

City of Redmond



Agenda

Tuesday, June 9, 2026

4:30 PM

City Hall: 15670 NE 85th St; Remote: Comcast Ch. 21/321, Ziplly Ch. 34,
Facebook (@CityofRedmond), Redmond.gov/rctlive, or 510-335-7371

Committee of the Whole - Finance, Administration, and Communications

Committee Members

Vanessa Kritzer, Presiding Officer

Jessica Forsythe

Angie Nuevacamina

Sayna Parsi

Vivek Prakriya

Menka Soni

Melissa Stuart

Meetings can be attended in person, viewed live on RCTV (redmond.gov/rctlive), Comcast Channel 21/321, Ziplly Channel 34, Facebook/YouTube (@CityofRedmond), or listen live at 510-335-7371

AGENDA

ROLL CALL

A. Action Items - 17 minutes

1. Approval of Reappointments to the Community Facilities District (CFD) 2016-01 Board of Supervisors [CM 26-367](#)
[Attachment A: Community Facilities District \(CFD\) 2016-01 Board of Supervisors Appointment and Reappointment History](#)

Department: Finance, 2 minutes

Requested Action: Consent, June 16th

2. Enterprise Content Management (ECM): SoftResources - [CM 26-363](#)
[Attachment A: SoftResources Engagement Letter for Redmond DMS Software Selection](#)

Department: Technology and Information Services, 5 minutes

Requested Action: Consent, June 16th

3. Approval of the Consulting Services Contract for the State Lobbyist Agreement with Gordon Thomas Honeywell Government Affairs in the Amount of \$79,338 [CM 26-366](#)
[Attachment A: Gordon Thomas Honeywell Contract](#)

Department: Executive, 5 minutes

Requested Action: Consent, June 16th

4. Redmond Historical Society Lease Agreement [CM 26-368](#)
[Attachment A: Redmond Historical Society Adair House Lease](#)

Department: Executive/Parks and Recreation, 5 minutes

Requested Action: Consent, June 16th

B. Feedback for Study Session - 10 minutes

1. Budget Process Update: Long-Range Financial Strategy and [CM 26-333](#)
Fiscal Policies Feedback Review & Budget Process Ground
Rules

[Attachment A: Draft Long-Range Financial Strategy](#)

[Attachment B: Feedback Matrix - Long-Range Financial Strategy](#)

[Attachment C: Draft Fiscal Policies](#)

[Attachment D: Feedback Matrix - Fiscal Policies](#)

[Attachment E: 2027-2028 Preliminary Budget Review Ground Rules](#)

Department: Finance, 10 minutes

Requested Action: Study Session, July 28

C. Informational - 10 minutes

1. Respect, Equity, Diversity, and Inclusion (REDI) Program [CM 26-355](#)
Update

[Attachment A: REDI Strategic Plan Implementation Update](#)

[Attachment B: REDI Strategic Plan](#)

Department: Executive, 10 minutes

Requested Action: Informational

D. Read Only

ADJOURNMENT

Meeting videos are usually posted by 12 p.m. the day following the meeting at redmond.legistar.com, and can be viewed anytime on Facebook/YouTube (@CityofRedmond) and OnDemand at redmond.gov/OnDemand



Memorandum

Date: 6/9/2026

File No. CM 26-367

Meeting of: Committee of the Whole - Finance, Administration, and Communications

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748
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DEPARTMENT STAFF:

N/A	N/A	N/A
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TITLE:

Approval of Reappointments to the Community Facilities District (CFD) 2016-01 Board of Supervisors

OVERVIEW STATEMENT:

Community Facilities District (CFD) 2016-01 was established on June 21, 2016, as a partnership between the City of Redmond and Microsoft. As amended on July 25, 2017, and September 17, 2024, the CFD is to fund multimodal and stormwater improvements. The CFD 2016-01 Board of Supervisors is made up of three members of the Redmond City Council and two Microsoft representatives. Under CFD regulations, the Redmond City Council must approve appointments and reappointments to the CFD Board of Supervisors.

Council is asked to confirm the reappointments of Council Vice President Angie Nuevacamina and Microsoft Representative Don Marcy to the CFD 2016-01 Board of Supervisors. Their terms will expire June 30, 2029.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

Receive Information Provide Direction Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Community Facilities District (CFD) 2016-01 Formation and Commitment to Fund Documentation
- **Required:**
Community Facilities Districts are governed under RCW 36.145
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

On June 21, 2016, the Redmond City Council appointed the Board of Supervisors for the newly formed CFD 2016-01. Members first appointed to the Board of Supervisors serve for one and two years respectively from the date of their appointments, after which the term of office for each supervisor is three years or until a successor is appointed. A history of CFD 2016-01 Board of Supervisors appointments and reappointments can be found in attachment A.

With this approval, the Redmond City Council will confirm:

- The reappointments of Council Vice President Angie Nuevacamina and Microsoft Representative Don Marcy to the CFD 2016-01 Board of Supervisors. The terms of both Council Vice President Angie Nuevacamina and Supervisor Marcy will expire June 30, 2029.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

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

BUDGET IMPACT:

Total Cost:

N/A

Approved in current biennial budget:

Yes

No

N/A

Budget Offer Number:

N/A

Budget Priority:

N/A

Other budget impacts or additional costs:

Yes

No

N/A

If yes, explain:

N/A

Funding source(s):

N/A

Budget/Funding Constraints:

N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
N/A	Item has not been presented to Council	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
6/16/2026	Business Meeting	Approve

Time Constraints:

The current terms of Council Vice President Nuevacamina and Supervisor Marcy will expire June 30, 2026. Their reappointments should be completed prior to June 30, 2026, to ensure a full quorum of the CFD 2016-01 Board of Supervisors.

ANTICIPATED RESULT IF NOT APPROVED:

If the reappointments are not approved, the CFD will still be able to function. However, only having two City of Redmond Councilmembers appointed to the CFD will be in violation of the foundational documents, and Microsoft will need to propose another representative for appointment.

ATTACHMENTS:

Attachment A: Community Facilities District (CFD) 2016-01 Board of Supervisors Appointment and Reappointment History

Community Facilities District (CFD) 2016-01 Board of Supervisors Appointment & Reappointment History

CFD 2016-01 Formation and Board of Supervisors Requirements

Community Facilities District (CFD) 2016-01 was formed on June 21, 2016, with resolution 1453. Per resolution 1453, pursuant to RCW 36.145.080, a five-member CFD Board of Supervisors was created, consisting of three members of the Redmond City Council and two representatives nominated by the petitioner (Microsoft). The supervisors shall be appointed by the Redmond City Council, and the term of office of each supervisor shall be three years and until a successor is appointed, except that the terms of the supervisors initially appointed shall be staggered as follows, as provided in their appointments: one member representing the Redmond City Council and one petitioner representative shall each serve a one-year term, and the other two members representing the Redmond City Council and the other petitioner representative shall each serve two-year terms.

CFD 2016-01 Board of Supervisors Appointments & Reappointments

June 21, 2016

- The Redmond City Council approved the appointment of the following initial CFD 2016-01 supervisors to one-year terms, expiring June 21, 2017.
 - Kim Allen, Redmond City Council
 - Don Marcy, Vice President, Cairncross & Hemplemann
- The Redmond City Council approved the appointment of the following initial CFD 2016-01 supervisors to two-year terms, expiring June 21, 2018.
 - Hank Margeson, Redmond City Council President
 - John Stilin, Redmond City Council Vice President
 - Jim Stanton, AICP, Senior Community Affairs Manager, Microsoft

February 21, 2017

- The Redmond City Council appointed Councilmember David Carson to serve on the Board of Supervisors for the remainder of former Councilmember Allen's term, expiring June 21, 2017.

June 20, 2017

- The Redmond City Council approved the reappointment of one-year termed members Councilmember David Carson and Microsoft Representative Don Marcy to three-year terms, expiring June 30, 2020.

**As part of the reappointment approval, the Redmond City Council also approved standardization of term dates for administrative consistency and tracking purposes. All term end dates were adjusted to June 30 of each last term year, and all new term starts became July 1 of each term renewal.*

- *The term end dates for Council President Hank Margeson, Council Vice President John Stilin, and Microsoft Representative Jim Stanton were all changed to June 30, 2018.*

**Community Facilities District (CFD) 2016-01
Board of Supervisors Appointment & Reappointment History**

January 2, 2018

- The Redmond City Council approved the appointment of Council President Angela Birney to serve on the Board of Supervisors for the remainder of former Councilmember Stilin's term, expiring June 30, 2018.

June 19, 2018

- The Redmond City Council approved the reappointment of two-year termed members Councilmember Hank Margeson, Council President Angela Birney, and Microsoft Representative Jim Stanton to their first full three-year term, expiring June 30, 2021.

February 18, 2020

- The Redmond City Council approved the appointment of Council President Tanika Padhye and Councilmember Vanessa Kritzer to serve on the Board of Supervisors for the remainder of former Councilmember Hank Margeson's term and former Council President Angela Birney's term, respectively, expiring June 30, 2021.

August 17, 2021

- The Redmond City Council approved the appointment of Microsoft Representative Marcia Jones to serve on the Board of Supervisors for the remainder of former Microsoft Representative Jim Stanton's term, expiring June 30, 2024.
- The Redmond City Council approved the following reappointments for three-year terms:
 - Council President Tanika Padhye, new term expiring June 30, 2024
 - Councilmember Kritzer, new term expiring June 30, 2024
 - Councilmember David Carson, new term expiring June 30, 2023
 - Microsoft Representative Don Marcy, new term expiring June 30, 2023

January 18, 2022

- The Remond City Council approved the appointment of Councilmember Melissa Stuart to serve on the Board of Supervisors for the remainder of former Council President Tanika Padhye's term, expiring June 30, 2024.

January 16, 2024

- The Redmond City Council approved the appointment of Councilmember Osman Salahuddin to serve on the Board of Supervisors for the remainder of former Councilmember David Carson's term, expiring June 30, 2026.

July 16, 2024

- The Redmond City Council approved the appointment Microsoft Representative Mike Behn to serve on the Board of Supervisors in the position previously held by Microsoft Representative Marcia Jones, with the term expiring June 30, 2027.
- The Redmond City Council approved the reappointment of Councilmember Melissa Stuart and Council President Vanessa Kritzer for new three-year terms, expiring June 30, 2027.

**Community Facilities District (CFD) 2016-01
Board of Supervisors Appointment & Reappointment History**

December 2, 2025

- The Redmond City Council approved the appointment of Councilmember Angie Nuevacamina to serve on the Board of Supervisors for the remainder of former Councilmember Osman Salahuddin's term, expiring June 30, 2026.
- The Redmond City Council approved the reappointment of Microsoft Representative Don Marcy, with the term expiring June 30, 2026.



Memorandum

Date: 6/9/2026

File No. CM 26-363

Meeting of: Committee of the Whole - Finance, Administration, and Communications

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Technology and Information Services	Michael Marchand	425-556-2173
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DEPARTMENT STAFF:

Technology and Information Services	Courtney Miller	Technology Project Manager
Technology and Information Services	Carmen Hall	Project Mgmt Office Manager

TITLE:

Enterprise Content Management (ECM): SoftResources - Selection Consulting Services

OVERVIEW STATEMENT:

Based on the City’s recently completed Enterprise Content Management (ECM) Assessment and the recommendation to select new ECM software that would consolidate disparate practices and technologies across departments, the City has determined to engage SoftResources to assist through the selection of a new ECM.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

- Receive Information
 Provide Direction
 Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
2025/2026 BTIP
- **Required:**
N/A
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

Deliverables include:

- RFP document with business, technical and integration requirements
- RFP response review
- Vendor analysis 5-point decision report
- Demo script, feedback form, and resource support
- Due diligence support
- Decision consulting

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

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

BUDGET IMPACT:

Total Cost:

The engagement is fixed fee - invoiced as phased work is completed - totaling \$64,750.

Approved in current biennial budget: **Yes** **No** **N/A**

Budget Offer Number:

362 - BTIP

Budget Priority:

Strategic and Responsive

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

If yes, explain:

N/A

Funding source(s):

Costs associated with the engagement will come from the 2025/2026 BTIP

Budget/Funding Constraints:

N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date: 6/9/2026

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 26-363

Type: Committee Memo

Date	Meeting	Requested Action
N/A	Item has not been presented to Council	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
6/16/2026	Business Meeting	Approve

Time Constraints:

N/A

ANTICIPATED RESULT IF NOT APPROVED:

Maintain the current model of siloed, department-driven document management.

ATTACHMENTS:

Attachment A: SoftResources Engagement Letter

March 25, 2026

Engagement Letter

Document Management Software Selection Consulting Services

**Prepared for:
City of Redmond**

**Prepared by:
SoftResources**



**Spencer Arnesen, Principal
425-216-4030
sarnesen@softresources.com**

March 25, 2026

Michael Marchand, Chief Information Officer
City of Redmond
15670 NE 85th Street
Redmond, WA 98073

Michael and Carmen:

SoftResources is pleased to provide this Engagement Letter to the City of Redmond, Washington (City) for Document Management System (DMS) Software Selection Consulting Services.

Statement of Understanding

Based on the City’s recently completed Document Management System (DMS) Assessment and the recommendation to select new DMS software that would consolidate disparate practices and technologies across departments, the City has determined to engage SoftResources to assist through the selection of a new DMS.


SoftResources will assist the City with the selection of new DMS software. The key functionality/modules that will be in scope for this selection:

- Document Storage
- Scanning
- Retention and Compliance
- Workflow
- Search
- Public Records Requests (PRR)
- Reporting

This proposal is for a single RFP. If the City determines to increase the scope to multiple RFP/selection projects, SoftResources will prepare an amendment or new letter of engagement for approval.

Project Approach

SoftResources will provide the following services for the DMS Software Selection project. This work plan is organized by phase along with associated tasks and deliverables. Some tasks within different phases may be performed concurrently.

 Phase 1. Request for Proposal (RFP)	
a. Initialize Project	<ul style="list-style-type: none"> • Project Kickoff – initiate and conduct a project kick off with the City via web conference to discuss and align expectations for the contracted scope of work, discuss resource availability and constraints, and establish roles, responsibilities, drivers and objectives that will govern the project. • Project Management – manage project, provide regular status updates, monitor overall status of the project for time, scope, budget and quality. <p>DELIVERABLES: Project Kickoff; Status Updates</p>



Phase 1. Request for Proposal (RFP)

- b. Prepare RFP**
- **RFP Document** – work with the City to prepare an RFP for DMS software and implementation services that is in compliance with City purchasing requirements. The RFP will be used to solicit vendor responses and will include the modules in scope, business objectives, evaluation criteria, functional, technical, and integration requirements (key requirements document developed during the DMS Assessment).
 - **Finalize RFP** – deliver the draft RFP to the City for review. Schedule and facilitate a meeting with the City to discuss feedback. Finalize the RFP and return to the City for issuance. The timeline allows four weeks for the RFP to be active.

DELIVERABLE: Request for Proposal for DMS

- c. RFP Solicitation**
- **Issue RFP** – The City will issue the RFP in accordance with purchasing protocols. The project timeline allows for a four-week period during which the RFP will remain open for vendor responses.
 - **Vendor Outreach** - SoftResources will inform vendors listed on the DMS Vendor List of the RFP opportunity.
 - **Solicitation Support** – SoftResources will advise the City as they respond to vendor questions and provide assistance in preparing and issuing addenda.

DELIVERABLE: Vendor Outreach, Solicitation Support



Phase 2. Vendor Evaluation

- a. Proposal Analysis**
- **RFP Response Review** – the City will receive vendor proposals and send a copy to SoftResources. SoftResources will analyze as follows:
 - ✓ Review proposals and analyze for fit to City requirements.
 - ✓ Utilize our proprietary AI agent to conduct a secondary analysis for additional comparison insights of each vendor proposal.
 - ✓ Conduct web meetings with each viable vendor to further assess ability to support the City’s key functional, technical, and operational requirements and to assess vendor viability.
 - ✓ Analyze each viable vendor’s software implementation team/resources, industry experience, cultural fit, approach, timeline, and availability.
 - ✓ Perform a 5-year cost review of software license, implementation and maintenance for each viable vendor.
 - **Vendor Analysis 5-Point-Decision Report** – aggregate the vendor analysis and prepare and present a report to compare and contrast the vendors/products and educate the City on the 5-point decision hub:
 1. Functional Fit/Gap
 2. Technical Review
 3. Vendor Review
 4. Implementation Considerations
 5. Cost Analysis



Phase 2. Vendor Evaluation

DELIVERABLES: Vendor Analysis 5-Point-Decision Report, Report Presentation

b. Short List Decision

- **Short List Decision Support** – SoftResources will leverage our expertise and knowledge about the vendor analysis to support the City as they make the short list decision (approximately three vendors).
- **Short List Comparison Chart** – SoftResources will prepare and deliver a Shortlist Comparison Chart that provides the detailed fit/gap of the Short List vendors as compared to the Key Requirements.

DELIVERABLE: Short List Comparison Chart



Phase 3. Short List Vendor Demos

a. Prepare for Demos

- **Demo Script** – develop a custom Demo Script that will define the content to be reviewed during the demos. Work with the City to finalize the script. The City will provide the script to shortlisted vendors.
- **Demo Planning** – work with the City to plan to schedule three, 1-day, software demos. SoftResources and the City will conduct 1-hour Pre-Demo Calls to help each short list vendor prepare for their demo and answer questions. We recommend three to four weeks for vendors to prepare for the Demos.
- **Demo Feedback Form** – prepare and deliver a Demo Feedback Form that will be used by City staff to record their feedback and rankings for each demo session they attend.

DELIVERABLE: Demo Script, Demo Feedback Form

b. Software Demos

- **Facilitate Demos** – SoftResources will attend and facilitate demos to manage vendor adherence to the Demo Script, staff questions, Demo Feedback forms, and document questions and follow up items.
- **Demo Wrap Up Meeting** – after the demos we will conduct a Demo Wrap Up Meeting with City stakeholders to review demo scores and discuss follow up items. The City will determine one to two finalist vendors to evaluate during the software decision phase.


DELIVERABLES: Demo Facilitation; Demo Wrap Up Meeting




Phase 4. Software Decision

a. Due Diligence

- **Due Diligence Tasks** – advise and work with the City as they complete due diligence tasks with one or two finalist vendors as follows:
 - ✓ **Vendor Liaison** – continue to serve as a liaison between the City and vendors managing communications and questions.
 - ✓ **Reference Checks** – SoftResources will deliver a set of questions for the City to use as they set up and check similar existing customers of the vendor.

 Phase 4. Software Decision	
	<ul style="list-style-type: none">✓ <u>Due Diligence Demo</u> – as needed, advise the City with up to two follow up demos to evaluate specific functionality and/or business scenarios for proof of fit. Provide guidance for business scenario/target script.✓ <u>Scope and Cost Review</u> – work with the finalist vendor as they revise the scope and cost proposal based on current knowledge of the City for software, implementation, maintenance, and training. <p>DELIVERABLE: Due Diligence Support</p>
b. Final Decision	<ul style="list-style-type: none">• <u>Software Decision Meeting</u> – completion of due diligence tasks marks the completion of the vendor evaluation effort. SoftResources will meet with City stakeholders to review finalist vendor decision analysis to ensure alignment with the City’s business objectives. Provide input based on our experience, answer questions, discuss potential risks and issues, and act as a sounding board. The City will make the final decision. <p>DELIVERABLE: Decision Consulting</p>

 Phase 5. Contract Review	
a. Vendor Contract	<ul style="list-style-type: none">• <u>Contract Review</u> – assist the City with review of the vendor contract package with one finalist vendor as follows:<ul style="list-style-type: none">○ <u>SoftResources Review</u> – provide a business review of vendor contract documents with comments and redline edits to the software license, subscription pricing, terms and conditions, and discussion points. The City’s legal counsel should also review the vendor contract documents.○ <u>Client Review</u> – discuss with the City via web conference the review comments, redline edits, and any questions about the contract.○ <u>Vendor Review</u> – participate with the City in vendor calls to review and resolve the Contract package redline edits and review comments. <p>DELIVERABLES: Review Comments/Redline Edits; Contract Review Calls</p>
b. Vendor Statement of Work	<ul style="list-style-type: none">• <u>SOW Review</u> – review and finalize the SOW document as part of the contract finalization process. The SOW ensures there is a clear understanding for the implementation of the selected solution including methodology, roles, assignments, and timeline. SoftResources will review the SOW for the finalist vendor as follows:<ul style="list-style-type: none">○ <u>SoftResources Review</u> – review the vendor’s SOW for Implementation and provide review comments and redline edits.○ <u>Client Review</u> – discuss with the City via web conference the review comments, redline edits, and any questions about the SOW.○ <u>Vendor Review</u> – participate with the City in vendor calls to review and resolve the SOW redline edits and review comments. <p>DELIVERABLES: Review Comments/Redline Edits; SOW Review Calls</p>

Timeline Estimate. SoftResources anticipates 6-8 months to complete the services detailed in the above statement of work. This timeline is dependent on the availability of the City and/or vendor resources and may require adjustment. Some tasks within different phases may be completed concurrently as time allows.

Phase/Tasks	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8
1. Request for Proposal								
a. Initialize Project	█							
b. Prepare RFP	█							
c. RFP Solicitation		█						
2. Vendor Evaluation								
a. Proposal Analysis			█	█				
b. Short List Decision				█				
3. Short List Vendor Demos								
a. Prepare for Demos					█			
b. Software Demos						█		
4. Software Decision								
a. Due Diligence						█		
b. Final Decision							█	
5. Contract Review								
a. Vendor Contract								█
b. Vendor Statement of Work								█

Client Participation and Responsibilities

To successfully complete the engagement, it is expected that the City will:

1. Put together and maintain an adequately staffed project team and coordinate the project team.
2. Be available for follow-up calls, provide feedback, and approve project deliverables.
3. Review the vendor analysis, participate in the report presentation, determine the vendor short list.
4. Participate in software demos and conduct due diligence tasks with targeted vendors.
5. Make the final software decision.
6. Negotiate and sign the contract with the finalist vendor and begin implementation.
7. Be responsible for all tasks not assigned to SoftResources.

Fees and Billings

Fees. This will be a Fixed Fee engagement. Travel expenses if billed may include any or all of the following: airfare, car rental, hotel, parking, tolls, ferry, mileage, and per diem (per GSA Per Diem Rates).

Phase and Tasks	Fees
1. Request for Proposal (RFP)	
a. Initialize Project	
b. Prepare RFP	
c. RFP Solicitation	\$ 9,000.00
2. Vendor Evaluation	
a. Proposal Analysis	
b. Short List Decision	17,500.00
3. Short List Vendor Demos	
a. Prepare for Demos	
b. Software Demos	15,750.00
4. Software Decision	
a. Due Diligence	
b. Final Decision	12,500.00
5. Contract Review	
a. Vendor Contract	
b. Vendor Statement of Work	10,000.00
Subtotal	\$ 64,750.00
No Travel Charges	0.00
TOTAL	<u>\$ 64,750.00</u>

Billings. Fees will be invoiced monthly for percentage of work completed within the month. No travel expenses will be charged. Payment terms Net 30. Note that some tasks within different phases may be performed concurrently.

Scope Control

If the City requests services outside of those outlined in the Project Approach section of this Engagement Letter, an amendment or new letter of understanding will be drafted for City approval.

Staffing

SoftResources will assign a team comprised of two expert Principal and/or Director level consultants experienced selecting and evaluating enterprise software with municipalities.

Termination and Deferral

If the client determines to defer or terminate the contract, SoftResources will cease work on the project and bill for services performed up to the point of termination/deferral.

Next Steps

Once the City confirms its intent to proceed, SoftResources will route this engagement letter for electronic signature via Adobe Acrobat Sign.

Spencer Arnesen, Principal
SoftResources LLC

Agreement and Authorization

To: Spencer Arnesen, Principal
SoftResources LLC
Email: SArnesen@softresources.com

From: Michael Marchand, Chief Information Officer
City of Redmond
Email: MMarchand@redmond.gov

The SoftResources Engagement Letter for Document Management System (DMS) Software Selection Consulting Services dated March 25, 2026, is accepted. Upon receipt of the signed Engagement Letter the City's project will be scheduled.

Organization	City of Redmond	SoftResources LLC
Signature	_____	_____
Printed Name	_____	Spencer Arnesen
Title	_____	Principal
Date	_____	_____



Memorandum

Date: 6/9/2026

File No. CM 26-366

Meeting of: Committee of the Whole - Finance, Administration, and Communications

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Executive	Malisa Files, Chief Operating Officer	425-556-2166
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DEPARTMENT STAFF:

Executive	Lisa Maher	Assistant Chief Operating Officer
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TITLE:

Approval of the Consulting Services Contract for the State Lobbyist Agreement with Gordon Thomas Honeywell Government Affairs in the Amount of \$79,338

OVERVIEW STATEMENT:

Requesting Council approval of a Consulting Services agreement to support a state lobbyist to further the City’s goals at the state legislative level and generate revenue. Gordon Thomas Honeywell Government Affairs is a bipartisan firm providing legislative and regulatory advocacy and support services, holistic, proactive, and effective approaches to state legislative relations. The total contract for one-year would equal \$79,338 after which time the City would evaluate the contract for effectiveness and have the option to extend the contract for one additional year.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

Receive Information Provide Direction Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Redmond’s Comprehensive Plan and the City’s Capital Investment Strategy (CIS)
- **Required:**
Council approval is required for contracts that exceed \$50,000
- **Council Request:**
N/A
- **Other Key Facts:**
The City has been successful in collecting revenue from the state to support capital projects, human services and environmental sustainability projects.

OUTCOMES:

Gordon Thomas Honeywell Government Relations (GTH) provides lobbying and government agency procurement services, developing an unrivaled track record of success and reputation as Washington State’s leading government relations firm. Their expansive bipartisan relationship network spans Washington State’s legislature, executive branch, congressional delegation, and local elected officials.

They have expertise in a wide range of subject areas including taxation, business regulation, procurement, natural resources, local agencies, utilities, transportation, and environment. The GTH scope of work, specific to Redmond, can be found in Attachment A. The contract will be a fixed cost of \$6,611.50 per month and is budgeted in the 2025-2026 Budget.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

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

BUDGET IMPACT:

Total Cost:

\$79, 338 per year

Approved in current biennial budget: Yes No N/A

Budget Offer Number:

0000290

Budget Priority:

Strategic and Responsive

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

If yes, explain:

N/A

Funding source(s):

General Fund

Budget/Funding Constraints:

N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
N/A	Item has not been presented to Council	N/A

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
6/16/2026	Business Meeting	Approve

Time Constraints:

The contract should be approved as soon as possible so Redmond can continue drafting its State Legislative Agenda and take advantage of funding that may be available

ANTICIPATED RESULT IF NOT APPROVED:

If the contract is not approved, the City will not use the services of a federal state lobbyist and potentially not take advantage of state funding used for citywide projects.

ATTACHMENTS:

Attachment A: Gordon Thomas Honeywell Agreement

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<p>PROJECT TITLE</p>	<p>EXHIBITS <i>(List all attached exhibits - Scope of Work, Work Schedule, Payment Schedule, Renewal Options, etc.)</i></p>
<p>CONTRACTOR</p>	<p>CITY OF REDMOND PROJECT ADMINISTRATOR <i>(Name, address, phone #)</i></p> <p>City of Redmond</p>
<p>CONTRACTOR'S CONTACT INFORMATION <i>(Name, address, phone #)</i></p>	<p>BUDGET OR FUNDING SOURCE</p>
<p>CONTRACT COMPLETION DATE</p>	<p>MAXIMUM AMOUNT PAYABLE</p>

THIS AGREEMENT is entered into on _____, 20__ between the City of Redmond, Washington, hereinafter called "the CITY", and the above person, firm or organization, hereinafter called "the CONSULTANT".

WHEREAS, the CITY desires to accomplish the above-referenced project; and

WHEREAS, the CITY does not have sufficient staff or expertise to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a CONSULTANT to provide the necessary services for the project; and

WHEREAS, the CONSULTANT has represented to the CITY that the CONSULTANT is in compliance with the professional registration statutes of the State of Washington, if applicable, and has signified a willingness to furnish consulting services to the CITY, now, therefore,

IN CONSIDERATION OF the terms and conditions set forth below, or attached and incorporated and made a part hereof, the parties agree as follows:

1. Retention of Consultant - Scope of Work. The CITY hereby retains the CONSULTANT to provide professional services as defined in this agreement and as necessary to accomplish the scope of work attached hereto as Exhibit A and incorporated herein by this reference as if set forth in full. The CONSULTANT shall furnish all services, labor and related equipment necessary to conduct and complete the work, except as specifically noted otherwise in this agreement.

2. Completion of Work. The CONSULTANT shall not begin any work under the terms of this agreement until authorized in writing by the CITY. The CONSULTANT shall complete all work required by this agreement according to the schedule attached as Exhibit B and incorporated herein by this reference as if set forth in full. A failure to complete the work according to the attached schedule, except where such failure is due to circumstances beyond the control of the CONSULTANT, shall be deemed a breach of this agreement. The established completion time shall not be extended because of any delays attributable to the CONSULTANT, but may be extended by the CITY, in the event of a delay attributable to the CITY, or because of unavoidable delays caused by circumstances beyond the control of the CONSULTANT. All such extensions shall be in writing and shall be executed by both parties.

3. Payment. The CONSULTANT shall be paid by the CITY for satisfactorily completed work and services satisfactorily rendered under this agreement as provided in Exhibit C, attached hereto and incorporated herein by this reference as if set forth in full. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in the Scope of Work attached. The CONSULTANT shall be entitled to invoice

the CITY no more frequently than once per month during the course of the completion of work and services by the CONSULTANT. Invoices shall detail the work performed or services rendered, the time involved (if compensation is based on an hourly rate) and the amount to be paid. The CITY shall pay all such invoices within 30 days of submittal, unless the CITY gives notice that the invoice is in dispute. In no event shall the total of all invoices paid exceed the maximum amount payable set forth above, if any, and the CONSULTANT agrees to perform all services contemplated by this agreement for no more than said maximum amount.

4. **Changes in Work.** The CONSULTANT shall make such changes and revisions in the complete work provided by this agreement as may be necessary to correct errors made by the CONSULTANT and appearing therein when required to do so by the CITY. The CONSULTANT shall make such corrective changes and revisions without additional compensation from the CITY. Should the CITY find it desirable for its own purposes to have previously satisfactorily completed work or parts thereof changed or revised, the CONSULTANT shall make such revisions as directed by the CITY. This work shall be considered as Extra Work and will be paid for as provided in Section 5.

5. **Extra Work.**

A. The CITY may, at any time, by written order, make changes within the general scope of the agreement in the services to be performed. If any such change causes an increase or decrease in the estimated cost of, or the time required for, performance of any part of the work or services under this agreement, whether or not changed by the order, or otherwise affects any other terms or conditions of the agreement, the CITY shall make an equitable adjustment in the (1) maximum amount payable; (2) delivery or completion schedule or both; and (3) other affected terms, and shall modify the agreement accordingly.

B. The CONSULTANT must submit any "proposal for adjustment" under this clause within 30 days from the date of receipt of the written order to make changes. However, if the CITY decides that the facts justify it, the CITY may receive and act upon a proposal submitted before final payment of the agreement.

C. Failure to agree to any adjustment shall be a dispute under the Disputes clause of this agreement, as provided in Section 13. Notwithstanding any such dispute, the CONSULTANT shall proceed with the agreement as changed.

D. Notwithstanding any other provision in this section, the maximum amount payable for this agreement shall not be increased or considered to be increased except by specific written amendment of this agreement.

6. **Ownership of Work Product.** Any and all documents, drawings, reports, and other work product produced by the CONSULTANT under this agreement shall become the property of the CITY upon payment of the CONSULTANT'S fees and charges therefore. The CITY shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at the CITY'S risk unless such use is agreed to by the CONSULTANT.

7. **Independent Contractor.** The CONSULTANT is an independent contractor for the performance of services under this agreement. The CITY shall not be liable for, nor obligated to pay to the CONSULTANT, or any employee of the CONSULTANT, sick leave, vacation pay, overtime or any other benefit applicable to employees of the CITY, nor to pay or deduct any social security, income tax, or other tax from the payments made to the CONSULTANT which may arise as an incident of the CONSULTANT performing services for the CITY. The CITY shall not be obligated to pay industrial insurance for the services rendered by the CONSULTANT.

8. **Indemnity.** The CONSULTANT agrees to hold harmless, indemnify and defend the CITY, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, including employees of the CONSULTANT, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of the CONSULTANT, its officers, agents, subconsultants or employees, in connection with the services required by this agreement, provided, however, that:

A. The CONSULTANT's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the CITY, its officers, agents or employees; and

B. The CONSULTANT's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the CONSULTANT and the CITY, or of the CONSULTANT and a third party other than an officer, agent, subconsultant or employee of the CONSULTANT, shall apply only to the extent of the negligence or willful misconduct of the CONSULTANT.

9. **Insurance.** The CONSULTANT shall provide the following minimum insurance coverages:

A. Worker's compensation and employer's liability insurance as required by the State of Washington;

B. General public liability and property damage insurance in an amount not less than a combined single limit of two million dollars (\$2,000,000) for bodily injury, including death, and property damage per occurrence.

C. Professional liability insurance, if commercially available in CONSULTANT's field of expertise, in the amount of two million dollars (\$2,000,000) or more against claims arising out of work provided for in this agreement.

The amounts listed above are the minimum deemed necessary by the CITY to protect the CITY'S interests in this matter. The CITY has made no recommendation to the CONSULTANT as to the insurance necessary to protect the CONSULTANT'S interests and any decision by the CONSULTANT to carry or not carry insurance amounts in excess of the above is solely that of the CONSULTANT.

