CITY OF KIRKLAND
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MEMORANDUM

To: Kirkland City Council

From: David Ramsay

Date: March 15, 2006

Subject: **Council Goal Setting**

Preparing for the goal setting session was discussed at the February 21 Council meeting. At that time, Council gave the following directions.

- Select a facilitator for the session
- The session should begin with a review of previous/current Council goals
- A discussion of goals should focus on establishing a foundation or framework for additional work
- Consideration should be given to how to incorporate performance management into this goal setting

Since then staff has been following-up on Council's direction. Several facilitators were interviewed and Dee Endelman was selected. Dee has worked for the City on several projects and was considered to be a good match for this goal setting session. For the review of previous Council goal setting efforts, please find attached the statement of "Council Philosophy" and the "Vision/Framework Goals" of the City's Comprehensive Plan.

In preparation for Council's discussion of goals, Dee has talked to each Councilmember to get a better understanding of desired approach and outcome expectations. As a result of these conversations, Dee has prepared a summary of the major issues and a proposed agenda for the goal setting session that are attached to this memo. A series of briefing papers has also been prepared by staff that is designed to provide Council with background information on key issues. This will include a brief presentation on challenges and opportunities that may assist with the setting of goals. The following issues are included:

- Housing
- Community Safety
- Environmental Stewardship
- Transportation
- Neighborhoods
- Parks and Open Space
- High Performance Organizations
- Community Engagement
- Economic Development (see memo in the economic development agenda item)
- Human Services

Several background information pieces have also been provided on performance management and its relationship to goal setting. The first attachment consists of two diagrams prepared by Councilmember Asher that illustrate a goal setting process that includes the development of performance indicators and a process for measuring results through performance management. The second set of attachments are "outcome charts" that have been prepared as part of the City's participation in a regional performance measurement effort sponsored by the International City Managers Association (ICMA). These charts measure in six service areas and focus on indicators that lead to a desired outcome (e.g. police activities that results in the community feeling safe). A sample of three of these outcome charts is attached. Another approach to this issue is to directly link the budgeting process to performance outcomes. A series of articles is attached that describes this process and includes Governor Locke's "Priority of Government" strategy. The final set of attachments is examples of other cities' approaches to performance management including Charlotte's "Balanced Scorecard", Bellevue's "Performance Measures Vital Signs" and Tucson's "Livable Tucson Vision."

The consensus at the February 21 Council meeting was that it would not be possible to complete a goal setting exercise at this four-hour retreat session. Instead, the intent of this information is to assist Council in laying the foundation for a goal setting process with the understanding that additional work will be needed.

CITY OF KIRKLAND

COUNCIL PHILOSOPHY

UNIQUE COMMUNITY CHARACTER

We recognize that Kirkland is a special place. The City is endowed with a beautiful physical setting, a strong sense of history, attractive neighborhoods, vibrant business districts and an exceptional park system.

A SAFE COMMUNITY

We place a strong emphasis on ensuring that all those who live, shop, work and play in Kirkland feel safe. This is done through a community-based approach that focuses on the prevention of police, fire, emergency medical and code enforcement related problems.

ENVIRONMENTAL STEWARDSHIP

We commit to the proactive protection of our environment. An integrated system of natural resource management focuses on the preservation of wetlands, trees, open space and other sensitive areas, water quality, clean air and waste reduction.

COMMUNITY INVOLVEMENT

We value the meaningful participation of the community in City decision-making processes and services. By providing information in a variety of formats, key stakeholder groups and individual residents are encouraged to get involved.

INVESTMENT IN THE INFRASTRUCTURE

We recognize that high-quality infrastructure is fundamental to our quality of life. An integrated system of a balanced transportation strategy, comprehensive parks program, city buildings and water and sewer facilities require both a commitment to significant capital expenditures and on-going maintenance costs.

HUMAN SERVICES

We care about the well being of all those in our diverse community. In addition to providing high quality services to all of Kirkland, there is particular attention focused on those with special needs including seniors, youth, minorities, disabled, low-income and the challenge of affordable housing.

FINANCIAL STABILITY

We endorse a set of fiscal policies that ensure the prudent management of City resources. By proactively planning for the City's needs, establishing sound budgetary practices, focusing on business retention and encouraging responsible economic development, the city is able to provide both high quality infrastructure and services.

ORGANIZATIONAL VALUES

We believe that our employees are the City's most important assets in the provision of high quality services to the community. In addition to providing them with the needed resources, a workplace environment is maintained that values effective communication, mutual respect, inclusion, and integrity. We develop proactive strategies for issues that emphasize effective planning, participation and results.

II. Vision/Framework Goals

A. Vision Statement

Welcome to Kirkland sign

The Vision Statement is a verbal snapshot of Kirkland in the year 2022. It summarizes the desired character and characteristics of our community. It provides the ultimate goals for our community planning and development efforts.

The Vision Statement is an outgrowth of a community visioning process that occurred in 1992 and then again in 2002. The process in 1992 involved a series of community workshops in which approximately 250 Kirkland citizens worked to articulate commonly held desires for the Kirkland of the future. In 2002, the City sponsored an outreach program called "Community Conversations – Kirkland 2022." The program centered around a video produced by the City about Kirkland's past, present and future with three questions focusing on a preferred future vision. Nearly 1,000 people participated in one of the 51 conversations held by a wide range of groups in the community to discuss their preferred future in 20 years. In addition, individuals participated by viewing the video program on the City's cable channel or on the City's internet web site and responding to the questions by mail or e-mail to the City. The responses from all three formats were summarized into major themes reflecting commonly held desires and formed the basis for the Vision Statement. The community visioning program was awarded the Puget Sound Regional Council's 2020 Vision Award for its high level of innovation, creativity and success.

