

# MEMORANDUM

TO: City Council

FROM: Don Sarcelletti, Recreation & Parks Director  
Scott Hugill, Assistant City Manager/Administrative Services Director  
Will Van Ry, Engineering Services Director  
Shane Hope, Community & Economic Development Director  
Greg Wilson, Police Chief  
Curt Brees, Public Works Director  
Sonja Springer, Finance Director  
Mick Horton, City Treasurer

VIA: John J. Caulfield, City Manager

DATE: February 16, 2010

SUBJECT: **UNFUNDED CAPITAL PROJECTS**

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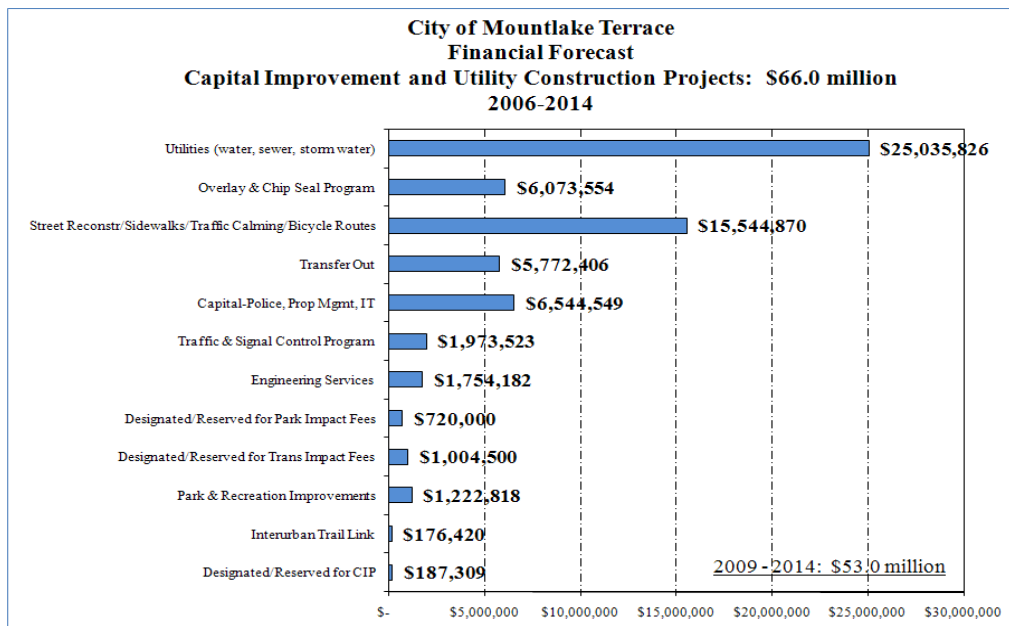
## **INTRODUCTION & OVERVIEW OF UNFUNDED CAPITAL PROJECTS**

One of Council’s goals is “Review and Prioritize Capital Infrastructure Needs and Implement Projects.” The key objective of this goal is to have a capital improvement program that provides a safe, clean, and well-maintained community for the enjoyment of all residents and to provide preventive maintenance to avoid greater replacement costs in the future.

Although the Council has funded many capital projects over the past four years, several projects remain that do not have funding. In preparation for the Council’s February 20 planning retreat, department directors have developed a prioritized list of capital projects that currently do not have funding. This list will be presented in greater detail at the Council’s February 16, 2010 regular meeting.

## **INVESTMENTS FOR THE FUTURE**

Before reviewing unfunded needs, it is important to review what action strategies the Council has taken in the past few years to address this goal. Much has been accomplished in the past few years to fund



capital projects based on Council goals and considerable public input.

