

Reader's Guide to the 2012-2017 Adopted Capital Improvement Program

The City of Seattle's 2012-2017 Adopted 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 617 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 2010; the 2011 revised budget (including 2011 Adopted Budget, carry-forward balances, abandonments, and supplemental appropriations); adopted 2012 appropriations; and estimated appropriation requests for 2013-2017. "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 2012 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. In addition, in 2010 and 2011, the City underwent a strategic capital planning process to more comprehensively evaluate anticipated capital spending needs and identify potential funding sources. This is known as the Strategic Capital Agenda (SCA). The SCA's scope is limited to non-utility capital projects, including libraries, public safety, parks, cultural facilities, and City office buildings and shops. Given the simultaneous planning work of the Citizen's Transportation Advisory Committee III, this SCA process did not focus on transportation capital facilities, although related impacts in terms of City debt capacity and funding sources are incorporated into the SCA recommendations. Additional detail regarding SCA recommendations can be found below.

The 2012-2017 Adopted CIP totals \$4.3 billion over six years, with \$711 million of that amount anticipated to be spent in 2012.

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 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.

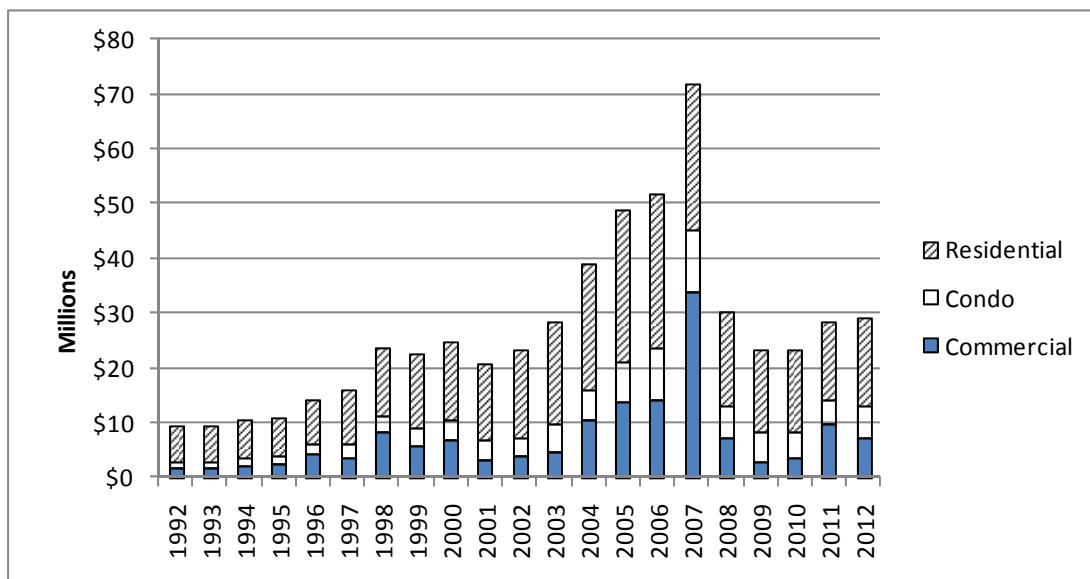
Summary information from these white papers is contained in the narrative sections for each department in this 2012-2017 Adopted CIP. Full versions of the department white papers can be found on the City Budget Office website: <http://www.seattle.gov/financedepartment/>

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 2011 and 2012 projections anticipate relatively stable income streams, large 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 revenue in 2010, but is rebuilding the reserve over time in order to deal with future unexpected downturns in revenue.

REET Revenue – 1992 - 2012



The City's General Fund also has experienced significant strain in recent years, and this continues into 2012 and future years as well. Use of General Fund for capital programs results in fewer dollars available for direct services or programs; however, as described, successfully functioning capital facilities is essential to enable provision of services using those facilities. For additional detail on General Fund challenges, please see the 2012 Adopted Budget overview online here:

<http://www.seattle.gov/financedepartment/12adoptedbudget/default.htm>

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.

