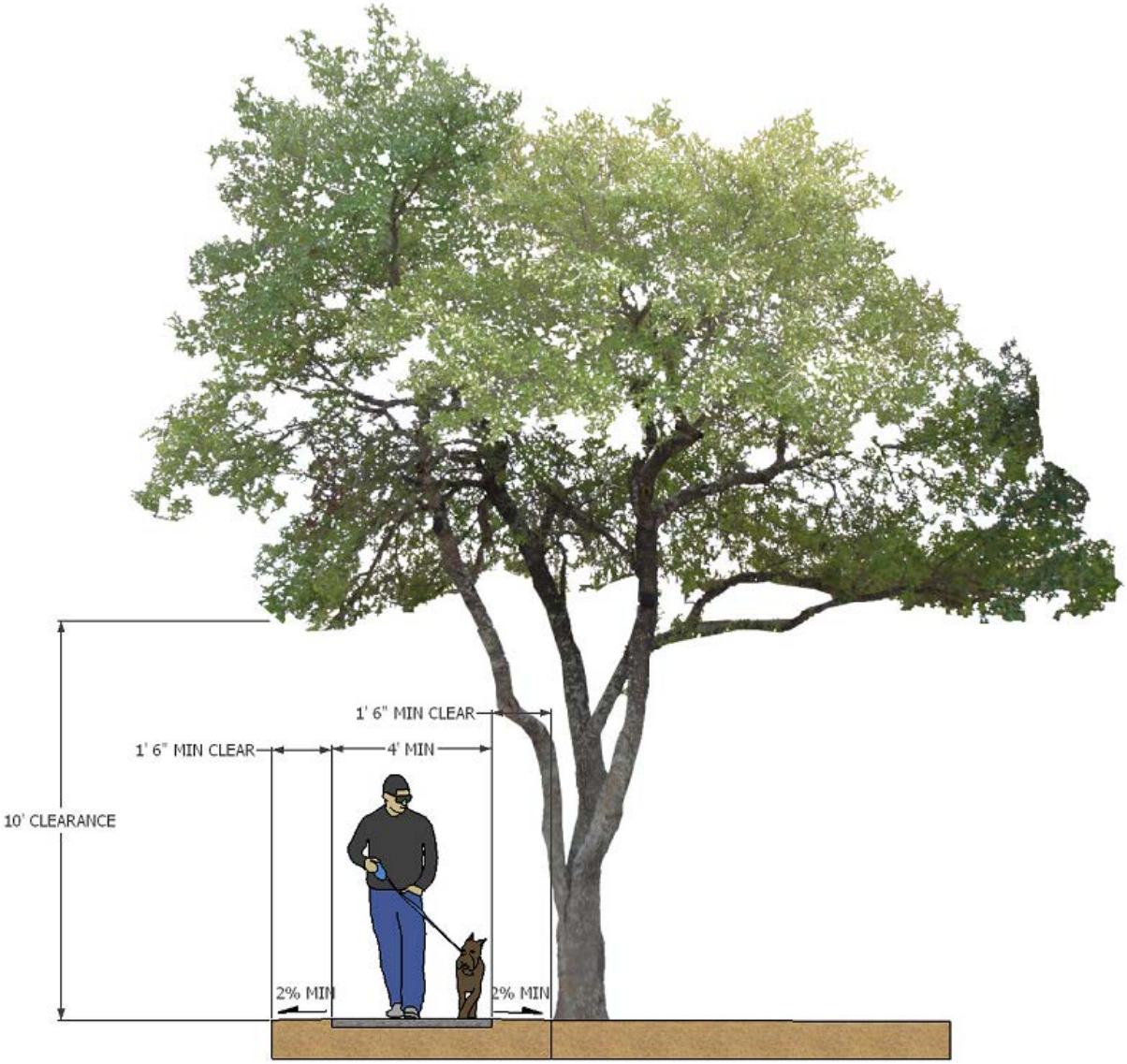
Chapter 9:
Capital Facilities Element



CHAPTER 9: CAPITAL FACILITIES ELEMENT

A VISION FOR CAPITAL FACILITIES

The city will develop a realistic and achievable capital facilities plan that ensures an effective use of taxpayer and ratepayer dollars that prioritizes capital investments to maintain adopted levels of service; responds to project urgency and feasibility; is consistent with the city's growth strategy; and provides a clear community benefit.

INTRODUCTION

The Comprehensive Plan is a tool for helping government officials think strategically about all aspects of the community and the way the elements interact. The Capital Facilities Element is used to guide public decisions on the use of capital funds. It will also indirectly guide private development decisions by providing strategically planned public capital expenditures which affects the timing and scale of development. Strategic provision of capital infrastructure also helps to mitigate the impacts of growth.

Capital facilities planning requires ongoing communication and cooperation between various disciplines including engineering, finance and planning. The Comprehensive Plan is the common basis relied upon by these disciplines and is intended to provide a realistic and achievable plan. It also requires close communication between the many service providers in Lake Stevens to ensure a coordination of capital improvements and effective use of taxpayer and rate payer dollars.

The Capital Facilities Element promotes effectiveness and efficiency by requiring the city to plan in advance for capital improvements rather than relying on a mechanism with a shorter horizon such as the annual budget. Long range financial planning presents the opportunity to schedule projects so that the various steps in development logically follow one another, with regard to relative urgency, economic desirability and community benefit. In addition, the identification of funding sources results in the prioritization of needs and allows the trade-off between projects to be evaluated.

PLANNING CONTEXT

State Planning

The Washington State Growth Management Act (GMA) requires that the city of Lake Stevens prepare and maintain a comprehensive plan capital facilities element. This element is required "in order to assure that public facilities will be reasonably available to accommodate planned growth over the next twenty years." This requirement is referred to as concurrency and specifically means:

- Public facilities that are needed to serve new development and population within a jurisdiction or service area must be in place at the time of development.
- Such facilities must be sized to adequately serve the area without decreasing the services levels established by the jurisdiction.

The GMA also requires that the comprehensive plan be of at least a twenty year planning horizon and be based on population projections supplied by the Office of Financial Management (OFM), and include a capital facilities element with a six-year plan for financing identified capital needs.

WAC 365-195-315 requires that the capital facilities plan address the following:

- An inventory of existing capital facilities owned by the public entity;
- At least a six year plan that will finance such capital facilities within project funding capacities and clearly identifies sources of public money for such purposes;
- Provide or finance capital facilities in a manner that meets concurrency and level-of-service requirements.

Regional Planning

The Puget Sound Regional Council Vision 2040 specifies the Regional Growth Strategy and directs growth primarily into urban growth areas where public services and facilities are better served. The Regional Growth Strategy highlights the need for strategic investments in services and facilities, especially to support growth and development in centers and compact urban communities.

Countywide Planning

The Snohomish Countywide Planning Policies include provisions to ensure the orderly transition of unincorporated areas to city governance, including the provision of services and infrastructure financing. These policies also address the need for consistency of capital

improvement programming with local comprehensive plans, countywide planning policies and VISION 2040.

Many policies give guidance for counties (and, where appropriate, cities) to review special district plans for consistency with local comprehensive plans and VISION 2040; also, they provide guidance for the review of special district criteria for location and design of schools and other public facilities. And finally, the policies direct jurisdictions to develop strategies to reduce the number of special districts where appropriate.

Lake Stevens Planning

The city of Lake Stevens is somewhat unique to its neighboring jurisdictions because it is responsible for general government services, police services, roads, stormwater and parks while special purpose districts provide all other services and utilities as identified in Chapter 7, Public Utilities and Services Comprehensive Plan Element. These include schools, wastewater, potable water, library, fire prevention, suppression and emergency medical services, and all other utility services.

Lake Stevens has established level of services standards (LOS) for the city's responsibilities detailed in these Comprehensive Plan Chapters and summarized later in this Chapter:

Level of Service Standards

SERVICE	LOCATION IN COMPREHENSIVE PLAN
General Government Services:	Chapter 7- Utilities & Public Services
Police Services	Chapter 7- Utilities & Public Services
Roads and Transportation	Chapter 8 – Transportation
Stormwater	Chapter 7- Utilities & Public Services
Parks	Chapter 5 – Parks, Recreation & Open Space

The city therefore coordinates closely with community service providers to plan appropriate capital investments.

REVENUE SOURCES

Municipal Revenues

Lake Stevens faces continuing fiscal challenges common to most cities. These are driven in large part by increased costs of doing business, increased service requirements mandated by legislation and restriction or elimination of certain tax revenue streams as a result of prior voter initiatives.

A diverse mix of municipal revenue sources is important, including property taxes, utility taxes, sales taxes and others. Fiscal diversity, like economic diversity, limits risk of over-reliance on a single revenue source. Lake Stevens' General Fund, which supports citizen services and the operations of the city government itself, is heavily dependent on tax revenues and especially property tax and sales and use taxes, for its funding. Property taxes account for 30 percent of General Fund revenues and sales and use taxes account for 25 percent. Other sources of revenue are utility and other taxes, licenses and permits, intergovernmental transfers, charges for services and other minor revenue sources.

Potential New Revenue Sources

Long-term economic sustainability for the city of Lake Stevens requires one or more of the following: increased local jobs, increased municipal revenues derived from business and industry, use of additional land to support community develop and retention of current jobs and revenue sources. Increasing municipal revenues from commercial sources is generally seen as one of the few ways that cities can improve their fiscal situation, recognizing the perception that housing and residents increase demands for services. Cities frequently look toward business attraction and creation to increase local revenues from utility taxes and sales taxes.

Taxes and Fees

There are limited additional sources of revenue that the city could use to meet its fiscal needs. These potential taxes and fees increase the cost of doing business or creating development in the city, and therefore may not be the solution to Lake Stevens' projected fiscal deficit with annexation.

