City of Bellevue - Budget One
2015-2016 Operating Budget Proposal

Section 1: Proposal Descriptors

Proposal Title:	Bellevue Convention Center Authority (BCCA) Operations		
Proposal Number:	060.10PA	**Outcome:**	Economic Growth and Competitiveness
Parent Proposal:		**Primary Dept:**	Finance
Dependent Proposal:	060.10DA	**Proposal Type:**	Existing
Previous Proposal:	060.10PA	**Budget Status:**	Recommended
Attachments:	0	**Primary Staff:**	Carla Beauclair, x7671

Section 2: Executive Summary

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.

Section 3: Responsiveness to Request For Results

This proposal provides for continued support of the partnership with the Bellevue Convention Center Authority through the allocation of 100% of transient occupancy tax (TOT), approximately $21 million in the 2015-2016 biennium, to promote tourism. BCCA fulfills its mission by supporting the operations of the Meydenbauer Convention Center.

The BCCA and Meydenbauer Center:
provide an economic engine to the community to create jobs, tax revenues, and commercial activity; operate in a manner that continues its competitive position in the marketplace; promote Bellevue's "brand" through its marketing and communications activities; maximize local hotel room use to support the hotel industry; and provide a facility for community events and performing arts while maintaining a nearly self-supporting status. The City's operating agreement with BCCA and Bellevue Ordinance #4092 provides 100% of transient occupancy tax in support of the Meydenbauer Center. RCW 35.21.730 provides revenue restriction specifics on the use of TOT revenues to tourism activities.

Bellevue leverages the TOT policy (RCW 35.21.730) by collecting the maximum amount of tax allowed and using it to promote tourism activities within the City, supporting the cost and capital purchasing strategy. Meydenbauer Center holds around 360 events annually, including business/corporate meeting, conventions, consumer and trade shows, banquets and theatre events. Their 2013 activities brought nearly 180,000 people into Bellevue's downtown area to eat, stay, shop, and play. Based on standard convention center calculations, Meydenbauer Center activities generated nearly $35 million in economic activity in 2013.

Meydenbauer Center's marketing and communication activities focus on enhancing and promoting the City brand by marketing Bellevue as a destination City. Their advertising and outreach promotes Bellevue as a great place for a visit, with its vibrant retail and night life. Its advertising plan markets the City and region's unique qualities and attributes including: our position as a global gateway to the Northwest, our proximity to major transportation corridors, and our beautiful parks and open spaces. Additionally, the Center promotes a positive perception of Bellevue as a great place for business by showcasing the City as a center of international business with a business supportive culture. Their representation of Bellevue at local and national marketing conventions earns Bellevue local, national, and international recognition and contributes to Bellevue's positive reputation.

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Meydenbauer Center contributes to the quality of the Bellevue community through the arts and culture programs that come to the Center, primarily its theatre events. Diverse local and international groups provide a wide variety of entertainment activities for the community. The center itself provides community amenities such as a place to hold fund raising events, art exhibits, and other social offerings for citizens to meet and engage with one another. These activities support community priorities and values through a city government that seeks involvement from, listens to, and communicates with the community.

Bellevue leverages its partnership with the Meydenbauer Center to promote tourism, bringing people into Bellevue to eat, stay, shop, and play. In 2013, Meydenbauer Center activities generated nearly $35 million in economic activity to the City.

Bellevue meets with Meydenbauer Center monthly, and the Financial Oversight Committee for BCCA meet quarterly to ensure the Center maintains sound management of resources and acceptable business practices.

The City partners with Meydenbauer Convention Center to foster economic growth, withone of the primary benefits being economic impact. Events at Meydenbauer Convention Center bring people into the City, generating hotel and sales tax dollars for the region, stimulating employment, and increasing business activity. Information obtained from the International Association of Convention and Visitors Bureaus (IACVB) is used to calculate the economic impact of Meydenbauer Convention Center activity. Based on the 2013 data, the economic impact attributable to Meydenbauer Convention Center activity was $35 million. Starting in 2014, Meydenbauer Convention Center adopted the use of the Destination Marketing Association International (DMAI) economic impact calculator. The DMAI economic impact calculator is the convention industry standard, generally accepted as the best tool to gauge economic impact, and is updated annually with multiple sources across the event industry. The estimated economic impact attributable to Meydenbauer Convention Center activity in 2014 is $53.9 million and approximately $56 million in 2015 and 2016.

Continuation of this tourism-promoting relationship ensures Bellevue's option of using TOT to support the BCCA, and in turn, support the community by providing high quality service and excellent value.

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Section 4: Performance Measures and Targets

Code	Performance Measure	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Target	2015 Target	2016 Target
060.0199	Meydenbauer Center - Dollar of Economic Impact Generated ($m)	$16.50	$18.30	$22.00	$34.60	$53.90	$55.50	$57.20
060.0208	Meydenbauer Center - Operating Revenue	$6.60	$7.70	$6.50	$8.70	$8.10	$8.30	$8.50
060.0209	Meydenbauer Center - Coverage Ratio	92%	95%	90%	100%	92%	90%	90%
060.0210	Meydenbauer Center - Number of hotel nights generated by operations (thousands)	45.7	32.4	14.6	38.3	30.9	31.8	32.8
060.0211	Meydenbauer Center - Number of events	339	301	257	282	263	270	278
060.0212	Theatre days booked	287	284	224	234	211	217	224
060.0213	Customer Service Rating: overall quality of service	100%	98%	100%	99%	95%	95%	95%
060.0214	Customer Service Rating: overall courtesy of Meydenbauer Center staff	100%	98%	100%	100%	95%	95%	95%

Section 5: Requested Funding

5A: Are any new costs other than inflation included in this proposal?