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 decade 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, 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 which will be 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 late June 2003. The most recent 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.

Potential Future Major Voter-Approved 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 Strategic Capital Agenda (SCA) identifies 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 levels, additional voter-approved levy authority will be required in addition to support from the City's general tax authority. As cost estimates are refined and new information becomes available, the timing, magnitude, and composition of funding packages that are ultimately sent to voters will be updated.

Central Seawall

The Central Seawall remains a critical public safety project in need of full funding. The Executive recommends a voter-approved excess bond levy to provide full funding for this project. Once approved by voters, this excess levy will provide a secure funding source and will enable the city to rely on non-councilmanic debt authority, preserving councilmanic debt capacity.

The primary alternate approach to funding this program would likely be to rely on a voter-approved levy lid lift, and other existing tax sources, whether transportation-restricted or general purpose resources. If this approach is advanced and existing taxing sources are to be relied upon to support this project, sustainable reductions from otherwise proposed spending levels must be identified in order to free up required resources.

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 2012 Adopted Budget includes \$800,000 in funding to allow for additional planning related to high capacity transit in the five corridors identified in the TMP. This will ensure that the City continues to refine plans and move towards implementation of the TMP. Additional funding in the future will be required though to make acceptable progress on TMP recommendations. Improving our regional high capacity transit system is 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 has begun 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. A funding package would also provide resources for the repair of Piers 62 and 63 and to begin significant replacement of the City's streetlight infrastructure.

The SCA anticipates a levy package of approximately \$190 million, in addition to debt financing on the order of \$80-\$90 million that would be repaid by the General Fund. A public vote would be required, potentially as early as 2013, although the final scope and timing of the levy is still preliminary. This plan

is based on current cost estimates for the Police North Precinct; however, the City is exploring lower-cost options that may reduce the needed funding for this package of facility work. Refinement of these cost estimates is anticipated in 2012, which will allow for development of a final funding package with updated scope and timing.

The SCA does not currently contemplate construction of a new Fire headquarters facility within the planning window. The City will evaluate alternate approaches in 2012.

Parks Asset Preservation

The 2012-2017 Adopted CIP includes funding for major Parks capital projects, including the first phase of renovation of Building 30 at Magnuson Park, and complete funding for the renovation of the Rainier Beach Community Center. Building 30 in particular has fallen to a state of disrepair that severely limits its usability. Approximately \$10 million will also be spent on a variety of asset preservation projects in the parks system. These resources are available due to cost savings on other 2008 Parks Levy projects. 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 SCA therefore anticipates the need for renewal of the 2008 Parks Levy with an emphasis on providing needed resources to maintain these valuable public assets. Based on existing projections, the annual shortfall of asset preservation funding is approximately \$15 million. 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.

2012-2017 Adopted Capital Improvement Program Summary

The 2012-2017 Adopted CIP totals about \$4.3 billion for six years and includes approximately 617 individual projects. About \$2.6 billion of the six-year total, or 61%, 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 \$1.3 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 \$363 million, or 8% of the six-year CIP. Summaries of spending plans by department and details of individual project spending in the 2012-2017 Adopted CIP are contained in each department section. For informational purposes only, the table on the next page shows the total 2012-2017 allocations by department and the accompanying pie chart displays the adopted allocations for 2012 only.

