

BUSINESS COMMUNITY

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

REQUEST FOR OFFERS

TEAM MEMBERS

Team Lead: Erika Vandenbrande, Planning

Team Member: Brian Coats, Police

Team Member: David Hurnblad, Fire

Team Member: Jim Roberts, Planning

Team Member: Sherry Schneider, Public Works

Team Member: Chris Hoffmann, Citizen

NOTE: The team also received input from Ralph Kliem who served temporarily as the citizen representative.

PRIORITY

I want a diverse and vibrant range of businesses and services in Redmond.

RESULTS INDICATORS

Indicator 1: The number and percentage of businesses by category: retail, restaurants, tourism, services, high tech, and manufacturing.

This measurement reflects business diversity by providing both the breadth of types of businesses and their relative percentage.

Indicator 2: The number of citizens and employees of businesses within the City of Redmond satisfied with the range of businesses and services available in Redmond.

Data gathered by a survey will reflect the degree of citizen and business employee satisfaction with the diversity of Redmond's businesses. This will show to what degree residents and businesses can find goods and services within the City of Redmond.

Indicator 3: The number of businesses that have held a Redmond business license over seven years.

Measures Redmond's ability to attract and maintain successful businesses through economic cycles.

INTRODUCTION/SUMMARY OF CAUSE & EFFECT MAP

Our Cause and Effect Map identifies four factors that are important in addressing our priority of creating a diverse and vibrant range of businesses: 1) Mix of Businesses and Activities; 2) Image and Identity; 3) Business Attraction and Retention; and 4) Accessibility for Businesses and Consumers.

Factor 1: MIX OF BUSINESSES & ACTIVITIES

A vibrant business community necessitates a balance of daytime and evening activities, as well as an emphasis on cultural arts. Redmond businesses that offer a wide range of goods and services will help make the City a destination for “one stop shopping.” The presence of anchor and unique specialty stores will help achieve this objective by enticing local residents, tourists, and consumers from the region to visit and shop in Redmond. The objective is not to copy what other comparable cities have done, but to offer a variety of businesses and activities that make Redmond a destination while fostering its unique identity. A lively arts scene encompassing Redmond’s image will help make the City a destination place and keep employees in town when their work day ends. Examples include a technology museum, art gallery, and nighttime entertainment.

Businesses and activities in Redmond should be integrated with the community, which includes other businesses, residents and employees who work in the City. Existing and new businesses contribute to the well-being and vision of the City and are encouraged to be actively involved in Redmond’s events and activities, such as Derby Days and Redmond Lights.

Factor 2: IMAGE & IDENTITY

The image and community identity that a city presents to both its residents and the broader community contributes to its ability to attract and retain a diverse set of businesses that in turn help create a vibrant business community. The City of Redmond can facilitate creating a positive, pro-business reputation by supporting partnerships and activities that demonstrate collaboration between the City and businesses; activities that promote a talented and skilled workforce; efforts that leverage Redmond as a city that is home to many high-tech companies; development of iconic places that reinforce community identity and draw customers to Redmond businesses; and fostering programs that reinforce an entrepreneurial community character.

Factor 3: BUSINESS ATTRACTION & RETENTION

A focus of the City of Redmond is to exhibit and promote a healthy environment that attracts and retains businesses and services. To obtain this result Redmond must take an active role in creating an atmosphere that provides efficient processes, proactive support, and a welcoming environment. Being business friendly, making it easy to for businesses to get assistance, having positive business/governmental relationships, and acknowledgement of business successes in the community are all a part of a welcoming attitude.

To facilitate efficient processes there must be expeditious and predictable licensing and permitting, as well as timely administrative reviews and approvals, and a single point of contact for services (project ombudsman). The co-location of staff affords an opportunity to provide “one stop shop” service.

An accepting, proactive, and “can do” attitude for customer service delivers a powerful message to the development and business community. The attitude of a “guide” versus a “regulator” is the key to collaborative problem solving resulting in timely and predictable outcomes.

This factor focuses on the promotion of incubator space and targeted business cluster development in areas, such as aerospace, software/ information technology, homeland security, renewable energy, biometrics, communications services, tourism, retail, as well as research and development.

Factor 4: ACCESSIBILITY FOR BUSINESSES & CONSUMERS

It is critical that the infrastructure provides clear access for consumers, residents, business workers and freight providers. Water, sewer, and broadband systems along with sidewalks and roadways all need to be designed, built, and maintained to support businesses and consumers.

People come to Redmond by driving, biking, walking, or transit. The streets and streetscapes should be attractive and inviting; our many trails and pathways should be pedestrian friendly. Addressing traffic congestion during normal operating hours and in times of capital construction should be viewed as extremely important in supporting business sustainability. Balancing parking demands between the public and private sectors necessitate the provision for employee parking, customer parking, and parking enforcement including a permit system. Having 24 hours a day, seven days a week proactive versus reactive police protection assures a secure environment.

The City should continue to be supportive in assisting new or expanding businesses in locating good options for retail and office space with a quick and predictable process. Encouraging public and private amenities proximate to businesses ensures the growth of area customer base.

Our goal is to encourage people to stop, shop, work and play in Redmond by making it a pleasant, desirable, and easily accessible destination.

PURCHASING STRATEGIES

WE ARE LOOKING FOR OFFERS THAT:

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

Business owners, developers, and design professionals operate most effectively when they understand the rules by which their business/project will be reviewed; understand the review process; and can rely on established timeframes to realize predictable results. Reduced review timeframes and clear expectations, without diminished quality, are what this purchasing strategy is intended to achieve.

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

Businesses look to locate in communities that are commerce-friendly. We favor offers that: enhance relationships and encourage partnerships between businesses, local government, and the community through proactive economic development activities; provide business supportive resources and programs; promote interactions with the business community that support a safe environment; and recognize business contributions to the community.