No

5B: Are one-time expenditures included in this proposal?

N/A

5C: Are dedicated revenues included in this proposal?

Transient occupancy tax is generated through hotel/motel business and supports BCCA debt and operations per the City's operating agreement with BCCA.

5D: Are changes to the existing service levels included in this proposal?

N/A

5E: Budget Summary

FTE/LTE	2015	2016
FTE	0.00	0.00
LTE	0.00	0.00
Total Count	0.00	0.00

Operating	2015	2016
Expenditures	17,451,500	8,818,000
Personnel	0	0
Supporting Revenue	17,451,500	9,418,500
Rev-Exp Balance	0	600,500

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Section 1: Proposal Descriptors

Proposal Title:	Broadband Fiber and Cable Franchise Program		
Proposal Number:	090.15NA	**Outcome:**	Economic Growth and Competitiveness
Parent Proposal:		**Primary Dept:**	Information Technology
Dependent Proposal:		**Proposal Type:**	New
Previous Proposal:	None	**Budget Status:**	Recommended
Attachments:	0	**Primary Staff:**	Chelo Picardal, x6106

Section 2: Executive Summary

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 I.D. 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.

Section 3: Responsiveness to Request For Results

This proposal seeks to provide comprehensive information and data to facilitate planning and decisionmaking for the Council's Smart City strategy goal. Secondarily, the proposal includes short-term funding to provide additional capacity to respond to emerging opportunities and to improve coordination of services and planning within the City and between the City and service providers while the City's longer-term strategy is developed. The overall goals of the connectivity effort revolve around creating an environment that meets current needs and can adapt to support new systems, services, institutions and business.

The Problem: The City lacks comprehensive information aboutl needs and desires for additional broadband services but knows that complaints about service, quality, lack of choice and cost are increasing. The Economic Strategic Plan identifies high speed internet and affordable business-class telecommunication services as key infrastructure needs, but does not identify specific actionable next steps. This proposal compliments the EDP strategy for affordable, quality connectivity and results in actionable next steps that can be implemented. The City has received increasing numbers of complaints from small and medium sized business about quality, lack of choice, and lack of access to needed services. The City knows that the school district, and likely other key institutions, are invested in shifting to rich, interactive, online curriculum and teachning methods and tools. And the City knows that low income families do not uniformly have access to, or can afford, the network services needed to support these methods and tools.

Existing Efforts: The complexity of improving connectivity in the community involves many departments engaged in a multi-pronged coordinated effort that includes:

- Inventorying existing assets, including fiber, conduit and access points that can be used to expand services

- Building additional infrastructure, such as additional conduit capacity as a part of capital projects to address

gaps and bottlenecks.

- Working with providers to develop pilot project opportunities in neighborhoods to expand high speed services

- Working with providers and tenants/property owners to address lack of business access issues as they arise

- Identifying barriers within policies, permit processes and City codes that Council may choose to address.

What this Proposal Buys: This proposal funds a Communnity Technology Survey to establish baseline current/projected needs and inform strategies and implementation next steps, additional short-term capacity (either LTE or contract) to support and enhance existing activies and support survey work, and short-term funding for specialized legal assistance.

Additional resources (both information as well as staffing capacity) are needed in the organization to build on existing efforts and provide programmatic coordination between the City, service providers, residents and businesses. A community needs assessment will be performed to better define the needs (both current and future) of residents and business. This could entail a mix of methods (survey, interviews, focus groups, etc.). Survey results will inform development of a more cohesive strategy and implementation plan (including specific performance measures) for Council to balance with other competing needs for City investment.

This proposal also includes funding for additional short-term staff capacity (either LTE or contract), and legal services to bolster existing efforts to enhance City and provider coordination as well as interdepartmental processes and efforts. Existing efforts will be coordinated into a more clearly defined program that aligns efforts on policy, code and process streamlining, planning, projects, and more active participation with cable franchise and service provider relationships. A single point of contact will be established for providers and business that need information or assistance to enter the Bellevue market or to find accessible services here. These, along with regulatory streamlining (establishing a single point of contact is intended as a first step), are considered best practice and “must haves” by potential broadband providers considering investing in a community. Additional opportunities will continue to be sought for pilot projects to assess new technologies, construction methods, and/or facilitate new service providers to test the Bellevue market. A related proposal is Community Network CIP (090.16NA), which would provide some capital funding to address infrastructure gaps and bottlenecks that are barriers to expanding or extending services.

This proposal responds to the following purchasing strategies:

- City Brand: This proposal directly addresses: “a great place for business and development”, “an established center for commerce”; and “a forward-looking community” by providing a single point of contact for business and service providers, improved City provider coordination to minimize disruption and leverage efforts and opportunities, and a resource that works to identify regulatory barriers and infrastructure bottlenecks. The proposal is a building block to develop strategies to address Council’s “Smart City” goal and the goals of the Economic Development Strategic Plan.

