



2025-2026 Preliminary Budget Review

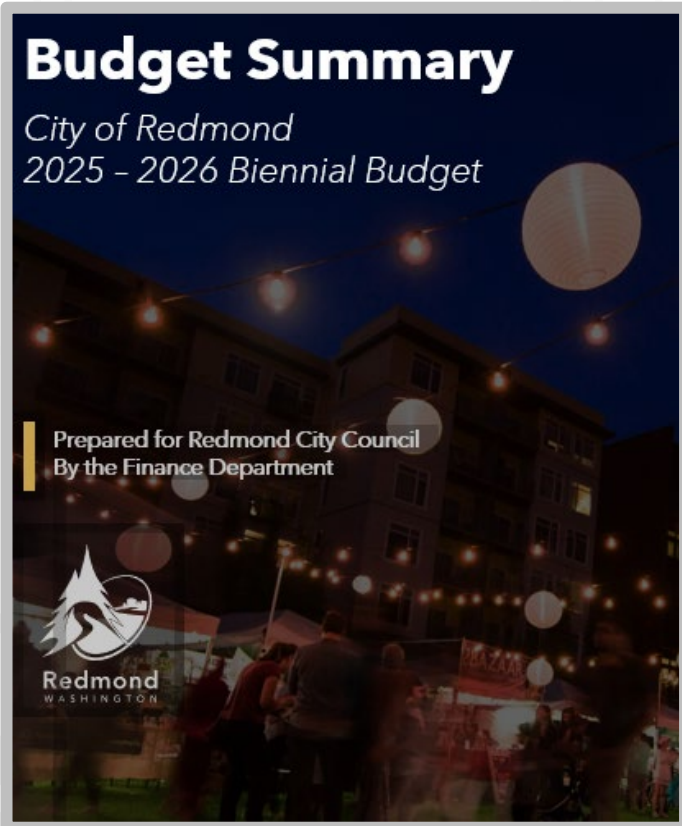
November 12, 2024

Kelley Cochran, Finance Director

Haritha Narra, Deputy Finance Director



Preliminary Budget Review Calendar



Date	Time	Item (Topic)
10/1		Preliminary Budget Presented
10/22	6:00 pm	<u>Changes/Updates:</u> <ul style="list-style-type: none"> ○ Revenues ○ Capital Investment Program ○ Business Technology Investment Program <u>Service Enhancements Packages</u> <ul style="list-style-type: none"> ○ Healthy and Sustainable ○ Safe and Resilient
10/29	6:00 pm	<u>Service Enhancements Packages</u> <ul style="list-style-type: none"> ○ Review Follow-up ○ Strategic and Responsive ○ Vibrant and Connected ○ Identify items for deliberation
11/12	6:00 pm	Council Deliberations <ul style="list-style-type: none"> ○ Review Follow-up ○ Deliberations
11/14		Hold
11/19		Budget Adoption

Budget Changes

- Scooter Fees
 - \$80,000 increase to General Fund
- U.S. Department of Housing and Urban Development Grant
 - \$1,000,000 increase to Fire Equipment Fund
- Data Governance Plan (\$125,000)
 - No budget impact, moving from baseline to service enhancement
- Council Baseline Budget
 - Salaries \$37,500
 - Neighborhood Events \$16,000
 - Travel and Training \$12,000
- Capital Investment Program
 - Joint Use - Kirkland South Reservoir Tank Painting and Seismic Retrofit - \$8,334,264 increase to Water Capital Investment Fund.
 - Sidewalk Repair - 40th Street (156th Ave to Bel-Red Road) - \$1,085,000 reduction to Transportation Capital Investment Fund.
 - PPE and Extractors - \$137,000 increase to General Government Major Maintenance Fund.

Healthy and Sustainable Deliberation Items

None identified





Safe and Resilient Deliberation Items

- Bike and Traffic Safety Planning and Improvements





Safe and Resilient Deliberation Items

Bike and Traffic Safety Planning and Improvements

Council Request:

Provide contingency funding to ensure gaps in strategic planning efforts or capital investment projects can be solved for until strategic elements of the program are defined and implemented.

Recommendation:

- \$50,000 one-time contingency funded in the General Fund to address gaps in planning efforts as they are recognized.
- \$250,000 one-time contingency funded in the Transportation CIP to address gaps in capital investment project scopes as they are recognized.

A photograph of two people on a rooftop solar panel array. One person is standing and leaning over, while the other is kneeling. The background shows a clear blue sky and a line of trees.

Strategic and Responsive Deliberation Items

- Communications Program Staffing
- Business License Exemption Threshold



A photograph showing two people on a rooftop solar panel array. One person is standing and leaning over, while the other is kneeling. The background shows a clear blue sky and a line of trees.

Strategic and Responsive Deliberation Items

Communications Program Staffing Increase

Council Request:	Increase the proposed .50 LTD Communication Specialist FTE in the Executive department to 1.00 FTE to provide capacity to meet the expected level of needs across the city.
Recommendation:	<ul style="list-style-type: none">• Position would support increased internal and external communications:<ul style="list-style-type: none">◦ Expand enews in video format from 1 to 2 per week◦ Media relations/crisis communications◦ Digital training/educational videos◦ Newsletter for Council and content for potential social media account◦ Council events/external communications◦ Increased writing capability for department content• \$144,838 one-time funded in the General Fund to increase proposed .50 LTD Communications Specialist FTE to 1.00 LTD FTE.

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Strategic and Responsive Deliberation Items

Business License Exemption Threshold Increase

Council Request:

Evaluate the current ordinance and determine if an increase in the exemption threshold is warranted and can be implemented for the 2025-2026 biennial budget.

