
BUSINESS COMMUNITY

**RESULTS TEAM REQUEST FOR OFFERS
RESULTS TEAM MAP
OFFER SUMMARY
OFFERS**

BUSINESS COMMUNITY

*I WANT A DIVERSE AND VIBRANT RANGE
OF BUSINESSES AND SERVICES IN REDMOND*

REQUEST FOR OFFERS

TEAM MEMBERS

Team Lead: Ryan Spencer, Parks

Team Member: Shawn Fitzpatrick, Police

Team Member: Patrick Koenig, Human Resources

Team Member: Mark Pratt-Barlow, Finance & Information Services

DASHBOARD INDICATORS

Indicator 1: The number and average longevity of businesses by category-relative to community goals: retail, restaurants, tourism, services, high-tech and manufacturing.

Measure Description: A diversity of businesses creates local choices and opportunities for residents and employees of community businesses. This measure captures the variety of businesses within certain target areas identified by past studies and the City Council. Retention of family wage jobs within the area will also be illustrated by this measure.

Calculation Method: Starting with the recommendations from the Economic Development Study conducted in 2010, the City Council will determine the types of businesses to be tracked within this measure. A goal for the number of jobs by business type will be established illustrating an ideal range of businesses. The data for this measure will be generated by the City's business license systems.

Indicator 2: Percent of citizens and employees of businesses within the City satisfied with the range of businesses available in Redmond and the percent of businesses satisfied with the services that Redmond provides.

Measure Description: In identifying a vibrant and diverse business community as one of the City's priorities, Redmond's citizens indicated that convenient access to the types of services and business amenities was important. This measure will illustrate the perception of Redmond's residents as to whether the mix of businesses accessible within the community meets their needs.

Calculation Method: For citizens the biennial survey will be the mechanism to collect satisfaction data. Create mechanism to capture business data on a rolling basis from those who do business with the City.

INTRODUCTION/SUMMARY OF CAUSE & EFFECT MAP

Our Cause and Effect Map identifies four factors that are essential in addressing our priority of creating a diverse and vibrant range of businesses and services: 1) mix of businesses and activities; 2) image and identity; 3) business attraction and retention; and 4) accessibility for businesses and consumers.

Factor 1: MIX OF BUSINESSES & ACTIVITIES

A vibrant business community necessitates a balance of daytime and evening activities, an emphasis on cultural arts, and reflects our diverse community. Redmond businesses that offer a wide range of goods and services will help ensure that residents, the daytime workforce, tourists and consumers from the region will visit and remain in the City for all of their needs. A dynamic arts scene and a variety of entertainment will help make Redmond a destination place. Examples include unique specialty stores, major retailers, an array of restaurants, healthcare options, concerts, cultural events and a large variety of outdoor recreational opportunities.

Redmond should seek partnerships with the community, including local jurisdictions, businesses, residents and workforce. Businesses contribute to the well-being and vision of the City and are encouraged to be actively involved in Redmond's events and activities, such as Derby Days and Redmond Lights.

Factor 2: IMAGE & IDENTITY

The image and identity that Redmond presents to both its residents and the broader community attracts and retains a diverse set of businesses that create a vibrant business community. Showcasing the City's urban centers while preserving an active outdoor lifestyle by promoting walking and biking is important. The City of Redmond creates a positive, pro-business reputation by supporting partnerships and activities that demonstrate collaboration; activities that promote a talented and skilled workforce; efforts that leverage Redmond as a city that is home to many high-tech companies; development of distinct places that reinforce community identity and draw customers to Redmond businesses; and cultivate programs that reinforce an entrepreneurial community.

Factor 3: BUSINESS ATTRACTION & RETENTION

The City of Redmond exhibits a culture that attracts and retains businesses and services. To obtain this result Redmond must take an active role in creating an atmosphere that provides efficient processes, proactive support and a welcoming environment. In keeping with the City values of commitment to service, integrity and accountability, we foster strong business/government relationships.

The City needs to provide efficient procedures, such as expeditious licensing and permitting, which includes timely review and approval/denial, and customer service reflecting our core values. The role of a "guide" versus a "regulator" is the key to collaborative problem solving resulting in predictable outcomes.

This factor focuses on the promotion of diverse and innovative businesses such as aerospace, software/information technology, homeland security, renewable energy, biometrics, research and development, communications services, tourism and retail.

Factor 4: ACCESSIBILITY FOR BUSINESSES & CONSUMERS

The infrastructure must provide clear access for consumers, residents, workforce and freight providers. Water, sewer, sidewalks, roadways and technology all need to be designed, built and maintained to support businesses and consumers.

People come to Redmond by driving, biking, walking or transit. The streets, sidewalks, trails and pathways should be attractive, inviting, pedestrian friendly, safe and be sensibly accessible. Addressing traffic congestion at all times, especially during periods of construction, should be viewed as extremely important in supporting business accessibility and sustainability. It is crucial to balance multiple parking demands from citizens, customers, and employees with appropriate parking enforcement regulations and systems. It is imperative that the City reinforces regional public transportation for access to businesses and services.

The City should be supportive in assisting new or expanding businesses to locate in areas that optimize accessibility and encourages the growth of their customer base.

PURCHASING STRATEGIES

WE ARE LOOKING FOR OFFERS THAT:

Strategy 1: Provide efficient processes that result in a clear, predictable, flexible and timely response to business-related applications.

Business owners, developers, and design professionals operate most effectively when they understand the entire review process and can rely on established timeframes. Clear expectations, without diminished quality, are what this purchasing strategy is to achieve.

Strategy 2: Promote Redmond as a positive place to do business and enhance relationships between businesses and the City.

Businesses look to locate in communities that are commerce-friendly. We favor offers that enhance relationships and encourage partnerships between businesses, local government and the community; recognize business contributions to the community; promote relationships with the business community that support a safe and welcoming environment; and/or implement mechanisms for obtaining feedback from businesses to ensure continued satisfaction.

Strategy 3: Establish Redmond as a destination for consumers (local and regional residents, tourists, and employees of local businesses), resulting in opportunities that reinforce a positive community image and unique identity.

Redmond's population doubles during the work week. Recognizing this unique scenario, we favor offers that keep these employees and citizens in Redmond beyond the traditional work day. Redmond should promote distinct commercial and cultural opportunities that foster interest and customer loyalty for residents, employees and visitors alike.