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. Excepting the professional liability insurance, the CITY will be named on all insurance as an additional insured. The CONSULTANT shall submit a certificate of insurance to the CITY evidencing the coverages specified above, together with an additional insured endorsement naming the CITY, within fifteen (15) days of the execution of this agreement. The additional insured endorsement shall provide that to the extent of the CONSULTANT's negligence, the CONSULTANT's insurance shall be primary and non-contributing as to the City, and any other insurance maintained by the CITY shall be excess and not contributing insurance with respect to the CONSULTANT's insurance. The certificates of insurance shall cover the work specified in or performed under this agreement. No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the CITY.

10. Records. The CONSULTANT shall keep all records related to this agreement for a period of three years following completion of the work for which the CONSULTANT is retained. The CONSULTANT shall permit any authorized representative of the CITY, and any person authorized by the CITY for audit purposes, to inspect such records at all reasonable times during regular business hours of the CONSULTANT. Upon request, the CONSULTANT will provide the CITY with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of the CONSULTANT, but the CONSULTANT may charge the CITY for copies requested for any other purpose.

11. Notices. All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth in the box for the same appearing at the outset of this Agreement. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph.

12. **Project Administrator.** The Project Administrator shall be responsible for coordinating the work of the CONSULTANT, for providing any necessary information for and direction of the CONSULTANT's work in order to ensure that it meets the requirements of this Agreement, and for reviewing, monitoring and approving the quality and quantity of such work. The CONSULTANT shall report to and take any necessary direction from the Project Administrator.

13. **Disputes.** Any dispute concerning questions of fact in connection with the work not disposed of by agreement between the CONSULTANT and the CITY shall be referred for resolution to a mutually acceptable mediator. The parties shall each be responsible for one-half of the mediator's fees and costs.

14. **Termination.** The CITY reserves the right to terminate this agreement at any time upon ten (10) days written notice to the CONSULTANT. Any such notice shall be given to the address specified above. In the event that this agreement is terminated by the City other than for fault on the part of the CONSULTANT, a final payment shall be made to the CONSULTANT for all services performed. No payment shall be made for any work completed after ten (10) days following receipt by the CONSULTANT of the notice to terminate. In the event that services of the CONSULTANT are terminated by the CITY for fault on part of the CONSULTANT, the amount to be paid shall be determined by the CITY with consideration given to the actual cost incurred by the CONSULTANT in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the CITY at the time of termination, the cost of the CITY of employing another firm to complete the work required, and the time which may be required to do so.

15. **Non-Discrimination.** The CONSULTANT agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier or materialman, because of race, creed, color, national origin, sex, religion, honorable discharged veteran or military status, familial status, sexual orientation, age, or the presence of any sensory, mental, or physical disability or the use of a trained dog or service animal by a person with a disability, except for a bona fide occupational qualification. The CONSULTANT understands that if it violates this provision, this Agreement may be terminated by the CITY and that the CONSULTANT may be barred from performing any services for the CITY now or in the future.

16. **Compliance and Governing Law.** The CONSULTANT shall at all times comply with all applicable federal, state, and local laws, rules, ordinances, and regulations. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

17. **Subcontracting or Assignment.** The CONSULTANT may not assign or subcontract any portion of the services to be provided under this agreement without the express written consent of the CITY. Any sub-consultants approved by the CITY at the outset of this agreement are named on separate Exhibit attached hereto and incorporated herein by this reference as if set forth in full.

18. **Non-Waiver.** Payment for any part of the work or services by the CITY shall not constitute a waiver by the CITY of any remedies of any type it may have against the CONSULTANT for any breach of the agreement by the CONSULTANT, or for failure of the CONSULTANT to perform work required of it under the agreement by the CITY. Waiver of any right or entitlement under this agreement by the CITY shall not constitute waiver of any other right or entitlement.

19. **Litigation.** In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this agreement, the parties agree that such actions shall be initiated in the Superior Court of the State of Washington, in and for King County. The parties agree that all questions shall be resolved by application of Washington law and that parties to such actions shall have the right of appeal from such decisions of the Superior Court in accordance with the law of the State of Washington. The CONSULTANT hereby consents to the personal jurisdiction of the Superior Court of the State of Washington, in and for King County. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

20. **Taxes.** The CONSULTANT will be solely responsible for the payment of any and all applicable taxes related to the services provided under this agreement and if such taxes are required to be passed through to the CITY by law, the same shall be duly itemized on any billings submitted to the CITY by the CONSULTANT.

21. **City Business License.** The CONSULTANT has obtained, or agrees to obtain, a business license from the CITY prior to commencing to perform any services under this agreement. The CONSULTANT will maintain the business license in good standing throughout the term of this Agreement.

22. **Entire Agreement.** This agreement represents the entire integrated agreement between the CITY and the CONSULTANT, superseding all prior negotiations, representations or agreements, written or oral. This agreement may be modified, amended, or added to, only by written instrument properly signed by both parties hereto. These standard terms and conditions set forth above supersede any conflicting terms and conditions on any attached and incorporate exhibit. Where conflicting language exists, the CITY'S terms and conditions shall govern.

**page 8 – Consulting Services Agreement, Non-Public Work
City of Redmond, standard form**

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the day and year first above written.

CONSULTANT:

CITY OF REDMOND:

By: _____
Title: _____

Angela Birney, Mayor
DATED: _____

ATTEST/AUTHENTICATED:

City Clerk, City of Redmond

APPROVED AS TO FORM:

Office of the City Attorney

CITY OF REDMOND

Legislative & Regulation Advocacy and Support Services

Exhibits A & B

Scope & Work Schedule

The Consultant shall:

- Assist in the development of a program of priority State legislative objectives of the City of Redmond; strategies shall be developed and implemented to successfully promote the City's legislative objectives; such strategies shall be consistent with the City's Legislative Agenda.
 - Represent the City's Legislative objectives to members of the Washington State Legislature, the Governor's Office, and appropriate legislative committees, state agencies, legislative staff, major public interest groups, and coalitions.
 - Maintain effective relationships with members of the Washington State Legislature, the Governor's Office, and appropriate legislative committees, state agencies, legislative staff, major public interest groups, and coalitions, including but not limited to the Association of Washington Cities.
 - Monitor specified State legislation, legislative committees, state agencies, rulemaking, and the activities of appropriate interest groups which pertain to the stated interests, goals, and objectives of the City.
 - Recommend appropriate City action regarding pertinent legislation.
 - Identify opportunities for City staff and elected officials to testify before legislative committees and subcommittees with respect to proposed legislation; shall communicate such opportunities to the Mayor of the City of Redmond, or designee, in a timely manner; shall assist in preparation of testimony to be given; and as requested, shall testify on behalf of the City.
 - Attend meetings of the City Council and City staff, as may be requested by the Mayor of the City of Redmond, or designee, to brief City officials on legislative activities.
 - Provide written and oral reports to the Mayor of the City of Redmond, or designee, as mutually agreed upon, to inform the City of Redmond regarding the status of pertinent legislation, and as well, of the lobbying activity/efforts of the Consultant.
 - Provide support on City efforts and initiatives beyond the legislative session to position the City to advance its objectives.
-

CITY OF REDMOND
Legislative & Regulation Advocacy and Support Services

Exhibit C
Payment Schedule

CITY shall pay CONSULTANT a monthly retainer of \$6,611.50 for services rendered, as outlined in the Scope & Work Schedule (Exhibits A & B) for the two years (covering 7/1/2026 – 6/30/228). The CITY may negotiate an annual price adjustment to the CONSULTANT’S monthly retainer, in accordance with the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12-month period for which CPI-U data is available (Exhibit D). The Bureau of Labor Statistics website can be found at: <https://www.bls.gov/cpi/data.htm>. CONSULTANT shall notify the CITY in writing at least thirty (30) days prior to a proposed price adjustment. Acceptance of such a request will be at the sole discretion of the CITY.

The CONSULTANT may invoice the CITY no more frequently than once per month for reimbursement of eligible expenses.

CITY OF REDMOND
Legislative & Regulation Advocacy and Support Services

Exhibit D
Option for Renewal

CITY reserves the right to renew this contract for one (1) year term, for a potential maximum total term of two (2) years, upon serving notice to the CONSULTANT within thirty (30) calendar days prior to expiration. If renewal provision is exercised, all terms and conditions of original contract shall remain in full force and effect. Each renewal will be accomplished through a separate contract with reference to the original contract. Acceptance of a renewal offer will be by mutual agreement of both parties. The Mayor or designee is authorized to exercise this renewal option.

The CITY may negotiate an annual price adjustment to the CONSULTANT'S monthly retainer, in accordance with the Bureau of Labor Statistics Consumer Price Index (CPI-U) for the West Urban region occurring during the immediately preceding 12-month period for which CPI-U data is available. The Bureau of Labor Statistics website can be found at: <https://www.bls.gov/cpi/data.htm>. CONSULTANT shall notify the CITY in writing at least thirty (30) days prior to a proposed price adjustment. Acceptance of such a request will be at the sole discretion of the CITY.



Memorandum

Date: 6/9/2026

File No. CM 26-368

Meeting of: Committee of the Whole - Finance, Administration, and Communications

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Parks	Loreen Hamilton	425-556-2336
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DEPARTMENT STAFF:

Executive	Zach Houvener	Deputy - Equity & Strategic Services
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TITLE:

Redmond Historical Society Lease Agreement

OVERVIEW STATEMENT:

The Redmond Historical Society has operated out of approximately 942 square feet of sub-leased space within the Old Redmond Schoolhouse, a Lake Washington School District (LWSD) owned facility leased by the City for recreational programming. With LWSD reclaiming full use of that building beginning in July 2026, recreation programs and the Redmond Historical Society have actively worked to relocate affected programs and operations to other facilities. To ensure continuity of the Redmond Historical Society’s operations and preserve its role in the community, staff have worked on a new lease agreement relocating the organization to the Adair Cabin (approximately 800 square feet) in Anderson Park.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

Receive Information Provide Direction Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
N/A
- **Required:**
Council approval required as previous sub-lease agreement did not contain renewal or extension.
- **Council Request:**
N/A
- **Other Key Facts:**
N/A

OUTCOMES:

The proposed lease agreement allows a valued partner a space for its operations, preserving access to Redmond’s history for residents and visitors alike. The Redmond Historical Society plays an important role in that effort, connecting community members to local history through programming, collections, and ongoing community engagement.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

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

BUDGET IMPACT:

Total Cost:

The annual rent, plus utilities and service fees paid to the city would be \$4,545 for 2026, and \$4,730 for 2027.

Approved in current biennial budget: Yes No N/A

Budget Offer Number:

N/A

Budget Priority:

Vibrant and Connected

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

If yes, explain:

N/A

Funding source(s):

N/A

Budget/Funding Constraints:

N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
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Date: 6/9/2026

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 26-368

Type: Committee Memo

N/A	Item has not been presented to Council	N/A
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Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
6/16/2026	Business Meeting	Approve

Time Constraints:

The Redmond Historical Society has already begun vacating the Old Redmond Schoolhouse, with all operations required to be fully relocated by June 30, 2026, when the facility reverts to the LWSD operations.

ANTICIPATED RESULT IF NOT APPROVED:

Without Council approval, the Redmond Historical Society would have no designated space to continue operations after June 30, 2026.

ATTACHMENTS:

Attachment A: Redmond Historical Society Lease Agreement

LEASE AGREEMENT OF ADAIR HOUSE – ANDERSON PARK

THIS LEASE AGREEMENT (“Lease”) is made effective _____, 2026 (“Effective Date”) by and between CITY OF REDMOND, a municipal corporation (hereinafter “City”), and the REDMOND HISTORICAL SOCIETY, a Washington non-profit corporation (hereinafter “Tenant”), and together the “parties”.

WITNESSETH

FOR AND IN CONSIDERATION OF the rents herein reserved and in further consideration of the mutual promises, terms and conditions hereof, the parties hereby agree as follows:

1. PREMISES AND LEASED PROPERTY

The City owns certain real property and land in Anderson Park (“Premises”), located at 7802 168th Avenue NE, Redmond Washington 98052. The City hereby leases to the Tenant, and Tenant hereby leases from the City that certain portion of the Premises called Adair House (“Leased Property” or “Building”), as described in EXHIBIT A, attached herein.

Adair House is approximately 800 square feet.

2. USE AND MODIFICATIONS

The Building is to be used solely for the Redmond Historical Society and its visitors and community public uses, and for no other purpose without the written consent of City. For the purposes of this Lease, “public uses” means use by private groups and organizations participating in recreational, cultural, educational, and complimentary business activities sponsored or otherwise permitted by the Tenant as well as **displays and exhibits presented by Tenant**. For the purposes of this Lease, “public uses” does not include subleasing of the space to or for the use by private groups and organizations participating in recreational, cultural, educational, and complimentary business activities sponsored or otherwise permitted by the Tenant. Tenant is prohibited from making any internal or external visual or structural changes to the Building. Tenant does not have the right to make changes to either the interior or exterior surfaces of the Premises. Only the City has the right to establish reasonable rules and regulations for the use the Premises. Tenant and City both have the right to establish reasonable rules and regulations for the use of the Building.

3. TERM

The term of this Lease shall be for two (2) years and commencing on June 1, 2026 (the “Commencement Date”), and shall terminate at midnight on May 31, 2028, unless the Term is extended by mutual agreement of the parties, or terminated as provided herein. Tenant further understands that even if the Lease between the City and Tenant is extended or renewed, further extension of this Lease is not guaranteed and shall not occur unless the City and Tenant execute a written extension or renewal.

4. CONSIDERATION

4.1. Annual Rent

Tenant covenants and agrees to pay the City, as rental for the Premises, in accordance with the rent schedule as presented in Table 1 below.

Table 1 – Annual Rent Schedule

<u>Year</u>	<u>2026</u>	<u>2027</u>
Annual Rent	\$4,000.00	\$4,160.00
Utilities and Services	\$500.00	\$525.00
Security System Fee	\$45.00	\$45.00
Total	\$4,545.00	\$4,730.00

This is based on a fixed annual escalation of 4.0%, rounded to the next \$10.00, of the prior year's annual rent. The Tenant will pay the first year's rent within twenty (20) days of the effective date of this Lease and subsequent annual payments on the anniversary date of this Lease. Payment will be preceded by delivery of an invoice to Tenant via e-mail listed in Section 23 outlining all fees and taxes described in 4.3 associated with the Lease to date.

4.2. Reserved

4.3. Leasehold Excise Tax

In addition to the rental specified in Section 4.1 above, Tenant shall pay to the City, the leasehold excise tax assessed pursuant to RCW 82.29A against Tenant in respect of the annual rent paid pursuant to paragraph 4.1 above, unless the leasehold interest created under this Lease is exempt from the tax. Said leasehold tax is currently equal to 12.84% of the taxable rent paid to the Tenant.

5. UTILITIES AND SERVICE

5.1. City-Provided Expenses

During the term of Lease, the City shall furnish to the Building the following utilities and services:

- Electricity, water, gas and sewer service;
- Heat to such extent and to such levels as, in the City's judgment, is reasonably required for the comfortable use and occupancy of the Building; and
- Janitorial services (cleaning and garbage pickup) twice per week, and an annual deep cleaning of the facility to be scheduled and performed at a time mutually agreeable to the City and Tenant.
- Appropriate maintenance and repair of the Building and surrounding areas of Anderson Park.

Utility expenses for heat, electricity, and water incurred by the Tenant will be paid by the City. The City has reserved the right to levy an Energy Surcharge as needed to recover excessive energy costs as described in paragraph 5.2 and reasonably determined by the City.

5.2. Non-City Provided Utilities and Expenses

Tenant shall, at its own cost, provide the following with respect to the Building only:

- Telephone connections, but not including telephone stations and equipment (it being expressly understood and agreed that no additional telephone line connections will be installed in the Building.
- Tenant shall arrange for and shall pay the entire cost and expense of all telephone stations, equipment and use charges, electric light bulbs and all other materials and services not expressly required to be provided and paid by the City pursuant to the provisions of paragraph 5.1 above.
- Tenant shall provide for appropriate repair and maintenance for tenant-owned equipment used within the Building.

The City will not provide vehicle parking for the Tenant. Public parking is available along the west side and north side of the Premises.

Tenant shall not, without the written consent of the City, use any apparatus or device on the Premises (including, but without limitation thereto, electronic data processing machines, computers or machines using current in excess of 110 volts) which will in any way increase the amount of electricity or water usually supplied at the Premises. Tenant shall not connect with electrical current, except through existing electrical outlets in the Premises. If Tenant requires water or electric current in excess of that usually supplied at the Premises, Tenant shall first procure the written consent of the City for the use thereof.

If the City reasonably determines Tenant's water and electric use exceeds the amount usually supplied to the Building during periods of occupancy and use equivalent to that of Tenant, the City may cause a water meter or electric current meter to be installed in the Premises to serve the Building. The cost of such meters and of installation, maintenance and repair thereof shall be paid by Tenant. Tenant further agrees to pay the City promptly upon demand for all such excess water and electric current consumed by Tenant at the rates charged for such services by Puget Power or the local public utility, plus any additional expense incurred by Tenant in keeping account of the water and electric power consumed. If any metering of utilities is initiated during the term of this Lease, the Utilities and Services Fees in Table 1 will be adjusted to reflect the actual metering and charges associated with the utilities consumed by the Tenant.

The City shall not be liable for, and Tenant shall not be entitled to terminate this Lease or to effectuate any abatement or reduction of rent by reason of the City's failure to provide or furnish any of the foregoing utilities or services if such failure was reasonably beyond the control of the City.

6. ACCEPTANCE AND CARE OF BUILDING

6.1. “As-Is” Condition

Tenant has inspected the Building and accepts the Building “AS-IS” in its present condition. During the term of this Lease and any extension thereof, Tenant, at Tenant’s sole cost, shall keep the Building in a neat, clean, and sanitary condition and shall make all necessary repairs related to maintaining Tenant’s equipment used within the Building.

Tenant shall not be required to make any repairs in respect to the Building unless caused by the negligence or willful misconduct of Tenant or its guests, licensees and invitees. The City shall be required to make any necessary repairs to plumbing, electrical and heating systems of the Building; for structural defects in the walls, floors, foundation or roof of the Building; or as may be required by applicable laws, ordinances and regulations.

6.2. Tenant and City Care of Building

Tenant will not conduct maintenance on the Building. Tenant will promptly, upon becoming aware of the need, inform the City of any maintenance required.

Tenant acknowledges and agrees that the City shall have no obligation whatsoever to make any alterations, additions, renovations or improvements to the Premises or to determine if any alterations are necessary in order for Tenant to conduct its business as set forth in Section 2 above. In the event that any federal, state or city department or agency determines that certain alterations, additions, renovations or improvements are required to permit Tenant to use the Premises for the purpose(s) set forth in Section 2 above, the City shall have no obligation to make such changes. If Tenant is unable or unwilling to make such changes, then this Lease shall be deemed terminated and both parties relieved of all rights and obligations hereunder, save for the parties’ respective duties under paragraphs 12.1, 15, 16, and 25.

7. WAIVER OF SUBROGATION

The City and Tenant do each herewith and hereby release and relieve the other from responsibility for, and waive their entire claim of recovery for, any loss or damage to the real or personal property of either located anywhere in the Premises or the Building, arising out of or incident to the occurrence of any of the perils which are covered by any insurance policy obtained by Tenant or the City. Each party shall obtain any special endorsements, if required by its insurer, to evidence this waiver of the insurer’s right to subrogation against the indemnities.

8. LIABILITY INSURANCE

Tenant assumes all responsibility for all personal property on the Leased Property. Except for the negligence of the City or the City’s employees, agents or contractors, the City shall not be liable for any damage, either to persons or property, sustained by Tenant or others, caused by any defects now on said Building or hereafter occurring therein, or from any act or neglect of any other persons due to the happening of any accident from whatever cause in and about said Leased Property.

Tenant covenants that it shall, during the entire Lease term, keep in full force and effect a policy of public liability and property damage insurance with respect to the Building and the use

and business operated by Tenant. Policy limits shall not be less than One Million Dollars (\$1,000,000) per person and Two Million Dollars (\$2,000,000) per accident, and Five Hundred Thousand (\$500,000) for property damage liability. The policy shall name the City and any persons designated by the City as an additional insured and shall contain a clause that the insurer will not cancel or change insurance without giving the City thirty (30) days' prior written notice. The insurance shall be placed with a reputable insurance company and shall have an A.M. Best's rating of A-10 or better. A Certificate of Insurance shall be promptly delivered to the City upon acquisition of such insurance. Failure by Tenant to furnish such a Certificate of Insurance to the City will not constitute a waiver of the requirement for such certificate or of any other provision in this Section. Tenant may elect to be self-insured.

Tenant covenants that it will not keep, have or sell in or upon the Leased Premises any article which may be prohibited by any standard form or fire insurance policy. This includes any hazardous materials. Tenant agrees to pay an increase in premiums for fire and extended coverage insurance that may be charged on the Building during the term of this Lease resulting from the nature of Tenant's occupancy or from the type of merchandise stocked, manufactured, maintained or sold by the Tenant in the Building, whether or not the City has consented to the same. Tenant may elect to be self-insured.

9. ALTERATIONS OR IMPROVEMENTS

Tenant shall not make any alterations, additions, renovations or improvements in or to the Premises or Leased Property without first obtaining the written consent of the City. If allowed, all alterations, additions, renovations and improvements which shall be made shall be at the sole cost and expense of Tenant and shall become a part of the real property and belong to the City as their interests appear, and shall remain in and be surrendered with the Leased Property by Tenant at the sole discretion of the City.

Tenant further agrees to indemnify and hold the City, and the Premises free and harmless from, and against, any and all damages, injuries, losses, liens, costs or expenses (including attorneys' fees) incurred, claimed or arising out of said work. The City reserves the right to review and approve Tenants' plans, specifications and contractor and, further, the City reserves the right to impose such restrictions or conditions upon its consent to the above work, including the requirement that Tenant appropriately bond the same and including the requirement that Tenant comply with any conditions imposed by the City, as the City may deem reasonably appropriate. The City further reserves the right for itself to make any alterations, additions or improvements to the Premises which, in the City's sole discretion, are necessary or appropriate for the Premises.

10. DAMAGE OR DESTRUCTION

In the event the Premises or the Building are partially or wholly destroyed or damaged by fire, earthquake, or other casualty, it shall be optional with the City to repair or rebuild the same, and in the meantime the rental shall be abated in the same proportion as the damaged or destroyed portion of the Premises bears to the Premises as a whole. Unless the City within sixty (60) days after the happening of any such damage or casualty shall notify Tenant of the election to restore said Premises or Building, this Lease shall thereupon terminate. If the City does not terminate this Lease, it shall remain in full force and effect. The City shall not be required to repair or restore any damage or injury nor replace any equipment, inventory, fixtures or other personal property of

Tenant or others located on the Premises. Any proceeds payable to the City from insurance policies carried by the City and covering the Premises or the Building shall be the sole and exclusive property of the City.

11. RESERVED

12. ACCIDENTS AND INDEMNIFICATION

12.1. Tenant Hold Harmless

The Tenant shall defend, indemnify, and hold the City harmless from and against any and all suits, actions, damages, claims, liability and expense, including attorneys' fees, in connection with loss of life, bodily or personal injury, or property damage arising from or out of any occurrence of negligence or willful misconduct by Tenant in, upon, at or from the Premises and, or, Building, or the occupancy or use by Tenant of the Building or any part thereof, or occasioned wholly or in part by any negligent act or negligent omission of Tenant, its agents, contractors, employees, servants, invitees, licensees, or concessionaires, except to the extent that the comparative negligence of the City or the City's agents or employees caused or contributed thereto.

12.2. City Hold Harmless

The City shall defend, indemnify and hold harmless Tenant harmless from and against any and all suits, actions, damages, claims, liability and expense, including attorneys' fees, in connection with loss of life, bodily or personal injury, or property damage arising from or out of any breach or violation of this Lease by the City, or any negligent act or omission of the City, except to the extent that the comparative negligence of Tenant or Tenant's agents or employees caused or contributed thereto.

12.3. City Liability for Personal Property Loss

The City shall not be responsible or liable at any time for any loss or damage to Tenant's personal property or to Tenant's business that may be occasioned by or through the acts or omissions of persons occupying adjacent, connecting or adjoining space.

The provisions of this Section 12 shall survive the expiration or termination of this Lease.

13. COMPLIANCE WITH LAWS

Tenant shall comply fully with all federal and state statutes and city ordinances now or hereafter in force in respect to the Building and Tenant's activities therein, including but not limited to compliance with ADA guidelines, pursuant to the Americans With Disabilities Act (ADA) of 1990, provided that Tenant shall not be required to modify the Building. Tenant warrants and represents to the City that Tenant shall use the Premises only for lawful purposes.

14. COMPLIANCE WITH LEASE

Tenant agrees to comply with all provisions of the Lease between the City and Tenant so as not to place the City in default or in breach of the Lease.

15. SIGNS OR ADVERTISING

Tenant will not inscribe, post, place, or in any manner display any sign, notice, picture, poster or any advertising matter whatsoever anywhere in or about the Premises, without first obtaining the City's written consent thereto. Tenant shall be permitted to advertise its hours of operation on the porch of the Building and place flyers, posters, signs or other information promoting Tenant's programs, presentations and activities to the public on the porch of the Building and inside the Building, subject to reasonable requirements and policies adopted by the City from time to time. Any consent so obtained from the City shall be with the understanding and agreement that Tenant will remove same at the termination of the tenancy herein created and repair any damage or injury to the Premises or the Building caused thereby.

16. WASTE AND UNLAWFUL USE

Tenant will not commit or suffer any waste upon the Premises, or disturb the quiet enjoyment of any other occupants of the Premises by making or suffering any nuisance, undue or unseemly noise, or otherwise, and will not do or permit to be done in or about the Building and Premises anything which is illegal or unlawful, or which will be dangerous to life or limb, or which will increase any insurance rate upon the Premises or the Building.

17. COSTS AND ATTORNEYS' FEES

If, by reason of any default or breach hereunder by the City or by Tenant, it becomes necessary to institute a lawsuit, the prevailing party in such action shall be entitled to recover, as part of any judgment, such amount as the court shall determine reasonable as attorneys' fees for the prevailing party in such lawsuit, together with taxable costs.

18. NONWAIVER OF BREACH

The failure of the City to insist upon strict performance of any of the covenants and agreements of this Lease, or to exercise any option herein conferred in any one or more instances, shall not be construed to be a waiver or relinquishment of any such or of any other covenant or agreement, but the same shall be and remain in full force and effect.

19. REMOVAL OF PROPERTY

In the event of any entry in, or taking possession of, the Building upon the termination of this Lease, the City shall have the right, but not the obligation, to remove from the Building all personal property located therein, and may store the same in any place selected by the City, including but not limited to a public warehouse, at the expense and risk of the owners thereof, with the right to sell such stored property, without notice to Tenant, after it has been stored for a period of thirty (30) days or more. The proceeds of such sale shall be applied first to the cost of such sale, second to the payment of the charges for storage, if any, and third to the payment of any other sums of money which may then be due from Tenant to the City under any of the terms hereof, with the balance, if any, to be paid to Tenant.

20. HOLDOVER

If Tenant shall, without the written consent of the City, hold over after the expiration of the term of this Lease, such tenancy shall be for an indefinite period of time on a month-to-month tenancy, which tenancy may be terminated as provided by the laws of the State of Washington. During such tenancy, Tenant agrees to pay to the City the same rate of rental as set forth herein, unless a different rate is agreed upon, and to be bound by all the terms, covenants and conditions as herein specified, so far as applicable.

21. COOPERATION PROVISION

Both parties agree to cooperate to carry out the terms of this Lease. Each of the parties agree to execute, acknowledge, and deliver upon request of either party any document which requesting party reasonably deems necessary or desirable to evidence or effectuate the rights herein conferred or to implement or consummate the purposes and intents hereof, so long as such imposes no different or greater burden upon such party that is otherwise imposed hereunder.

22. ASSIGNMENT AND SUBLETTING

22.1. Non-Transferable

Tenant shall not transfer, assign, mortgage or hypothecate this Lease, in whole or in part, or permit the use of the Building by any person or persons other than the Tenant, or sublet the Building, or any part thereof, without the prior written consent of the City in each instance. Such prohibition against assigning or subletting shall include any assignment or subletting by operation of law.

22.2. Non-Consenting Assignment is Void

Any assignment or subletting without the City's consent shall be void, and shall constitute a default hereunder which, at the option of the City, shall result in the termination of this Lease or exercise of the City's other remedies hereunder. Consent to any assignment or subletting shall not operate as a waiver of the necessity for consent to any subsequent assignment or subletting, and the terms of such consent shall be binding upon any person holding by, under, or through the Tenant.

23. NOTICES

Except for delivery of invoices under Section 4.1, all notices, statements, demands, requests, consents, approvals, authorization, agreements, or designations under this Lease by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if sent by certified mail, return receipt requested, postage prepaid, and addressed as follows:

City of Redmond
15670 NE 85th Street
PO Box 97010
Redmond WA, 98073

Redmond Historical Society
16625 Redmond Way, Ste. M.
PNB #352
Redmond, WA 98052

MS: 4NPK
Realproperty@redmond.gov
ParksAdmin@redmond.gov

Email: manager@redmondhistoricalsociety.org

24. LIENS AND ENCUMBRANCES

Tenant shall keep the Building free and clear of any liens and encumbrances arising out of the use and occupancy of the Building by Tenant. At the City's request, Tenant shall furnish the City with written proof of payment of any item which, if not paid, would or might constitute the basis for such a lien on the Premises.

25. BREACH BY TENANT

In the event that the Tenant defaults in the performance of any of the terms, provisions, covenants and agreements on the Tenant's part to be kept, observed and performed, and such default is not corrected within thirty (30) days after the receipt of notice thereof from the City, or such shorter period as may be reasonable under the circumstances; or if the Tenant shall abandon, desert, vacate or remove from the Leased Property; then, in such event, the City, at its option at any time thereafter, may terminate this Lease together with all of the estate, right and title thereby granted to or vested in the Tenant by giving twenty (20) days' notice in writing of such election, by certified mail addressed to the Tenant at the address specified in this Lease, and at the expiration of such twenty (20) day period, this Lease and all of the estate, right, title and interest thereby granted to or vested in the Tenant shall then cease and terminate, and the City may re-enter said Leased Property using such force as may be required. Notwithstanding such re-entry by the City and anything to the contrary in this agreement, the liability of the Tenant for the rent provided for herein shall not be extinguished for the balance of the term of this Lease. The City shall have the right to determine the existence of any default in performance or other breach or violation of the terms and conditions hereof on the part of the Tenant.

In the event of a default by the Tenant, the City, in addition to other rights or remedies that it may have, shall have the right to either terminate this Lease or from time to time, without terminating this Lease, relet the Leased Property or other part thereof, for any such term or terms and conditions as the City in its sole discretion may deem advisable with the right to make alterations and repairs to the Premises and Leased Property. Tenant shall pay to the City, as soon as ascertained, the costs and expenses incurred by the City in such reletting or in making such alterations and repairs. Rentals received by the City from such reletting shall be applied:

- First, to the payment of any indebtedness, other than rental, due hereunder from Tenant to the City;

- Second, to the payment of the cost of any alterations and repairs to the Building necessary to return the Building to good condition, normal wear and tear excepted, for uses permitted by this Lease and the cost of storing any of Tenant's property left in the Building or on the Premises at the time of reletting;
- Third, to the payment of rental due and unpaid hereunder and the residue, if any, shall be held by the City and applied in payment of future rent or damages in the event of termination as the same may become due and payable hereunder and the balance, if any, at the end of the term of this Lease shall be paid to the City.

Should such rental received from time to time from such reletting during any month be less than that agreed to be paid during that month by Tenant hereunder, Tenant shall pay such deficiency to the City. Such deficiency shall be calculated and paid monthly.

26. TERMINATION

The parties may terminate this Lease for default if such default is not corrected by the defaulting party within thirty (30) days after the receipt of notice thereof from the non-defaulting party delivered as provided in Section 23 above.

After two (2) years from the Effective Date, the City or Tenant may terminate this Lease at any time, with or without cause, upon giving six (6) months' written notice. On termination of the Lease, Tenant shall restore the property into an equal or better condition than it was at the time of the Effective Date of the Lease. Termination shall not relieve either party from any indemnity or other obligation related to events occurring either prior to or during the Effective Date of this Lease or during this Lease.

27. FORCE MAJEURE

Neither party shall be liable to the other or deemed in breach or default for any failure or delay in performance under this Lease during the time and to the extent its performance is prevented by reasons of force majeure. For the purposes of this Lease, force majeure means an occurrence that is beyond the reasonable control of and without fault or negligence of the party claiming force majeure and which, by exercise of due diligence of such party, could not have been prevented or overcome. Force majeure shall include natural disasters, including fire, flood, earthquake, windstorm, avalanche, mudslide, and other similar events; acts of war or civil unrest when an emergency has been declared by appropriate governmental officials, including delays by or acts or orders of any governmental body or changes in laws or governmental regulations; acts of civil or military authority; freight embargoes; epidemics; quarantine restrictions; labor strikes; boycotts; terrorist acts; riots; insurrections; explosions; and nuclear accidents. A party claiming suspension or termination of its obligations due to force majeure shall give the other party prompt written notice of the impediment and its effect on the ability to perform; failure to provide such notice shall preclude recovery under this provision; such notice shall release both parties from their future respective obligations under the Lease, provided that written notice setting forth in detail the nature of any delay or suspension is given by such party to the other party within 72 hours of the order to cancel or reschedule the event or activity. Such delay shall cease as soon as practicable and written notification of same shall be provided. The time of completion may be extended by Lease

modification for a period of time equal to the time that the results or effects of such delay prevented the delayed party from performing in accordance with this Lease.

28. MISCELLANEOUS

28.1. Section Headings

The paragraph and section headings hereof are for convenience only and shall not be used to expand or interpret the meaning of any part of this Lease.

28.2. Time is of the essence hereof.

28.3. Lease Void

If any portion of this Lease shall be deemed void, illegal or unenforceable, the balance of this Lease shall not be affected thereby.

