CITY OF

Seattle, Washington

2013-2018 Proposed Capital Improvement Program

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CITY OF SEATTLE

2013-2018 Proposed
Capital Improvement Program

Mayor Mike McGinn

Seattle City Council

Sally J. Clark, Council President

Sally Bagshaw
Tim Burgess
Richard Conlin
Jean Godden
Bruce Harrell
Nick Licata
Mike O'Brien
Tom Rasmussen

City Budget Office

Beth Goldberg, Director
Hall Walker, Deputy Director

Budget Leads:

Kristi Beattie
Catherine Cornwall
Cameron Keyes
Kieu-Anh King
Michael Ledbetter

Jeannette Blankenship
Calvin Chow
Jennifer Devore
Becky Guerra
Brandon Johns
Jackie Kirn
JoEllen Kuwamoto
Melissa Lawrie
Candice Livingston
Jeff Muhm
Janice Pratt
Greg Shiring
Karl Stickel
Susanna Swanson
Tom Taylor
Linda Taylor-Manning
Julie Tobin
Jessica Wang

Finance and Administrative Services Revenue Team

Dave Hennes, Team Lead

George Emerson
Tom Kirn

City of Seattle

2013-2018 Proposed
Capital Improvement Program

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Reader's Guide to the 2013-2018 Proposed Capital Improvement Program

The City of Seattle's 2013-2018 Proposed Capital Improvement Program (CIP) includes an introduction, departmental sections, appendix, an index, and a glossary. The introduction provides information on the CIP, allocations, funding sources for capital projects, significant initiatives, support for neighborhoods and neighborhood plan projects, and policies guiding the City's capital investments.

Departmental sections comprise the majority of the CIP document, and contain detailed information on approximately 622 individual projects. The following departments have sections in this book: Parks and Recreation, Seattle Center, Seattle Public Library, Seattle Department of Transportation, Seattle City Light, Seattle Public Utilities (divided into four sections: Drainage and Wastewater, Solid Waste, Technology Projects, and Water), Department of Information Technology, and Finance and Administrative Services. The Appendix is comprised of a listing of new or expanded capital facilities, as required by the Growth Management Act.

Reading CIP Project Pages

CIP project pages, located in the departmental sections of the CIP, provide the most detailed information about a project. The project pages contain the following information:

BCL (Budget Control Level): A grouping of similar projects into department-specific programs. Also reflects the level at which expenditures are controlled to meet state budget law provisions.

Project Type: Projects are identified as New Facilities, Improvements to Existing Facilities, or Rehabilitation or Restoration of Existing Facilities. Technology projects, or those that do not fit into the categories above, are identified as New Investments.

Location: Street address, intersection, or general location of a project. If a project has multiple location entries, only one project location entry will be included in the CIP.

Start Date/End Date: Quarter and year a project begins and is expected to finish. Projects that continue from year-to-year are shown as "Ongoing." Projects without a determined start or end date may show as "TBD" or "On Hold."

Project ID: Unique number identifying a project in the City's automated financial management system.

Neighborhood District: The City is divided into 13 neighborhood districts. This field indicates in which (if any) neighborhood district(s), a project is located. Some projects are located in more than one neighborhood district or outside the city, and are so noted.

Neighborhood Plan: If a project supports a neighborhood plan recommendation, the name of the neighborhood plan is indicated. Some projects are in more than one neighborhood plan, or not in a neighborhood plan. The City's 38 adopted neighborhood plans can be viewed online at http://www.seattle.gov/neighborhoods/npi/plans.htm.

Neighborhood Plan Matrix ID: If a project is identified as being a desired activity within a neighborhood plan, the corresponding matrix ID is captured in this field.

Urban Village: This field indicates whether a project is located in an Urban Village, a designated geographic area expected to accommodate future population and job growth, as defined by the Comprehensive Plan's growth management strategy.

Project Description: Information about the purpose, scope, and history of the project.

Revenue Sources: Revenues are all sources of money supporting a particular project such as grants, private donations, Councilmanic debt, Real Estate Excise Taxes, etc. The Revenue Source Table lists the project's revenue sources, life-to-date (LTD) expenditures through 2011; the 2012 revised budget (including 2012 Adopted Budget, carry-forward balances, abandonments, and supplemental appropriations); proposed 2013 and 2014 appropriations; and estimated appropriation requests for 2015-2018. "TBD" indicates that revenue sources are to be determined.

Fund Appropriations/Allocations: This table lists the appropriating funds, which are those funds (with Summit codes) through which the department has legal appropriation authority, and dollar information by year. Note that this level of detail on the project pages is for information only. Funds are appropriated in the 2013 Adopted Budget at the Budget Control Level.

O&M Costs (Savings): Estimate of significant increases or decreases in operations and maintenance costs as a result of a capital project. "N/C" denotes that operations and maintenance costs are not calculated.

Spending Plan: This field is shown when spending differs from appropriation or allocation for a given year. This is displayed for a limited number of projects in this document.

Background

The City of Seattle owns and operates a variety of physical assets, ranging from community parks, roadways, bridges, office buildings, libraries, open space, fire stations, maintenance yards, facilities at Seattle Center, and more. These assets must be properly maintained in order to ensure they are safe, lasting, and provide a welcoming and usable space to serve the various purposes for which they are intended. The City's utility infrastructure is also included in the Capital Improvement Program (CIP), including electric, solid waste, water and wastewater utility assets. The City's capital facilities serve to support City operations, direct public services and programs, and in some cases provide direct public benefits themselves.

Every year during the annual budget process, the City adopts a six-year Capital Improvement Program (CIP) which outlines anticipated investments over that timeframe. The 2013-2018 Proposed CIP totals $5.0 billion over six years, with $764 million of that amount anticipated to be spent in 2013.