Strategy 4: Create accessibility to businesses and activities through inviting, attractive and safe urban centers.

As Redmond transitions to a more urban environment, our community has an opportunity to redefine its own unique character that attracts consumers to our city. Streets, sidewalks, trails and pathways that are invitingly connected, accessible, secure and well maintained will establish a sense of ownership, encourage people to socialize, walk, shop and enjoy a memorable experience.

Strategy 5: Create easy, efficient and effective access to businesses that integrate mobility, infrastructure and parking.

Thorough, long range planning or redevelopment of existing spaces that provide centralized and site specific solutions, integrated mobility, infrastructure and parking amenities together helps increase overall business accessibility. Projects and programs that speak to efficient use of parking, public transportation and other shared mobility resources will be favored.

NOTES/PRACTICES/SUPPORTING EVIDENCE

1. 2009-2010 Budget Requests for Offers
2. 2011-2012 Budget Request for Offers
3. 2013-2014 Budget Request for Offers
4. March 11, 2014 Council Study Session - Economic Development Update

BUSINESS COMMUNITY

I Want a Diverse and Vibrant Range of Businesses and Services in Redmond

Accessibility for Businesses and Consumers



- ◆ Infrastructure provides clear access for consumers, residents, workforce, and freight
- ◆ Balance parking demands with appropriate enforcement systems
- ◆ Support regional public transportation
- ◆ Mitigate traffic congestion to support business accessibility

Business Attraction and Retention

- ◆ Develop strong business/government relationships
- ◆ Provide an atmosphere of efficient processes, proactive support, and a welcoming environment
- ◆ Collaborative problem solving through proactive guidance rather than just reactive enforcement
- ◆ Promote diverse and innovative businesses

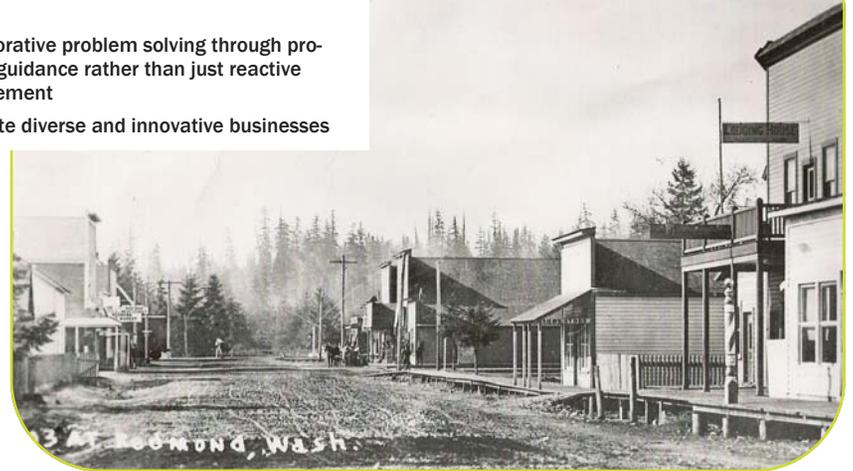
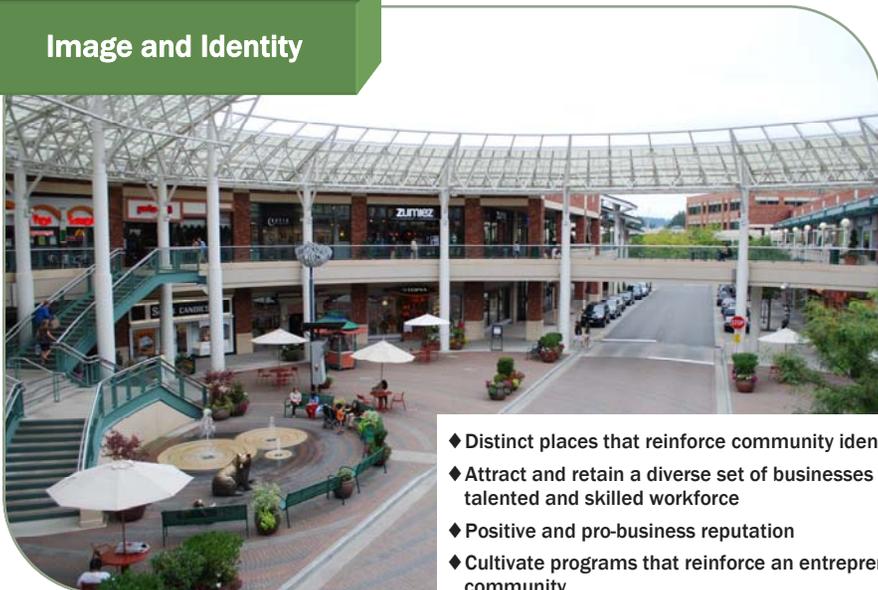


Image and Identity



- ◆ Distinct places that reinforce community identity
- ◆ Attract and retain a diverse set of businesses and a talented and skilled workforce
- ◆ Positive and pro-business reputation
- ◆ Cultivate programs that reinforce an entrepreneurial community

Mix of Businesses and Activities

- ◆ Reflect our culturally diverse community
- ◆ Seek partnerships with the community, including local jurisdictions, businesses, residents, and workforce
- ◆ Provide options that keep workforce "residents" here after hours
- ◆ Keep businesses actively involved in City events



BUSINESS COMMUNITY 2015-2016 OFFER SUMMARY

OFFER ORDER

Page No	Offer #	Offer	Department	2015-2016 Adopted Budget ¹
52	PLN2823	Sustainable Economic Development	Planning	\$1,823,694
57	PLN2824	Business Access and Mobility	Planning	\$3,560,503
62	PLN2825	Responsive Development Services	Planning	\$11,014,861
			Total	\$16,399,058

OFFER RANKINGS

Department	Offer #	Offer	Results Team Ranking	
			Staff	Civic
Planning	PLN2824	Business Access and Mobility	1	3
Planning	PLN2823	Sustainable Economic Development	2	2
Planning	PLN2825	Responsive Development Services	3	1

Note:

1. Adopted Budget totals may not include ending fund balances and fund transfers for all offers.

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT
Type of Offer: OFFER - ONGOING

Id: PLN2823

SUSTAINABLE ECONOMIC DEVELOPMENT

Description:

What: The Sustainable Economic Development offer provides economic development resources to build and strengthen collaborative partnerships with businesses that attract a range and diversity of businesses, jobs, services, events and attractions desired by the community and necessary for a prosperous and economically vibrant Redmond.

