



Memorandum

Date: 11/1/2021

Meeting of: Committee of the Whole - Parks and Human Services

File No. CM 21-588

Type: Committee Memo

TO: Committee of the Whole - Parks and Human Services

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Chip Corder	425-556-2189
Parks	Carrie Hite	425-556-2326
Public Works	Dave Juarez	425-556-2733

DEPARTMENT STAFF:

Finance	Kelley Cochran	Deputy Finance Director
Parks	Loreen Hamilton	Deputy Parks Director
Public Works	Eric C. Dawson	Senior Engineer

TITLE:

Redmond Senior & Community Center Funding Plan and Ordinance

OVERVIEW STATEMENT:

As a follow up to the City Council Study Session discussion on October 26, 2021, staff will present two funding plan options and applicable ordinances for Council consideration to fund the Redmond Senior & Community Center. Staff request that one of the ordinances be adopted by City Council at the November 1 Business Meeting.

☒ **Additional Background Information/Description of Proposal Attached**

REQUESTED ACTION:

☐ **Receive Information**

☒ **Provide Direction**

☐ **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
 - Envision Redmond Senior Center Building Stakeholders Report March 2020
 - Redmond Community Strategic Plan
 - 2017 Community Priorities for the Future of Redmond's Community Centers Report
 - Redmond Comprehensive Plan
 - Redmond Parks, Arts, Recreation, Culture, and Conservation (PARCC) Plan

- Redmond Facilities Strategic Management Plan
- 2017-2022 Redmond Capital Investment Program (CIP).
- Redmond Zoning Code 21.10.070B
- **Required:**
City Comprehensive Plan: FW-23, CC-12, PR-19, PR-36, PR-37, PR-38, UC-19, UC-20, DT-12, and DT-15, Redmond Zoning Code - RZC 21.10.070B
- **Council Request:**
On July 20, 2021, City Council provided direction to proceed with the design and construction of the Redmond Senior & Community Center. City Council requested further discussion about the budget appropriation, use of one-time cash and councilmanic bonds.
- **Other Key Facts:**
N/A

OUTCOMES:

This ordinance is necessary to approve and appropriate a project budget.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**
See Attachment A
- **Outreach Methods and Results:**
See Attachment A
- **Feedback Summary:**
N/A

BUDGET IMPACT:

Total Cost:
\$44,000,000

Approved in current biennial budget: ☐ Yes ☒ No ☐ N/A

Budget Offer Number:
CIP

Budget Priority:
Infrastructure, Health and Sustainable, Vibrant and Connected

Other budget impacts or additional costs: ☒ Yes ☐ No ☐ N/A

If yes, explain:

There are 2 funding options below. The remaining funds will be revisited with City Council after 2021 is closed and staff are able to assess the funding needs for the 2023-2028 non-utility CIP, evaluate the state of the 2022 economy, and consider using the 2021 General Fund and Real Estate Excise Tax surpluses to reduce or eliminate the need for bonds.

Funding source(s):
Ordinance Option 1

Funding Source	Amount	Status
Currently budgeted in 2021-2022 CIP	\$17.116 million	<i>Appropriated</i>
Surplus Park Impact Fees from 2019-2020	\$1.648 million	<i>Needs allocation to project budget (appropriation occurred in 8/2021 City Council action)</i>
State capital grant	\$1.25 million	<i>Needs appropriation to project budget</i>
General Fund surplus appropriated to facilities per City Council 8/2021 (2019-2020 biennium)	\$8.5 million	<i>Needs appropriation to project budget</i>
Surplus REET from 2019-2020	\$2.486 million	<i>Needs appropriation to project budget</i>
Councilmanic bonds and/or 2021 year-end cash	\$13.0 million	<i>Return in 2022</i>
Total	\$44.0 million	

Ordinance Option 2

Funding Source	Amount	Status
Currently budgeted in 2021-2022 CIP	\$17.116 million	<i>Appropriated</i>
Surplus Park Impact Fees from 2019-2020	\$1.648 million	<i>Needs allocation to project budget (appropriation occurred in 8/2021 City Council action)</i>
State capital grant	\$1.25 million	<i>Needs appropriation to project budget</i>
Surplus REET from 2019-2020	\$2.486 million	<i>Needs appropriation to project budget</i>
Councilmanic bonds and/or 2021 year-end cash	\$21.5 million	<i>Return in 2022</i>
Total	\$44.0 million	

Budget/Funding Constraints:

Currently, the need for Councilmanic bonds accounts for almost 30% of the total project cost in Option 1 or almost 50% of the total project cost in Option 2, which is less than the 50% maximum debt funding threshold per the City's fiscal policies.

☒ **Additional budget details attached**

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
	See Attachment B	

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
11/1/2021	Special Meeting	Approve

Time Constraints:

The Redmond Senior & Community Center is not currently in compliance with the CIP Proviso to have an approved project budget. Current cashflow is sufficient for design phase; but when construction begins in 2022, additional funds will be needed to keep the project on schedule.

ANTICIPATED RESULT IF NOT APPROVED:

N/A

ATTACHMENTS:

Attachment A: Community and Stakeholder Outreach and Involvement

Attachment B: Council Review Previous Contacts

Attachment C: Presentation

Attachment D: Ordinance Redmond Senior and Community Center - Option 1

Attachment E: Ordinance Redmond Senior and Community Center - Option 2

Attachment F: Summary of 2021-2022 Budget Adjustments Redmond Senior & Community Center