

## Reader's Guide to the 2007-2012 Adopted Capital Improvement Program

The City of Seattle's 2007-2012 Adopted Capital Improvement Program (CIP) includes an introduction, departmental sections, appendix, an index, and a glossary. The introduction provides information on the CIP, allocations, significant new initiatives and ongoing programs, funding sources for capital projects, and policies guiding the City's capital investments.

Departmental sections comprise the majority of the document and contain detailed information on approximately 900 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 Fleets & Facilities. 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):** Grouping of similar projects into department-specific programs. Also reflects the level at which expenditures are controlled to meet State Budget Law provisions.

**Type:** Projects are identified as New Facilities, Improvements to Existing Facilities, 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.

**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/end date show "TBD". Some projects may be shown as "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 on line at <http://www.cityofseattle.net/neighborhoods/npi/>.

**Neighborhood Plan Matrix ID:** If a project is identified as being in 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 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 2005, the 2006 revised budget (including 2006 adopted budget, carryforward balances, and supplemental appropriations and abandonments), proposed 2007 appropriations, and estimated appropriation requests for 2008-2012. "TBD" indicates that revenue sources are to be determined.

## Reader's Guide

**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 Adopted 2006 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 (formerly known as "cash flow") is shown when spending differs from appropriation or allocation. This is displayed for a limited number of projects in this document.

## Overview

The City of Seattle's Capital Improvement Program (CIP) allocates existing funds and anticipated revenues to rehabilitate, restore, improve, and add to the City's capital facilities. Projects in the CIP cover a wide range of capital improvements, including construction of new libraries, street repairs, park restoration, and work on electrical substations. The CIP covers a six-year planning horizon (this document covers 2007-2012), and is updated each year to reflect ongoing changes and additions. The CIP document, prepared by the Department of Finance based on submissions from City departments, is approved by the Mayor, and is then submitted to the City Council for adoption, along with the City's annual budget. The six-year CIP does not appropriate funds, but rather functions as a budgeting tool, supporting the actual appropriations that are made through adoption of the budget. The CIP is consistent with the City's Comprehensive Plan and includes information required by the State's Growth Management Act (GMA).

The City of Seattle 2007-2012 Adopted Capital Improvement Program can be found on the City of Seattle website at: <http://www.seattle.gov/financedepartment/0712adoptedcip/default.htm>

## Citywide Summary

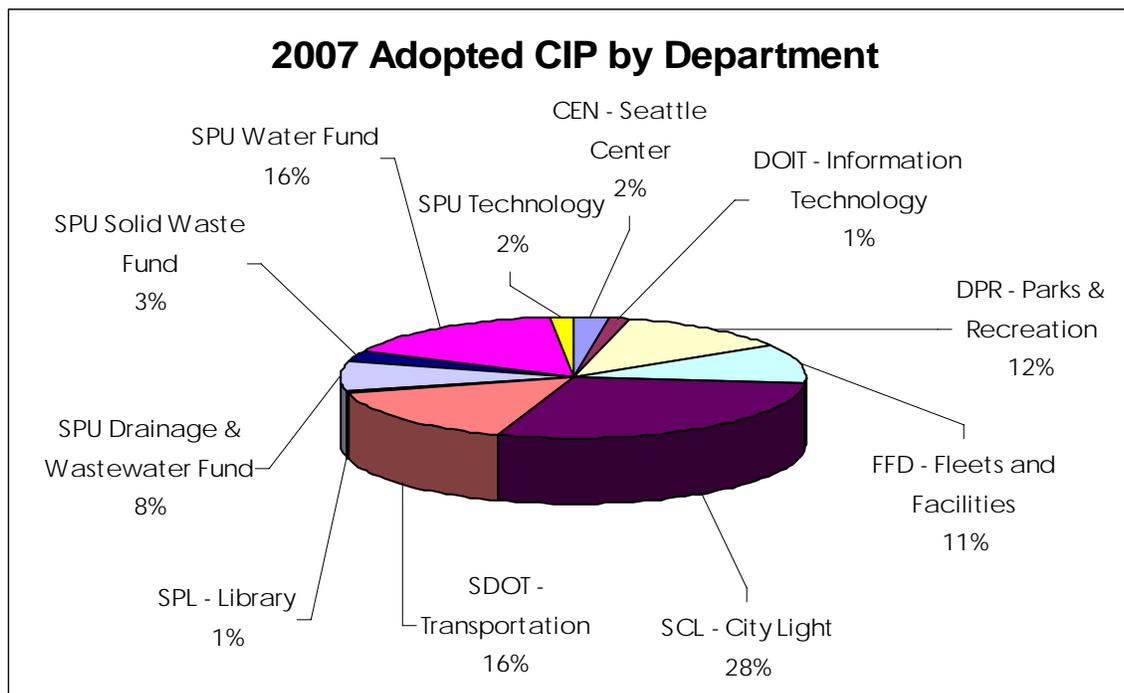
The 2007-2012 Adopted CIP highlights the City of Seattle's recent emphasis on building new facilities as well as its long-standing efforts to maintain or improve existing infrastructure. Many of the projects in the 2007-2012 Adopted CIP are civic, cultural or public safety facilities funded by voter-approved levies (the 1999 "Seattle Center and Community Centers" Levy, the 2000 "Neighborhood Parks, Green Spaces, Trails and Zoo" Levy, and the 2003 "Fire Facilities and Emergency Response" Levy) and bonds ("Libraries for All"). Utility-funded projects in the Seattle City Light (SCL) and Seattle Public Utilities (SPU) CIPs improve or maintain the utility infrastructure that serves Seattle residents. Projects in the Seattle Department of Transportation (SDOT) CIP are funded by multiple fund sources – local, state, and federal – and focus on streets, bridges and other elements of the City's transportation infrastructure. Finally, the CIP also projects the financial impact on City departments of major transportation projects including Sound Transit Light Rail and replacement of the Alaskan Way Viaduct and Seawall. Key projects are more fully described later in this overview, and details on funding and schedule can be found in the individual department sections.

The 2007-2012 Adopted CIP totals nearly \$4 billion for six years and includes 920 individual projects. Approximately \$2.4 billion, or 62% of the total CIP, is allocated to utility projects that are funded and managed by SCL and SPU. Approximately \$1 billion, or 26%, is allocated to SDOT over the six-year period. The remaining departments (Parks and Recreation, Fleets & Facilities, Seattle Center, Seattle Public Library, and Department of Information Technology) account for approximately \$479 million, or 12%. The table on the next page shows the 2007-2012 allocations by department and the accompanying pie chart provides this information for 2007 only.

## 2007-2012 Adopted CIP by Department (\$s in thousands)

Department	2006 Adopted	2006 Revised	2007 Adopted	2008-2012 CIP	2007-2012 Total
Fleets and Facilities	47,674	125,879	68,887	134,158	203,045
Information Technology	4,762	15,086	9,237	29,319	38,556
Parks and Recreation	40,874	117,515	78,209	88,237	166,446
Seattle Center	8,589	18,438	15,841	46,497	62,338
Seattle Public Library	4,461	30,544	3,263	5,220	8,483
Seattle Transportation	86,000	165,198	100,375	929,941	1,030,316
<b>Subtotal</b>	<b>192,360</b>	<b>472,660</b>	<b>275,812</b>	<b>1,233,372</b>	<b>1,509,184</b>
<b>City-owned Utilities</b>					
Seattle City Light	148,485	180,648	184,275	1,125,584	1,309,859
SPU - Drainage & Wastewater	35,857	43,665	52,012	337,794	389,806
SPU - Solid Waste	11,325	16,413	17,053	179,192	196,245
SPU - Technology Projects	8,932	9,317	11,100	59,667	70,767
SPU - Water	64,069	72,572	104,246	341,510	445,756
<b>Subtotal</b>	<b>268,668</b>	<b>322,615</b>	<b>368,686</b>	<b>2,043,747</b>	<b>2,412,433</b>
<b>City Total</b>	<b>461,028</b>	<b>795,275</b>	<b>644,498</b>	<b>3,277,119</b>	<b>3,921,617</b>

Note that not all funds above are appropriated; see the 2007 Adopted Budget for a list of capital appropriations by department. The 2006 Revised column shows 2006 Adopted totals, plus carryovers and supplementals added during the 2006 calendar year.