Sustainable economic development focuses on:

- Creating and nurturing relationships with the business community and providing responsive customer service to address issues and opportunities to create economic vibrancy;
- Working with the OneRedmond organization, local businesses, developers, and other partners to retain, grow, and attract businesses by strategizing, conducting research and proactively supporting business development opportunities through networking, outreach and an efficient regulatory system;
- Promoting Redmond's brand and image as a leader in the local, regional and national business arenas;
- Implementing innovative and entrepreneurial programs and partnerships like the Innovation Partnership Zone for Interactive Media and Digital Arts that support the growth of Redmond's business clusters; and
- Encouraging people to locate to Redmond and supporting tourism and lodging in Redmond through various media that promote the City as an excellent place for visitors, employees and residents to live, work, play, invest and do business.

The Sustainable Economic Development offer includes the management of the Business License program which oversees the administration of 6,000 licenses annually and works with the business community by providing support and guidance to navigate the City's licensing/permitting processes and the State's many regulatory agencies as 88% of Redmond businesses have ten or fewer employees.

In addition, this offer includes investing in OneRedmond and the Economic Development Council of Seattle and King County (EDC) as key organizations to seek and attract new businesses, as well as support Redmond operating the *ExperienceRedmond* website using the lodging tax fund to promote tourism and award tourism grants to partners who attract visitors through events and activities and promoting Redmond businesses and community engagement through the "*thinkRedmond* buy local" program.

All activities funded by this offer directly support the retention, expansion and attraction of businesses, promoting employment growth in key business clusters, including technology, aerospace, tourism and retail sales, which in turn contribute to the community's economic vitality.

Why: By nurturing a positive business environment, including identifying key factors for success in our local business community; supporting an educated and engaged talent pool; and promoting Redmond as a positive place to do business, live, work, invest and play, we foster a positive economic climate that supports growth in the diversity and range of businesses that serve our citizen, visitor and daytime populations. Investments into partnerships like OneRedmond and the EDC provide access to the stream of prospective businesses seeking to locate or expand in Redmond. Over the past biennium, these organizations have helped bring several technology and aerospace companies to our community, along with assisting in expansion plans. For every higher wage primary job in targeted industry clusters that Redmond retains and attracts, four to six additional jobs are created. These secondary jobs range from industry suppliers, services and restaurants to arts, cultural and entertainment options. Collectively, people and businesses bolster demand for real estate, goods and services, increasing both property and retail tax revenues that in turn support investments necessary to

Id: PLN2823

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2823

Type of Offer: OFFER - ONGOING

SUSTAINABLE ECONOMIC DEVELOPMENT

realize the City's community vision. Efficient regulation and City business processes help reduce the amount of time (which equates to real dollars) developers and businesses need to spend to do business in the City.

Who: Current and prospective businesses, developers, property owners/managers, visitors, employees and residents are supported through: 1) efficient regulatory processes; 2) programs, initiatives and partnerships that focus on maintaining existing and attracting new businesses to Redmond and support reinvestment in the community; and 3) programs that foster Redmond's image and brand as a quality community in which to invest both financial and personal capital.

Results:

Baseline:

Promote Redmond as a positive place to do business and enhance relationships between the business community and the City:

- by providing efficient business licensing to ensure compliance with City codes at the outset of business operations so that businesses will not invest capital resources in a building or location that is not right for their type of business and minimizes the risks of fire and other safety hazards.
- by working proactively to foster positive working relationships between the City and the business community to work collaboratively to evaluate, identify options and refine City regulatory and procedural systems that may be hindering our efforts to achieve Redmond's economic vision.

Leverage opportunities to support business vitality:

- by engaging in local, regional and state economic development partnerships, including collaborating with other jurisdictions, OneRedmond, the Economic Development Council of Seattle and King County, and the Washington State Department of Commerce through initiatives like the Innovation Partnership Zone for Interactive Media and Digital Arts, King County Aerospace Alliance, Washington Tech Cities Coalition and other shared initiatives.
- by working with OneRedmond and its business community investors to help attract, retain, and support creation of a diversity of both large and small businesses that reflect our community character; obtain economic development assistance, guidance, and facilitation in identifying and creating opportunities to help companies locate and grow in Redmond; and supporting opportunities to collaborate on policy, processes, infrastructure and program enhancements that support easy and effective access to businesses.
- by promoting Redmond businesses and encouraging residents, employees and out-of-area visitors to patronize Redmond businesses through a branded website that includes a free online business directory and focused promotions.

Reinforce a positive city image and identity:

- by producing printed materials to support business outreach and marketing efforts, and serve as a tool to reinforce the City's image and identity with respect to our sophistication and status in the region and nation.
 - by providing coordinated and integrated web-based information about Redmond as an attractive place to locate and do business with a diverse, well-educated community with a well-established labor pool and a variety of places to eat, play, shop, stay and live.
-

Id: PLN2823

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT
Type of Offer: OFFER - ONGOING

Id: PLN2823

SUSTAINABLE ECONOMIC DEVELOPMENT

Above Baseline: A 5% budget increase (\$97,000) would provide two economic development strategies: 1) \$50,000 for a district-scale infrastructure financing strategy that includes a sensitivity analysis on the economics of redevelopment, identifying overall private sector economic drivers, outlining public funding capacity, identifying the gap and strategies to bridge the gap, and recommending a preferred approach; and 2) \$47,000 to evaluate economic impacts of City fee structures on economic activity in the City, along with recommendations.