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

Redmond’s weekday population exceeds its residential total. Recognizing this unique scenario, we favor offers that keep these employees and citizens in Redmond beyond the traditional work day. Redmond should promote distinct commercial and cultural opportunities that foster interest and customer loyalty for residents, employees, and visitors alike.

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

As Redmond transitions to a more urban environment, our community has an opportunity to redefine its own unique character. Streetscapes that are invitingly connected and secure (including plantings, art, building façade treatments, street furniture, etc.) will establish a sense of place, drawing people to socialize, walk, shop, and enjoy a “Redmond” experience.

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

Careful, long range planning provides centralized and site specific solutions; ties mobility, infrastructure and parking amenities together; and helps increase overall business accessibility. Projects and programs that speak to efficient use of parking and other shared mobility resources will be favored.

CIP Purchasing Strategies

Strategy 6: Accomplish the vision for our urban centers.

We favor offers that fund needed facilities, services and improvements within Downtown and Overlake. In particular, we favor offers that deliver improvements identified in the Comprehensive Plan for these locations.

Strategy 7: Achieve high value for the dollars invested.

We favor offers that demonstrate efficiency in cost, timing and approach, as well as leverage actions and resources by others.

Strategy 8: Contribute to meeting the City’s level of service standards.

We favor offers that meet growth-related needs, as well as those offers that keep existing facilities and equipment reliable and safe.

Strategy 9: Carry out the Comprehensive Plan, including adopted functional plans.

We favor offers that support Redmond’s vision and land use plan with special regard to specific projects and priorities identified in the Comprehensive Plan.

NOTES/PRACTICES/SUPPORTING EVIDENCE

1. 2009-2010 Budget Requests for Offers
2. City of Redmond Economic Development Strategy
3. Interview with Chris Hoffmann, Executive Director, Greater Redmond Chamber of Commerce
4. Enterprise Seattle Workplan, <http://www.enterpriseseattle.org>
5. Prosperity Partnership Strategy, Foundation Initiatives; Cluster Initiatives, and Competativeness Indicators, <http://www.prosperitypartnership.org>
6. State of Washington, Department of Commerce website, <http://www.commerce.wa.gov>
7. City of Kirkland, www.ci.kirkland.wa.us/Business.htm
8. City of Seattle, <http://seattle.gov/html/business/default.htm>.
9. City of Bellevue, http://www.ci.bellevue.wa.us/economic_development.htm

Mix of Businesses & Activities

- Balance of daytime and evening
- Integrated with community
- Contributes toward community well-being and vision

shopping

entrepreneurship

restaurants

tourism

light manufacturing

Business Attraction & Retention

- Welcoming environment (attitude and actions)
- Accepting and active support for businesses
- Efficient and streamlined processes

Image/Identity

- Contributes to community character
- Positive business reputation

education

entertainment

hi-tech

office

Accessibility for Businesses & Customers

- Infrastructure that supports mix of businesses
- Easy access to businesses and activities
- Safe environment

arts

I want a diverse and vibrant range of businesses and services in Redmond

**BUSINESS COMMUNITY
2011-2012 OFFER SUMMARY**

Page No	Offer #	Offer	Department	Ranking	2011-2012 Adopted Budget¹
43	PLN2136	Sustainable Economic Development	Planning	1	\$359,606
45	PLN2135	Predictable Development Permitting	Fire/Planning/Public Works	2	8,137,060
47	PLN2133	Mobility Options	Planning	3	3,564,204
50	PLN2138	New Zoning Code User Tools	Planning	4	348,452
52	FIN2155	Business Community Partners	Finance	5	190,309
54	PLN2134	Access to Business Through Parking Management	Planning	6	309,358
56	PLN2137	Tourism Promotion	Planning	7	674,776
					\$13,583,765

Notes:

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

**SCALABILITY SUMMARY
BUSINESS COMMUNITY**

Offer No.	Offer Description	Offer Total	Changes to New Request	Changes due to Efficiencies	Changes due to Service Demand	Changes to Service Levels	Total Funded Offer	Comments
PLN2136	Sustainable Economic Development	\$ 481,940	\$ (100,000)	\$ (22,334)			\$ 359,606	Denied a portion of the new request for regional partnership activities and promotional opportunities
PLN2135	Predictable Development Permitting	10,103,089	(180,000)	(632,360)	(1,153,669)		8,137,060	Denied request for new credit card processing fees; gained efficiencies through reorganization and right-sizing administrative costs; reduced service level commensurate with declines in demand
PLN2133	Mobility Options	3,680,554		(116,350)			3,564,204	Right-sized administrative costs
PLN2138	New Zoning Code User Tools	373,992		(4,388)	(21,152)		348,452	Lower demand for printed user guides placing more reliance on web based code for greater efficiency and cost savings
FIN2155	Business Community Partners	343,077	(149,465)	(3,303)			190,309	Denied request for new administrative support and right-sized administrative costs
PLN2134	Access To Business Through Parking Management	310,697		(1,339)			309,358	Right-sized administrative costs
PLN2137	Tourism Promotion	674,776					674,776	No change in program
	Total	\$ 15,968,125	\$ (429,465)	\$ (780,074)	\$ (1,174,821)	\$0	\$ 13,583,765	

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2136

Type of Offer: OFFER - ONGOING

O&M/CIP:

SUSTAINABLE ECONOMIC DEVELOPMENT

Description:

What: Sustainable economic development creates jobs for residents, provides desired goods and services for the community, helps foster a complete community, and provides necessary tax revenues to maintain and enhance the City's services. Redmond in the past has been extremely fortunate in its growth of the local economy. However, to sustain this growth active ongoing measures are critical.