Capital Planning Policies

The City historically has based capital planning efforts on a set of criteria that help set priorities among potential capital programs. Resolution 31203, adopted in June 2010, is the most recent update and set out the following policies to guide the City's capital spending:

- Preserve and maintain existing capital assets
- Support the goals of the City's plans
- Support economic development
- Consider external funding possibilities
- Consider revenue-generating possibilities
- Seek regional funding for regional projects
- Pursue cost-saving commitments
- Pursue conservation and sustainability investments

Additional specific considerations include:

- Compliance with regulatory requirements
- Coordination between departments and with other jurisdictions
- Public safety and health

Although departments on an individual basis do a thoughtful job of prioritizing their capital needs, it can be difficult to compare or prioritize needs across departments or to integrate department priorities with Citywide goals. The City Budget Office (CBO), in conjunction with the Mayor's Office, is undertaking a process to provide more clarity and transparency to CIP budget decisions. One outcome of this process is the development of CIP white papers for each department. These white papers describe department-specific funding priorities, funding challenges, and decision-making tools. The ultimate goal is to clearly communicate to all stakeholders about what CIP projects are funded and how and why the mix of projects was selected.

Summary information from these white papers is contained in the narrative sections for each department in this 2013-2018 Proposed CIP. Full versions of the department white papers can be found on the City Budget Office website: http://www.seattle.gov/financedepartment/

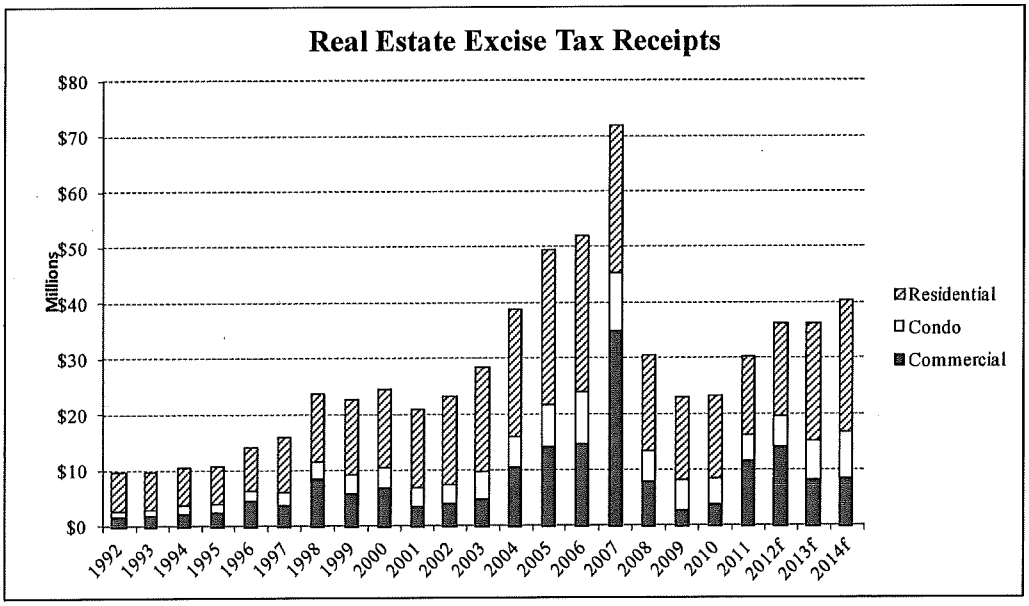
Capital Program Funding and Recent Challenges

Like all large municipalities, Seattle relies on a variety of sources to pay for capital projects. These include locally-generated revenues (taxes, fees, voter-approved levies, and user charges), intergovernmental revenues (including state and federal grants), and debt issuance. Unlike pay-as-you-go sources of funding, the issuance of debt requires revenues in future years to repay the principal and interest expenses. These traditional sources continue to provide the majority of funds for capital facility investments. Utility projects (Seattle City Light and Seattle Public Utilities) are funded by revenues from utility rates. The utilities also issue debt to finance a portion of their capital projects. The City's level of capital investment is based on the mix and level of financial resources available to the City.

Funding for City general government capital needs is limited and has been further hampered by the recent Great Recession. Regular funding of the City's general government capital program is highly dependent on revenue from real estate excise taxes (REET), transportation-specific taxes, and in some cases relies on General Fund support, as well. REET is a volatile revenue source that tracks closely to local economic activity. As shown in the graph below, REET revenues rose sharply in 2004-2007 during the economic expansion, but plummeted in 2008 and 2009 as activity fell off. While projections for future years anticipate REET revenues to resume growing, large and sudden fluctuations in this revenue source make it difficult to rely upon for ongoing capital needs.

For this reason, the City maintains a reserve of REET funds to help offset fluctuations in revenue. The City dipped into this reserve in 2010, but is rebuilding the reserve over time in order to deal with future unexpected downturns in revenue. Through careful management of capital spending since 2010, current projections anticipate that target reserve levels for REET of $10 million will be achieved in 2014. This level of REET reserve has not been achieved since 2008 and is critical to ensure the City has sufficient funding to maintain core asset preservation work in the event of a future economic downturn.

Real Estate Excise Tax Revenue



The City's General Fund also has experienced significant strain in recent years, and while moderated for the coming 2013-2014 biennium relative to previous years, following several years of reductions and given emerging issues, General Fund fiscal strain is likely to continue into future years. Use of General

Fund for capital programs results in fewer dollars available for direct services or programs; however, successfully functioning capital facilities are essential to enable provision of services using those facilities. For additional detail on General Fund challenges, please see the 2013-2014 Proposed Budget Overview online here: http://www.seattle.gov/financedepartment/13proposedbudget/default.htm

As described above, the City also relies on other funding sources for its capital program, including locally-generated revenues (taxes, fees, voter-approved levies, and user charges) and intergovernmental revenues (including state and federal grants). Reliance on councilmanic or voter approved debt is another common financing tool, although those obligations must be repaid from the same set of limited resources including REET and General Fund revenues.