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- Costs and Capital: This proposal directly addresses: “maintain, streamlined, predictable, and customer-focused development processes”; and “facilitate private sector investments and partnerships”. The City, in its role of facilitator versus service provider is working with the private sector to facilitate improved high speed connectivity at affordable costs. ROW permitting, Land Use permitting, lease agreements, and making information available can directly impact the level of investments made in the community. The proposal builds on existing efforts, continues to focus on opportunities for improvement, and works with service providers on projects to connect neighborhoods and and meet access needs for business districts.

- Land, Infrastructure and Planning: This proposal directly addresses: “support development of robust utility and communication networks”; and “advance long-range economic growth strategies and plans”. The city can facilitate network deployments through continued conduit installations in Transportation capital projects and by repurposing abandoned assets, such as water and sewer lines. The asset inventory (complete by 2014) will help identify where city assets are available to facilitate proposed projects, lease to providers for pilot projects and thus lessen more expensive installations that tear up roads and sidewalks.

- Workforce: This proposal directly addresses: “make Bellevue a diverse employment hub”. Through the community needs assessment, the city will get more detailed insights on what businesses will need for employees, such as ability to work remotely and mobile access. Residents, many of whom are the talented workforce of Bellevue businesses, will also weigh in on their needs for personal and business connectivity.

Facilitating a robust connectivity infrastructure supports other Council priorities to “create an incubator environment” and “develop an educational institution such as an R&D center” since these types of ventures will rely on high speed services.

Performance Measures: The Key Community Indicator of “Residents agree Bellevue is doing a good job of helping to create a competitive business environment” is at 82% from the 2014 Budget Survey results. However, the Quadrant Analysis in the Budget Survey shows that Economic Development is a service that has above-average importance to residents but below-average satisfaction ratings, indicating a problem area ripe for resource allocation to improve resident satisfaction. The community needs assessment will provide baseline data from which performance measures can be derived, such as number of providers serving Bellevue or cost per unit of broadband available. A new performance measure is established for this proposal: % of residents satisfied with the quality of telecommunication services available to them.

The proposal can be scaled by reducing the scope of the community needs assessment and reaching a smaller audience. The potential risk is that the plan does not get enough representative input from constituents to provide valid information. Another approach is an either/or: reach less people OR do less focused surveying (more general surveying but fewer or no focus groups) and reaching a smaller audience

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Section 4: Performance Measures and Targets

Code	Performance Measure	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Target	2015 Target	2016 Target
090.0104	Residents are satisfied with the quality of telecommunication sercices available to them	N/A	N/A	N/A	N/A	N/A	N/A	N/A
999.0030f	Residents agree Bellevue is doing a good job of helping to create a competitive business environment	83%	76%	85%	82%	N/A	N/A	N/A

Section 5: Requested Funding

5A: Are any new costs other than inflation included in this proposal?

All costs are new costs in this proposal. Additional staffing capacity (LTE or constract) of 9 months in 2015, and 12 months in 2016. Speciallized legal assistance in both years. Assessment design and implementation includes surveys, focus groups, outreach activities, misc. supplies, travel/training associated with an LTE.

5B: Are one-time expenditures included in this proposal?

Yes, all expenditures are one- time. No capital. See below.

5C: Are dedicated revenues included in this proposal?

No

5D: Are changes to the existing service levels included in this proposal?

Yes. Existing efforts to support access to and provision of broadband services are intended to be more effective with provision of a single point of contact. Existing efforts to leverage existing and planned infrastructure investments are intended to be enhanced by statistically valid information regarding current and future telecommunication needs of residents and business.

5E: Budget Summary

FTE/LTE	2015	2016
FTE	0.00	0.00
LTE	1.00	1.00
Total Count	1.00	1.00

Operating	2015	2016
Expenditures	80,320	48,320
Personnel	106,371	145,986
Supporting Revenue	183,000	147,000
Rev-Exp Balance	-3,691	-47,306

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Section 1: Proposal Descriptors

Proposal Title:	Development Services Review Services		
Proposal Number:	110.03NA	**Outcome:**	Economic Growth and Competitiveness
Parent Proposal:		**Primary Dept:**	Development Services
Dependent Proposal:		**Proposal Type:**	Enhancing
Previous Proposal:	110.03NA	**Budget Status:**	Recommended
Attachments:		**Primary Staff:**	Tom McFarlane

Section 2: Executive Summary

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.

Section 3: Responsiveness to Request For Results

This proposal funds staff positions in Development Services, Utilities, Transportation, and Fire for review of development projects. Many applications are highly complex or controversial, with technical, legal, and political issues. Staff are called upon to represent the City in preapplication meetings, public meetings, and hearings. The direct customers of this proposal are the developers and users of property. DS staff review applications to ensure that these projects conform to the city's Comprehensive Plan and all standards and regulations. In addition, DS staff meet frequently with members of the development community to provide information and early guidance regarding potential development projects. DS is committed to continuing examination of review policies and procedures to support Bellevue's Comprehensive Plan. Having a strategic Comprehensive Plan supported by an efficient and predictable review process helps Bellevue attract businesses, developers, and entrepreneurs who seek an attractive and business friendly environment.