In this past biennium, consultants assisted Redmond in the creation of a Redmond Strategic Plan for Economic Development. This budget request now focuses on the implementation of that plan to enhance current economic development activities by supporting business retention and recruitment, and establishing positive communications with the business community. The overall strategy is intended to gain economic recognition for Redmond in the region and beyond. While the City's direct role has previously included providing properly planned and zoned land, a predictable and timely development review process, and necessary infrastructure, with the Strategic Plan other significant tasks exist as well. This includes a focus on retaining the businesses who call Redmond home and involves face-to-face contact with business leaders to determine what we can do as a City to assist in making their business more successful.

Why: An effective economic development program supports a sustainable local economy by maintaining and enhancing the number of jobs located in Redmond. Also, this offer enables Redmond to maintain a presence in regional organizations such as: Prosperity Partnership, EnterpriseSeattle, and the King County Economic Development Managers organization. The establishment of an Economic Development Program as a separate program is both a Mayoral and Council priority as they recognize the benefit to the community of proactively supporting, targeting and pursuing the types of business activities that would support and enhance the community. This includes focusing on the "Target Business Clusters" identified in the Strategic Plan for Economic Development.

How: Retention and Recruitment is the recommended first program identified in the Strategic Plan. Retention involves establishing a regular program by which owners/managers of Redmond businesses are contacted to see how they are doing, what we can do to help them become more successful and act on those requests, as well as let them know we actively support their business being in Redmond. Currently the City does not have a formal retention and recruitment process. If businesses express an interest in locating in Redmond, staff informally work with them to make them feel welcome and appreciated; help them find an appropriate location for their business; and help them get necessary permits in an expedited manner. Part of establishing a formalized Economic Development Program will be to develop a proactive business recruitment program, consistent with the targeted business clusters. To foster a stronger business climate, the duties of the Deputy Planning Director will continue to be reorganized and other staff as needed will be utilized to immediately emphasize the retention of businesses in Redmond and to recruit new businesses as identified in the Strategic Plan. The duties of the Deputy Planning Director as Economic Development Manager will also include serving as liaison to a new economic development organization; shepherding businesses through the development review process; and being a liaison between the business community and the Public Works Department to maintain the viability of businesses as the City constructs new public infrastructure.

As part of the Strategic Plan, an implementation strategy was approved by City Council that identifies a Public/Private partnership as the optimal organizational structure. This offer proposes \$200,000 (new request) to serve as "seed money" to incent the current partnership of businesses, the Chamber, and other community organizations, as well as the City to proceed with implementation (currently under development by a consortium of City and private sector members). This investment by the City is intended to underwrite the program to get it started, at which time the private sector will be

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2136

Type of Offer: OFFER - ONGOING

O&M/CIP:

SUSTAINABLE ECONOMIC DEVELOPMENT

expected to provide additional funds to perpetuate the program's operation. This funding will likely be used to hire an economic development professional to start the separate organization. The Redmond Chamber of Commerce will provide space and support staff. The economic development professional will conduct a business survey that augments the face-to-face contacts with businesses to help determine the business climate and where the City's efforts should be focused.

This offer supports the Business Priority (Factors 1 and 3) by encouraging a mix of businesses that will result in a more active, livable downtown. Also, this offer will directly support existing businesses and promote the growth and expansion of the business community.

This offer supports the Business Priority (Purchasing Strategies 1 and 2) by working to enhance Redmond's reputation for being a business-friendly location with positive attitudes and processes to assist the business community.

Performance Measures:

1. Increase in number of local businesses in selected categories, including retail, restaurants, tourism, services, high tech and manufacturing. *(New Measure)*
 2. The level of funding by the private sector to support the economic development function will be a direct reflection on the effectiveness and credibility of the effort. *(New Measure)*
-

Budget Offer Summary:

Expenditure Summary

	2011	2012	Total
Ongoing-Sal/Ben	\$73,613	\$74,493	\$148,106
Ongoing-Others	\$105,750	\$105,750	\$211,500
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$179,363</u>	<u>\$180,243</u>	<u>\$359,606</u>
FTEs	0.500	0.500	

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2135

Type of Offer: OFFER - ONGOING

O&M/CIP:

PREDICTABLE DEVELOPMENT PERMITTING

Description:

What: The Development Services Center (DSC) assists residents and businesses in obtaining permits to build or remodel homes and commercial buildings. There are 93 different types of permits, each unique and necessary to a specific purpose. In 2009, there were a total of 47 entitlement permits, 203 major building permits, and 3,545 other building permits reviewed. This represents an 11% reduction in land use permits; a 55% reduction in major building permits; and a 25% reduction in other permits compared to a typical year in the past. It should be noted that overall DSC staffing levels were reduced by 11.5 FTEs in 2009 as a result of the reduction in permitting, which was a 24.5% reduction in staffing levels. Staff members regularly review the processes to improve transparency and user-friendliness. Staff encourage applicants to incorporate sustainability measures, such as green building elements, into development proposals.

Why: Effective permit processing leads to a built community that meets the vision of the City and its citizens, as well as promotes the City as a positive place to live and do business, with safely designed and constructed buildings. Long-term benefits of process improvement underway result in the City of Redmond's development processes becoming among the most efficient, user-friendly systems in the region. Permit review is important to ensure compliance with adopted City policies and to confirm that all codes and regulations are being met. Within this staff group there is the Process Improvement Team that is comprised of Managers from each of the Departments. As directed by the Mayor, the team is tasked with identifying ways to improve customer service across all Departments related to plan review and inspections. Specifically, the goal is to establish and commit to all code requirements prior to issuance of approved plans to minimize the disruptions, variations and expenses that contractors and developers have experienced. This comprehensive review of the permit process, including improvement of established processes with the goal of greater predictability and a more timely response to inquiries and applications, leads to no surprises for the applicant in terms of process or applicable code provisions that might result in costly delays and the need for redesign.