28.4. Interpretation of Law

This Lease shall be interpreted under the laws of the State of Washington.

28.5. Jurisdiction

The parties agree that the Superior Court of the State of Washington for King County shall have sole jurisdiction over any question, claim, loss or injury arising hereunder.

28.6. Warranty

Tenant acknowledges that except as expressly set forth in this Lease, neither the City nor any other person has made any representation or warranty with respect to the Premises or any other portion of the Building. Specifically, but not in limitation of the foregoing, no representation has been made or relied on with respect to the suitability of the Premises or any other portion of the Building for the conduct of Tenant's business. The City does not by this Lease, in any way or for any purpose, become a partner or joint venturer of Tenant in the conduct of its business or otherwise.

28.7. Excused from Performance

Tenant shall be excused for the period of any delay in the performance of any obligations hereunder when prevented from so doing by cause or causes beyond the City's control, including labor disputes, civil commotion, war, governmental regulations or controls, fire or other casualty, inability to obtain any material or service, or acts of God.

28.8. Entire Agreement

This Lease and the exhibits, riders and/or addenda, if any, attached hereto, constitute the entire agreement between the parties. All exhibits, riders or addenda mentioned in this Lease are incorporated herein by reference. Any prior conversations or writings are merged herein and

extinguished. No subsequent amendment to this Lease shall be binding upon City or Tenant unless reduced to writing and signed. Submission of this Lease for examination does not constitute an option for the Building and becomes effective as a lease only upon approval of this Lease by City's Council, or its designee, and execution and delivery of this Lease by City to Tenant. If any provision contained in a rider or addenda is inconsistent with a provision in the body of this Lease, the provision contained in said rider or addenda shall control. The captions and paragraph numbers appearing herein are inserted only as a matter of convenience and are not intended to define, limit, construe or describe the scope or intent of any paragraph.

{Signatures and Notary Blocks Follow on Next Pages}

IN WITNESS WHEREOF, the parties have executed this Lease as of the last date set forth below.

CITY OF REDMOND

By:

Name: _____
ANGELA BIRNEY

Its: _____
MAYOR

Date: _____

REDMOND HISTORICAL SOCIETY

By:

Name: _____

Its: _____

Date: _____

Approved as to form:

By:

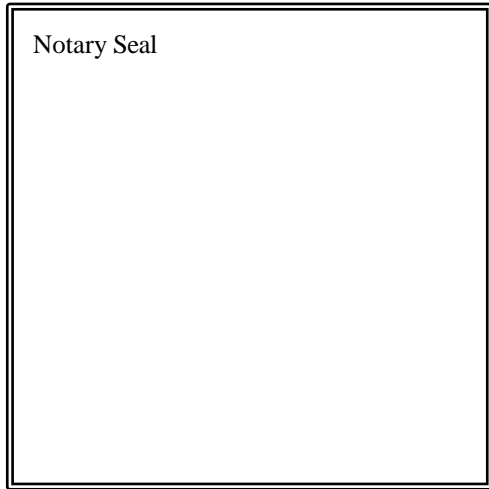
Name: _____
REBECCA MUELLER

Its: _____
CITY ATTORNEY

STATE OF WASHINGTON)
) §
COUNTY OF KING)

I certify that I know or have satisfactory evidence that ANGELA BIRNEY is the person who appeared before me, and said person acknowledged that they signed this instrument, on oath stated that they were authorized to execute the instrument and acknowledged it as the MAYOR, CITY OF REDMOND, a Washington municipal corporation, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated this _____ day of _____, 20__.



Notary Signature: _____

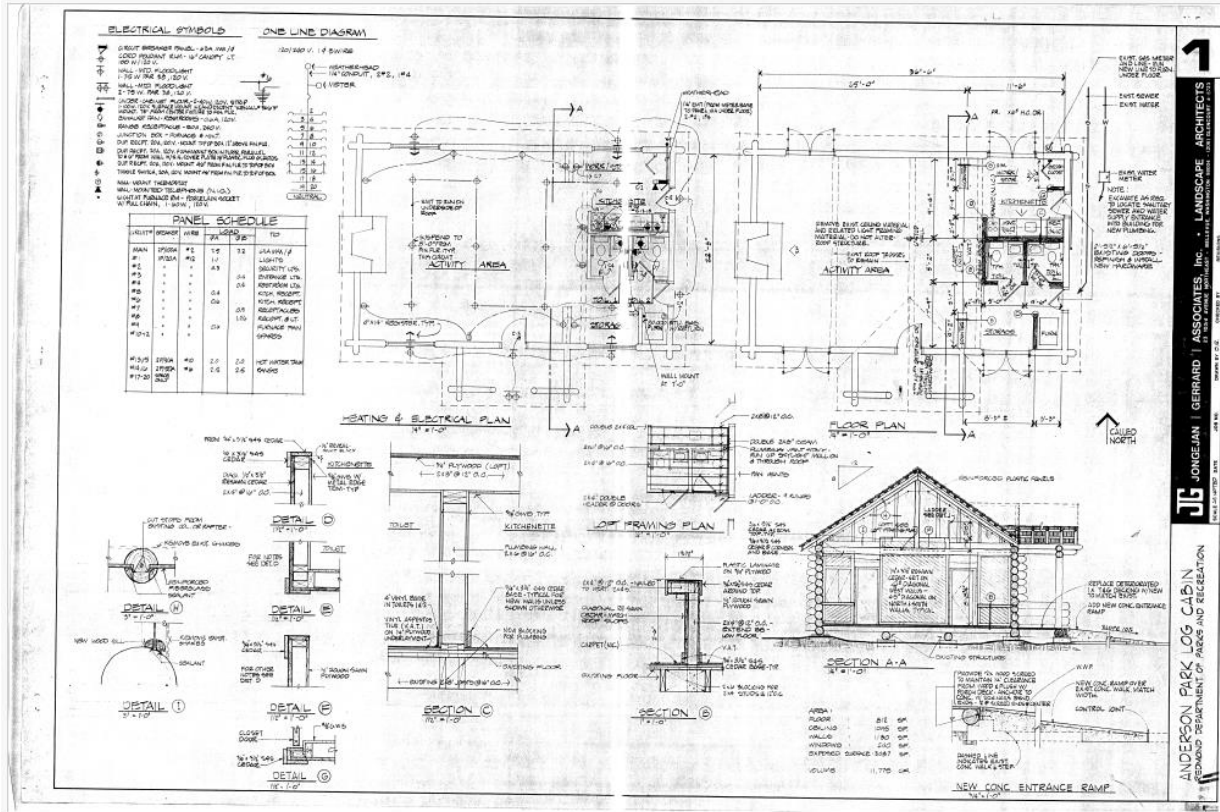
Printed Name: _____

Notary Public in the State of: _____

Residing in: _____

My Commission Expires: _____

EXHIBIT A – BUILDING PLAN





Memorandum

Date: 6/9/2026

File No. CM 26-333

Meeting of: Committee of the Whole - Finance, Administration, and Communications

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Finance	Kelley Cochran	425-556-2748
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DEPARTMENT STAFF:

Finance	Haritha Narra	Deputy Finance Director
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TITLE:

Budget Process Update: Long-Range Financial Strategy and Fiscal Policies Feedback Review & Budget Process Ground Rules

OVERVIEW STATEMENT:

As part of the City’s ongoing commitment to sound financial stewardship, the Long-Range Financial Strategy and the Fiscal Policies documents are currently being updated to reflect changing economic conditions, emerging community priorities, and best practices in municipal Finance. During the April 14 study session, Council was presented with draft versions of the updated Long-Range Financial Strategy and the updated Fiscal Policies, along with an overview of the draft recommendations that incorporate updated assumptions, clearer policy direction, and enhanced alignment with the City’s strategic goals. Council was provided with the opportunity to review the draft documents via the Council SharePoint site and provide feedback.

Additionally, in preparation for upcoming Council budget deliberations in the fall, the preliminary budget review ground rules have been attached for Council’s review.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

- Receive Information
- Provide Direction
- Approve

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
City of Redmond Long-Range Financial Strategy
City of Redmond Fiscal Policies
- **Required:**
City policies require routine updates to the Long-Range Financial Strategy.
City and State policies require routine updates to the Fiscal Policies

- **Council Request:**

N/A

- **Other Key Facts:**

The review and update process for the Long-Range Financial Strategy and Fiscal Policies is included in the biennial budget process. The current update is significant, and it is important to discuss the recommended changes with Council.

OUTCOMES:

The City's Long-Range Financial Strategy and Fiscal Policies serve as the foundation for responsible governance, ensuring that Redmond remains financially resilient, transparent, and well-positioned to meet both current and future community needs. The guiding documents establish principles for budgeting, revenue management, expenditures, reserves, and long-term planning. Together, they help the City balance priorities such as infrastructure investment, service delivery, economic vitality, and sustainability.

Explanation of the Documents and Importance

The Long-Range Financial Strategy provides a forward-looking framework that forecasts revenues and expenditures over multiple years. It helps identify potential gaps, assess financial risks, and guide decision-making to maintain structural balance. Fiscal Policies establish the rules and standards that govern how financial decisions are made and implemented. The policies cover areas such as reserve levels, debt management, and revenue diversification.

These documents are essential because they:

- Promote financial stability and predictability
- Support transparent and accountable decision-making
- Protect the City's creditworthiness and fiscal health
- Enable proactive planning for economic uncertainty and growth
- Ensure alignment between community priorities and available resources

Council's feedback on both the Long-Range Financial Strategy and Fiscal Policies has been compiled into a matrix for each respective document. The discussion during the FAC meeting will be an opportunity to review the feedback matrices, and for Council to provide additional verbal feedback, which will be added to the respective matrices. The matrices will be reviewed again during the July FAC meeting, and in-depth discussion of the feedback captured in the matrices will take place during the July 28 study session.

Additionally, the attached budget review ground rules will be reviewed during future FAC meetings.

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

- **Timeline (previous or planned):**

N/A

- **Outreach Methods and Results:**

Public Hearings for the Budget Process

- **Feedback Summary:**

N/A

BUDGET IMPACT:

Total Cost:

N/A

Approved in current biennial budget:

Yes

No

N/A

Budget Offer Number:

N/A

Budget Priority:

Strategic and Responsive

Other budget impacts or additional costs:

Yes

No

N/A

If yes, explain:

N/A

Funding source(s):

N/A

Budget/Funding Constraints:

N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
4/14/2026	Study Session	Receive Information
5/12/2026	Committee of the Whole - Finance, Administration, and Communications	Receive Information

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
7/14/2026	Committee of the Whole - Finance, Administration, and Communications	Provide Direction
7/28/2026	Study Session	Provide Direction

Time Constraints:

The final Long-Range Financial Strategy and Fiscal Policies documents will be proposed for approval as part of the budget adoption packet in November.

ANTICIPATED RESULT IF NOT APPROVED:

The City will continue to utilize the existing Long-Range Financial Strategy and Fiscal Policies.

ATTACHMENTS:

Attachment A: Draft Long-Range Financial Strategy

Attachment B: Feedback Matrix - Long-Range Financial Strategy

Attachment C: Draft Fiscal Policies

Attachment D: Feedback Matrix - Fiscal Policies

Attachment E: 2027-2028 Preliminary Budget Review Ground Rules



Building a Sustainable, Inclusive,
and Resilient Future

LONG-RANGE FINANCIAL STRATEGY

CITY OF REDMOND | 2026

Table of Contents

A Commitment to Community, Sustainability, and Fiscal Stewardship	3
Philosophy 1: Balance service levels with financial impacts.....	3
Philosophy 2: Intentional City revenue structure	3
Building a Strong Financial Foundation	4
Purpose and Approach.....	5
Financial Strategies	6
Strategy 1: Community Investment Plan	8
Strategy 2: Revenue Policy Framework	10
Strategy 3: Long-Range Financial Planning	12
Strategy 4: Community-Informed Citywide Planning	13
Community Strategic Plan (CSP)	14
Comprehensive Plan (Redmond 2050).....	15
Strategy 5: Economic Development Strategic Plan	17
Strategy 6: The Capital Investment Strategy (CIS).....	18
Strategy 7: Business Technology Investment Strategy	19
Strategy 8: Community-Based Budgeting	20
Strategy 9: Fiscal Resilience and Reserve Management	22
Strategy 10: Performance Management.....	23
Appendix A: Fiscal policies	26
Appendix B: Community Investment Rate Calculation	27
Appendix C: Biennial Budget Process	28
Appendix D: City Operating Revenues	30
Appendix E: City Capital Investment Revenues	34
Appendix F: Other Available Revenues.....	37
Appendix G: Current Rates/Fees.....	38
Appendix H: History of the Long-Range Financial Strategy.....	41

A Commitment to Community, Sustainability, and Fiscal Stewardship

Since adopting the Long-Range Financial Strategy (LRFS) in 2005, the City of Redmond has fundamentally transformed how it plans, budgets, and governs. What began as a proactive approach to fiscal stability has evolved into a comprehensive, community-centered framework that strengthens accountability, resilience, and inclusivity across city programs.

One of the City Council’s most important responsibilities is to balance the resources available with the value delivered through public services. To do so, the community’s priorities, desired service levels, and expected long-term outcomes must be understood. The financial impacts, opportunities, and options must also be clear to facilitate the goal of community-informed decision making. At the foundation of the LRFS framework are two underlying fiscal philosophies that ensure the City can achieve that goal.

Philosophy 1: Balance service levels with financial impacts

The City is committed to maintaining public trust by ensuring that every dollar invested supports outcomes that matter to the community. This means staying focused on the priorities of residents and businesses to manage resources responsibly and deliver services that reflect the community’s values and needs. The City must also understand what community members are willing to invest in local government services and operate within those boundaries. Over two decades, Redmond has evolved from a department-center model to a community-informed strategy that ensures every public dollar delivers meaningful results aligned with shared priorities and desired outcomes.

Philosophy 2: Intentional City revenue structure

While the City of Redmond maintains full responsibility for funding and delivering its own municipal services, it operates within a broader fiscal environment shaped by overlapping jurisdictions, including King County, the Lake Washington School District, and the State of Washington. Each entity contributes to the overall tax and fee burden experienced by residents and businesses. Recognizing this shared landscape, the City evaluates the cumulative impact of all taxes and fees to ensure that the financial burden on the community remains manageable while sustaining essential services. When appropriate, Redmond collaborates with partner agencies to achieve efficiency, reduce redundancy, and maintain affordability for the community.

At the same time, the City operates under significant state and federal constraints that limit its authority to raise revenues. While user fees – such as utility rates, development charges, and park fees – offer more flexibility than taxes, both funding sources often come with restrictions on how revenues may be used. Despite these limitations, the City Council maintains discretion in balancing service levels and associated costs, aligning revenues with community priorities and long-term financial goals. This intentional approach allows Redmond to manage resources responsibly, adjust to evolving needs, and maintain a fair and sustainable revenue structure.

Building a Strong Financial Foundation

The Long-Range Financial Strategy (LRFS) aligns the City's financial resources with the community's long-term service priorities. It defines the City's financial commitments for city services and provides a strategic, sustainable, and fiscally responsible roadmap to fulfill them. By offering insights into future financial capacity, the LRFS helps guide decisions that balance community needs, expectations, and investments, while proactively addressing financial challenges to ensure long-term resilience and stability.

At its core, the LRFS is guided by principles that promote responsible stewardship, equity, environmental sustainability, and resilience. These principles emphasize resource awareness, strategic alignment with community priorities, and outcome-based planning. They also reinforce the City's dedication to preparing for growth, maintaining safe and efficient infrastructure, protecting the natural environment, and fostering innovation, accountability and equity across all programs and services.

Principle 1: Resource Awareness

- Recognize the limited willingness of community members to bear the cost of governmental services, requiring deliberate choices to maximize value within these limits.

Principle 2: Understanding Interdependencies

- Acknowledge the complex relationship between tax levels, the economic realities of community members, public perceptions, and the quality and scope of community services.

Principle 3: Strategic Alignment

- Ensure organizational resources are aligned to bridge the gap between present conditions and the future vision outlined in the [Community Strategic Plan](#) and [Redmond 2050](#).

Principle 4: Outcome-Based Financial Planning

- Continue transitioning financial planning toward prioritized services and outcomes that support community expectations.

Principle 5: Community-Informed Service Outcomes

- Define service priorities from the perspective of those who receive and rely on them.

Principle 6: Commitment to Respect, Equity, Diversity, and Inclusion

- Embed respect, equity, diversity, and inclusion in financial decision-making to ensure all community members and staff have equitable access to and influence over services, opportunities, and pay.

Principle 7: Environmental Stewardship

- Integrate sustainability principles into financial and operational decisions to protect natural resources, reduce environmental impacts, and promote a resilient community for future generations.

Principle 8: Sustaining Infrastructure Investments

- Maintain and enhance investments in critical infrastructure to ensure safe, reliable, and efficient services that support community well-being and long-term growth.

Principle 9: Innovation and Continuous Improvement

- Encourage creative problem-solving, technology adoption, and performance measurement to improve service delivery and financial efficiency over time.

Principle 10: Collaboration and Partnerships

- Foster strong relationships with regional partners, community organizations, and other stakeholders to leverage resources and align strategies for shared success.

Purpose and Approach

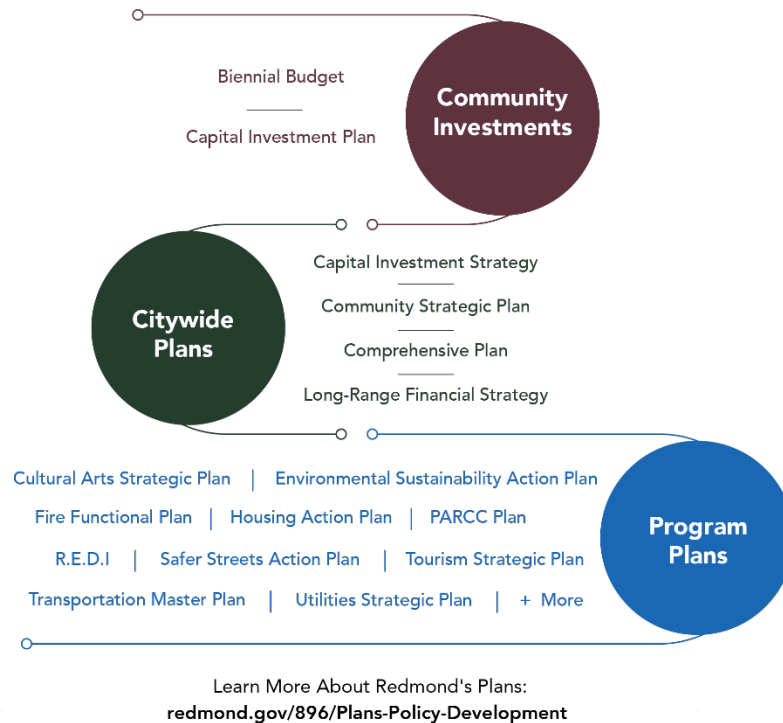
The Long-Range Financial Strategy serves as the City's fiscal framework for responsible governance and long-term community stewardship. Its purpose is to ensure that every public dollar collected is used effectively and transparently to deliver outcomes that reflect community priorities as captured in the comprehensive plan which reflects the community vision. The LRFS holds the City accountable by integrating financial planning with community input, aligning resource decisions with both near-and long-term goals, and ensuring that service commitments are equitable, sustainable, and resilient.

Cities inherently operate under a degree of financial tension-balancing the cost of government services with the community's willingness and ability to pay for them. The LRFS helps to manage this tension by providing a structured approach to evaluating trade-offs between service value and financial burden. It ensures that decisions are made with a long-term perspective, assessing future financial capacity, and promoting stability. By doing so, the LRFS enables the City to navigate fiscal challenges while maintaining focus on delivering meaningful results that matter to the community today and into the future.

The ability to balance service levels across city services by adjusting the corresponding taxes and fees is a fundamental approach. The City operates under significant constraints when increasing revenues. Despite these constraints, the City Council has significant discretion when it comes to aligning revenue levels with service levels. From a community perspective, the distinction between taxes, fees, and other charges often isn't clear. Whether it's property tax, utility rates, or permit charges, they all contribute to the total financial burden on the community for the provision of services

The LRFS is not a stand-alone financial document; it is a living framework that aligns Redmond's fiscal strategy with its broader community vision. It connects directly to the [Community Strategic Plan](#) and [Redmond 2050](#), which together articulate the City's long-term aspirations for growth, sustainability,

and inclusivity. Through these integrated planning efforts - and through ongoing engagement in citywide planning efforts, annual community survey and the biennial budget process - the LRFS ensures that the City's financial decisions are guided by community-informed priorities and values.



Financial Strategies

The Long-Range Financial Strategy provides a cohesive framework for how the City of Redmond plans, prioritizes, and sustains the financial resources that support community wellbeing today and into the future. Building upon the guiding principles, the LRFS outlines a set of interconnected strategies designed to maintain fiscal health, ensure service quality, and align public investment with community priorities.

These strategies serve as the foundation for long-term decisions-making, helping the City anticipate future challenges, adapt to changing economic and social conditions, and ensure that every public dollar contributes to meaningful, measurable results. Each strategy is informed by community input and reinforced through ongoing collaboration between the City Leadership, City Council, staff, community members, and regional partners. Together, they create an intentional and forward-looking approach to financial management - one that reflects the City's commitment to fiscal responsibility, operation excellence, and community trust.

[Strategy 1: Community Investment Plan](#)

- Defines the City’s overarching fiscal philosophy and the foundation for all other strategies. Establishes the target Community Investment Rate and articulates the core value proposition of maximizing community benefit per dollar.

Strategy 2: Revenue Policy Framework

- Outlines principles for maintaining fair, equitable, and stable revenue sources while recognizing the cumulative financial burden on residents and businesses. Guides decisions on taxation, fees, and external funding to ensure accountability, affordability and fiscal balance.

Strategy 3: Long-Range Financial Planning

- Provides a structured, six-year view of revenues, expenditures, and fund balances. Informs near-term budget decisions through long-term forecasting and scenario analysis to ensure financial resilience and adaptability.

Strategy 4: Community-Informed Citywide Planning

- Connects Redmond’s financial strategy to a broader policy framework that ensures financial decisions are community-driven and aligned with shared values and goals. Ensures that fiscal priorities and resource allocation are grounded in community engagement.

Strategy 5: Economic Development Strategic Plan

- Promotes a healthy, diverse, and resilient local economy that strengthens the City’s fiscal base. Focuses on supporting local businesses, attracting investment, and maintaining a balance between growth, livability, and affordability.

Strategy 6: Capital Investment Strategy (CIS)

- Guides long-term investments in infrastructure, facilities, and transportation systems. Prioritizes safety, efficiency, sustainability, and alignment with community and economic development goals.

Strategy 7: Business Technology Investment Plan (BTIP)

- Supports the City’s modernization and digital transformation goals. Invest in technology systems that enhance service delivery, improve operational efficiency, and strengthen data-driven decision-making.

Strategy 8: Community-Based Budgeting

- Connects community input directly to resource allocation through the biennial budget process. Balances near-term service delivery with long-term financial implications, ensuring transparency and responsiveness to community priorities.

Strategy 9: Fiscal Resilience and Reserve Management

- Establishes policies and targets for reserve levels to ensure fiscal stability and maintain the City's AAA credit rating. Provides the capacity to respond effectively to economic downturns, emergencies, or unexpected financial pressures.

Strategy 10: Performance Management

- Links financial performance with community results to ensure public resources are used effectively and strategically and deliver the outcomes they promise. Reinforces transparency, continuous improvement, community trust, and closing the loop between investments, results, and accountability.
-

Strategy 1: Community Investment Plan

Historically known as the “Price of Government”, Redmond’s long-standing financial philosophy that helps answer a key question: What portion of the community’s income supports city government?

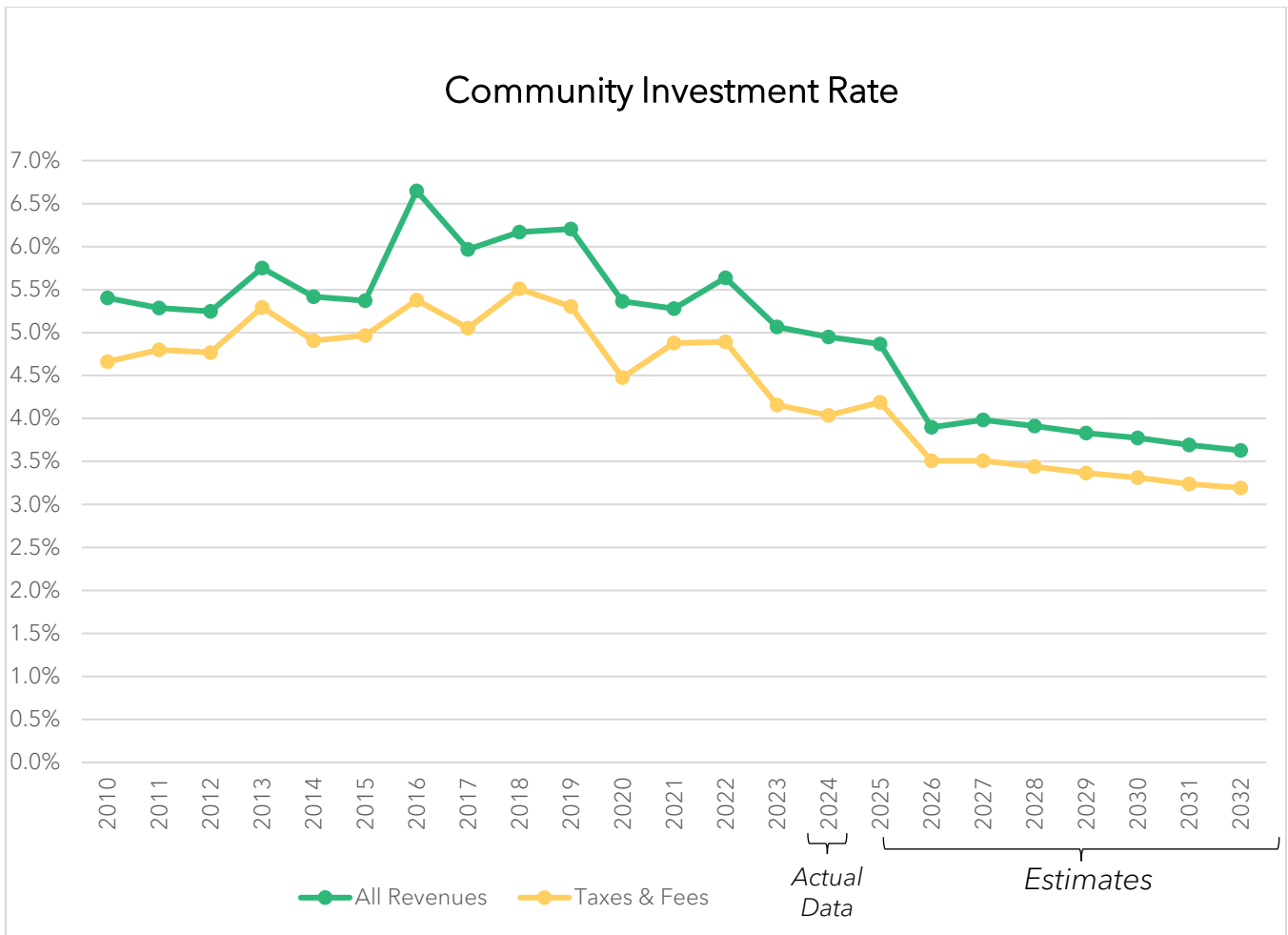
Today, that foundational concept is refreshed and reframed as the Community Investment Plan, signaling a shift in emphasis from the cost of government to the value delivered to the community for that cost. The Community Investment Plan serves as a framework to connect revenue levels, community affordability, and long-term financial planning.

While the underlying calculation remains the same, the guiding metric has been renamed from the Price of Government to the Community Investment Rate (CIR). This updated term reflects not just what the community pays, but what it invests - in safety, mobility, sustainability, and recreation. It is calculated by comparing the City’s total ongoing annual revenues to the total personal income¹ of the community - expressed as a percentage. The metric represents the portion of community income dedicated to public services, defining both the ceiling on revenues and the purpose for their use.

City Council has set the target threshold for the CIR between 5.2% and 5.5% of community income, based on historical analysis. Calculating the metric back to 1997, Redmond has consistently found the Community Investment Rate to fall between 5% and 6% of community income.

By projecting the future CIR, the City can anticipate how growth, economic shifts, or disruptions may affect both community burden and the City’s revenue base. This forward-looking approach helps maintain stability, keeping the cost of city services within a predictable range for the community, while ensuring the City has the resources to provide reliable and financially sustainable services.

¹ See Appendix B for how the Community Investment Rate is determined



The short-term forecast for 2025–2026 projects the CIR to remain just above 5% before declining to approximately 4.5% by the end of 2026. Within this, taxes and fees are expected to fall to around 3.8%–4.0% of community income. This shift reflects the gradual phase-out of one-time revenues including federal pandemic relief and elevated development activities, combined with steady growth in overall community income.

Looking further ahead, projections through 2032 show a gradual downward trend in both total city revenues and Community Investment Rate. By the end of the decade, the CIR is expected to stabilize around 4% by 2032. The decline points to a structural imbalance: while revenues are expected to grow, they are not keeping pace with overall economic growth in the community. As a result, the relative community investment in city services is projected to reduce over time.

To address this challenge, the City must maintain a strong focus on long-range financial planning, scenario modeling, and strong alignment of resources to preserve financial sustainability and community trust. Sustaining this balance will also require strategic attention to the City’s revenue capacity. As fiscal constraints tighten, maintaining high-quality services and infrastructure will depend on both efficiency gains and targeted revenue growth.

Rather than relying on any single funding source, the City will continue to pursue a diversified and intentional approach to revenues by optimizing existing rates and fees, leveraging state and federal

grants, and exploring new tools authorized under Washington State law. These options will be evaluated through the Long-Range Financial Strategy (LRFS) to ensure that any future revenue growth aligns with guiding principles of affordability, equity, and sustainability.

Strategy 2: Revenue Policy Framework

The City Council has developed a revenue policy framework which is foundational for establishing policies intrinsic to budget deliberations. The framework encompasses a desire to build financial resiliency that will allow the City to adapt and grow through chronic financial stress and look at the triple bottom line of economic, social, and environmental impacts when making decisions.

To ensure long-term financial sustainability, the City must assess and maintain fair, equitable, and stable sources of revenue within the parameters of State law. Emphasis must be placed on identifying stable and progressive revenues sources that align with the goal of the Community Investment Plan. Issues of volatility must be reflected in the decision-making process, and core services must be primarily funded by stable revenue sources to minimize disruption during economic downturns.

When considering any tax or rate assessments or increases, the City must acknowledge the total cost impact on community members. Additionally, broader tax and utility rate obligations imposed by all taxing jurisdictions should be considered, recognizing that Redmond has little control of these assessments. A full view of the total obligation helps ensure that revenue increases are equitable and do not place undue financial pressure on the community.

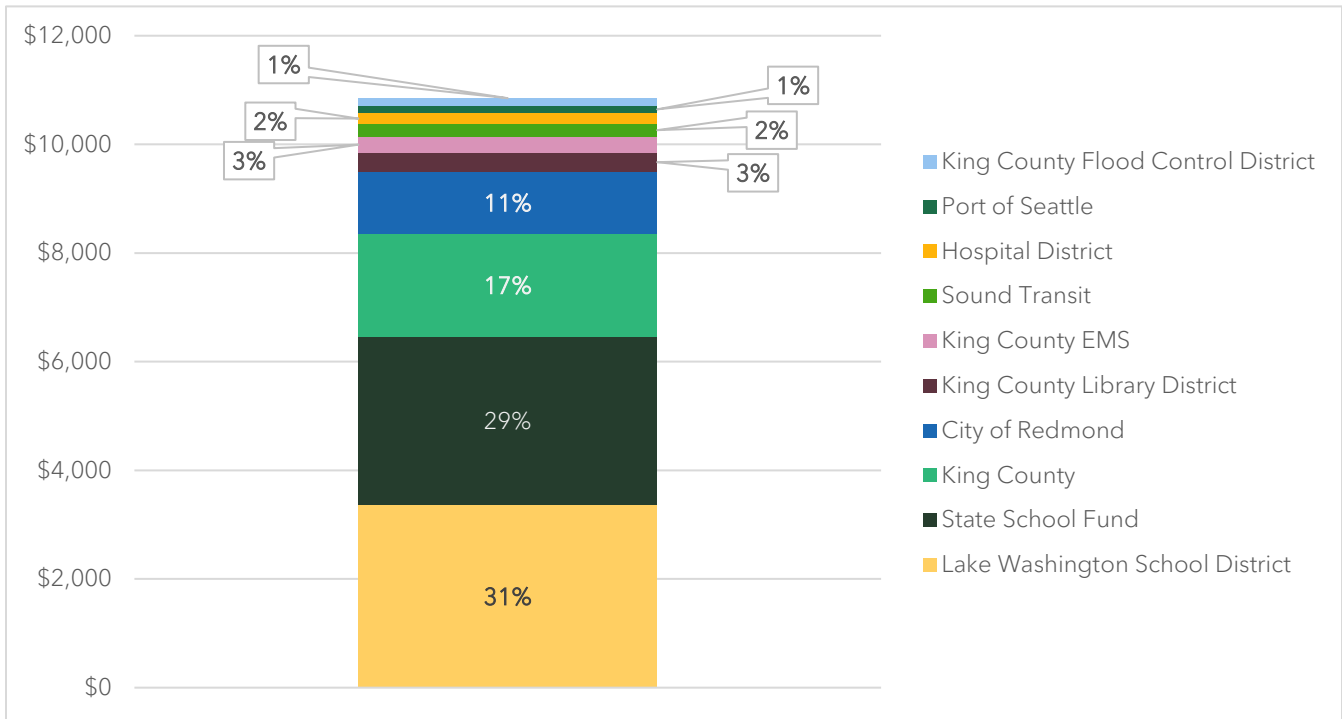
Redmond must establish a clear, community-informed value proposition that balances the benefits of living and doing business in Redmond with the associated costs. Excessive increases in taxes, rates, and fees may risk driving businesses and residents elsewhere, potentially reducing overall revenue and economic activity. Therefore, any increase in the cost assessed on the community should be carefully evaluated to avoid unintended consequences

When new taxing authority is made available by the Legislature, the City carefully evaluates such opportunities considering current and long-term fiscal needs and the potential tax burden. To maintain public trust and demonstrate accountability, tax increases that exceed historical norms should include Redmond taxpayers in deliberation. This approach ensures community members can engage in decisions about service levels and the taxes needed to fund them. This is particularly important when proposed increases approach the CIR limit established in the Community Investment Plan.