Given the volatility of REET revenues, the City has prudent financial policies that limit the use of REET primarily to support cash spending on capital projects in lieu of supporting fixed debt service payments. Under current policy, any REET supporting newly issued debt can only be used in relation to the City's Fire Facilities and Emergency Response Levy (2003). The 2013-2018 Proposed CIP continues this policy, ensuring sufficient flexibility with REET commitments to respond to changing revenue patterns over time.

Seattle's Recent History – Major Voter-Approved Capital Projects

In addition to reliance upon general tax sources, Seattle has undertaken a number of major capital projects during the last two decades using voter-approved funds and Councilmanic (non-voted) debt. Voter-approved projects include improvements to Seattle Center and construction of new or expanded community centers and parks, new or remodeled downtown and branch libraries, new or remodeled fire facilities, parks improvements, funding for low income housing, and funding through the families and education levy. Councilmanic debt has been used to address the City's downtown office space requirements, including purchase of Key Tower, an office tower housing many City employees, in 1996 and purchase of Park 90/5, a complex of office and warehouse buildings used to house Police support facilities and some other City functions. In 2002, the City completed a Justice Center to house Police administration and the Municipal Court. City Hall opened in 2003. The most recent capital project levies are:

- The 1998 Libraries for All Levy – a 30 year, $196 million dollar voted bond measure that built a new Central Library, four new branch libraries and renovated or replaced 22 branch libraries.
- The 1999 Community Centers and Seattle Center Levy – an eight year, $72 million levy which renovated and expanded community centers as well as renovations to Seattle Center.
- The 2003 Fire Facilities and Emergency Response Levy – a nine year, $167 million levy which upgrades or replaces the City's 33 fire stations and renovates the Chief Seattle fireboat, and built a new Emergency Operations Center and a new Joint Training Facility.
- The 2006 Bridging the Gap Levy – a nine year, $365 million levy for transportation maintenance and improvements.
- The 2008 Parks and Green Spaces Levy – a six year, $146 million levy to acquire, develop, or restore, existing or new, parks, recreation facilities, cultural facilities, green spaces, playfields, trails, community gardens, and shoreline areas.

Funding Dynamics for Significant Future Capital Projects

Given general resource funding challenges, it will be necessary for the City to continue to rely on voter-approved funding packages to complete major capital projects and to secure needed funding for basic asset preservation. The City has identified several major capital projects for which funding has not previously been identified and also identified a gap between City policies on asset preservation spending and available resources for this purpose. Given funding constraints, not every project can be supported. But priority projects have been identified. In order to fund these projects and raise asset preservation funding levels to at least minimum target levels, additional voter-approved levy authority will be required in addition to support from the City's general tax authority.

Central Seawall

The Central Seawall remains a critical public safety project in need of full funding. The November 2012 election will include a ballot measure for voters to consider that would authorize an excess bond levy to provide full funding for this project. Once approved by voters, this $290 million 30-year excess levy will complete funding necessary to construct Phase 1 the Elliott Bay Seawall Project (from Washington Street to Virginia Street), and would fund reconstruction of one of the public piers (Pier 62/63 and Waterfront Park).

Transit

The Transit Master Plan (TMP) was completed in the fall of 2011. The TMP provides strategic guidance for the City on how best to connect neighborhoods, businesses and people in Seattle. It maps out where investments in more environmentally sustainable modes of transportation can improve mobility and access for all users of the transportation system. The City must embrace the recommendations of the TMP and must find the means to turn those recommendations into action.

The 2013-2018 Proposed CIP adds $3.5 million in funding over previously planned 2013 and 2014 spending levels to allow for additional planning related to high capacity transit in the five priority corridors identified in the TMP. This will ensure that the City continues to refine plans and move towards implementation of the TMP. In addition, $2.5 million is set aside in 2014 in a Transit Master Plan Investment Reserve to provide local matching funds to continue the next phase of work on each of these corridors, which will focus on design, engineering and environmental review. In total, the 2013-2018 Proposed CIP includes $16.5 million over the coming two years for transit related projects, not including the First Hill Streetcar, which is funded by Sound Transit.

Funding provided in the 2013-2018 Proposed CIP is critical to advance transit planning in Seattle. This will enable the City to be more competitive in seeking grant funding for these projects in addition to improved coordination with other regional transportation agencies. Improving our regional high capacity transit system is also critical for our local economy to remain competitive and to protect our regional natural resources.

The Citizens' Transportation Advisory Committee (CTAC III) delivered their recommendation in summer 2011 to the mayor and council and agreed that additional investments in our transportation system were prudent and that the time for action is now. While voters did not approve the package in November 2011, this important dialogue continues about how the City can make progress towards an equitable and sustainable transportation system.

Public Safety Facilities

Several public safety facilities are in need of replacement. Fire Station 5 on Alaskan Way, Fire Station 22 on East Roanoke Street, the Police Harbor Patrol facility on Lake Union and the Police North Precinct on College Way North all are in need of replacement. The Seawall funding package that will go before voters in November 2012 would also provide a portion of the resources required for the repair of Piers 62 and 63, but additional funding is also required to complete these projects.

The 2013-2018 Proposed CIP includes General Fund-supported debt to begin due diligence work and land acquisition for a new Police North Precinct facility from which the Seattle Police Department serves the north end of the city. While General Fund resources are currently identified to support initial phases of the project, future phases will require additional funding from sources not yet determined.

Parks Asset Preservation

The 2013-2018 Proposed CIP includes funding for major Parks capital projects, including continuation of the renovation of Building 30 at Magnuson Park and increases to Seattle's Urban Forestry program. Approximately $18 million will also be spent on a variety of capital maintenance projects in the parks system in 2013 alone. This much-needed injection of resources into basic asset preservation will increase the life and usability of these facilities. In order to avoid the degradation of other community parks facilities, investments need to be maintained and increased in basic asset preservation.

Funding for asset preservation of the City's park system is below target levels and current revenue projections indicate this is unlikely to change over the next decade. The City therefore anticipates the need for renewal of the 2008 Parks Levy with an emphasis on providing needed resources to maintain these valuable public assets. The existing 2008 Parks Levy expires at the end of 2014.