How: To enhance user-friendliness, the Fire, Planning/Building and Public Works Development Services functions are located together. This grouping enables one-stop service for all aspects of the development process, while providing the opportunity for better internal communication and more focused problem solving. Staff members from all three departments meet formally and informally during project reviews to resolve conflicts between code provisions, coordinate correction requirements, and ensure compliance with state law, city codes, adopted plans, standards and policies.

Fire staff listed in this offer split their time between this offer, Inspection Services (Offer PLN2148), and Fire Prevention Services (Offer FIR2089). Public Works positions in stormwater, water and sewer utilities included in this offer are funded by their respective utilities.

This offer supports Factor 2 by facilitating the creation of a positive, pro-business reputation. This offer supports Factor 3, Business Attraction and Retention, by providing efficient processes, proactive support, reliable timelines and a welcoming attitude.

This offer responds to Purchasing Strategy 1 by providing predictability and an easy-to-understand development process with time frames that can be relied upon. DSC staff has streamlined the review of entitlement applications, civil review, single-family inspections, and the introduction of the new Basics Program for single-family building permits. These processes establish time frames and procedures that produce clear expectations and predictable results.

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2135

Type of Offer: OFFER - ONGOING

O&M/CIP:

PREDICTABLE DEVELOPMENT PERMITTING

Successful implementation of this offer will result in a positive perception of the City by the business community, which will fulfill the intentions of Purchasing Strategy 2.

Periodically, the City conducts a fee update to recalibrate development review fees due to building code and workload changes. The last fee update was conducted in 2005. The update includes determining time and materials needed to perform the development review process, assessing appropriate indirect costs and recommending fees to Council on a full cost recovery basis. This update will also look at establishing a stabilization reserve in the Development Review area to mitigate the impacts of the development cycle, as well as review the need to establish a self-sustaining fund for Development Review services. Included in this offer is a one-time cost of \$50,000, estimated to pay for model development and consulting services to carry out these tasks.

The EnerGov permit tracking system, which was purchased in 2010 and will be implemented in 2010/2011, will allow enhanced customer service and more efficient use of staff time as a result of system features, such as electronic plan review and integration of the system with the City's Geographic Information System (GIS). It should be noted that training needs for the new EnerGov Permit Tracking system are estimated to be approximately sixty hours per employee. When that is applied to all staff in the DSC, that is equivalent to one full-time employee (FTE) of time devoted to non-development activity. This one-time training is necessary and important so that all staff expected to use the system will be proficient and able to enter information accurately and efficiently.

Performance Measures:

1. Achieve a five-day turnaround time for 90% of the Pre-Review Entitlement Process (PREP) - entitlement permit applications. *PREP projects did meet the five-day turnaround goal.*
2. Achieve completion of civil drawing reviews in two cycles for 90% of the applications. *Because the economy had such a negative impact on the development sector, the effectiveness of Measure 2 was difficult to assess as there were numerous cases where applicants just stopped their projects and did not complete their plans for the civil drawing review.*
3. Building and Fire reviews completed within established time frames 90% of the time. *(New Measure)*

Budget Offer Summary:

Expenditure Summary

	2011	2012	Total
Ongoing-Sal/Ben	\$3,044,573	\$3,227,590	\$6,272,163
Ongoing-Others	\$877,603	\$882,098	\$1,759,701
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$50,000	\$55,196	\$105,196
TOTAL	<u>\$3,972,176</u>	<u>\$4,164,884</u>	<u>\$8,137,060</u>
FTEs	32.472	33.572	

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2133

Type of Offer: OFFER - ONGOING

O&M/CIP: PLN2149

MOBILITY OPTIONS

Description:

What: The Transportation Demand Management Division of the Planning Department will work together with businesses to provide travel choices that are business supportive, energy efficient, environmentally friendly, support the City's vision for our urban centers, and promote alternatives to driving alone.

Why: As employment and population growth continue, increasing access to businesses through availability and support of alternatives to driving alone is critical to address our community's economic vitality, mobility, quality of life, land uses, and sustainability. Benefits from this investment include: increasing the diversity of businesses as restaurants, retail and services are encouraged to locate in closer proximity to office employment sites; enhancing worker accessibility to employment sites; increasing worker productivity; improving worker attraction and retention; complying with the Commute Trip Reduction (CTR) law and Transportation Management Programs; increasing productive use of land (e.g., more space devoted to revenue-generating activities rather than parking); and supporting increased community demand for travel choices.

How: The Transportation Demand Management Division will continue to reach out and work together with our business partners and community to educate Redmond businesses, commuters, and residents about the ways, benefits and impacts of getting to work and other places by not driving alone. This will be accomplished through:

- Creating easy, efficient and effective access to businesses by developing positive partnerships and programs with employers to support transit, car, vanpool, bicycle and pedestrian travel options. This allows businesses to grow or locate in Redmond with fewer costs than might be necessitated by creating additional on-site parking or incurring significantly greater transportation mitigation fees. These partnerships and programs also support compliance with Commute Trip Reduction and Transportation Management Program ordinances.
- Providing more efficient regulatory compliance by offering one-stop incentives and online resources to businesses and commuters to choose alternatives to driving alone through the City's award-winning and nationally acclaimed Redmond Trip Resource & Incentive Program (R-TRIP) partnership with King County Metro Transit, the Greater Redmond Transportation Management Association, and the Greater Redmond Chamber of Commerce. This program offers "starter" transit, vanpool, carpool, bicycling and walking incentives to Redmond commuters and provides web-based resources to effectively track, administer and view the impact of commute program activities.
- Offering businesses seed funding for new or enhanced employer commute option programs (e.g., transit passes, vanpool subsidies, commuter incentives) that reinforce Redmond as a positive place to do business, while providing collaborative support and promoting more efficient and entrepreneurial use of transportation resources. Moreover, it provides a business-supportive way of working cooperatively to ensure compliance with both state and local Commute Trip Reduction laws.
- Furthering Redmond's vision for its two urban centers by helping coordinate economic development activities, transportation, and growth through Growth and Transportation Efficiency Center planning and regional, state and federal grant matching opportunities that support more efficient focused development of centers.
- Enhancing Redmond's image and identity as a positive place to do business by implementing innovative partnerships and programs, such as the "Think Redmond" partnership with the Greater Redmond Chamber of Commerce. This