### Significant Initiatives in the 2007-2012 Adopted CIP

The following section describes significant capital investments or initiatives in the 2007-2012 Adopted CIP. The Adopted CIP focuses on a number of new civic, cultural, and public safety facility projects, mainly associated with ballot measures approved by voters in the last seven years. These projects are, for the most part, well under way or completed (see Significant Projects and Programs Under Way). The 2007-2012 Adopted CIP includes significant new funding for transportation projects through the Bridging the Gap initiative. The Adopted CIP also continues several initiatives to invest in Seattle's aquatic environment and downtown.

#### Bridging the Gap

The City of Seattle has faced declining dedicated transportation funds over the past 15 years, resulting in deferred maintenance and mounting problems with the transportation system. Currently, one-third of Seattle's bridges need major repair or replacement, and two-thirds of Seattle primary streets are past their design life. Furthermore, one-third of city sidewalks are in poor condition, and most of the city's 586 retaining walls, which were designed to last 40 years, will not be replaced for 250 years at current schedules. Because of court decisions, citizen initiatives, and the state's funding formula, dedicated transportation revenue fell to \$13.1 million in 2006 from \$37.5 million in 1995.

In spring 2006, the Seattle Department of Transportation held public meetings around the city to gather citizen input on transportation priorities and possible revenue sources to fund transportation improvements. More than 500 people attended five public meetings and another 250 people provided comments online. The Executive also received advice from a 15-member Citizen Advisory Panel. Three strong messages came through:

- improve Seattle roadways, sidewalks, and bike paths;
- do not make property owners bear all the costs; and
- go beyond basic maintenance.

As a result, in May 2006, the Mayor proposed "Bridging the Gap," a funding initiative to repair and improve Seattle's streets, bike trails, sidewalks and bridges. Revenues were to be derived from a property tax levy, a commercial parking tax and a business transportation tax. The combination of sources was intended to ensure those who use the streets most also contribute to fixing them. The City Council approved a modified version of the Mayor's proposal in July. This included a property tax measure to be placed before voters in November, plus the commercial parking tax and business transportation tax. The latter two sources do not require voter approval and will be phased in gradually starting in July 2007.

In September the Mayor and several Councilmembers proposed a modified property tax measure for the November ballot. The original proposal allowed the tax revenue to grow for the first six years to compensate for construction inflation. However, under state law, such a measure could not have a definite term. The new proposal provided for a nine-year levy but cannot grow at the rate of construction inflation. The commercial parking tax and business parking tax remain as in the July plan. The City's voters approved this new approach in November.

The Adopted Budget includes a total of \$39.9 million in 2007 and \$51.5 million in 2008 (plus an additional \$30 million in 2008 from limited tax general obligation bonds expected to be serviced with Bridging the Gap revenues) from the three revenue sources to help improve bike safety and trails, repair and construct sidewalks to increase pedestrian safety, speed up transit to improve convenience and reliability, improve freight delivery, and start rebuilding the city's streets and bridges. The CIP funding levels on some projects for 2009-2012 may be overstated due to the change in the structure of the levy lid lift and will be amended by ordinance in early 2007.

## Restore Our Waters Initiative

The Restore Our Waters (ROW) Initiative is a long-term effort to protect and restore the City's aquatic habitats, improve water quality, and inspire citizens and businesses to do the same. In 2004, the Seattle Public Utilities (SPU) developed a ROW Strategy, which identifies City priorities for protecting and restoring aquatic habitat. Recent ROW accomplishments include:

- Constructing natural drainage systems on 36 new blocks, improving both drainage and environmental quality in the Pipers, Longfellow, and Thornton creek watersheds;
- Launching the Aquatic Habitat Matching Grant Program;
- Completing six of the 40 priority CIP projects identified in the ROW Strategy; and
- Initiating Phase 1 of the Stormwater Facilities Assessment, which examined stormwater conditions at 15 City facilities.

The 2007-2012 Adopted CIP continues the City's investment in the ROW Strategy by addressing the stormwater problems identified during Phase 1 of the Facilities Assessment and conducting Phase 2, which will examine stormwater conditions at an additional 100 City facilities. Further, the 2007-2012 Adopted CIP begins work on an additional 10 priority CIP projects identified in the Strategy. The City will also develop pollution prevention plans for facilities owned by the Fleets and Facilities Department and the Seattle Department of Transportation.

## Center City Parks Improvements

Several projects support the Mayor's initiative to transform Seattle's downtown parks into vibrant, attractive public spaces, including improvements at Freeway Park. DPR will plan and implement these improvements with consideration for potential impacts on other nearby parks. The CIP shows \$6,462,000 in total center city parks improvement funding for 2007 and \$11,255,000 in 2008, with the majority of funding focused on South Lake Union Park projects.

## Significant Projects or Programs Under Way

The projects and programs highlighted below are not new to the CIP, but reflect three types of investments underway: new and improved cultural and public safety facilities approved by the voters in the last six years; other capital investments in maintaining the City's infrastructure and protecting public safety; and on-going work on transportation projects including the replacement of the Alaskan Way Viaduct and Seawall. Three voter-approved measures acquire, redevelop, and enhance parks, green spaces, and trails throughout the City; redevelop facilities at Seattle Center and nine community centers and two neighborhood service centers citywide; and expand, renovate, or build new libraries throughout the city. Public safety capital investments upgrade the City's fire stations, build a new emergency operations center, and bury or cover reservoirs, creating additional open space while protecting public health. Several projects have required additional funds to fulfill commitments to voters as the bid climate became less favorable in recent years or to respond to newly identified opportunities.

### Fulfilling Commitments to Voters

**2003 Fire Facilities & Emergency Response Levy:** The 2007-2012 Adopted CIP includes a number of projects in the Fire Facilities and Emergency Response levy lid lift, approved by voters in November 2003. As passed, the multi-year levy lid lift makes about \$167 million in levy proceeds available to: (i) upgrade, renovate, or replace 32 neighborhood fire stations; (ii) construct a new training facility and upgrade the Seattle Fire Department's Fire Alarm Center; (iii) establish emergency preparedness facilities and disaster response equipment that includes a modern, seismically-safe Emergency Operations Center, emergency community supplies, emergency shelter power generators, and emergency water supply capacity for fire fighting in the event the City's fire hydrants are

disabled; and (iv) provide a new, large platform fire boat, a rehabilitated and enhanced Chief Seattle fireboat, and a new fast attack fire boat. Eight fire station projects will begin design in 2007, including five replacement stations and renovation of three more. Funds have been added to the original Levy program in this CIP to pay for exceptionally high recent construction inflation and the cost of building Levy projects to the LEED Silver standard of sustainable design. In adopting the 2007 Adopted and 2008 Endorsed Budget, Council passed provisos limiting spending to \$150,000 on each of eight neighborhood station projects scheduled to begin design in 2007 until authorized by future ordinance. See the Fleets and Facilities CIP for more detailed information on these Levy projects.

**2000 Parks Levy Projects:** The 2000 Parks Levy Program includes three distinct capital funding elements: property acquisitions, park and facility development projects, and acquisition and development projects pursued through an Opportunity Fund program that awards Levy funding to applicant projects on a competitive basis. Capital projects funded by the Opportunity Fund appeared for the first time in the 2003-2008 Adopted CIP, after awards were made in 2002. DPR awarded the remaining \$4 million in 2005. As of mid-year 2006, eight of the 22 development projects are complete, and five more will be completed by the end of the year. DPR has acquired nine new properties under the Opportunity Fund program, and anticipates acquiring two more by year's end.