The Vision Statement is intended to set a direction instead of being a mere prediction. Rather than describing the features of Kirkland as we think they are likely to be, it expresses what we would like our community to become and believe we can achieve. It acknowledges past and current trends and Kirkland's relationship to external factors, but also assumes an ability to shape the future in a positive way. The Vision Statement, therefore, is optimistic, affirming and enhancing the best of our attributes, past and existing, and aspiring for those we hope to have.

A Vision for Kirkland

Kirkland in 2022 is an attractive, vibrant, and inviting place to live, work and visit. Our lakefront community, with its long shoreline, provides views and access to the lake and is a destination place for residents and visitors. Kirkland is a community with a small-town feel, retaining its sense of history while adjusting gracefully to changes in the twenty-first century.

The City is a place where people are friendly and helpful, ideas are respected and action is taken based on collaborative decisions. We have a diverse population made up of various income and age groups from various ethnic and educational backgrounds. We are committed to developing and strengthening a healthy community by creating programs that assist those in need, encourage individual expressions and provide enrichment opportunities for an increasingly diverse population. High quality local schools are important to us. Our neighborhood, business, and civic associations; our faith-based groups; and our school organizations have strong citizen involvement.

Our neighborhoods are secure, stable and well-maintained, creating the foundation for our high quality of life. Each neighborhood has its own character which is a community asset. People from all economic, age, and ethnic groups live here in a variety of housing types. Our residential areas are well-maintained with single-family and multifamily homes and include traditional subdivisions, waterfront-oriented neighborhoods, urban villages and an equestrian community. We have worked to increase diversity and affordability, such as smaller homes on smaller lots, compact developments and accessory housing units. Mixed land uses in neighborhoods help to minimize driving. Many of our apartments and condominiums are close to commercial areas and transportation hubs.

Kirkland's economy is strong and diverse. A healthy mix of businesses provides valuable economic returns including varied employment opportunities and high wages, a strong tax base with sustainable revenues that help fund public services, and a broad range of goods and services. Our business districts are attractive, distinctive and integral to the fabric of the City. Many serve as community gathering places and centers of cultural activity. Businesses choose to locate in Kirkland because of our innovative and entrepreneurial spirit and because they are regarded as valued members of the community.

Downtown Kirkland is a vibrant focal point of our hometown with a rich mix of commercial, residential, civic, and cultural activities in a unique waterfront location. Our Downtown maintains a human scale through carefully planned pedestrian and transit-oriented development. Many residents and visitors come to enjoy our parks, festivals, open markets and community events.

Totem Lake Urban Center is an economic and employment center with a wide range of retail, office, industrial and light manufacturing uses as well as a regional medical center surrounded by related services. It is a compact mixed-use urban village with extensive pedestrian- and transit-oriented amenities, higher intensity residential development, public gathering places and cultural activities.

We accommodate growth and change while maintaining strong linkages with our past. Important historic landmarks are preserved, and new development occurs in a manner that is compatible with and respectful of its historic context.

Our transportation system offers a variety of ways to meet our mobility needs and provides efficient and convenient access to all areas of Kirkland and regional centers. Improved transit service and facilities allow us to commute within Kirkland and to other regional destinations without overburdening our neighborhood streets. The City is pedestrian-friendly. Paths for safe pedestrian, bicycle and other transportation modes interconnect all parts of the City. In addition to the transportation functions they provide, our streets and paths are people-friendly and provide public spaces where people socialize.

The City has excellent police and fire protection, dependable water and sewer service, and well-maintained public facilities. Emergency preparedness for natural or manmade disasters is a high priority. We work closely with other jurisdictions on regional issues that affect our community. For recreation, we like to bike or walk to one of our many parks. We have well-maintained playgrounds, play fields, sport courts, indoor facilities and trails in or near each neighborhood. Our recreational programs offer a variety of year-round activities for all ages. Public access to our waterfront is provided by an unparalleled and still-expanding system of parks, trails, and vistas.

We preserve an open space network of wetlands, stream corridors, and wooded hillsides. These natural systems provide habitat for fish and wildlife and serve important biological, hydrological and geological functions. Streets are lined with a variety of trees, and vegetation is abundant throughout the City. The water and air are clean. We consider community stewardship of the environment to be very important.

Kirkland in 2022 is a delightful place to call home.

B. Vision/Framework Goals

Introduction

The Framework Goals express the fundamental principles for guiding growth and development in Kirkland over the 20-year horizon of the Comprehensive Plan. They are based on and provide an extension of the aspirations and values embodied in the Vision Statement. By nature they are forward-looking and future-oriented. Even so, they were developed with a keen awareness of Kirkland's history and a strong appreciation for the high quality of life which that history has given us. The Framework Goals address a wide range of topics and form the foundation for the goals and policies contained in other elements of the Comprehensive Plan. Although all of the Framework Goals broadly apply to all Comprehensive Plan elements, some of the Framework Goals are more applicable to some elements than others. Each element identifies the Framework Goals that are particularly relevant to that element.

Public art in Downtown Kirkland

All Framework Goals are intended to be achievable. They are not prioritized to give importance to some goals over others. Tradeoffs among goals will be necessary as they are applied to particular circumstances; but over time, it is intended that an appropriate balance will be achieved.