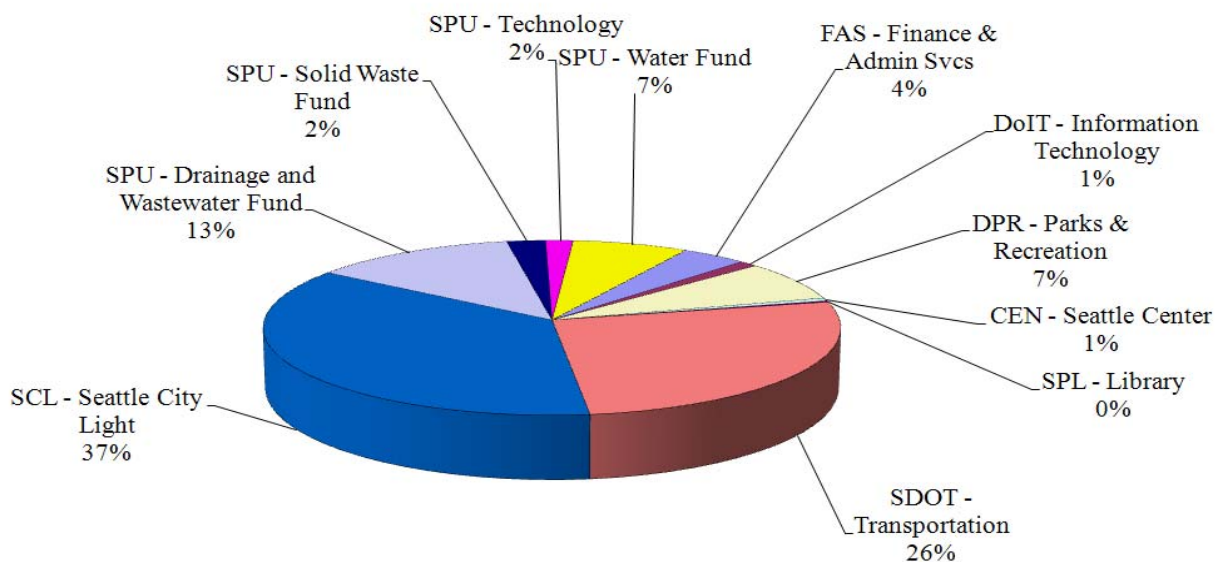
2012-2017 Adopted CIP by Department (dollars in thousands)

Department	2011 Adopted ¹	2011 Revised ²	2012 Adopted	2012-17 Total
Finance and Administrative Services	22,936	96,373	28,609	121,533
Information Technology	8,673	16,467	7,906	60,388
Parks and Recreation	54,707	99,199	52,283	130,615
Seattle Center	9,116	16,793	3,878	40,880
Seattle Public Library	1,050	1,257	1,783	9,773
Seattle Transportation	193,029	411,264	188,094	1,329,606
Subtotal	289,510	641,352	282,553	1,692,794
City-owned Utilities				
Seattle City Light	268,066	386,055	260,670	1,514,517
SPU - Drainage & Wastewater	79,765	85,804	89,022	541,005
SPU - Solid Waste	27,800	48,213	16,778	148,277
SPU - Technology Projects	10,248	10,248	11,838	92,540
SPU - Water	73,930	75,662	50,149	339,603
Subtotal	459,808	605,982	428,457	2,635,943
City Total	749,318	1,247,334	711,009	4,328,737

Notes:

1. 2011 Adopted totals are based on the 2011-2016 Adopted CIP.
2. The 2011 Revised column shows 2011 Adopted totals, plus carryovers, abandonments and supplemental appropriations added during the 2011 fiscal year.
3. Not all funds above are appropriated; see the 2012 Adopted Budget for a list of capital appropriations by department.

2012 Adopted CIP by Department - \$ 711 Million



2012-2017 Adopted Capital Improvement Program

2012-2017 Adopted CIP Revenues

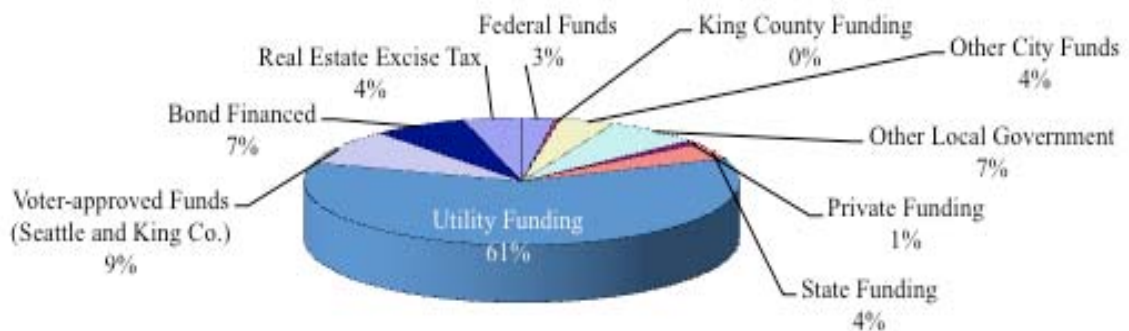
As described above, general tax support of capital spending remains strained in 2012 - funding from Real Estate Excise Taxes totals only 4% of total 2012 CIP revenues. Utility funding comprises the majority of revenues at 61%.