- B&O taxes could potentially generate more revenue; however, at this stage, the city has elected to remain economically competive by not enacting a B&O tax as a strategy to attract businesses considering locating in the city.
- Impact mitigation fees from new development are used as a means of funding portions of parks or traffic capital projects.

LAND USE PLANNING CONSIDERATIONS

All land uses generate fiscal impacts on the city by changing revenue collections and the cost of providing services. Costs stem from impacts on city capital facilities and services as well as internal city operations. Revenues come from collection of taxes and fees.

Land use planning can incorporate several considerations related to the city's fiscal position: the anticipated revenues from new development; necessary infrastructure investments and on-going expenses to support future uses; and the current and future market feasibility of each use type.

Diversity of land uses is an important consideration. For example, multifamily housing can play a necessary and critical role in supporting local retail and other businesses by providing housing that workers can afford (keeping the cost of labor and prices down at local retail). Growth in population or business activity creates increased local demand for goods or services by introducing new consumers or producers. New property generates property tax revenues, while consumer spending by additional residents and businesses generates sales tax revenues. Similarly, attracting or growing businesses that draw traffic and spending from elsewhere in the region increases local economic activity and revenue.

Infrastructure investments must also be considered in land use planning. While such investments can be costly to build and support over time, those costs may be outweighed by the increase in property values and spillover effects that such investments can lead to.

INVENTORY AND ANALYSIS

Capital Improvement Plan

This Capital Facilities Element identifies needed improvements, which are of relatively large scale, are generally a non-recurring high cost and may require multi-year financing. The list of improvements focuses on major projects, leaving smaller improvements (less than $10,000) to be addressed in the annual budget. Figure 9.1 identifies the location of publically-owned facilities, which may be included in the capital facilities plan. Smaller facilities such as traffic signals and drainage ponds are not included on the map.

The Capital Improvement Plan is a six-year financing plan for capital expenditures to be incurred on a year-by-year basis. It is based on priority improvements taking into account, the forecasted revenue over the next six years from various sources. The six-year plan uses the long range 2035 Plan as a key factor to set priorities for capital projectsthat the jurisdiction plans to undertake, and presents estimates of the resources needed to finance them. The first year of the Capital Facilities Program will be converted to the annual capital budget, while the remaining five-year program will provide for long term planning. Only the expenditures and appropriations in the annual budget represent financial commitments.

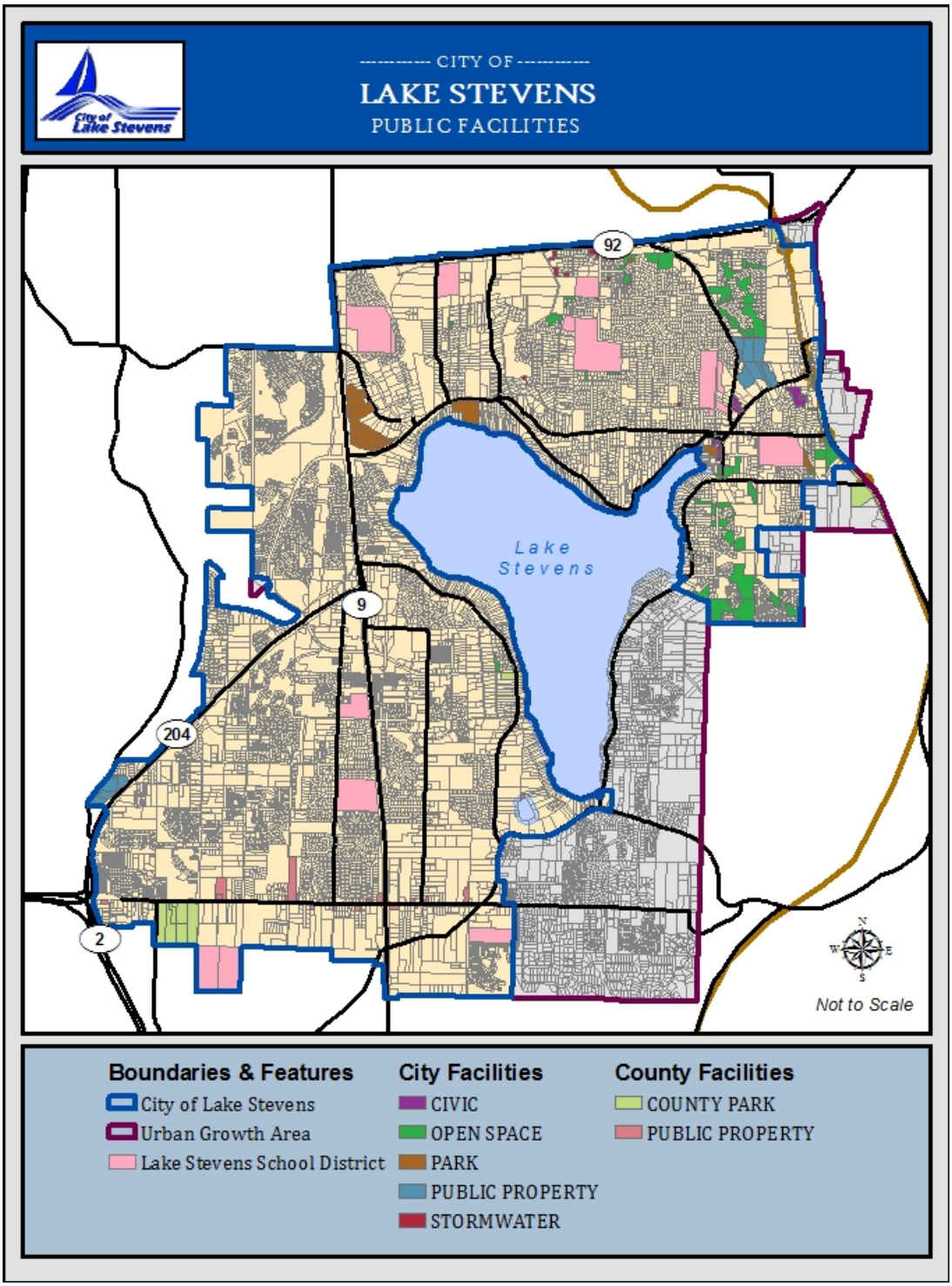


Figure 9.1 – Public Facilities Map

Definition of Capital Improvement

For the purposes of capital facility planning, "capital improvements" are major projects, activities or maintenance costing over $10,000 and requiring the expenditure of public funds over and above annual operating expenses. They have a life expectancy of more than ten years and result in an addition to the city's fixed assets and/or extend the life of the existing capital infrastructure. The cost estimates may include design, engineering efforts, permitting, environmental analysis, land acquisition, construction, major maintenance, site improvements, energy conservation projects, landscaping and initial furnishings and equipment. Capital improvements do not include equipment or the city's rolling stock, nor does it include the capital expenditures of private or non-public organizations.

Subarea Capital Facilities Planning

The city has embarked on subarea planning over the past few years. As part of these subarea plans, the city adopted a Subareas Capital Facilities Plan which is an important associated document to this Element. The study describes utility infrastructure required for redevelopment of the Lake Stevens Center and development of the 20th Street SE Corridor, including transportation, sewer, water and stormwater. The city is currently responsible for transportation outside of state routes, except that the city is responsible for maintenance of state routes within city limits and stormwater facilities. Special purpose districts provide sewer and water infrastructure and services.

The proposed projects are described in the Capital Facilities section of the plans with estimated costs representing costs typical for public works projects competitive bidding in accordance with Washington State law. The estimated costs are partitioned by expected funding, which could change based on available public funding, grants, development or private financing, or negotiated development agreements. Part 1 describes the infrastructure requirements, phasing, cost partitioning and proposed financing for the Lake Stevens Center. Part 2 describes the same information for 20th Street SE Corridor. Part 3 describes financing alternatives, which can be used for either subarea.

PROJECTION OF CAPITAL FACILITY NEEDS

Identified Needs

All public facility needs have been identified in the other elements of the Comprehensive Plan. Through the process of developing this Capital Facilities Element the financial feasibility of the other elements has been ensured. The other Plan elements describe the location and capacity of any facilities available through December 31, 2014 and analyze the need for increased capacity from 2015-2035. The capital improvements needed to satisfy future and existing substandard development and maintain adopted level of service

standards are identified and listed in Table 9.4, and include projects from the adopted Subarea Capital Facilities Plan, adopted by Council on September 24, 2012, which provides a detailed discussion and list of infrastructure needs and projects in the subareas.

Table 9.1, which includes the adopted Subarea Capital Facilities Plan, provides a brief description of each of the capital improvement projects with an estimate of the total project costs. The year indicates when the projects must be completed in order to maintain the adopted level of service standards for the respective facilities. Capital improvement projects have been identified for transportation, parks and recreation, government and stormwater drainage facility improvements. Facilities for wastewater, potable water, fire protection, schools and solid waste are contained in district and agency plans, coordinated with, but independent of the city's Comprehensive Plan.

Prioritization of Capital Facilities

The capital improvement needs listed in Table 9.1 (attached at the end of the chapter) that includes the projects found in the adopted Subarea Capital Facilities Plan were developed by the city staff based on community-wide input and the other elements of this Comprehensive Plan. The following criteria were applied in developing the final listing of proposed projects:

- Service Considerations: Safety, Health and Welfare Factors, Environmental Impact, Effect on Quality of Service;
- Economic Considerations: Potential for Financing, Impact on Future Operating Budgets, Timeliness of Opportunity, Benefit to Economy and Tax Base;
- Feasibility Considerations: Legal Mandates, Citizen Support, Staff Availability; and
- Consistency Considerations: Goals and Objectives in Other Elements of this Plan, Linkage to Other Planned Projects, Plans of Other Jurisdictions, County-Wide Planning Policies.

