

## **CIP Results Team Purchasing Strategies**

**March 21, 2014**

The Capital Improvement Program (CIP) is a 6-year plan that outlines Redmond's plan for investments in capital projects and programs that fund new infrastructure as well as upgrades, repair or maintenance. Redmond's CIP includes four broad types of investments - Parks, Transportation, Utilities and General Government. The CIP implements Redmond's vision and provides a longer term outlook into the City's financial planning for capital needs.

Redmond's CIP is organized into four sections – Downtown, Overlake, Redmond Neighborhoods and Citywide. Within each of these four sections, the CIP is organized by packages of projects or programs that either need to be sequenced together or have other common characteristics. For example, the Cleveland Street/Redmond Way One-Way conversion includes several projects that contribute to this conversion, including construction of water quality facilities, replacement of eroded sewer main, and transportation channelization and streetscape improvements.

The City has established long range functional plans for most capital improvements, and the projects and programs contained within these plans were identified and prioritized based on criteria specific to the functional area. Redmond's needs for capital improvements, however, exceed available funding. For the 2015-20 CIP, the criteria below are intended to help the City prioritize across diverse investments to determine where to use available funds. For example, the criteria provide a tool to weigh projects such as development of a new park, completion of gaps in the street grid or upgrades for aging infrastructure to maintain its condition and reliability so as to strategically sequence investments to those priorities that are key to Redmond's future. For Redmond's long range Capital Investment Strategy, the criteria can help indicate how to strategically position the City to obtain the type of revenue needed in the right time frame.

The criteria below are based in part on purchasing strategies for each priority from Redmond's Budgeting by Priorities (BP) process. Each criterion relates to achievement of several of the BP priorities, as shown in the table below. The approach is to score packages of related capital projects (such as the Cleveland Street/Redmond Way One-Way Conversion package which includes several component projects) as well as stand-alone projects and programs for each of the criteria.

The criteria are intended to be used as an initial step in prioritizing across functional areas for the CIP. Following the prioritization, the draft CIP will be reviewed to determine if adjustments are needed to meet particular goals for a given 6-year period related to restoration versus new construction, geographic priorities or distribution, or other considerations. Following adoption of the CIP, the sequence for moving capital investments forward during any given year or two-year period will be based on tactical criteria such as specific timing requirements or sequencing needs.

	Related BP Priorities	Bus Comm	Clean and Green	Comm Building	Infra & Growth	Safety	Resp Govt
	<b>Criteria</b>						
1	<p><b>Jobs and housing: Capital investments that support a diverse array of business and housing opportunities.</b> The score is based on the extent to which the investment will provide the infrastructure, services or funding likely to attract customers and new businesses, improve opportunities for permanent jobs, avoid business closures or declines, or increase the supply and diversity of housing in Redmond or on the Eastside. From the 2013-18 CIP, the Overlake Village critical infrastructure package, which included investments such as for the South Vault, the Overlake Access Ramp preliminary design and master plan for the park on the Capstone property, is an example of an investment that would likely score highly due to the support for existing and new businesses, jobs and housing. Funding for the Neighborhood Matching Grant program would likely score lower on this criterion since these grants are limited to a maximum of \$5,000 and the potential to positively impact housing or business growth is probably low.</p> <p><u>For this criterion:</u>  3 = Investment will have a substantial positive impact  2 = Investment will have a moderate positive impact  1 = Investment will have minimal positive impact  0 = Investment will have no positive impact</p>	**		**	**		
2	<p><b>Environmental quality: Capital investments that keep Redmond clean, green, and healthy by protecting, maintaining and restoring our environment and encouraging sustainable consumption and choices.</b> The score is based on the extent to which the investment will create and maintain healthy and sustainable habitats and ecosystems, support sustainability such as through waste reduction and energy efficiency, or enhance the health and safety of the public in their use of the natural and built environment. From the 2013-18 CIP, the 18000 NE 76<sup>th</sup> St. groundwater protection project is an example of an investment that would likely score highly because it addressed capacity issues, water quality issues and stormwater infiltration into a wellhead protection zone. The Transportation Concurrency Program would likely score lower on this criterion because the program provides data, analysis and performance measurement to support implementation of the Transportation Master Plan and is less likely to have a direct positive impact on environmental quality.</p>		**		**	**	