Future Strategic Planning Required

Investments are needed in the City's maintenance shops and only slow progress is currently being made on implementation of the Seattle Center Master Plan. Funding does not exist yet to support replacement of the Magnolia Bridge. While the near-term need for construction of a city jail has been avoided, a longer-term approach should be developed in the context of planning for capital expenditures across all of the areas mentioned. The City must also begin to consider how to address basic transportation funding declines when the Bridging the Gap levy ends in 2015.

2013-2018 Proposed Capital Improvement Program Summary

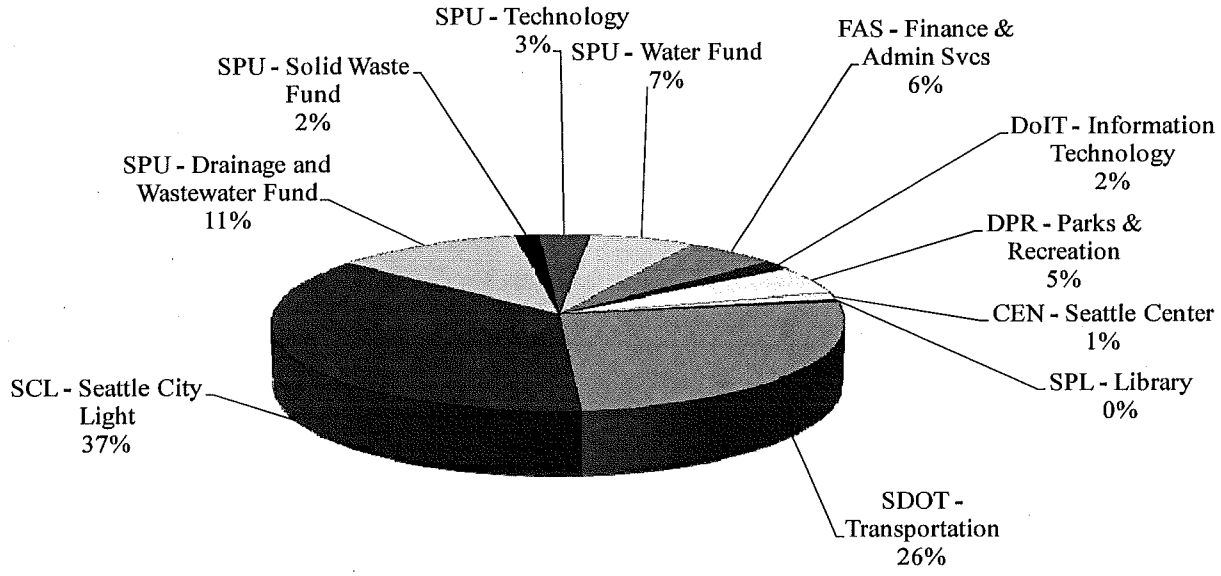
The 2013-2018 Proposed CIP totals about $5.0 billion for six years and includes approximately 622 individual projects. About $2.9 billion of the six-year total, or 59%, consists of utility projects that are managed by Seattle City Light (SCL) and Seattle Public Utilities (SPU), and mostly are funded by utility rates. Approximately $1.5 billion (31%) is in Seattle Department of Transportation (SDOT) over the six-year period. The remaining departments (Parks and Recreation, Finance and Administrative Services, Seattle Center, Seattle Public Library, and Department of Information Technology) account for approximately $536 million, or 10% of the six-year CIP. Summaries of spending plans by department and details of individual project spending in the 2013-2018 Proposed CIP are contained in each department section. For informational purposes only, the table on the next page shows the total 2013-2018 allocations by department and the accompanying pie chart displays the allocations for 2013 only.

2013-2018 Proposed CIP by Department (dollars in thousands)

Department	2012 Adopted[1]	2013 Proposed	2014 Proposed	2015-18 Total	2013-18 Total
Finance and Administrative Services	28,069	44,136	46,451	138,691	229,278
Information Technology	7,906	12,509	44,292	46,259	103,060
Parks and Recreation	52,283	40,572	24,936	70,783	136,291
Seattle Center	3,878	8,980	5,151	32,135	46,266
Seattle Public Library	1,783	3,425	3,556	13,713	20,694
Seattle Transportation	188,094	200,154	265,477	1,060,035	1,525,667
Subtotal	282,553	309,777	389,863	1,361,617	2,061,256
City-owned Utilities					
Seattle City Light	260,670	282,734	299,221	1,303,452	1,885,407
SPU - Drainage & Wastewater	89,022	87,250	93,760	307,921	488,931
SPU - Solid Waste	16,778	11,148	34,479	89,119	134,746
SPU - Technology Projects	11,838	23,667	21,101	52,553	97,321
SPU – Water	50,149	49,803	58,881	223,150	331,834
Subtotal	428,457	454,602	507,441	1,976,196	2,938,239
City Total	711,009	764,379	897,304	3,337,812	4,999,495

Notes:
1. 2012 Adopted totals are based on the 2012-2017 Adopted CIP.
2. Not all funds above are appropriated; see the 2013 Adopted Budget for a list of capital appropriations by department.

2013 Proposed CIP by Department - $ 764 Million

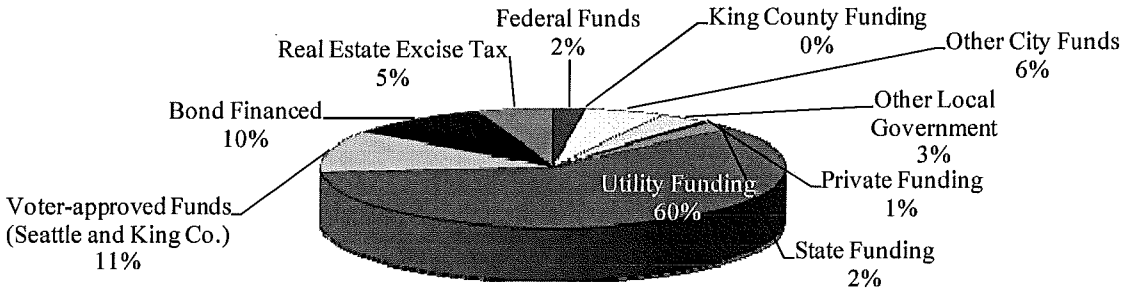


2013-2018 Proposed CIP Revenues

The table below identifies funding sources for the 2013-2018 Proposed CIP by Revenue Source Group.