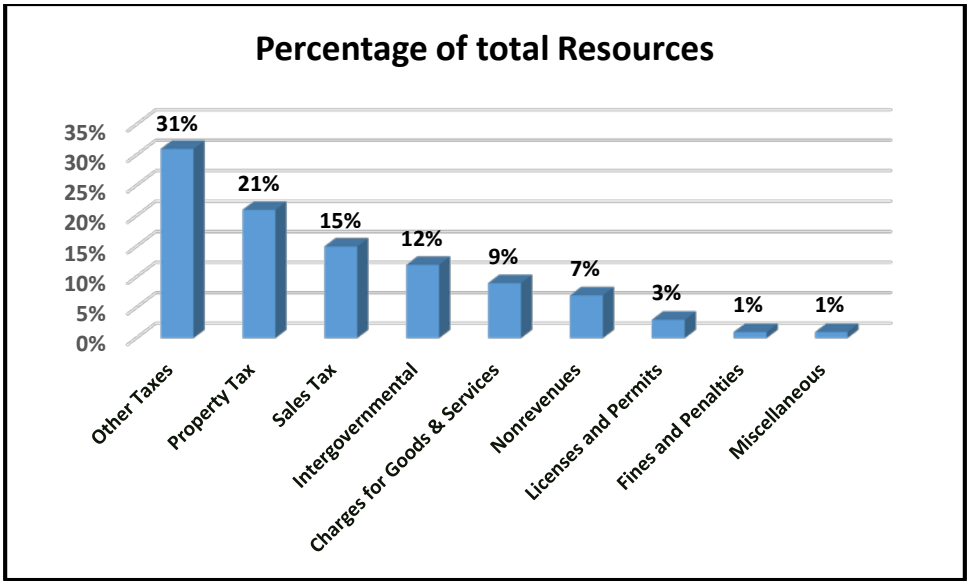
Cost estimates in this element are presented in 2016 dollars and were derived from various federal and state documents, published cost estimates, records of past expenditures and information from private contractors.

FUTURE NEEDS AND ALTERNATIVES

Current Revenue Sources

The largest single source of non-restricted revenue for the city is the *ad valorem* property tax, which generally accounts for 20 percent of city revenue. The city's assessment for this tax is usually set at the maximum rate. Figure 9.2 depicts the distribution of revenue sources for the city.

FIGURE 9.2 – Source of Existing City Resources, Average 2014



FINANCIAL RESOURCES

To ensure that the city is using the most effective means of collecting revenue, the city inventoried the various sources of funding currently available. Financial regulations and available mechanisms are subject to change; furthermore, changing market conditions influence the city's choice of financial mechanism. Therefore, the city should periodically review the impact and appropriateness of its financing system. The following list of sources includes all major financial resources available and is not limited to those sources which are currently in use or will be used in the six-year schedule of improvements.

Debt Financing

Short-Term Borrowing: The high cost of many capital improvements requires local governments to occasionally use short-term financing through local banks.

Revenue Bonds: These bonds are financed by those benefiting from the capital improvement. The debt is retired using charges collected from the users of public facilities such as sewer systems and electrical power plants. Interest rates tend to be higher than for general obligation bonds and issuance of the bonds may be approved without a voter referendum.

Industrial Revenue Bonds: Bonds issued by a local government, but actually assumed by companies or industries that use the revenue for construction of plants or facilities. The attractiveness of these bonds to industry is that they carry comparatively low interest rates

due to their tax-exempt status. The advantage to the jurisdiction is the private sector is responsible for retirement of the debt.

General Obligation Bonds: Bonds backed by the value of the property within the jurisdiction. Voter-approved bonds increase property tax rates and dedicate the increased revenue to repay bondholders. Councilmanic bonds do not increase taxes and are repaid with general revenues. Revenue may be used for new capital facilities, or maintenance and operations of existing facilities. This debt should be used for projects that benefit the city as a whole.

Local Multi-Purposes Levies

Ad Valorem Property Taxes: Tax rate in millions (1/10 cent per dollars of taxable value). The maximum rate is $3.60 per $1,000 assessed valuation. The city is prohibited from raising its levy more than 1 percent of the previous year's amount levied before adjustments, new construction and annexation. A temporary or permanent access levy may be assessed with voter approval. Revenue may be used for new capital facilities, or maintenance and operations of existing facilities.

Local Single Purpose Levies

Emergency Medical Services Tax: The EMS tax is a property tax levy of $0.50 for emergency medical services. Revenue may be used for new capital facilities, or maintenance and operations of existing facilities. The city's EMS service are currently provided by the Lake Stevens Fire District.

Motor Vehicle Fuel Tax: This tax is paid by gasoline distributors and distributed by the Department of Licensing. Revenues must be spent for highway (city streets, county roads and state highways) construction, maintenance or operations; policing of local roads; or related activities.

Local Option Fuel Tax: This is a countywide voter approved tax equivalent to 10 percent of Statewide Motor Vehicle Fuel Tax and a special fuel tax of 2.3 cents per gallon. Revenue is distributed to the city on a weighed per capita basis. Revenues must be spent for highway (city streets, county roads and state highways) construction, maintenance or operations; policing of local roads; or highway-related activities.

Local Non-Levy Financing Mechanisms

Reserve Funds: Revenue that is accumulated in advance and earmarked for capital improvements. Sources of funds can be surplus revenues, funds in depreciation reserves or funds resulting from the sale of capital assets.

Fines, Forfeitures and Charges for Services: This includes various administrative fees and user charges for services and facilities operated by the jurisdiction. Examples are franchise fees, sales of public documents, property appraisal fees, fines, forfeitures, licenses, permits, income received as interest from various funds, sale of public property, rental income and all private contributions to the jurisdiction. Revenue from these sources may be restricted in use.

User Fees, Program Fees and Tipping Fees: Fees or charges for using park and recreational facilities, solid waste disposal facilities, sewer services, water services, surface water drainage facilities. Fees may be based on measure of usage, a flat rate or design features. Revenues may be used for new capital facilities, or maintenance and operations of existing facilities.

Street Utility Charge: Fee up to 50 percent of actual costs of street construction, maintenance and operations charged to businesses and households. The tax requires local referendum. The fee charged to businesses is based on the number of employees and cannot exceed $2.00 per employee per month. Owners or occupants of residential property are charged a fee per household that cannot exceed $2.00 per month. Both businesses and households must be charged. Revenue may be used for activities such as street lighting, traffic control devices, sidewalks, curbs, gutters, parking facilities and drainage facilities.

Special Assessment District: District created to service entities completely or partially outside of the jurisdiction. Special assessments are levied against those who directly benefit from the new service or facility. This includes Local Improvement Districts, Road Improvement Districts, Utility Improvement Districts and the collection of development fees. Funds must be used solely to finance the purpose for which the special assessment district was created.

Special Purpose District: District created to provide a specified service. Often the district will encompass more than one jurisdiction. This includes districts for fire facilities, hospitals, libraries, metropolitan parks, airports, ferries, parks and recreation facilities, cultural arts, stadiums and convention centers, sewers, water flood controls, irrigation and cemeteries. Voter approval is required for airport, parks and recreation and cultural arts, stadium and convention districts. District has authority to impose levies or charges. Funds must be used solely to finance the purpose for which the special purpose district was created.

Transportation Benefit Districts: Chapter 36.73 RCW enables cities and counties to create transportation benefit districts in order to finance and carry out transportation improvements necessitated by economic development and to improve the performance of the transportation system.

Lease Agreements: Agreement allowing the procurement of a capital facility through lease payments to the owner of the facility. Several lease packaging methods can be used. Under the lease-purchase method the capital facility is built by the private sector and leased back to the local government. At the end of the lease, the facility may be turned over to the municipality without any future payment. At that point, the lease payments will have paid the construction cost plus interest.

Privatization: Privatization is generally defined as the provision of a public service by the private sector. Many arrangements are possible under this method ranging from a totally private venture to systems of public/private arrangements, including industrial revenue bonds.

Impact Fees: These fees are paid by new development based upon its impact to the delivery of services. Impact fees must be used for capital facilities needed by growth, not for current deficiencies in levels of service, and cannot be used for operating expenses. These fees must be equitably allocated to the specific entities which will directly benefit from the capital improvement and the assessment levied must fairly reflect the true costs of these improvements. Impact fees may be imposed for public streets and roads, publicly owned parks, open space and recreational facilities, school facilities and fire protection facilities (in jurisdictions that are not part of a fire district).

Storm Drainage Utility Charge: Utility district created to specifically provide storm and drainage management, maintenance and operation. Fees would be levied against properties receiving benefit of storm water management.

<u>State Grants and Loans</u>

Community Development Block Grant (CDBG): Grant funds available for public facilities, economic development, housing and infrastructure projects which benefit low and moderate income households. Grants distributed by the Department of Community Development primarily to applicants who indicate prior commitment to project. Revenue restricted in type of project and may not be used for maintenance and operations.

Community Economic Revitalization Board: Low-interest loans (rate fluctuates with State bond rate) and occasional grants to finance infrastructure projects for a specific private sector development. Funding is available only for projects which will result in specific private developments or expansions in manufacturing and businesses that support the trading of goods and services outside of the State's borders. Projects must create or retain

jobs. Funds are distributed by the Department of Trade and Economic Development primarily to applicants who indicate prior commitment to project. Revenue restricted in type of project and may not be used for maintenance and operations.

Public Works Trust Fund (PWTF): Low interest loans to finance capital facility construction, public works emergency planning and capital improvement planning. To apply for the loans the city must have a capital facilities plan in place and must be levying the original 1/4 real estate excise tax. Funds are distributed by the Department of Community Development. Loans for construction projects require matching funds generated only from local revenues or state shared entitlement revenues. PWTF revenues may be used to finance new capital facilities, or for maintenance and operations of existing facilities.