The table below identifies funding sources for the 2012-2017 Adopted CIP by Revenue Source Group.

Revenue Source Group (in 1,000s)	2011 Adopted	2011 Revised	2012 Adopted	2012-17 Total
Federal Funds	14,858	67,744	17,613	29,355
King County Funding	1,932	6,068	2,687	28,702
Other City Funds	23,861	61,545	27,877	321,865
Other Local Government	27,376	31,513	50,212	102,339
Private Funding	7,112	25,802	7,701	19,314
State Funding	32,956	39,043	29,231	306,397
To Be Determined ¹	-	-	-	89,916
Utility Funding	460,573	610,960	430,969	2,646,693
Real Estate Excise Tax	23,419	45,814	31,365	141,273
Bond Financed	91,549	186,100	49,977	98,859
Voter-approved Funds (Seattle and King Co.)	65,683	172,745	63,377	544,025
Grand Total	749,318	1,247,334	711,009	4,328,737

1. 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.

2012 Adopted CIP by Revenue Source - \$ 711 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

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(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 2012, the City is spending \$24.2 million from the CRS and approximately \$46.5 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 \$55.8 million is allocated to asset preservation of infrastructure in 2012. In the 2012-2017 Adopted 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 2012 Adopted Budget increases Capital Projects Account funding for asset preservation from 2011 levels and reduces the gap between funding and target levels. However, given general revenue constraints, there is still a significant shortfall from needed levels. This gap between available resources and needed funding levels is a key driver of recommendations in the Strategic Capital Agenda to seek additional voter-approved funding for basic preservation of the City's assets.

Capital Projects Account Funding for Asset Preservation in Departments Other than Transportation and Utilities					
\$ Million	2009 Adopted	2010 Adopted	2011 Adopted	2012 Adopted	Cumulative (2010 Through 2012)
Budget ¹	\$21.8	\$15.3	\$17.1	\$24.2	\$56.5
Target	\$47.3	\$47.4	\$48.1	\$49.1	\$144.6
Budget minus Target	(\$25.5)	(\$32.2)	(\$31.0)	(\$24.9)	(\$88.1)
Minimum (= 65% of Target)	\$30.7	\$30.8	\$31.3	\$31.9	\$94.0
Budget minus Minimum Funding Requirement	(\$9.0)	(\$15.6)	(\$14.2)	(\$7.8)	(\$37.5)
1) Budget represents funding levels from the Cumulative Reserve Subfund Capital Projects Account					

2012 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 2012 Adopted Budget.

CRS Spending by Department	Operating	Capital	Total
Seattle Center	\$0	\$2,757,000	\$2,757,000
Seattle Public Library	\$0	\$600,000	\$600,000
Seattle Department of Transportation	\$7,862,650	\$0	\$7,862,650
Department of Parks & Recreation	\$0	\$14,283,000	\$14,283,000
Finance & Administrative Services Department	\$0	\$16,967,000	\$16,967,000
Cumulative Reserve Subfund Direct Spending	\$2,104,903	\$0	\$2,104,903
Total	\$9,967,553	\$34,607,000	\$44,574,553

Neighborhood Projects

Support for Neighborhoods and Neighborhood Plan Projects

The 2012-2017 Adopted CIP contains more than 170 projects, totaling approximately \$285 million, in support of neighborhood plans. Work on over half of these projects will occur in 2012. 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 (Formally known as NSF/CRS Neighborhood Program – Small Projects): 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 selection process was completed in August 2011, resulting in the project list below. The Department of Parks and Recreation budget includes \$79,000 of

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CRS REET II funding and SDOT's budget includes \$921,000 of CRS REET II funding. See SDOT project TC365770 (NSF/CRS Neighborhood Program) and Parks project K732376 (Neighborhood Capital Program) for more detail.