Below Baseline: A 5% budget reduction (\$97,000) means decreasing the City's presence in a way that Redmond will be less likely to be perceived as a place to locate new businesses and the City will have reduced access to information about economic development opportunities. The reduction is allocated as follows: 1) \$32,000-eliminate membership in the Economic Development Council of Seattle and King County, resulting in reduced regional presence; 2) \$7,000-reduce the investor contribution amount to OneRedmond, resulting in less economic development presence locally which in turn would negatively impact business attraction, recruitment and retention; 3) \$20,000-scale back the *thinkRedmond* program and associated reinvestments back into the community; 4) \$12,000-consolidate *thinkRedmond* and *ExperienceRedmond* functionality into a single website, in turn diminishing the connection to specific audiences (buy local messaging directed toward local businesses, residents and welcome to Redmond sites, attractions, lodging opportunities and neighboring amenities focused on visitors to Redmond); and 5) \$26,000-reduce the temporary employee services for the Business License program, which would increase turnaround time and impact the timeliness and receipt of business tax revenues, as well as reduce business tax revenues.

While each offer proposed by the Planning Department identifies specific 5% reductions to its baseline, Planning departmental management recommends reductions across the Department that would better preserve the ability of the Department to provide core services. While any reduction impedes the Department's ability to provide expected services, these reductions in their prioritized order would reduce the impact to core services within the Department over the individual offers' proposed reductions. In order to meet the 5% overall reduction, \$1.38 million is needed. It is recommended that should reductions be required that they be taken from the following prioritized list (first to last): elimination of the departmental Business Operations Manager position in July 2015 (\$190,382), reductions in professional services/supplemental support/training/memberships (\$364,476), reductions to Transportation Demand Management (TDM) programs (\$355,962), reductions to the Human Services Fund (\$109,000), shift funding of development services staff to the Capital Investment Program (CIP) projects (\$220,871), reduction to Community Planning staff (\$32,000) and additional reductions to the Human Services Fund (\$109,000).

Prelim Changes:

Recommended decreases to the offer include:

- Reduce professional services and miscellaneous by \$68,848
 - Eliminate Business Operations Manager position beginning 7/1/2015 for a biennial total of \$38,077 (0.20 of FTE in this offer)
-

Id: PLN2823

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2823

Type of Offer: OFFER - ONGOING

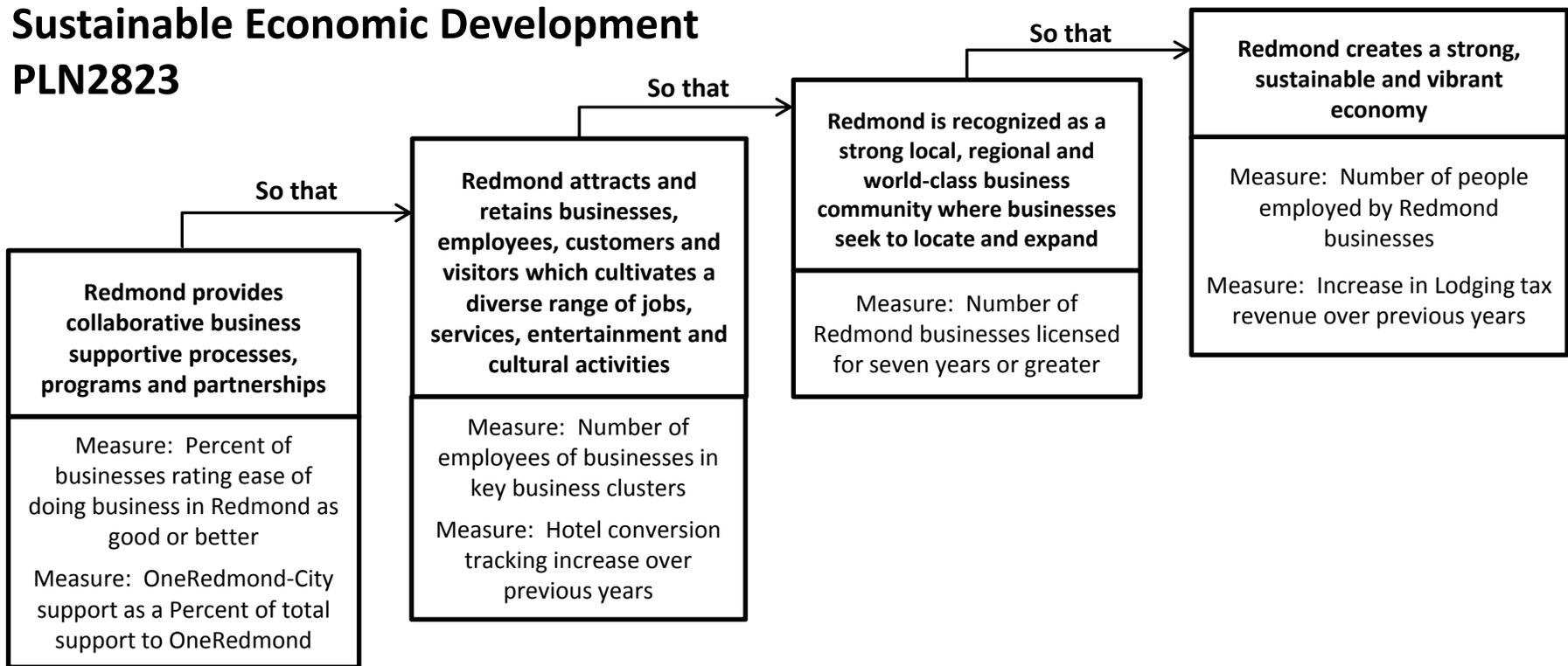
SUSTAINABLE ECONOMIC DEVELOPMENT

Budget Offer Summary:

Expenditure Summary

	2015	2016	Total
Ongoing-Sal/Ben	\$322,171	\$341,389	\$663,560
Ongoing-Others	\$580,064	\$580,070	\$1,160,134
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$902,235</u>	<u>\$921,459</u>	<u>\$1,823,694</u>
FTEs	3.050	3.050	

Sustainable Economic Development PLN2823



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Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
Percent of businesses rating ease of doing business in Redmond good or better	N/A	N/A	N/A	80.0%	80.0%	80.0%
City support as percent of total support to OneRedmond	N/A	N/A	N/A	15.0%	15.0%	15.0%
Number of employees of businesses in key business clusters	50,077	51,217	N/A	55,000+	55,000+	55,000+
Hotel conversion tracking on tourism website (increase over previous year)	19.7%	40.5%	39.9%	30.0%	30.0%	30.0%
Number of Redmond businesses licensed for seven years or greater	1,445	1,458	1,460	Yr over Yr Incr	Yr over Yr Incr	Yr over Yr Incr
Number of people employed by Redmond businesses	78,893	77,615	N/A	Yr over Yr Incr	Yr over Yr Incr	Yr over Yr Incr
Increase in Lodging Tax Revenue over previous year (equal to number heads in beds)	13.6%	8.0%	2.0%	5.0%	5.0%	5.0%

NOTE: The 2013 data reflected as N/A is due to the Puget Sound Regional Council (PSRC) report that provides this data is not yet available. The table will be updated once the information is available.