Federal Project Grants (LWCF): Federal monies are available for the acquisition and construction of outdoor park facilities from the National Park Service's (NPS) Land and Water Conservation Fund (LWCF). The grants are administered by the Washington State Recreation and Conservation Office (RCO).

NPS grants usually do not exceed $150,000 per project and must be matched on an equal basis by the local jurisdiction. The RCO assigns each project application a priority on a competitive statewide basis according to each jurisdiction's need, population benefit, natural resource enhancements and a number of other factors. In the past few years, project awards have become extremely competitive as the federal government has significantly reduced the amount of federal monies available under the NPS program. The state has increased contributions to the program over the last few years using a variety of special funds, but the overall program could be severely affected by pending federal deficit- cutting legislation.

Applicants must submit a detailed comprehensive park and recreation plan to be eligible for NPS funding. The plan must demonstrate facility need and prove that the city's project proposal will adequately satisfy local park and recreation needs and interests. This Comprehensive Plan functions as the city's detailed park and recreation plan for such grant purposes (See Chapter 5).

State Project Grants (ALEA): Washington State created a number of new programs in recent years for park and recreation development purposes using special state revenue programs. Recently enacted programs include the 1985 Aquatic Lands Enhancement Act (ALEA) using revenues obtained by the Washington Department of Natural Resources from the lease of state owned tidal lands. The ALEA program is administered by RCO for the development of shoreline-related trail improvements and may be applied for the full cost of the proposal.

Urban Arterial Trust Account (UATA): Revenue available for projects to alleviate and prevent traffic congestion. Entitlement funds are distributed by the State Transportation Improvement Board (STIB) subject to UATA guidelines and with a 20 percent local matching requirement. Revenue may be used for capital facility projects to alleviate roads that are

structurally deficient, congested with traffic, or have accident problems.

Transportation Improvement Account: Revenue available for projects to alleviate and prevent traffic congestion caused by economic development or growth. Entitlement funds are distributed by the State Transportation Improvement Board with a 20 percent local match requirement. For cities with a population of less than 500 the entitlement requires only a 5 percent local match. Revenue may be used for capital facility projects that are multi-modal and involve more than one agency.

Centennial Clean Water Fund: Grants and loans for the design, acquisition, construction and improvement of Water Pollution Control Facilities and related activities to meet state and federal water pollution control requirements. Grants and loans are distributed by the Department of Ecology with a 50-25 percent matching share. Use of funds limited to planning, design and construction of Water Pollution Control Facilities, storm water management, ground water protection and related projects.

Water Pollution Control State Revolving Fund: Low interest loans and loan guarantees for water pollution control projects. Loans distributed by the Department of Ecology. Applicant must show water quality need, have a facility plan for treatment works and show a dedicated source of funding for repayment.

Washington State Recreation and Conservation Office: Provides leadership, grant funding and technical assistance for the building of trails, parks, boating facilities, water access and more. Office administers 12 grant programs for providing recreation, conserving habitat, measuring farmland and recovering salmon. Applicants must complete a planning process before applying for funding. Most grants require either a cash or in-kind contribution of up to 50 percent of the cost of the project.

<u>Federal Grants and Loans</u>

Federal Aid Bridge Replacement Program: Funds available with a 20 percent local matching requirement for replacement of structurally deficient or obsolete bridges. Funds are distributed by the Washington State Department of Transportation on a statewide priority basis. Therefore, the bridge must be on the State of Washington Inventory of Bridges.

Federal Aid Safety Programs: Revenue available for improvements at specific locations which constitute a danger to vehicles or pedestrians as shown by frequency of accidents. Funds are distributed by Washington State Department of Transportation from a statewide priority formula and with a 10 percent local match requirement.

Federal Aid Emergency Relief: Revenue available for restoration of roads and bridges on the federal aid system which are damaged by extraordinary natural disasters or catastrophic failures. Local agency declares an emergency and notifies Division of Emergency Management , upon approval entitlement funds are available with a 16.87 percent local matching requirement.

Department of Health Water Systems Support: Revolving, low-interest loans for upgrading existing small water systems, ensuring effective management and achieving maximum conservation of safe drinking water. Grants distributed by the State Department of Health through intergovernmental review.

Intermodal Surface Transportation Efficiency Act (ISTEA): ISTEA (referred to as "ice tea") provides funding to the State for transportation oriented projects. Several federal programs were combined to create one umbrella program. Separate areas of funding are made available through Washington State Department of Transportation (WSDOT) or the Puget Sound Regional Council (PSRC) focusing on motor vehicles, bicycles, pedestrians, carpooling, HOV lanes, commuter trains, bridges, highway safety, environmental and "enhancement" projects. Grants are generally awarded on a competitive basis within the County, Puget Sound region or the State.

CAPITAL FACILITY STRATEGIES

In order to realistically project available revenues and expected expenditures on capital facilities, the city must consider all current policies that influence decisions about the funding mechanisms, as well as policies affecting the city's obligation for public facilities. The most relevant of these are described below. These policies along with the goals and policies articulated in the other elements of the Comprehensive Plan were the basis for the development of various funding scenarios. Any variations from the current policies in the development of the six-year Capital Improvement Plan Table 9.2 were incorporated into the goals and policies of the Comprehensive Plan.

<u>Mechanisms to Provide Capital Facilities</u>

Increase Local Government Appropriations: The city will investigate the impact of increasing current taxing rates and will actively seek new revenue sources. In addition, on an annual basis the city will review the implications of the current tax system as a whole.

Analysis of Debt Capacity: Generally, Washington State law permits a city to ensure a general obligation bonded debt equal to 1.5 percent of its property valuation without voter approval. By a 60 percent majority vote of its citizens, a city may assume an additional general obligation bonded debt of 1 percent, bringing the total for general purposes up to 2.5 percent of the value of taxable property. The value of taxable property is defined by law as

being equal to 100 percent of the value of assessed valuation. For the purpose of supplying municipally-owned electric, water or sewer service, and with voter approval, a city may incur another general obligation bonded debt equal to 2.5 percent of the value of taxable property. At the current time, the city of Lake Stevens does not supply these services; however, the city has an interest in where the utility purveyors invest in infrastructure. With voter approval, cities may also incur an additional general obligation bonded debt equal to 2.5 percent of the value of taxable property for parks and open space. Thus, under State law, the maximum general obligation bonded debt which a city may incur cannot exceed 7.5 percent of the assessed property valuation.

Municipal revenue bonds are not subject to a limitation on the maximum amount of debt which can be incurred. These bonds have no effect on the city's tax revenues because they are repaid from revenues derived from the sale of services.

The city of Lake Stevens has used general obligation bonds and municipal revenue bonds very infrequently. Therefore, under state debt limitations, it has ample debt capacity to issue bonds for new capital improvement projects as shown in Table 9.3. However, the city does not currently have policies in place regarding the acceptable level of debt and how that debt will be measured.

The city has developed the 20-year Capital Facilities Program to address future growth plans and anticipates new development will pay a proportionate share of impacts to meet concurrency requirements.

User Charges and Connection Fees: User charges are designed to recoup the costs of public facilities or services by charging those who benefit from such services. As a tool for affecting the pace and pattern of development, user fees may be designed to vary for the quantity and location of the service provided. Thus, charges could be greater for providing services further distances from centers.

Mandatory Dedications or Fees in Lieu of: The jurisdiction may require, as a condition of plat approval, that subdivision developers dedicate a certain portion of the land in the development to be used for public purposes, such as roads, parks, or schools. Dedication may be made to the local government or to a private group. When a subdivision is too small or because of topographical conditions a land dedication cannot reasonably be required, the jurisdiction may require the developer to pay an equivalent fee in lieu of dedication.

The provision of public services through subdivision dedications not only makes it more feasible to serve the subdivision, but may make it more feasible to provide public facilities and services to adjacent areas. This tool may be used to direct growth into certain areas.

Table 9.3 – Limitation of Indebtedness

I. INDEBTEDNESS FOR GENERAL PURPOSES WITHOUT A VOICE OF THE PEOPLE			
Councilmanic: Legal Limit 1.5% of taxable property	Capacity	Less Outstanding	Remaining Debt Capacity
1.5% times 2,375,391,203 equals	35,630,868	4,607,704	31,023,164
II. INDEBTEDNESS FOR GENERAL PURPOSES WITH A 3/5 VOTE OF THE PEOPLE			
Councilmanic: Legal Limit 2.5% of taxable property	Capacity	Less Outstanding	Remaining Debt Capacity
2.5% times 2,375,391,203 equals	59,384,780	0	59,384,780
I & II. TOTAL INDEBTEDNESS FOR GENERAL PURPOSES			
Councilmanic: Legal Limit 2.5% of taxable property	Capacity	Less Outstanding	Remaining Debt Capacity
2.5% times 2,375,391,203 equals	59,384,780	4,607,704	54,777,076
III. INDEBTEDNESS FOR CITY UTILITY PURPOSES WITH A 3/5 VOTE OF THE PEOPLE			
Councilmanic: Legal Limit 2.5% of taxable property	Capacity	Less Outstanding	Remaining Debt Capacity
2.5% times 2,375,391,203 equals	59,384,780	0	59,384,780
IV. INDEBTEDNESS FOR OPEN SPACE AND PARK FACILITIES WITH A 3/5 VOTE OF THE PEOPLE			
Councilmanic: Legal Limit 2.5% of taxable property	Capacity	Less Outstanding	Remaining Debt Capacity
2.5% times 2,375,391,203 equals	59,384,780	0	59,384,780
TOTAL **7.50%**	**TOTAL CAPACITY**	**TOTAL LESS OUTSTANDING**	**TOTAL REMAINING DEBT CAPACITY**
	178,154,340	4,607,704	173,546,636

Negotiated Agreement: Agreement whereby a developer studies impact of development and proposes mitigation for city's approval. These agreements rely on the expertise of the developer to assess the impacts and costs of development. Such agreements are enforceable by the jurisdiction. The negotiated agreement will require lower administrative and enforcement costs than impact fees.