Revenue Source Group (in 1,000s)	**2012 Adopted**	**2013 Proposed**	**2014 Proposed**
Federal Funds	17,613	16,888	20,434
King County Funding	2,687	275	15,455
Other City Funds	27,877	43,287	54,139
Other Local Government	50,212	25,085	26,861
Private Funding	7,701	3,357	3,094
State Funding	29,231	17,576	27,422
Utility Funding	430,969	456,373	511,543
Real Estate Excise Tax	31,365	40,919	31,506
Bond Financed	49,977	75,303	84,827
Voter-approved Funds (Seattle and King Co.)	63,377	85,316	119,203
Grand Total	711,009	764,379	897,304

2013 Proposed CIP by Revenue Source - $ 764 Million



Asset Preservation

A 2002 Asset Preservation Study found that, despite achieving targets recommended by the Citizens' Capital Investment Committee in 1994, the City still lagged behind industry-recommended levels of investment in asset preservation. The four general government departments involved in the study (Finance and Administrative Services, Library, Parks and Recreation, and Seattle Center) are responsible for about of 6.9 million square feet of building space, 2.6 million square feet of parking space, and 240 million square feet of grounds (primarily green space) and work yards. These assets have a replacement value of approximately $5 billion. Assuming an annual asset preservation funding target of 1.0% of the replacement value for buildings and 0.5% of the replacement value for other assets, the City should be investing about $49 million (2012 dollars) per year in asset preservation. These percentage targets are consistent with those used by other jurisdictions that were polled as part of this study's review of best practices.

In 2013, the City is spending $28.1 million from the Cumulative Reserve Subfund (CRS) and approximately $45.2 million overall on asset preservation of general government infrastructure, including rehabilitation or restoration projects in parks, libraries, civic buildings, and on the Seattle Center campus. In SDOT, about $91.8 million is allocated to asset preservation of infrastructure in 2013. In the 2013-2018 Proposed CIP, the City continues to fund projects in the Finance and Administrative Department through space rent charges, as recommended by the 2002 Asset Preservation Study.

Resolution 31083 outlines asset preservation spending guidelines for the Cumulative Reserve Capital Projects Account for departments other than Transportation and Utilities. The resolution establishes desired target spending as well as minimum spending levels. The table below displays budgeted spending from the Capital Projects Account compared to those guidelines.

The 2013-2018 Proposed CIP increases Capital Projects Account funding for asset preservation from 2012 levels and reduces the gap between funding and target levels. However, given general revenue constraints, there is still a shortfall from needed levels. This gap between available resources and needed funding levels is an issue that the City will continue to grapple with over time unless additional funding sources are identified.

Capital Projects Account Funding for Asset Preservation in Departments Other than Transportation and Utilities

$ Million	2010 Adopted	2011 Adopted	2012 Adopted	2013 Proposed	2014 Proposed	Cumulative (2010 Through 2014)
Budget [1]	$15.3	$17.1	$24.2	$28.1	$27.0	$111.6
Target	$47.4	$48.1	$49.1	$50.2	$51.1	$245.9
Budget minus Target	($32.2)	($31.0)	($24.9)	($22.1)	($24.1)	($134.3)
Minimum (= 65% of Target)	$30.8	$31.3	$31.9	$32.6	$33.4	$160.0
Budget minus Minimum Funding Requirement	($15.6)	($14.2)	($7.8)	($4.5)	($6.3)	($48.4)

1) Budget represents funding levels from the Cumulative Reserve Subfund Capital Projects Account

2013 Cumulative Reserve Subfund Appropriations

The Cumulative Reserve Subfund (CRS) is a significant source of ongoing local funding to support capital projects in general government departments. This subfund is a reserve fund authorized under State law and is used primarily for maintenance and development of City capital facilities. Recent declines in REET revenue have drastically reduced resources available in CRS to support capital maintenance projects.

The table below (dollars displayed in thousands) shows department allocations from CRS along with other special programs, including debt service payments, support for the Design Commission, Artwork Conservation and the City's Tenant Relocation Assistance Program. Further explanations of these special programs can be found in the 2013-2014 Proposed Budget.

2013 CRS Capital Spending by Department (000's)	CRS Direct	Capital	Total
Seattle Center	$0	$8,135	$8,135
Seattle Public Library	$0	$677	$677
Seattle Department of Transportation	$12,588	$0	$12,588
Department of Parks & Recreation	$0	$16,733	$16,733
Finance & Administrative Services Department	$0	$13,395	$13,395
Cumulative Reserve Subfund Direct Spending	$3,445	$0	$3,445
Total	**$16,033**	**$38,940**	**$54,973**

Neighborhood Projects

Support for Neighborhoods and Neighborhood Plan Projects

The 2013-2018 Proposed CIP contains more than 133 projects, totaling approximately $161 million, in support of neighborhood plans in 2013. The plans, created with input from 20,000 citizens and approved by the City Council, identify actions desired to ensure the City's neighborhoods continue to thrive and improve as Seattle grows over the next 20 years, as well as meet commitments under the State's Growth Management Act. Projects supporting neighborhood plan recommendations are found throughout the CIP and include parks, street and pedestrian improvements, libraries, community centers, drainage improvements, and pedestrian and safety lighting. When a project's location is included in a neighborhood plan's geographic parameters, the neighborhood plan is indicated. If the project is specifically identified as a desired activity within the neighborhood plan, a corresponding matrix number will be indicated. Funding for these projects comes from voter-approved levies, the Neighborhood Matching Subfund, the Cumulative Reserve Subfund, utility funds, Community Development Block Grant funds, and other public and private sources.