The performance measures for this proposal reflect the DS commitment to efficiency, predictability, and timeliness. These elements provide the assurance a developer needs to anticipate financing and timing needs. As of the last customer service survey, which was conducted in 2012, 85% of customers rated review services as very good or good. In addition, 95% of customers stated that staff at the DS Center treated them in a helpful, courteous and knowledgeable manner. Also, DS staff are reviewing permit application timelines and procedures in order to streamline the review process. Customer service has been increased by new initiatives such as First Review Decision (FRD) and Paperless Permitting.

If this proposal is not funded, there is legal exposure for not complying with state and federal mandates. Other impacts of not funding or underfunding include: 1) less guidance provided in meeting codes and standards on projects, 2) delays in obtaining permits, and 3) a greater potential for developments negatively impacting the environment. Additional negative impacts of not funding or underfunding would be inability to qualify for state and federal grant funds for city projects due to failure to follow mandates and increased threat to public/private infrastructure leading to life-safety issues and unrepaired infrastructure damage.

Supporting revenue of $12,484,306 (2015-2016 combined total) reflects review fees paid. Fees paid by an applicant for review and/or inspection services are considered a restricted funding source per RCW 82.02.020. In 2003, the City Council endorsed a set of financial management principles and cost recovery objectives established for Development Services. The cost recovery objectives for this proposal dictate that the cost of review services by DS staff (Building, Fire, Transportation and Utilities) is recovered through fees. Land Use

review services are 50% recovered through fees and 50% by the general fund. As a result, approximately $1,323,454 of this proposal is funded through general tax collections. Other supporting revenue includes $847,000 of Right of Way/Telecommunications Lease fees and Street Restoration fees which support the cost of review related to franchise utility and development work.

CITY BRAND: DS staff is responsible for implementing codes and regulations that protect the natural environment and uphold the community vision within an increasingly urban city. This work contributes to Bellevue's positive reputation within the development community.

COSTS AND CAPITAL: This proposal supports City-wide purchasing strategies to provide the best value for meeting community needs by leveraging cross department collaborations. Level of service would be maintained by using the cross departmental expertise of DS staff to support development review functions by maximizing resources and avoiding major issues at an early stage of design.

LAND, INFRASTRUCTURE AND PLANNING: DS staff analyzes development to determine the need for mitigation of impacts, such as increased traffic and storm water runoff. All mitigation improvements and contributions are previously documented in adopted plans and codes, providing predictability to the business community as to the cost of doing business in Bellevue. The maintenance and safe installation of reliable public and private utilities in the public right of way is vital for future growth.

QUALITY OF COMMUNITY: Interpretation and implementation of Comprehensive Plan Policies leads to creation of quality neighborhood places. DS staff administers codes and standards that create attractive commercial districts, neighborhoods, and community facilities. Staff partners with city departments that are responsible for road, utility, and park construction to improve delivery of quality facilities.

RESPONSIVE GOVERNMENT: Collaborative Partnerships: DS plays a significant partner role in eGovAlliance, promoting consistency and ease in permitting amongst local agencies. DS staff also maintain active partnerships with local, state, and federal agencies. High Performing Workforce and Customer-Focused Service: DS staff provide exceptional customer service, timeliness, and predictability. These services are provided to both developers and to the public, through Service First, public meetings, staff contact, and administrative processes.

SAFE COMMUNITY: Planning & Preparation: DS staff implement design standards that support quick and reliable access and facilities for emergency response. Staff are able to issue permits quickly following a disaster. Staff enforce codes that protect health and safety.

IMPROVED MOBILITY: Built Environment: This proposal provides infrastructure improvements and impact fee contributions by tying development approval to provision of adequate facilities. DS staff requires participation by new development in alternative travel modes through Transportation Demand Management strategies.

HEALTHY AND SUSTAINABLE ENVIRONMENT: The city's critical areas regulations, shoreline master program, clearing and grading codes, and storm and surface water codes promote a developed environment that is sustainable and healthy. The Right of Way group assures that work performed in the ROW includes control of erosion, runoff, and dust.

QUALITY NEIGHBORHOODS: Many city codes deal with protecting and promoting neighborhood character including natural attributes such as trees, lakes, and streams as well as the built form and land use context. Codes and standards that require new public facilities contribute to quality neighborhoods.

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INNOVATIVE, VIBRANT AND CARING COMMUNITY: Built Environment: DS staff impose requirements for amenities such as play areas and open spaces. This supports community values by ensuring compliance with the Comprehensive Plan. DS staff continues to work extensively with the Bellevue School District to process school permit applications in a timely manner.

Section 4: Performance Measures and Targets

Code	Performance Measure	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Target	2015 Target	2016 Target
110.0008	Customers noting review services as very good or good	76%	81%	85%	N/A	85%	85%	85%
110.0009	Customers treated in helpful, courteous and knowledgable manner	90%	94%	95%	N/A	95%	95%	95%
110.0024	Total applications applied for online	39%	39.14%	40.78%	44%	55%	60%	70%
110.0025	First review decision (FRD) timelines meeting target	31%	59%	59%	55%	65%	70%	80%

Section 5: Requested Funding

5A: Are any new costs other than inflation included in this proposal?