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2133

Type of Offer: OFFER - ONGOING

O&M/CIP: PLN2149

MOBILITY OPTIONS

program encourages businesses and residents to "go local, be local" by promoting Redmond as a destination for consumers and supports customer access by walking, bicycling, carpooling or taking the bus. In addition, "Think Redmond" - branded incentives are used as R-TRIP commuter rewards and outreach/construction mitigation efforts that help increase access to local businesses affected by roadway/infrastructure construction projects. This program enhances Redmond's image and identity, inspires customer/community loyalty, and helps make biking, walking and transit use viable choices for non-commute trips by actively reinforcing accessibility by means other than cars. "Way to Go" awards recognize businesses that support access to employment with choices beyond simply driving alone.

- Implementing a model Commute Trip Reduction program within the City of Redmond to increase the use of alternatives to driving alone by offering City employees transportation benefits commensurate with what other Redmond businesses are asked to offer their employees.

This offer addresses several additional priorities: Clean and Green - By encouraging partnerships and providing education and promotion of a green lifestyle for residents and businesses; Community Building - By helping create access and connections through R-TRIP, supporting shared public experiences and a positive community image through transportation events, and promoting travel options at Derby Days and Redmond Lights; and Infrastructure and Growth - By enhancing infrastructure function through improved mobility for people, freight and goods due to more efficient use of the transportation infrastructure.

This offer also supports the Access to Businesses Through Parking Management, Mobility Options Capital Improvement Program, Green Lifestyles/Green Buildings, Regional Transportation Planning and Advocacy, and Public Works Transportation services offers by: offering alternatives to driving and parking, providing one of the pillars of the City's comprehensive green lifestyles, encouraging new transit use, and helping use the existing transportation infrastructure more efficiently.

Performance Measures:

1. Decrease percentage of drive-alone versus other trips among CTR program-affected employer population. *(Goal is to decrease percent of vehicles arriving to the worksite with single drivers by 10% from 2007 levels. By 2009, the program had achieved an 8.7% reduction to 62.8%.)*
 2. Increase percentage of employers involved in commute options programs. *(In 2009, 78.8% of Redmond employees had access to employment site-based commute option programs. The goal is to achieve at least 90% of employees having access to these programs.)*
-

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT
Type of Offer: OFFER - ONGOING
O&M/CIP: PLN2149

Id: PLN2133

MOBILITY OPTIONS

Budget Offer Summary:

Expenditure Summary

	2011	2012	Total
Ongoing-Sal/Ben	\$298,388	\$303,832	\$602,220
Ongoing-Others	\$1,493,682	\$1,468,302	\$2,961,984
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$1,792,070</u>	<u>\$1,772,134</u>	<u>\$3,564,204</u>
FTEs	3.100	3.100	

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2138

Type of Offer: OFFER - ONE TIME ONLY

O&M/CIP:

NEW ZONING CODE USER TOOLS

Description:

What: Planning staff will develop three key zoning code tools that will implement Redmond's new zoning code. This new offer builds upon and finalizes the 2009-2010 offer to rewrite Redmond's zoning code, an offer strongly supported by the Mayor, City Council and a wide range of interested groups, including residents, developers, and the business community. The Code Rewrite Commission is on schedule to complete a recommendation on the new zoning code by the end of 2010 for Council adoption during the first quarter of 2011. The new zoning code tools would implement the new code and include:

- 1) An online zoning code (e-code) that makes the most of interactive web technology to maximize access, search, navigation, and information-sharing capabilities in an environmentally sustainable and customer-friendly manner (*Factor 3, Purchasing Strategy 1*);
- 2) Electronic and printed user guides, manuals and brochures that provide specific information for the most common questions and frequently used sections of code (approximately thirty documents) (*Factor 3, Purchasing Strategy 1*); and
- 3) A limited number of printed zoning codes (*Factor 3, Purchasing Strategy 1*).

These tools will strengthen customer service, increase self-help opportunities, and provide easy access to zoning code information for developers, residents, property owners, business people and all other zoning code users.

Why: Having a zoning code that is easy to use and understand is a key factor to making development decisions and thus is a strong contributing factor to economic development in Redmond (*Factor 1, Purchasing Strategy 2*). A well-designed, easy-to-navigate e-code, together with user guides and manuals, facilitates attraction and retention of businesses in Redmond and demonstrates a spirit of collaboration between the City and the business community by providing code users with the tools they need to open and operate businesses in Redmond (*Factor 2, Factor 4*). Making it easy for prospective business people to find the information they need to start a business in Redmond supports the goal of establishing Redmond as a destination with distinct commercial and cultural opportunities (*Purchasing Strategy 3*).

While the new zoning code has been rewritten to improve clarity, conciseness and usability, a well-designed, printed code does not deliver the customer service that members of the Redmond community want and the Mayor and Council support. Technology and the Internet have had a significant impact in the way business is conducted and how city services are accessed. However, the current manner in which we present the zoning code has not kept pace. These advances demand a change to the typical digital version of a text-based format. A well-designed e-code provides users with an efficient, convenient and intuitive means of navigation, searching and sharing information that maximizes 24/7 customer service and provides both novice and seasoned users a better tool to understand regulations and processes (*Purchasing Strategy 1*). User guides, manuals and brochures take usability one step further in providing helpful information in terms that are easy to understand and apply. Such documents can be provided electronically and could be integrated into an e-code. Although a well-designed e-code reduces the demand for hard copies, it will not eliminate the need altogether. Therefore, costs associated with printing the zoning code are included in this offer.