FG-1: Maintain and enhance Kirkland's unique character.

Discussion: To those who come to Kirkland to live, work, shop, or play, Kirkland is a unique and special place. Each of the City's neighborhoods and business districts has its own distinctive identity. A prime goal is to protect and improve those qualities that make our neighborhoods and our business districts so attractive. Some of the important characteristics are a small-town feel; strong sense of place; waterfront orientation; long shoreline with public views and access; pedestrian- and transit-friendly business districts; a human-scale downtown; a thriving urban center, numerous and diverse parks; neighborhoods with a variety of housing types, styles, and ages; abundant open space; historic structures; and a network of bike and pedestrian paths. The Comprehensive Plan must seek to support these and any other features which significantly contribute to the City's desired character.

FG-2: Support a strong sense of community.

Discussion: Kirkland is far more than a product of its physical features. We have a strong sense of community supported by friendly and helpful people, a network of neighborhood, business, homeowners and civic associations, good schools and recreational opportunities. A wide range of human services and enrichment opportunities are available to encourage a stable and healthy community. New ideas are respected and shared to improve the quality of life in Kirkland and the region. Parks, outdoor markets, festivals, community events and neighborhood retail districts foster good will and provide an opportunity for people to mingle and converse. Continued support of these attributes is important.

FG-3: Maintain vibrant and stable residential neighborhoods and mixed-use development, with housing for diverse income groups, age groups, and lifestyles.

Discussion: Maintaining vibrant and safe neighborhoods as desirable places to live is a high priority. Part of the appeal of existing neighborhoods is their diversity, in terms of housing types, size, style, history, maturity, and affordability. An essential part of this diversity is maintaining the integrity of existing single-family neighborhoods. We have experienced changes in the composition of our population. These changes include an aging population, smaller households, racial and ethnic diversity and a broader range of household income. At the same time, Kirkland has experienced rising housing costs, making it increasingly difficult to provide low- and moderate-cost housing. To meet the needs of Kirkland's changing population, we must encourage creative approaches to providing suitable housing by establishing varied and flexible development standards and initiating programs which maintain or create housing to meet specific needs. Mixed-use and transit-oriented neighborhood retail are encouraged and integrated with our neighborhoods.

FG-4: Promote a strong and diverse economy.

Carillon Point public access areas

Discussion: Kirkland's economy provides a variety of employment opportunities, a broad range of goods and services, and a strong tax base. We are fortunate to have a diversity of successful business sectors, including retail services, offices, industrial and high technology companies, medical and educational institutions, and home-based businesses. A large number of creative and innovative entrepreneurs are attracted to Kirkland by our many cultural, recreational and civic activities and our beautiful setting.

Numerous commercial districts offer distinctive business locations. Our historic Downtown is an attractive lakeside pedestrian-oriented district. Our largest commercial area, Totem Lake, is a vibrant regional retail and employment center. Other significant business nodes are located in Rose Hill, Juanita, Houghton, Yarrow Bay and Bridle Trails. These districts are integrated into the fabric of the community in a manner that respects and complements the character of our neighborhoods and the quality of the natural environment.

To protect and strengthen our economy, public and private interests must work together to create a climate that allows existing businesses to prosper and attract new businesses compatible with Kirkland's economic goals and character.

FG-5: Protect and preserve environmentally sensitive areas, and a healthy environment.

Discussion: In addition to Lake Washington, Kirkland contains a variety of natural features which, through a mixture of circumstance and conscious action, have been preserved in a natural state. Features such as wetlands, streams and smaller lakes play an important role in maintaining water quality, preventing floods, and providing wildlife habitat. Vegetation preservation throughout the City, particularly on steep hillsides, helps provide soil stability and oxygen to our ecosystem, and prevent erosion. Apart from their biological, hydrological, or geological functions, natural areas also make a significant contribution to Kirkland's unique identity. They provide visual linkages with the natural environment, accentuate natural topography, define neighborhood and district boundaries, and provide visual relief to the built environment. Maintaining clean air and water provides the community with a healthy environment. Efforts to maintain significant sensitive areas, natural features, the urban forest and vegetation, clean air and water through active community stewardship is critical to our quality of life.

FG-6: Identify, protect and preserve the City's historic resources, and enhance the identity of those areas and neighborhoods in which they exist.

Discussion: Kirkland is fortunate to have a richness and quality based on its long and colorful history. The numerous historic buildings, sites and neighborhoods reflect various stages of the City's development. These resources provide evidence of the community's historical continuity, and contribute to Kirkland's identity. They are important visible reminders of where we have been and they deserve active protection and enhancement.

FG-7: Encourage low impact development and sustainable building practices.

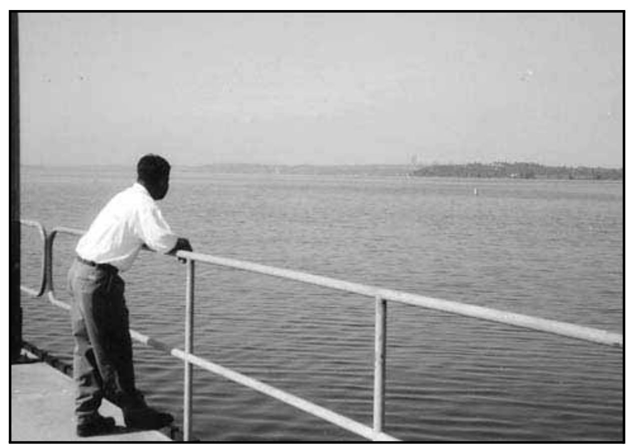
Discussion: As Kirkland develops and rebuilds, we have an opportunity to create a healthier and more environmentally sensitive community and to save energy and building costs. Low impact development practices strive to mimic nature by minimizing impervious surface, infiltrating surface water through biofiltration and bio-retention facilities, retaining contiguous forested areas and maintaining the character of the natural hydrologic cycle. Sustainable building practices cover all aspects of development, including site preparation and layout, material selection and building construction, operation and maintenance.