Neighborhood Project Fund[1]

Beginning in 1999, the City set aside approximately $1 million per year from the Cumulative Reserve Subfund (CRS) for major maintenance projects identified in neighborhood plans. These neighborhood projects are identified and prioritized by the community, and selected for funding by the Department of Neighborhoods, SDOT, Parks, and the City Budget Office. The most recent selection process was completed in August 2012, resulting in the project list below. The Department of Parks and Recreation budget includes $248,000 of CRS REET II funding and SDOT's budget includes $752,000 of CRS REET II funding. See SDOT project TC365770 (NSF/CRS Neighborhood Program) and Parks project K732376 (Neighborhood Capital Program) for more detail.

[1] Formally known as the Neighborhood Street Fund/CRS Neighborhood Program – Small Projects

2013 Neighborhood Projects Funds – Small Projects				
District Council	**Project ID #**	**Project Description**	**Dept**	**CRS/NSF Amount**
Ballard	2012-109	Asphalt pathway between NW 89th St and NW 90th St	SDOT	$ 87,000
Subtotal Ballard				**$ 87,000**
Central	2012-074	Improve alley next to new park at E James Court and 12th Ave	Parks	$ 64,000
Subtotal Central				**$ 64,000**
Delridge	2012-009	Design multi-use path (construction funding TBD) on west side of Delridge Way SW, north of Andover St	SDOT	$ 60,000
Delridge	2012-107	Improvements to pedestrian crossings at 16th Ave SW and Thistle Ave SW	SDOT	$ 43,000
Subtotal Delridge				**$ 103,000**
Downtown	2012-085	Replace driveway at Washington & First	SDOT	$ 30,000
Downtown	2012-092	Sidewalk repairs near 700 Lane St	SDOT	$ 68,500
Subtotal Downtown				**$ 98,500**
East	2012-033	Sidewalk repair on Madison St	SDOT	$ 51,000
East	2012-014	Improve the east edge of Woody Lane for the safety of walkers (28th Ave E & E Helen)	Parks	$ 30,000
Subtotal East				**$ 81,000**
Greater Duwamish	2012-120	Crossing improvements near Jefferson Park	SDOT	$ 70,000
Greater Duwamish	2012-066	Curb ramp installation in Beacon Hill	SDOT	$ 20,000
Subtotal Greater Duwamish				**$ 90,000**
Lake Union	2012-027	Installation of a pedestrian/bicycle crosswalk at NE Pacific ST at Latona Ave NE	SDOT	$ 50,000
Lake Union	2012-098	Improvements to alley bounded by Republican, Harrison, Minor and Fairview	SDOT	$ 35,000
Subtotal Lake Union				**$ 85,000**

2013 Neighborhood Projects Funds – Small Projects				
District Council	**Project ID #**	**Project Description**	**Dept**	**CRS/NSF Amount**
Magnolia /QA	2012-052	Repairs and upgrades to Galer Stairs, east side of Queen Anne Ave N	SDOT	$ 85,000
Subtotal Magnolia/QA				**$ 85,000**
North	2012-096	Picnic shelter for the park at 1020 NE 82nd St	Parks	$ 50,000
North	2012-019	Install senior exercise equipment at Hubbard Homestead Park	Parks	$ 40,000
Subtotal North				**$ 90,000**
Northeast	2012-053	Curb bulb and ramps at 47th Ave NE and NE 54th St	SDOT	$ 53,000
Northeast	2012-118	Pedestrian crosswalk at 35th Ave NE at NE 80th St	SDOT	$ 10,000
Northeast	2012-049	Signal installation at Sand Point Way NE at NE 52nd St	SDOT	$ 30,000
Subtotal Northeast				**$ 93,000**
Northwest	2012-051	Install a traffic circle and curb cuts at 72nd St NW and 1st Ave NW	SDOT	$ 20,000
Northwest	2012-054	Crossing enhancements at NW 80th and NW 65th St	SDOT	$ 75,000
Subtotal Northwest				**$ 95,000**
Southeast	2012-073	Completion of phase II of construction of stairs in Charlestown St right of way between S Courtland Pl and 37th Ave S	SDOT	$ 60,000
Southeast	2012-087	Improvement of intersection at S Hill St between 24th and Rainier Ave and Hill and Walker	SDOT	$ 54,000
Subtotal Southeast				**$ 114,000**
Southwest	2012-058	Improvements to streetscape on California Ave SW from SW Juneau Ave to SW Myrtle St	SDOT	$ 12,000
Southwest	2012-077	Improve sidewalk at SW Cloverdale between Fauntleroy PL SW and 46th Ave SW	SDOT	$ 39,000
Southwest	2012-021	Repave Lincoln Park tennis courts	Parks	$ 63,500
Subtotal Southwest				**$ 114,500**
GRAND TOTAL				**$ 1,200,000**

Large Neighborhood Street Fund Projects
The Bridging the Gap Levy provides approximately $1.5 million per year on a triennial basis for larger neighborhood projects estimated to cost over $100,000. The third, and final, round of project selection began in fall 2012, with design expected in 2013 and construction in 2014 and 2015. The following projects were constructed in 2012:

- Fairview Ave E and Fairview Ave N Intersection
- Maynard Ave S between S King Street and Weller Street
- Ravenna Ave NE between 85th Ave NE and Lake City Way
- NW 90h Street between 13th Avenue NW and 14th Avenue NW
- S Orcas Street between Beacon Ave S and 28th Avenue SW
- 25th Avenue SW between SW Brandon St and SW Findlay Street
- S Othello Street between Seward Park Ave S and Beacon Avenue S
- 33rd Avenue NE between NE 125th St and NE 130th St

Neighborhood Matching Subfund
A number of CIP projects, particularly in the Department of Parks and Recreation CIP, include funding from the Neighborhood Matching Subfund (NMF), a subfund of the City's General Fund. The NMF was created in 1988 to provide funding to Seattle neighborhood groups and organizations for a broad array of neighborhood-initiated improvement, organizing, or planning projects. Many of these projects also support specific citywide initiatives such as Race and Social Justice, Youth Violence Prevention, Environment and Sustainability, and Neighborhood Planning. The total amount of funding awarded to groups ranges from a few thousand dollars up to $100,000, and NMF funds are eligible to cover all phases of a capital project except property acquisition. The NMF program requires a 1:1 match for capital projects, which means all awards leverage other private and public contributions by requiring organizations to match the City's contribution with volunteer labor, donated materials, professional services, or money. The Department of Neighborhoods (DON) administers the granting process.