Expenditures are for ongoing operating costs including budget for outside professional services as needed. Anticipated cost increases are a result of higher development activity including additional visits to the Development Services Center, pre-application consultations, permit volumes, and more customer contacts with staff. In order to address increased workloads forecast for the Eastlink project, 3.0 FTE are requested; one reviewer in Right of Way and two in Building.

5B: Are one-time expenditures included in this proposal?

N/A

5C: Are dedicated revenues included in this proposal?

Fee-based revenue for Building, Transportation, Fire and Utilities. Land Use 50% supported through general tax collections.

5D: Are changes to the existing service levels included in this proposal?

None

5E: Budget Summary

FTE/LTE	2015	2016
FTE	52.95	52.95
LTE	1.00	0.00
Total Count	53.95	52.95

Operating	2015	2016
Expenditures	427,218	449,677
Personnel	6,420,443	6,519,234
Supporting Revenue	5,716,668	5,806,902
Rev-Exp Balance	-1,130,993	-1,162,009

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Section 1: Proposal Descriptors

Proposal Title:	Economic Development Core Program and Services		
Proposal Number:	115.15NA	**Outcome:**	Economic Growth and Competitiveness
Parent Proposal:		**Primary Dept:**	Planning & Community Developmt
Dependent Proposal:		**Proposal Type:**	Existing
Previous Proposal:	115.15NA	**Budget Status:**	Recommended
Attachments:	0	**Primary Staff:**	Chris Salomone

Section 2: Executive Summary

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.

Section 3: Responsiveness to Request For Results

The Economic Development Core Program and Services offers a range of services, including:

Business retention and recruitment efforts—encourage businesses to locate and stay in Bellevue. Updated focus on industry clusters targeted in the Economic Development strategic plan, including but not limited to: software companies, mobile communications, interactive media, financial and legal services, architecture & engineering, telecommunications, biomedical devices, clean tech, alternative energy, educational institutions, and the aerospace supply chain.

Entrepreneurism, venture capital, and small business development support and training—to help businesses start, grow, and become successful (Bellevue Entrepreneur Center and Regional Small Business Development Program among others). This work begins with business networking and training events for entrepreneurs. It is followed by workshops and individual coaching and mentoring.

Business financing – help businesses obtain needed financing through Small Business Association programs, Community Capital Development loan fund, local commercial banks, export finance assistance programs, international lenders, and inventory/receivables-based lending operations.

Business ombudsman—provide information, guide new business owners, work with other staff to solve problems that businesses have in dealing with the City (permits, inspections, business tax processes, procurement), and facilitate introductions and deal-making where appropriate.

International business development and training—to help business be successful and make Bellevue a primary location for international business (Initiative India and Choose China among others). Ongoing support and roll out of the BellevueCN.com multi-lingual marketing website is included.

Economic research studies, surveys of businesses, and development and information dissemination —help provide data and information for business decision-making, including uses of real estate information and demographics.

Outreach to corporate and civic leadership - ongoing effort to maintain strong relationships and lines of communication open with key people in the expanding Bellevue business community at all levels of business and influence.

This proposal funds the City's economic development office at existing service levels. The above activities supported by the office will evolve to be responsive to the City's new Economic Development Strategic Plan, once that Plan has been approved by Council. However, with the modest status quo program staffing and funding levels, it is acknowledged that the program is spread thin for a community of Bellevue's size. A separate funding proposal would enhance service levels to provide new resources for more effective

implementation of the new Plan.

PRIMARY OUTCOME: ECONOMIC GROWTH AND COMPETITIVENESS
Economic development program activities and services result in a growth of jobs, and new businesses and investment in Bellevue. This results in increased tax revenues, sustained economic growth, and a high sense of quality of life in our City. This addresses each category of the purchasing strategies identified in the Economic Growth and Competitiveness section. Economic Development core program activities are directly aimed at actual business recruitment and growth which are the ultimate performance outcomes of those strategies.

SECONDARY OUTCOMES AND CITYWIDE PURCHASING STRATEGIES

RESPONSIVE GOVERNMENT: Membership, sponsorships, and other expenditures meet all the City financial guidelines for procedure, value, and impact. In addition, several projects, including BellevueCN.com marketing website are supported in large part through business participation and corporate sponsorships, thereby leveraging City investment and staff efforts in ways that improve both the reach and quality of our efforts.

In addition, Responsive Government goals are addressed through the new vision, strategic planning for specific projects and implementation of City priorities, and collaborative partnerships with foreign entities and local land developers to achieve new investment and job growth.

Substantial coordination with other City departments (Finance, IT, Parks, Transportation, Utilities), among others is continuously required. In addition, collaboration partners include: enterpriseSeattle (business recruitment; industry focus—interactive media, bio-tech, and tech start-ups), Trade Development Alliance (international business and Sister City program), Bellevue Chamber, Bellevue Downtown Association, Meydenbauer Center, Bellevue Entrepreneur Center, Regional Small Business Development Program, Trade Alliance, State of Washington, US Commercial Service, Seattle area Sports Council, World Trade Club, Japan American Society of Western Washington, Washington China Relations Council, various foreign consulates, economic development associations, industry associations, and others.