- Capital Improvement Program (CIP)
  - State and Federal Partnerships (e.g., funding)
  - Streets, sidewalks, traffic, parks, recreation, water, sewer, and storm drainage (2006-2014 CIP)
  - Citywide Transportation Master Plan (TMP-2007) (e.g., road and street development, roadway classifications, sidewalk priorities, bicycle lanes and trails, traffic management, and public transit);
  - Traffic Calming Program (2007)
  - Sidewalk Prioritization Options (2008)
- Economic Development
  - Town Center Plan (2007)
  - Transportation Impact Fees and Park Impact Fees to mitigate impacts from development and redevelopment (2007)
  - Town Center “planned action” designation (2007)
  - Economic Vitality Strategy (2008)
  - Sustainability Strategy (2008)
- Recreation & Parks
  - Off-leash Dog Park (2008/2009)
  - Recreation, Parks and Open Space Plan (2009)
  - Arts and Culture Strategic Plan (2009)
- Utilities
  - Storm Water Comprehensive Plan (2008)
  - Water Systems Comprehensive Plan (2009)
  - Lake Ballinger Watershed Partnering Strategy (2009)
- Public Transit
  - Mountlake Terrace Transit Center (2008)
  - Mountlake Terrace Freeway Station (2011)
  - Mountlake Terrace Light Rail Station (approved by voters in 2008)
- Civic Facilities (2009)
  - Civic Facilities Needs Assessment & Conceptual Design (Resolution, March 2009)
  - Civic campus, police station, public meeting spaces, observation deck, enhanced streetscapes, green roofs and walls, emergency operation center, community center, senior activity center, civic green that will connect to Veteran’s Memorial Park, spray fountain, ornamental garden, and amphitheater.
  - Year-round events will include farmers' markets, public safety fairs, senior activities, dance recitals, art shows, outdoor movies and concerts.
  - Recreation Pavilion, clubhouse at golf course, public works shop, parks maintenance facility, and fire station #18 (Resolution, July 2009).

## **PRIORITIZATION PROCESS**

Attachment “A” outlines 13 prioritization criteria of capital improvement projects that were used by department directors to develop a list of unfunded projects (Attachment “B”). For each criterion, projects were ranked on a 0 to 5 scale.

**Priority 1 (imperative, must do):** Projects that cannot reasonably be postponed without causing harmful or otherwise undesirable consequences (50% weighted average).

1. Maintains current service levels affecting public health, safety or welfare
2. Satisfies or meets a legal requirement, liability, or mandate (law, regulation, or court order)
3. Alleviates an emergency service disruption or prevents irreparable damage to a valuable public facility
4. Eliminates or reduces existing capital deficit
5. Advances the implementation of the community’s vision, strategy, goal or policy approved by the City Council

**Priority 2 (essential, should do):** Projects that meet clearly demonstrated needs or objectives (30% weighted average).

6. Rehabilitates or replaces an obsolete public facility
7. Stimulates or supports economic growth and private capital investment
8. Reduces future maintenance and operating costs
9. Leverages available local, state or federal funds

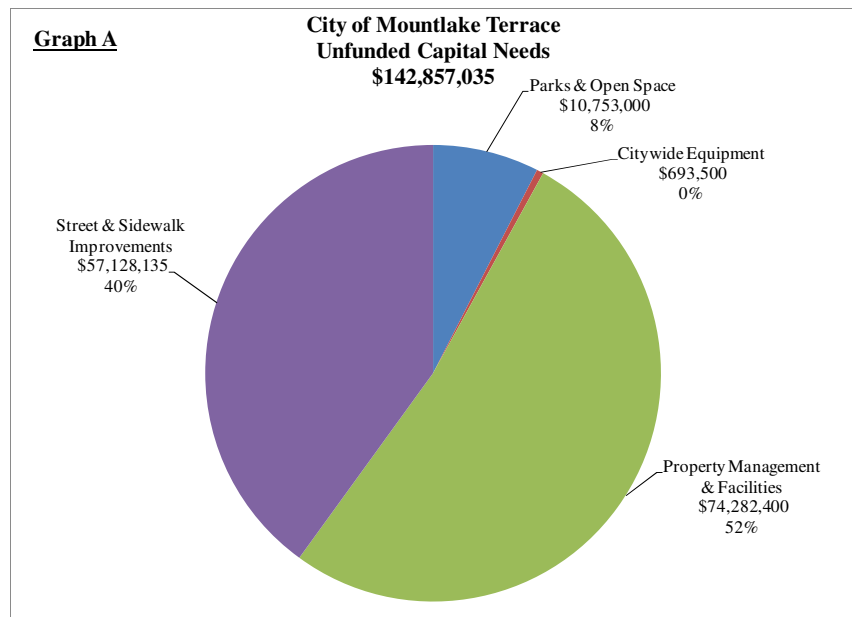
**Priority 3 (important, could do):** Projects that benefit the community, but could be delayed without impairing services (20% weighted average).

