination with Bellevue District Court, attending court, researching vehicle registration information, and public contact. Equipment replacement funds (EERF replacement account) for the kiosks are also included in this proposal.

<table>
<thead>
<tr>
<th>Performance Measure</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
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<td>N/A</td>
<td>310</td>
<td>305</td>
<td>300</td>
</tr>
<tr>
<td>Downtown parking complaints received/responded</td>
<td>119</td>
<td>200</td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td>Downtown parking space occupancy rate</td>
<td>N/A</td>
<td>0%</td>
<td>80%</td>
<td>85%</td>
</tr>
<tr>
<td>Downtown parking payment compliance</td>
<td>N/A</td>
<td>0%</td>
<td>90%</td>
<td>90%</td>
</tr>
</tbody>
</table>

**Total:**

<table>
<thead>
<tr>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget:</td>
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</tbody>
</table>

Note – Operating Proposal Executive summaries are listed in proposal number order by Outcome. They do not include debt proposals or reserve proposals, nor do they include CIP proposals which can be found in the CIP section. They are shown as provided by the Department submitting the proposal, have been adjusted and tie to the column titled “2015-2016 Total Proposal Costs” on the allocation sheet. City Council will continue deliberations through December when the final budget is adopted.
DATE: July 14, 2014

TO: Leadership Team

FROM: Economic Growth and Competitiveness Results Team
Team Members: Smitha Vijayan (Lead), Mike Ingram, Stephanie Dompier, Megan Sibbert, Kevin Lorentzen

SUBJECT: Proposed Purchasing Plan

Overview

After Round 1, the Economic Growth & Competitiveness (EGC) Results Team (RT) had a total of six proposals ranked in the order below. These proposals were ranked primarily on how effectively they advance the EGC outcome for the City, address both the Citywide and EGC purchasing strategies and align with Council priorities. This ranking did not change for Round 2.

| Ranking | Proposal Number | Proposal Title | Department | Proposal Type
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>110.03NA</td>
<td>Development Services Review Services</td>
<td>Development Services</td>
<td>Enhanced</td>
</tr>
<tr>
<td>2</td>
<td>115.15 NA &amp; 115.16NA</td>
<td>Economic Development Core Program and Services &amp; Economic Development Strategy Implementation</td>
<td>Planning</td>
<td>Existing / Enhanced</td>
</tr>
<tr>
<td>3</td>
<td>090.15NA</td>
<td>Broadband Fiber and Cable Franchise Program</td>
<td>Information Technology</td>
<td>New</td>
</tr>
<tr>
<td>4</td>
<td>130.17NB</td>
<td>Downtown Parking Enforcement Alternative</td>
<td>Transportation</td>
<td>New</td>
</tr>
<tr>
<td>5</td>
<td>130.17NA</td>
<td>Downtown Parking Enforcement</td>
<td>Transportation</td>
<td>Existing</td>
</tr>
</tbody>
</table>

Of these, three proposals are new:
1. Broadband Fiber and Cable Franchise Program
2. Downtown Parking Enforcement Alternative
3. Economic Development Strategy Implementation. This proposal uses an existing proposal number and is categorized as “enhanced”. However, the body of work proposed here is new. In 2013-14, this proposal was to develop the City's Economic Development Strategic Plan, which was completed and adopted by Council in July 2014. This proposal is to implement this plan. Since this is a new body of work, the EGC RT has considered it as a “new” ask versus “enhanced”.

The remaining existing proposals grew by a total of 27% from the 2013-14 adopted levels. However, the allocated budget for 2015-16 did not grow at this rate. As a result, all proposals funded under the EGC outcome were scaled back from requested funding levels, but still at a higher level than the adopted 2013-14 budget.
City of Bellevue  
2015-2016 Budget Development  
Proposed Purchasing Plan for Economic Growth & Competitiveness

Our Approach

a. **Collaborated with Proposal Writers:** The RT met with proposal writers to gain a clear understanding of the proposed workplan and their corresponding funding needs for each year. Through these discussions, two of the new proposals were revised to reduce the overall cost and/or redistribute their costs so that they could be accommodated within the 2015-16 allocations.

b. **Minimized the Impact of Reductions:** Funding for two “new” proposals was reduced in 2015 to fit within the allocation for this year. One approach used was to scale back new positions to account for the time to hire a new resource at the beginning of the biennium. So, even though these proposals could not be funded at the level initially requested, the recommended purchasing plan allows these proposals to move forward in a significant way in the 2015-16 period.

c. **Prioritized Proposals with Effective Implementation Plans:** The EGC RT made a conscious choice to prioritize proposals that were, in the end, “right-sized” and explicitly laid out their implementation plan with effective measures to track the success of the proposed programs.