For 2013 and 2014, the Neighborhood Matching Fund maintains previous funding levels for neighborhood projects. In addition, a "special designation" project type will be established to promote ethnic/cultural facility improvements with an additional $100,000 being added in each year to specifically support these important projects. In creating a special designation project type and providing specific funding, the City underlines its desire for all people in Seattle to have access to safe and vibrant community-gathering places. Funds will be awarded through the Small and Simple Project Fund which awards projects of $20,000 or less. Please see the Department of Neighborhoods section in the 2013-2014 Proposed Budget for additional information about NMF.

Art and Design Funding for City Capital Projects

One Percent for Art Program
The One Percent for Art program, established by Seattle Municipal Code Chapter 20.32, requires that one percent of eligible CIP project budgets be deposited in the Municipal Arts Fund for the commission, purchase, and installation of artworks throughout Seattle. The Office of Arts and Cultural Affairs (OACA) manages the One Percent for Art program and the Municipal Art Fund. Public art projects funded through the One Percent for Art program are developed in the annual Municipal Art Plan (MAP), which is prepared by OACA. The MAP establishes the scope of work and budgets for new art projects and describes the status of ongoing public art projects.

Municipal Art Fund revenues from the One Percent for Art program can fluctuate significantly from year-to-year depending on changes in City capital investments. In 2013, the Municipal Art Fund is expected to

receive approximately $2.1 million from capital departments for the One Percent for Art program, as described below.

One Percent for Art Revenues	2011 Actuals	2012 Adopted	2013 Proposed	2014 Proposed
City Light	$192,085	$303,073	$374,785	$345,022
Seattle Public Utilities	$1,120,493	$923,169	$1,136,000	$1,166,000
Finance & Admin. Services	$58,740	$140,099	$14,651	$8,650
Seattle Center	$36,220	$1,180	$1,500	$3,500
Parks & Recreation	$353,430	$184,540	$148,710	$35,000
Transportation	$605,710	$465,808	$473,820	$196,450
Totals	**$2,366,678**	**$2,017,869**	**$2,149,466**	**$1,754,622**

In addition to the One Percent for Art revenues identified above, OACA receives $187,000 in 2013 from the Cumulative Reserve Subfund for repair of all sited and portable artworks.

Design Commission
Established in 1968, the Seattle Design Commission advises the Mayor, the City Council and appropriate City departments on design and environmental aspects of the City's Capital Improvement Program. Commission members are appointed by the Mayor for a renewable two-year term. Membership is comprised of two licensed architects, one professional fine artist, one youth member, one lay member, and at least one and no more than two from each of the following categories, for a maximum total of five (professional urban planner, professional environmental or urban designer, landscape architect, and licensed professional engineer). The Design Commission is fully funded with funds from the Cumulative Reserve Subfund.

Projects eligible for review include any on-or above-grade structure, including buildings and additions to buildings, bridges, park developments, street furniture, and all similar installations. The Commission reviews below-grade structures such as tunnels, arcades and underground passageways that are regularly visible to the public. Projects reviewed by the Commission must be financed in-whole or in-part with City funds, be on land belonging to the City, or be subject to approval by the City. Commission involvement in capital improvement projects begins as early in the planning process as possible, starting with participation in the consultant selection process and continuing through the many stages of project development. This includes project reviews at the scope briefing or pre-design stage, conceptual design, schematic design, design development, and sometimes construction documents stages.

Background of Capital Improvement Program Policy Drivers

As described above, City investments in capital projects are guided by a set of key policies reflecting the City's values and priorities. These policies shape how the City takes care of buildings and infrastructure, invests in capital projects in areas that have accepted growth as envisioned in the City's Comprehensive Plan, preserves the City's and greater Seattle's historic buildings, supports sustainable building practices, and ensures that all members of the community have access to the economic opportunities capital projects create. The following section details some of these key policies.

Sustainable Building Policy
In February 2000, the City Council adopted a Sustainable Building Policy for the City of Seattle (Resolution 30121) which articulates the City's commitment to environmental, economic and social

stewardship and sets the expectation that new municipal facilities meet established green building standards. Specifically, it calls for all new construction and major remodel projects over 5,000 square feet to achieve a LEED Silver rating. When adopted, this policy was the first of its kind in the nation and represented a ground-breaking approach to demonstrating City leadership and transforming the marketplace.

Since 2000, the green building community has experienced exceptional growth in expertise and capacity. Recognizing this change, in 2011 the Executive proposed an updated Sustainable Building Policy which the Council unanimously passed in October of 2011 (Resolution 31326). The update represents a comprehensive approach that reflects advances in the green building industry, aligns the policy with the City's increased attention to climate change, addresses a greater range of project types, and ensures that Seattle continues to provide leadership that advances sustainable development in both the public and private realms.

As a result of the 2011 Sustainable Buildings and Sites Policy now in place, in 2013-2014:

- For new construction, additions and major renovation projects 5,000 square feet or greater
  - The minimum required green building rating is LEED Gold;
  - There are minimum requirements for energy and water efficiency, construction waste reductions, and bicycle amenities;
- For tenant improvement projects 5,000 square feet or greater, where the scope includes mechanical, electrical, and plumbing
  - The minimum required green building rating is LEED Gold;
  - There are minimum requirements for water efficiency and construction waste reductions;
- Completion of a Capital Green checklist is required for smaller projects;
- Pilot projects are being pursued to test new approaches and standards, such as the Living Building Challenge and the Sustainable Sites Initiative;
- Guidelines, procedures, and responsibilities to facilitate implementation are being updated; and
- Annual reporting of performance under the policy and ongoing program evaluation is required.