10. Provides new or expanded level of service
11. Promotes intergovernmental cooperation and other partnership opportunities
12. Enhances or improves cultural, recreational, natural resources and aesthetic values

## **PRIORITIZATION RESULTS**

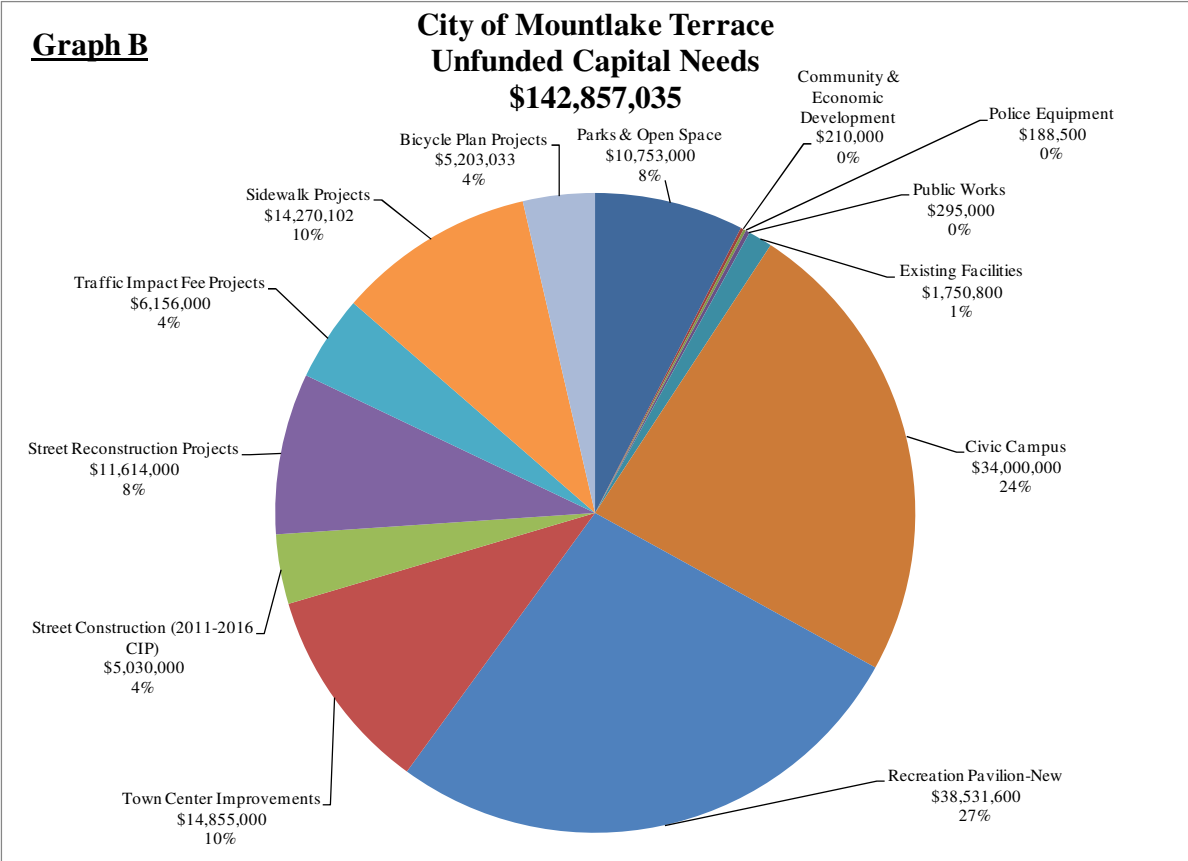
Attachment “B” summarizes the rankings for each unfunded capital project, including the scores for each of the priorities identified above. Table 1 below summarizes, by component the total development cost for each respective unfunded capital projects.

Graphs A and B further illustrate the development cost for unfunded capital projects.