Finally, the City should pursue regional approaches to capital funding by leveraging local dollars with external funding opportunities from other governments and organizations. Strategic partnerships and grant funding can enhance the impact of local investments and achieve a higher value for the dollars invested.

This illustration portrays the property tax burden on a typical Redmond residence for the 2025 tax year.

Median Annual Property Tax



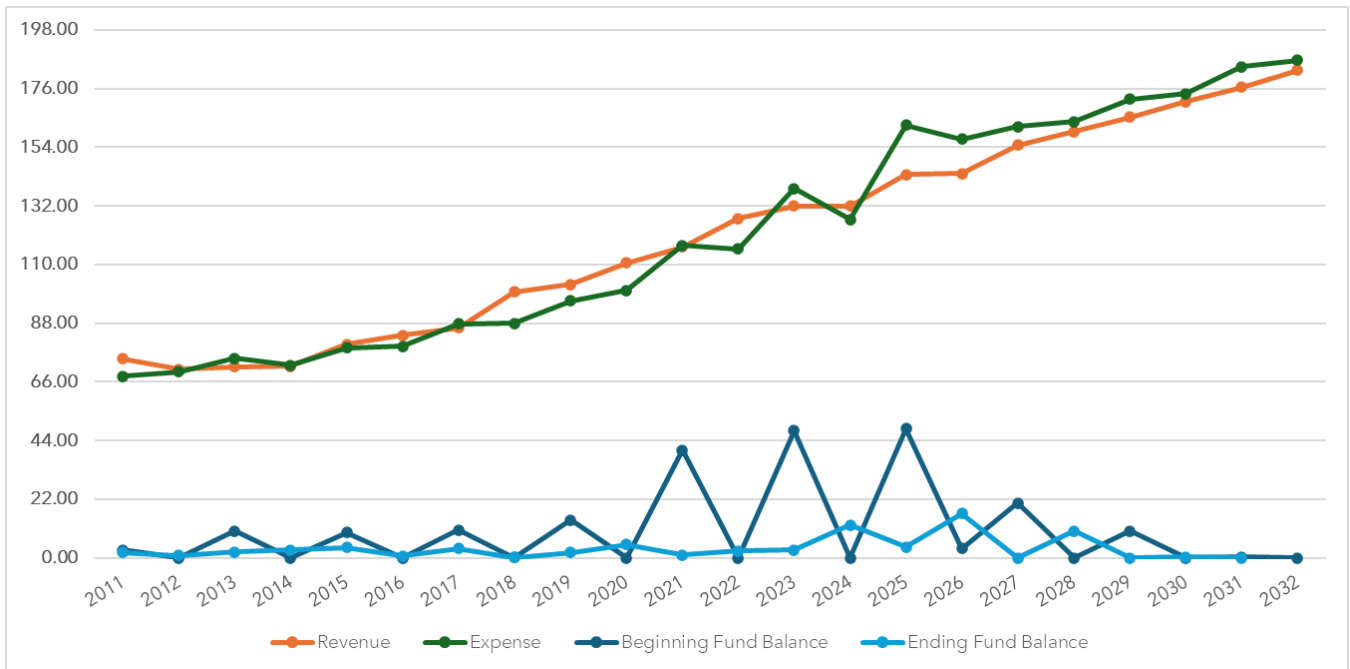
The median property tax burden on a typical Redmond residence in 2025 is \$10,851, or \$7.85 per \$1,000 of assessed value. Of this, the City of Redmond receives 11%, or \$1,154 of the typical tax bill.

TABLE 1 - FULL TAX REVENUE DISTRIBUTION

Agency	\$ Amount of Tax Bill	% of Tax Bill
Lake Washington School District	\$3,359	31%
State School Fund	\$3,107	29%
King County	\$1,883	17%
City of Redmond	\$1,154	11%
King County Library District	\$339	3%
King County EMS	\$306	3%
Sound Transit	\$227	2%
Hospital District	\$199	2%
Port of Seattle	\$141	1%
King County Flood District	\$135	1%
	\$10,851	100%

Strategy 3: Long-Range Financial Planning

For nearly two decades, the City of Redmond has actively developed and refined a long-range financial plan. The plan serves as a critical tool for demonstrating the relationship between projected revenues, anticipated expenditures, and the financial impact on the community. The most recent version of the plan is included in the City’s 2025-2026 adopted budget.



Central to the plan is the framework built around what are known as the “five essential numbers,” projected over a six-year period that is aligned with Redmond’s biennial budget cycle. These five essential numbers provide a comprehensive view of the City’s fiscal health:

1. Beginning Fund Balance
2. Revenues
3. Expenditures
4. Net Difference
5. Ending Fund Balance

The long-range financial plan also illustrates a common principle known as “the crossing lines,” which recognizes that, over time, the incremental costs of providing services to the community often exceed the anticipated incremental revenues. Each biennium, the City is tasked with closing these budget gaps to maintain a balanced and sustainable budget.

The long-term financial health of the City is supported by a clear and consistent focus on key financial goals that are incorporated into all financial planning:

- To provide a financial base sufficient to sustain municipal services that maintain the social well-being and physical conditions of the City.
- To be able to withstand local and regional economic trauma, to adjust to changes in the service requirements, and to respond to other changes as they affect the community.
- To maintain an excellent credit rating in the financial community and assure taxpayers that Redmond city government is maintained in a sound fiscal condition.
- To consider and provide for the needs of future generations in the Redmond community.
- To create a workplace where all employees feel valued and are compensated fairly and equitably for their contributions.

As the City of Redmond looks ahead to ensure continued financial health and sustainability, it is essential that strategic goals are aligned with a robust, transparent, and forward-looking financial management approach. A cornerstone of the Long-Range Financial Strategy is the emphasis on routine, meaningful financial reporting that supports timely decision-making and operational accountability.

Routine financial reporting remains a critical tool in driving informed decision making, maintaining fiscal discipline, and fostering trust across stakeholders. To support this need, Redmond publishes its financial results each month on its website (www.redmond.gov/267/Financial-Reports), presents quarterly reports, and brings relevant information to the City Council as necessary. In addition, the City's financial condition is reflected in the City's [Annual Comprehensive Financial Report \(ACFR\)](#), also available on the website.

Strategy 4: Community-Informed Citywide Planning

Community input is foundational to the City's Long-Range Financial Strategy. Through robust engagement efforts, the City gathers input from residents, businesses, and stakeholders to help shape policies, priorities, and investments that reflect shared community values. This input is gathered and formalized through planning efforts such as the examples listed below. Together, these plans represent a broad, integrated vision for Redmond's future - grounded in community priorities and supported by clear goals and measurable outcomes.

- [Community Strategic Plan \(CSP\)](#)
- [Comprehensive Plan \(Redmond 2050\)](#)
- [Environmental Sustainability Action Plan \(ESAP\)](#)
- [Housing Action Plan](#)
- [Transportation Master Plan](#)
- City Department Functional Plans
- Other program and issue-specific strategies

To ensure inclusive and meaningful engagement, the City follows its adopted Community Engagement Guidelines, which emphasize equity, transparency, accessibility, and ongoing dialogue. These guidelines help ensure that all voices – especially those historically underrepresented – are considered in shaping the City’s direction. The input informs both the planning efforts, and the financial framework and choices required to implement it, ensuring that investments in citywide programs and infrastructure align with what matters most to the community.

The CSP and the Comprehensive Plan (Redmond 2050) serve as the City of Redmond’s primary planning documents, shaping both the community’s long-term vision and the City’s approach to delivery services and investments that reflect community priorities. Together, these plans define what the community values most and establish the framework for how those values are translated into actionable policies, programs, and projects.

Community Strategic Plan (CSP)

In 2019, the City developed the CSP to expand the planning framework and reinforce the deep commitment to inclusive, meaningful public involvement. The City utilizes the CSP to serve as a roadmap to guide future improvements and as a work plan. It is updated annually to incorporate evolving needs, refreshed community feedback, and updates on measurable progress. This approach ensures that the City’s vision remains connected to what matters most to the community.

The CSP outlines key initiatives developed in partnership with the community as follows, in alphabetical order:

TABLE 2 – CSP KEY INITIATIVES: COMMUNITY VISION & OBJECTIVES

CSP Initiative	Community Vision	Objective(s)
Respect, Equity, Diversity, Equity, and Inclusion (R.E.D.I.)	A Redmond in which all residents can fully and effectively access city services, influence city policy and direction, and feel a sense of belonging and safety.	Establish and support strategic practices that increase our City’s ability to provide excellent services, encourage cross-cultural interactions, and strengthen our relationship with our diverse communities.
Environmental Sustainability	A Redmond that creates a healthy, sustainable environment for all generations and conserves our natural resources, affords a high quality of life, and draws from scientific evidence-based data.	Achieve carbon neutrality in city operations by 2030 and citywide by 2050 and enhance the health and resilience of Redmond’s natural resources as outlined in the Environmental Sustainability Action Plan and City Council’s 2020 Climate Emergency Declaration .
Housing Choices	A Redmond that values, provides, and promotes livability and a variety of housing choices for all.	Increase the overall supply, variety, and affordability of housing to achieve desired livability and equity outcomes in Redmond as outlined in the Housing Action Plan .
Infrastructure	A Redmond that is connected, multi-modal, smart, green, and has high value for long-term infrastructure investments that support the future needs of Redmond.	Invest in infrastructure preservation and replacement across the City to maintain the current level of service and the reliability of capital assets and provide timely and cost-effective replacement.

		Continue investments in key opportunity projects that support economic and community vitality.
		Create a solid platform of internal technology systems that support city business more efficiently and provide improved customer experiences.
Public Safety	Protect all members of the community through preparedness, prevention, emergency response, mitigation, and recovery in an inclusive, equitable, compassionate, and timely manner.	<p>Better the health of our community by continuing to create a proactive plan to connect at-risk community members to resources that reduce call volume and continue to emphasize alternatives to incarceration.</p> <p>Implementation and enforcement of municipal fire and building codes to sustain prudent growth that protects the natural characteristic of the communities within Redmond.</p> <p>Ongoing investigation of community-driven safety concerns such as traffic volumes, high accident locations, bike lanes, crosswalks, and sidewalks to improve safety for pedestrians, bicyclists, and motorists.</p>

Comprehensive Plan (Redmond 2050)

The City’s work is not done in isolation. As defined by the State of Washington’s Growth Management Act (GMA)², cities are urban service providers responsible for planning for future population and job growth. Under GMA, core cities in King County, including Redmond, are expected to absorb 40% of the region’s increased population growth by 2050.

Of Redmond’s growth, 73% is slated to occur in the Downtown, Overlake, and Marymoor centers, with 78% of new jobs expected in these areas as well. The anticipated growth is part of a vision for diverse and complete neighborhoods and centers that are hubs of residential, commercial, and cultural activity. Through capital investments and thoughtful planning, the City is working to maintain the livability of neighborhoods while also supporting the growth in the urban centers that is projected to occur. The City’s Comprehensive Plan (Redmond 2050) was updated and adopted by City Council in 2024 to ensure the predicted growth is well planned for.

Looking ahead to 2050, Redmond community members foresee their community as one that is complete, offering a wide range of services, opportunities, and amenities. The community has successfully woven the small town feel of older, established neighborhoods with the energy and vitality of Redmond’s centers. The result is a place where people are friendly, often meet with others

² Chapter 36.70A RCW

they know, and feel comfortable and connected. It's a place where diversity and innovation are embraced, and collaborative action is taken to achieve community objectives. It's a place that is home to people from diverse backgrounds, which contributes to the richness of the City's culture.

The vision as described in Redmond 2050 states that Redmond's centers are hubs of residential, commercial, and cultural activity and that neighborhoods are more diverse and more complete. Downtown, Overlake, and Marymoor Village provide unique and desirable locations to support community life in Redmond. Light rail connects these centers, and they continue to grow with transit-oriented development.

- **Downtown**

Downtown is Redmond's civic heart. It remains an outstanding place to work, shop, live, and recreate and is a destination for many in Redmond and the region. A diversity of businesses, cultural organizations, residents, and visitors contribute to Downtown's vibrancy.

- **Overlake**

With the arrival of light rail and intentional planning for growth, Overlake has transformed into a regional hub for high technology research and development and intercultural experiences. Growth in jobs and residential population has come with critical urban amenities like parks, schools, cultural and civic spaces, and an urban tree canopy. New businesses have enriched Overlake while treasured local businesses have remained in the community using creative anti-displacement strategies.

- **Marymoor Village**

Marymoor Village is continuing to develop into a transit-oriented community with focus on inclusion. For example, public spaces have been developed to be comfortable for a neurodiverse community. New multifamily developments include units that exceed accessibility standards. Elements such as public art honor the special connection that local tribes have with Bear Creek, Lake Sammamish, and the lands surrounding them. Community members enjoy excellent access to Marymoor Park and to a light rail system connecting them to the region.

- **Neighborhoods**

Redmond's neighborhoods include an array of housing types and serve a variety of household types and sizes. Housing in Redmond's neighborhoods has diversified, with the majority of neighborhood infill development being multiplexes, townhomes, cottages, and other middle housing types. This has created ownership opportunities at a lower price point and allowed community members to stay in the City as their housing needs change over time. Neighborhoods are also more complete, with small-scale commercial uses serving local needs. Some of these uses have become neighborhood hangouts, complementing other neighborhood amenities like parks and schools. Community members enjoy meeting-up with each other in these complete neighborhoods, providing a sense of connection.

Strategy 5: Economic Development Strategic Plan

A healthy, resilient economy provides the revenue base necessary to fund public services, infrastructure, and strategic investments that enhance the quality of life in Redmond. The City's first [Economic Development Strategic Plan](#) was adopted by City Council in 2024 to support a diverse and growing economy that contributes to long-term fiscal sustainability.

As Redmond continues to grow, the Economic Development Strategy focuses on fostering innovation, supporting local businesses, attracting strategic industries, and maintaining a balanced mix of commercial, residential, and employment opportunities. These efforts will help expand the City's tax base while also influencing demand for services, transportation infrastructure, and workforce housing.

The foundational strategies were developed to help maintain and strengthen the economic environment and will evolve over time.

- **Regional Collaboration & Partnership:** Work with regional partners to align efforts, and leverage strengths and economies of scale in achieving aligned outcomes.
- **Communication & Storytelling:** Leverage citywide business engagement for relationship building and storytelling. Amplify a compelling narrative, including the economic impact and benefit for Redmond's economic development program through strategic communications.
- **Equitable Economic Mobility:** Support and engage in city efforts that foster equitable economic security and mobility.
- **Land Use:** Track and support the preservation and growth of needed business spaces in Redmond with particular attention to retail, manufacturing, and research and development spaces linked to key clusters in Redmond.
- **Transportation:** Encourage multimodal transportation infrastructure improvements that support employee travel and foster business development and expansion, and support business districts.
- **Housing:** Monitor and support policies that contribute to housing affordability and supply for workers at all skills and income levels to increase the workforce both living and working in Redmond.
- **Livability:** Support investment in quality-of-life amenities to attract and retain businesses and a diverse workforce.
- **Sustainability:** Embed the City's sustainability goals within economic development business outreach and programming.

The strategy is closely aligned with the City's land use planning and infrastructure investment priorities, as outlined in the [Redmond 2050](#), [Transportation Master Plan](#), and [Housing Action Plan](#). It also reflects input gathered through community engagement and is guided by the CSP. By

coordinating economic development with capital planning, the City can make targeted investments that support sustainable growth, enhance community prosperity, and reduce long-term financial risks.

In addition, the City is committed to ensuring that the benefits of economic growth are shared equitably across the community. This includes supporting inclusive entrepreneurship, advancing workforce development initiatives, and promoting equitable access to economic opportunities for all residents. Through this strategic approach, economic development becomes not only a tool for revenue growth but also a lever for achieving broader community outcomes.

Strategy 6: The Capital Investment Strategy (CIS)

Among the most significant decisions the City makes are those related to public infrastructure investments. While the City delivers a wide range of services and programs, it also owns and operates essential infrastructure that supports daily life – such as parks and recreation centers, transportation systems (roads, sidewalks, trails and bikeways), utilities (water, wastewater and stormwater systems), technology infrastructure, and other critical facilities. These assets require not only careful planning and construction but also ongoing maintenance and eventual replacement to preserve their value, safety, and effectiveness over time.

The City's infrastructure investments, called for in [Redmond 2050](#), reinforce livability in the urban centers of Downtown and Overlake, as the primary growth areas while preserving and enhancing residential neighborhoods. In 2050, Redmond's infrastructure and services will meet the needs of a growing population and promote a safe, equitable, and sustainable community. Proper planning will also protect and enhance the City's natural environment and resources, with its parks becoming known regionally for attractive and well-maintained facilities.

Within the context of the Comprehensive Plan are a series of functional area plans which provide technical assessments and projections for specific service areas. The plans analyze existing conditions, forecast future growth and infrastructure demand, identify service level targets, and estimate the financial resources required to meet those needs. Once reviewed and adopted by City Council, they become essential tools for guiding the City's capital improvement planning and Long-Range Financial Strategy, so the City remains responsive to community needs while maintaining fiscal sustainability.

In 2015, it was determined that the City's adopted Vision Blueprint: Redmond's Capital Investment Strategy (CIS) could provide the alignment needed for the Capital Investment Program (CIP) and the budget process. The CIS looks at near-term investments that cover the same six-year timeframe as the City's CIP and provides a mid and long-term outlook into Redmond's capital needs to advance the City vision.

The goal of the CIS is to provide a framework that aligns the City's capital investments with Redmond's 2050 and spans four investment types including: preservation and maintenance; resolution of existing deficiencies; keeping up with growth; and enhancing community character. To establish a method for project prioritization, thematic strategies that focus on the key desired outcomes of capital investments are used and they are as follows:

- Invest in infrastructure preservation and replacement
- Ensure reliable and resilient facilities and infrastructure
- Invest in centers and high-density areas
- Invest in neighborhoods
- Invest in the natural environment
- Invest in economic and community vitality through collaboration
- Integrate diversity/equity/inclusion and environmental sustainability

Underlying the CIS process are the following principles:

- Develop and implement a six-year CIP that results from proactive project prioritization and alignment of delivery commitments with our funding and resource capacity.
- Provide good stewardship of existing city infrastructure to ensure that these assets are well-maintained and reliable.
- Use functional plans and Redmond’s CIS as the primary source of planned capital investments.
- Continue to strategically leverage funds and capital investment opportunities working in partnership with other agencies and the private sector when consistent with the capital investment priorities of the City.
- Develop innovative strategies to fund infrastructure and strategically use all available resources.
- Maintain an impact fee system to ensure that growth pays a proportionate share of the cost of capital facilities related to new development.

The near-term investments identified in the CIS are used to develop the City’s 6-year (CIP) that is adopted with the biennial budget.

Strategy 7: Business Technology Investment Strategy

The City established a Business Technology Investment Program (BTIP) in 2020 to identify technology projects that represent a short and mid-term plan for technology implementations to fully support the City’s strategic goals.

Due to the rapid rate of technological advancements, BTIP projects scheduled in the near-term are planned to a greater level of granularity than projects scheduled to begin in four to six years. The BTIP supports objectives as defined in the City of Redmond CIP to:

- Provide a solid platform of internal systems that support and directly align with city business.
- Modernize key business applications and external facing systems to achieve operational efficiency.
- Improve and adhere to up-to-date cybersecurity standards.
- Partner with the Public Works and Planning departments to drive a Smart City strategy.
- Implement a standard approach to program, project, and portfolio management methodologies throughout the City.
- Improve customer and employee experience through user-friendly, accessible, and efficient digital tools.
- Enable interdepartmental collaboration through shared platforms and standardized processes.

Over the long term, the BTIP will evolve from a near-term project portfolio into a strategic framework that guides how the City invests in, manages, and sustains its digital infrastructure. The long-term vision focuses on integrating technology planning with the City's broader capital and financial strategies, ensuring that technology remains a foundational enabler of Redmond's 2050 vision.

Key elements of the long-term vision include:

- Align BTIP with the CIS to plan technology investments.
- Advance Smart City initiatives that use data, automation, and sensors to improve efficiency and community outcomes.
- Use technology to support environmental sustainability and efficient resource management.
- Foster innovation and flexibility so the City can quickly adapt to new technologies and community needs.
- Strengthen data security, privacy, and resilience to protect City systems and maintain public trust in digital services.

Strategy 8: Community-Based Budgeting

The community-based budgeting approach used by the City ensures that the input provided by the community through engagement in citywide planning initiatives is used to help establish programs, set service levels and allocate public resources to meet community needs. The funded programs and services should be of value to the community and align with the community's desired outcomes. Redmond is a diverse community that may not always agree on the appropriate services to be provided. Therefore, the City strives to find the right mix of services that address most of the community's interests.

Redmond's budget process is grounded in the following strategic goals:

- Align resources with community priorities and desired outcomes
- Engage the community in a transparent, inclusive budget process
- Measure progress toward defined outcomes
- Get the best value for each tax dollar
- Build regional cooperation and partnerships
- Foster a welcoming culture of superior customer service
- Enhance and facilitate accountability, continuous learning, innovation, and process improvements across all programs
- Proactively protect and maintain city resources and assets
- Ensure regulatory, legal, and policy compliance
- Ensure pay equity across all departments
- Support long-term financial sustainability and alignment with Redmond 2050

Redmond's community-based budget process emphasizes value by focusing not only on how much is being spent, but also what is being delivered. The process promotes a citywide perspective in budget development, encouraging the City to look beyond individual departments, programs, and services to consider the needs of the whole community. It challenges staff to view the budget from a community perspective, fostering a broader understanding of the impact of financial decisions. The

increased level of financial awareness helps ensure community resources are used thoughtfully, responsibly, and in alignment with shared priorities.

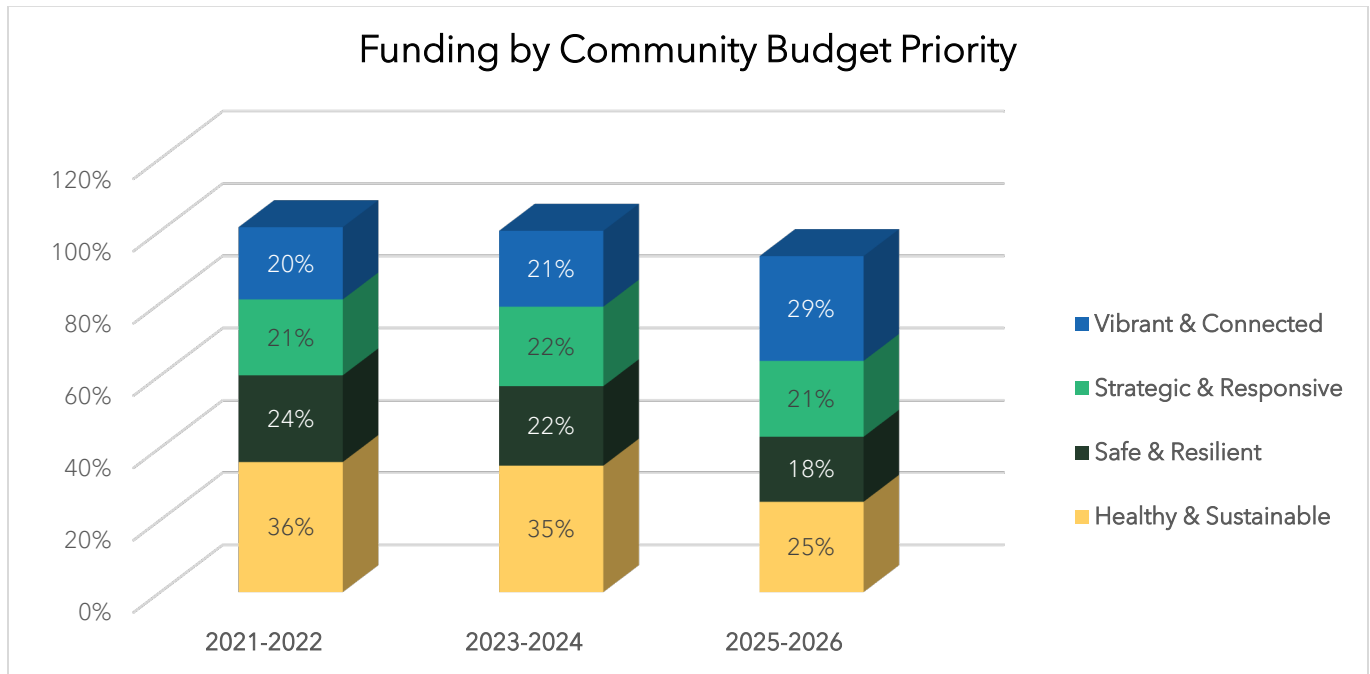
Community input is essential to understanding the budget priorities and outcomes expected from the City. The City works to facilitate strong feedback from the community in a variety of forms as the basis for its spending choices. Each biennial budget cycle, the priorities and desired outcomes are validated. The input received from the community is one tool that the City uses to adapt to evolving needs. The current community budget priorities and desired outcomes are provided in the table below.

TABLE 3 - CURRENT COMMUNITY BUDGET PRIORITIES

Budget Priority	Healthy and Sustainable	Safe and Resilient	Strategic and Responsive	Vibrant and Connected
Community Value	We value a healthy environment that supports an active community	We value a thriving community where all people feel safe	We value a city that is welcoming, service oriented and fiscally responsible	We value a well-planned and supported community that provides a sense of place
Outcomes	Environmental preservation responsibly balanced with growth	Effective emergency prevention strategies	Fiscally responsible organization	A transportation system that supports multi-modal movement of people and goods
	Climate actions goals achieved through green practices and policies	Well-executed emergency responses	Welcoming, innovating and continuous learning culture	City services and programs that enhance quality of life and community prosperity
	Place and program that support an active and involved community	Comprehensive investigations that provide appropriate resolutions	Leadership that aligns community needs with strategic planning and City operations	City services and future growth facilitated by high-quality public infrastructure and facilities

The Community Results Team (CRT) represents an additional key tool used in the community-based budgeting framework. The team was established to deepen community engagement in the City's budget process and provide the City with additional input on important budget decisions. The CRT provides a bridge between city decision-makers and the broader community, ensuring that budget decisions are grounded in both data and shared community values.

Team members are selected through an equitable process to review budget plans and provide feedback on the alignment with community values and long-term goals. The CRT assignment evolves from one budget cycle to the next and the budget plans reviewed varies depending on the highest priority challenges or needs. Over time, the CRT has become a cornerstone of community engagement, ensuring that fiscal decisions are informed by community perspectives and community members have a meaningful role in determining how public funds are allocated. The teams input assists in validating that the right level of investment is made toward each of the communities four budget priorities.



At the conclusion of each budget cycle, the City assesses the budget process with input from all participants in the process. The feedback is used to identify opportunities for improvement and guide future refinements. The process is intentionally designed to evolve in response to community needs and to promote more effective engagements, transparency, and results.

Strategy 9: Fiscal Resilience and Reserve Management

Maintaining strong financial reserves is a pillar of the City of Redmond’s long-term fiscal sustainability. Adequate reserves allow the City to withstand economic downturns, natural disasters, or unforeseen revenue disruptions while continuing to provide essential services without interruption. They also ensure Redmond can respond strategically to emerging opportunities or challenges – such as capital investments, emergencies, or policy shifts – without compromising financial stability.

Redmond’s reserve management practices are guided by deliberately conservative fiscal policies that align with best practices established by the Government Finance Officers Association (GFOA)³. These policies are reviewed and updated each budget cycle to ensure they remain relevant and responsive to changing conditions. In recent years, the City has prudently increased its reserve targets to reflect evolving economic risks, service expectations, and long-term needs.

The strength of Redmond’s reserves directly contributes to the City’s AAA bond rating, the highest rating awarded by credit agencies. This distinction reflects the City’s proven record of fiscal discipline, predictable financial management, and forward-looking planning. Having a AAA rating provides significant financial benefits - reducing borrowing costs for capital projects, increasing investor confidence, and preserving flexibility to fund major infrastructure or community investments when needed.

The prudent financial objectives, as listed below, ensure that Redmond remains well-positioned to deliver stable, high-quality services through all economic cycles while safeguarding the community’s long-term financial well-being.

Strategic Reserve Management Objectives:

- **Ensure Long-Term Fiscal Resilience**
 - Maintain reserve levels that support Redmond’s AAA bond rating.
 - Align reserves with long-range financial planning assumptions.
- **Support Operational Stability**
 - Use reserves to buffer short-term economic fluctuations without compromising core service delivery.
 - Limit structural reliance of reserves to one-time, strategic uses only.
- **Promote Transparency and Accountability**
 - Set clear policies and thresholds for reserve targets and replenishments.
 - Report reserve balances and usage plans as part of the budget process.

Strategy 10: Performance Management

Since adopting the Long-Range Financial Strategy, the City of Redmond has made significant progress in strengthening and modernizing its performance management practices. Departments no longer operate in isolation; instead, the City now evaluates results using community-centered metrics tied to citywide programs. A Performance Indicator Dashboard is used to communicate progress through the budget process.

³ Appropriate Level of Unrestricted Fund Balance in the General Fund - Best Practice, approved by GFOA’s Executive Board: September 2015

However, performance management is not limited to the budget process. While budget and financial planning define resource parameters, performance measurement must operate independently from the budget process to assess the true impact and value of city services. This separation ensures that service value is measured based on outcomes, not just funding levels – enabling continuous learning, accountability, and strategic improvement.

Across the organization, performance data increasingly informs decision-making, supports analytical tools and development of strategic dashboards, and drives routine performance reviews cycles. This reflects a growing cultural shift toward adaptive governance, where decisions are guided by evidence, not just tradition or availability of funds. Redmond systematically analyzes performance data to evaluate service value and adjusts when necessary. Performance measures are used to demonstrate how programs are advancing community-informed outcomes, and all assessments are framed through a triple bottom line lens – balancing social, environmental, and economic impacts – ensuring a holistic alignment with community values.

The City continues to refine this framework by:

- Aligning measures with strategic goals
- Embedding respect, equity, diversity, and inclusion in assessment criteria
- Improving transparency and public accountability through data

Building on efforts to enhance financial reporting, the City is developing a comprehensive Performance Report. The new tool will go beyond budget tracking to include key performance metrics and progress updates, enabling a deeper understanding of how resources are being used in alignment with community priorities. The report will support continuous improvement by linking budget performance to program outcomes and long-term objectives.

The successful implementation of Microsoft Dynamics 365 (D365) has been pivotal in transforming the City's financial infrastructure. With D365, the City has modernized its core financial system, improved data collection and accuracy, and streamlined key processes such as budgeting, procurement, and reporting. The platform's integrated architecture enables more timely and reliable financial data, positioning the City for greater agility and transparency.

Most significantly, D365 lays the foundation for the development of a future Financial Dashboard – a dynamic, real-time reporting interface that will provide up-to-date financial performance indicators coupled with program performance data. Together, these initiatives represent a continued strategic shift toward more data-driven, transparent, and performance oriented financial planning. As the build out of these tools and capabilities continues, focus will remain on ensuring financial stewardship that supports both operational excellence and long-term organizational sustainability.

As Redmond looks ahead, its evolving performance management approach – distinct from but aligned with budgeting – will remain essential to ensuring the City delivers meaningful, measurable results that matter to the community.

Appendices

[Appendix A: Fiscal Policies](#)

[Appendix B: Community Investment Rate Calculation](#)

[Appendix C: Biennial Budget Process](#)

[Appendix D: City Operating Revenues](#)

[Appendix E: City Capital Investment Revenues](#)

[Appendix F: Other Available Revenues](#)

[Appendix G: Current Rates/Fees](#)

[Appendix H: History of the Long-Range Financial Strategy](#)

Appendix A: Fiscal policies

As described above, the adoption of fiscal policies is a best practice recommended by the GFOA. The GFOA recommends that the policies include the following topics:

1. **General fund reserves.** Policies governing the number of resources to be held in reserve and conditions under which reserves can be used.
2. **Reserves in other funds.** Policies for other funds (especially enterprise funds) that serve a similar purpose to general fund reserve policies.
3. **Grants.** Policies that deal with the administration and grants process.
4. **Debt.** Policies that govern the use of government debt, including permissible debt instruments, conditions under which debt may be used, allowable levels of debt, and compliance with continuing disclosure requirements.
5. **Investment.** Policies that provide guidance on the investment of public funds, including permissible investment instruments, standards of care for invested funds, and the role of staff and professional advisors in the investment program.
6. **Accounting and financial reporting.** Policies that establish and guide the use of an audit committee, endorse key accounting principles, and that ensure external audits are properly performed.
7. **Risk management and internal controls.** Policies that address traditional views of risk management and internal controls as well as more modern concepts of enterprise risk management.
8. **Procurement.** Policies that are most essential for adoption by the governing board to encourage efficient, effective, and fair public procurement.
9. **Long-term financial planning.** A policy that commits the organization to taking a long-term approach to financial health.
10. **Structurally balanced budget.** Policies that offer a distinction between satisfying the statutory definition and achieving a true structurally balanced budget.
11. **Capital.** Policies that cover the lifecycle of capital assets, including capital improvement planning, capital budgeting, project management, and asset maintenance.
12. **Revenues.** Policy guidance through the designing of efficient and effective revenue systems that guarantee the generation of adequate public resources to meet expenditure obligations.
13. **Expenditures.** Policies addressing a range of issues around how the money is expended, including personnel, outsourcing, and funding long-term liabilities.
14. **Operating budget.** Policies that describe the essential features of the budget development process as well as principles that guide budgetary decision making.