Economic development has increased the number of agencies with which it works, at the state, local and regional levels, from about 10 to nearly 30, in an effort to have wider influence and increase the leverage of time, energy, and resources used to achieve programmatic goals. The increase is due to improvements in relationships, knowledge and effectiveness. The amount of time, membership fees, and sponsorship dollars have not increased, however sponsorships and memberships remain valuable in giving the City connections, access to information, and structured roles in regional policy making.

The goals of economic development are to increase private wealth and increase public revenues -- by recruiting businesses, helping them survive and be successful, and supporting property owners and developers to fill existing and new buildings with successful businesses that can pay market rents. This supports family wage jobs, and the ability of employees to buy goods and services locally, pay taxes, and remain in the community. Therefore, directly and indirectly, meeting these economic development goals plays a big role in sustaining City services and improving Bellevue's excellent quality of life.

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Section 4: Performance Measures and Targets

Code	Performance Measure	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Target	2015 Target	2016 Target
115.0036	Number of annual business openings in Bellevue	4,133	3,691	3,669	3,414	3,500	3,500	3,500
115.0057	Percent of region's job growth captured within Bellevue since 2000	14.1%	12.2%	6.3%	N/A	7%	7%	7%
115.0077	Percentage 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.	83%	76%	85%	82%	80%	80%	80%
115.0078	Bellevue retail sales and use tax growth rate compared to regional growth rate	-4%	0.7%	0.8%	-2%	1%	1%	1%
115.0079	Employment rate of Bellevue residents compared to regional employment rate	+2%	+1.8%	+1.5%	N/A	1.5%	1.5%	1.5%

Section 5: Requested Funding

5A: Are any new costs other than inflation included in this proposal?

This proposal includes an addition of $35k/yr of professional services to restore a portion of funding cuts that occurred during the downturn. This funding supports economic recruitment and business outreach.

5B: Are one-time expenditures included in this proposal?

N/A

5C: Are dedicated revenues included in this proposal?

N/A

5D: Are changes to the existing service levels included in this proposal?

N/A

5E: Budget Summary

FTE/LTE	2015	2016
FTE	2.00	2.00
LTE	0.00	0.00
Total Count	2.00	2.00

Operating	2015	2016
Expenditures	108,670	111,975
Personnel	237,787	246,098
Supporting Revenue	0	0
Rev-Exp Balance	-346,457	-358,073

City of Bellevue - Budget One
2015-2016 Operating Budget Proposal

Section 1: Proposal Descriptors

Proposal Title:	Economic Development Strategy Implementation		
Proposal Number:	115.16NA	**Outcome:**	Economic Growth and Competitiveness
Parent Proposal:		**Primary Dept:**	Planning & Community Developmt
Dependent Proposal:		**Proposal Type:**	Enhancing
Previous Proposal:	115.16NA	**Budget Status:**	Recommended
Attachments:	0	**Primary Staff:**	Chris Salomone

Section 2: Executive Summary

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.

Section 3: Responsiveness to Request For Results

This proposal will implement the City's new Economic Development Strategic Plan, developed through a systematic process of evaluating Bellevue's economic foundation, conducting outreach with knowledgeable stakeholders, and developing key action strategies. A series of Council check-in occurred as the Plan was in development to ensure alignment with Council needs and priorities. The final Plan and an accompanying Implementation Framework were scheduled for delivery to Council in May 2014, with anticipated Council adoption soon thereafter.

This Plan and Implementation Framework provide strong direction and focus for the City's economic development efforts. Recognizing that economic development is impacted by City activities in almost every department and field -- from implementing tax policy to building public infrastructure to operating City parks as amenities that attract talented workers -- the Plan distinguishes between "direct" strategies and "foundational" strategies. This proposal focuses on the City's "direct" economic development strategies -- those that are primarily focused on retaining and attracting local employers and investment; they typically are implemented by the economic development office in PCD. Supportive actions elsewhere in the City organization are the "foundational" strategies; these are critical but serve multiple objectives and are covered by other Budget One proposals.

This proposal will fund the direct, near-term activities identified in the new ED Plan and Implementation Framework:
Creating an additional FTE staff position, an economic development professional who will focus on cultivating technology entrepreneurs, and enhancing Bellevue's position as a Pacific Rim gateway for foreign investment $300,000 annually in funding for professional services, membership and sponsorship fees, specialized travel, and marketing/promotion. This is not adequate to support all the items identified in the near-term Implementation Framework, but will allow for substantial progress to be made. While some flexibility is needed, the anticipated break-out in use of this $300,000 fund is as follows: Support promotion of entrepreneurial capacity, including work to develop a short-term business start-up "incubator" space and feasibility work on a more permanent start-up incubator space; and work on development of a technology district Work on further development of Bellevue as an international gateway $20,000 annually in support of

Sister Cities activities, as these relate to the international investment strategy identified in the Plan. At Council's prerogative, this may include development of new sister city relationships that reflect Bellevue's key trading partnerships with India and the Peoples Republic of China Full funding ($55,000 annually) for the "Visit Bellevue" proposal, as tourism is one of the key economic clusters identified in the ED Plan Funding to support economic development-focused marketing and promotion.