Utilizing these practices has many benefits: construction and maintenance costs are lowered; water quality and efficiency are improved; surface water runoff is reduced and treated; stream and fish habitat impacts are lessened; native trees and other vegetation are preserved; and recycled materials are used. Some examples of the practices include integrated building and site design, vegetated roofs, reduced impervious surface, reused waste water for irrigation, alternative heating and cooling systems, and recycled building materials and landscaping used to reduce heat emissions and to treat surface runoff. The practices may evolve over time as the market, science and technology changes.

Kirkland encourages many of these practices through our sensitive area ordinance, projects to restore our natural systems, recycling programs and public education.

FG-8: Maintain and enhance Kirkland's strong physical, visual, and perceptual linkages to Lake Washington.

Discussion: Kirkland's history, identity and character are strongly associated with its proximity and orientation to Lake Washington. The City is famous for its system of waterfront parks, which provide a broad range of passive and active recreational activities and environmental protection. Complementing the parks is a system of shoreline trails that has been installed as lakefront properties develop or redevelop. West-facing slopes have afforded lake and territorial views from public spaces within many neighborhoods. Downtown Kirkland strongly benefits from its adjacency to Moss Bay. Linkages to the lake in the Juanita and Yarrow Bay business districts are limited with existing development blocking most of the shoreline. Opportunities should be pursued to increase public access to the lake in these districts. Maintaining and improving these linkages to the lake, requiring paths to complete the shoreline trail system and continuing to obtain waterfront parks where feasible are important.



Lake Washington

FG-9: Provide accessibility to pedestrians, bicyclists, and alternative mode users within and between neighborhoods, public spaces, and business districts and to regional facilities.

Discussion: An important part of Kirkland's existing character is its safety and accessibility for pedestrians, bicyclists and other alternative modes of transportation particularly along the waterfront, in the Downtown area, along the major streets, to schools and public places and in many neighborhoods. Improving accessibility, however, is a goal throughout the City. To meet this goal, we need a completely connected system of pathways for pedestrians, bicyclists and alternative mode users that is safe and convenient. Such pathways can take a variety of forms, ranging from concrete sidewalks, bike lanes, and bridges to unimproved trails. The need for pedestrian pathways and bike lanes is especially important to the most common destinations, such as schools, parks, public buildings, transportation, and business districts. Also important in fostering pedestrian and bike accessibility are land use patterns, site designs, and building designs which encourage and facilitate access for pedestrians, bicyclists and other users. The paths should also be designed to provide public spaces where people socialize and should connect to the regional pedestrian and bicycle trail systems.

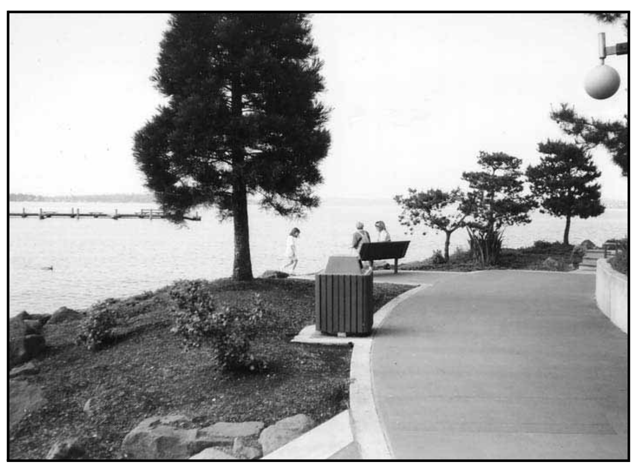
FG-10: Create a transportation system which allows the mobility of people and goods by providing a variety of transportation options.

Discussion: The increase in employment, housing and total population both within Kirkland and throughout the region has increased the use of our roads. Historically, there is also a dependence on car ownership and the number of miles most people drive alone each week. At the same time, road building has been slowed because of insufficient funds, an unwillingness to disrupt established neighborhoods, and doubts about the effectiveness of road building to solve congestion.

There will be no single or simple solution to the congestion problems that decrease our mobility. Greater emphasis than in the past is placed on providing viable alternatives to driving, or at least driving alone. Although some road widening may be necessary, mobility options should include better transit, more car pooling, greater pedestrian, bicycle and other modes of mobility, better street connections, and land use strategies which reduce the need to drive, such as mixing uses and locating shops and services close to home. In addition, because Kirkland's transportation system is but a small part of a complex regional network, it is necessary for our transportation planning to be closely coordinated with neighboring jurisdictions and regional plans.

The street system and transit centers provide an opportunity to add to our sense of community. These facilities should be people-friendly and provide public spaces where people socialize.

FG-11: Maintain existing park facilities, while seeking opportunities to expand and enhance the current range and quality of facilities.