The City will review its fiscal policies during each biennial budget cycle. This review will start with a staff review, followed by a review by the designated City Council Committee (currently the Finance, Administration and Communications [FAC] Committee of the Whole) and, if changes are proposed by the FAC Committee of the Whole, the full City Council.

Appendix B: Community Investment Rate Calculation

The community investment rate is the total city resources divided by community income.

Explanation of Key Calculations

- Taxes account for approximately 40% of total city revenues. This includes not only property tax and sales taxes but also real estate excise tax, special lodging tax, admission tax, utility tax, gambling tax, and leasehold tax.
- Permits and Licenses generate revenue from regulatory activities.
 - Permits apply mainly to development activities, covering plan reviews, inspections, and related services, while licenses apply to business operations and other locally regulated activities.
- User Charges are the fees paid directly by individuals or businesses that benefit from specific city services. They reflect the cost of providing utilities (water, wastewater, and stormwater), recreation programs, development services, and other fee-based activities.
- Intergovernmental Revenues consist of capital grants and payments received from other governments for services provided or shared responsibilities.
- The Community Investment Rate is calculated by dividing total city revenues by community income.
 - Community income is estimated by multiplying Redmond population by per-capita income. (Per-Capita Income data is sourced from the American Community Survey, conducted by the U.S Census Bureau)
- Forecasts for future years are based on a combination of:
 - Washington State Economic and Revenue Forecast Council
 - United State Census Bureau
 - United State of Labor Statistics
 - City’s long-range financial forecast
 - Other city internal financial forecasts

TABLE 4 - THE 2024 COMMUNITY INVESTMENT RATE CALCULATION

Calculation Components	2024
Total City Revenue	\$297,988,165
(less) Capital Contributions and Debt Proceeds	\$(14,544,713)
Subtotal	\$283,443,451
Redmond Community Income	
Per Capita Income (CPI-W Increase)	\$74,998
Population (1% Increase)	80,280
Total Community Income	\$6,020,816,372
Community Investment Rate (Total City Revenue)	4.95%
Community Investment Rate (Total City Revenue Less Capital Contributions and Debt Proceeds)	4.71%

Appendix C: Biennial Budget Process

The City of Redmond follows a community-based budgeting process that encompasses not only day-to-day city operations, but also capital and technology investments. This approach ensures that all financial resources are directed toward services, programs, and projects that reflect with community priorities.

Primary elements of the budget process, presented in general chronological order, form the foundation of Redmond's budget development process:

1. **Budget Calendar Development and Approval**
 - The Mayor proposes a budget development calendar for City Council review and approval no later than the first regular City Council business meeting in April of each budget year.
2. **Initial Community Input**
 - A statistically valid community survey is conducted to gather feedback and service priorities.
 - The [Community Strategic Plan](#) is reviewed to understand resource needs.
 - Capital Investment Projects are prioritized by community-informed criteria.
 - Budgeting for Equity input is used to inform strategies for the budget process.
 - Additional input may be collected through neighborhood meetings, focus groups, online Feedback, and other outreach efforts.
3. **Planning Retreats and Policy Guidance**
 - Administrative and/or City Council budget planning retreats define budget process priorities and policy direction.
 - City Council provides input on resource allocation and areas of emphasis.
 - The Long-Range Financial Strategy and Fiscal Policies are reviewed and updated.
 - Budget training, instructions, and parameters are communicated to staff.
4. **Formation of Staff and Community Results Teams**
 - Results Teams are appointed to provide guidance and develop recommendations around community priorities.
5. **Departmental Budget Presentations**
 - Department directors present an overview of their department functions, baseline budget services, performance metrics, and budget challenges.
6. **Review of Capital Investment and Business Technology Investment Programs (CIP/BTIP)**
 - Capital and technology investment plans are updated and presented to City Council.
 - A public hearing is held to gather feedback on the CIP and BTIP.
7. **Development of Budget Plans**
 - **Baseline Budget Plans** include existing programs at current service levels.
 - **Service Enhancement Plans** propose new ongoing or one-time programs, projects or expanded services.
 - **Service Reduction Plans** propose ongoing program or service reductions.

8. Revenue Forecast Presentation

- A current revenue forecast is developed and presented
- A public hearing on revenue forecast. ([RCW 84.55.120](#))

9. Preliminary Budget Finalization

- The Mayor and Directors Team incorporate Results Team input to finalize the Preliminary Budget.

10. Preliminary Budget Presentation

- City Council conducts study sessions to review and recommend changes.
- A public hearing on the Preliminary Budget is held ([RCW 35A.34.090](#)).
- City Council input is tracked in a working matrix for transparency and documentation.

11. City Council Final Study Session(s)

- Final review and discussion sessions are conducted.
- A public hearing on the final biennial budget is held ([RCW 35A.34.110](#)).

12. Budget Adoption

- City Council formally adopts the Biennial Budget.
- All public and City Council comments are documented in the Budget Adoption Packet.

13. Budget Implementation

- Upon adoption, departments begin execution of the budget in alignment with City Council direction and community input.

Appendix D: City Operating Revenues

(Alphabetical Order)

Business License Fee - Generated from commercial businesses operating within the City to ensure compliance with local regulations as authorized under RCW 35A.82.020 and RCW 35.90.

- Under RMC 5.04.080, the annual license fee is calculated by multiplying employee hours (or full-time equivalent units) by the current rate.
- Each license includes a base fee used for general city operations and a transportation surcharge restricted to planning, construction, operation and maintenance of transportation improvements that benefit the business community and for transportation demand management programs.
- Rates are adjusted annually for inflation and approved by City Council through the budget process.

Development User Fees - Generated from activities associated with property development as authorized under RCW 82.02.020.

- Calculated on cost-of-service principles and adjusted annually for inflation.
- Earmarked for specific development services.
- Updated every 5 years through cost-of-service study.
- Fees approved by City Council upon completion of cost-of-service study or through the budget process.

Grants - Funds awarded to the City by federal, state, regional, or private entities to support specific projects, programs, or initiatives in alignment with grantor requirements and City priorities as authorized under RCW 35.21.120 and RCW 35A.11.010.

- Awarded through competitive for formula-based application processes administered by agencies such as the Department of Transportation, Washington State Recreation and Conservation Office, Department of Ecology, and others.
- Restricted in accordance with terms, conditions, and scope defined in the grant agreement.
- Accepted by City Council as part of the budget process or when awarded.

Intergovernmental Revenues - Taxes collected by Washington State and distributed to cities based on formulas set in law.

- Include the Motor Vehicle Fuel Tax, Criminal Justice Special Programs allocation, Liquor Excise Tax, and Cannabis Excise Tax.
- Each source carries specific state or program restrictions for how they are spent.
- Most distributions are determined by population or state formulas beyond the City's control.

King County Emergency Medical Services (EMS) - Reimbursements from King County generated from a 6-year property tax levy.

- Levy distributions to each city are calculated annually and reimbursed upon expenditure, but levy amount must be approved by voters every 6 years.
- Restricted to Advanced Life Support (ALS) or paramedic programs, Mobile Integrated Healthcare (MIH), partial funding to Basic Life Support (BLS, or first responders), and other programs that support the functions and direct services of Medic One and EMS systems.

King County EMS Transport Fees - Collected from health insurance providers to recover the costs of providing Basic Life Support (BLS) transport services as authorized under RMC 3.88.

- Calculated on cost-of-service principles and adjusted annually for inflation.
- Restricted to EMS-related purposes.
- Updated every 5 years through cost-of-service study.

King County Fire District 34 - Collected to recover the costs of providing fire services to authorized per contract with King County Fire District 34.

- Contract amount updated annually by calculating the district's allocation of Redmond Fire Department's budgeted expenditures and updating credits provided for the EMS Levy, EMS Transport Fees and Ground Emergency Medical Transportation (GEMT) revenues.
- Restricted to the services provided.
- Contract must be approved by King County Fire District 34 Board of Commissioners annually.

Other Revenue - Diverse category of smaller revenue sources from city operations, including internal charges and external fees.

- Includes franchise fees, court fines, investment income, rentals, and internal service charges.
- Usage varies from restricted to unrestricted, depending on the source, contract, or policy.
- Supports general city operations or internal cost recovery.

Parks and Recreation User Fees - Collected from individuals or groups who use city-managed parks, recreation facilities, and participate in city-run programs or events as authorized under RCW 35.21.020

- Calculated on cost-of-services principles; adjusted annually for inflation.
- Restricted for use within the parks and recreation system.
- Updated every five years through cost-of-service study.
- Fees approved by City Council upon completion of cost-of-service study or through the budget process.

Property Tax - Levied on assessed property value as authorized under RCW 84.55.

- City Council Authority
 - Capped annual growth (1% + new construction/annexations).
 - Used for general city operations.
 - Approved annually by City Council.
- Voted
 - Includes parks and public safety levy lid lifts.
 - Restricted to parks maintenance and public safety staffing.
 - Requires voter approval.

Sales & Use Taxes - Consumption based tax collected on retail sales and leases within the City as authorized under RCW 82.08 (sales tax) and RCW 82.12 (use tax).

- The City collects a share of the total sales tax rate, which in 2025 is part of a 10.30% combined rate.
- Most revenue comes from the basic 0.5% and optional 0.5% city-imposed sales taxes, the City retains 0.85% and 0.15% is distributed to King County.
- Used for general city operations.
- City imposes an additional 0.1% Transportation Benefit District sales tax used to fund street maintenance and transportation improvements in the Capital Investment Program. RCW 36.73.
- City receives an affordable housing sales tax credit of 0.0073% used to fund capital investments related to affordable housing. RCW 82.14.540.
- King County levies a 0.1% criminal justice sales tax, a portion of which is shared with the City.
- The additional sales taxes are restricted.

Solid Waste Collection Compensation - Generated from an administration fee charged to the City's Solid Waste hauler to offset the cost of program administration as authorized under RCW 35.21.120.

- The collection compensation rate is calculated based on a percentage of gross revenues earned by the hauler and updated annually for inflation.
- Used to administer the Solid Waste program.
- Rate is approved by City Council through contract approval.

Special Lodging Tax - Imposed on short-term stays at hotels, motels, and similar accommodations, as authorized under RCW 67.28.

- The current tax rate is 1%.
- The revenue is dedicated to tourism promotion and the development or operation of tourism-related facilities.
- Guided by the Lodging Tax Advisory Committee (LTAC).

Utility Rates - Fee paid by utility customers to fund infrastructure, operations, and maintenance of water, wastewater, and stormwater systems as authorized under RCW 35A.80.010.

- Fully restricted to supporting the needs of the City's utility systems.
- Calculated on cost-of services principles; adjusted for inflation through the rate setting process.
- The City conducts regular utility rate studies in conjunction with the biennial budget process to evaluate system performance, funding needs, and rate equity.

Utility Taxes - Imposed on utility service providers to generate revenue that supports general municipal services as authorized under RCW 82.16.020.

- Includes electric, gas, cable, telecommunications, and city-operated utilities (water, wastewater, stormwater).
- Taxes are calculated as a percentage of gross utility revenues and remitted by the utility providers.
- Under state law, utility taxes for electric, gas, cable, garbage collection, and telecommunications are capped at 6%.

Appendix E: City Capital Investment Revenues

(Alphabetical Order)

Business License Transportation Surcharge - Tax collected to fund transportation investment that benefit the business community as authorized under RCM 5.04.080.

- Collected through the Business License Fee rather than treated as a separate levy.
- Restricted to planning, construction, operation and maintenance of transportation improvements that benefit the business community and for transportation demand management programs.

Capital Facility Charges (CFCs) - One-time charges on new development designed to ensure that growth contributes equitably toward the infrastructure required to serve it as authorized under RCW 35.92.025.

- Redmond imposes capital facility charges for water, wastewater, and stormwater utilities.
- Each governed by its own methodology.
- Restricted to capital purposes and cannot be used for operations or maintenance.
- Calculated based on the value of utility system assets, planned capital investments, and available capacity within each utility system.

Community Facilities District - Special purpose district formed to provide financing options for community facility infrastructure improvements due to growth as authorized under RCW 36.145.

- Community Facilities District 2016-01 established in partnership with the Microsoft Corporation to fund multimodal, intersection, and signal expenses.
- Governed by a board of three members of City Council and two representatives nominated by the Microsoft Corporation.
- Funding provided by Microsoft is contingent on the City completing agreed upon projects.

Depreciation Transfers - Utility rate funded transfers intended to fund depreciation of capitalized assets and future asset replacement and major repairs.

- Transfers are funded for City water, wastewater, stormwater, and Novelty Hill water and wastewater utilities.
- Calculated based on the capitalizable assets recognized in each utility each year, minus long-term debt principal payments, if applicable.
- The intent of this transfer is to allow the Capital Utility funds to plan and pay for infrastructure and asset replacement and repair.

General Fund – 5% Transfer - A transfer from the General Fund to provide consistent support for the City's Capital Investment Program.

- An annual transfer of five percent of discretionary general fund revenues is directed towards the General Government CIP funds.
- Used for Parks, Transportation, or General Government/Facilities projects.

General Fund – Pavement Management Transfer - A transfer from the General Fund to provide consistent support for the pavement management program.

- An annual transfer of \$300,000 of discretionary general fund revenues.
- Restricted for pavement management projects.

Impact Fees - One-time charges on new development designed to ensure that growth contributes equitably toward the public facilities and infrastructure needed to serve it as authorized under RCW 82.02.

- Redmond imposes impact fees for fire, parks, and transportation.
- Each governed by its own methodology and spending restrictions.
- May be used only for system improvements identified in the City's Capital Facilities Plan (CFP) and cannot fund operations and maintenance.
- Fee levels are established based on the cost of new or expanded facilities required by development, adjusted for existing capacity, prior developer contributions, and other available funding sources.

Keller Farm Wetland Bank - Generated from sales of credits for compensatory mitigation of unavoidable impacts to wetlands associated with new developments.

- Sales brokered through Habitat Bank via consulting services agreement.
- Revenue includes 20% of the gross revenue received from each credit Habitat Bank sells until the City is fully reimbursed the \$2,520,000 purchase price it paid for the Keller Farm property.
- Subsequently, the City will receive 10% of the gross revenue from each credit sale for the remaining term of the agreement (2028), or until all credits are sold, whichever occurs sooner.
- Funds are to be used for Stormwater CIP projects.
- Credit sales and rates will be managed by Habitat Bank via the Certified Wetland Mitigation Bank.
- Fees approved by City Council through the contract agreement with Habitat Bank.

King County Parks Levy - Generated from a King County Property Tax levy to support local parks and trails.

- The King County Parks Levy is a 6-year, voter-approved property tax which has been in effect since 2008.
- Starting 2026, the levy rate will be \$0.2329 per \$1,000 of assessed value, with annual increases for inflation thereafter.
- The levy funds are to be used for Parks capital investment projects.

Motor Vehicle Excise Tax (MVET) - Distributed to cities by the State of Washington based on population as authorized under RCW 46.68.090.

- Allocated 32% to the Transportation Capital Investment Program (CIP).

Municipal Debt - Financial tool used to finance major capital investments that provide long-term community benefit as authorized under (RCW 39.36).

- Redmond utilizes a mix of Limited Tax General Obligation (LTGO) bonds, Utility Revenue bonds, and lease-purchase financing when appropriate.
- Debt issuance is carefully evaluated to ensure affordability, necessity, and alignment with long-term financial and capital plans, with repayment structured to match the useful life of the financed asset.

Real Estate Excise Tax - State-authorized tax on the sale of real property as authorized under RCW 82.45 and RCW 82.46.

- Revenues shared between the state and local governments.
- City collects REET 1 and REET 2, both of which are restricted for specific capital purposes under RCW 82.46.
- The City cannot adjust REET rates but may choose whether to impose them.

Sales Tax - Affordable Housing Tax Credit - Remitted to the City by King County as established by House Bill 1406 and authorized under RCW 82.14.540.

- Receive a credit of 0.0073% against the state sales tax to support affordable housing initiatives.
- Used for investments in affordable housing.

Sales Tax - Sales Tax on Construction - Represents the portion of sales tax revenue generated from construction-related goods and services used within the City.

- Revenues fluctuate with the pace of local development and the City considers them as one-time.
- Transferred from the General Fund to the capital funds during the budget process.
- The City does not have authority to impose its own construction sales tax beyond what is authorized by the State of Washington, and opportunities to adopt new local sales taxes are limited.

Sales Tax - Transportation Benefit District (TBD) - Additional City Council approved sales tax dedicated to funding transportation improvements as authorized under RCW 36.73.

- Sales tax rate is a 0.1%.
- Supports wide range of capital transportation purposes pavement management, pedestrian and bicycle infrastructure, traffic safety improvements, and transportation demand management projects.
- City is authorized to levy the tax for up to 10 years, or longer if pledged for debt repayment, after which it may be renewed indefinitely with voter approval.

Appendix F: Other Available Revenues

Business & Occupation Tax - Gross Receipts Tax

Taxes on businesses, which are typically levied as a percentage of the businesses' gross receipts, less some deductions. This is an unrestricted funding source and can be used for any lawful governmental purpose. The City currently collects a business license fee and surcharge in lieu of the Business & Occupation tax. The City can impose a B&O tax at any rate up to .02% without voter approval and can go above the statutory limit with voter approval. Business & Occupation tax can be riskier than the fee and surcharge as these taxes are subject to initiative/referendum, whether a jurisdiction has adopted those powers.

Property Tax - Affordable Housing Levy

Voted property tax levies are generally described in appendix D. The affordable housing levy is a voted property tax levy. This revenue can be used to finance affordable housing for very low-income households, home ownership, owner-occupied home repair, and foreclosure prevention programs. The City may levy up to \$0.50 per \$1,000 of assessed valuation. A state of emergency declaration around affordable housing is required to levy this tax. The levy may be imposed each year up to 10 consecutive years and requires voter approval.

Appendix G: Current Rates/Fees

TABLE 5 - CURRENT RATES/FEEES

Revenue Source	Current Rate	Authority Limit	Indexed?	Decision Maker	Volatility Rating
Property Tax	\$0.83/\$1,000 of AV	1% year	No	City Council	Low
"Multi-Year Bump" Levy Lid Lift (can exceed 1% limitation for up to 6 consecutive years)	0	\$3.10 / \$1,000	Yes	Voters	Low
"Single Year Bump" Levy Lid Lift (can exceed 1% limitation in first year of levy only)	0	\$3.10 / \$1,000	No	Voters	Low
Utility Tax (Electric, Gas, Telephone, Cable) ⁴	6%	6%	No	City Council	Medium
Utility Tax (City Utilities) ⁵	1%	None	No	City Council	Low
Sales Tax	1%	1%	No	City Council	High
Restricted Local Sales Tax	0.1%	0.1%-0.3%	No	Voters	High
Gross Receipts (B&O)	0%	0.2%	Yes	City Council	Medium
Business License Fee ⁶	\$66.00	None	Yes	City Council	Medium
Business Transportation Tax ⁷	\$87.00	None	Yes	City Council	Medium
Development Review Fees	Full Cost Recovery	None	Yes	City Council	High
Recreation Fees	Direct Cost Recovery	None	Yes	City Council	Medium

⁴ See table 6

⁵ See table 6

⁶ See table 7

⁷ See table 8

TABLE 6 - HISTORY OF UTILITY TAX RATE CHANGES OVER THE PAST TWENTY YEARS

When	Purpose	Service	Rate
2025 (ord. 3195)	General Government Public Safety Purposes	Stormwater	1%
2025 (ord. 3195)	General Government Public Safety Purposes	Wastewater	1%
2025 (ord. 3195)	General Government Public Safety Purposes	Water	1%
2018 (ord. 2942)	Cable Services	Cable	6%
2014 (ord. 2769)	Cable Services	Cable	3%
2014 (ord. 2716)	Fire Suppression Services	Water	0%
2013 (ord. 2673)	Fire Suppression Services	Water	8.53%
2010 (ord. 2545)	Fire Suppression Services	Water	9.23%
2006 (ord. 2281)	General Government Purposes	Elec. Tele. Nat. Gas	6.0% (was 5.8%)
2004 (ord. 2239)	General Government Purposes	Elec. Tele. Nat. Gas	5.8% (was 5.5%)
1996 (ord. 1923)	General Government Purposes	Elec. Tele. Nat. Gas	5.5% (was 4.5%)
1995 (ord. 1867)	General Government Purposes	Elec. Tele. Nat. Gas	4.5% (was 5.5%)

TABLE 7 - HISTORY OF BUSINESS LICENSE FEE CHANGES OVER THE PAST TEN YEARS

When	Purpose	Rate
2026 (forecast)	General Government Purposes	\$69.00
2025 (ord. 3192)	General Government Purposes	\$66.00
2024 (ord. 3131)	General Government Purposes	\$60.00
2023 (ord. 3107)	General Government Purposes	\$56.00
2022 (ord. 3025)	General Government Purposes	\$52.00
2021 (ord. 3025)	General Government Purposes	\$51.00
2019 (ord. 2940)	General Government Purposes	\$50.00
2018 (ord. 2940)	General Government Purposes	\$49.00
2017 (ord. 2862)	General Government Purposes	\$48.00
2016 (ord. 2862)	General Government Purposes	\$45.00
2015 (ord. 2770)	General Government Purposes	\$42.90
2013 (ord. 2667)	General Government Purposes	\$35.00
2004 (ord. 2238)	General Government Purposes	\$28.25
2000 (ord. 2088)	General Government Purposes	\$12.50
1998 (ord. 2003)	General Government Purposes	\$10.00

TABLE 8

HISTORY OF BUSINESS TRANSPORTATION TAX CHANGES OVER THE PAST TEN YEARS

When	Purpose	Rate
2026 (forecasted)	Transportation & Transportation Demand Management Programs	\$91.00
2025 (ord. 3192)	Transportation & Transportation Demand Management Programs	\$87.00
2024 (ord. 3131)	Transportation & Transportation Demand Management Programs	\$81.00
2023 (ord. 3107)	Transportation & Transportation Demand Management Programs	\$76.00
2022 (ord. 3025)	Transportation & Transportation Demand Management Programs	\$70.00
2021 (ord. 3025)	Transportation & Transportation Demand Management Programs	\$68.00
2019 (ord. 2940)	Transportation & Transportation Demand Management Programs	\$67.00
2018 (ord. 2940)	Transportation & Transportation Demand Management Programs	\$66.00
2015 (ord. 2770)	Transportation & Transportation Demand Management Programs	\$64.00
2013 (ord. 2667)	Transportation & Transportation Demand Management Programs	\$57.00
2011 (ord. 2567)	Transportation & Transportation Demand Management Programs	\$56.00
1996 (ord. 1924)	Transportation & Transportation Demand Management Programs	\$55.00

Appendix H: History of the Long-Range Financial Strategy

In 2005, the Redmond City Council was advised that a period of unusual fiscal stress was approaching. In response, the City Council aimed to proactively address potential challenges and provide long-term, strategic guidance on financial matters. The result led to the development of the City's first Long-Range Financial Strategy (LRFS) by the Public Administration and Finance Committee.

Initially titled "Navigating the Rapids," it was intended to acknowledge the anticipated financial pressures of steering through turbulent rapids – challenging but temporary. While the immediate concerns were pressing, the City Council emphasized the importance of sustainability and resilience in financial decision-making over the long term.

Once adopted, the LRFS became a guiding framework for evaluating policy. As noted in the revenue policy framework strategy, the City Council has taken several steps since 2005 to align revenue strategies with community needs – actions that directly reflect the influence of the LRFS on policy decisions made at the time.

To initiate the budget approach in 2008⁸, an independent firm held four focus groups with Redmond residents to determine community priorities. The focus group participants were chosen at random based on gender, age, and location of residence. Following the focus group discussions, the City held a community workshop for all community members to give further input and comment on the focus groups' identified priorities.

Throughout 2019 and 2020, an additional four focus groups consisting of residents and business representatives were assembled by an independent firm to help the City understand evolving community needs and inform an update for improving the budget priorities to reflect how the community currently identifies them.

To communicate progress Redmond maintains a Performance Indicator Dashboard, which tracks progress of each of the community's desired outcomes. Initially developed in 2011 and merged with the Community Indicators Report in 2014, the dashboard was reviewed and updated in 2017 and 2020.

Key Milestones in Redmond Long-Range Financial Strategy:

Foundation and Early Development (2005-2010)

- 2005 - Created the Long-Range Financial Strategy (LRFS)
- 2007 - Proposed a voter-approved property tax levy
- 2008 - Launched initial Budgeting by Priorities (BP) process
- 2008 - First use of long-term financial planning
- 2009 - Established "Price of Government" target
- 2010 - Developed equivalent prioritization process for Capital Investment Plan (CIP)
- 2010 - Conducted Government Finance Officers Association (GFOA) review of financial processes

⁸ See Appendix I for a Key Milestones in Redmond's Long-Range Financial Strategy

Expansion of Innovation and Performance Focus (2011-2014)

- 2011 - Initiated employee innovation program
- 2011 - Implemented Microsoft Dynamics AX 2012
- 2011 - Launched Capital Investment Strategy (CIS)
- 2011 - Embedded performance measures in BP
- 2011 - Validated community budget priorities
- 2012 - Integrated logic models into Budgeting by Priorities
- 2012 - Began performance reporting to City Council at the priority level
- 2012 - Introduced Civic Results Team consisting of Redmond community members
- 2013 - Began quarterly financial performance reports
- 2014 - Applied updated Capital Investment Strategy prioritization process
- 2014 - Established LEAN process improvement framework

Refinements and Strategic Alignment (2016-2020)

- 2016 - Streamlined Staff Results Team process into a single, unified team
- 2016 - Strengthened focus on levels of service and connection to performance linkage
- 2018 - Conducted citywide performance management assessment and identified improvements
- 2018 - Incorporated demonstrated efficiencies into budget decisions
- 2019 - Developed first Community Strategic Plan
- 2019 - Conducted focus groups to inform updated community priorities
- 2020 - Updated community budget priorities, outcome maps, and performance measures
- 2020 - Standardized budget narratives across all programs
- 2020 - Expanded community involvement in the Civic Results Team
- 2020 - Introduced Business Technology Investment Program (BTIP)
- 2020 - Adopted Environmental Sustainability Action Plan (ESAP)
- 2020 - Adopted Climate Action Implementation Plan

Process Improvements and Technological Advancements (2021-2023)

- 2021 - Enhanced CIP reporting, communication, and budgeting
- 2021 - Implemented quarterly CIP reporting
- 2022 - Added public hearing for CIP and BTIP processes
- 2022 - Adopted Vision Zero
- 2022 - Updated Staff Results Team to utilize Deputy Directors Team
- 2022 - Proposed voter levy for Public Safety
- 2022 - Separated service enhancements and reductions from baseline budget plans
- 2023 - Implemented Microsoft Dynamics 365 (D365)
- 2024 - Consolidated service enhancements and reductions into measurable packages
- 2024 - Developed preliminary plan for next steps of service enhancements

Recent Strategic Initiatives (2024-2026)

- 2024 - Implemented Transportation Benefit District (TBD)
- 2024 - Updated the Community Strategic Plan
- 2024 - Introduced Budgeting for Equity lens into budget decision-making
- 2024 - Adopted first Economic Development Plan
- 2024 - Adopted first Tourism Strategic Plan

- 2024 - Initiated departmental and baseline budget overview presentations to City Council
- 2024 - Developed new Budget Summary Report
- 2024 - Adopted the Comprehensive Plan Update (Redmond 2050)
- 2025 - Create Budget Performance Report
- 2025 - Update outcome maps and performance measures through Deputy Directors Team
- 2026 - Begin quarterly BTIP reporting
- 2026 - Implement Budget Performance Report
- 2026 - Enhance department budget presentations with performance measure reviews



The City of Redmond assures that no person shall, on the grounds of race, color, national origin, or gender, as provided by Title VI of the Civil Rights Act of 1964 and the Civil Rights Restoration Act of 1987, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity. For more information about Title VI, please visit redmond.gov/TitleVI.

无歧视声明可在本市的网址 redmond.gov/TitleVI 上查阅 | El aviso contra la discriminación está disponible en redmond.gov/TitleVI.

Long-Range Financial Strategy - Council Feedback Matrix 2026

	CP Stuart	CVP Nuevacamina	CM Forsythe	CM Kritzer	CM Parsi	CM Prakriya	CM Soni	Question/Suggested Edit	Discussion	Status
1							x	<p>Page 3 <u>Philosophy 2: Intentional City revenue structure</u> <i>This section notes that the distinction between taxes and fees isn't clear to the public. We should add a directive here to create a simple, unified public-facing graphic that breaks down exactly where a resident's total tax dollar goes.</i></p>		
2	x							<p>Page 4 <u>Principle 3: Strategic Alignment</u> <i>Need to determine if Community Strategic Plan still applies here, or if it's redundant to recently adopted comp plan.</i></p>		
3	x							<p>Page 4 <u>Principle 6: Commitment to Respect, Equity, Diversity, and Inclusion</u> <i>This is not the same definition as the REDI-AR plan, which calls for equal access. We should ensure these two plans have common goals.</i></p>		
4							x	<p>Page 3 <u>Philosophy 1: Balance service levels with financial impacts</u> Page 4 <u>Principle 1: Resource Awareness</u> Page 5 <u>Purpose and Approach, Paragraph 2</u> <i>It states that the City must operate within the boundaries of what community members are "willing to invest". Beyond lagging voter metrics or standard community surveys, what objective, real-time metrics is the Finance Department using to establish where that "willingness ceiling" actually sits?</i></p>		
5							x	<p>Page 3 <u>Philosophy 1: Balance service levels with financial impacts</u> Page 4 <u>Principle 1: Resource Awareness</u> Page 5 <u>Purpose and Approach, Paragraph 2</u> <i>These pages say Redmond shouldn't tax or charge residents more than they are "willing to invest" for city services, and acknowledges that residents often don't care which government agency is taxing them, they just see the total bill. How do we actually know when residents have reached their limit on taxes and fees? What surveys or tools tell us they are "unwilling" to pay more?</i></p>		

Long-Range Financial Strategy - Council Feedback Matrix 2026

	CP Stuart	CVP Nuevacamina	CM Forsythe	CM Kritzer	CM Parsi	CM Prakriya	CM Soni	Question/Suggested Edit	Discussion	Status
6	x							<p>Page 8 <u>Strategy 1: Community Investment Plan - Paragraph 4:</u> "[Community Investment Rate between] 5.2% and 5.5%..." Council should study this rate and determine if it is still accurate and reflects our principles.</p>		
7	x							<p>Page 9 <u>Paragraph 2, Last Sentence: "As a result, the relative community investment in city services is projected to reduce over time."</u> I would like to better understand the implications of this forecast. As the community grows, service level demands will also rise.</p>		
8	x							<p>Page 10 <u>First Line: "...exploring new tools authorized under Washington State Law."</u> Would like to improve this statement by calling on the city to promote new revenue tools we would like to use. Recognize our efforts to help shape the tools we'd like to use.</p>		
9							x	<p>Page 10 <u>Line 1</u> The text mentions using "new tools authorized under Washington State law" to fix the revenue slide. We should name the specific options being modeled (like local sales or utility tax tools) so Council knows exactly what is on the table.</p>		
10	x							<p>Page 10 <u>Strategy 2: Revenue Policy Framework, Paragraph 5, Line 4: "...Redmond taxpayers in deliberation."</u> Would like to the standards for this deliberation more clearly defined, as guided by the public participation guiding policies of the comp plan.</p>		
11							x	<p>Page 10 <u>Strategy 2: Revenue Policy Framework, Paragraph 5</u> Dictates that tax increases exceeding historical norms should include "Redmond taxpayers in deliberation" and warns that excessive taxes/fees risk driving businesses away. What explicit percentage change triggers a tax or fee adjustment to be defined as "exceeding historical norms," and what legal/operational mechanisms will be used to facilitate that community deliberation? Can we provide some more specifics?</p>		

Long-Range Financial Strategy - Council Feedback Matrix 2026

	CP Stuart	CVP Nuevacamina	CM Forsythe	CM Kritzer	CM Parsi	CM Prakriya	CM Soni	Question/Suggested Edit	Discussion	Status
12							x	Page 12 <u>Strategy 3: Long-Range Financial Planning, Paragraph 3</u> <i>"Crossing Lines" Principle: The draft relies on a static two-year correction cycle to fix the gap between costs and revenues. We should add a policy trigger that automatically pauses non-essential general fund spending mid-biennium if inflation outpaces our 6-year forecast.</i>		
13	x							Page 13 <u>Strategy 4: Community-Informed Citywide Planning - lines 4 & 5: "...these plans..."</u> <i>CIS and Capital Facilities Plan? PARCC Plan?</i>		
14							x	Page 15 <u>Comprehensive Plan (Redmond 2050)</u> <i>This section highlights packing 73% of residential growth into Downtown, Overlake, and Marymoor but does not address localized infrastructure funding. We need to clarify if our current impact fee structure fully covers these nodes, or if neighborhood funds will implicitly subsidize them.</i>		
15							x	Page 17 <u>Strategy 5: Economic Development Strategic Plan</u> <i>The draft focuses heavily on attracting major technology employers but lacks a clear strategy for small business retention. We should ensure this strategy aligns with our commercial anti-displacement goals so local businesses aren't priced out.</i>		
16							x	Page 19 <u>Strategy 7: Business Technology Investment Strategy</u> <i>This outlines digital transformation but does not account for the short lifecycles of software assets compared to physical infrastructure. We need to require a dedicated, rolling technology replacement reserve fund to avoid sudden hits to the general fund.</i>		
17	x							Page 21 <u>Paragraph Below Table: "The Community Results Team (CRT)..."</u> <i>Discussion needed on the future of the Community Results Team, which is not being used this budget cycle and was modified in the prior biennium.</i>		
18							x	Page 22 <u>Strategy 9: Fiscal Resilience and Reserve Management</u> <i>The framework prioritizes keeping large cash reserves to maintain our AAA bond rating. We should study whether our reserve targets are artificially high, potentially locking up public funds that could be immediately deployed to fix our backlogged sidewalks and parks.</i>		

Long-Range Financial Strategy - Council Feedback Matrix 2026

	CP Stuart	CVP Nuevacamina	CM Forsythe	CM Kritzer	CM Parsi	CM Prakriya	CM Soni	Question/Suggested Edit	Discussion	Status
19	x							Page 23 <u>Strategy 10: Performance Management - Row 4: "A. Performance Indicator Dashboard..."</u> <i>Where can the public find this dashboard?</i>		
20				x				Add more content about the City's priority of maintaining infrastructure	The Asset Management Program will be added to the CIP section.	In Process



Building a Sustainable, Inclusive,
and Resilient Future

FISCAL POLICIES

CITY OF REDMOND | 2026

Table of Contents

1.0 Building a Sustainable, Inclusive and Resilient Future.....	4
1.1 Fiscal Policies Purpose and Framework.....	4
1.2 Fiscal Policies Development and Maintenance.....	4
2.0 Biennial Budget Policies	5
2.1 Biennial Budget Policies Purpose and Framework.....	5
2.2 Biennial Budget Adoption	5
2.3 Biennial Budget Amendments	6
2.4 Forecasting and Financial Planning.....	6
3.0 Revenue Policies.....	7
3.1 Revenue Polices Purpose and Framework.....	7
3.2 Revenue Structure and Diversification	7
3.3 User Fees and Charges	8
3.4 Enterprise Fund Revenues	9
3.5 Grants and Intergovernmental Revenues.....	9
4.0 Operating Expenditure Policies	10
4.1 Operating Expenditure Policies Purpose and Framework.....	10
4.2 Operating Expenditure Budget Development Standards	11
5.0 Capital Investment Programs Policies	11
5.1 Capital Investment Programs Polices Purpose and Framework.....	11
5.2 Prioritization of Capital Investments.....	12
5.3 Capital Program Funding Appropriations	12
5.4 Managing Capital Project Financial Risk.....	13
5.5 Operating Impact of Capital Investments	14
5.6 Capital Investment Funding.....	15
5.7 Capital Investment Financial Management.....	18
6.0 Operating Reserves Policies.....	18
6.1 Operating Reserves Policies Purpose and Framework.....	18
6.2 General Operating Reserve	19
6.3 Other Operating Reserves	19
6.4 Economic Contingency	21
7.0 Financial Compliance Policies	21

7.1 Financial Compliance Policies Purpose and Framework.....	21
7.2 Accounting and Budgeting Standards	22
7.3 Internal Controls	22
7.4 Financial Reporting	23
7.5 Annual Comprehensive Financial Report.....	23
7.6 Annual State Audit.....	24
7.7 Asset Management	24
8.0 Investment Policies	25
8.1 Investment Policies Purpose and Framework.....	25
8.2 Governing Authority.....	25
8.3 Investment Policy Scope.....	25
8.4 Investment Policy Objectives.....	25
8.5 Standards of Care	26
8.6 Safekeeping, Custody, and Controls	27
8.7 Authorized Financial Dealers.....	28
8.8 Authorized and Suitable Investments	29
8.9 Investment Parameters	31
8.10 Reporting Requirements.....	33

1.0 Building a Sustainable, Inclusive and Resilient Future

1.1 Fiscal Policies Purpose and Framework

1.1.1 Purpose and Framework

The City of Redmond's Fiscal Policies establish a framework for managing public finances in a sustainable, transparent, and responsible manner. By maintaining sound financial management practices, the City supports long-term financial health, sustainable service delivery, and strong credit quality. The policies guide consideration of equity and long-term community impacts in resource allocation decisions, helping to sustain a strong economic and social foundation for Redmond.