PRIMARY OUTCOME: ECONOMIC GROWTH AND COMPETITIVENESS

City Brand: This proposal will enhance City branding through key strategies identified in the Plan: Strategy 4.1 "establish City of Bellevue economic development marketing campaign aligned with the city's brand and communications strategy;" and Strategy 4.3 "Create additional marketing collateral to support specific aspects of the city's economic development strategy as they are activated." In addition, a targeted investment in Visit Bellevue, the public-private partnership focused on further developing Bellevue as a premier destination, will also contribute to the City's local, regional and international brand.

Costs and Capital: The proposal's focus on building entrepreneurial capacity, with special attention to technology start-ups, will help catalyze and facilitate private sector business opportunities. A specific objective in the entrepreneurial arena is to "explore means to support easier access to investment capital for local entrepreneurs." Moreover, the proposal's focus on strengthening international relationships, including the strategy to "proactively link foreign investors and potential investment opportunities," should enhance access to business capital to support development of new and growth of existing businesses.

Land, Infrastructure and Planning: The proposal's focus on creating near-term and more permanent incubator spaces for technology start-ups will help deliver systems and facilities to support business development in this targeted cluster. The strategy to "establish a 'Tech Zone' or technology district with high connectivity, smart infrastructure, and other amenities to attract targeted firms and site them in close proximity to one another" also helps deliver spaces and systems needed to attract and grow targeted economic activity.

Workforce: The knowledge-based economy of Bellevue and the Eastside evidence a strong role for higher education and professional training in supporting the local economy. The proposal's strategy to "attract an expanded higher education presence to support talent development and enrich and energize the local technology environment" is likely to promote the continued attraction of a talented and diverse workforce critical to this overall ED Plan, and to help "spin off" additional economic activity that benefits from this institutional presence.

SECONDARY OUTCOME: RESPONSIVE GOVERNMENT

Strategic Leadership: This proposal provides strategic leadership by advancing and implementing a focused and targeted strategy for economic development, based on Bellevue-specific opportunities and values. This strategy will be broadly disseminated across the City organization to provide clear direction in this important area. A key part of implementation will be to form collaborative partnerships with a variety of community stakeholders that can help meet the expressed ED objectives.

Customer-Focused Service: This proposal will help address customer-identified needs and proactively address stakeholder and community concerns. It will promote the City's economic development strategy to all rungs of the City organization, so that staff at every level can recognize and carry out their role as economic ambassadors for the City.

CITYWIDE PURCHASING STRATEGIES

The proposal addresses the following Citywide purchasing strategies.

1) Provides the best value in meeting community needs and eliminates lower value-added activities. By implementing a focused and deliberative ED Strategy, this proposal will help the City become more targeted

and results-oriented in pursuing community objectives for economic development, focusing resources on high value-added activities.
2) Leverages collaboration or partnerships with other departments and/or external organizations. The proposal will result in implementation of a focused ED strategy through broad involvement by stakeholders both inside and outside the City organization.
3) Is innovative and creative. The proposal is innovative and creative in implementing a very focused and deliberate ED strategy, following through in a new and fresh way on activities designed to generate high-impact outcomes.

A fundamental rationale for this proposal is that the City needs to pursue a more focused and proactive strategy to increase its economic competitiveness. Success will result in more jobs and more City revenues than would occur without the proposal. It is hoped that every dollar spent on this proposal will be leveraged many times over in private investments that would not otherwise have occurred; this will help provide resources to support the work of proposals across all seven City-wide budget outcomes.

Section 4: Performance Measures and Targets

Code	Performance Measure	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Target	2015 Target	2016 Target
115.0086	Percent of region's annual IT cluster job growth captured in Bellevue				N/A	18%	18%	18%
115.0087	Firm diversification in IT cluster				N/A	N/A	N/A	N/A
115.0109	Percent of region's annual Tourism cluster job growth captured in Bellevue				N/A	9%	9%	9%
115.0110	Firm diversification in Tourism cluster				N/A	N/A	N/A	N/A
115.0111	Number of buinsess openings in the IT cluster	229	219	258	160	200	200	200

Section 5: Requested Funding

5A: Are any new costs other than inflation included in this proposal?

This entire proposal is new. It replaces the “Economic Development and Recovery Strategy” proposal funded in the current budget. Both are enhancements to the Core ED function.

5B: Are one-time expenditures included in this proposal?

No capital expenditures; there are one-time consultant costs included.

5C: Are dedicated revenues included in this proposal?

None

5D: Are changes to the existing service levels included in this proposal?

This proposal should result in more focused and impactful economic development outcomes; in that sense it would result in an enhanced service level.

5E: Budget Summary

FTE/LTE	2015	2016
FTE	1.00	1.00
LTE	0.00	0.00
Total Count	1.00	1.00

Operating	2015	2016
Expenditures	194,181	195,000
Personnel	59,984	123,147
Supporting Revenue	0	0
Rev-Exp Balance	-254,165	-318,147

City of Bellevue - Budget One
2015-2016 Operating Budget Proposal

Section 1: Proposal Descriptors

Proposal Title:	Downtown Parking Enforcement		
Proposal Number:	130.17NA	**Outcome:**	Economic Growth and Competitiveness
Parent Proposal:		**Primary Dept:**	Transportation
Dependent Proposal:		**Proposal Type:**	Existing
Previous Proposal:	130.17NA	**Budget Status:**	Recommended
Attachments:	0	**Primary Staff:**	Mark Poch

Section 2: Executive Summary

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.