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT
Type of Offer: OFFER - ONGOING

Id: PLN2824

BUSINESS ACCESS AND MOBILITY

Description:

What: The Economic Development and Transportation Demand Management (ED-TDM) Divisions of the Planning Department work together with Redmond companies and the community to support and promote Redmond businesses and create access for customers, employees and freight. Business access and mobility provides resources and incentives that give employees and residents options for getting to/from work; helps customers access businesses and find parking; assists employers with employee benefits, parking inventory and availability, and managing their Commute Trip Reduction (CTR) and Transportation Management Program (TMP) state and local legal obligations, which are goals of the City's Transportation Master Plan. The programs included in this offer are business supportive, as well as economically and environmentally friendly. These programs support the City's vision for development of two urban centers and a healthy economic climate.

The ED-TDM offer outlines the outcomes associated with the following programs:

- Citywide Redmond Trip Resource and Incentive Program (R-TRIP) - Redmond's unique trip reduction program provides employees and residents resources and incentives in support of choosing options to driving alone. R-TRIP provides grant funding to employers to assist with employer commute programs and is a dynamic resource in support of their CTR/TMP goals.
- State Commute Trip Reduction Law (Revised Code of Washington [RCW] 70.94.521) - Employers in Washington State with more than 100 employees are required by law to have programs in place that encourage employees to reduce driving alone. In 1993, the City of Redmond adopted the CTR Law (Chapter 5.65 - Commute Trip Reduction Plan) in the Municipal Code. This offer includes the staff to facilitate the CTR compliance for Redmond's large employers. CTR expenses are reimbursed to the City by the State.
- Redmond's Transportation Management Programs - A portion of buildings and business parks in Redmond have TMPs issued by the City. The TMP objective is to reduce the level of traffic generation by the site and manage the access to and availability of parking for residents, employees, customers and visitors to the site. City of Redmond Zoning Code 21.52.020 contains specific requirements pertaining to maintenance of a TMP. This offer includes staff to facilitate evaluating and implementing TMPs, as well as monitoring TMP compliance.
- Downtown on-street and off-street parking program - Approximately 500 on-street parking spaces and 92 off-street parking spaces are monitored in downtown to maintain parking availability for customers of downtown Redmond businesses.
- City of Redmond's employee transportation program - The City's employee Commuter Assistance Office provides commute alternative resources and incentives to City employees and ensures the City's compliance with both state CTR law and local TMP requirements.

Why: As employment and population growth continues, maintaining and increasing access to businesses is critical. Transportation choices and parking accessibility for Redmond employees, residents and customers greatly affect our community's traffic congestion air quality, and businesses' vitality. Forecasted reductions in King County Metro transit service will drive an increase in demand for resources and incentives that support alternative commuting. There is simply not enough parking inventory or road capacity to accommodate the number of people who travel to Redmond each day. By reducing the number of single occupant vehicles and by managing the City's parking resources, we maximize the flow of people and create essential access to businesses, which limits the need for more built infrastructure.

Id: PLN2824

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BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT
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BUSINESS ACCESS AND MOBILITY

Who: Redmond businesses, developers and property managers are supported through: 1) partnerships with the business community that reinforce the good business reasons for encouraging commute options, such as maximizing parking resources, creating access for freight delivery, providing employee benefits; 2) R-TRIP incentives which reinvest resources back into the local economy by using *Think Redmond/buy local*-branded commute rewards; 3) programs and parking resources encourage consumers to bike, walk or park once to visit multiple businesses; and 4) recognizing and incenting businesses to support the community's land use, economic and transportation vision as defined in the Comprehensive Plan. **Redmond commuters and residents** can access one-stop service to learn about and obtain resources that support alternatives to driving alone, as well as easy tools and discounts to use local businesses. Collectively, these individuals in our community have reduced 769,000 trips over the last twelve months, reducing nearly 14 million pounds of CO₂ and eliminating about 15 million miles driven on our streets. **Customers and businesses** are provided with accessible, proximate and efficient on-street and off-street parking solutions that enhance access to businesses.

Results:

Baseline:

Create efficient and effective access to businesses that integrate mobility, infrastructure and parking:

- by managing the City's on-street and off-street parking resources. With easy access to commerce, Downtown Redmond becomes a more positive and convenient place to do business, which supports the vitality of current downtown establishments and helps attract additional businesses in the future; and
- by reducing the number of vehicles traveling during peak commute hours, which will increase mobility. By the end of this biennium, more than 40,000 commuters are forecasted to have utilized the incentives and resources available through the R-TRIP program since inception. This is equal to reducing two highway lanes of traffic during peak hours. Over the lifetime of the program which began in May 2008, R-TRIP has eliminated 98 million pounds of carbon dioxide (CO₂) and 12 million gallons of gas.

Leverage opportunities to support business vitality:

- by utilizing regional, state and federal grant matching opportunities designed to support more efficient and focused development of urban centers, through coordination of economic development activities, transportation planning and implementation, and management of travel demand and parking;
 - through R-TRIP grants which provide seed funding for innovative new or enhanced employer commute option programs (i.e., transit passes, vanpool subsidies, commuter incentives and bike racks). This resource reinforces Redmond as a positive place to do business and provides collaborative support towards more efficient use of transportation resources. Moreover, it provides a business-supportive way for businesses to ensure compliance with both state and local commute reduction laws;
 - by managing our on-street and off-street parking resources and creating a market for shared parking assets. This will increase the number of visitors with access to downtown restaurants, retail and other businesses (studies show average turnover per space is four times per day), which will positively impact the revenue to these businesses (studies show an average of \$20 per visitor) and in return, the sales tax collected; and
 - by managing the City's resources so that we can maximize the development within limited infrastructure.
-

Id: PLN2824

BUDGETING BY PRIORITIES

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BUSINESS ACCESS AND MOBILITY

Enhance the City's image and identity:

- by serving as a local, regional, state and national leader in commute reduction efforts. R-TRIP and the subsidies, grants and incentives associated are unique to Redmond and are helpful leverage in recruiting and retaining businesses; and
- by showcasing the walkability, transit services and amenities of our urban centers. A pedestrian- and bicyclist-friendly environment has direct economic advantages for merchants. Studies have shown that a 10% increase in walkability was associated with a 9% increase in market value and that a 19% increase in walkability was associated with an 80% increase in retail sales. Redmond is a progressive city whose residents, employees and businesses celebrate mobility choices and enjoy an active, outdoor lifestyle that are key to attracting and retaining employers and consumers. Redmond's downtown has a Walk Score of 95/100 and is rated the third best Transit Score in Washington State.