1.1.2 Adoption

The policies are adopted by the City Council and shall be applied to all City funds and interpreted in a manner consistent with applicable laws, regulations, and any more specific fund-level or legally required policies.

1.1.3 Goals

The fiscal policies are intended to:

- Promote long-term financial stability
- Support equitable allocation of resources
- Maintain public trust and accountability
- Preserve an excellent credit rating and sound fiscal condition
- Ensure compliance with applicable laws and standards

1.2 Fiscal Policies Development and Maintenance

1.2.1 Development

The Fiscal Policies are developed based on recognized best practices in public financial management, including frameworks recommended by the Government Finance Officers Association (GFOA). Input from City leadership, City Council, and departmental stakeholders is incorporated to ensure the policies reflect program requirements.

1.2.2 Maintenance

- The Finance Director is responsible for maintaining the policies and ensuring alignment with the City's financial goals, regulatory requirements and long-range planning efforts.

1.2.3 Implementation

- The Finance Department shall work with the Mayor, City Council, and departments to ensure consistent application and effective implementation of the policies across the organization.

1.2.4 Updates

- The City shall review and update the policies biennially unless there is an urgent need for an adopted change.

2.0 Biennial Budget Policies

2.1 Biennial Budget Policies Purpose and Framework

2.1.1 Biennial Budget

The biennial budget is the City of Redmond’s comprehensive two-year financial plan. It aligns forecasted revenues with expenditures required to deliver services and maintain infrastructure. A preliminary biennial budget is developed by the Mayor and City leadership for review and adoption by City Council.

2.1.2 Budget Development Guidelines

The development of the biennial budget must:

- Align resources with community priorities
- Measure progress toward desired outcomes
- Promote efficient use of public resources
- Encourage continuous improvement and innovation
- Build regional coordination and partnerships
- Promote equitable compensation

2.2 Biennial Budget Adoption

2.2.1 Resources and Expenditures

- City Council shall adopt a balanced biennial budget in which total resources, including revenues and beginning fund balance, are equal to or greater than total expenditures.

2.2.2 Ongoing Appropriations

- All ongoing appropriations will lapse at the end of the budget cycle and unspent appropriations will not be carried forward.

2.3 Biennial Budget Amendments

2.3.1 Circumstances

- City Council shall adopt amendments to the biennial budget as necessary to:
 - Recognize reconciled beginning fund balances
 - Accept new revenue
 - Add additional position authority
 - Address unforeseen expenditures
 - Approve additional appropriation requests or capital projects
 - Correct budget entries

2.3.2 Supporting Documentation

- City Council must receive a comprehensive overview of requested budget amendments that includes rationale, financial assessment, and recommended funding sources if required.

2.3.3 Economic Downturn

- During periods of economic downturn, the City may implement budget reductions or other financial strategies designed to minimize impacts of core service levels and maintain financial stability.

2.4 Forecasting and Financial Planning

2.4.1 Multi-Year Planning

- Multi-year financial planning shall be used to support long-term decision-making and identify potential financial risks.

2.4.2 Community Investment Rate (CIR)

- The City will maintain an annual Community Investment Rate (CIR) between five and five and one-half percent (5.0% - 5.5%).

2.4.3 Forecasts

- 6-Year revenue and expenditure forecasts will:
 - Be maintained and updated biennially.
 - Be prepared using an objective, analytical, and transparent process, consistent with best practices established by the Government Finance Officers Association (GFOA).
 - Include clearly documented assumptions, methodologies, and data sources.
 - Consider economic, legal, and operational risks.
 - Use economic assumptions influenced by reliable and relevant sources such as the Washington State Economic and Revenue Forecast Council and the King County Office of Economic and Financial Analysis.
 - Use conservative forecasting practices for economically sensitive revenues to minimize the risk of revenue shortfalls.

2.4.5 Budgeting Practices

- Budget practices that compromise long-term financial stability will be avoided.

3.0 Revenue Policies

3.1 Revenue Policies Purpose and Framework

3.1.1 Purpose

The City of Redmond's revenue policies guide decisions related to the generation, collection, forecasting, and management of financial resources. These policies ensure a diverse, stable, equitable, and sustainable revenue base.

3.1.2 Considerations

The City will:

- Evaluate all available revenue options within the limits of state law.
- Consider economic competitiveness and community impact when evaluating revenue changes.
- Review revenue policies biennially.
- Encourage departments and programs to identify and pursue opportunities to diversify revenue sources where appropriate.
- Collect all legally entitled revenues efficiently and timely.

3.2 Revenue Structure and Diversification

3.2.1 Approach

- As permitted by state law, the City will strive to maintain a diversified revenue mix, encompassing elastic and inelastic revenues, to help manage the downside risks associated with economically sensitive revenue sources and to keep pace with expenditure growth.

3.2.2 Timing

- City Council will consider revenue changes as part of the biennial budget process and when new opportunities are available to pursue.

3.2.3 Revenue Sources

- Revenue sources may include, but are not limited to:
 - Taxes
 - User fees and service charges for licenses and permits
 - Utility rates and surcharges
 - Intergovernmental revenues and grants
 - Contract revenues
 - Development Agreements

3.2.4 Considerations

- The City will consider the following when evaluating new or modified revenue sources:
 - Legal authority and compliance with state law
 - Stability and predictability of the revenue source
 - Administrative feasibility and cost of collection
 - Economic and equity impacts on residents and businesses

3.2.5 Future Planning

- The City will plan for revenue volatility by:
 - Maintaining adequate reserves
 - Avoiding over-reliance on economically sensitive revenues
 - Aligning expenditures with sustainable revenue levels

3.2.6 Funding Stipulations

- One-time or non-recurring revenues will not be used to fund long-term ongoing operating expenditures or positions.

3.3 User Fees and Charges

3.3.1 User Fees

- The City will establish user fees and service charges to recover the full cost of providing the related services.

3.3.2 Purposes

- Fees shall be designed to:
 - Recover full cost of service
 - Promote fairness between users and non-users
 - Support policy objectives

3.3.3 Cost Recovery

- Full cost recovery shall consider:
 - Direct and indirect costs
 - Cost of service delivery and fee administration
 - Administrative and overhead costs
- Deviation from full cost recovery shall be documented with a clear policy rationale.

3.3.4 Adjustments to Fees

- The City will:
 - Adjust all user fees and charges annually based on either the Consumer Price Index (CPI) or the Cost-of-Living Adjustment (COLA), whichever amount is greater. This applies to:
 - Administrative fees
 - Business License fees
 - Operating fees
 - Service charges
 - User fees
 - Conduct comprehensive cost-of-service studies at least every five years.
 - Periodically test user fees and charges to ensure cost recovery.
 - Create new fees for Council approval when appropriate

3.4 Enterprise Fund Revenues

3.4.1 Management

- Enterprise revenues shall be managed to ensure long-term financial sustainability and compliance with bond covenants.

3.4.2 Rates and Charges

- The City shall establish rates and charges for enterprise funds at levels sufficient to fully support:
 - Operating expenses
 - Capital costs and depreciation
 - Debt service obligations
- Rate-setting shall be informed by financial modeling and include evaluation using:
 - Net Income Test
 - Cash Flow Test
 - Coverage Test (minimum 1.2x annual debt service unless otherwise required)

3.5 Grants and Intergovernmental Revenues

3.5.1 Grant Opportunities

- The City will actively pursue grant funding opportunities that align with City priorities and financial policies.

3.5.2 Approval

- Prior to applying for grants:
 - Departments must obtain approval from the Mayor, Mayor designee, Grants Oversight Committee or Governance Committee
 - Long-term financial and operational impacts must be evaluated

3.5.3 One-Time vs. Ongoing Revenue

- Grant funding is considered one-time revenue, unless it has been received for two consecutive budget cycles (four years).

3.5.4 Grant Management Practices

- Grant management practices shall ensure:
 - Compliance with all grant requirements
 - Accurate tracking of grant-funded revenues and expenditures
 - Identification of funding expiration and associated service impacts

3.5.5 Grant-Funded Programs

- Grant-funded programs shall not create ongoing financial obligations unless a sustainable funding source has been identified.

3.5.6 Acceptance of Grants

- Acceptance of grants that require budget adjustments shall be approved through the formal budget amendment process.

4.0 Operating Expenditure Policies

4.1 Operating Expenditure Policies Purpose and Framework

4.1.1 Expenditure Policy

Expenditures will be proactively managed to ensure that the City's cost of providing services sustainable and are monitored consistently for compliance with adopted or amended budgets.

4.1.2 Objectives

Expenditure policies are intended to achieve the following objectives:

- Ensure that personnel budgets and the compensation structures to attract and retain a talented workforce are sustainable
- Provide guidelines and targets for non-labor costs
- Allow for expenditures to be forecasted in the short-term and long-term
- Create a framework for evaluating new and current programs that considers cost and performance.

4.2 Operating Expenditure Budget Development Standards

4.2.1 Baseline Budget Plans

- Baseline budget plans will include:
 - Expenditures for current programs and services forecasted based on historical data, current conditions, and documented assumptions.
 - Operating expenditure impacts of completed capital projects.
 - Carryforward funding needed to complete approved one-time service enhancements.
- Departments will budget expenditures in accounts they are expected to occur and review historical spending patterns to improve accuracy.

4.2.2 New Positions

- Recognizing that adding new positions creates a long-term commitment for the City, prior to adding positions emphasis will be placed on:
 - Repurposing current or vacant positions
 - Increasing efficiencies to create capacity
 - Implementing technology improvements

4.2.3 Asset Management

- The City shall maintain assets to preserve value and minimize lifecycle costs.
- An equipment replacement needs forecast shall be maintained and updated biennially.

4.2.4 Indirect Cost Allocation

- An indirect cost allocation plan for distributing general government's costs to other funds shall be maintained and updated biennially.

4.2.5 Capital Programs

- All positions funded through capital programs will charge time directly to appropriate capital projects. Positions will not be allocated to capital programs via the HR Personnel Action Notice (PAN) process.

5.0 Capital Investment Programs Policies

5.1 Capital Investment Programs Policies Purpose and Framework

5.1.1 Capital Assets

The City of Redmond shall manage and invest in capital assets to provide services in a cost-effective, sustainable, and timely manner. The City shall preserve existing assets and plan for future investments, including associated operating and maintenance costs.

5.1.2 Capital Programs

The City manages capital investments through two coordinated programs:

- Capital Investment Program (CIP)
- Business Technology Investment Program (BTIP)

The CIP is the primary planning and budgeting tool for infrastructure investments. The BTIP provides a structured framework for planning, prioritizing, funding, and managing technology investments across the organization.

The goals for the development of the capital investment programs include:

- Preserve and enhance the City's assets and systems
- Support reliable, efficient, and secure service delivery
- Align investments with strategic priorities and long-range plans
- Ensure financial sustainability and accountability
- Incorporate lifecycle cost planning and risk management

5.2 Prioritization of Capital Investments

5.2.1 Maintaining Existing Assets

- Priority shall be given to maintaining existing assets while balancing new investments with financial capacity.

5.2.2 Project Prioritization

- Projects shall be prioritized based on service delivery standards and strategic priorities.
- The following criteria shall be considered in the prioritization of capital investment projects (listed in no order):
 - Legal or regulatory requirements
 - Public health and safety impacts
 - Asset preservation and replacement needs
 - Cost-effectiveness and lifecycle cost reduction
 - Availability of external funding or partnerships
 - Alignment with the City's Comprehensive Plan and strategic priorities
 - Improvement in service delivery and community outcomes

5.3 Capital Program Funding Appropriations

5.3.1 Funding Sources

- Capital funding sources may be appropriated for:
 - Infrastructure projects that cost at least \$50,000 with a useful life of at least five (5) years.
 - Technology projects that cost at least \$10,000 with a useful life at least three (3) years.
 - Approved, coordinated, and ongoing programs.
 - Allowable non-capitalizable costs such as assessments, studies, plans, and monitoring of capital asset performance, which will be expended in the operating budget, but funded by transfers from the capital program.

5.3.2 Capital Project Financing

- The City will identify the estimated costs and potential funding sources for each capital project.
- The City will determine the least costly financing method for all capital investments while ensuring cash flow needs are still met.

5.3.3 Council Approval

- City Council will approve the capital investment program plans and project appropriations in two-year increments for inclusion in the biennial budget.
- Funding commitments for the future years will be reconfirmed during future budget processes.

5.3.4 Carryover Budget

- Capital projects are typically multi-biennial projects implemented in phases with automatic carryover of budget from one biennium to the next.

5.3.5 Project Budget Management

- Capital investment project budgets will be approved by City Council in total. Budgets for project phases will be managed by project managers.

5.4 Managing Capital Project Financial Risk

5.4.1 Contingency

- To mitigate project-level risks, contingent appropriation authority shall be included at the project level to ensure on-schedule completion of projects. The contingency amount shall be adjusted as the risk factors are assessed in the planning and design phases.
- Each capital program shall document the methodology for budgeting contingency at the project level.

5.4.2 Alternate Project Delivery Method

- Any program or project considering use of an alternate project delivery method which requires approval by the State of Washington Capital Projects Advisory Review Board under RCW 39.10.280 shall seek City Council approval during the planning phase.

5.4.3 Transportation Benefit District (TBD)-Funded Projects

- A material change to a Transportation Benefit District (TBD)-funded project shall be defined as a significant modification to the project’s scope, schedule, or budget. The following conditions shall constitute a material change:
 - Scope
 - A substantial revision to the project’s purpose, design, or intended outcomes that alters the originally approved level of service, functionality, or community benefit.
 - Schedule
 - A delay in the project schedule of more than three hundred sixty-five (365) days, or
 - Any delay that significantly impacts the timing, sequencing, or funding of other TBD projects.
 - Budget
 - A projected increase in total project cost of more than twenty percent (20%) compared to the originally approved project budget.
 - When a material change is identified:
 - The City shall conduct a public hearing to solicit community input on the proposed changed and potential alternatives.
 - City staff shall provide a comprehensive analysis to the City Council that includes:
 - Description of the proposed change
 - Causes and contributing factors
 - Financial and programmatic impacts
 - Impacts to other TBD projects or funding capacity
 - Recommended course of action
 - City Council shall review and approve any material change prior to implementation.

5.4.4 Technology Projects

- Technology projects with an estimated project cost of \$10,000 or less, and funded out of the operating budget, shall be established as discrete projects in the City’s financial system for accountability and transparency.

5.5 Operating Impact of Capital Investments

5.5.1 Costs

- The near- and long-term support, maintenance and operating costs associated with a capital project proposal shall be estimated and included to evaluate life cycle costs.

5.5.2 Operating Costs

- The capital project approval process must ensure that necessary funds can reasonably be assumed to be available for increased operating costs stemming from project completion.

5.6 Capital Investment Funding

5.6.1 Capital Investment Program Funding

- The City will annually transfer five percent (5%) of discretionary General Fund revenues plus the pavement management contribution to the capital investment program as part of the biennial budget.

5.6.2 General Fund Transfers

- General Fund transfers for capital projects will be made on a reimbursable basis.

5.6.3 Real Estate Excise Tax (REET)

- Real estate excise tax (REET) will be used for one-time capital project funding. It will not be used for general maintenance of the City's infrastructure.

5.6.4 Impact Fees and Capital Facilities Charges

- All impact fees and capital facilities charges will be increased annually based on the Consumer Price Index (CPI).

5.6.5 Fee and Charge Updates

- The City shall conduct comprehensive updates for all impact fees and capital facilities charges at least every five years.

5.6.6 Business Tax Increases

- Business Tax will be increased annually based on the CPI.

5.6.7 Capital Grant Funding Requirements

- Applications for capital grant funding will only be submitted if the project receiving the funding is part of the City's Capital Investment Strategy and/or approved by the Governance Committee.

5.6.8 Short-Term Debt

- Short-term debt encompasses a payback period of three years or less.
- The City may use short-term debt or interfund loans to meet temporary cash flow needs.
- Interfund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of these funds will not impact the fund's current operations.
- Interfund short-term borrowing will be subject to City Council approval and will bear interest based upon prevailing rates.
- The City will not use short-term debt for current operations.

5.6.9 Long-Term Debt

- Long-term debt encompasses a payback period of more than three years.
- The City will utilize long-term borrowing for capital projects that cannot be financed with available cash and/or anticipated cash flows on a pay-as-you-go basis.
- Current outstanding debt can be refinanced through issuing refunding bonds provided that the net present value (NPV) savings from securing lower interest rates is at least four percent (4%).
- The City will determine whether self-supporting bonds (such as special assessment improvement district bonds) are in the City's best interest when planning to incur debt to finance capital improvements.
- The City will maintain proactive communications with the investment community, including the secondary market, about its financial condition. In addition, the City will follow a policy of full disclosure on its financial reports and the bond prospectus (also known as the Official Statement).
- The City will not use long-term debt for current operations.

5.6.10 General Obligation Bonds

- Every project proposed for financing through general obligation debt shall be accompanied by a full analysis of the future support, maintenance and operating costs associated with the project.
- Bonds cannot be issued for a longer maturity schedule than a conservative estimate of the useful life of the asset to be financed.
- Before general obligation bond propositions are placed before the voters, the capital project(s) under consideration shall be included in the Capital Investment Program. The source of funds should describe the intended use of bond financing.
- No general obligation bonds issued for one or more capital projects shall exceed 50 percent of the total project funding without voter approval.

5.6.11 Limited Tax General Obligation Bonds

- As a precondition to the issuance of limited tax (i.e., non-voted) general obligation bonds, alternative methods of financing should also be examined.
- Limited tax general obligation bonds should only be issued under certain conditions:
 - A project requires funding not available from alternative sources
 - Matching fund monies are available which may be lost if not applied for in a timely manner
 - Catastrophic conditions.

5.6.12 Revenue Bonds

- Revenue bonds are used to finance construction or improvements to facilities of enterprise systems operated by the City in accordance with the Capital Investment Program and are generally payable from the enterprise.
- No taxing power or general fund pledge is provided as security. Unlike general obligation bonds, revenue bonds are not subject to the City's statutory debt limitation nor is voter approval required.

5.6.13 Financing of Lease Purchases

- Lease purchase financing may be used as an alternative method to fund capital acquisitions when it is determined to be in the City's best financial and operational interest.
- The City shall evaluate lease purchase financing based on the following criteria:
 - Cost effectiveness
 - Asset characteristics
 - Budget and cash flow impacts
 - Flexibility and risk
- Lease purchase agreements shall comply with applicable Washington State Law governing municipal debt and financing authority.
- The term of any lease purchase agreement shall not exceed the useful life of the asset being financed.
- Lease purchase obligations shall be used solely for the acquisition of capital assets with a defined useful life and shall not be used to finance recurring operating expenditures.

5.6.14 Long-Term Interfund Loans

- The City may utilize interfund loans rather than outside debt instruments to finance capital investments. Interfund loans will be permitted only if an analysis of the affected fund indicates excess funds are available and the use of these funds will not impact the fund's anticipated operations.
- All interfund borrowing will be subject to prior approval by the City Council and will bear interest based upon prevailing rates.
- The decision to use interfund loans rather than outside debt will be based on which is deemed to be the most cost-effective approach to finance capital investments. Such an assessment will be reviewed by the City's Financial Advisor, who shall provide an objective analysis and recommendation to the City Council.

5.7 Capital Investment Financial Management

5.7.1 Capital Investment Strategy

- The City will maintain a long-term Capital Investment Strategy (CIS) that addresses the capital needs of the community consistent with the City's vision, comprehensive plan, and functional area plans.

5.7.2 Capital Investment Plan

- The City will develop six-year capital investment plans, including related support and maintenance & operations costs. Financial plans shall be updated annually to ensure continued available resources to fund projects.

5.7.3 Infrastructure Investment Forecasts

- Infrastructure investment forecasts will consider changes in population, real estate development, and economic conditions.

5.7.4 Technology Investment Forecasts

- Technology investment forecasts will consider factors such as emerging technologies, cybersecurity risks, and the evolving digital service needs of the community.

6.0 Operating Reserves Policies

6.1 Operating Reserves Policies Purpose and Framework

6.1.1 Purpose of Operating Reserves

- The City of Redmond shall maintain operating reserves to maintain a prudent level of financial resources to protect against reducing service levels or raising taxes and fees due to temporary revenue shortfalls or unpredicted one-time expenditures.
- Reserves will be reviewed on an ongoing basis for sufficiency and relevance.

6.1.2 General Fund Surplus

- Any General Fund surplus at the end of the biennium will be used to meet or increase reserve requirements first. The remaining balance will be used to fund one-time expenditures and to provide additional funding for the capital investments.
- A surplus is defined as the difference between the actual beginning fund balance and the originally budgeted fund balance for the current biennium. It consists of unspent budgeted expenditures from the prior biennium, which are not being carried over to the current biennium, and revenues above what was budgeted in the prior biennium.

6.1.3 Calculating Reserves

- The Operating Reserve, Economic Contingency, and the Revenue Stabilization Fund are all calculated based on revenues. All remaining reserves are calculated based on expenditures, as is GFOA best practice.

6.2 General Operating Reserve

6.2.1 Purpose

- This reserve shall be created and maintained to provide sufficient cash flow to meet daily financial needs and to sustain City services when there is a catastrophic event.

6.2.2 Reserve Level

- The City shall maintain a General Operating reserve at a level of twelve percent (12%) of total General Fund budgeted revenues in the current year, excluding beginning fund balances, development review revenues, and any significant one-time revenues.
 - The target was increased in 2022
 - The City is incrementally increasing the level of reserves each biennial budget and is currently at nine percent (9%)
- The reserves are held separately from the General Fund in the Operating Reserves Fund.

6.2.3 Council Approval

- City Council approval is required prior to use of the reserves.

6.2.4 Designated Use

- In no event shall the reserves be used to support City services longer than two years.

6.3 Other Operating Reserves

6.3.1 Operating Reserve Levels

- The City shall maintain operating reserves at a level of twelve percent (12%) of total budgeted expenditures in the current year, excluding ending fund balance, development review expenditures, and any significant one-time expenditures in all operating funds.
- Exceptions may occur when code requirements or risk assessments determine acceptable reserve levels for specific funds or programs.
 - Stormwater Operating Fund - Five percent (5%)
 - King County Wastewater Treatment - Three percent (3%)
- Operating reserves are held in fund balance in the respective funds.

6.3.2 Depreciation Reserves

- Depreciation reserves are transferred from the utility operating funds to the utility capital investment funds as part of the biennial budget. The reserves are used to maintain significant investments in utility capital assets.

6.3.3 Revenue Stabilization Reserve

- The City shall maintain a revenue stabilization reserve for the Water and Wastewater utilities. The required reserve balance shall be set at fifteen percent (15%) of the annually budgeted water and wastewater revenues collected through monthly rates, excluding King County wastewater treatment revenue.
- The revenue stabilization reserve can be used to supplement operating revenues when there is a revenue shortfall. If used, the revenue stabilization reserve shall be replenished within two years.

6.3.4 Debt Service Reserves

- Debt service reserves must be created and maintained in accordance with provisions set forth in bond covenants.
- The City shall maintain sufficient reserves to meet all statutorily required reserve funds to guarantee debt service.

6.3.5 Development Review Reserves

- Development review reserves shall be maintained to manage revenue fluctuations and ensure continuity of development review services and shall be used solely for costs associated with those services.

6.3.6 Vacation Accrual Reserve

- The City shall maintain a vacation accrual reserve.

6.3.7 Retirement Reserve

- The City shall maintain a reserve to stabilize contributions to state retirement systems due to temporary fluctuations in state rates.

6.3.8 Equipment Replacement Reserves

- The City shall maintain the following equipment replacement reserves:
 - City Fleet
 - Fire equipment
 - Capital Equipment Replacement Reserve (CERF) for general asset replacement
- The Equipment Replacement Reserves shall be maintained at a level sufficient to meet scheduled equipment replacements that reserve an acceptable level of municipal services.

6.3.9 Addressing Reserve Deficits

- Where deficits in reserves exist, a gradual correction over a multi-year period may be preferable to a large one-time increase.

6.4 Economic Contingency

6.4.1 Purpose

- The reserve shall be maintained to fund one-time operational and/or capital needs, and to support City services on a temporary basis pending the development of a long-term financial solution.

6.4.2 Reserve Balance

- The City shall maintain an Economic Contingency of at least five percent (5%) of primary General Fund revenues.
- Restoring or increasing the Economic Contingency to its target level is priority when there is a General Fund surplus at the end of a biennium.
- The contingency is held in the fund balance of the General Fund.

6.4.3 Council Approval

- City Council approval is required prior to its use.

6.4.4 Allowed Use

- In no event shall the Economic Contingency be used to support City services longer than two years.

7.0 Financial Compliance Policies

7.1 Financial Compliance Policies Purpose and Framework

7.1.1 Purpose

The Financial Compliance Policies establish standards to ensure the City's financial practices are accurate, consistent, transparent, and compliant with applicable laws, regulations, and professional standards.

7.1.2 City Responsibilities

The City shall:

- Maintain clear, consistent and documented accounting practices
- Ensure transparency and accountability in financial reporting
- Comply with all applicable federal, state, and local financial requirements

7.2 Accounting and Budgeting Standards

7.2.1 Budgeting and Accounting Practices

- All budgeting and accounting practices shall comply with Generally Accepted Accounting Principles (GAAP).
- The City shall maintain its accounting system in accordance with:
 - Standards for local government accounting
 - The State of Washington Budgeting, Accounting, and Reporting Systems (BARS)
- The City shall budget and account for revenues and expenditures using the modified accrual basis for governmental funds, consistent with GAAP.

7.2.2 Special Revenue Funds

- The City shall establish and maintain Special Revenue Funds in accordance with GASB Statement 54 to account for restricted or committed revenue sources.

7.2.3 Expenditure Classifications

- The City shall maintain expenditure classifications consistent with:
 - State law
 - Administrative regulations
 - The City's chart of accounts

7.2.4 Negative Revenues

- The City shall avoid the use of negative revenues except where required by accounting standards.

7.2.5 Documentation of Financial Policies and Procedures

- Financial policies and procedures shall be documented and maintained to support consistent application across departments.

7.3 Internal Controls

7.3.1 Purpose of Internal Controls

- The City shall establish and maintain a system of internal controls designed to:
 - Safeguard public assets
 - Ensure accuracy and reliability of financial records
 - Promote operational efficiency
 - Ensure compliance with applicable laws and policies
- Internal controls shall include, at a minimum:
 - Segregation of duties where feasible
 - Authorization and approval processes
 - Regular reconciliations and reviews
 - Protection against fraud, waste, and abuse

7.3.2 Review and Updates to Internal Controls

- The City shall periodically review and update internal control practices to address risks and improve effectiveness.

7.4 Financial Reporting

7.4.1 Reporting Schedule

- The City shall prepare and present quarterly financial reports to the City Council summarizing revenues and expenditures, with a particular focus on the General Fund.

7.4.2 Report Contents

- The City shall monitor actual financial results against the adopted budget and provide variance analysis as part of regular reporting.

7.4.3 Reporting During Economic Downturn

- In the event of a significant economic downturn or material revenue shortfall that cannot be absorbed within the adopted budget:
 - The City shall provide monthly financial reports to the City Council until conditions stabilize.

7.4.4 Report Accessibility

- Financial reports shall be made available to the public on the City's website to promote transparency.

7.5 Annual Comprehensive Financial Report

7.5.1 City of Redmond Annual Comprehensive Financial Report

- The City shall prepare an Annual Comprehensive Financial Report (ACFR) in accordance with GAAP and standards established by GFOA.
- The ACFR shall:
 - Present the City's financial position and results of operations
 - Include all required disclosures
 - Support compliance with secondary market disclosure requirements for outstanding debt

7.5.2 GFOA Eligibility

- The City shall strive to maintain eligibility for GFOA's Certificate of Achievement for Excellence in Financial Reporting.

7.6 Annual State Audit

7.6.1 Annual Audit

- The City shall ensure that its financial records and operations are audited annually by the Washington State Auditor’s Office.

7.6.2 Audit Results

- Audit results shall be:
 - Presented to City leadership and City Council
 - Made publicly available on the City’s website
- The City shall:
 - Address audit findings in a timely manner
 - Develop and implement corrective action plans as needed
 - Monitor programs on audit recommendations.

7.7 Asset Management

7.7.1 Fixed Asset System

- The City shall maintain a comprehensive fixed asset system to track:
 - Asset inventory
 - Location
 - Condition
 - Useful life
 - Depreciation
 - Disposition

7.7.2 Asset Management Practices

- The City shall:
 - Conduct periodic physical inventories of assets
 - Establish capitalization thresholds consistent with accounting policies
 - Ensure assets are properly recorded, maintained, and safeguarded
- Asset management practices shall support:
 - Accurate financial reporting
 - Lifecycle planning
 - Long-term capital investment decisions

8.0 Investment Policies

8.1 Investment Policies Purpose and Framework

Investment policies define the parameters within which funds are to be invested by the City of Redmond. These policies also formalize the framework of the City's policies and procedures to provide the authority and constraints for the City to maintain an effective and judicious management of funds within the scope of this policy.

These policies are intended to be broad enough to allow the Finance Director or authorized designee to function properly within the parameters of responsibility and authority, yet specific enough to adequately safeguard the investment assets.

These policies establish standards and guidelines for direction, management and oversight for all of the City of Redmond's investable cash and funds. Funds must be invested prudently to assure preservation of principal, provide needed liquidity for daily cash requirements, and provide a market rate of return. All investments must conform to federal, state, and local statutes governing the investment of public funds.

8.2 Governing Authority

The City of Redmond's investment authority is derived from RCW Chapters 35A.40.050 and 35.39.032. The investment program shall be operated in conformance with Washington Revised Statutes and applicable federal law. All funds within the scope of these policies are subject to regulations established by the State of Washington.