Impact Fees: Impact fees may be particularly useful for a community that is facing rapid growth and with existing residents desiring to minimize the impacts to the existing levels of service.

Obligation to Provide Capital Facilities

Coordination with Other Public Service Providers: Local goals and policies as described in the other Comprehensive Plan elements are used to guide the location and timing of development. However, many local decisions are influenced by state agencies, special purpose districts and utilities that provide public facilities within the city of Lake Stevens. The planned capacity of public facilities operated by other entities is essential not only for the location and timing of public services, but also in the financing of such services and for the community to realize infrastructure and growth sustainability.

The city's plan for working with the natural gas, electric and telecommunication providers is detailed in the Public Services and Utilities Element Chapter 8. This Plan includes policies for sharing information and a procedure for negotiating agreements for provision of new services in a timely manner.

The Level of Service Standards for other public service providers such as school districts, sewer provider and private water providers are addressed in their respective Capital Facility programs. The city's policy is to exchange information with these entities and to provide them with the assistance they need to ensure that public services are available and that the quality of the service is maintained.

Level of Service Standards: Level of service standards are an indicator of the extent or quality of service provided by a facility that are related to the operational characteristics of the facility. They are a summary of existing or desired public service conditions. The process of establishing level of service standards requires the city to make quality of service decisions explicit. The types of public services for which the city has adopted level of service standards will be improved to accommodate the impacts of development and maintain existing service in a timely manner with new development.

Level of service standards will influence the timing and location of development, by clarifying which locations have excess capacity that may easily support new development and by delaying new development until it is feasible to provide the needed public facilities.

TABLE 9.4 – LEVEL OF SERVICE STANDARDS

FACILITY	ADOPTED LOS
Streets and Roads	
Major and Minor Arterials	LOS E
Collector Roadways	LOS E
Local Access Roadways	LOS C
SR9, SR204 and SR92*	LOS set by Puget Sound Region Council
Transit*	Coordination with Community Transit
Domestic Water*	
Domestic Supply	100 per capita per day - Adopted by Snohomish County PUD
Commercial	Adopted by Snohomish County PUD
Fire Flow	
Domestic and Commercial	Per IFC
Sewer	
Residential & Equivalent Commercial*	70 gallons per capita per day
Schools*	
Early Learning	State mandated LOS
K-5	State mandated LOS
6-8	State mandated LOS
9-12	State mandated LOS
Home School Program	State mandated LOS
Fire Protection*	
Fire Response	COORDINATE WITH Lake Stevens FD
Medical Response	COORDINATE WITH Lake Stevens FD
Law Enforcement	
Emergency Response	3 – 4 minutes
Non-emergency Response	6 – 10 minutes
Parks, Recreation and Open Space	
Community Parks	> 10 acres, within 2.5 miles
Neighborhood Parks	≤ 10 acres, within 1 mile
Mini-Parks	≤ 1 acre, within ½ mile residential or commercial
School Parks	Varies
Special Use Parks & Facilities	Varies
Trails & Pedestrian Facilities	Varies, within 1 mile of residential
Open space	Varies
Libraries*	
Building	Coordinated with Sno-Isle Library District
Solid Waste*	
Residential	3.3 pounds per capita per day
Other Government Services	
Building	Varies

*City considers and adopts special purpose district Capital Planning Document

In addition, to avoid over extending public facilities, the provision of public services may be phased over time to ensure that new development and projected public revenues keep pace with public planning. The city has adopted a level of service standard for six public services. The specific standards are identified in Chapters 5, 7 and 8 and summarized in Table 9.4 below.

Concurrency Management System Ordinance: The city adopted a concurrency implementation ordinance which contains procedures for reviewing proposed development within the city based on the available capacity of public facilities coupled with the adopted Level of Service standard for them.

Methods for Addressing Shortfalls

The city will not be able to finance all proposed capital facility projects, therefore, it has clearly identified the options available for addressing shortfalls and how these options will be exercised. The city evaluates capital facility projects on both an individual basis and a system-wide basis. In deciding how to address a particular shortfall the city will balance the equity and efficiency considerations associated between each of these options.

When the city identifies a potential shortfall, the city may addressed it by increasing revenue, examining and adjusting levels of service as appropriate, look for additional creative, cost effective solutions for constructing the facility, use a phasing solution to implement the facility construction and/or other methods as appropriate.

Six-Year Capital Improvement Plan

Financial Assumptions

The following assumptions about future operating conditions in the local government and market conditions were used in the development of the six-year Capital Improvement Plan Table 9.2:

- The city will maintain its current fund accounting system to handle its financial affairs.
- The cost of running the local government will continue to increase due to inflation and other factors, while revenues will decrease.
- New revenue sources, including new taxes, may be necessary to maintain and improve city services and facilities.
- Significant capital investment is needed to maintain, repair and rehabilitate the city's aging infrastructure and to accommodate future growth.
- Public investment in capital facilities is the primary tool of local government to

support and encourage economic growth.

- A comprehensive approach to review, consider and evaluate capital funding requests is needed to aid decision-makers and citizenry in understanding the capital needs of the city.
- Special purpose districts will cooperate and coordinate in the city's approach to capital facility planning to ensure growth is guided as directed.

In accordance with the existing accounting system, financial transactions are recorded in individual "fund" accounts. Capital improvements will be financed through the following funds:

- General Fund
- Capital Improvement Fund
- Transportation Improvement Fund
- Enterprise Fund

PROJECTED REVENUES

Projected Tax Base

The city's tax base was projected to increase at a 1 percent annual rate of growth for the adjusted taxable value of property (including new construction). The assessment ratio is projected to remain stable at 100 percent. This is important to the overall fiscal health of the city; however, capital improvements are also funded through non-tax resources.

Revenue by Fund

General Fund: This is the basic operating fund for the city, however, historically a number of capital improvements have been financed through this fund. Ad valorem tax yields were projected using the current tax rate and the projected 1 percent annual rate of growth for the city's assessed valuation. The General Fund will generally be allocated 72 percent of the annual tax yield from ad valorem property taxes. Sales tax projection estimates are based on historical trend data and increase approximately 1 percent per year.

Transportation Funds: Expenditures from these funds include direct annual outlays for capital improvement projects as well as the operating expenditures of the Street Fund. The revenues in this fund represent total receipts from state and local gas taxes. The projection estimates are based on state projections for gasoline consumption, current state gas tax revenue sharing methodologies and continued utilization of local option gas taxes at current levels. This fund also includes state and federal grant monies dedicated to transportation improvements.

Capital Improvement Funds: These revenues are committed to annual debt service and capital projects. The revenues in this fund represent continued capture of the real estate excise tax revenues necessary to meet annual debt service obligations on outstanding general obligation bonds.

Enterprise Fund: The revenue in this fund is used for the annual capital, debt service and operating expenditures for services that are operated and financed similar to private business enterprises. The projected revenues depend upon income from user charges, bond issues, state or federal grants and carry-over reserves.

Table 9.5 indicates the expected revenue available to the city to finance capital improvements and related operation and maintenance costs for the years 2015-2020.

Revenue amounts projected are based on past trends.

Table 9.5 – Revenue Projections Affecting Capital Improvements (Thousands) - 2015

FUNDS	2015	2016	2017	2018	2019	2020
General Fund	9,229	8,741	8,696	8,789	8,878	8,985
Total General	**9,229**	**8,741**	**8,696**	**8,789**	**8,878**	**8,985**
Street Fund	2,155	2,209	2,264	2,321	2,379	2,438
Total Transportation	**2,155**	**2,209**	**2,264**	**2,321**	**2,379**	**2,438**
Storm Water Management	1,545	1,560	1,576	1,592	1,608	1,624
Total Proprietary	**1,545**	**1,560**	**1,576**	**1,592**	**1,608**	**1,624**
CIP - Development Contributions	315	99	28	28	28	28
REET	804	614	620	626	633	639
Sidewalk Capital Project	-	-	-	-	-	-
Total Capital Project	**1,119**	**713**	**648**	**654**	**661**	**667**

<u>Plan Implementation and Monitoring</u>

Projected Expenditures

For the purpose of this fiscal assessment, projected capital expenditures have been aggregated to include:

- The direct cost of scheduled capital improvement projects presently underway;
- Capital improvement debt service expenditures for outstanding and planned bond issues; and
- The direct cost of capital facilities in Table 9.1.

These expenditures represent additional costs to maintain adopted level of service standards under projected growth conditions.

The Six-Year Schedule of Funded Improvements referred to as the 6-Year CIP (Table 9.2) is the mechanism by which the city can stage the timing, location, projected cost and revenue sources for the capital improvements identified for implementation in the other Comprehensive Plan Elements. The Six-Year Schedule of Funded Improvements is economically feasible within the target revenues discussed in the preceding sections of this element entitled Inventory and Analysis.
Table 9.1 lists the capital facilities by type and provides estimates of project costs by year. The distribution among years matches the years in which capital improvement work is planned in order to achieve or maintain the adopted Level of Service standards and measurable objectives for various public facilities.

The capital improvement projects listed in Table 9.2 are inclusive of all anticipated capital improvements as assessed by city departments for the six year planning period.