As of mid-year 2006, DPR has acquired all but six of the 17 named neighborhood parks, and anticipates acquiring at least three more by the end of the year. Acquisitions are complete for 17 green spaces, and DPR anticipates closing additional transactions in 2006. Sixty-eight of the 95 development projects are complete, and all but six of the remaining projects are underway.

**1999 Seattle Center and Community Centers Levy:** Seven of the nine community center projects funded by the 1999 Community Center Levy are complete, including High Point, Sand Point, Jefferson, International District/Chinatown, Yesler, Southwest and Northgate Community Centers. The Van Asselt Community Center is under construction and is expected to be completed in early 2007. The final project, the Belltown Neighborhood Center, is being built in partnership with the Low Income Housing Institute (LIHI). The eight-story facility, located at 2407 First Avenue, will be built by LIHI and will provide both housing and a condominium for a community meeting space. LIHI anticipates that the facility will be completed in 2008.

**“Libraries for All” Plan:** This program, approved by voters in 1998, builds a new Central Library on the site of the old Central Library; three new branch libraries - Delridge, International District/Chinatown and Northgate - in neighborhoods not previously served by branches; and replaces, expands, renovates, or relocates each of the other 22 branch libraries in the system as of 1998. In addition, an Opportunity Fund supports projects in areas underserved by the library system. As of December, 2006, 21 "Libraries for All" projects have been completed, including the new Central Library, which opened in May 2004. The Northgate, Montlake, South Park, and Douglass-Truth branches opened in 2006. The Southwest branch was also substantially completed in 2006. The Southwest, Queen Anne, University, Madrona-Sally Goldmark, Broadview and Magnolia branches are scheduled to open in 2007 or 2008. The 2007-2012 Adopted CIP allocates \$324,000 in 2007 from voter-approved bonds, \$1.09 million from property sale proceeds, and \$294,000 from private donations to directly support LFA projects. The 2007-2012 Adopted CIP also allocates \$1,555,000 in 2007 and \$991,000 in 2008 from the Cumulative Reserve Subfund to support major maintenance for Library facilities, including several 2007 work items that will be coordinated with LFA construction projects. There is a \$1 million reserve set aside in the City's Cumulative Reserve Subfund for Library major maintenance, in anticipation of funding requests resulting from the asset management plan.

### **Maintaining the City's Infrastructure**

**Waterfront Piers:** DPR owns four saltwater piers (58, 59, 60, and 62/63) on the Puget Sound waterfront. In conjunction with necessary repairs and inspections, the Executive is planning to review and coordinate planning for the City's properties on the waterfront with planning for the Alaskan Way Viaduct and Seawall replacement. Five pier projects are included in DPR's 2007-2012 Proposed CIP, including replacing the entire piling systems for Pier 59. The project on Pier 59, home of the Seattle Aquarium (see Aquarium – Pier 59 Piling Replacement), began construction in 2005. In 2006, construction on the pilings was completed and DPR entered into an agreement with the

Seattle Aquarium Society in which the Society agreed to provide \$6.3 million to the City to complete certain structural and tenant improvements to Pier 59. These improvements will be completed in 2007. The Society has also committed to raising an additional \$10.8 million to construct the “Window on Washington Waters” exhibit at the east end of the facility.

The project on Pier 62/63, the former location of the “Summer Nights on the Pier” concert series (see Pier 62/63 Piling Replacement), began planning in 2005. Decisions on this project are on hold until the approach to the Alaskan Way project is decided. In 2007, the gas heating system at Piers 59 and 60 and the sewer vaults and pumps under Pier 60 will be replaced. Re-inspection of Piers 57, 58, and 60 will occur in 2008.

### **Capital Investments in Public Safety**

**Urban Areas Security Initiative (UASI) Grants:** The City of Seattle has been awarded five grants under the federal Urban Areas Security Initiative, a funding source that provides State and local governments with resources to prevent, respond to, and recover from, acts of terrorism. The UASI-funded CIP projects add security features to critical infrastructure, improve communication among first responders and among regional emergency management officials, and provide needed equipment, vehicles, and technology for first responders. No projects are funded to construct or renovate facilities.

**Reservoir Coverings:** Seattle’s water system includes six open reservoirs storing treated drinking water. These reservoirs, built between 1901 and 1947 and managed by Seattle Public Utilities, range in size from 7 to 68 million gallons and represent a large portion of the system’s in-city storage capacity. The reservoir sites also provide open space areas in the city often serving as neighborhood focal points and/or abutting recreational areas. To comply with water quality regulations and enhance security, the City plans to cover or decommission all of its drinking water reservoirs over the next decade. Approximately \$121 million is included in the 2007-2012 Adopted CIP for reservoir covering and undergrounding projects. Four open reservoirs have already been covered: Magnolia Reservoir in 1995, Bitter Lake Reservoir in 2001, Lake Forest Park Reservoir in 2002, and Lincoln Reservoir in 2005. Of the remaining six open reservoirs, SPU began construction at the Beacon and Myrtle Reservoirs in 2006, and started design work for the replacement of the West Seattle and Maple Leaf reservoirs. SPU also plans to decommission the Roosevelt Reservoir, and is evaluating whether to underground or decommission the Volunteer Reservoir. The Department of Parks and Recreation has developed a park over the Lincoln Reservoir and will be developing parks over the Beacon and Myrtle reservoirs. The 2007-2012 Adopted CIP reflects the revised schedule for reservoir undergrounding adopted by Ordinance 121447. See the Seattle Public Utilities - Water Fund CIP for more detailed project information.

### **Transportation Projects**

Transportation projects, such as the Sound Transit Link Light Rail and Alaskan Way Viaduct/Seawall project, are expected to have a substantial impact on the region’s transportation infrastructure. These projects are reflected in the 2007-2012 Adopted CIP for several City departments. The Initial Segment of the Sound Transit Link Light Rail is anticipated to be completed and in service in 2009. Additional Link Light Rail segments are currently in various stages of planning and construction. The general construction contract for the South Lake Union Streetcar project was executed April 2006, with construction beginning July 2006. Substantial completion of the Streetcar line is expected September 2007, with completion anticipated November 2007.

In late 2006, the City reached agreement with Burlington Northern Santa Fe to acquire the King Street Station. The Station will be remodeled into an intermodal facility using a combination of State and Bridging the Gap funds.

### **Alaskan Way Viaduct and Seawall Replacement Project**

The Alaskan Way Viaduct, built in 1953, carries 110,000 cars, trucks, and buses a day through downtown Seattle. Each year, the Port of Seattle moves \$100 billion in international cargo and the region generates \$30 billion in trade. The Viaduct is a crucial link in the region’s transportation system, serving as a major commuter route; a

freight corridor; a north-south highway through downtown Seattle; and a tie between in-city neighborhoods and downtown. The Alaskan Way seawall, built between 1915 and 1936, holds the soil, surface street, Viaduct foundations, and utilities in place along Seattle's waterfront, from South Washington Street to Bay Street.

The Alaskan Way Viaduct and seawall are at the end of their useful lives. The deteriorating Viaduct was damaged in the 2001 Nisqually earthquake and has moved since then. The nearby seawall is also deteriorating and must be replaced. Both structures are extremely vulnerable to the next earthquake and the failure of one could cause failure of the other. The Washington State Department of Transportation has identified two options for replacing the ailing seawall and Viaduct: rebuild the existing Viaduct or replace it with a cut-and-cover tunnel. In December 2004, the Executive and Council agreed replacing the Viaduct with a cut-and-cover tunnel and opening up Seattle's waterfront is the best option for the city, naming the Alaskan Way Tunnel their preferred alternative.