Recommendation:

- Increase exemption threshold to \$4,000 effective January 1, 2026 to align with the AWC process and timing required to update the state system.
- Complete proposed business license audit to inform policy and program updates. Effort is currently scheduled for 2027-2028 biennium.
- Begin policy and program updates sooner if audit is complete and staff have capacity.
- Policy review to include options to expand exemption qualifications and to assist low-income business owners.



Vibrant and Connected Deliberation Items

- World Cup Communications Staffing
- Community Based Events Innovation Fund
- Affordable Housing Program - Housing Assistance
- Human Services Funding
- Asphalt Art Installations
- Development Services - Second Substitute Senate Bill (SSSB) 5290



Vibrant and Connected Deliberation Items

World Cup Communications Staffing

Council Request:	Increase proposed 0.50 LTD Communications Specialist FTE, intended to support the 2026 World Cup, to 1.00 FTE to provide increased communications support World Cup and community activities.
Recommendation:	<ul style="list-style-type: none">• Additional capacity would be used to increase community awareness of World Cup events and impacts.• \$144,838 one-time funded in the General Fund to increase proposed .50 LTD Communications Specialist FTE to 1.00 LTD FTE.



Vibrant and Connected Deliberation Items

Community Based Innovation Fund

Council Request:

Encourage development of new events and event features focused on serving the Redmond community to increase quality of life and connection between residents by providing small seed grants for local nonprofits.

Recommendation:

- \$25,000 one-time service enhancement for a pilot and develop governance and criteria guidelines in early 2025.



Vibrant and Connected Deliberation Items

Affordable Housing Program - Housing Assistance

Council Request:

Enhance the Housing Program by prioritizing housing assistance that helps community members remain in their current homes, ensuring long-term housing stability for those already housed.

Recommendation:

- Begin program update first quarter 2025 to understand community need and options to providing direct and indirect services.
- Commit unallocated funding available in the Affordable Housing Program or forecasted savings for new FTE's budgeted in the General Fund (\$1.4M) to fund needs for the biennium.
- Update the housing plan and policies including a funding plan to meet short-term and long-term needs.



Vibrant and Connected Deliberation Items

Human Services Funding

Council Request:

Provide additional \$100,000 one-time service enhancement to fund vital services that the Human Services Commission was not able to fund.

Recommendation:

- The funding will be utilized to complete funding for requests that were only partially funded in the Human Services Commission recommendation.
- Potentially able to fund programs that support housing by keeping people in their homes or getting them into homes.
- \$100,000 one-time service enhancement budgeted in the Human Services Fund.



Vibrant and Connected Deliberation Items

Asphalt Art Installations

Council Request:

Provide opportunity to install 2-3 project during the biennium

Recommendation:

- Complete Cultural Arts Plan to inform placement and timing of new installations
- Reserve \$150,000 in Arts Activity Fund to initiate projects when ready



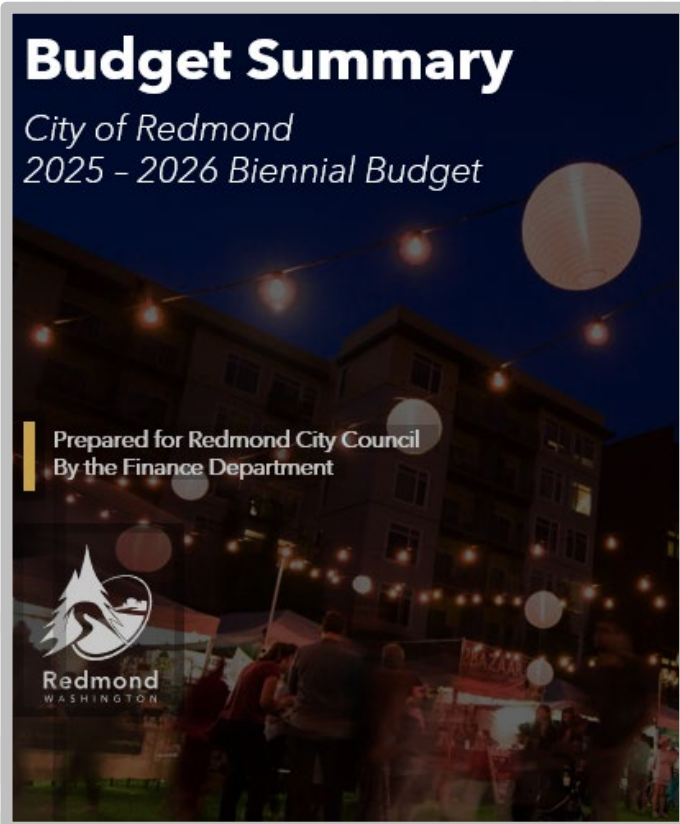
Vibrant and Connected Deliberation Items

Development Services Second Substitute Senate Bill (SSSB) 5290

Council Request: Discuss proposal to acknowledge FTE's in the staffing authorization to meet the requirement of SSSB 5290 by demonstrating the ability to quickly respond to declining service levels and insulate the city from issuing permit fee refunds.

- Recommendation:**
- Adopt three measures from SSSB 5290 as required.
 1. Imposing reasonable fees - RCW 36.70B.160(1)(b)
 2. Maintaining/budgeting on-call permitting assistance - RCW 36.70B.160.)1)(d)
 3. Add unfunded positions to the staffing authorization - RCW 36.70B.160.)1)(e)
 - Contingent upon program financial performance
 - Council authorization and budget adjustment approval required

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Thank you

Any Questions?



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