Monitoring and Evaluation

Monitoring and evaluation are essential in ensuring the effectiveness of the Capital Facilities Program Element. This element will be regularly reviewed and amended to verify that fiscal resources are available to provide public facilities needed to support adopted LOS standards and measurable objectives. The review will reevaluate the following considerations in order to determine their continued appropriateness:

1. Any needed changes to costs, revenue sources, acceptance of dedicated facilities, or the date of construction of any facility enumerated in the element.
2. The Capital Facilities Element's continued consistency with the other elements and its support of the Land Use Element.
3. The priority assignment for addressing public facility deficiencies.
4. The city's progress in reducing or eliminating deficiencies.
5. The criteria used to prioritize capital improvement projects.
6. The city's effectiveness in maintaining the adopted LOS standards and achieving measurable objectives.
7. The city's effectiveness in reviewing the impacts of plans and programs of state agencies

that provide public facilities with the city's jurisdiction.

8. The effectiveness of impact fees and dedications for assessing the degree to which new development pays for its impacts.
9. The impacts of special districts and any regional facility and service provision upon the city's ability to maintain its adopted LOS standards or to achieve its measurable objectives.
10. Success of securing grants or private funds to finance capital improvements.
11. Capital improvements needed for the latter part of the planning period for update of the Six-Year Schedule of Improvements.
12. Concurrency status.

Analysis of Infrastructure

Capacity of Infrastructure

City Hall Facilities/Library Building: As the city organization has grown through annexation, so has the need for larger, updated facilities. In 2008 the city purchased property at the edge of downtown on Grade Road, north of the current Police Station, for the purposes of a civic campus. Sno-Isle Regional Library System and the city are coordinating the opportunity to jointly locate on this property and seek funding for new facilities.

Water System: The quality of the water provided by the PUD is good and the service meets present needs, with each household using approximately 300 gallons of water per day. Relying on standards developed for previous water supply plans, the city has decided to adopt 100 gallons of water per capita per day as a level of service standard.

Provision of water to future development not only depends on capacity, but also on design considerations. The PUD anticipates having enough capacity to serve the projected population; however, the costs of providing this service will vary significantly due to design. The PUD will also need to carefully consider the impact of very large industrial developments.

Wastewater Disposal Facilities: The city of Lake Stevens and the Lake Stevens Sewer District have a combined sewer system currently operated by the Sewer District. The Sewer District completed construction of a new wastewater treatment plant to serve the larger population in the city and the urban growth boundary for the planning period. The plant is capable of expansion to service additional needs beyond 2035.

There are few homes still on septic within the city and most of these do not pose a health threat. If such a threat becomes imminent, city ordinance does allow the city to mandate that a home with a failing septic system and within 300 feet of a sewer line be hooked up to the

system. Most new homes being built are on the sewer system, as the minimum parcel size for a septic system to be used is 12,500 square feet.

Solid Waste Disposal: The County anticipates that it will have adequate landfill capacity during this planning period, especially since most jurisdictions have or are initiating a curbside recycling program. The city has a mandatory garbage and recycling program.

Medical and Emergency Facilities: The city is adequately served by Providence Hospitals. EMS services are provided by the Lake Stevens Fire Prevention District No.8.

Police and Fire Protection: The provision of safe, commercial and industrial areas improves the quality of life for current residents and makes the city more attractive for new residents and businesses. As specified in Public Services and Utilities Element Chapter 7, the Police Department will strive for a level of service that maintains an Emergency Response Time of 3 to 4 minutes and a non-emergency response time of 6 to 10 minutes. Periodic staffing review will ensure the level of service is being met.

Public Education Facilities: To meet the demand generated by growth, the Lake Stevens School Districts' capital facilities plan calls for construction of two new elementary schools and a middle school in that time frame.

Library: Current library space is undersized to serve the existing library service area. The city is currently working with Sno-Isle Regional Library on a joint location for a new facility.

Transportation Facilities: Various types of land uses will need different types of transportation and will place different demands on the transportation system. Residential areas need access to centers of employment; commercial and industrial enterprises need access to supplier and consumer markets; and transportation corridors are often used to extend public services and utilities. This plan projects future transportation needs according to the Land Use Plan and recent annexations.

Parks: Chapter 5 is the Parks, Recreation and Open Space Element, which establishes specific goals and policies to guide decision-making and contains a detailed needs assessment for planning, acquisition, development and improvement of facilities and lands. The needs assessment provides the framework for the capital parks and recreation projects identified in Table 9.1.

GOALS AND POLICIES

GOAL 9.1 THE CITY WILL STRIVE TO BE A SUSTAINABLE COMMUNITY AROUND THE LAKE WITH UNSURPASSED INFRASTRUCTURE FOR AN EXCEPTIONAL QUALITY OF LIFE.

Policies

9.1.1 Ensuring good fiscal stewardship.

9.1.2 Using smart growth principles to understand how the city's planned growth pattern affects the investments that will be needed, and investing in where new growth should occur.

9.1.3 Expertly planning for the short and long term costs to support infrastructure expenditures and leave a quality legacy.

GOAL 9.2 PROVIDE PUBLIC FACILITIES IN A MANNER WHICH PROTECTS INVESTMENTS IN, AND MAXIMIZES USE OF, EXISTING FACILITIES AND PROMOTES ORDERLY COMPACT URBAN GROWTH.

Policies

9.2.1 Capital improvements shall be provided to correct existing deficiencies, to replace worn out or obsolete facilities and to accommodate desired future growth.

9.2.2 Capital improvement projects identified for implementation in this Plan and at a cost of at least $10,000 shall be included in the Six-Year Schedule of Improvement. Capital improvements with a cost of less than $10,000 should be reviewed for inclusion in the six-year Capital Improvement Program and the annual capital budget.

9.2.3 Proposed capital improvement projects shall be evaluated and prioritized in consideration of the following criteria:

a. Need exists to correct existing deficiencies, replace facilities, or to provide for growth;

b. Elimination of public hazards;

c. Elimination of capacity deficits;

d. Financial feasibility;

e. Site needs based on projected growth patterns;

f. Environmental impacts;

g. New development and redevelopment;

h. Plans of state agencies; and

i. Local budget impact including costs for operations and maintenance.

GOAL 9.3 DEVELOPMENT SHALL BEAR ITS FAIR SHARE OF COSTS OF PROVIDING PUBLIC FACILITIES AT THE ADOPTED LEVELS OF SERVICE.

Policies

9.3.1 Transportation and park impact fees shall be sufficient to pay the fair share of improvement costs necessitated by new development.

9.3.2 Appropriate funding mechanisms for developments' contribution of a fair share of other public facility improvements [such as recreation, drainage and solid waste] will be considered for implementation as the city develops them.

GOAL 9.4 PROVIDE NEEDED CAPITAL IMPROVEMENTS TO MAINTAIN ADOPTED LEVELS OF SERVICE.

Policies

9.4.1 The city shall continue to adopt an annual capital budget and a six-year capital improvement program as part of its budgeting process.

9.4.2 Debt shall be managed so that city general obligation debt will not exceed debt limitations set by state law and the city's ability to pay. There are no limits placed on revenue bonds other than the ability to pay.

9.4.3 Efforts shall be made to secure grants or private funds whenever available to finance the provision of capital improvements.

9.4.4 Fiscal policies to direct expenditures for capital improvements will be consistent with other Comprehensive Plan Elements.

GOAL 9.5 COORDINATE LAND USE DECISIONS AND FINANCIAL RESOURCES WITH A SCHEDULE OF CAPITAL IMPROVEMENTS TO MEET ADOPTED LEVEL OF SERVICE STANDARDS, MEASURABLE OBJECTIVES.

Policies

9.5.1 Certain public facilities and services needed to support development shall be available concurrent with the development. The city shall adopt a concurrency program subject to concurrency requirements which shall include transportation, parks and sanitary sewer. The city will consider in the future the feasibility of implementing concurrency for stormwater and potable water.

9.5.2 The city will support and encourage the joint development and use of cultural and community facilities with other governmental or community organizations in areas of mutual concern and benefit.

9.5.3 The city will emphasize capital improvement projects, which promote the conservation, preservation or revitalization of commercial, industrial and residential areas in Lake Stevens.

9.5.4 Proposed Plan amendments and requests for new development or redevelopment shall be evaluated according to the following guidelines as to whether the proposed action would:

a. Contribute to a condition of public hazards;

b. Exacerbate any existing condition of public facility capacity deficits;

c. Generate public facility demands that exceed capacity increase planning in the Six-Year Schedule of Improvements;

d. Conform to future land uses as shown on the future land use map of the Land Use Element;

e. Accommodate public facility demands based upon adopted LOS standards and attempts to meet specified measurable objectives, when public facilities are developer-provided;

f. Demonstrate financial feasibility, subject to this element, when public facilities are provided, in part or whole, by the city; and

g. Affect state agencies' facilities plans and siting of essential publics facilities.

9.5.5 Continue to update prioritizations on Table 9.2 as needs are identified; and move projects/facilities to and/or from Table 9.1 to 9.2 as funding becomes available.