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	<b>Criteria</b>						
	<p><u>For this criterion:</u>  3 = Investment will have a substantial positive impact</p> <p>2 = Investment will have a moderate positive impact</p> <p>1 = Investment will have minimal positive impact</p> <p>0 = Investment will have no positive impact</p>						
3	<p><b>Quality of life: Capital investments that maintain and enhance Redmond as a desirable location to live, work, play and visit.</b> The score is based on the extent to which the investment will provide safe and attractive places to recreate and connect with others in our neighborhoods, improve travel choices and mobility, increase neighborhood transportation connections, enhance Redmond’s distinct places and character, and enhance public safety. From the 2013-18 CIP, the Redmond Central Connector package is an example of an investment that would likely score highly because of the substantial positive impact for recreation, transportation and community character and connections. Property management for the Sammamish River Business Park would likely score lower on this criterion.</p> <p><u>For this criterion:</u>  3 = Investment will have a substantial positive impact</p> <p>2 = Investment will have a moderate positive impact</p> <p>1 = Investment will have minimal positive impact</p> <p>0 = Investment will have no positive impact</p>	**	**	**	**	**	
4	<p><b>Urban Centers: Capital investments that provide the attractive and vibrant urban environment envisioned for Downtown and Overlake.</b> The score is based on the extent to which the investment will complete the infrastructure facilities and services needed for people who live, work and visit these urban neighborhoods now and the extent to which the investment will likely attract additional residents, businesses, visitors and development. From the 2013-18 CIP, the Couplet Conversion package is an example of an investment that would likely score highly because this package of investments includes needed utility and stormwater improvements, completion of gaps in the street grid, streetscape improvements and the couplet conversion and will likely provide substantial positive impact for those who live, work in or visit the Downtown. The Evans Creek relocation would likely score</p>	**	**	**	**	**	

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	<b>Criteria</b>						
	<p>lower on this criterion because it is not located in or supportive of either of the urban centers.</p> <p><u>For this criterion:</u>  3 = Investment will have a substantial positive impact  2 = Investment will have a moderate positive impact  1 = Investment will have minimal positive impact  0 = Investment will have no positive impact</p>						
5	<p><b>Relation to adopted plans and requirements: Capital investments that deliver and maintain needed infrastructure facilities and services consistent with adopted plans, established levels of service, or state or local requirements and regulations.</b> The score is based on whether the investment is included in an adopted functional or strategic plan and Redmond’s Capital Investment Strategy, supports the Comprehensive Plan, is part of a regional plan, or is required by law, regulation, mandate or agreement with other jurisdictions or partners. From the 2013-18 CIP, the Sidewalk Improvement Program is an example of an investment that would likely score highly because it is included as part of the Transportation Master Plan and helps meet requirements such as for accessibility.</p> <p><u>For this criterion:</u>  3 = Investment is consistent with adopted plans and serves a requirement  2 = Investment is consistent with adopted plans or serves a requirement  1 = Investment is included in an administrative plan and does not serve a requirement  0 = Investment is not included in any written plan</p>	**	**	**	**	**	**
6	<p><b>Preservation and safety:</b> Capital investments that maintain and improve the reliability, integrity and safety of infrastructure systems. The score is based on whether the investment is needed to replace infrastructure that has exceeded its useful life, replace outdated systems, help avoid the need for more costly improvements later, alleviate existing public safety hazards or promote public safety. From the 2013-18 CIP, pump station upgrades are an example of investments that would likely score highly</p>	**	**	**	**	**	**

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	<p>because many of the components had reached the end of their useful life. The Downtown Park would likely score lower on this criterion.</p> <p><u>For this criterion:</u>  3 = Investment will have a substantial positive impact  2 = Investment will have a moderate positive impact  1 = Investment will have minimal positive impact  0 = Investment will have no positive impact</p>						
7	<p><b>Timeliness: Capital investments that have a clear benefit for funding during the upcoming 6-year CIP.</b> The score is based on the extent to which the investment is being sequenced with other projects, a portion is underway, is dependent on grant schedules, resolves current customer problems and issues, takes advantages of opportunities for higher priority projects, or will allow the City to benefit from a favorable current situation such as land availability at a favorable price or a partner opportunity. From the 2013-18 CIP, construction of new restrooms at Farrel-McWhirter Park would likely score highly because this park is one of Redmond's most popular parks with many customers and events, and the restroom is old and outdated and needs to be closed in the winter due to freezing pipes. The new restroom provides a safer, more convenient and accessible structure for customers. Funding in 2017-18 for the next update of the Transportation Master Plan would likely have scored lower on this criterion because the next TMP update does not need to begin for a few years.</p> <p><u>For this criterion:</u>  3 = Investment provides high benefit for funding during the upcoming CIP  2 = Investment provides moderate benefit for funding during the upcoming CIP  1 = Investment provides low benefit for funding during the upcoming CIP  0 = Investment does not provide clear benefit for funding during the next 6 years</p>	**	**	**	**	**	**
8	<p><b>High value:</b> Capital investments that achieve high value for the dollars invested. The score is based on the extent to which the investment demonstrates innovation in approach that contributes to revenue savings or other positive returns on the investment, will result in decreased</p>	**	**	**	**	**	**

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	<p>operating costs, will result in a significantly better product for the investment or leverages actions and resources from others. From the 2013-18 CIP, Overlake Village Station Area investments such as design of the pedestrian-bicycle bridge and station area vault are examples of investments that would likely score highly since the investments demonstrate innovation in approach and leverage actions and resources from others. The Undergrounding Program is an example of an investment that would likely score lower on this criterion because while undergrounding results in improved reliability, safety and aesthetics, the funding for this program has not been at a level to achieve a bigger value impact and also, in some locations, such as industrial areas, the aesthetic value of undergrounding could be low.</p> <p><u>For this criterion:</u>  3 = Investment will have very high value   2 = Investment will have high value   1 = Investment will have moderate value   0 = Investment will have low value</p>						