8.3 Investment Policy Scope

These policies apply to activities of the City of Redmond regarding investing the financial assets of the City. The City commingles its funds to maximize investment earnings and to increase efficiencies regarding investment pricing, safekeeping, and administration. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles (GAAP). The city maintains the right to separate certain funds and exclude them from the scope of this policy. Should bond covenants be more restrictive than this policy, funds shall be invested in full compliance with those restrictions.

8.4 Investment Policy Objectives

All funds will be invested in a manner that is in conformance with federal, state and other legal requirements. In addition, the objectives, in order of priority, of the investment activities will be as follows:

8.4.1 Safety

Safety of principal is the primary objective of the City. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To obtain this objective, funds will be diversified, utilizing highly rated securities, by investing in a variety of securities and financial institutions. The investment portfolio will be invested in a manner that meets RCW statutes and all legal requirements of the City.

8.4.2 Liquidity

The investment portfolio will provide liquidity sufficient to enable the City to meet all cash requirements that might reasonably be anticipated. Therefore, the investments shall be managed to maintain a minimum balance to meet daily obligations.

8.4.3 Return on Investment

The investment portfolio will be structured with the objective of attaining a market rate of return throughout economic cycles, commensurate with the investment risk parameters and the cash flow characteristics of the portfolio. Nevertheless, return on investment is a lesser objective than safety or liquidity.

8.5 Standards of Care

8.5.1 Delegation of Authority

Governing Body: The ultimate responsibility and authority for the investment of City funds resides with the City Council who has the authority to direct the management of the City investment program.

Authority: Overall management responsibility for the investment program is delegated to the Finance Director, or designee, who shall establish written procedures for the operation of the investment program, consistent with this investment policy. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

Investment Advisor: The City may contract with an external non-discretionary investment advisor (Advisor) to assist with the management of the City's investment portfolio in a manner that is consistent with the City's objectives and this policy. Such Advisors shall provide recommendations and advice regarding the City investment program including but not limited to advice related to the purchase and sale of investments by these investment policies.

8.5.2 Prudence

The standard of prudence to be used by the Finance Director or any designees in the context of managing the overall portfolio is the prudent person rule which states: *Investments will be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs not in regard to speculation but in regard to the permanent disposition of the funds considering the probable income as well as the probable safety of the capital.*

The Finance Director and authorized investment officers and employees who act in accordance with the Finance Director's written procedures and the City's investment policies, and who exercise due diligence, shall be relieved of personal responsibility for the credit risk or market price change of an investment, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

8.5.3 Ethics

Employees involved in the City's investment program must avoid conflicts of interest. Association with the investment program in any capacity is considered employee involvement.

Employees must avoid personal business activity that may:

- Conflict with the proper execution of the investment program.
- Impair their ability to make impartial investment decisions.

Employees associated with the City investment program must disclose certain personal information to the Finance Director or designee. All disclosures shall be reported at each Investment Committee meeting.

The disclosure should list:

- Any material interests in financial institutions that conduct business with the City.
- Any personal financial or investment positions that could influence the performance of the City's investment portfolio, particularly regarding the timing of purchases and sales.
- Any related interest or personal financial positions that could be perceived as conflict of interest.

8.6 Safekeeping, Custody, and Controls

8.6.1 Delivery vs. Payment

All trades of marketable securities will be executed (cleared and settled) on a delivery vs. payment (DVP) basis to ensure that securities are deposited in the City's safekeeping institution prior to the release of funds.

8.6.2 Third Party Safekeeping

Prudent treasury management requires that all purchased securities be bought on a delivery versus payment (DVP) basis and be held in safekeeping by an independent third-party financial institution or the City's designated depository.

The Finance Director shall designate all safekeeping arrangements, and an agreement of the terms shall be executed in writing. The third-party custodian shall be required to provide a statement to the City listing at a minimum each specific security, book yield, description, maturity date, market value, par value, purchase date, and CUSIP number.

All collateral securities pledged to the City for certificates of deposit or demand deposits shall be held in accordance with the State of Washington's Public Deposit Protection Commission (PDPC).

8.6.3 Internal Controls

The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft or misuse. Specifics for the internal controls shall be documented in an investment procedures manual.

The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.

The internal controls shall address the following points at a minimum:

- Control of collusion
- Separation of transaction authority from accounting and recordkeeping
- Custodial safekeeping
- Avoidance of physical delivery of marketable securities
- Clear delegation of authority to subordinate staff members
- Written confirmation of transactions for investments and wire transfers
- Dual authorizations of wire transfers
- Staff training
- Review, maintenance and monitoring of security procedures both manual and automated.

8.6.4 External Controls

The City will have an external review of its investment policies and procedures as needed. The City may enter contracts with third-party investment advisory firms when their services are required.

8.7 Authorized Financial Dealers

8.7.1 Broker/Dealers

- The Finance Director shall maintain and review annually a list of all authorized financial institutions and broker/dealers that are approved to transact with the City for investment purposes.
- The City shall follow GFOA best practices for evaluating and selecting financial institutions and broker/dealers.
- The Finance Director designee may utilize the investment advisor's approved broker/dealer list in lieu of the City's own approved list. The Advisor must submit the approved list to the City annually and provide updates throughout the year as they occur. The Advisor must maintain documentation of appropriate license and professional credentials of broker/dealers on the list.

- The annual investment advisor broker/dealer review procedures include:
 - A. FINRA Certification check:
 - i. Firm profile
 - ii. Firm history
 - iii. Firm operations
 - iv. Disclosures of arbitration awards, disciplinary and regulatory events
 - v. State Registration Verification
 - B. Financial review of acceptable FINRA capital or letter of credit for clearing settlements.

8.7.2 Investment Advisors

Advisors must be registered under the Investment Advisers Act of 1940 and must act in a non-discretionary capacity, requiring approval from the City prior to all transactions.

8.7.3 Bank Institutions

The City will only place funds, exceeding the current FDIC insurance limits, with banks who are currently participating in the Washington State PDPC program. Compliance/listing with the PDPC will be verified by the Advisor or designated investment officer utilizing the Washington State Treasurer's website.

8.7.4 Competitive Transactions

Transactions must be executed on a competitive basis and documented. Competitive prices should be provided from at least three separate brokers, financial institutions or through a national electronic trading platform. If the purchased security is only offered by one broker, then other securities with similar structure may be used for documentation purposes. When an Advisor handles trade executions, they must provide the competitive documentation as requested.

8.8 Authorized and Suitable Investments

8.8.1 Authorized Investments

- Eligible investments are only those securities and deposits authorized by statute (RCW 39.58, 39.59, 43.250, and 43.84.080):
- Among the authorized investments are U.S. Treasury and Agency securities (i.e., obligations of any government sponsored enterprise eligible for collateral purposes at the Federal Reserve), municipal debt, certificates of deposit with qualified public depositories within statutory limits as promulgated by the Washington State PDPC at the time of investment, foreign and domestic bankers acceptances, commercial paper, corporate notes, the Washington State Local Government Investment Pool, and the Department of Revenue's Separately Managed Portfolio Accounts (SMA).
- This policy recognizes S&P and Moody's as major Nationally Recognized Statistical Ratings Organizations (NRSRO). In the case of split ratings, where the major NRSROs issue different ratings, the lower rating shall apply. Minimum credit ratings and percentage limitations apply to the time of purchase.
- All securities must be purchased on the secondary market and may not be purchased directly from the issuer.

8.8.2 Suitable Investments

The City is empowered to invest in the following types of securities:

- **US Treasury Obligations:** Direct obligations of the United States Treasury.
- **US Agency Obligations Primary Issuers:** Government Sponsored Enterprises (GSEs) – Federal Instrumentality Securities include but are not limited to Federal National Mortgage Association (FNMA), the Federal Home Loan Mortgage Corporation (FHLMC), Federal Home Loan Banks (FHLB), and the Federal Farm Credit Banks (FFCB).
- **US Agency Obligations Secondary Issuers:** Other US government sponsored enterprises that are less marketable are considered secondary GSEs. They include but are not limited to: Private Export Funding Corporation (PEFCO), Tennessee Valley Authority (TVA), Financing Corporation (FICO) and Federal Agricultural Mortgage Corporation, (Farmer Mac).
- **Municipal Debt Obligations:** Bonds of the State of Washington, any local government in the State of Washington, General Obligation bonds outside the State of Washington; at the time of investment the bonds must have at a minimum rating of AA- from S&P or Aa3 from Moody's.
- **Supranational Obligations:** United States dollar denominated bonds, notes or other obligations that are issued or guaranteed by supranational institutions, provided, that at the time of investment, the institution has the United States as its largest shareholder.
- **Commercial Paper:** Commercial paper must be rated with the highest short-term credit rating category of any two major Nationally Recognized Statistical Rating Organizations (NRSROs) at the time of purchase. If the commercial paper is rated by more than two major NRSROs, it must have the highest rating from all of them. Any commercial paper purchased with a maturity longer than 100 days must also have an underlying long-term credit rating at the time of purchase in one of the three highest rating categories of an NRSRO.
- **Corporate Notes:** Corporate notes must be rated at least weak single A (A-) or better by all the major rating agencies that rate the note at the time of purchase for inclusion in the corporate note portfolio. The percentage of corporate notes that may be purchased from any single issuer rated AA- or better by all major rating agencies that rate the note is 3% of the assets of the total portfolio. The percentage of corporate notes that may be purchased from any single issuer rated in the broad single A (A-) category from all the major rating agencies that rate the security is 2% of the total portfolio. The individual country limit of non-U.S. and non-Canadian exposure is 2% of the total portfolio. Exposure is determined by the country of domicile of the issuers of portfolio securities.
- **Certificates of Deposit:** Non-negotiable Certificates of Deposit of financial institutions that are qualified public depositories as defined in RCW 39.58.010(2) and by the restrictions within.
- **Time Deposits and Savings Accounts Issued by Banks:** Deposits in PDPC approved banks.
- **Local Government Investment Pool:** An investment Pool managed by the Washington State Treasurer's Office.

- **Separately Managed Account:** An investment portfolio managed by the Washington State Department of Revenue.

8.8.3 Bank Collateralization

The PDPC makes and enforces regulations and administers a program to ensure public funds deposited in banks and thrifts are protected if a financial institution becomes insolvent. The PDPC approves which banks and thrifts can hold state and local government deposits and monitors collateral pledged to secure uninsured public deposits. Under RCW 39.58.240, all public treasurers and other custodians of public funds are relieved of the responsibility of executing tri-party agreements, reviewing pledged securities, and authorizing additions, withdrawals, and exchanges of collateral.

8.9 Investment Parameters

8.9.1 Diversification

The City will diversify the investment of all funds by adhering to the constraints listed in the following table. Investments in securities shall not exceed the following percentages of the total portfolio at the time of purchase.

Total Portfolio Diversification Constraints

Issue Type	Maximum % Holdings	Maximum % per Issuer	Ratings S&P, Moody's, or Equivalent NRSRO
US Treasury Obligations	100%	None	N/A
Primary US Agency Obligations	100%	35%	N/A
Secondary US Agency Obligations	20%	10%	AA-/Aa3
Supranational Agency Obligations	20%	10%	AA-/Aa3
Municipal Bonds	20%	5%	A-/A3
Commercial Paper	25%	3%	A1/P1
Corporate Notes	25%	3%	A-/A3
Certificates of Deposit	25%	10%	Deposits in PDPC approved banks
Bank Time Deposits/Savings	20%	10%	Deposits in PDPC approved banks
Washington LGIP	100%	N/A	N/A
Washington SMA	70%	N/A	N/A

8.9.2 Investment Maturity

The City will not directly invest in securities maturing more than five (5) years from the date of purchase.

- The maximum weighted maturity of the total portfolio shall not exceed 3 years. This maximum is established to limit the portfolio to excessive price change exposure.
- Liquidity funds will be held in the State Pool, PDPC bank deposits, or cash matched securities.
- Investment funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between 1 day and 5 years and will be only invested in high quality and liquid securities.

Total Portfolio Maturity Constraints

Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10%
Under 1 year	25%
Under 5 years	100%
Maturity Constraints	Maximum of Total Portfolio in Years
Weighted Average Maturity	3.00 Years
Security Structure Constraint	Maximum % of Total Portfolio
Callable Agency Securities	25%

- Exception to 5-year maturity maximum: Reserve or Capital Improvement Project monies may be invested in securities exceeding 5 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

8.9.3 Strategic Allocations

8.9.3.1 Funds and their Allocation

- Liquidity funds for the operating account will be allocated to LGIP, CD's, PDPC Bank Deposits, Bankers Acceptances, and Commercial Paper.
- The structure of the Investment Core Fund will be targeted to a selected market benchmark based on the risk and return objectives of the portfolio.
- Longer term restricted funds will have an identified market benchmark to manage risk and return.

8.9.3.2 Monitoring and Portfolio Adjustment: As a general practice, securities will be purchased with the intent to hold to maturity. However, it is acceptable for securities to be sold under the following circumstances:

- A security with a declining credit may be sold early to protect the principal value of the portfolio.
- The portfolio duration or maturity buckets should be adjusted to reflect better the structure of the underlying benchmark portfolio.
- A security exchange that would improve the quality, yield and target maturity of the portfolio based on market conditions.
- A sale of a security to provide for unforeseen liquidity needs.

8.9.4 Prohibited Investments

8.9.4.1 The City shall not lend securities nor directly participate in a securities lending or reverse repurchase program.

- 8.9.4.2 The City shall not invest in:
- a. Mortgage-backed securities
 - b. Derivative Products
 - c. Securities that leverage the portfolio or are used for speculation of interest rates
 - d. Mutual Funds
 - e. Repurchase Agreements
 - f. Reverse Agreements

8.10 Reporting Requirements

8.10.1 Reporting

The Finance Director shall be responsible for investment reporting. At a minimum, quarterly reporting shall be made to the City Council including but not limited to securities holdings, cash balances, and market values in the investment portfolio.

Specific Requirements:

- Book Yield
- Holdings Report including mark-to-market and security description
- Transactions Report
- Weighted Average Maturity

8.10.2 Performance Standards

The portfolio shall be managed to obtain a fair rate of return and earnings rate that incorporates the primary objectives of protecting the City's capital and assuring adequate liquidity to meet cash flow needs.

The investment portfolio will be invested into a predetermined structure that will be measured against a selected benchmark portfolio. The structure will be based upon a chosen minimum and maximum duration (average maturity) and will have the objective to achieve market rates of returns over long investment horizons. The purpose of a benchmark is to appropriately manage the risk in the portfolio through interest rate cycles. The investment portfolio is expected to provide similar returns to the benchmark over interest rate cycles but may underperform or outperform in certain periods. The portfolio will be positioned to first protect principal and then achieve market rates of return. The benchmark used will be a US treasury 0-3-year index or US treasury 0-5-year index and comparisons will be calculated monthly and reported quarterly.

The liquidity component yield will be compared quarterly to the LGIP average yield.

8.10.3 Compliance Report

A compliance report will be generated quarterly comparing the portfolio positions to this investment policy.

8.10.4 Accounting Method

The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP).

The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to the Governmental Accounting Standards Board (GASB).

Pooling of Funds:

Except for cash in certain restricted and special funds, the City will consolidate balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation in the investment program and in accordance with generally accepted accounting principles.



The City of Redmond assures that no person shall, on the grounds of race, color, national origin, or gender, as provided by Title VI of the Civil Rights Act of 1964 and the Civil Rights Restoration Act of 1987, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity. For more information about Title VI, please visit redmond.gov/TitleVI.

无歧视声明可在本市的网址 redmond.gov/TitleVI 上查阅 | El aviso contra la discriminación está disponible en redmond.gov/TitleVI.

Fiscal Policies - Council Feedback Matrix 2026

	CP Stuart	CVP Nuevacamina	CM Forsythe	CM Kritzer	CM Parsi	CM Prakriya	CM Soni	Question/Suggested Edit	Discussion	Status
1							x	<p>Page 4 <u>1.1: Fiscal Policies Purpose and Framework</u> <i>This framework emphasizes long-term financial health and equity but does not connect directly to the City's R.E.D.I. Plan. We should ensure this section notes that resource allocation models must actively support the anti-racism and structural barrier removal goals of the R.E.D.I. framework.</i></p>		
2					x			<p>Page 4 <u>1.1 Fiscal Policies Purpose and Framework</u> <i>This section is a bit vague and doesn't rank competing priorities when it comes to decision making in the future. Can we add a prioritization for prioritizing city objectives such as:</i> -Climate resilience -Housing affordability -Infrastructure modernization -Economic growth -Wealth distribution -Service quality -Tax stability -Labor competitiveness -Anti-displacement -Regional competitiveness -Resilience to technology sector concentration <i>For example, maximizing reserves may reduce infrastructure investment. Having a ranked priority list helps with aligning the Council on the long term objectives.</i></p>		
3					x			<p>Page 4 <u>1.2 Fiscal Policies Development and Maintenance</u> <i>Can we add a section to go over the biggest financial risks that the city faces given the federal and technological climate that we're in and go over risk tolerance and management plan?</i></p>		

Fiscal Policies - Council Feedback Matrix 2026

	CP Stuart	CVP Nuevacamina	CM Forsythe	CM Kritzer	CM Parsi	CM Prakriya	CM Soni	Question/Suggested Edit	Discussion	Status
4	x							<p>Page 5 <u>1.2.4 Updates: "...policies biennially..."</u> <i>I propose that the policy require the review in Q2 of odd numbered years, so as to be completed ahead of budget development cycles.</i></p>		
5					x			<p>Page 5 <u>2.0 Biennial Budget Policies</u> <i>Is this the right document to align on fiscal philosophy including:</i> - fiscal plan about growth? - fiscal plan about economic and labor policies? - intergenerational balance?</p>		
6							x	<p>Page 5 <u>2.1: Biennial Budget Policies Purpose and Framework</u> <i>The text replaces the goal of "continuous learning" with "continuous improvement and innovation". We should clarify if removing "continuous learning" reduces our focus on ongoing staff development and training, especially for smaller departments.</i></p>		
7					x			<p>Page 5 <u>2.1.2 Budget Development Guidelines</u> <i>Would it be possible/reasonable to call out the priorities and outcomes so we can ensure alignment?</i></p>		
8	x							<p>Page 6 <u>2.3.1 Circumstances, sub-bullet #3:</u> <u>"Add..."</u> <i>Replace with "Amend"</i></p>		
9	x							<p>Page 6 <u>2.3.3 Economic Downturn</u> <i>Is there Council interest in an additional policy that conveys the expectation that allocations not being spent on time should be reported back to the Council? Perhaps integrated into existing quarterly reports?</i></p>		

Fiscal Policies - Council Feedback Matrix 2026

	CP Stuart	CVP Nuevacamina	CM Forsythe	CM Kritzer	CM Parsi	CM Prakriya	CM Soni	Question/Suggested Edit	Discussion	Status
10							x	<p>Page 6 <u>2.4.2: Forecasting and Financial Planning (Community Investment Rate)</u> <i>The policy explicitly states the City will maintain an annual Community Investment Rate (CIR) target between 5.0% and 5.5%. This directly contradicts the Long-Range Financial Strategy draft, which projects the CIR to permanently fall to 4.0% by 2032. We must align these target numbers across both documents so our policies match economic reality.</i></p>		
11					x			<p>Page 7 <u>3.0 Revenue Policies</u> <i>Is this the right place/forum to align on prioritization of revenue sources and plan potential changes to taxes?</i></p>		
12					x			<p>Page 7 <u>3.1 Revenue Policies Purpose and Framework</u> <i>Does it make sense to add a section on revenue estimation methodology?</i></p>		
13							x	<p>Page 7 <u>3.2 Revenue Structure and Diversification</u> <i>The text says the city will maintain a diversified revenue system to shield services from economic downturns. However, our sales tax relies heavily on a few major technology and retail sectors. We should add a directive to include a "Revenue Concentration Risk Assessment" in our quarterly financial updates to track this vulnerability.</i></p>		

Fiscal Policies - Council Feedback Matrix 2026

	CP Stuart	CVP Nuevacamina	CM Forsythe	CM Kritzer	CM Parsi	CM Prakriya	CM Soni	Question/Suggested Edit	Discussion	Status
14					x			<p>Page 7 <u>3.2 Revenue Structure and Diversification</u> <i>Can we be more clear about the revenue structure, so we can plan with an equity lens? e.g. if majority of our revenue is following a sales tax which can be a regressive model, is this an opportunity to revisit at least some of our approach?</i></p> <p><i>Also, is this a place to call out revenue risks with the new bills?</i></p> <p><i>Diversification is critical, can we add a section about goals and priorities for diversification?</i></p>		
15					x			<p>Page 8 <u>3.3 User Fees and Charges</u> <i>Is this the right place to add equitable fees and charges to our goals?</i></p>		
16					x			<p>Page 10 <u>4.1.1 Expenditure Policy</u> <i>Can we also require that recurring expenditure should not exceed recurring expenses unless without a majority vote + exit plan?</i></p> <p><i>Does it make sense to consider setting maximum allowable growth for recurring expenditures?</i></p>		
17							x	<p>Page 12 <u>5.2: Prioritization of Capital Investments</u> <i>The draft lists key criteria for prioritizing capital projects (like safety, legal mandates, and partnerships) but states they are in "no particular order". We should establish a clear policy hierarchy showing that basic utility and roadway asset preservation takes absolute priority over character enhancement during a budget crunch.</i></p>		

Fiscal Policies - Council Feedback Matrix 2026

	CP Stuart	CVP Nuevacamina	CM Forsythe	CM Kritzer	CM Parsi	CM Prakriya	CM Soni	Question/Suggested Edit	Discussion	Status
18					x			<p>Page 12 <u>5.2.2 Project Prioritization</u> <i>Is this the right place to add a strategic goal for our prioritization methodology to arrive at analytical prioritization of projects?</i></p>		
19					x			<p>Page 14 <u>5.5 Operating Impact of Capital Investments</u> <i>Would it make sense to add a section with the objective of climate risk on capital assets? This includes estimate expected cost from climate related damage or impact to city.</i></p> <p><i>I propose adding a section with the objective of creating and reporting asset management inventorying all critical capital assets including critical infra with estimated maintenance costs, condition rating, and remaining useful life for long term financial planning of critical assets.</i></p>		
20	x							<p>Page 19 <u>6.3.1 Operating Reserve Levels: "The City shall maintain operating reserves at a level of twelve percent (12%) of total budgeted expenditures in the current year, excluding ending fund balance, development review expenditures, and any significant one-time expenditures in all operating funds."</u> <i>This content has been reduced since last revised by the Council on April 8. A previous version called for this benchmark to be met by the end of the 2025-2026 biennium and required Council approval to spend. Would like to discuss this policy with Council prior to adoption to ensure that we are in agreement.</i></p>		
21					x			<p>Page 20 <u>6.3.9 Addressing Reserve Deficits</u> <i>Can we integrate preventative measures to reduce the risk of deficits?</i></p>		

Fiscal Policies - Council Feedback Matrix 2026

	CP Stuart	CVP Nuevacamina	CM Forsythe	CM Kritzer	CM Parsi	CM Prakriya	CM Soni	Question/Suggested Edit	Discussion	Status
22			x					Clarify/highlight that investment policies align with city values		In Process

Redmond City Council
2027-2028 Preliminary Budget Review Ground Rules

1. **Meeting Length:** Budget review meetings will be limited to 3 hours, unless a majority supports extending the meeting.
2. **Staff Presentations:** Staff will prepare PowerPoint presentations to facilitate the Council's review of the preliminary budget. Budget document pages will be referenced in the presentations, where appropriate.
3. **Questions:**
 - a. When possible, please provide questions to the appropriate department director and the Finance Director in advance of a budget review meeting to enable staff to be more fully prepared for each meeting and reduce the amount of follow-up required at the end of each meeting.
 - b. Council questions are also welcome during each PowerPoint presentation. If a question cannot be answered by staff and there is majority interest in the question, a response will be provided at the next budget review meeting, if possible.
 - c. Lastly, a Councilmember can reach out to a department director before or after a budget review meeting for additional information.
4. **Preparation:** Each Councilmember will come prepared for each budget review meeting, having read the relevant budget document pages referenced in the detailed budget review calendar.
5. **New Proposals/Changes:**
 - a. Any new proposal or change should be brought up during the relevant budget review meeting. Time will be set aside for this purpose in each presentation related to service reduction offers, service enhancement offers, the Capital Investment Program, and the Business Technology Investment Program.
 - b. After a Councilmember makes a proposal, a brief Q&A should follow as well as a discussion of a funding source, if needed, before the FAC Chair or Council Leadership polls the Council (see Ground Rule #6). For example, the Council will have an opportunity to propose service enhancements on October 22 and 29, after reviewing the recommended service enhancements in the 2025-2026 preliminary budget.
 - c. Any proposed new service enhancement will require a funding source, such as General Fund surplus, a service reduction, eliminating another service enhancement, an enhanced fee/tax, or a new fee/tax.

Redmond City Council
2027-2028 Preliminary Budget Review Ground Rules

6. Polling:

- a. The FAC Chair or Council Leadership will poll the Council on each baseline offer, service reduction offer, and service enhancement offer reviewed by the Council.
- b. Each new proposal and change sought by a Councilmember will be subject to a poll by the FAC Chair or Council Leadership.
- c. Decisions will be based on the majority's will. If a majority needs more information before a poll is taken, that will become a follow-up item at the next budget review meeting.

7. Tracking Questions/Issues/Comments/Changes: The following will be tracked by staff:

- a. Questions raised that interest a Council majority and that cannot be answered at a budget review meeting will be addressed at a subsequent budget review meeting.
- b. Issues raised that interest a Council majority and that cannot be adequately addressed this year will be placed on a Council retreat "parking lot" list.
- c. Community comments received at public hearings on the budget, via budget@redmond.gov, or through other means will be provided to the Council following the October 22 and 29 budget review meetings.
- d. Changes to the preliminary budget are tentatively scheduled to be finalized by the Council on November 12. This could be pushed to November 14, if the Council needs an additional budget review meeting.



Memorandum

Date: 6/9/2026

File No. CM 26-355

Meeting of: Committee of the Whole - Finance, Administration, and Communications

Type: Committee Memo

TO: Committee of the Whole - Finance, Administration, and Communications

FROM: Mayor Angela Birney

DEPARTMENT DIRECTOR CONTACT(S):

Executive	Lisa Maher, Assistant Chief Operating Officer	425-556-2427
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DEPARTMENT STAFF:

Executive	Zach Houvener	Deputy - Equity & Strategic Services
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TITLE:

Respect, Equity, Diversity, and Inclusion (REDI) Program Update

OVERVIEW STATEMENT:

Staff will provide Council with an informational REDI program update. The update will cover the recruitment and timeline of the REDI Program Administrator, REDI Strategic Plan Implementation, and a progress update on the REDI Rollout to citywide staff.

Additional Background Information/Description of Proposal Attached

REQUESTED ACTION:

Receive Information **Provide Direction** **Approve**

REQUEST RATIONALE:

- **Relevant Plans/Policies:**
Community Strategic Plan, REDI Strategic Plan, Redmond 2050
- **Required:**
N/A
- **Council Request:**
Council requested regular updates on the REDI work during previous discussions
- **Other Key Facts:**
N/A

OUTCOMES:

See Attachment A for a summary of program highlights

COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:

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

BUDGET IMPACT:

Total Cost:

N/A

Approved in current biennial budget:

Yes

No

N/A

Budget Offer Number:

00295

Budget Priority:

Strategic and Responsive

Other budget impacts or additional costs:

Yes

No

N/A

If yes, explain:

N/A

Funding source(s):

General Fund

Budget/Funding Constraints:

N/A

Additional budget details attached

COUNCIL REVIEW:

Previous Contact(s)

Date	Meeting	Requested Action
2/10/2026	Committee of the Whole - Finance, Administration, and Communications	Receive Information
3/10/2026	Committee of the Whole - Finance, Administration, and Communications	Receive Information

Date: 6/9/2026

Meeting of: Committee of the Whole - Finance, Administration, and Communications

File No. CM 26-355

Type: Committee Memo

4/14/2026	Committee of the Whole - Finance, Administration, and Communications	Receive Information
5/19/2026	Committee of the Whole - Public Safety and Human Services	Receive Information

Proposed Upcoming Contact(s)

Date	Meeting	Requested Action
7/14/2026	Committee of the Whole - Finance, Administration, and Communications	Receive Information

Time Constraints:

N/A

ANTICIPATED RESULT IF NOT APPROVED:

N/A

ATTACHMENTS:

Attachment A: REDI Program Update (June 2026)

Attachment B: REDI Strategic Plan

Background

This document provides a high-level update of monthly implementation activities for the REDI Strategic Plan. The REDI Plan is a citywide effort to define the goals, objectives, and key results to create a culturally competent organization that celebrates individual differences. The five goals outlined in the REDI Strategic Plan include:

- Transparent and Consistent Leadership
- Respect and Belonging
- Effective Program Support
- Pro-Equity, Anti-Racism Implementation (PEAR)
- Community (Stakeholder) Engagement

Updates

Recruitment Process – REDI Program Administrator

The REDI Program Administrator recruitment has progressed on schedule since last month's update. The position was posted on April 28 and closed on May 17, with 61 total applicants. Of those, 14 applications met the criteria for further review, and six candidates were selected for virtual phone screens conducted May 18-19. Following those screens, five candidates advanced to staff panel interviews held May 21-22.

The community panel interview took place on Thursday, May 28. While final hiring authority remained with the City, input from the community panel directly informed our overall evaluation. Panelists assessed candidate strengths, areas of possible concern, and overall readiness to engage authentically with Redmond's diverse communities. They evaluated how well each candidate's experience and approach aligned with community engagement expectations and offered perspective on each candidate's readiness to advance in the process.

Following the community panel, finalists met with the Directors' Team in early June, followed by a final interview with the Mayor and COO's. We anticipate an offer to be extended shortly and will share additional details about the selected candidate and onboarding plans as appropriate in the coming weeks.

REDI Rollout

Respect Equity Diversity Inclusion Program Update June 2026

The citywide REDI staff training rollout was sent to all city staff on May 21 and was grounded in the REDI Strategic Plan and informed by the independent 2025 organizational health and workplace equity assessment conducted by the Edge Advisory Group.

The training is mandatory for all staff and will be facilitated by Redmond staff. Sessions will kick off tomorrow, with a range of dates and times offered to accommodate different shifts and schedules. Additional sessions will continue to be added throughout the year, with all-staff completion targeted by December 31.

Content for this training covers four core areas. The first is respect and organizational health, exploring how trust, clear purpose, and inclusion improve both work outcomes and the employee experience. The second draws the distinction between respect and simply being nice, illustrated through real workplace scenarios. The third focuses on recognizing and mitigating bias, equipping staff with practical skills for interrupting unconscious bias at the individual, team, and organizational levels. The fourth introduces a framework connecting Beliefs, Behaviors, and Results that gives staff shared language to address bias and disrespect without blame.

This training represents an important step in our REDI Journey as we continue to advance as an organization, with more to come as we follow the REDI Strategic Plan as our guide.

Next Steps

Monthly Committee of the Whole Updates: Next month's update will include information on recruitment, staff training, and program activities.



CITY OF REDMOND

Respect, Equity, Diversity, and Inclusion Strategic Plan



CONTENTS

MAYOR’S LETTER	3
OVERVIEW	4
GOAL 1: TRANSPARENT & CONSISTENT LEADERSHIP	7
GOAL 2: RESPECT & BELONGING	10
GOAL 3: EFFECTIVE PROGRAM SUPPORT	12
GOAL 4: PRO-EQUITY, ANTI-RACISM IMPLEMENTATION (PEAR)	14
GOAL 5: COMMUNITY (STAKEHOLDER) ENGAGEMENT	16
GLOSSARY	19



Connected Community

Enhanced Livability

Environmental Sustainability

Redmond City Council and Staff,

I am honored to present the City of Redmond's Respect, Equity, Diversity, and Inclusion (REDI) Strategic Plan. Inclusion and welcoming are the foundation of this plan, which began in 2014 and continues through the present work of building a culture of respect. The City of Redmond's vision is to embrace our differences and create a premier organization by sustaining a culture of respect that promotes belonging, access, and opportunity.

Redmond's transition from a suburb to a city has fueled a citywide effort to define the goals, objectives, and key results to create a culturally competent organization that celebrates individual differences. The five goals outlined in the REDI Strategic Plan, include:

- Transparent and Consistent Leadership
- Respect and Belonging
- Effective Program Support
- Pro-Equity, Anti-Racism Implementation (PEAR)
- Community (Stakeholder) Engagement

Efforts toward these goals will be vital in continuing to provide access, meaningful services, and improved outcomes for all community members.

Through training, practice, and proactive actions, I will call on Redmond staff to continue to ensure government policies and practices do not infringe upon equal treatment and opportunity for all people in the Redmond community. Since respect is paramount to organizational health and effectiveness, our focus will be to build a culture that embraces the values of respect, diversity, equity, inclusion, access, and belonging throughout city departments and divisions.

I look forward to continuing our REDI journey with the Council, staff, and the community.