Additionally, the resolution directs City departments to evaluate and improve existing standards and processes that relate to tenant improvements, leasing, and site management.

City of Seattle Comprehensive Plan

Development of the 2013-2018 Proposed CIP was informed by the City of Seattle's Comprehensive Plan, which had its required 10-year update in 2004. Departments have taken special note of capital projects in neighborhoods targeted for substantial growth in the future or that have received substantial growth in the last few years. This effort is intended to make sure areas receiving growth have the appropriate physical infrastructure to accommodate such growth, while balancing the City's other major maintenance needs of existing facilities, such as power distribution systems, pipes, community centers, swimming pools, libraries, and streets that are located throughout the City, not just in targeted growth areas.

Federal and State Regulatory Requirements

The City's utilities have several facility projects in their Capital Improvement Programs to meet federal and state regulatory requirements. The City of Seattle must abide by the City's two National Pollutant Discharge Elimination System (NPDES) permits, one for storm water and one for combined sewer system. The City is required, for example, to invest hundreds of millions of dollars in the combined sewer/storm water system over the next several years to control the number of combined sewer overflows (CSOs) into receiving bodies of water, including Lake Washington and Puget Sound. City Council recently approved a CSO Consent Decree with Environmental Protection Agency (EPA) and the Department of Ecology (DOE). This Consent Decree outlines how the City will become compliant with EPA and DOE regulatory requirements regarding sewage releases from the city conveyance system.

Endangered Species Compliance
The Cedar River Watershed Habitat Conservation Plan (HCP) is a 50-year, ecosystem-based plan that was prepared to address the declining populations of salmon, steelhead and other species of fish and wildlife in the Cedar River basin. The HCP was prepared under the Endangered Species Act and is designed both to provide certainty for the City of Seattle's drinking water supply and to protect and restore habitats of 83 species of fish and wildlife that may be affected by the City of Seattle's water supply and hydroelectric operations on the Cedar River. Seattle Public Utilities is continuing to implement its commitments under the HCP, which include downstream habitat protection and restoration, upland forest restoration, logging road decommissioning, and ongoing monitoring. City Light and Seattle Public Utilities are also acquiring salmon habitat in the Green/Duwamish, Cedar/Lake Washington, Skagit, and Snohomish watersheds.

Americans with Disabilities Act
The United States Department of Justice (DOJ) conducted an audit of select City of Seattle facilities, practices and procedures, in order to assess City compliance with the Americans with Disabilities Act (ADA), and reported its findings to the City. While the City is largely in compliance, there are some elements within facilities that the DOJ has requested that the City update or alter in order to improve accessibility for individuals with disabilities. In 2013, the City continues to appropriate funds to alter or address items where the City agrees accessibility can be improved. In addition, the City will undertake a comprehensive survey of City facilities to continually ensure the City's Programs and Facilities are accessible per the requirements of the ADA Regulations. A project manager added in 2011 will continue to coordinate and oversee implementation of ADA improvements in certain City facilities; determine and report compliance to DOJ; and review and modify as needed the facilities design and construction process with regard to the ADA. Additionally, a citywide prioritization process was developed to allocate ADA funding among the four implementing departments: Parks and Recreation, Seattle Center, Seattle Public Library and Finance and Administrative Services (FAS). Among other criteria, the process aimed to identify the highest-use facilities and those where ADA work could be done at the same time as other planned remodeling.

In order to provide additional proactive monitoring of compliance with ADA standards for new capital projects, the City will be adding additional staff dedicated to monitoring ADA compliance of new projects. These positions will be funded by capital projects.

Small and Economically-Disadvantaged Business Assistance
The City continues to successfully address contracting equity for minority- and women-owned businesses (WMBE). In August 2011, FAS implemented a City-wide requirement on all public work bids and contracts above $300,000 that has very effectively encouraged and enforced commitments by general contractors to use WMBE firms. FAS has also launched a major initiative to improve workforce diversity on public work projects. The first step was implementation of a Community Workforce Agreement for the Elliott Bay Seawall that includes unprecedented workforce diversity provisions; substantial work will continue throughout 2013-2014 and beyond.

Historic Preservation
Seattle's commitment to historic preservation began with citizen efforts in the 1960s to block the demolition of two of Seattle's oldest neighborhoods - the Pike Place Market and Pioneer Square. Both neighborhoods were threatened with proposals that would have irreversibly changed the character of the districts. The Pike Place Market was faced with an Urban Renewal Plan that would have demolished it, while Pioneer Square was threatened with a major roadway project. In 1970, the Seattle City Council created the Pioneer Square Preservation District, Seattle's first historic district. Then, in 1971, voters approved an initiative to create the Pike Place Market historical district. In 1973, the Seattle City Council

adopted a Landmarks Preservation Ordinance to safeguard properties of historic and architectural significance throughout the City, and more than 450 buildings, sites, and objects have now been designated as City landmarks. The City of Seattle currently owns or maintains many of those landmarks, including libraries, park buildings, and fire stations. In 2001, the City began a comprehensive effort to survey and inventory both City-owned properties and privately-owned properties throughout the City. To date, the Department has completed surveys and inventories in 20 of the City's neighborhoods including Belltown, Cascade, Central, Columbia City, Denny Triangle, Downtown, Fremont, Georgetown, Mount Baker, North Beacon Hill, North Rainier, Pike-Pine, Pioneer Square, Queen Anne, South Lake Union, South Park, South Seattle, University, Wallingford, Waterfront, as well as city-owned properties, pre-1906 residential buildings, and neighborhood commercial buildings throughout the City. The results of those efforts are available in a searchable database on the Department of Neighborhoods website.