STAFFING NOTE: There are three limited term (LTD) positions included in this offer which staff the programs at the baseline level. It is our hope to convert the status of the positions to full-time equivalent (FTE) employees and there would be no additional cost for these positions to do so. One position is currently vacant and the contracts for the other two staff will expire within the 2015-2016 biennium and need to be renewed to maintain this baseline offer. The "new expenditure" that you see in this offer covers the renewal of these contracts. This is simply renewing the same level of staffing for the baseline offer.

Above Baseline: A 5% increase in funding (\$150,667) would equate to support the addition of a community shuttle (potentially using one-two vans) to supplement transit service by providing matching funds to Metro.

Below Baseline: A 5% reduction in funding (\$150,667):

- \$50,000 per year would eliminate the community trip challenge which reinvests \$50,000 back into our community; and
- \$25,333 per year would reduce R-TRIP's transit subsidy from a three-month to a one-month starter One Regional Card for All (ORCA) card.

The reductions would negatively impact the area's traffic and access to business, and would ultimately cost the City substantially more to increase the built infrastructure needed to support the vehicles. Based on past data, this would result in reducing the equivalent of .10 freeway lane of vehicle capacity during peak hours.

While each offer proposed by the Planning Department identifies specific 5% reductions to its baseline, Planning departmental management recommends reductions across the Department that would better preserve the ability of the Department to provide core services. While any reduction impedes the Department's ability to provide expected services, these reductions in their prioritized order would reduce the impact to core services within the Department over the individual offers' proposed reductions. In order to meet the 5% overall reduction, \$1.38 million is needed. It is recommended that should reductions be required that they be taken from the following prioritized list (first to last): elimination of the departmental Business Operations Manager position in July 2015 (\$190,382), reductions in professional services/supplemental support/training/memberships (\$364,476), reductions to Transportation Demand Management (TDM) programs (\$355,962), reductions to the Human Services Fund (\$109,000), shift funding of development services staff to the Capital Investment Program (CIP) projects (\$220,871), reduction to Community Planning staff (\$32,000) and additional reductions to the Human Services Fund (\$109,000).

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BUDGET OFFER
BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT
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BUSINESS ACCESS AND MOBILITY

Prelim Changes:

Recommended changes to the offer include:

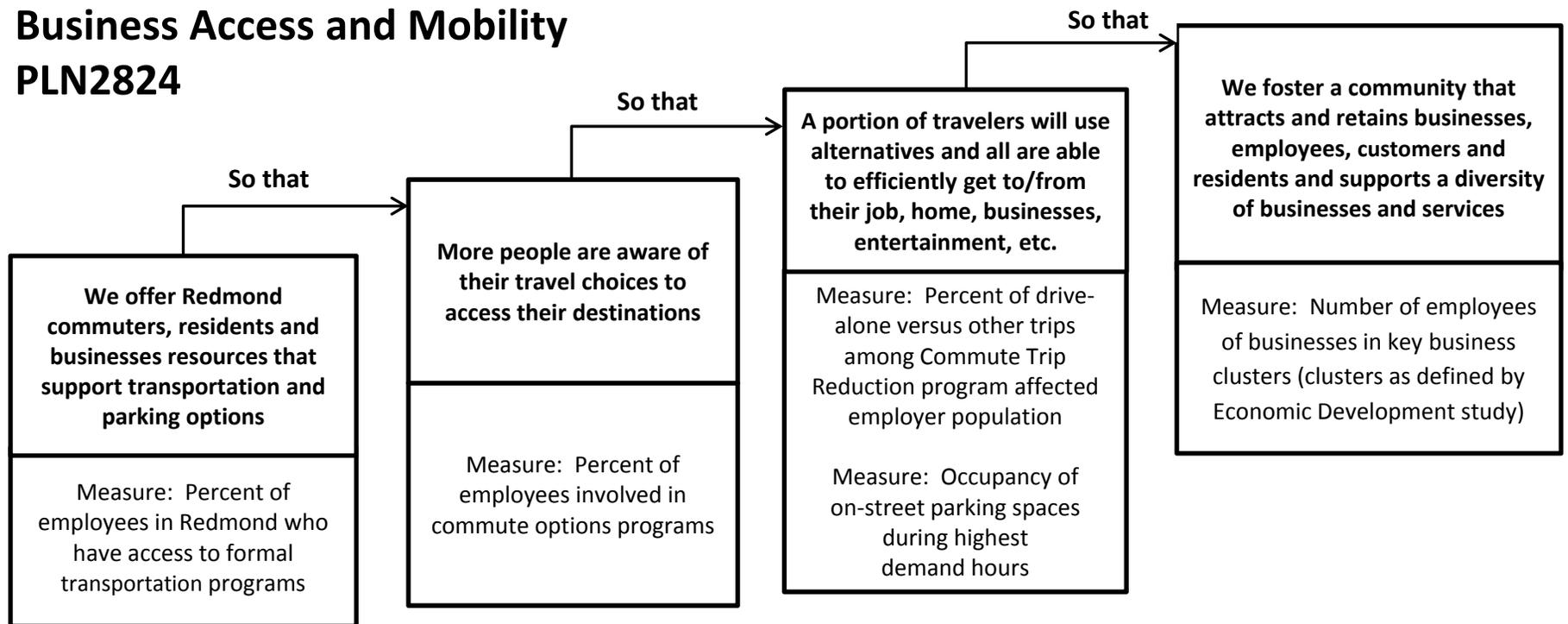
- Add Community Shuttle Program for \$125,000
- Convert limited duration Administrative Specialist to regular FTE for a biennial total of \$160,361
- Convert limited duration Program Coordinator to regular FTE for a biennial total of \$182,782
- Convert limited duration Program Coordinator to regular FTE for a biennial total of \$199,252
- Move General Fund portion (50% or \$91,391) of Program Coordinator to Operating Grants Fund
- Eliminate Business Operations Manager position beginning 7/1/2015 for a biennial total of \$9,518 (0.05 of FTE in this offer)