In April 2005, the State Legislature approved \$2 billion for the Viaduct as part of a transportation package. In July 2005, the U.S. Congress approved \$231 million in federal funding for the project. In June 2006, the City released a funding plan identifying \$5 billion in secured and potential funding sources that exceed the \$3 billion to \$3.6 billion needed to build the Alaskan Way core tunnel project. The funding plan was presented to a panel of experts appointed by Governor Christine Gregoire in 2006 to review the Alaskan Way Viaduct and Highway 520 bridge replacement projects. In August 2006, this panel of engineering and transportation experts from around the country concluded that the financial means and the technical know-how exist to replace the Viaduct with a cut-and-cover tunnel.

The current project timeline calls for utility work to begin in 2008, with major construction beginning in 2010. Construction is expected to take seven to nine years. While the Alaskan Way Viaduct is a state highway, Seattle has a financial role in implementing the Alaskan Way Viaduct and Seawall Replacement Project. Funding related to implementing the project (including relocating city utility infrastructure as necessary) is included in the 2007-2012 Adopted CIP for the following departments:

- For Seattle Public Utilities, a total of \$141 million is provided from 2007 through 2012 for relocation of water, drainage and wastewater infrastructure.
- For Seattle City Light, a total of \$309 million is provided from 2007 through 2012 for relocation of electrical system infrastructure.
- For the Seattle Department of Transportation (SDOT), approximately \$12 million is provided in 2007-2008, from City and state funding sources. The City funding covers the City's planning costs, a portion of the cost of the SDOT staff working on project, outreach to waterfront businesses, and work to replace the north seawall. Future year funding for SDOT will be the subject of further discussions between the City and the Washington State Department of Transportation (WSDOT).

Subsequent sections describe the City's commitments to neighborhood plans and investments in neighborhoods, key policies guiding the City's capital investments, and the funds and funding sources used for capital projects.

## Support for Neighborhoods and Neighborhood Plan Projects

The 2007-2012 Adopted CIP contains more than 169 projects, with a total of nearly \$113 million of funding in 2007, in support of neighborhood plans. In 1999, the City Council finished the approval process for 38 neighborhood plans, created by nearly 20,000 citizens. The plans identify actions desired to ensure that the City's neighborhoods continue to thrive and improve as Seattle grows over the next 20 years and 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 in the neighborhood plan, a corresponding matrix number will be indicated. Funding for these projects comes from voter-approved levies (the 1999 Seattle Center and Community Centers Levy and 2000 Parks Levy) and bonds

## Overview

(“Libraries for All”), the Neighborhood Matching Subfund, the Cumulative Reserve Subfund, utility funds, Community Development Block Grant Funds, and other public and private sources. Two specific programs, the NSF/CRF Neighborhood program and the Neighborhood Matching Subfund, are described in more detail below.

### 2007 NSF/CRF Neighborhood Program

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. In addition, SDOT had allocated \$233,000 in 2007 for the Neighborhood Street Fund for a total of \$1.2 million. These projects are identified and prioritized by the community and selected for funding by the Department of Neighborhoods, SDOT, Parks, and the Department of Finance. The selection process for \$1.2 million of 2007 funding was completed in August 2006, and as a result \$185,000 of CRS was added to the Parks CIP, \$798,000 of CRS to the SDOT CIP, and \$17,000 to the Fleets and Facilities Department (FFD). The following table lists all of the projects funded in 2006. See also SDOT project TC365770 (NSF/CRS Neighborhood Program) and three projects in the Parks CIP: Longfellow Creek Trail Maintenance (project K732357), Gas Works Park Entry Restoration (project K732358), and Kobe Terrace Landscape Restoration (project K732290) for more detail. See also the FFD project Community Based Facilities (project AIGM201). In 2007 \$1.5 million is provided by the Bridging the Gap funding package; funds have not yet been allocated to specific projects.

### 2007 NSF-CRS Neighborhood Program

District Council	N'hood Plan	Project Description	Dept.	CRF/NSF Amount
Ballard - 6001	Crown Hill/Ballard	Curb and sidewalk improvements where 38 <sup>th</sup> Ave NW meets at west side of Seaview Ave NW; ADA access ramps.	SDOT	\$46,000
Ballard - 6002	Crown Hill/Ballard	One block of sidewalk rehabilitation – Ballard Avenue NW from NW Market to 20 <sup>th</sup> Ave NW.	SDOT	\$50,000
<b>Ballard Subtotal</b>				<b>\$96,000</b>
Central - 6011	Central Area	Pedestrian crossing improvements on MLK at E Jefferson and E Alder.	SDOT	\$65,000
Central - 6013	Central Area	Curb bulb on 21 <sup>st</sup> Ave E at the intersection with E John.	SDOT	\$35,000
<b>Central Subtotal</b>				<b>\$100,000</b>
Delridge - 6014	Delridge	Maintenance on Longfellow Creek Trail at SW Juneau and SW Brandon, landscaping, irrigation, invasive removal, and plant understory renovation.	Parks	\$100,000
<b>Delridge Subtotal</b>				<b>\$100,000</b>
Downtown - 6021	Belltown	Sidewalk rehabilitation or one pedestrian curb bulb at intersection of 3 <sup>rd</sup> Ave. and Blanchard or Bell.	SDOT	\$25,000
Downtown - 6024	International District/Chinatown	Street resurfacing for the south side of S Washington St between 1 <sup>st</sup> Ave S and Occidental Way to correct drainage problems.	SDOT	\$70,000
<b>Downtown Subtotal</b>				<b>\$95,000</b>

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District Council	N'hood Plan	Project Description	Dept.	CRF/NSF Amount
East - 6026	Pike-Pine	Sidewalk rehabilitation along Pike/Pine.	SDOT	\$95,000
<b>East Subtotal</b>				<b>\$95,000</b>
Greater Duwamish - 6027	Duwamish/Georgetown	Pedestrian safety improvements at the intersections of E Marginal Way S and 8 <sup>th</sup> Ave S and S Myrtle and 8 <sup>th</sup> Ave S.	SDOT	\$70,000
Greater Duwamish - 6030	Duwamish/Georgetown	Enhancements to S Lander St between 16 <sup>th</sup> and 17 <sup>th</sup> Ave S (contingent on Sound Transit partnership agreement).	SDOT	\$30,000
<b>Greater Duwamish Subtotal</b>				<b>\$100,000</b>
Lake Union - 6037	Wallingford	Improvements to the west entry to Gas Works Park including ADA path restoration and landscaping.	Parks	\$85,000
Lake Union - 6038	Wallingford	Planning and design for pedestrian crossing improvement on Pacific Ave. at N 37 <sup>th</sup> .	SDOT	\$10,000
<b>Lake Union Subtotal</b>				<b>\$95,000</b>
Magnolia/Queen Anne - 6042	Queen Anne	Sidewalk rehabilitation on Queen Anne Ave N between W Galer and W McGraw.	SDOT	\$45,000
Magnolia/Queen Anne - 6047	Queen Anne	Curb bulb, sidewalk improvements, ADA ramps, and pedestrian safety enhancements at NE corner of Thorndyke Ave and W Galer.	SDOT	\$31,000
<b>Magnolia/Queen Anne Subtotal</b>				<b>\$76,000</b>
North - 6059	North neighborhoods	Sidewalk along south side of NE 110 <sup>th</sup> between NE 28 <sup>th</sup> Ave. and NE 30 <sup>th</sup> Ave.	SDOT	\$68,000
North - 6061	Aurora Licton	Chicanes on the 2700 block of NE 143 <sup>rd</sup> and 30 <sup>th</sup> Ave NE.	SDOT	\$14,000
North - 6065	North neighborhoods	Planning and design of sidewalk on east-side of 8 <sup>th</sup> NE at 92 <sup>nd</sup> and 94 <sup>th</sup> .	SDOT	\$10,000
<b>North Subtotal</b>				<b>\$92,000</b>
Northeast - 6048	University	Planning and design for Sand Point Way NE between 45 <sup>th</sup> Ave NE and 47 <sup>th</sup> Ave NE	SDOT	\$20,000
Northeast - 6052		Traffic circles with curb bulbs at 50 <sup>th</sup> Ave NE and Nicklas Place NE and 50 <sup>th</sup> Ave NE and NE 52 <sup>nd</sup> St.	SDOT	\$70,000
<b>Northeast Subtotal</b>				<b>\$90,000</b>
Northwest – 6068	Greenwood/Phinney	ADA improvements to Greenwood Senior Center, 525 N 85 <sup>th</sup> St.	Fleets	\$17,000
Northwest – 6069	Aurora Licton	One block of sidewalk along 100 <sup>th</sup> street from College Way to Aurora Ave N.	SDOT	\$50,000
Northwest - 6070	Aurora Licton	Traffic circles at 93 <sup>rd</sup> St or 94 <sup>th</sup> St and Stone Way.	SDOT	\$18,000
Northwest - 6072	Northgate	Planning and design for walkway at NE 115 <sup>th</sup> St between 5 <sup>th</sup> Ave NE and Roosevelt Way NE.	SDOT	\$10,000
<b>Northwest Subtotal</b>				<b>\$95,000</b>