**TABLE 1**

Project	Development Cost
Parks & Open Space	\$ 10,753,000
Citywide Equipment	
Community & Economic Development	210,000
Police Equipment	188,500
Public Works	295,000
Subtotal Citywide Equipment	693,500
Property Management & Facilities	
Existing Facilities	1,750,800
Civic Campus	34,000,000
Recreation Pavilion-New	38,531,600
Subtotal Property Management & Facilities	74,282,400
Street & Sidewalk Improvements	
Town Center Improvements	14,855,000
Street Construction (2011-2016 CIP)	5,030,000
Street Reconstruction Projects	11,614,000
Traffic Impact Fee Projects	6,156,000
Sidewalk Projects	14,270,102
Bicycle Plan Projects	5,203,033
Subtotal Street & Sidewalk Improvements	57,128,135
<b>Grand Total</b>	<b>\$ 142,857,035</b>



## FINANCING OPTIONS

Attachment “C” identifies possible financing options for the unfunded capital projects. The following is a summary of financing options by capital program component.

### Community & Economic Development

- Capital Improvement Program (CIP)
- State & Federal Grants/Appropriations (SFGA)

### Parks & Open Space

- Metropolitan Park District (MPD) – requires voter approval
- Park and Recreation District (PRD) – requires voter approval
- Park and Recreation Service Area (PRSA) – requires voter approval
- Unlimited General Obligation Bonds (UTGO) – requires voter approval
- State & Federal Grants/Appropriations (SFGA)
- Capital Improvement Program (CIP)

### Police Equipment

- State & Federal Grants/Appropriations (SFGA)
- Capital Improvement Program (CIP)

### Property Management

- Metropolitan Park District (MPD) – requires voter approval
- Park and Recreation District (PRD) – requires voter approval
- Park and Recreation Service Area (PRSA) – requires voter approval
- Unlimited General Obligation Bonds (UTGO) – requires voter approval
- Capital Improvement Program (CIP)

### Town Center Improvements

- Local Revitalization Financing Program (LRF)
- Local Infrastructure Financing Tool Program (LIFT)
- State & Federal Grants/Appropriations (SFGA)
- Developer/Property Owner Contribution (DC)
- Park Impact Fees (PIF)

### Civic Campus

- Unlimited General Obligation Bonds (UTGO) – requires voter approval
- State & Federal Grants/Appropriations (SFGA)

### Recreation Pavilion-New

- Metropolitan Park District (MPD) – requires voter approval
- Park and Recreation District (PRD) – requires voter approval
- Park and Recreation Service Area (PRSA) – requires voter approval
- Unlimited General Obligation Bonds (UTGO) – requires voter approval
- State & Federal Grants/Appropriations (SFGA)

### Public Works

- Capital Improvement Program (CIP)

### Street Construction

- Transportation Benefit District (TBD)
- Street Maintenance Utility (SMU)
- Unlimited General Obligation Bonds (UTGO) – requires voter approval
- State & Federal Grants/Appropriations (SFGA)
- Capital Improvement Program (CIP)
- Local Improvement District (LID)
- Transportation Impact Fees (TIF)

## **RECOMMENDATION**

Table 2 on the following page details the 27 highest ranked projects by component. This table is further broken down by projects we recommend pursuing first (“Tier 1”) and those projects to be pursued second (“Tier 2”).

Tier 1 projects are estimated to total \$57.5 million and represent 15 projects including the development of a new Civic Campus at \$34.0 million and a \$150,000 business plan for a new Recreation Pavilion. Tier 2 projects, which total \$40.7 million represent 12 projects and include the development of a new Recreation Pavilion at \$38.4 million.

We recommend City Council consider the next steps:

- Continue with implementation of our currently funded six-year capital investment strategy at a cost of \$66 million. This includes streets, sidewalks, traffic, parks, recreation, water, sewer, and storm drainage.
- Continue pursuing Federal and State partnerships to offset the \$66 million cost of our adopted program.
- Identify and confirm additional priority projects and funding options to pursue for 2011-2016 based on the list developed by department directors. This list includes the following:

### #1 Priority: Civic Campus

- Unlimited General Obligation Bonds (UTGO) – requires voter approval – 2010 or early 2011
- Council may also want to consider adding other capital projects (i.e., parks, open space, etc.) to bring forward for voter consideration as part of Civic Campus proposal
- State & Federal Grants/Appropriations (SFGA) (e.g., storm water improvements)

### #2 Priority: Business Plan for new Recreation Pavilion (2011/2012 Biennial Budget)

### #3 Priority: Evaluate financing options for Town Center Improvements

- Local Revitalization Financing Program (LRF)
- Local Infrastructure Financing Tool Program (LIFT)
- State & Federal Grants/Appropriations (SFGA)