Section 3: Responsiveness to Request For Results

What the city is buying: This proposal will continue to provide daily, on-going management and enforcement for the Downtown Parking Program. This includes management of and coordination with the enforcement contractor, coordination with the Police Department and the City Attorney's Office, investigation into and response to citizen concerns, monitoring and revising parking zones when necessary, and conducting Requests for Proposals (RFP) and contract recommendations to Council. The Downtown area, for purposes of this proposal, is defined as the west side of I-405 to the west side of 100th Avenue NE, and the south side of Main Street to the north side of NE 12th Street.

The contractor provides enforcement of time restrictions for on-street parking, enforcement of general parking rules (too close to driveway, no parking anytime, etc.), disabled parking enforcement on private property, and general duties such as coordination with Bellevue District Court, attending court, researching vehicle registration information, and public contact to respond to customer concerns. Per policy to promote awareness and education, each vehicle receives one overtime parking warning annually before overtime parking infraction tickets are issued.

Why the service level is appropriate: This service level has proven to be adequate to reasonably and effectively administer this program. This proposal is scalable, but only if the hours of enforcement are reduced. The cost of the enforcement contract is based on the hours that the parking restrictions are signed and in effect. If this proposal is not funded, there will be no parking enforcement program in the Downtown and the on-street parking will be filled by office workers and residents, leaving very little available for retail customers and visitors. Scaling this program would need to be coordinated with the timing of contract renewals. The contract for this program is up in early 2015, thus timing for changing the scale of this proposal is good from a contract coordination standpoint.

It has been shown that the cost of on-street parking enforcement in the Downtown is less when performed by an outside contractor than when provided by the Police Department.

It should be noted that there is no revenue that directly supports this program. A small portion of the revenue from parking tickets is returned to the City's General Fund, but most of the revenue stays with the court to cover the cost of the court. Although only a relatively small amount of the revenue is returned to the General Fund from this proposal, there is a larger benefit to the City as parking enforcement tickets help pay for the overall cost of the court.

City of Bellevue - Budget One
2015-2016 Operating Budget Proposal

How the services relate to the purchasing strategies for Economic Growth and Competitiveness: This offer addresses the following strategies:

[CITY BRAND]
The willingness of the City to ensure the availability of on-street parking to increase accessibility to the storefront retail businesses contributes to the positive reputation of Bellevue as a great place for business. It also supports the vision of a walkable Downtown, and supports existing businesses, especially ground level retail.

[COSTS and CAPITAL]
Providing on street parking within close proximity to Downtown businesses is an incentive to both establishing and visiting those businesses.

[LAND, INFRASTRUCTURE, AND PLANNING]
Providing on-street parking in the Downtown allows options to driving and allows business patrons to walk to multiple businesses without returning to their vehicle. This enhances multi-modal transportation and transportation choices.

How the services relate to the purchasing strategies for Improved Mobility: This offer addresses the following strategies:

[EXISTING AND FUTURE INFRASTRUCTURE]
By providing short-term on-street parking, this proposal promotes and supports the economic development of the city by maintaining the overall parking availability for retail customers and general downtown visitors.

What indicators will measure the results of Downtown Parking Enforcement: Performance measures tracked and reported include weekly enforcement hours, annual contract cost, overtime parking warnings issued, overtime parking infractions issued, and safety related parking infractions issued.

City of Bellevue - Budget One
2015-2016 Operating Budget Proposal

Section 4: Performance Measures and Targets

Code	Performance Measure	2010 Actual	2011 Actual	2012 Actual	2013 Actual	2014 Target	2015 Target	2016 Target
130.0011	Weekly enforcement hours	60	60	60	60	60	60	60
130.0155	Annual DT Parking enforcement contract cost	$82,999.00	$94,038.00	$94,038.00	$92,466	$92,466	$99,000	$99,000
130.0180	# Downtown parking spaces available	N/A	N/A	N/A	N/A	310	305	300
130.0181	Downtown parking complaints received/responded	N/A	356	248	119	200	200	200

Section 5: Requested Funding

5A: Are any new costs other than inflation included in this proposal?

The contract for Downtown Parking Enforcement expires in early 2015 thus a request for proposal process will be undertaken to determine the contractor and terms. It is likely the enforcement contract amount will be somewhat higher than the amount budgeted for 2013-2014.

5B: Are one-time expenditures included in this proposal?

NA

5C: Are dedicated revenues included in this proposal?

NA

5D: Are changes to the existing service levels included in this proposal?

NA

5E: Budget Summary

FTE/LTE	2015	2016
FTE	0.10	0.10
LTE	0.00	0.00
Total Count	0.10	0.10

Operating	2015	2016
Expenditures	102,815	105,170
Personnel	12,371	12,799
Supporting Revenue	0	0
Rev-Exp Balance	-115,186	-117,969