TABLE 9.1 – CAPITAL FACILITIES PROGRAM, 2015-2035

TABLE 9.1 – CAPITAL FACILITIES PROGRAM, 2015-2035 TRANSPORTATION								
ROAD	FROM	TO	COST	YEAR/S	Local	State/Fed	Mitigation	Dev Imp
SR9/SR204/System (SR9/204, 91st/204, 4th/SR9	North of SR204	South of 4th and West of 91st	$69,500	2015-2021		X		
Frontier Village Internal Access Rd	No Davies	4th St NE	$6,265,000	>2021	X		X	X
N Davies/Vernon - RAB	Vernon Rd	-	$150,000	>2021			X	X
N Davies/FV - RAB	north Frontier Village	-	$150,000	>2021			X	X
93rd Ave NE (new)	Market	4th St NE	$3,840,000	>2021	X	X	X	X
93rd Ave NE (existing)	Market	1st St SE	$3,597,000	>2021	X	X	X	X
91st Ave NE/4th NE - Intersection	4th St NE	-	$400,000	>2022	X	X	X	X
91st Ave NE	4th St NE	SR 204	$751,500	>2021	X		X	X
91st Ave NE	SR 204	Vernon	$351,000	2018-2019	X		X	X
91st Ave NE - Intersection	Vernon Rd	-	$200,000	2018	X		X	X
Frontier Circle E	91st Ave NE	13th St NE	$750,000	>2021	X		X	X
4th St NE	SR 9	93rd Ave NE (new)	$315,000	>2021	X		X	X
4th St NE	93rd Ave NE (new)	94th Ave NE (Target)	$522,000	>2021			X	X
4th St NE	94th Ave NE (Target)	99th Ave NE	$864,000	>2021	X		X	X

99th Ave NE	Market	4th St NE	$1,170,000	2019>2020	X		X	X
4th St NE	91st Ave NE	SR 204	$7,578,460	>2021			X	X
90th Ave NE shop center road	4th Ave NE	Market	$4,648,540	>2021			X	X
13th St NE (SR 204)	SR 9	93rd Ave NE (new)	$195,500	>2021	X		X	X
Vernon Road	91st Ave NE	SR 9	$935,000	2020	X		X	X
Lundeen/Vernon - Intersection	Vernon Rd	-	$400,000	2021	X	X	X	X
91st Ave NE	4th St SE	Market	$1,710,000	>2021	X	X	X	X
94th Ave NE (Target)	Market	4th St NE	$2,937,000	>2021	X		X	X
2nd St NE Connector (Target)	94th Ave NE (Target)	99th Ave NE	$191,000	>2021	X		X	X
20th St SE	83rd Ave SE	88th Ave SE	$4,051,080	2015-2020	X	X	X	X
20th St SE/83rd SE - Intersection	83rd Ave SE	-	$400,000	2015-2020	X	X	X	X
20th St SE	79th Ave SE	83rd Ave SE	$2,864,400	2021-2026	X		X	X
20th St SE/79th SE - Intersection	79th Ave SE	-	$300,000	>2021	X	X	X	X
20th St SE	73rd Ave SE	79th Ave SE	$2,455,200	>2021	X	X	X	X
20th St SE/73rd SE - Intersection	73rd Ave SE	-	$500,000	2015>2021			X	X
20th St SE	US 2	73rd Ave SE	$2,557,500	>2021	X	X	X	X
24th St SE/73rd SE - Intersection	73rd Ave SE	-	$800,000	2021-2022			X	X
24th St SE	73rd Ave SE	79th Ave SE	$3,653,000	2021-2022			X	X
24th St SE/79th SE - Intersection	79th Ave SE	-	$800,000	2021-2022			X	X

24th St SE	83rd Ave SE	87th Ave SE	$5,278,000	>2021			X	X
24th St SE/83rd SE - Intersection	83rd Ave SE	-	$800,000	>2021			X	X
24th St SE	SR 9	91st Ave SE	$2,970,000	2016-2017			X	X
24th St SE/SR 9 - Intersection			$3,500,000	>2021	X		X	X
20th St SE/SR 9 - Intersection			$4,327,000	>2021	X		X	X
91st Ave SE	20th St SE	4th St SE	$4,770,000	2019-2020	X	X	X	X
91st Ave SE	20th St SE	24th St SE	$5,499,800	2019-2020			X	X
99th Ave SE	20th St SE	4th St SE	$4,763,800	2021-2024	X	X	X	X
99th Ave SE	20th St SE	Lake Stevens Rd	$5,507,800	2021-2024			X	X
83rd Ave SE	20th St SE	24th St SE	$2,369,500	>2021			X	X
79th Ave SE	20th St SE	24th St SE	$2,369,500	>2021			X	X
24th St SE	83rd Ave SE	79th Ave SE	$1,728,300	>2021			X	X
S Lake Stevens	SR 9	18th Street SE	$7,382,000	>2021			X	X
City Campus Rd (26th NE)	Intersection		$4,105,221	>2021	X		X	X
20th St NE	Grade Rd	500' w of 123rd SE	$1,500,257	>2021	X		X	X
123rd Ave NE	20th St NE	N Lakeshore Dr	$1,263,630	>2021	X		X	X
20th St NE & Main Intersection	Intersection		$1,112,004	2021-2024	X	X	X	X
North Lakeshore Dr	123rd Ave NE	550 west of 123rd NE	$788,739	>2021	X	X	X	X
North Lakeshore Dr	123rd Ave NE	Main St NE	$282,920	>2021	X		X	X

123rd Ave NE	N Lakeshore Dr	18th St NE	$4,040,621	>2021			X	X
Main Street	20th St NE	17th St NE	$1,274,558	>2021	X		X	X
19th St NE	Main St	125th Ave NE	$2,649,804	>2021			X	X
18th St NE	123rd Ave NE	Main St NE	$1,287,281	>2021			X	X
18th St NE	Main St	125th Ave NE	$428,820	>2021	X		X	X
123rd Ave NE	18th St NE	17th St NE	$1,094,300	>2021	X		X	X
18th Pl NE	123rd Ave NE	Main St NE	$808,375	>2021	X		X	X
17th Pl NE	123rd Ave NE	180' west of 123rd NE	$899,614	>2021	X		X	X
17th Pl NE	123rd Ave NE	Main St NE	$938,474	>2021	X		X	X
Grade Road	20th St NE	SR 92	$15,607,836	2021>2024	X	X	X	X
20th Street NE	east of Main St	Centennial Trail	$1,284,475	>2021	X	X	X	X
SR 92 & Grade Rd RAB	Intersection		$4,105,221	2020>2022	X	X	X	X
Lundeen Pkwy Corridor Ped Imp	Vernon Rd	99th Ave NE	$900,000	>2021	X		X	
Hartford Rd & Drainage Imp	Catherine Creek Crossing		$700,000	>2021	X	X	X	
20th Street NE Widening	Main St	111th Dr NE	$1,668,000	>2021	X		X	
30th Street NE non-motorized	113rd Ave NE	Cedar Rd NE	$540,000	>2021	X	X	X	
Mitchell Ro/Manning Road	200ft W of 116th Dr NE	600 ft. E of 116th Dr NE	$360,000	>2021	X		X	X
117th Avenue NE	20th St NE	150 ft. S of 28th St NE	$1,932,000	>2021	X		X	X
116th Avenue NE	20th St NE	26th St NE	$1,900,000	>2021	X		X	

26th Street NE	115th Ave NE	117th Ave NE	$280,000	>2021	X		X	
Mitchell Dr/118th Ave NE	N. Lakeshore Dr	20th St NE	$1,400,000	>2021	X		X	
131st Avenue NE	20th St NE	Hartford Rd	$1,489,000	>2021	X		X	
22nd Street NE	117th Ave NE	123rd Ave NE	$768,000	>2021	X		X	
28th Street NE	Old Hartford Rd	N. Machias Rd	$470,000	>2021	X		X	
32nd Street NE	118th St NE	Grade Rd	$545,000	>2021	X		X	X
East Lakeshore Drive – non motorized	Main St	7th St NE	$1,450,000	>2021	X	X	X	
Old Hartford Road	36th St NE	Hartford Road	$2,323,000	>2021	X		X	
36th Street NE	Grade Road	Old Hartford Road	$2,340,000	>2021	X		X	
16th Street NE	Main St	134th Ave NE	$1,737,000	>2021	X		X	
SR 92 and 127th Ave NE RAB	Intersection		$1,750,000	>2021		X		
SR 92 and Lake Dr Rechannelization	Intersection		$200,000	2016		X		
S. Davies Rd and S Lake Stevens Rd	Intersection		$800,000	>2021	X		X	X
91st Street SE Pedestrian Improvements	8th Street NE	12 Street NE	$610,000	2016-2018		X	X	
	12 Street NE	20th Street SE	$1,100,000	2016				

TABLE 9.1 – CAPITAL IMPROVEMENTS, 2015 – 2035 FACILITIES								
FACITILITIES	**FROM**	**TO**	**COST**	**YEAR/S**	Local	State/Fed	Mitigation	Dev Imp
City Hall/Civic Center			20,000,000	2018	X			
Table 9-1 – Capital Facilities Program, 2015-2035 PARKS*								
PROJECT	**FROM**	**TO**	**COST**	**YEAR/S**	Local	State/Fed	Mitigation	Dev Imp
Planning								
Cavalero Community Park Phase I Development (Partnership with Snohomish County)			$2,175,000	2015-2017		X	X	
Wayfinding Plan			20,000	2017			X	
Trails, Paths and Pedestrian Facilities Master Plan			15,000	2015-2016			X	X
Downtown Open Space Master Plan			30,000	2020		X	X	
Acquisition								
Neighborhood Park Acquisition (near 20th Street SE)			317,671	>2021			X	
Lakeside Path Right-of-Way/Easement Acquisition (northern section)			237,382	>2021	X	X	X	
Lakeside Path Right-of-Way/Easement Acquisition (eastern section)			222,684	>2021	X	X		

Lakeside Path Right-of-Way/Easement Acquisition (southern portion)			1.15 million	>2021	X	X		
Shoreline Acquisition			1 – 1.5 million	>2021		X	X	
Power Line Trail Right-of-Way/Easement Acquisition			838,200	>2021		X	X	
Development								
Complete Phase 1 of the Eagle Ridge Master Plan			72712	2016-2018			X	X
Complete Phase 2 of the Eagle Ridge Master Plan			271,205	>2021			X	X
Complete Phase 3 of the Eagle Ridge Master Plan			560,005	>2021			X	X
Power Line Trail Construction (northern segment)			699,600	>2021			X	
Power Line Trail Construction (southern segment)			641,700	>2021			X	
Improvements								
Hartford Road Walking Path/Trail Head			41,173	2016		X	X	
Catherine Creek and Centennial Woods Trail Improvements			15, 206	2020	X		X	
Boat Launch North Cove Park			544,000	2017-2019		X	X	