2012 Neighborhood Projects Funds – Small Projects

District Council	Project ID #	Project Description	Dept	CRS/NSF Amount
Ballard	2011-076	Textured crosswalk treatment on NW 85th Street at 8th Ave NW, at Greenwood Ave NW & NW 80th Street, and at Greenwood Ave NW & NW 85th Street	SDOT	40,000
Ballard	2011-015	Radar speed signs on 8th Ave NW between NW 85th & NW 100th Streets	SDOT	40,000
Ballard Subtotal				80,000
Central	2011-003	Crosswalk on E Union Street at 25th Ave	SDOT	31,000
Central	2011-019	Judkins Park	Parks	59,000
Central Subtotal				90,000
Delridge	2011-001	Crosswalk on Delridge Way SW at SW Findley Street	SDOT	31,000
Delridge	2011-038	Traffic signal at Avalon Way SW & SW Genesee Street	SDOT	65,000
Delridge Subtotal				96,000
Downtown	2010-026	Pedestrian countdown signals at 1st Ave S & S Main Street, 1st Ave S & S King Street	SDOT	61,000
Downtown	2011-085	Sidewalk repair at International Children's Park (700 S Lane St)	SDOT	34,000
Downtown Subtotal				95,000
East	2011-026	Sidewalk repair on 4100 block of E Madison Street	SDOT	90,000
East Subtotal				90,000
Greater Duwamish	2011-107	Curb bulb at Airport Way S & 13th Ave S	SDOT	30,000
Greater Duwamish	2011-068	Pedestrian island/crosswalk at 13th Ave S, Stanley & S Bailey Streets	SDOT	72,000
Greater Duwamish Subtotal				102,000
Lake Union	2011-100	Sidewalk at E Hamlin Street & Fairview Ave E	SDOT	35,000
Lake Union	2011-095	Crosswalk on N 50th Street at Woodland Park Ave N	SDOT	55,000
Lake Union Subtotal				90,000
Magnolia/Queen Anne	2009-006	Curb repair on Bigelow Ave W	SDOT	34,000
Magnolia/Queen Anne	2011-050	Sidewalk repair on south side of 3200 block of W McGraw Street	SDOT	56,000
Magnolia/Queen Anne Subtotal				90,000
North	2011-031	Asphalt walkway on north side of NE 100th Street from Ravenna Ave NE to the east for 140'	SDOT	62,000
North	2011-067	Traffic circle at NE 143rd Street & 23rd Place NE	SDOT	35,000
North Subtotal				97,000

Overview

District Council	Project ID #	Project Description	Dept	CRS/NSF Amount
Northeast	2011-069	60% design of sidewalk on NE 85th St between 30th & 28th Aves NE; 28th Ave NE between NE 85th & 83rd Sts; and NE 83rd St between 28th & 25th Aves NE	SDOT	95,000
Northeast Subtotal				95,000
Northwest	2011-021	Curb bulb at N 66th St & Linden Ave N/Woodland Pl N	SDOT	104,000
Northwest Subtotal				104,000
Southeast	2011-002	Phase 1 Stairway at Charleston St ROW between S Cortland Pl & 37th Ave S	SDOT	90,000
Southeast	2010-014	Sidewalk repair along the south side of S. Horton St. between 34th Ave S and 35th *	SDOT	40,000
Southeast Subtotal				130,000
Southwest	2011-106	Landscaping for traffic island at Alki Ave SW & 63rd St SW	Parks	20,000
Southwest	2011-057	Traffic circle at 38th Ave SW and SW Graham St	SDOT	20,000
Southwest	2011-092	Traffic calming on 47th Ave SW between SW Wildwood Pl & SW Brace Point Dr	SDOT	56,000
Southwest Subtotal				96,000
GRAND TOTAL				1,255,000

* This project to be included only if funding is available: SDOT would leverage an additional \$30k to complete one block of sidewalk repair at John Muir Elementary School.