Marina Park in Downtown Kirkland

Discussion: Kirkland is regionally known for its outstanding park system. Kirkland's parks also provide a prominent source of community identity and pride. The City is perhaps best known for its extensive and diverse system of lakefront parks. In addition, Kirkland has a rich variety of well-maintained parks, including neighborhood playgrounds, ballfields, tennis, basketball and skate courts, walking trails, natural and landscaped open spaces, an outdoor swimming pool, indoor community centers, and senior citizen and youth centers. Recreational programs offer year-round activities for all age groups. It has been a long-standing City policy that the range and quality of park facilities and programs now available to Kirkland residents keep pace with future population growth. To ensure wise use of available resources, planning for future park facilities must be coordinated with other public and private providers of recreation services. Where possible, multiple use of public facilities, such as City-school park partnerships, should be sought. At a minimum, park facilities should be maintained close to current levels of service. Because of the importance of parks in defining Kirkland's character, the City also should continue to explore ways to enhance the park system beyond the needs generated by new growth, including additional funding sources such as grants, special property tax levies or impact fees.

FG-12: Ensure public safety.

Discussion: Police and fire protection are essential to the community's quality of life. Prompt response times with appropriate resources are critical. The City-operated municipal court is convenient and cost-effective. The City also has a central role in emergency preparedness and responding to natural and manmade disasters. Plans should be in place and well-coordinated with local hospitals, schools, communication systems and other jurisdictions.

FG-13: Maintain existing adopted levels of service for important public facilities.

Discussion: Facilities and services for transportation, police and fire protection, water supply, sanitary sewer, and surface water control are essential for the day-to-day functioning of the City. The levels of service now provided by these facilities are generally satisfactory. Maintaining the adopted level for these services as growth occurs is a high priority, and construction of required capital facilities must be phased accordingly. Similarly, some localized deficiencies exist in the sanitary sewer and water supply systems that will require correction. Where possible, we should continue to improve all of these facilities and services above the minimum adopted level of service to preserve our quality of life and the environment. The City should also explore additional ways to fund needed improvements, such as through grants, special property tax levies and/or impact fees. In planning for public facilities, the interrelationship of Kirkland's facilities to regional systems must be recognized.

FG-14: Plan for a fair share of regional growth, consistent with State and regional goals to minimize low-density sprawl and direct growth to urban areas.

Discussion: Although Kirkland is a unique and special place, it is not isolated. Kirkland is part of a large and growing metropolitan area. Regional planning policies seek to direct growth to existing and emerging urban areas within the metropolitan region. Consequently, Kirkland must accommodate a fair share of such growth. To do so, development in Kirkland must use land efficiently. Fortunately, Kirkland's development pattern is already well established and has accommodated compact developments at many locations. Accepting a fair share of regional growth, therefore, will not require fundamental shifts in the City's overall pattern or character of development. Even so, careful attention must be paid to ensure that growth is accommodated in a manner that complements rather than detracts from Kirkland's unique character while being consistent with State and regional goals to minimize low-density sprawl and direct growth to urban areas.

FG-15: Solve regional problems that affect Kirkland through regional coordination and partnerships.

Discussion: Many challenges facing Kirkland and other local communities may only be solved through regional planning, funding and action. Transportation, affordable housing, employment, and natural resource management are just a few of the issues that need regional coordination. A city-by-city approach often results in impacts on neighboring communities. Interlocal cooperation, consistent standards and regulations between jurisdictions and regional planning and implementation are important to solving these regional issues.

FG-16: Promote active citizen involvement and outreach education in development decisions and planning for Kirkland's future.

Discussion: Kirkland's future will be determined by a myriad of independent actions taken by individuals and groups who live, work, shop, and play here. Planning for the future offers the opportunity for all community members to cooperatively identify a vision for the City's future and to coordinate their actions in achieving that vision. If such planning is to have meaning, however, a broad base of credibility and responsibility must be established. To ensure that this occurs, the City should actively encourage community participation from all sectors of the City in the ongoing preparation and amendment of plans and implementing actions. This involvement should also include community outreach educational programs to inform and solicit ideas. For development decisions, the City should actively encourage collaboration and consensus with the community, stakeholders and developers to assure predictable and timely results.

FG-17: Establish development regulations that are fair and predictable.

Discussion: Achieving the desired future for Kirkland will depend on actions undertaken by both governmental agencies and private property owners. To ensure that public and private actions support the Comprehensive Plan and are consistent with public health, safety, and welfare, governmental regulation of development will continue to be necessary. Such regulation, however, must fairly balance public interests with private property rights. It is important also that regulations be clearly written to assure predictable results, fair and cost-effective, and that they be administered expeditiously to avoid undue delay.

City of Kirkland
City Council Retreat
Priority Setting Session: March 24, 2006
Draft Agenda

Purpose of session: To talk about Council priorities, both short and longer term

Desired Outcomes:

- Agreement on Council Philosophy as a basic tool to help with planning and decision making, including changes that Council would like to see in this document
- Council areas of priority for the coming two years
- Action plan for next steps, including how Council wants to deal with longer-range planning issues

Time	Topic
1:00 p.m.	Introduction • Review of desired outcomes, agenda and ground rules
1:10 p.m.	Council Philosophy • During interviews, Council members all said that this was a good base document for planning and decision making • Discussion: What ideas, if any, would Council like to add, highlight or amend?