TABLE 9.2 – 2015-2020 6-YEAR CAPITAL IMPROVEMENT PLAN								
#	Projects	Total Project Costs	Schedule					
			2015	2016	2017	2018	2019	2020
ROAD PROJECTS								
R1	SR9/4th NE Intersection	Incl. in R2						
R2	SR9/SR204	$ 69,500	$ 500	$ 2,000	$ 3,000	$ 8,000	$ 9,000	$ 30,000
R3	SR92 & Grade Rd RAB	$ 4,106						$ 1,436
R4	90th Ave NE Connector	$ 1,140					$ 826	
R5	91st Ave NE (SR204-Vernon)	$ 351				$ 56	$ 295	
R6	SR92 & Lake Dr Re-channelization	$ 200				$ 200		
R7	20th St SE – Segment 1	$ 4,981		$ 625	$ 885		$ 1,389	$ 2,084
R8	20th St SE – Segment 2	$ 3,971						$ 100
R9	24th St SE/79th SE - Intersection	$ 2,970		$ 992	$ 1,979			
R10	91st Ave SE (20th St SE-4th St SE)	$ 4,770	$ 80				$ 96	$ 999
R11	91st Ave SE (Market-4th St SE)	$ 1,950					$ 295	$ 1,655
R12	99th Ave NE (Market-4th St SE)	$ 1,170					$ 157	$ 1,013
R13	20th St NE & Main Intersection	$ 1,112						$ 12
R14	91st Ave NE – Intersection	$ 200				$ 200		
R15	North Davies Sidewalk	$ 350	$ 350					
R16	Vernon Road (91st Ave NE-SR9)	$ 935						$ 328
CAPTIAL ROAD PROJECT EXPENDITURES		**$ 97,706**	**$ 930**	**$ 3,617**	**$ 5,864**	**$ 8,456**	**$ 12,058**	**$ 37,627**

REVENUE SOURCES								
	Local (Mitigation, REET, Bonds, Loans)	$ 9,491	$ 430	$ 938	$ 1,661	$ 264	$ 1,774	$ 4,424
	Private Investment			$ 200	$ 400	$ 100	$ 400	$ 800
	Grants			$ 479	$ 803	$ 92	$ 884	$ 2,403
	Other Agencies	$ 69,500	$ 500	$ 2,000	$ 3,000	$ 8,000	$ 9,000	$ 30,000
CAPTIAL ROAD PROJECT FUNDING		**$ 78,991**	**$ 930**	**$ 3,617**	**$ 5,864**	**$ 8,456**	**$ 12,058**	**$ 37,627**
FACILITY PROJECTS								
F1	City Hall/Civic Center	$ 20,000		$ 1,000	$ 19,000			
CAPTIAL FACILITY PROJECT EXPENDITURES		**$ 20,000**	**$ -**	**$ 1,000**	**$ 19,000**	**$ -**	**$ -**	**$ -**
REVENUE SOURCES								
	Local (Mitigation, REET, Bonds, Loans)	$ 20,500	$ 100	$ 1,400	$ 19,000			
	Private Investment	$ 1,600		$ 1,600				
	Grants	$ -						
	Other Agencies	$ (1,850)	$ 150	$ (2,000)				
CAPTIAL FACILITIES PROJECT FUNDING		**$ 20,250**	**$ 250**	**$ 1,000**	**$ 19,000**	**$ -**	**$ -**	**$ -**
PARK PROJECTS								
P1	Cavalero Park Phase 1a	$ 2,175	$ 1,453	$ 722				
P2	Citywide Trail/Ped Facilities Master Plan	$ 15	$ 15					
P3	Eagle Ridge Phase 1 Completion	$ 80		$ 40	$ 40			
P4	Boat Launch North Cove Park	$ 544		$ 544				
P5	Hartford Road Walking Path	$ 41			$ 41			

CAPTIAL PARK PROJECT EXPENDITURES		$ 2,855	$ 1,468	$ 1,306	$ 81	$ -	$ -	$ -
REVENUE SOURCES								
	Local (Mitigation, REET, Bonds, Loans)	$ 600	$ 515	$ 45	$ 40			
	Private Investment	$ 5	$ 5					
	Grants	$ 1,710	$ 500	$ 1,169	$ 41			
	Other Agencies	$ 540	$ 448	92				
CAPTIAL PARK PROJECT FUNDING		**$ 2,855**	**$ 1,468**	**$ 1,306**	**$ 81**	**$ -**	**$ -**	**$ -**

TABLE 9.2: 2015 - 2020 6-YEAR CAPITAL IMPROVEMENT PLAN (Amount in Thousands)

#	PROJECTS	TOTAL PROJECT COSTS	SCHEDULE					
			2015	2016	2017	2018	2019	2020
ROAD PROJECTS								
R1	SR9/4th NE Intersection	Incl. in R2						
R2	SR9/SR204*	$ 69,500	$ 500	$ 2,000	$ 3,000	$ 8,000	$ 9,000	$ 30,000
R3	SR92 & Grade Rd RAB	$ 4,106						$ 1,436
R4	90th Ave NE Connector	$ 1,140					$ 826	
R5	91st Ave NE (SR204-Vernon)	$ 351				$ 56	$ 295	
R6	SR92 & Lake Dr Re-channelization	$ 200				$ 200		
R7	20th St SE – Segment 1	$ 4,981		$ 625	$ 885		$ 1,389	$ 2,084
R8	20th St SE – Segment 2	$ 3,971						$ 100
R9	24th St SE/79th SE - Intersection	$ 2,970		$ 992	$ 1,979			
R10	91st Ave SE (20th St SE-4th St SE)	$ 4,770	$ 80				$ 96	$ 999
R11	91st Ave SE (Market-4th St SE)	$ 1,950					$ 295	$ 1,655
R12	99th Ave NE (Market-4th St SE)	$ 1,170					$ 157	$ 1,013
R13	20th St NE & Main Intersection	$ 1,112						$ 12
R14	91st Ave NE – Intersection	$ 200				$ 200		
R15	North Davies Sidewalk	$ 350	$ 350					
R16	Vernon Road (91st Ave NE-SR9)	$ 935						$ 328

CAPTIAL ROAD PROJECT EXPENDITURES		**$ 97,706**	**$ 930**	**$ 3,617**	**$ 5,864**	**$ 8,456**	**$ 12,058**	**$ 37,627**
REVENUE SOURCES								
	Local (Mitigation, REET, Bonds, Loans)	$ 9,491	$ 430	$ 938	$ 1,661	$ 264	$ 1,774	$ 4,424
	Private Investment	$ 1,900	$ -	$ 200	$ 400	$ 100	$ 400	$ 800
	Grants	$ 4,661	$ -	$ 479	$ 803	$ 92	$ 884	$ 2,403
	Other Agencies*	$ 69,500	$ 500	$ 2,000	$ 3,000	$ 8,000	$ 9,000	$ 30,000
CAPTIAL ROAD PROJECT FUNDING		**$ 85,552**	**$ 930**	**$ 3,617**	**$ 5,864**	**$ 8,456**	**$ 12,058**	**$ 37,627**
FACILITY PROJECTS								
F1	City Hall/Civic Center	$ 20,000		$ 1,000	$ 19,000			
CAPTIAL FACILITY PROJECT EXPENDITURES		**$ 20,000**	**$ -**	**$ 1,000**	**$ 19,000**	**$ -**	**$ -**	**$ -**
REVENUE SOURCES								
	Local (Mitigation, REET, Bonds, Loans)	$ 20,000		$ 1,000	$ 19,000			
	Private Investment	$ -						
	Grants	$ -						
	Other Agencies	$ -		$ -				
CAPTIAL FACILITIES PROJECT FUNDING		**$ 20,000**		**$ 1,000**	**$ 19,000**	**$ -**	**$ -**	**$ -**
PARK PROJECTS								
P1	Cavalero Park Phase 1a	$ 2,175	$ 1,453	$ 722				

P2	Citywide Trail/Ped Facilities Master Plan	$ 15	$ 15					
P3	Eagle Ridge Phase 1 Completion	$ 80		$ 40	$ 40			
P4	Boat Launch North Cove Park	$ 544		$ 544				
P5	Hartford Road Walking Path	$ 41			$ 41			
CAPTIAL PARK PROJECT EXPENDITURES		**$ 2,855**	**$ 1,468**	**$ 1,306**	**$ 81**	**$ -**	**$ -**	**$ -**
REVENUE SOURCES								
	Local (Mitigation, REET, Bonds, Loans)	$ 600	$ 515	$ 45	$ 40			
	Private Investment	$ 5	$ 5					
	Grants	$ 1,710	$ 500	$ 1,169	$ 41			
	Other Agencies	$ 540	$ 448	92				
TOTAL PROJECTS REVENUE SOURCES								
	Total Local	$ 30,091	$ 945	$ 1,983	$ 20,701	$ 264	$ 1,774	$ 4,424
	Total Private Investment	$ 1,905	$ 5	$ 200	$ 400	$ 100	$ 400	$ 800
	Total Grants	$ 6,371	$ 500	$ 1,648	$ 844	$ 92	$ 884	$ 2,403
	Total Other Agencies	$ 70,040	$ 948	$ 2,092	$ 3,000	$ 8,000	$ 9,000	$ 30,000