### #4 Priority: Evaluate financing options for parks, open space, property management, police and public works

- Metropolitan Park District (MPD) – requires voter approval
- Park and Recreation District (PRD) – requires voter approval
- Park and Recreation Service Area (PRSA) – requires voter approval
- Unlimited General Obligation Bonds (UTGO) – requires voter approval
- State & Federal Grants/Appropriations (SFGA)

### #4 Priority: Evaluate financing options for street and sidewalk improvement projects for 2011-2016

- Transportation Benefit District (TBD)
- Street Maintenance Utility (SMU)
- State & Federal Grants/Appropriations (SFGA)
- Local Improvement District (LID) (e.g., sidewalks)
- Transportation Impact Fees (TIF) (already in place)

**TABLE 2**

Score	Projects	Tier I Priorities	Tier II Priorities	Financing Option(s)
<b>New Facilities</b>				UTGO, SFGA
16.1	Civic Campus	\$ 34,000,000	\$ -	
15.6	Recreation Pavilion-Business Plan	150,000	-	
15.6	Recreation Pavilion-New	-	38,381,600	
<b>Subtotal New Facilities</b>		<b>34,150,000</b>	<b>38,381,600</b>	
<b>Parks &amp; Open Space</b>				MPD, PRD, PRSA, UTGO, SFGA, CIP
13.6	Evergreen Playfield-All-Weather Turf Field	1,500,000	-	
12.7	Fencing	130,000	-	
11.5	Forest Crest Playfield-Restrooms	130,000	-	
11.5	Terrace Creek Park-Restrooms	180,000	-	
10.9	Park Lighting	-	60,000	
10.6	Terrace Ridge Park-Master Plan Development	-	10,000	
10.6	Terrace Ridge Park-Master Plan Implementation	-	150,000	
10.5	Skateboard Park (Location TBD)	-	500,000	
10.4	Improve Trail Facilities (Lyons Creek Greenway)	-	50,000	
10.3	Reforestation Plan	-	20,000	
10.2	Evergreen Playfield-Replace Support Buildings	-	500,000	
10.1	Terrace Creek Park-Tree Rehabilitation	-	90,000	
<b>Subtotal Parks &amp; Open Space</b>		<b>1,940,000</b>	<b>1,380,000</b>	
<b>Citywide Equipment</b>				CIP, SFGA
18.0	Public Works-Street Lighting Retrofits	150,000	-	
13.8	Police Equipment	188,500	-	
12.6	Public Works-Thermoplastic Markings Equipment	-	65,000	
<b>Subtotal Citywide Equipment</b>		<b>338,500</b>	<b>65,000</b>	
<b>Property Management &amp; Facilities</b>				MPD, PRD, PRSA, UTGO, SFGA, CIP
12.4	Lake Ballinger Parking Lot	280,000	-	
<b>Subtotal Property Management &amp; Facilities</b>		<b>280,000</b>	<b>-</b>	
<b>Street &amp; Sidewalk Improvements</b>				LRF, LIFT, SFGA, DC, PIF
15.0	Town Center Improvements	14,855,000	-	
	56th Reconstruction (230th to 236th)	8,600,000		
	East/West Town Square Circulator	2,400,000		
	Town Center Plaza	3,855,000		
<b>Street Construction (2011-2016 CIP)</b>				TBD, CIP, SMU, SFGA, UTGO
14.7	Overlay Streets (2012-2016)	3,000,000	-	
14.3	Chip Seal Program (2011, 2013, 2015, 2016)	1,000,000	-	
13.3	Signal Cabinet Replacements (2013-2016)	140,000	-	
13.3	Signal Controller Replacements (2013-2016)	30,000	-	
10.9	Sidewalks (2011, 2013, 2015, 2016)	-	400,000	
10.7	ADA Sidewalk Program (2014-2016)	-	300,000	
<b>Street Reconstruction Projects</b>				TBD, CIP, SFGA, UTGO
14.2	52nd Ave W to 53rd Ave W Connection	1,799,000	-	
<b>Subtotal Street &amp; Sidewalk Improvements</b>		<b>20,824,000</b>	<b>700,000</b>	
<b>Grand Total Projects</b>		<b>\$57,532,500</b>	<b>\$40,526,600</b>	