1:40 p.m.	Council Priorities: 2006-2008: Review of areas Council members have said are "on the radar screen"
	• Why are these issues on the list? (See attached detail)
	• What are Council members' core interests regarding these issues?
	    • Economic development/Fiscal management
	    • Neighborhoods
	    • Community Involvement
	    • Annexation
	    • Transportation
	    • Environmental Stewardship
	    • Public safety
	    • Long range planning
	    • Human services

2:45 p.m.	Break

3:00 p.m. Council Priorities: 2006-2008

- Selecting the top three-five priority areas
- Do we have agreement on what the overall goal should be in these areas?

4:00 p.m. Next Steps

- What direction does Council have for staff regarding next steps?
- How does Council wish to approach longer-range planning efforts?

5:00 p.m. Adjourn

Issues Raised During Interviews with Council Members

Priority Areas for Discussion at Council Priority Setting Session

March 24, 2006

1. Economic Development/Fiscal Management
    a. Economic development
        i. Being clear on our purposes for ED
        ii. Plan for identifying and attracting the balance of businesses we need/want
        iii. Balancing commercial & residential development
        iv. Developing without jeopardizing quality of life
    b. Support of the electorate for fiscal decisions
2. Neighborhoods
    a. Affordable housing
    b. Maintaining character of neighborhoods
    c. Pedestrian-friendly neighborhoods
3. Community Involvement
    a. Communication with public
    b. How to continuously improve effective involvement
4. Annexation
    a. Funding gap
5. Transportation
    a. Working with regional issues
    b. Local congestion
6. Environment
    a. Being a "green city"
7. Public safety
    a. Funding police and fire
    b. Pedestrian safety
8. Long range planning
    a. Beyond two years
    b. Performance measures
9. Human services

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MEMORANDUM

To: City Council

From: Dawn Nelson, AICP, Planning Supervisor
Paul Stewart, AICP, Deputy Director
Eric Shields, AICP, Planning Director

Date: March 7, 2006

Subject: Housing Discussion for City Council Retreat

The City has focused a lot of attention on housing issues for the last five years. In 2002, the Housing Task Force issued a Final Recommendation Report including recommended actions for the City in a variety of areas related to housing. The City's Housing Strategy Plan was updated to reflect the Housing Task Force recommendations. Attachment 1 is a copy of the adopted Housing Strategy Plan. In addition, the Housing Element of the Comprehensive Plan was updated in 2004. The adopted housing goals are:

- Maintain and enhance the unique residential character of each City neighborhood.
- Promote the creation of affordable housing and provide for a range of housing types and opportunities to meet the needs of all segments of the population.
- Provide for greater housing capacity and home ownership opportunities.

These goals will be discussed under the following major headings of Neighborhood Quality, Affordable Housing and Housing Capacity, along with projects from the Planning Work Program intended to address them.

Neighborhood Quality

The Housing Element looks to design standards for new development as a way to preserve existing neighborhood quality. Floor Area Ratios in single-family zones is the most prominent neighborhood quality issue that is on the horizon. Work on this project is currently underway, with the intent of addressing the increasing bulk and mass of single-family homes. A related project is Innovative Housing and the evaluation of the demonstration projects scheduled for later this year. Innovative Housing has focused on allowing a larger number of smaller units in place of traditional single-family development. A key factor that will be considered in the evaluation and review of potential permanent regulations is how alternative housing styles can be integrated into existing neighborhoods without threatening neighborhood quality.

A number of other items on the Planning Work Program are geared primarily toward ensuring neighborhood quality. These include the ongoing Neighborhood Plan updates and Multifamily Design Guidelines scheduled to be reviewed this fall. Design review has been expanded over the last decade to include all of the City's major business districts.

Affordable Housing

Housing affordable to all segments of the population is the backbone of the Housing Element. While the City has taken the following steps in the last several years to try to meet its targets for providing housing affordable to low- and moderate-income households, we still fall short of the targets (see Attachment 2).

- Adopted incentives, including density bonuses, development flexibility, tax exemptions, and fee waivers in May 2004 to encourage development of affordable housing as part of market rate housing developments in multifamily zones.
- Adopted incentives to encourage development of affordable housing units in Totem Lake and NE 85th Street business districts as part of recent zoning code amendments to implement neighborhood plans.
- Worked with Downtown Action to Save Housing (DASH) and ARCH on DASH's acquisition in 2003 of the Plum Court Apartments south of downtown Kirkland for preservation of 66 units of affordable housing.
- Committed an average of $219,000 to the ARCH Housing Trust Fund for the preservation and development of affordable housing throughout east King County for each of the last eight years.
- Adopted Accessory Dwelling Unit (ADU) regulations in 1995, resulting in the registration of 100 ADUs throughout the City.

Several challenges are on the horizon for market incentives for affordable housing. They include:

- Encouraging developers to use the existing incentives in multifamily zones;
- Crafting incentives that will be effective in the CDB, JBD and NRHBD zones; and
- Identifying appropriate incentives for single-family zones.

These items are scheduled for work late in 2006 and in 2007.

Housing Capacity and Diversity

The City's current housing capacity is 27,974 units, just 663 more units than our 2022 Growth Target for housing. The Housing Element identifies infill development in single-family neighborhoods as a key opportunity to increase housing supply and choice. Another way to ensure appropriate housing capacity and to maintain a reasonable jobs to housing balance is to include incentives for multifamily housing in mixed use areas as Neighborhood Plans are updated.