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2138

Type of Offer: OFFER - ONE TIME ONLY

O&M/CIP:

NEW ZONING CODE USER TOOLS

How: A key component of this project is to complete an assessment of available and desired features that will improve the existing online code, in addition to an evaluation of what design elements should be incorporated into the printed version. This evaluation will be completed by Planning staff with consultation from Information Services and the Office of Communications. An outside publisher will print hard copies. Because there is no in-house expertise in development of online codes, the design and hosting of an online code will be contracted. This offer supports the Purchasing Strategies outlined for Responsible Government that support the use of technology to disseminate information and enhance customer service (*Purchasing Strategy 3, Purchasing Strategy 6*). It also supports the sustainable consumption strategy in Clean and Green Environment (*Purchasing Strategy 6*) by reducing reliance on printed code books. This budget offer includes a request for \$59,250 for professional development of an online code, professional codification, and printing of the zoning code.

Performance Measures:

1. Implement the new online zoning code by October 2011.
 2. Create all new user manuals and brochures by June 2011 and March 2012 respectively.
 3. Increased citizen participation and satisfaction due to clearer, understandable procedures and standards, and more user-friendly documents. Success will be measured as an increase in the overall average score from a baseline survey conducted in 2009. The baseline score in 2009 was 2.6 out of 5.0.
-

Budget Offer Summary:

Expenditure Summary

	2011	Total
Ongoing-Sal/Ben	\$239,413	\$239,413
Ongoing-Others	\$0	\$0
OneTime-Sal/Ben	\$42	\$42
OneTime-Others	\$108,997	\$108,997
TOTAL	<u>\$348,452</u>	<u>\$348,452</u>
FTEs	2.150	

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: FINANCE & INFORMATION SERVICES

Id: FIN2155

Type of Offer: OFFER - ONGOING

O&M/CIP:

BUSINESS COMMUNITY PARTNERS

Description:

What: This joint offer from the Business Community Partners team will provide a consolidated and comprehensive business license application process, resulting in an efficient, clear, predictable process and timely response to the business community (Strategy 1, Factor 3).

In the past, business license applicants were contacted by each approving department separately, often resulting in confusion to the customer and duplication of efforts by the departments. The need to simplify the licensing process and develop a new business model resulted in the formation of the Business Community Partners, a team comprised of staff from Fire, Planning, Public Works and Finance. The team's goal is to provide a business-supportive, cooperative, and comprehensive approach to ensure all businesses are in compliance with City codes, licensed, and not investing capital resources in a building or location that is not the right choice for their type of business.

This budget offer focuses on implementing the new application process and a consolidated response to the business community. In addition, the City will be implementing EnerGov, the new permitting/business license system, by the end of the biennium.

Why: An efficient and streamlined business licensing process is essential to attracting and retaining businesses in Redmond. It is important for businesses to be able to easily (Strategy 2, Factors 2 & 3):

- Understand what type of businesses can locate where;
- Know the environmental and safety regulations that they need to comply with for their type of business and location (e.g. grease traps for restaurants, seismic requirements); and
- Begin operating and generating revenue with minimal delays which can potentially cost the business hundreds to thousands of dollars.

Ensuring compliance with City codes at the outset of business operations will minimize the risks of fire and other safety hazards to employers, City staff and the community, while protecting the environment and our citizens. For example:

- Nearly 40% of the drinking water in Redmond is supplied by the four wells that are located within the city limits. Groundwater can be threatened by improper use, storage or disposal of harmful chemicals and substances (hazardous materials); and
- Regulations defining required number of exits and maximum occupancy standards are in place to protect the public in the event of an emergency.

Since both the businesses and community benefit from the business license fees collected, the team is working to ensure that all businesses operating in Redmond are licensed and paying the correct fee. Such parity is important in fostering a stronger business community. Sixty-five percent (65%) of the business license fees collected (approximately \$4 million collected in 2009) are earmarked for transportation improvements, increasing overall business accessibility and mobility. The remaining 35% of the license fees collected contributes to maintaining and enhancing the City's levels of service (Strategy 5, Factor 4).

How: A new business process was developed by adding the Building Department to the license approval process and consolidating into one form all information necessary for City staff to complete their reviews. This clear, accountable, and timely licensing process (Strategy 7, Factors 1 & 4):

- Provides "one stop shopping" to the business community;

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: FINANCE & INFORMATION SERVICES

Id: FIN2155

Type of Offer: OFFER - ONGOING

O&M/CIP:

BUSINESS COMMUNITY PARTNERS

- Demonstrates the City's desire to provide a welcoming environment to the business community;
- Fosters local sustainable economic development by providing easily understood regulations and a predictable timeframe;
- Prevents a business from locating in an area for which its use is not allowed; and
- Informs the business owner of any compliance issues and/or permits required upfront.

Business Community Partners will collaborate with businesses to locate good options for retail and office space:

- Ensuring the space has the appropriate fire safety measures (i.e. public gathering places and daycares), such as having to add fire sprinklers to an existing building could easily cost a business \$80,000;
- Increasing overall business accessibility;
- Facilitating density in urban centers; and
- Ensuring a good mix of business use and activities to benefit the community.

The efforts of the Business Community Partners demonstrate a positive collaboration between the City and businesses that locate here through:

- A new consolidated application;
- Timely reviews, inspections and approvals;
- Expeditious and predictable licensing and permitting processes; and
- More guidance to the City's requirements and resources.