Budget Offer Summary:

Expenditure Summary

	2015	2016	Total
Ongoing-Sal/Ben	\$635,520	\$662,821	\$1,298,341
Ongoing-Others	\$1,151,499	\$1,160,476	\$2,311,975
OneTime-Sal/Ben	(\$49,813)	\$0	(\$49,813)
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$1,737,206</u>	<u>\$1,823,297</u>	<u>\$3,560,503</u>
FTEs	6.100	6.100	

Business Access and Mobility PLN2824



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Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
Percent of employees in Redmond who have access to formal transportation programs	New	New	New	90%	90%	90%
Percent of employees involved in commute options programs	84%	84.1%	91.1%	90%	90%	90%
Percent of drive-alone versus other trips among Commute Trip Reduction program affected employer population	63.1%	Non-survey year	72%	71%	70%	68%
Occupancy of on-street parking spaces during highest demand hours	New	New	New	85%	85%	85%
Number of employees of businesses in key business clusters	50,077	51,217	N/A	55,000+	55,000+	55,000+
NOTE: The 2013 data reflected as N/A is due to the Puget Sound Regional Council (PSRC) report that provides this data is not yet available. The table will be updated once the information is available.						

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT
Type of Offer: OFFER - ONGOING

Id: PLN2825

RESPONSIVE DEVELOPMENT SERVICES

Description:

What: The Development Services Center (DSC) is composed of land use, engineering, building, fire, business licensing and cashiering staff, who assist residents, businesses and the building community with a variety of services, such as responding to property-related questions and reviewing and obtaining permits. DSC enables one-stop service for all aspects of the development process. Currently, the DSC processes 159 different types of permits, each unique and necessary to a specific purpose. In 2013, there were a total of 7,556 entitlement, engineering, building and fire permits. Additionally, permit activity was up 22% in 2013 as compared to 2012. This translates to an increase in construction value of \$291.3 million over the same time period. The value of construction is directly related to an increased tax base and an expanding and stable revenue source to the City. Further, in 2013 the DSC collected \$288,568 more in permit revenue than was estimated in the previous budget. Due to the high volume of permits the DSC processes each year, this offer focuses on the importance of providing a more predictable, transparent and timely permitting process. Within this staff group, a LEAN Team, as directed by the Mayor, has been tasked with improving the efficiency, transparency and predictability of our permitting process by eliminating unnecessary "waste," which results in our customers having a clear understanding of the entire review process. In 2014, staff have begun efforts to create these new processes which will be implemented later this year.

Furthermore, in 2012 cashiering services relocated to the DSC to support our permitting customer needs. In addition, the cashier also provides service for those paying utility bills and other payments to the City, which contributes to our goal of providing a one-stop service. Lastly, in 2013 the Construction Inspection staff was relocated to Development Engineering from Building Inspection, improving the coordination between Planning, Engineering, Fire and Construction for private development projects.

Why: The DSC staff recognize that excellent customer service is an important element in fostering a strong business/government relationship. Providing timely and accurate information along with a predictable permit process leads to a built community that meets the vision of the City and its citizens, as well as promotes the City as a positive place to live and do business, with safely designed and constructed buildings.

Who: Primary DSC customers are the general community as well as the development and business communities. Specifically, these communities include residents, developers, designers, contractors and business owners. DSC staff also serve other internal City divisions and departments including Parks, Long Range Planning, Public Works, Natural Resources and Fire Operations.

Results:

Baseline: In anticipation of the 2015-2016 increase in workload and striving to keep pace with our community's steady growth, the DSC is determined to meet the desired levels of service that are in alignment with our performance measures and what customers have come to expect. These services include meeting desired turnaround times, available counter staff from 8:00 AM to 5:00 PM, answering a variety of code questions, completing comprehensive reviews and issuing permits. Given the continued increases in the rate of permit activity, DSC may not be able to maintain the current performance levels or achieve the performance standards. Should performance levels be compromised during the biennium then additional resources may be requested during the biennium to maintain service levels.

As an example of staffing level changes that have previously occurred, in late 2014 DSC will add three FTEs associated to the Capstone agreement to facilitate the review and permitting of this project. The scope of this project involves the

Id: PLN2825

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT
Type of Offer: OFFER - ONGOING

Id: PLN2825

RESPONSIVE DEVELOPMENT SERVICES

construction of 1.2 million square feet of commercial (retail and a hotel), 1,400 new residential units and a park. During this budget cycle, approximately half this project is expected to be permitted and potentially constructed. Revenue for these employees will be provided under the project development agreement and costs will be totally offset by new permit revenues resulting from the agreement.

Above Baseline: A 5% budget increase (\$558,262) could result in an additional 2.0 to 2.25 FTEs of DSC staff. This would provide an additional 60 to 90 hours of project review time and would allow DSC staff to meet current baseline performance measures. In order to achieve the current performance measures as stated in the logic model, given that the permit activity has increased 22% in 2013 over 2012, this budget increase is necessary to be able to bring DSC closer to achieving our desired performance measures. An increased investment in staff resources allows for additional revenue capacity by reducing a developer's timeline and achieving permits in a timely manner. The trickledown effect of a developer receiving his permits sooner equates to an increase in various other revenue streams that would benefit the City, such as increased sales tax, property tax and business license fees. Additionally, an increased investment in staff resources will allow staff to develop new processes, such as over-the-counter tenant improvement permits and online permit application submittals. These two achievements would greatly improve customer service.