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District Council	N'hood Plan	Project Description	Dept.	CRF/NSF Amount
Southeast - 6075	Rainier Beach	Improve existing sidewalks on S Orchard between Rainier Ave S and Seward Park S (1.5 block faces).	SDOT	\$70,000
Southeast - 6077	Columbia City/ Hillman City	Extruded curb on 36 <sup>th</sup> Ave S between S Hinds and S Spokane.	SDOT	\$30,000
<b>Southeast Subtotal</b>				<b>\$100,000</b>
Southwest - 6083	Westwood/ Highland Park	Extruded curb and sidewalk along 104 <sup>th</sup> St on south side between SW 35 <sup>th</sup> and SW 39 <sup>th</sup> (May extend along 35 <sup>th</sup> if funds are available).	SDOT	\$65,000
Southwest - 6084	Admiral	Special crosswalk paving treatment at intersection at SW Admiral Way and California Ave SW (Contingent on contractor price).	SDOT	\$24,000
Southwest - 6085	Admiral	Traffic circle at intersection of 40 <sup>th</sup> Ave SW and SW Findlay.	SDOT	\$10,000
<b>Southwest Subtotal</b>				<b>\$99,000</b>
<b>Grand Total</b>				<b>\$1,233,000</b>

### 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 money to Seattle neighborhood groups and organizations for a broad array of neighborhood-initiated improvement, organizing, or planning projects. Many of these projects also support neighborhood plan recommendations. Awards are made for all phases of a capital project (with the exception of property acquisition) ranging in size from a few thousand dollars to \$100,000. NMF awards often add unfunded amenities to City or other-funded projects. All awards leverage other private and public contributions; a requirement of the NMF is that the City contribution is matched with volunteer labor, donated materials, professional services, or money.

### Additional Policies Guiding the City's Capital Investments

City investments in capital projects are guided by a set of policies reflecting the City of Seattle'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 and supports sustainable building practices; and ensures that all members of the community have access to the economic opportunities capital projects create. Policies also support investment in public art and ensure adherence to good design standards in all City projects. The following section details the asset preservation policy, and how it is reflected in the 2007-2012 Adopted CIP.

### Asset Preservation

During 2002, the Executive undertook an assessment of the City's demands for major maintenance and facility improvement projects. This effort, which was an outgrowth of the City's update to its 2001 financial policies, was intended to develop an annual funding target for major maintenance (now called "asset preservation") investments that would reflect an updated assessment of the City's capital infrastructure. The 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 (Fleets & Facilities, Library, Parks and Recreation, and Seattle Center) are responsible for a total 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 \$44 million 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.

Among the recommendations from the study were: setting the City's asset preservation funding target based on a percentage of the replacement value of all of the assets for which the City has asset preservation responsibility; funding asset preservation investments in part through user fees or internal rates; actively engaging in property management strategies such as disposal, demolition or retirement of facilities to reduce asset preservation obligations, and developing a comprehensive property management system which includes condition assessments, commissioning of new buildings, and life cycle analysis.

In 2007, the City is spending approximately \$32 million from the CRS and \$54 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, \$36 million funds asset preservation of roads and bridges in 2007. In the 2007-2012 Adopted CIP, the City continues to fund projects in the Fleets and Facilities Department through Fleets and Facilities fund balance and space rent as recommended by the 2002 Asset Preservation Study.

### City of Seattle Comprehensive Plan

Development of the 2007-2012 Adopted CIP was informed by the City of Seattle's Comprehensive Plan, which had its required 10-year update in 2004. As in development of the 2006-2011 Adopted CIP, 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 that areas receiving growth have the appropriate physical infrastructure to accommodate such growth. There are many examples of such projects in the 2007-2012 Adopted CIP. See below for detail on projects in Northgate.

In the Adopted CIP for Seattle Public Utilities, projects and programs linked to implementation of the City's Comprehensive Plan include implementation of the Comprehensive Drainage Plan that the City Council adopted in January 2005 through Resolution 30731. Many of the strategies in the Drainage Plan, such as improving stormwater runoff in the right-of-way around critical facilities such as fire stations and hospitals, are focused on areas receiving growth.

The SDOT CIP focuses much of its funding on major urban growth areas. For example, funding is provided for the Fremont Bridge Approaches Project and the related Bridge Way North and Fremont Circulation project. These projects are critical to traffic flow in Fremont and surrounding neighborhoods.

Of course, not all CIP projects are targeted toward growth areas. Much of the City's CIP is focused on major maintenance 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 urban centers. The CIP thus must balance these asset preservation activities with projects designed to support new growth. Within this balance, the 2007-2012 Adopted CIP is designed to align closely with the City's Comprehensive Plan and provide the infrastructure needed to help neighborhoods experiencing substantial growth.

#### Northgate

Work is now underway to revitalize Seattle's Northgate area. In 2006, the Northgate Civic Center, which houses a public park, community center, and branch library, opened for public use. Also in 2006, the City entered an agreement to purchase the Northgate Park-and-Ride Lot from King County in 2008. The 2007-2012 Adopted CIP

includes a project to begin planning for a park on the site (K732348 – Northgate Urban Center Park). In 2007, SPU will begin building a stormwater channel that will create additional open space and connect the area south of Northgate Mall to Thornton Creek (C343306 - Thornton Creek Water Quality Channel Project). Additional Northgate redevelopment projects can be found in the Parks, Library, and SPU Drainage & Wastewater CIPs.

## Historic Preservation and Sustainability

### Historic Preservation

Seattle's commitment to historic preservation began with citizen efforts in the 1960s to block the demolition of several beloved buildings and adopted "Urban Renewal" plans that would have destroyed most of Pioneer Square and Pike Place Market. In 1970, the Seattle City Council secured Pioneer Square's survival with the City's first historic preservation district, and voters approved an initiative for the Pike Place Market historic district two years later. In 1973, the Seattle City Council adopted a Landmarks Preservation Ordinance to safeguard properties of historic and architectural significance around the city, and more than 300 buildings, sites, and objects have now been designated. The City of Seattle currently owns or maintains 55 designated Landmarks, ranging from libraries to park buildings to fire stations; more than 75 other City-owned properties may be eligible for Landmark status. The City's current policy is to consult with Landmarks Board staff when there are plans to alter or demolish a structure that is listed in the inventory of City-owned Historic Resources as potentially eligible for Landmark status, to determine whether it is necessary for the department that owns the building to prepare a nomination. If the facility is significant, the department would go through the landmark designation process in order to preserve the historic nature of the facility. Staff from Fleets & Facilities has worked with Landmarks Board staff in preparing and implementing the Fire Facilities and Emergency Response Levy; the Landmarks Board has designated eight stations as Historic Landmarks.

### Sustainable Building Policy

In February 2000, the City Council adopted a Sustainable Building Policy for the City of Seattle (Resolution 30121). The policy is based on criteria given by the U.S. Green Building Council's LEED (Leadership in Energy and Environmental Design) rating system. All capital construction which falls under the Sustainable Building Policy (new or renovated facilities larger than 5,000 square feet) is expected to budget to meet the LEED "silver standard" or higher. Sustainable building uses materials and methods that promote environmental quality, economic vitality, and social benefit through the design, construction, and operation of the built environment.