Proposed Purchasing Plan for EGC

The proposed purchasing plan results in a balanced budget for 2015-16 and is outlined below in the order of ranking.

1. **Development Services Review Services:** This is a key service provided by the City, which is under significant pressure with the increased development activity in Bellevue. In 2013, permit applications grew by 13% over 2012 and are projected to increase by an additional 12% in 2014. For 2015-16, this rate is expected to stay at the same level as 2014. Note that this proposal is comprised of 85% dedicated fee-based revenue and 15% general funds. The general fund portion of this proposal grew by 28% from the 2013-14 mid-bi level, which itself was significantly higher than the adopted budget for 2013-14. The requested increase for 2015-16 includes 3 new FTEs, and increases in temporary help, overtime and professional services. The EGC RT is recommending that the general fund component of this proposal be scaled back by approximately 6.5% ($72,171) in 2015 and 5% ($56,896) in 2016. The EGC RT made a sincere effort to allow this proposal to grow as much as possible within the constraints of the overall allocation.

2. **Economic Development (ED) Core Program and Strategy Implementation:** The two proposals for the ED Core Program and ED Strategy Implementation are interdependent and collectively advance the EGC outcome. As a result, they were ranked together at # 2 in Round 1.

   The Core Program requested a 12% increase from the mid-bi level. The EGC RT is recommending that this proposal be scaled back by $35,000 each year, still allowing a 3% growth from mid-bi level. On discussion with the proposal writer, it was confirmed that this amount was being reserved for unanticipated expenses. Unfortunately, our constrained budget does not provide leeway for these kinds of contingency funds.
The proposal for the ED Strategy Implementation, which the RT considers “new”, included funding for one FTE and $300,000 per year in professional services. The EGC RT agrees that a dedicated resource in the City is essential to drive forward the direct strategies identified in the Plan. However, we believe that it will take PCD a few months to hire this resource in 2015. As a result, the RT is recommending funding the new FTE for 6 months in 2015 and all of 2016. The team also struggled to justify $300,000 per year in professional services without a clearly prioritized implementation plan. The RT is recommending that professional services be reduced by $95,000 in 2015 and $45,000 in 2016. Even with these deductions, the RT believes the proposal is adequately funded to make significant progress in the biennium.

3. **Broadband Fiber and Cable Franchise Program**: This proposal offers a foundational strategy to provide the necessary infrastructure for quality, affordable internet connectivity in Bellevue. This is a high priority for Council and supports the direct strategies identified in the ED Strategic Plan. The EGC RT sees this proposal is an important first step towards fostering competition among service providers in Bellevue. Based on feedback from the RT, the proposal writer clarified the scope of work and proactively reduced the projected cost of this proposal for Round 2. With these reductions, the proposal requested a total of $381,769 for the biennium. While the EGC RT could not fund this proposal in 2015, the RT was able to fund $373,705 in 2016 (98% of the total requested amount for the biennium).

4. **Downtown Parking Enforcement Alternative**: The pay parking program outlined in this proposal converts what has been an ongoing expenditure for the City to a self-supporting service beginning 2018 that will also provide a consistent revenue stream in future years. To address the initial capital cost for parking paystations, the proposal writer furnished compelling financial data on a “Lease to Purchase” option that reduces the upfront implementation cost by 62% in 2016 (as compared to the cost of outright purchase). At a reasonably priced $1.50 per hour for parking in downtown Bellevue, the EGC RT is strongly recommending that this proposal be funded with the “Lease to Purchase” option. As a result, the current model followed by the City for Downtown Parking Enforcement is not recommended for funding.

**Conclusion:**

The EGC RT would like to thank the proposal writers and staff who proactively explored funding strategies to economize their proposals. Through this collaborative and iterative process, the EGC RT was able to develop an effective purchasing plan that pushes forward key initiatives to advance the EGC outcome.
The 2015-2016 Economic Growth and Competitiveness Result Team:

Team Leader: Smitha Vijayan
Team Members: Mike Ingram, Megan Sibbert, and Stephanie Dompier
Team Staff: Kevin Lorentzen

Community Value Statements

As a community, Bellevue values:

- A community that grows in ways that add value to our quality of life and enhance the opportunity for economic prosperity.
- A business environment that is competitive, supports entrepreneurs, creates jobs, and supports the economic environment and prosperity of the community.