Performance Measures:

1. Number of in-city businesses that have held a Redmond business license for seven consecutive years or more.

Target: Number of businesses continue to increase

2009 Actual: 1,338

2010 Actual: 1,364

2. Percent of new business license applicants that rate customer service as "good" or higher. *(New Measure)*

Budget Offer Summary:

Expenditure Summary

	2011	2012	Total
Ongoing-Sal/Ben	\$60,409	\$61,965	\$122,374
Ongoing-Others	\$27,055	\$27,310	\$54,365
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$6,785	\$6,785	\$13,570
TOTAL	<u>\$94,249</u>	<u>\$96,060</u>	<u>\$190,309</u>
FTEs	0.750	0.750	

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2134

Type of Offer: OFFER - ONGOING

O&M/CIP:

ACCESS TO BUSINESSES THROUGH PARKING MANAGEMENT

Description:

What: The Downtown Parking program provides a cost-effective solution to creating short-term parking availability in Downtown Redmond that is consistent with the City's vision for Downtown's growth, development and economic vitality (Factor 4, Purchasing Strategy 5). This program is administered by the Planning & Community Development Department.

Why: Effective management of the City's on-street parking supply is a critical factor in creating a vibrant/supporting business community in Downtown Redmond. As density increases and mixed use development (retail on the bottom floor and residential housing above) becomes more prevalent, managing on-street parking to increase short-term parking turnover is important to promote economic vitality by increasing customer access to local businesses (Factors 3 and 4, Purchasing Strategies 6, 8 and 9). By creating this easy access to commerce, Downtown Redmond becomes a more positive and convenient place to do business, which supports the vitality of current downtown tenants and will attract additional businesses in the future.

Prior to implementing and enforcing short-term parking limits in core areas of Downtown, business owners, property managers and customers voiced concerns that there was not enough on-street customer parking available in Downtown Redmond because the prime on-street parking spaces were utilized by employees and residents. Similarly, several businesses felt that there was not adequate employee parking and that solutions should be provided. To address these concerns, the City contracted with a parking consultant to perform a Downtown Parking Study, which was completed in January 2008. The study concluded that to maximize beneficial use of the limited parking inventory, on-street parking should be prioritized for customer access through time-limited parking. To be successful, the program would require parking enforcement. Moreover, the study encouraged solutions that support more efficient use of off-street parking resources (e.g., shared parking) and using alternatives to driving alone.

The Downtown Parking Study estimated that each customer spends approximately \$20 per visit and that the parking space turnover rate on average is 3.23 times a day. That equates to \$65 per day times 250 days or \$16,250 per space in annual sales to retailers. Using the 300 two-hour parking spaces in the enforced Downtown Parking area for customers, estimated retail sales would be \$4,875,000 annually. Retail sales tax to the City would be \$41,438 annually. An employee using the same parking space has a turnover rate of one time per day with an estimate of \$5 retail spending. That equates to \$5 per day times 250 days or \$1,250 per space annually (Factor 4). The outcome accommodates more visitors and customers resulting in positive sales revenue. In addition, managing the City's existing asset of on-street parking decreases the need of incurring capital costs of approximately \$20,000 to \$50,000 per stall to build new parking (Factor 3).

How: Initiated in September 2009, the City launched the parking management program in core areas of Downtown based on the parking industry's standard "85% Rule" (i.e., if 85% of on-street parking spaces are occupied, parking management is warranted). A parking enforcement area was designated with approximately 300 affected parking spaces, additional signs noting two-hour time limits were installed, an extended parking permit option was created, and active parking enforcement began in January 2010.

The program has had active enforcement for six months and the initial response from businesses and citizens has been generally positive. A visible increase in available parking inventory and access to downtown businesses has been noted by staff. However, a detailed study of the parking turnover, along with a satisfaction survey is anticipated to be

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2134

Type of Offer: OFFER - ONGOING

O&M/CIP:

ACCESS TO BUSINESSES THROUGH PARKING MANAGEMENT

conducted in the spring of 2011.

With the success of achieving parking turnover, the City will continue to implement this program using contract services, thereby providing accessibility to businesses through continued on-street parking availability that supports Downtown economic vitality (Factor 4, Purchasing Strategy 5). In addition, maintaining an ongoing dialog with the business community to identify and address future parking needs and concerns is also a priority and a parking advisory committee is scheduled to convene in the Fall of 2010 (Factor 4, Purchasing Strategies 2, 5 and 9). The City will also continue to work with the Greater Redmond Chamber of Commerce and local businesses to identify willing sellers and buyers of parking spaces to help create more efficient use of off-street parking resources, demonstrating collaboration between the City and local businesses.

Performance Measures:

1. Level of business and customer satisfaction with accessibility to Downtown businesses. *(Baseline = 63% of residents satisfied per 2009 resident survey.)*
 2. Parking space turnover rate of on-street parking. *(2008 baseline - between 85-95% of on-street parking spaces were consistently occupied during periods of peak parking demand prior to implementation of the parking program with turnover rate of 3.23 cars using a single occupied stall over a 10-hour period.) There will be a Downtown Parking survey conducted in the Spring of 2011.*
-

Budget Offer Summary:

Expenditure Summary

	2011	2012	Total
Ongoing-Sal/Ben	\$25,601	\$25,963	\$51,564
Ongoing-Others	\$83,948	\$83,949	\$167,897
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$89,897	\$0	\$89,897
TOTAL	<u>\$199,446</u>	<u>\$109,912</u>	<u>\$309,358</u>
FTEs	0.250	0.250	

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2137

Type of Offer: OFFER - ONGOING

O&M/CIP:

TOURISM PROMOTION

Description:

What: Redmond's Tourism Promotion Program improves and sustains the economic segment of Redmond that includes our hotels, restaurants, retail stores, as well as special events and arts programs, and is funded by the one percent Hotel Tax levied on all lodging charges at our local hotels. The Tourism Fund is collected by the hotels for the specific purpose of tourism promotion activities, and the revenue is restricted by statute to that purpose only. The program encourages regional events to choose our city and visitors to spend weekends in Redmond and to stay overnight in our hotels.