The City's current program is multi-faceted, with actions underway in two major areas: 1) sustainable design and construction of City-owned buildings and infrastructure; and 2) promoting sustainable design and construction of non-City construction (e.g., commercial buildings, affordable housing, schools, homes, neighborhoods, etc.). To date, the Carkeek Park Environmental Learning Center, the Airport Way Center Building C (formerly Park 90/5), the Cedar River Water Treatment Facility Operations Building, and City Hall have achieved the LEED Gold standard. Seattle Justice Center, Central Library, and Airport Way Center Building A have met LEED Silver, and Fisher Pavilion and Highpoint Community Center have met LEED Certified (formerly Bronze). Five other projects (Southwest Precinct, North Cascades Environmental Learning Center, Yesler Community Center, Northgate Branch Library and Community Center, and SPU Operations Control Center) have LEED certification pending, and 20 other projects that fall under the policy are in various stages of construction or planning.

## Art and Design Funding for City Capital Projects

### One Percent for Art Program

The One Percent for Art program, established by SMC 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

## Overview

artworks throughout Seattle. The Office of Arts and Cultural Affairs (OACA) manages the One Percent for Art program and 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. From 2006 to 2007, contributions to the One Percent for Art program increased significantly, largely because of the renewed participation of Seattle City Light (SCL) and Seattle Public Utilities (SPU) in the program. Between 2004 and 2006, SCL and SPU contributions to the One Percent for Art program were suspended pending a court decision in *Okeson v. City of Seattle* on whether the utilities are eligible for the program. A 2006 court order stated that SCL and SPU are eligible, but that the utilities' contributions must be used for art projects that have a sufficiently close nexus to the provision of utility services. In 2007, SCL and SPU will contribute to the One Percent for Art program for the eligible capital projects from 2004-2006, the period during which the utilities' participation was suspended.

In 2007, the Municipal Art Fund is expected to receive approximately \$2.2 million from capital departments for the One Percent for Art program, as described below.

One Percent for Art Revenues	2005	2006		2007
	Actuals	Adopted	Revised	Adopted
City Light	0	0	0	1,227,201*
Seattle Public Utilities	0	0	0	1,589,771*
Fleets & Facilities	47,450	198,740	198,740	536,510
Library	0	16,800	16,800	0
Seattle Center	7,450	160,250	160,250	8,500
Parks & Recreation	165,570	212,240	212,240	204,710
Transportation	75,417	108,682	109,062	329,609
<b>Totals</b>	<b>\$295,887</b>	<b>696,712</b>	<b>697,092</b>	<b>3,896,301</b>

\*Includes One Percent for Art from the utilities' eligible 2004-2006 CIP projects.

In addition to the One Percent for Art revenues identified above, in 2007, OACA will receive \$195,000 from the Cumulative Reserve Subfund for general maintenance and repair of all sited and portable artworks.

### Design Commission

Established in 1968, the Seattle Design Commission advises the Mayor, City Council and appropriate City departments on both design and environmental aspects of the City's Capital Improvement Program. Commission members are Seattle citizens appointed by the Mayor for a renewable two-year term. Membership is comprised of two licensed architects, one professional fine artist, one youth member and 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 unrestricted funds from the Cumulative Reserve Subfund. This is a change from past practice when the Commission was funded through fees charged to departments based on the dollar value of their eligible projects. The reason for this change is to reduce the administrative burden of implementing fee recovery.

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.

## Other Key Policies

### Small and Economically-Disadvantaged Business Assistance

The City has taken steps to address contracting equity for small and economically-disadvantaged businesses including Women & Minority owned Businesses. In 2002, Ordinance 120888 authorized the development of a small economically-disadvantaged business assistance program, managed by the Urban League of Metropolitan Seattle. This program, called the Contractor Development and Competitiveness Center (CDCC), provides assistance to small construction firms including minority and women-owned businesses, and provides a bridge to resources available in the community for professional, managerial, and technical development. The CDCC has contracts with SPU, SCL, SDOT and DEA (for General Fund departments) to provide these valuable services and outreach assistance in support of City public works projects.

### Federal Regulatory Compliance

The City's utilities have several facilities projects in their Capital Improvement Programs to meet federal and state regulatory requirements. The City must abide by U.S. Endangered Species Act regulations, which are designed to assist in species recovery efforts. In response to the listing of mid-Puget Sound Chinook salmon under the Act, Seattle Public Utilities is implementing measures to facilitate fish passage near the Landsburg Diversion Dam on the Cedar River. Other projects include creating Cedar River downstream fish habitat and fish passage facilities, and protective fish screening to prevent salmon entrapment in the water supply system. City Light and Seattle Public Utilities are also acquiring salmon habitat in the Green/Duwamish, Cedar/Lake Washington, Skagit, and Snohomish watersheds as part of the City's Early Action Plan.

### CIP Funds and Funding Sources

Like all large municipalities, Seattle relies on a variety of sources to finance capital projects. These include locally-generated revenues (property taxes, fees, voter-approved bonds, 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 a later revenue stream from which to repay the principal and interest expenses. These traditional funding sources continue to provide the majority of funds for capital facility investments. Capital projects in the utilities (Seattle City Light and Seattle Public Utilities) are funded by rates; the utilities issue revenue 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.

The table below identifies funding sources for the 2007-2012 Adopted CIP by fund group (displayed in thousands of dollars).

<b>Fund Group</b>	<b>2006 Revised</b>	<b>2007 Adopted</b>	<b>2007-2012</b>
Federal Funds	\$54,904	\$14,337	\$46,276
King County Funding	7,808	255	1,110
Other City Funds	198,385	135,525	434,641
Other Local Government	8,503	149	140,110
Private Funding	34,299	18,128	37,833
State Funding	70,518	55,597	145,287
To Be Determined	331	9,553	368,572
Utility Funding	323,536	371,450	2,419,916
Voter-Approved Funds (Seattle and King County)	132,907	82,154	413,726
<b>Total</b>	<b>\$831,190</b>	<b>\$687,148</b>	<b>\$4,007,471</b>

\*Funds indicated as “To Be Determined” are generally placeholders for a variety of non-City funding sources (such as grants or private funding). These placeholders are not appropriated, and these projects will not go forward unless funding is secured.

Department capital appropriations for the coming year are made through the budget; details are included in the 2007 Adopted Budget, following each departmental budget section. The level of budget control varies by department and funding source. The Cumulative Reserve Subfund is appropriated at the project or program level. Transportation and utility funds are generally appropriated at the program level. Projects or programs that are funded by general obligation bonds are sometimes appropriated by separate ordinances.

### Cumulative Reserve Subfund (CRS)

This subfund is a reserve fund authorized under State law and is used primarily for maintenance and development of City capital facilities. The subfund is currently divided into two accounts, the Capital Projects Account and the Revenue Stabilization Account. The purposes and uses of these accounts are described below:

The **Capital Projects Account** provides funds for an array of capital projects, with a primary focus on maintaining and rehabilitating existing City facilities. The Capital Projects Account includes the following:

- ◆ The Real Estate Excise Tax I (REET I) Subaccount is funded by a 0.25% tax on real estate transactions. A portion of these proceeds is used to pay debt service on bonds issued in 1992 and refinanced in 1998 for low-income housing and recreation facilities.
- ◆ The Real Estate Excise Tax II (REET II) Subaccount is funded from an additional 0.25% tax on real estate transactions and is kept separate due to different state requirements regarding the use of these funds. REET II is used for a variety of capital projects authorized by state law.
- ◆ The South Lake Union Property Proceeds Subaccount receives funding from sales of certain surplus City property located adjacent to South Lake Union and investment earnings attributable to the subaccount. Guidance on the use of these funds is generally governed by Resolution 30334.
- ◆ The Unrestricted Subaccount receives funding from a variety of sources, including a portion of street vacation revenues, transfers of General Fund balances, property sales, investment earnings (net of investment earnings attributable to the South Lake Union Property Proceeds Subaccount and the Asset Preservation Subaccount – Fleets and Facilities), and other unrestricted contributions to the Cumulative Reserve Subfund.
- ◆ The Asset Preservation Subaccount – Fleets and Facilities receives a portion of the funds collected from space rent charges on certain Fleets and Facilities Department (“FFD”) facilities and interest earned on

## Overview

subaccount balances. Use of these funds is limited to asset preservation expenses in certain FFD facilities.