The City currently allows minor reductions in lot size to enable subdivision of properties that would otherwise not be quite large enough to be divided. In addition, the Innovative Housing project described earlier is one of the primary ways that the City can address the issues of housing supply and diversity. The goals of the Innovative Housing project are to:

- Increase housing supply and the choice of housing styles available in the community through projects that are compatible with existing single-family developments; and

- Promote housing affordability by encouraging smaller homes.

The Innovative Housing demonstration project was not intended to provide housing that would be affordable to low- and moderate-income households. It was intended to provide more variety as well as housing that was less expensive than the traditional single-family homes that are currently being built.

Attachments

1. Housing Strategy Plan
2. Creation of Affordable Housing: 1993-2004

HOUSING STRATEGY PLAN

STRATEGY (Related Housing Element Policy or 2001 Housing Task Force Recommendation)	SCHEDULE/ STATUS	CODE UPDATE	COUNCIL ACTION	COORD. W/ OTHERS REQUIRED	POPULATION SERVED			
					LOW	MOD	MED	MKT
A. ZONING AND SUBDIVISION REGULATIONS								
1. <u>Infill/Increased Capacity</u>								
a. Allow smaller lots in single family areas. (H-3.1, H.2)	☺						●	●
b. Evaluate PUD procedures (H-2.5,H-2.6,H-3.2)								
Expand density bonus above 110%	Not Sched.	X	X		●	●	●	●
Evaluate overall effectiveness of PUD process, especially once other changes to code are completed (e.g. small lot guidelines, etc).	Not Sched.	X	X			●	●	●
c. Allow rounding of mf units at a lower fraction. (H-2.6)	Not. Sched.	X	X				●	●
d. Allow existing non-conforming mf densities to be maintained or redeveloped. (H-3.3)	☺					●	●	●
e. Allow ADU in single family zones. (H-2.2,H.1)	☺				●	●	●	●
f. Revise zoning map to be consistent with the Comp Plan. (LU-1)	☺					●	●	●
g. Evaluate potential for Transit-Oriented Development at Park and Ride Lots. (HTF Recommendation)	4th Qtr. 2003	X	X	X	●	●	●	

<u>FOOTNOTES:</u>

X – Necessary for completion of task

☺ Completed or underway

☺ + Ongoing: Discrete task completed, but work continues

ATTACHMENT (

Housing – C.C. Retreat

STRATEGY (Related Housing Element Policy or 2001 Housing Task Force Recommendation)	SCHEDULE/ STATUS	CODE UPDATE	COUNCIL ACTION	COORD. W/ OTHERS REQUIRED	POPULATION SERVED			
					LOW	MOD	MED	MKT
2. <u>Design/Neighborhood Character Issues</u>								
a. Evaluate design character issues as part of Community Character Element. (H-1.1, H.2) Includes items such as: (1) Incentives for pitched roofs - sf homes (2) 'Mega house' standards (3) Review codes to encourage residential development in existing business districts.	(1) ☺ (2) ☺ (3) Totem Lake & 85th 2002-2003	X X X X	X X X X					●
b. Evaluate small lot standards. (H-3.1)	☺	X	X				●	●
c. Revise horizontal facade regulations. (H-1.1)	4th Qtr. 2002	X	X					●
3. <u>Streamlining/Innovative Housing</u>								
a. Simplify permit process for zero lot line/small lot development in sensitive areas where other standards are met.	Not sched.	X	X				●	●
b. Provide more flexibility in: (1) site development standards, and (2) short platting (e.g. lot averaging, setbacks). (H-2.6)	☺	X	X				● ●	● ●
c Evaluate timelines for permit review. Adopt required permit timelines established by the new Land Use Regulatory Reform Act. (H-2.5)	☺+				●	●	●	●

<u>FOOTNOTES:</u>
X – Necessary for completion of task
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STRATEGY (Related Housing Element Policy or 2001 Housing Task Force Recommendation)	SCHEDULE/ STATUS	CODE UPDATE	COUNCIL ACTION	COORD. W/ OTHERS REQUIRED	POPULATION SERVED			
					LOW	MOD	MED	MKT
d. Further evaluate additional timelines for permit review. (H-2.5)	Ongoing	X	X		●	●	●	●
e. Allow concurrent review of discretionary approvals (e.g. zoning and PUD applications). (H-2.5)	☺				●	●	●	●
f. Allow concurrent review of discretionary approvals and building permits (e.g. PUD and building permit). (H-2.5)	Not scheduled		X		●	●	●	●
g. Allow manufactured housing in all residential zones.	☺					●	●	●
h. Allow cottages, multiplexes that look like single-family and small lot single-family in all zones. (H-3.2 and HTF Recommendation)	2nd Qtr. 2003	X	X			●	●	●
4. <u>Affordable Housing/Special Needs</u>								
a. Evaluate and potentially revise special bonuses for affordable housing (sliding scale 50% to 80% of median) and review process. Only allowed now through PUD process. (H-2.3, H.2-4 and HTF Recommendation)	2nd Qtr. 2003	X	X		●	●		
b. Expedite permit review for projects w/affordable component. (H-2.3 and HTF Recommendation)	2nd Qtr. 2002	X	X		●	●		
c. Provide for SRO (Single Room Occupancy) in zones allowing hotels, and other appropriate locations.	Not sched.	X	X		●	●	●	
d. Review group homes standards for consistency with the Federal Fair Housing Act. Ensure codes provide opportunities for special needs housing. (H-2.9, H-2.10, H.2)	Not sched.	X	X		●	●	●	●