Below Baseline: A 5% budget reduction of \$558,262 is equivalent to approximately 2.0 to 2.25 FTEs from Planning (Building and Development Engineering) and Fire Prevention. Assuming that current permit levels stay steady (22% increase from the previous budget), a reduction of approximately 60 to 90 hours less per week of staff time performing project review would have a significant negative impact on service levels, turnaround times, loss of future property tax, buying power and a reduced sales tax base. The loss of 2.0 to 2.25 FTEs within the four divisions, given the increase in permit activity, actually has a compounded effect of an even greater loss in FTEs. This has a direct correlation with turnaround times and can result in doubling or tripling the time it takes to receive a permit. Such a budget reduction will result in the desired performance measures not being achieved. This would have negative impact to our customers and increase their costs associated with construction loans and extend their project completion dates. Cuts in service would result in less development as businesses would look to surrounding cities for space to lease where tenant improvement permits would be more easily obtained. All of this would decrease permit revenue and could force greater cuts. The adverse impact of a reduction of staff would increase current stress levels on existing staff which would reduce productivity, causing a delay in permit turnaround times and a reduction in customer service levels.

While each offer proposed by the Planning Department identifies specific 5% reductions to its baseline, Planning departmental management recommends reductions across the Department that would better preserve the ability of the Department to provide core services. While any reduction impedes the Department's ability to provide expected services, these reductions in their prioritized order would reduce the impact to core services within the Department over the individual offers' proposed reductions. In order to meet the 5% overall reduction, \$1.38 million is needed. It is recommended that should reductions be required that they be taken from the following prioritized list (first to last): elimination of the departmental Business Operations Manager position in July 2015 (\$190,382), reductions in professional services/supplemental support/training/memberships (\$364,476), reductions to Transportation Demand Management (TDM) programs (\$355,962), reductions to the Human Services Fund (\$109,000), shift funding of development services staff to the Capital Investment Program (CIP) projects (\$220,871), reduction to Community Planning staff (\$32,000) and additional reductions to the Human Services Fund (\$109,000).

Id: PLN2825

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2825

Type of Offer: OFFER - ONGOING

RESPONSIVE DEVELOPMENT SERVICES

Prelim Changes:

Recommended changes to the offer include:

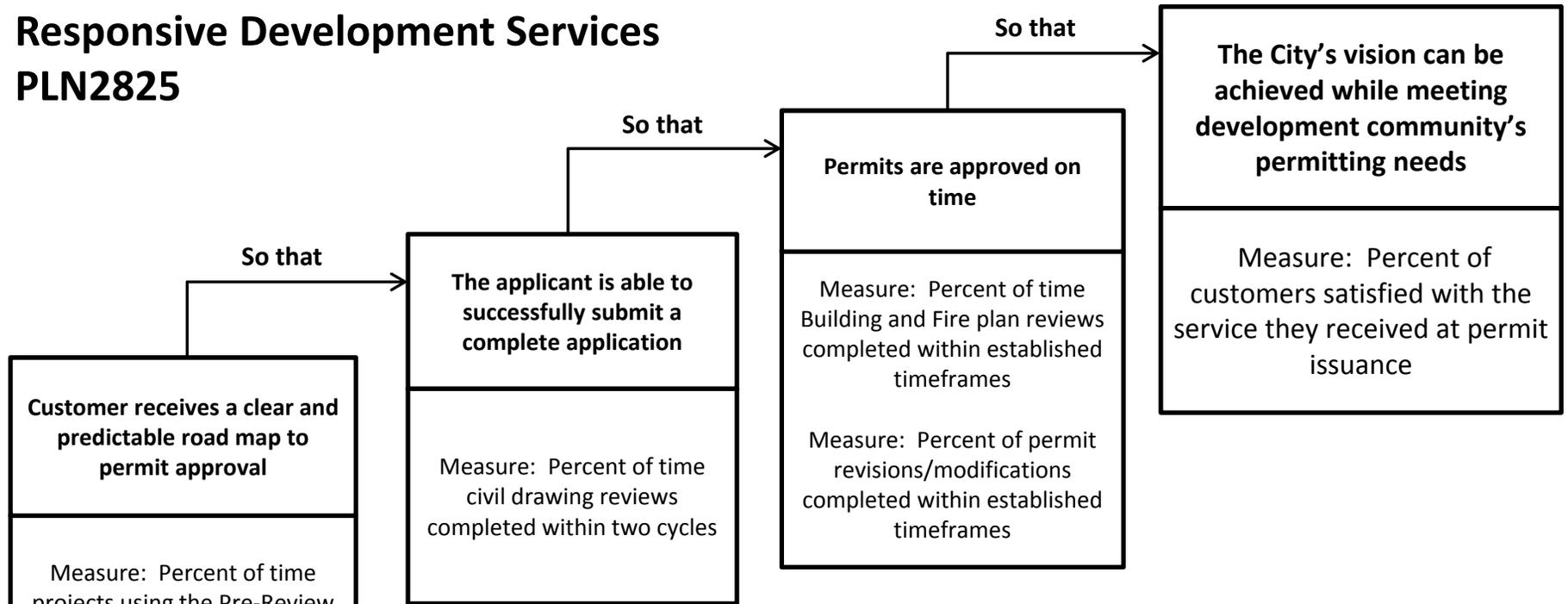
- Reduce professional services, supplies, training and miscellaneous by \$93,471
 - Eliminate new request of \$25,000 for LEAN training
 - Eliminate Business Operations Manager position beginning 7/1/2015 for a biennial total of \$57,115 (0.30 of FTE in this offer)
-

Budget Offer Summary:

Expenditure Summary

	2015	2016	Total
Ongoing-Sal/Ben	\$4,385,686	\$4,571,493	\$8,957,179
Ongoing-Others	\$1,026,371	\$1,031,311	\$2,057,682
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$5,412,057</u>	<u>\$5,602,804</u>	<u>\$11,014,861</u>
FTEs	38.860	38.860	

Responsive Development Services PLN2825



Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
PREP projects will be completed within 90 business days (New Measure)	N/A	N/A	N/A	N/A	90%	90%
Civil drawing reviews will be completed within two review cycles	97%	76%	70%	90%	90%	90%
Building and Fire plan reviews will be completed within established timeframes	N/A	N/A	69%	90%	90%	90%
Permit revisions/modifications will be completed within established timeframes (New Measure)	N/A	N/A	N/A	N/A	90%	90%
Customer is satisfied with the service received (New Measure)	N/A	N/A	N/A	N/A	80%	80%