- ◆ The Street Vacation Subaccount receives funding from a portion of street vacation revenues. In 2001, the Washington State Legislature made major changes in the law pertaining to vacation compensation. These changes allowed cities, in certain circumstances, to charge a vacation fee that is the full-appraised value of the right-of-way and mandated that at least half of the vacation compensation fees received be dedicated to the acquisition, improvement, development, and related maintenance of public open space or transportation capital projects within the city. This subaccount tracks those funds.

The **Revenue Stabilization Account**, created through Ordinance 119761, provides a cushion from the impact of sudden, unanticipated shortfalls in revenue due to economic downturns that could undermine City government's ability to maintain services. The account is limited by ordinance to 2.5% of the prior tax year revenues. There is approximately \$8.1 million held within the account as of July 1, 2006.

## 2007 Cumulative Reserve Subfund Appropriations

The table below shows department allocations from the Cumulative Reserve Subfund (CRS) along with other projects, including debt service payments and the City's Tenant Relocation Assistance Program. This information is shown for informational purposes only; actual appropriations for capital projects funded by the CRS are made in the 2007-2008 Adopted Budget. The 2006 Revised column shows 2006 Adopted totals, plus carryovers and supplementals added during the 2006 calendar year. Department capital projects are fully described in project sections of this document.

	<b>Budget Control Level</b>	<b>Fund Name</b>	<b>2006 Adopted</b>	<b>2006 Revised</b>	<b>2007 Adopted</b>	<b>2008 Endorsed</b>
<b>Appropriations - Special Projects</b>						
1998B Capital Facilities Refunding REET I Budget Control Level	CCE00	REET I	2,946,013	2,946,013	2,941,000	2,934,500
Artwork Conservation - OACA - CRF-UR Budget Control Level	V2ACGM	Unrestricted	120,000	120,000	195,000	170,000
Other Drainage CIP REET I Budget Control Level	C335B-CRF	REET I	100,000	100,000	103,000	0
Design Commission		Unrestricted	0	0	350,526	359,289
Tenant Relocation Assistance Program - CRF - REET I Budget Control Level	2UU51	REET I			200,000	205,000
Tenant Relocation Assistance Program - CRF - UR Budget Control Level	2UU50	Unrestricted	179,000	179,000	80,000	80,000
<b>Transfer to General Fund Budget Control Level</b>	TBD3-CRF		0	0	785,000	0
<b>Special Projects Total</b>			<b>3,345,013</b>	<b>3,345,013</b>	<b>4,654,526</b>	<b>3,873,789</b>
<b>Allocations - Department Summaries - Information Only</b>						
Department of Parks and Recreation			15,979,000	31,807,000	23,871,000	27,410,000
Fleets and Facilities Department			13,339,000	26,791,000	19,252,000	12,196,000
Seattle Center			4,661,000	7,528,000	4,091,000	4,041,000
Seattle Public Library			2,460,000	5,308,000	1,555,000	991,000
Seattle Department of Transportation			21,415,000	30,117,000	14,282,000	9,810,000
<b>Department Summaries Total</b>			<b>57,854,000</b>	<b>101,551,000</b>	<b>63,051,000</b>	<b>54,448,000</b>
<b>Grand Total</b>			<b>61,199,013</b>	<b>104,896,013</b>	<b>67,705,526</b>	<b>58,321,789</b>

## Capital Projects Funds

In addition to the Cumulative Reserve Subfund, the City establishes capital project funds to account for resources set aside to acquire or construct major capital facilities, except those financed by proprietary funds. These funds have been established to monitor the revenue and expenditures of specifically authorized revenues such as voter-approved and Councilmanic bonds and levies. Descriptions of various types of capital projects funds follow.

## General Subfund

General Fund dollars appear in the CIP in two places: the General Fund contribution towards debt service costs of Councilmanic debt and appropriations to capital projects from a department's operating budget.

## Limited Tax General Obligation Bonds

The City's operating budget includes expenditures to pay debt service on general obligation bonds that were issued to finance certain projects. Limited tax general obligation ("LTGO" or "Councilmanic") bonds are bonds that are issued by the City Council without voter approval. The debt service on these bonds is typically repaid from existing general government revenues or from revenues generated by the project(s) financed with the bonds.

## Unlimited Tax General Obligation Bonds

Funds have also been established to account for expenditures of a second type of general obligation bond – unlimited tax general obligation ("UTGO" or "voted") bonds. These voted bonds are issued after receiving approval by 60% of the voters in an election with at least a 40% turnout. The debt service on these bonds is repaid from additional ("excess") property tax revenues, which voters approve as part of the bond measure. The "Libraries for All" (LFA) measure, approved by voters in November 1998, is an example of voter-approved bonds

## Utility Funds

These funds exist to account for both the operating and capital expenses of Seattle Public Utilities and Seattle City Light. The Utility Funds are: Seattle City Light Fund, Drainage and Wastewater Fund, Solid Waste Fund, and Water Fund.

## Private Dollars

Some departments show private funding contributing to their capital projects. There are two ways in which private funds appear in the CIP: private dollars that go towards a capital project, but do not pass through the City in any way; and private dollars which are deposited in City funds, appropriated in the City budget, and spent on a department's capital project.

## Provisos to the 2007-2012 Adopted CIP

Council adopted the following capital budget provisos:

### Department of Parks and Recreation

Of the appropriation for 2007 for the Department of Parks and Recreation's Parks Infrastructure BCL, \$125,000 is appropriated solely for the Danny Woo Community Garden project, and may be spent for no other purpose.

None of the money appropriated for 2007 for the Department of Parks and Recreation's Parks Infrastructure BCL may be spent for the Danny Woo Community Garden project, until authorized by a future ordinance. The Council anticipates that such authority will not be granted until the Department of Parks and Recreation (working with Inter\*Im) submits to the Council a plan and design for the garden, including a funding plan and implementation schedule.

None of the money appropriated for 2007 for the Department of Parks and Recreation's Building Component Renovations BCL can be spent to purchase services at the High Point Neighborhood Center until authorized by a future ordinance. Council anticipates that such authority will not be granted until the Department of Parks and Recreation confirms that Neighborhood House has obtained the needed funds to complete the Center and has signed a contract with the City regarding the City's purchase of services at this Center.

None of the money appropriated for 2007 (and none of the money endorsed for 2008) for the Department of Parks and Recreation's Building Component Renovations BCL can be spent to pay for the Magnuson Park Building 27 Renovation project (K72444) until authorized by future ordinance. Council anticipates that such authority will not be granted until the Department of Parks and Recreation submits more information on their proposal to renovate Building 27 into an indoor sports and recreation complex and also submits alternative options for renovating Building 27 that would allow it to continue to be used for a variety of community events.

Of the appropriation for 2007 for the Department of Parks and Recreation's 2000 Parks Levy – Playfields and Facilities BCL, \$501,000 is appropriated solely for completing the design and construction of pedestrian improvements along the NE 65th Street entrance to Magnuson Park, from Sand Point Way to the shoreline trail, to integrate the fields with the rest of the park, and may be spent for no other purpose.

Of the appropriation for 2007 for the Department of Parks and Recreation's 2000 Parks Levy – Major Park Development BCL, \$295,000 is appropriated solely for removing the internal road and parking lot serving the Magnuson Parks central tennis courts, and may be spent for no other purpose.