Why: The Tourism Fund contributes to Redmond's sustainable economic development by providing necessary tax revenues to grow tourism activities that in turn contribute to an expanded customer base, increased consumer sales and job opportunities, and promote Redmond as an active and vibrant community to visit. This fund supports privately produced events through its grant award process. The fund also supports marketing efforts and some operation costs for City-sponsored special events: Derby Days, Redmond Lights, and arts programs including: Digital Arts Festival, Tony Angell sculpture display, and Arts in the Parks series.

By promoting major events like the biennial Cirque du Soleil and the 2010 United States Senior Open at Sahalee, visitors are brought to our community with many staying overnight in our hotels and spending money on food, shopping, and frequently on other entertainment while in the area. The 2010 US Senior Open provided an economic impact to Redmond, as the location of the nearest hotels, restaurants, and a regional shopping center. Some, but not all of these events apply for and receive Tourism Fund grants, while all definitely benefit from our events and community promotions.

How: The City levies a special excise tax of one percent on lodging charges at our five convenient and welcoming Redmond hotels: the Redmond Marriott Town Center (in business since 2004), Residence Inn by Marriott (2000), Redmond Inn (1986), Overlake Silver Cloud Inn (1985), and the Hotel Sierra (2009), which in total contain 867 rooms. The Tourism Promotion program supports the growth and economic sustainability of tourism by increasing hotel occupancy and supporting existing, as well as new businesses, such as the Hotel Sierra that was attracted to Redmond by the success of the other four Redmond hotels.

The Tourism Fund is managed by the Tourism Fund Administrator in the Planning Department who ensures that the budget preserves the Council-approved percentage allocations of the fund (50% to the Overnight Marketing Program, 39% to City-sponsored Special Events and Arts Programs, 9% to the Grants Program, and 2% for Administration), monitors the budget and financial commitments. The Fund Administrator also coordinates the Lodging Tax Advisory Committee (LTAC) monthly meetings, implements the LTAC's decisions and marketing strategies, serves as liaison between the LTAC and City officials, negotiates contracts and manages the marketing team, administers the grants program, and communicates with stakeholders. This administrative time (.05 FTE) is charged against the Tourism Fund as project time and returned to the General Fund.

The Lodging Tax Advisory Committee (LTAC), required by Lodging Tax statute, consists of a Council Chair, three hoteliers, and three representatives from the business and cultural/arts communities. This committee oversees the use of the funds. The Lodging Tax Advisory Committee also reviews grant applications and consultant proposals to make funding and program recommendations to City Council. The final decisions regarding the use of Tourism funds are made by the City Council.

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2137

Type of Offer: OFFER - ONGOING

O&M/CIP:

TOURISM PROMOTION

The program's marketing team for the past three years, Bullseye Creative, has been successful in spite of challenging economic times, by including broad and inclusive communication strategies: launching an improved and enhanced ExperienceRedmond.com website; designing an attractive, inviting Visitors' Guide; collaborating with LTAC, local businesses and governments (City of Redmond and King County); producing online, social networking, and print media marketing. Bullseye is now also contracted to coordinate Redmond Marketing Club meetings and to attract several regional events to Redmond in the coming year.

The program's website ExperienceRedmond.com, developed and maintained by Bullseye Creative, facilitates information gathering about Redmond and provides many choices for visitors, as well as residents in the categories of Experience, Explore, Gather and Stay. This website promotes local and regional events and drives online reservations, tracking each conversion since implementing conversion tracking in September 2009. The Committee is researching an online booking engine, to be launched during the first quarter of 2011.

Our Tourism Promotion offer responds to the Business Community Priority by promoting Redmond as a destination for visitors and business travelers. The Tourism Program promotes Redmond as a positive place to do business and enhances relationships among businesses, especially hotels and Redmond Town Center, and the City. The Tourism Promotion program promotes activities that encourage nonresident employees in Redmond to stay after hours, spending money as they stay (Purchasing Strategies 2 and 3).

To ensure budget and fiscal responsibility, accountability, and transparency, this program responds to the *Responsible Government* priority by relying on the Executive Office, Planning Director and Economic Development Manager for policy direction and on the Tourism Grants Review Committee's participation in reviewing grant applications and consultant proposals. This program also relies on opinions and interpretations of legislation by our City Attorney and also the attorney for the State Auditor. Descriptions of activities with resulting hotel stays are reported to the Department of Commerce yearly (Purchasing Strategies 2 and 6).

The Tourism Promotion program also responds to the Community Building Priority by contributing grant funding to special events and arts programs produced by the City of Redmond Parks Department and to other regional activities that choose our city for our excellent venues and amenities. This year the marketing agency will complete, with input from our Parks Department, an events planning and tournament brochure designed to facilitate events and sports tournament planning using park facilities, both city and county, and will send this brochure to an extensive mailing list of tournament and events organizers (Purchasing Strategies 1, 2, and 3).

Performance Measures:

1. A 5% increase (\$22,355) in Lodging Tax revenue from approximately \$447,108 in 2009-2010 to \$469,463 in 2011-2012.
 2. A 5% annual increase in hotel conversion tracking through the ExperienceRedmond.com website. There were 968 online conversions from the Tourism website to the hotel websites from January through December 2010.
-

BUDGETING BY PRIORITIES

BUDGET OFFER

BUSINESS COMMUNITY

Department Name: PLANNING & COMMUNITY DEVELOPMENT

Id: PLN2137

Type of Offer: OFFER - ONGOING

O&M/CIP:

TOURISM PROMOTION

Budget Offer Summary:

Expenditure Summary

	2011	2012	Total
Ongoing-Sal/Ben	\$0	\$0	\$0
Ongoing-Others	\$337,388	\$337,388	\$674,776
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$337,388</u>	<u>\$337,388</u>	<u>\$674,776</u>
FTEs	0.000	0.000	