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 first round of the three-year funding cycle for project selection, design, and construction began in 2007. The project selection and planning process for the second funding cycle began in 2010 and a large number of high-scoring projects were identified. The following projects were selected for funding:

- Fairview Ave E and Fairview Ave N Intersection
- Garfield Superblock 23rd Avenue East
- N 143rd St between Palatine and Aurora Ave
- Maynard Ave between S Jackson St and S Dearborn St
- Ravenna Ave NE between 85th Ave NE and Lake City Way
- 13th Avenue NW between NW 90th Street and Holman Road
- S Orcas Street between Beacon Ave S and MLK Jr Way
- 25th Avenue SW from SW Brandon St to SW Juneau St
- S Othello Street between Seward Park Ave & Chief Sealth Trail
- California Ave SW at SW Holden, SW Othello, SW Frontenac and SW Findlay Sts
- 33rd Avenue NE between NE 125th St and NE 130th St

More information about these projects is available at http://www.seattle.gov/transportation/btg_nsf_large.htm.

In order to support additional project selection, \$400,000 of support was included in 2011 and will be again in 2012 to the Large Projects Fund from General Fund resources.

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.

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 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 2012, the Municipal Art Fund is expected to receive approximately \$2.0 million from capital departments for the One Percent for Art program, as described below.

One Percent for Art Revenues	2010 Actuals	2011 Adopted	2012 Adopted
City Light	\$131,265	\$363,382	\$303,073
Seattle Public Utilities	\$849,928	\$978,000	\$923,169
Finance & Admin. Services	\$36,640	\$162,250	\$140,099
Seattle Center	\$10,090	\$36,650	\$1,180
Parks & Recreation	\$214,830	\$222,140	\$184,540
Transportation	\$660,445	\$644,935	\$465,808
Totals	\$1,903,198	\$2,407,357	\$2,017,869

In addition to the One Percent for Art revenues identified above, OACA receives \$187,000 in 2012 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, 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 this year (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.

Specifically, the updated policy will

- Raise the minimum required green building rating to LEED Gold;
- Set minimum requirements for energy and water efficiency, construction waste reductions, and bicycle commuting for new construction, additions and major renovations;
- Broaden the scope to address projects smaller than 5,000 square feet, tenant improvements and sites;
- Establish pilot projects to test new approaches and standards, such as the Living Building Challenge and the Sustainable Sites Initiative;
- Update guidelines, procedures, and responsibilities to facilitate implementation; and
- Require annual reporting of performance under the policy and ongoing program evaluation.

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 2012-2017 Adopted 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.

Endangered Species Compliance: 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 continuing to implement its commitments under the Cedar River Watershed Habitat Conservation Plan, 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 of facilities that the DOJ has requested that the City update or alter in order to improve accessibility for individuals with disabilities. In 2012, the City continues to appropriate funds that provide for elements or facilities to be altered to address items where the City is in agreement with the findings reported by the DOJ. In addition, the City will undertake a survey of facilities not previously audited to identify barriers to accessibility in order to ensure that the City's Programs and Facilities are accessible per the requirements of the ADA Regulations. In 2011, the City engaged a project manager who is now providing oversight on work to survey the City facilities for compliance; 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 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.

Small and Economically-Disadvantaged Business Assistance: The City continues actions to address contracting equity for minority- and women-owned businesses (WMBE). The City has focused on designing and implementing new processes that enforce City expectations to bidders for all City bids and contracts. Certain City departments (Seattle City Light, SPU, SDOT, and Finance and Administrative Services) have funded competitively-solicited contracts with experts in WMBE utilization. These

contracts assist those departments in evaluating policy, doing outreach and training, and other support for WMBE initiatives.

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 almost 400 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 18 of the City's neighborhoods including Belltown, Cascade, Central, Columbia City, Denny Triangle, Downtown, Georgetown, Mount Baker, North Beacon Hill, North Rainier, 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.