None of the money appropriated for 2007 for the Department of Parks and Recreation's Building Components BCL can be spent on dismantling or demolishing the Wawona, as part of the Wawona Disposition project in the 2007-2012 Capital Improvement Program, Project ID K732352.

Of the appropriation for 2007 for the Department of Parks and Recreation's Building Components BCL, \$400,000 is appropriated solely for restoring, preserving, or relocating the Wawona, as part of the Wawona Disposition project in the 2007-2012 Capital Improvement Program, Project ID K732352, and may be spent for no other purpose.

## Fleets and Facilities Department

No more than \$150,000 of the money appropriated for 2007 for the Fleets and Facilities Department's Neighborhood Fire Stations BCL can be spent to pay for the Fire Station 14 Project (Project ID = A1FL114), until authorized by a future ordinance.

No more than \$150,000 of the money appropriated for 2007 for the Fleets and Facilities Department's Neighborhood Fire Stations BCL can be spent to pay for the Fire Station 30 Project (Project ID = A1FL130), until authorized by a future ordinance.

No more than \$150,000 of the money appropriated for 2007 for the Fleets and Facilities Department's Neighborhood Fire Stations BCL can be spent to pay for the Fire Station 33 Project (Project ID = A1FL133), until authorized by a future ordinance.

No more than \$150,000 of the money appropriated for 2007 for the Fleets and Facilities Department's Neighborhood Fire Stations BCL can be spent to pay for the Fire Station 35 Project (Project ID = A1FL135), until authorized by a future ordinance.

No more than \$150,000 of the money appropriated for 2007 for the Fleets and Facilities Department's Neighborhood Fire Stations BCL can be spent to pay for the Fire Station 37 Project (Project ID = A1FL137), until authorized by a future ordinance.

No more than \$150,000 of the money appropriated for 2007 for the Fleets and Facilities Department's Neighborhood Fire Stations BCL can be spent to pay for the Fire Station 38 Project (Project ID = A1FL138), until authorized by a future ordinance.

No more than \$150,000 of the money appropriated for 2007 for the Fleets and Facilities Department's Neighborhood Fire Stations BCL can be spent to pay for the Fire Station 39 Project (Project ID = A1FL139), until authorized by a future ordinance.

No more than \$150,000 of the money appropriated for 2007 for the Fleets and Facilities Department's Neighborhood Fire Stations BCL can be spent to pay for the Fire Station 41 Project (Project ID = A1FL141), until authorized by a future ordinance.

## Seattle Center

No more than \$1,762,000 appropriated for 2007 for Seattle Center's Campuswide Improvements and Repairs BCL can be spent until authorized by a future ordinance.

None of the money appropriated for 2007 for Seattle Center's Campuswide Improvements and Repairs BCL can be spent to pay for the restoration of the Broad Street Green, improvements to campus entries at 2<sup>nd</sup> Avenue at Thomas and 5<sup>th</sup> Avenue at Thomas and Broad (as described under the Open Space Restoration and Repair project, Project ID S9704); phase one implementation of the campus lighting plan (as described under the General Site Improvements project, Project ID S0305); or the Site Signage project, Project ID S9118; until authorized by a future ordinance.

None of the money appropriated for 2007 for Seattle Center's Parking Repairs and Improvements BCL can be spent to pay for the Parking Repairs and Improvements project, Project ID S0301); until authorized by a future ordinance.

No more than \$338,000 appropriated for 2007 for Seattle Center's Public Gathering Space Improvements BCL can be spent until authorized by a future ordinance.

None of the money appropriated for 2007 for Seattle Center's Public Gathering Space Improvements BCL can be spent to pay for theatrical and business support equipment (as described under the Public Gathering Space Improvements project, Project ID S9902); until authorized by a future ordinance.

## Overview

None of the money appropriated for 2007 for Seattle Center's Lot 2 Development Project BCL can be spent to pay for the Lot 2 Development Project (Project ID S0501) until authorized by a future ordinance. Council anticipates that such authority will not be granted until Seattle Center identifies a relocation site on the Seattle Center campus for the skate park and basketball court, and submits a potential site analysis and recommendations to Council.

### Seattle City Light

None of the money appropriated for 2007 for Seattle City Light's Customer Service and Energy Delivery-CIP BCL can be spent to pay for Neighborhood Voluntary Undergrounding (Project ID=8383) unless authorized by future ordinance.

None of the money appropriated for 2007 for Seattle City Light's Customer Service and Energy Delivery-CIP BCL can be spent to pay for Mercer Corridor Relocations (Project ID=8376) unless authorized by future ordinance.

None of the money appropriated for 2007 for Seattle City Light's Customer Service and Energy Delivery-CIP BCL can be spent to pay for Automated Meter Reading (Project ID=8368) unless authorized by future ordinance.

None of the money appropriated for 2007 for Seattle City Light's Customer Service and Energy Delivery -CIP BCL can be spent to pay for South Lake Union Substation (Project ID=7757) unless authorized by future ordinance.

None of the money appropriated for 2007 for Seattle City Light's Power Supply and Environmental Affairs-CIP BCL can be spent to pay for Summer Falls-BPA Interconnection (Project ID=7120) unless authorized by future ordinance.

In addition to the restriction imposed in Section 4 (c) of the ordinance adopting a 2007 budget and elsewhere, no more than \$2 million of the money appropriated for 2007 for Seattle City Light's Customer Service and Energy Delivery-CIP BCL can be spent to pay for consulting services for the utility relocation related to the Alaskan Way Tunnel and Seawall Project (Project ID=8307) until authorized by future ordinance. Council anticipates that such authority will not be granted until the governor makes a decision on an option and the City approves the governor's selection and Seattle City Light provides detailed information on the planned use of the proposed consulting dollars including the scope of work, deliverables, and costs for each consultant.

### Seattle Department of Transportation

In addition to the restrictions imposed in Section 4 ( c ) of the ordinance adopting a 2007 budget and elsewhere, no more than \$3,125,000 of the money appropriated for the 2007 for the Seattle Department of Transportation's (SDOT) Major Projects BCL can be spent to pay for the Alaskan Way Viaduct and Seawall Replacement Project (Project ID = TC366050), until authorized by a future ordinance. Council anticipates that such authority will not be granted until SDOT submits a proposed Viaduct Project funding agreement with the Washington State Department of Transportation (WSDOT) to the Council, and the Council reviews and approves an agreement with WSDOT.

No more that \$7,600,000 appropriated for 2007 for the Seattle Department of Transportation's Major Projects BCL can be spent to pay for the Alaskan Way Viaduct and Seawall Replacement Project (Project ID TC366050), until authorized by future ordinance.

### Seattle Public Utilities

No more than \$300,000 of the money appropriated for 2007 for the Seattle Public Utilities' Shared Cost Projects BCL may be spent for the Demand Management project (Project ID C407019), until authorized by a future ordinance.

No more than \$1,674,000 of the money appropriated for 2007 for the Seattle Public Utilities' Shared Cost Projects BCL may be spent for the Operational Facility Construction project (Project ID C4106), until authorized by a future ordinance.

No more than \$1,508,000 of the money appropriated for 2007 for the Seattle Public Utilities' Shared Cost Projects BCL may be spent for the Security Improvements project (Project ID C4113), until authorized by a future ordinance.

None of the money appropriated for 2007 for the Seattle Public Utilities' New Facilities BCL may be spent for a solid waste intermodal facility, or for design or construction of upgrades to the North or South transfer stations, until authorized by future ordinance. The Council anticipates that such authority will not be granted until SPU completes a re-evaluation of whether the intermodal facility and transfer station upgrades are needed.

No more than \$1,500,000 of the money appropriated in Seattle Public Utilities' New Facilities BCL may be spent to pay for planning of transfer station upgrades in the context of overall solid waste facility needs until authorized by future ordinance.