Community Indicators

The Community Indicators for the Economic Growth and Competitiveness Outcome are:

- % of residents who feel that the City is doing a good job of planning for growth in ways that add value to their quality of life.
- % of residents who agree that the City is doing a good job helping create a competitive business environment that supports entrepreneurs and creates jobs.

The Performance Indicators for the Economic Growth and Competitiveness Outcome are:

- % of customers rating inspection or review services as very good or good
- Employment Growth Rate by sector
- Jobs in Bellevue as a % of total regional jobs
- % change in B & O tax revenue
- Change in Taxable Retail Sales (TRS) per capita
- Employment rate of Bellevue citizens compared with the regional rate

Purchasing Strategies

City Brand

We are seeking proposals that enhance and promote the City Brand as a core asset. Such proposals will highlight Bellevue’s reputation as a great place to live, work, learn and play. Specifically proposals that:

- Develop and support the ideas behind our City Mission/Vision in a unified manner (exceptional public service, upholding the public interest and being a collaborative, innovative organization that is future-focused and committed to excellence).
Contribute to the positive reputation of Bellevue as a great place for business and development, a safe and diverse community to live in, and city with a vibrant retail and cultural life.

Market the city and region’s distinctive qualities and attributes including: our position as an established center of commerce, our central location (heart of the Eastside) and proximity to major transportation corridors (including transit connectivity), and our beautiful parks and open spaces.

Showcase the city as a forward-looking community with a business-supportive culture and high quality of life (this may include local, national, or international recognition).

Recognize opportunities presented by the diversity of the Bellevue community and the connections of many residents and workers to the global economy.

Costs & Capital

We are seeking proposals that support streamlined and predictable development processes while providing flexibility for the City to engage with the business community and regional partners. Specifically proposals that:

- Maintain streamlined, predictable, and customer-focused development processes.
- Facilitate private sector investments and partnerships with other governmental entities, the business community, and other organizations.
- Facilitate desired development by leveraging financing tools such as business districts, incentives, credits and bonds.
- Balance taxes, fees and utility rates with the City’s economic development goals, commitment to high-quality services, and financial health.
- Enhance access to business capital to support development of new and growth of existing businesses.

Land, Infrastructure, and Planning

We are seeking proposals that promote, create, and maintain economic growth and competitiveness by planning for and providing reliable and efficient infrastructure, systems and services. Specifically proposals that:

- Support development of robust utility and communication networks with quality, reliability and capacity to retain and attract businesses.
- Support the vitality of commercial districts by providing efficient access and circulation with multi-model choices
- Advance long-range economic growth strategies and plans that achieve the City’s vision for the future as articulated in the Comprehensive Plan.
- Coordinate with regional partners for infrastructure and development planning.
- Facilitate a balanced mix of residential and commercial development through zoning and site development review.
Promote usage and development of major facilities that attract businesses, residents and visitors.

Quality of Community
We are seeking proposals that enhance Bellevue’s quality of community and create community attachment. Specifically proposals that:

- Enhance arts and culture to offer options for people who live here as well as increase the appeal of Bellevue as a destination to visit.
- Promote wellness through a wide range of sports and recreational activities.
- Promote quality housing opportunities for all income levels; including student housing options.
- Support community amenities such as restaurants, farmer’s markets, shops, events, tourist attractions, and other social offerings for citizens to meet and engage with one another.
- Recognize businesses that significantly contribute to the City’s quality of community.
- Enrich community aesthetics including parks and open space as a core element of economic development.
- Establish a “sense of place” through creation of distinct and attractive neighborhoods, streetscapes, and shopping areas.
- Create a “sense of community” that is welcoming to various types of people including families, minorities, and young people entering the workforce.

Workforce
We are seeking proposals that develop the skills of Bellevue’s present and future workforce so that businesses can successfully attract and retain talent. Specifically proposals that:

- Foster a diverse workforce by skills, culture, age, ability, etc. Provide job-matching or skill-matching services to attract and retain a diverse workforce.
- Support an evolving, growing workforce by providing opportunities for ongoing education within the city.
- Facilitate partnerships between educational institutions and local employers to attract new talent entering the workforce.
- Provide opportunities for on-the-job training via training, apprenticeships, volunteer and internship programs.
- Make Bellevue an attractive employment hub by supporting a diverse portfolio of employment opportunities in a variety of sectors.