Sincerely,

Mayor Angela Birney

City Hall

PO Box 97010

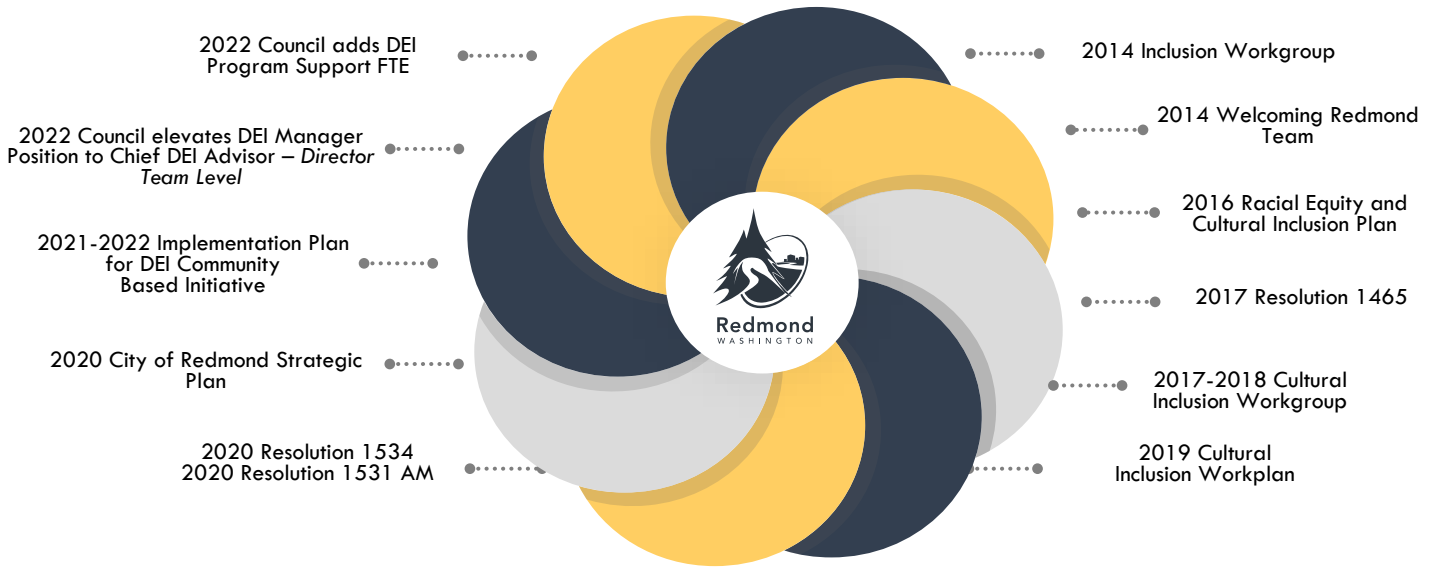
15670 NE 85th Street

Redmond, WA

98073 -9710

OVERVIEW

Redmond is a global city that attracts residents from around the world. We value and embrace the principles of equity, diversity, and inclusion. We pride ourselves on being a welcoming and culturally inclusive community. We envision a Redmond where residents can fully and effectively access city services, influence city policy and direction, and feel a sense of belonging and safety. We have demonstrated our commitment to this work for over a decade.



The City of Redmond’s vision of respect, equity, diversity, and inclusion (REDI) is to embrace our differences and create a premier organization by sustaining a culture of respect that promotes belonging, access, and opportunity. Within this lens, each individual and the talents and skills they bring will be respected. As a government agency, it is essential for the City to demonstrate a message of diversity, equity and inclusion, as well as take steps to ensure government policies and practices do not infringe upon the equal treatment and opportunity of all people who are a part of the Redmond community.

In Redmond, we have the opportunity to shape our City by hearing the many diverse voices in the community and ensuring those voices help create a future that respects all individuals. Internally, we believe building a culture of respect is vital to organizational health and effectiveness. Redmond will pursue five goals to reach our objectives, including:

- Transparent and consistent leadership
- Respect and belonging
- Effective program support
- Pro-equity, anti-racism implementation (PEAR)
- Community (Stakeholder) engagement

In this plan, you will see how Redmond’s culture of respect is affirmed with our REDI Strategic Plan goals and objectives. These goals and objectives build on past work and will chart a path to the future as we continue our respect, equity, diversity, and inclusion journey.

REDI VALUES

Respect – We sustain the dignity of individuals by proactively celebrating their differences, experiences, perspectives, and backgrounds.

Equity – We treat people fairly and provide access to opportunities, resources, and decision-making processes, regardless of identity.

Diversity – We respect and appreciate the individual differences of our colleagues, including but not limited to race, ethnicity, gender, sexual orientation, age, religion, and disability.

Inclusion – We foster a culture where employees are appreciated and actively engaged, and diverse perspectives are encouraged.

Access – Our organization is accessible and accommodating.

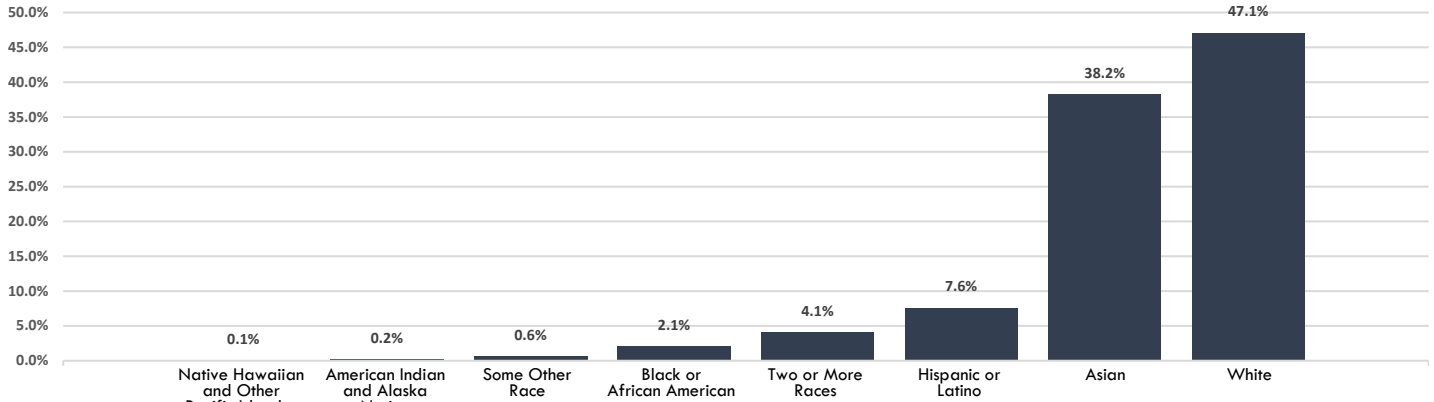
Belonging – We create an environment where individuals feel a sense of connection, acceptance, and purpose.



DEMOGRAPHICS

RACE AND ETHNICITY

The City of Redmond is diverse, as evidenced by the 2022 U.S. Census data that shows the majority of community members identify as non-white. Redmond’s population is currently 52.9% people of color.



Source: 2022 U.S. Census

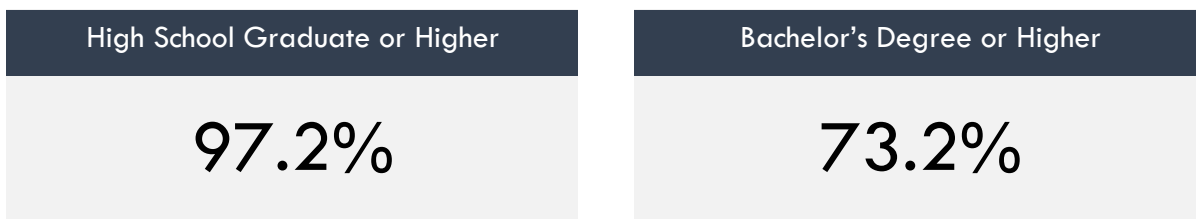
Consistent with this trend 47% of households in Redmond speak another language other than English, with over 139 languages spoken citywide.

Speak only English	53%
Other Asian and Pacific Island languages	11%
Other Indo-European languages	11%
Chinese (including. Mandarin, Cantonese)	10%
Spanish	5%
Russian, Polish, or other Slavic languages	4%
Other unspecified languages	2%
Arabic	1%
French, Haitian, or Cajun	1%
German or other West Germanic languages	1%
Korean	1%
Tagalog (including Filipino)	0%
Vietnamese	0%

Source: 2022 U.S. Census

Redmond is a highly educated city. Over 97% of people have high school diplomas. Nearly three-quarters of community members hold a bachelor’s degree or higher, as contrasted with the state of Washington where 36.7% of the population 25 years or older hold the same level of educational attainment.

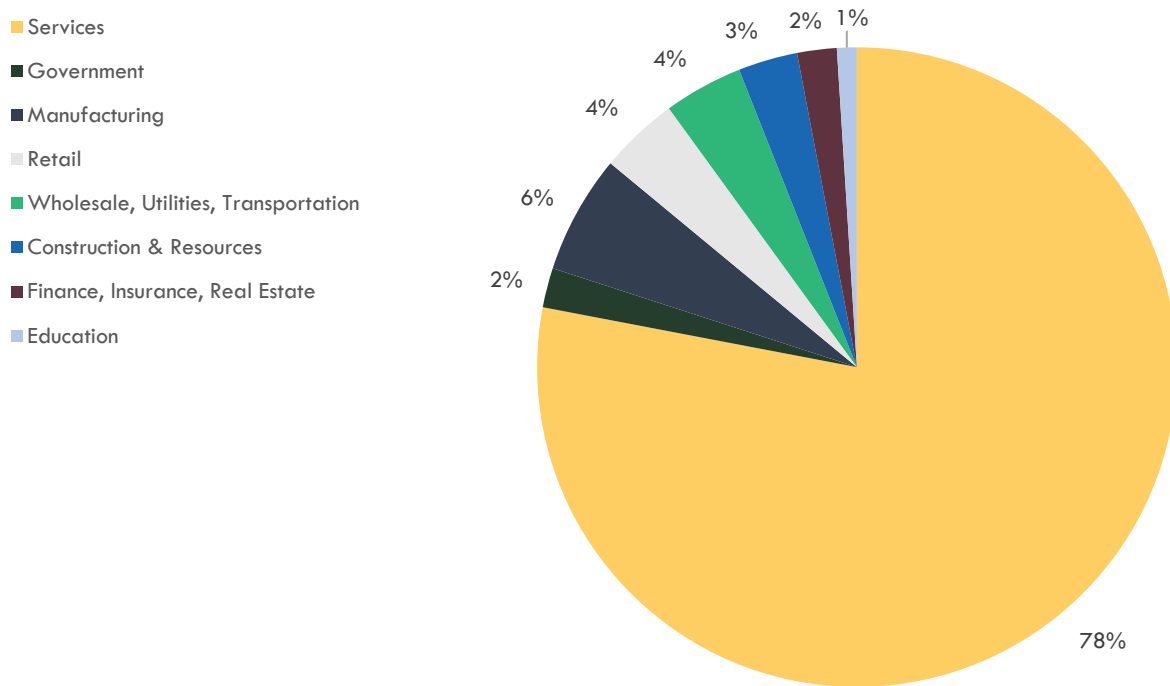
EDUCATIONAL ATTAINMENT – POPULATION 25 YEARS AND OLDER



Source: 2022 U.S. Census

One driver of the educational statistic is the types of industries housed within the City. The services sector which includes technology and space industries makes up over 70% of Redmond businesses.

REDMOND COVERED EMPLOYMENT BY SECTOR (2022)



Source: 2022 U.S. Census

Redmond’s vision is to create a community in which all people can fully and effectively access city services, influence city policy and direction, and feel a sense of belonging. Redmond strives to be a place where all people are heard, celebrated, and welcomed.

GOAL 1: TRANSPARENT & CONSISTENT LEADERSHIP

OBJECTIVE

Create and lead a resilient culture where expectations are known, the staff is supported, and accountability is demonstrated at all levels.

KEY RESULTS

- Known vision and direction (intersections, clear line of sight, and role clarity)
- Priority setting (with risk assessment and management)
- Consistency of expectations across departments for first-level supervisors, leadership, and community
- Clear, consistent messaging of expectations and values; direct, measurable, and often
- Consistency in how employees are treated and evaluated (policy and process)
- Consistent organizational performance through staff and leadership change
- High levels of employee engagement

Strategic Level Activities	Accountable/Responsible	Schedule	Status
1.1: Establish a clear vision and expectations for REDI	Mayor, COO, Directors Team	By 4Quarter 2024	
Key Performance Indicators	<ul style="list-style-type: none"> • % of leaders who believe they understand how Redmond's culture of respect is defined and demonstrated. • % of leaders who believe the Redmond REDI vision and expectations are clearly communicated. • % of leaders who believe individual performance expectations are clear and have been received in writing. • % of leaders who feel they receive the necessary resources and support to successfully meet expectations. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
1.1.a: Create a formal plan of action to roll out the REDI vision and values	COO, Directors, DEI Advisor, Communications		
1.1.b: Establish leadership standards and expectations agreed upon by Mayor, Council and Directors.	Council, Mayor, COO, Directors		
1.1.c: Establish a baseline of REDI and Anti-racism competency levels	COO, Directors, DEI Advisor		
Strategic Level Activities	Accountable/Responsible	Schedule	Status
1.2: Develop leaders to meet leadership standards and expectations	COO, Directors, Deputy Directors		
Key Performance Indicators	<ul style="list-style-type: none"> • % of Leadership and Management Team meetings utilize time for leadership development opportunities and discussions. • % of leaders who are completing identified leadership development opportunities. • # of active coaching/mentorship arrangements. • % completed onboarding for all new Directors, Deputies, Managers, and Supervisors. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
1.2.a: Strategic rollout of REDI training for leaders and staff at all levels	COO, Directors, DEI Advisor		
1.2.b: Provide space at Leadership and Management Team meetings for leadership discussions, sharing and learning – cross collaborative	COO, Directors, Deputy Directors, Managers/Supervisors		
1.2.c: Identify and support team and individual leadership development opportunities	COO, Directors, Deputy Directors, Managers/Supervisors		
1.2.d: Provide coaching, mentorship, and other resources to support leader's growth	COO, Directors, Deputy Directors, Managers/Supervisors		
1.2.e: Onboard new leaders early to orient them with REDI and leadership expectations	COO, Directors, Human Resources		
Strategic Level Activities	Accountable/Responsible	Schedule	Status
1.3: Hold leaders accountable for their actions and responsibilities	COO, Directors, Deputy Directors		

Key Performance Indicators	<ul style="list-style-type: none"> • % of staff that have experienced a success and/or deficit in our culture of respect. • % of staff who believe leaders are held accountable for REDI and A/R commitments. • % of staff who think leaders follow through with commitments. • % of staff who feel safe reporting misalignment or conflicts with leadership standards and expectations. • % of leaders who feel they have the opportunity to learn and grow when accountability issues arise. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
1.3.a: Incorporate REDI expectations (DEI competencies) into current performance management system and manage performance to them.	COO, Directors, Human Resources		
1.3.b: Establish a regular reporting cadence on REDI metrics to City Council to hold ourselves accountable publicly on pro	Mayor, City Council, Directors		
1.3.c: Create a safe space-process for concerns to be brought forward from staff to peers; i.e., zero tolerance for retaliation	Mayor, COO, Directors, DEI Advisor, Human Resources		
1.3.d: Celebrate success or demonstrations of modeled leadership and learn from deficits through discussions in Leadership and Management Team meetings. Produce a lessons-learned log and other best practices from this safe space for our community of practice.	Mayor, COO Directors, Deputy Directors, DEI Advisor, Managers/Supervisors, Welcoming Team		

GOAL 2: RESPECT & BELONGING

OBJECTIVE

Demonstrate a culture of respect where all staff feel a sense of belonging, their voices are heard, and they contribute to and impact the work of the City.

KEY RESULTS

- Shared understanding of our R.E.D.I. work with role clarity, expectations, and accountability for all
- Focus on workplace mental health and well-being
- Operate as “One City” with a shared set of values, goals, and objectives
- Collaboration and teamwork
- Open, transparent, timely, and safe communication with built-in feedback loops (multi-directional)
- Inclusive model for planning/change management
- Improved decision making with clear line of sight
- Multiple opportunities for people to connect at various levels
- Create, promote, and support employee resource groups
- Strong brand recognition
- Onboarding process to accelerate a sense of belonging at the divisional and organizational level

Strategic Level Activities	Accountable/Responsible	Schedule	Status
2.1: Establish a clear vision and expectations for all staff	Mayor, COO, Directors		
Key Performance Indicators	<ul style="list-style-type: none"> • % of staff who believe they understand how Redmond’s culture of respect is defined and demonstrated. • % of staff who believe the Redmond REDI vision and expectations are clearly communicated. • % of staff who believe individual performance expectations are clear and have been received in writing. • % of staff who feel they receive the necessary resources and support to successfully meet expectations. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
2.1.a: Create a formal plan of action to roll out the REDI vision and values	COO, Directors, DEI Advisor, Communications		
2.1.b: Establish and communicate expectations with role clarity	Mayor, COO, Directors, Deputy Directors, Managers/Supervisors		
Strategic Level Activities	Accountable/Responsible	Schedule	Status
2.2: Embed U.S. Surgeon General Five Essential for Workplace Mental Health and Well-Being Framework (centered on worker voice and equity)	COO, Directors, DEI Advisor		
Key Performance Indicators	<ul style="list-style-type: none"> • % of staff who feel safe at work. • % of staff who feel they have connection and community. • % of staff who feel they have work-life harmony. • % of staff who feel they matter at work. • % of staff who feel they have opportunity for growth. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status

2.2.a: Prioritize workplace physical and psychological safety	All staff		
2.2.b: Operationalize REDI-anti-racism norms, policies, and programs	Mayor, COO, Directors, DEI Advisor		
2.2.c: Cultivate trusted relationships between leaders and staff at all levels	All Staff		
2.2.d: Foster collaboration and teamwork	Mayor, COO, Directors, Managers/Supervisors		
2.2.e: Make schedules as flexible and predictable as possible	Mayor, COO, Directors		
2.2.f: Ensure access to paid leave	Mayor, COO, Directors, Human Resources	Complete	Paid leave is spelled out in the Personnel Manual
2.2.g: Provide competitive living wage	Mayor, Council, COO, Directors	Complete	Salaries and wage policies are spelled out in the Personnel Manual; Continual compensation studies keep salaries commensurate with the market.
2.2.h: Engage workers in workplace decisions	Mayor, COO, Directors, Managers/Supervisors		
2.2.i: Evaluate and implement appropriate reward systems	Mayor, COO, Directors, Human Resources	Continuing	Reward system policies are spelled out in the Personnel Manual
2.2.j: Connect individual work with organizational mission	Mayor, COO, Directors, Managers/Supervisors		
2.2.k: Offer quality training, education, and mentoring	Mayor, COO, Directors, Managers/Supervisors; Human Resources		
2.2.l: Foster clear, equitable pathways for career advancement	Mayor, COO, Directors		
2.2.m: Ensure relevant, reciprocal feedback	Mayor, COO, Directors; Managers/Supervisors		
Strategic Level Activities	Accountable/Responsible	Schedule	Status
2.3: Develop staff to meet REDI expectations and contribute to the Redmond culture of respect and belonging	Mayor, COO, Directors; Managers/Supervisors; DEI Advisor; Redmond Welcoming Team		
Key Performance Indicators	<ul style="list-style-type: none"> • % of staff who believe respect is demonstrated consistently throughout the organization. • % of staff who feel they understand how each member positively impacts the REDI culture. • % of staff who feel they have the knowledge and tools to contribute to the REDI culture. • % of staff who feel comfortable calling out disrespectful, uncivil, or harmful behavior. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
2.3.a: Strategic roll-out of REDI training	DEI Advisor; REDI Facilitation Team		
2.3.b: Develop onboarding process for all new hires	COO, Directors, Human Resources		
2.3.c: Embed REDI concepts into current trainings or training requirements where applicable	COO, Directors, Human Resources		

GOAL 3: EFFECTIVE PROGRAM SUPPORT

OBJECTIVE

Provide training, resources, systems, and tools to position staff for success.

KEY RESULTS

- Management matrix to identify role clarity and intersections
- Opportunities for team building, collaboration, professional connections, and fun
- Honor staff voice and support opportunities for staff to contribute input and/or feedback on the work
- Tools that show - not just tell - our work
- Improved staff growth and development
 - Increased staff capacity (depth and breadth)
 - Mentoring opportunities
- Staff development plans include training, point to desired outcomes, and growth opportunities
- Intentional resource allocation (time and money)
- Leverage internal talent for cross-training
 - Succession planning
- Written policies and procedures (not just compliance-based)
- Tools, training, and resources to directly support policy and procedure implementation and management
 - Increased trust from the community

Strategic Level Activities	Accountable/Responsible	Schedule	Status
3.1: Improve internal communications and transparency	Mayor, COO, Directors; Managers/Supervisors; Communications		
Key Performance Indicators	<ul style="list-style-type: none"> • % of staff who believe they are provided relevant information in a timely and meaningful way. • % of staff who believe relevant information is made available and accessible in multiple forms. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
3.1.a: Add structure to the Leadership and Management Team meetings that enhances transparency and information sharing	Mayor, COO, Directors; Managers/Supervisors; Communications		
3.1.b: Utilize multiple opportunities to share information on a regular basis; i.e. division meetings, unit meeting, team meetings, etc.	Mayor, COO, Directors; Managers/Supervisors; Communications		
Strategic Level Activities	Accountable/Responsible	Schedule	Status
3.2: Prioritize staff voice in decision-making processes	Mayor, COO, Directors; Managers/Supervisors		
Key Performance Indicators	<ul style="list-style-type: none"> • % of staff who believe they have an opportunity to provide input and feedback on decisions that impact their work. • # of actions that incorporated inclusive change management principles. • # of cross-divisional workgroups and project teams that included divisionwide representation. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
3.2.a: Incorporate inclusive change management principles			

in decision making whenever possible			
3.2.b: Create space for staff to participate in workgroups and project teams that are working on efforts with outcomes that have impacts on their work or individual experience as a staff member	Mayor, COO, Directors; Managers/Supervisors; DEI Advisor; Redmond Welcoming Team		
3.2.c: Support multiple methods for staff to contribute input on issues that impact them; i.e., questionnaire, email, team discussions, etc.	Mayor, COO, Directors; Managers/Supervisors; DEI Advisor; Redmond Welcoming Team, Communications, Human Resources		
3.2.d: Ensure staff input is acknowledged, responded to, and explained whether it is accepted or not (feedback loop).	Mayor, COO, Directors; Managers/Supervisors; DEI Advisor		
Strategic Level Activities	Account/Responsible	Schedule	Status
3.3: Create more structure and efficiency to organizational operations	Mayor, COO, Directors; Managers/Supervisors		
Key Performance Indicators	<ul style="list-style-type: none"> • % of policies, procedures, and resources updated and/or newly created. • % of staff who believe there are policies, procedures, and resources to support operations. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
3.3.a: Maintain a prioritized list of policies, procedures, and resources needed for more efficient operations	Mayor, COO, Directors; Managers/Supervisors;		
3.3.b: Develop needed policies, procedures, and resources for identified core operations and administrative tasks			
3.3.c: Make organizational policies and processes easily accessible on a shared platform	DEI Advisor; Communications		
Strategic Level Activities	Accountable/Responsible	Schedule	Status
3.4: Create opportunities for team building and networking	Mayor, COO, Directors; Managers/Supervisors;		
Key Performance Indicators	<ul style="list-style-type: none"> • % of staff who believe they have opportunities to connect with their team. • % of staff who believe they have opportunities to learn and collaborate with other teams. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
3.4.a: Leverage Employee Resource Groups to host monthly connect meetings	DEI Advisor; Redmond Welcoming Team and Staff		
3.4.b: Establish quarterly staff events to celebrate success and demonstrate appreciation	DEI Advisor; Redmond Welcoming Team and Staff		
3.4.c: Coordinate in-person office days and network lunch opportunities	DEI Advisor; Redmond Welcoming Team and Staff		

GOAL 4: PRO-EQUITY, ANTI-RACISM IMPLEMENTATION (PEAR)

OBJECTIVE

Successfully implement efforts that support our work and growth as an anti-racist organization addressing respect, diversity, equity, and inclusion.

KEY RESULTS

- DEI and Anti-Racism are centered in program delivery
- Budget for equity
- Policies, processes, and procedures align with REDI
- Incorporate appropriate blend of universal policies and strategies, as well as targeted universal policies and strategies
- DEI competencies and metrics are imbedded in employee/leadership expectations
- Increased quality of services and work output
- Hiring and promotion processes consider qualification and educational backgrounds
- Staff demonstrate a commitment to being an anti-racist organization through our work and internal and external professional relationships
- Platforms for accessibility and usability

Strategic Level Activities	Accountable/Responsible	Schedule	Status
4.1: Review Redmond Municipal Code process to review and rewrite where/when equity is not centered			
Key Performance Indicators	<ul style="list-style-type: none"> • % of annual processes evaluated through an equity lens. • % of processes and policies revised as a result of equity evaluation. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
4.1.a: Create policy and process evaluation criteria	DEI Advisor; Redmond Welcoming Team and Staff		
4.1.b: Prioritize policies and procedures for evaluation	DEI Advisor; Redmond Welcoming Team and Staff		
4.1.c: Include information on REDI considerations on all policy recommendations to Council	Mayor, COO, Directors, Deputies, Managers/Supervisors;		
Strategic Level Activities	Accountable/Responsible	Schedule	Status
4.2: Implement the State of Washington Baseline Equity Impact Review (EIR) framework	COO, Directors, Deputies, DEI Advisor, Managers/Supervisors		
Key Performance Indicators	<ul style="list-style-type: none"> • % of staff who believe they understand their role in implementing PEAR. • % of staff who believe they have the resources and tools to manage their role in implementation. • # of new community partnerships formed as a result of engagement efforts. • % of community suggestions that are implemented that influence policy decisions. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
4.2.a: Identify and analyze communities impacted by city services	DEI Advisor		
4.2.b: Engage identified communities and receive feedback	DEI Advisor		

4.2.c: Analyze potential changes that improve pro-equity, racial justice, access, and belonging	DEI Advisor		
4.2.d: Implement identified anti-racism plans	COO, Directors, Deputies, DEI Advisor, Managers/Supervisors, staff		
4.2.e: Commit to equitable continuous improvement	COO, Directors, Deputies, DEI Advisor, Managers/Supervisors, staff		

GOAL 5: COMMUNITY (STAKEHOLDER) ENGAGEMENT

OBJECTIVE

Develop a system of working collaboratively with, and through, community members and partners to offer access to opportunities and resources that reduce disparities and improve equitable outcomes citywide.

KEY RESULTS

- DEI priorities are integrated into the framework of all program delivery, with annual reviews to ensure continuous alignment
- Elimination of common barriers, such as, but not limited to: language, culture, geographic location, intercommunity dynamics, immigrant status, lack of technology, etc.
- Equitable and just distribution of benefits and impacts to all parties across the community (distributional equity)
- Open, equitable, and culturally-sensitive access to decision-making processes so all impacted individuals can influence community and operational outcomes (process equity)
- Leadership and staff actively engage in antiracism training and initiatives, fostering and inclusive and supportive organizational culture
- Current actions concentrate on equitable and just distribution of benefits and burdens across future community and employee generations (cross-generational equity)
- All programs and partnerships are evaluated and confirmed to incorporate and antiracism foundation and DEI principles
- Annually audit alignment of tools and resources to fully support policies and procedures

Strategic Level Activities	Accountable/Responsible	Schedule	Status
5.1: Develop/Adopt/Track demographic composition of the community	DEI Advisor		
Key Performance Indicators	<ul style="list-style-type: none"> • # of demographic segments in the City. • Annually collect and report composition of the community (the makeup of the community). • % of decisions that utilize collected community data in the decision-making process. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
5.1.a: Identify impacted people/populations and locations/geography	DEI Advisor		
5.1.b: Collect missing demographic data	DEI Advisor		
5.1.c: Identify how city services impact people and places using demographic disparities info	DEI Advisor, Welcoming Team, Managers/Supervisors		
Strategic Level Activities	Accountable/Responsible	Schedule	Status
5.2: Through targeted initiatives, improve community and stakeholder engagement by enhancing accessibility, useability, participation, and feedback integration	COO, Directors, Deputies, DEI Advisor		
Key Performance Indicators	<ul style="list-style-type: none"> • % of accessible stakeholder engagements. • % of annual increase in participation rates across diverse community segments in engagement activities. • % of actionable feedback from community and stakeholder engagement initiatives integrated into city policy and service development. • % of new or revised policies resulting directly from stakeholder input each year. • # of Council updates each year • % of satisfaction rate among stakeholders regarding the engagement process effectiveness and inclusivity, as measured through post-engagement questionnaires. 		

Tactical Level Activities	Accountable/Responsible	Schedule	Status
5.2.a: Develop and implement a tracking system to monitor engagement and feedback from identified demographics and locations	DEI Advisor		
5.2.b: Establish a mechanism for regularly updating and verifying the accuracy of collected demographic data	DEI Advisor, TIS		
5.2.c: Establish review process to measure impact of services on diverse populations, incorporating a continuous feedback loop	COO, DEI Advisor, Communications		
Strategic Level Activities	Accountable/Responsible	Schedule	Status
5.3: Develop an inclusive community engagement framework that prioritizes diversity in shaping city policies and services	COO, DEI Advisor, Communications		
Key Performance Indicators	<ul style="list-style-type: none"> • % of annual increase in participation from diverse community segments in engagement initiatives to ensure broad representation. • # of Council meetings, town halls, listening sessions outside of City Hall per year. • % completion of Councilmember strategy to reach community members who are hard to reach. • 100% of city departments adopt the community engagement framework within the first year, with ongoing reviews for improvement. • % of community feedback incorporated into annual policy and service adjustments. • 100% annual completion of specialized inclusivity and diversity training by city staff involved in community engagement, policymaking, and service provision. • % year-over-year improvement in community satisfaction with how city policies and services reflect diverse needs and priorities. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
5.3.a: Annually organize targeted outreach programs to increase participation from underrepresented community segments	COO, DEI Advisor, Communications		
5.3.b: Engage every year in listening session, town hall meetings, and other community conversations	City Council		
5.3.c: Councilmembers and Mayor reach out to key community groups, businesses, and other stakeholders around significant projects/programs to build relationships and trust	Mayor, City Council		
5.3.d: Develop City Council communications and accessibility strategy	City Council		
5.3.e: Clarify criteria for recognition of cultural groups and events at City Council meetings and work to highlight a diversity of community members each year	City Council		
5.3.f: Implement a comprehensive training program on inclusivity and diversity for all city staff and leadership	COO, Directors, DEI Advisor, Human Resources		

5.3.g: Develop and deploy a data collection and analysis system enabling direct integration of community input into policy and services	DEI Advisor, TIS		
5.3.h: Annually assess progress on community engagement goals at a publicly held City Council meeting	Mayor, City Council, Directors		
Strategic Level Activities	Accountable/Responsible	Schedule	Status
5.4: Implement and monitor an inclusive community engagement framework	DEI Advisor		
Key Performance Indicators	<ul style="list-style-type: none"> • % implementation of the inclusive community engagement framework across all city departments annually. • % of city policies revised or newly developed annually to reflect the principles and priorities identified through the community engagement framework. • % improvement in city service delivery as reported by diverse community segments, measured through annual satisfaction surveys. • # of diverse community members actively participating in decision-making processes. • % of recommendations from the community engagement monitoring process that are successfully implemented annually. 		
Tactical Level Activities	Accountable/Responsible	Schedule	Status
5.4.a: Conduct comprehensive training sessions for department directors and staff on implementing and monitoring the inclusive community engagement framework	REDI Ambassadors/Facilitators		
5.4.b: Initiate a series of policy review and development workshops that incorporate community engagement outcomes, aiming to directly translate community feedback into actionable policy improvements and new initiatives	Mayor, COO, Directors, Deputy Directors, DEI Advisor, REDI Ambassadors/Facilitators, Welcoming Team		
5.4.c: Establish a regular review and feedback cycle with community stakeholders to assess the effectiveness of city services and the engagement framework	Mayor, COO, Directors, DEI Advisor, REDI Ambassadors/Facilitators		

GLOSSARY

Belonging – An environment where individuals feel a sense of connection, acceptance, and purpose.

Community engagement - Community engagement is a fundamental practice of public health that supports the Washington State Department of Health's mission to protect and improve the health of all people in Washington State. Community engagement efforts have the potential to advance health equity, promote social connection, strengthen cross-sector partnerships, and build trusting relationships with the communities we serve.

Employee Resource Group (ERG) - Employee Resource Groups are voluntary, employee-led groups whose aim is to foster a diverse, inclusive workplace aligned with the organizations they serve.

Equity – Fair treatment, access to opportunities, resources and decision-making processes regardless of identity.

Equity Impact Review (EIR) - A five-step equity impact assessment process blending numerical (quantitative) data and community voices (qualitative data) to inform agency planning, decision-making, and implementation of actions that achieve equitable access to opportunities and resources that reduce disparities and improve equitable outcomes citywide.

Diversity – Respecting and appreciating the individual differences, including, but not limited to race, ethnicity, gender, sexual orientation, age, religion, and disability.

Inclusion – A culture where all people are appreciated and actively engaged, and where diverse perspectives are encouraged.

Mental Health and Well-being Framework (Surgeon General) – A five-part framework to help organizations develop, institutionalize, and update policies, processes, and practices that best support the mental health and well-being of all workers including, protection from harm, connection and community, work-life harmony, mattering at work, and opportunities for growth.

Minority-majority – the concept that collectively Black, Indigenous, and POC populations will outnumber whites who historically throughout American history have been the largest demographic population.

Pro-Equity/Anti-Racism Framework - Partnership with others to intentionally name and address implicit and explicit bias and all levels of racism, particularly against people who are seen and treated as Black, Indigenous, or People of Color.

Public health - promotes and protects the health of all people and their communities. This science-based, evidence-backed field strives to create a safe place where all people are seen, heard, and valued by 1) improving quality of life, 2) helping children thrive, 3) reducing human suffering, 4) saving money, and 5) declaring racism as a public health crisis.

Respect – Proactive celebration of differences, experiences, perspectives and backgrounds of all individuals.

Respect, Equity, Diversity, Inclusion Plan – A 5-year plan to guide the city to embrace differences and create a premier organization by sustaining a culture of respect that promotes belonging, access, and opportunity.



The City of Redmond assures that no person shall, on the grounds of race, color, national origin, or gender, as provided by Title VI of the Civil Rights Act of 1964 and the Civil Rights Restoration Act of 1987, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity. For more information about Title VI, please visit redmond.gov/TitleVI.

无歧视声明可在本市的网址 redmond.gov/TitleVI 上查阅 | El aviso contra la discriminación está disponible en redmond.gov/TitleVI.