<u>FOOTNOTES:</u>
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STRATEGY (Related Housing Element Policy or 2001 Housing Task Force Recommendation)	SCHEDULE/ STATUS	CODE UPDATE	COUNCIL ACTION	COORD. W/ OTHERS REQUIRED	POPULATION SERVED			
					LOW	MOD	MED	MKT

B. DIRECT/INDIRECT FORMS OF ASSISTANCE

1. Direct Forms of Assistance

STRATEGY	SCHEDULE/ STATUS	CODE UPDATE	COUNCIL ACTION	COORD. W/ OTHERS REQUIRED	LOW	MOD	MED	MKT
a. Continue direct funding of affordable housing/special needs housing through the CDBG program. (H-2.7, H.8)	☺ Ongoing		X	X	●	●		
b. Continue using CDBG funds for the Single Family Housing Repair program. (H-2.7)	☺ Ongoing		X	X	●	●		
c. Explore potential other local revenue sources that could be targeted toward housing on a regular basis (e.g. general funds, portion of local taxes). (H-2.8 and HTF Recommendation)	☺ Ongoing		X		●	●		
d. Waive some or all permit/impact fees for affordable housing. (H-2.3, H-2.8 and HTF Recommendation) Evaluate the cumulative costs of impact fees, permit fees and hook-up fees.	☺ (Impact Fees) 4th Qtr. 2002 (Permit Fees)	X	X		●	●		
e. Consider selling/leasing appropriate surplus land at below market value for affordable housing. (H-2.8 and HTF Recommendation)	2002/ Ongoing		X	X	●	●		
f. Acquire land in Kirkland for development of housing to serve households earning 60% or less of County median income. (HTF Recommendation)	Not Scheduled		X		●	●		

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STRATEGY (Related Housing Element Policy or 2001 Housing Task Force Recommendation)	SCHEDULE/ STATUS	CODE UPDATE	COUNCIL ACTION	COORD. W/ OTHERS REQUIRED	POPULATION SERVED			
					LOW	MOD	MED	MKT
g. Pay or waive some utility and/or infrastructure costs for affordable housing. (HTF Recommendation)	4th Qtr. 2003		X		●	●		
2. <u>Indirect Forms of Assistance</u>								
a. Conduct inventory of public property for potential availability for housing and other public uses/ update regularly. (H.6)	☺				●	●	●	●
b. Work with local banks to coordinate better financing for affordable housing. (HTF Recommendation)	Not Scheduled			X	●	●		
c. Evaluate development regulations for their potential impact on housing costs. (H-2.5)	Ongoing				●	●	●	●
d. Explore non-cash forms of assistance (e.g. providing loan guarantees for affordable housing). (H-2.3, H2.7 and HTF Recommendation)	Not scheduled		X		●	●		
e. Explore opportunities to encourage private and other public donation of resources, including land, for affordable housing. (H-2.11 and HTF Recommendation)	Not scheduled			X	●	●	●	
f. Analyze the potential city role in employer assisted housing/ Work with local employers to study model programs. (H-2.11)	Not scheduled		X	X	●	●	●	●
g. Community education program for ADUs. (H-2.2) Education efforts including fliers/technical assistance.	Ongoing			X	●	●	●	●
h. Conduct inventory of existing multifamily residential properties and encourage preservation of those that are affordable. (HTF Recommendation)	2002			X	●	●		

<u>FOOTNOTES:</u>

X – Necessary for completion of task

☺ Completed or underway

☺ + Ongoing: Discrete task completed, but work continues

STRATEGY (Related Housing Element Policy or 2001 Housing Task Force Recommendation)	SCHEDULE/ STATUS	CODE UPDATE	COUNCIL ACTION	COORD. W/ OTHERS REQUIRED	POPULATION SERVED			
					LOW	MOD	MED	MKT
C. REGIONAL/STATEWIDE INITIATIVES								
1. Work cooperatively with providers and other jurisdictions to achieve regional fair share balance and to maximize housing resources. Includes working with non-profit groups and the Housing Authority in creating affordable housing. (H-2.1)	Ongoing			X	●	●		
2. Continue membership in ARCH. (H-2.11, H.8)	☺ Ongoing		X	X	●	●	●	●
3. Work with other jurisdictions to develop and implement a regional housing finance strategy. (H-2.1, H.3)	Not scheduled			X	●	●	●	
4. Work with other jurisdictions to develop regional benchmarks. (H.7)	☺			X	●	●	●	●
5. Review, and as appropriate, comment on and/or support county and state federal legislation affecting the availability of housing. (H-2.11)	Ongoing			X	●	●	●	●
6. Identify and support local and regional projects. (H-2.11, H-2.12)	Ongoing			X	●	●		
7. Implement program that takes advantage of property tax exemptions for housing in certain areas under RCW 84.14. (HTF Recommendation)	1st Qtr. 2003							
8. Work with the State Legislation to provide additional tax relief for affordable housing. (HTF Recommendation)	Not scheduled			X	●	●		

FOOTNOTES:

X – Necessary for completion of task

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☺ + Ongoing: Discrete task completed, but work continues

STRATEGY (Related Housing Element Policy or 2001 Housing Task Force Recommendation)	SCHEDULE/ STATUS	CODE UPDATE	COUNCIL ACTION	COORD. W/ OTHERS REQUIRED	POPULATION SERVED			
					LOW	MOD	MED	MKT
D. OVERSIGHT/MONITORING/EDUCATION								
1. Complete a strategy plan/work program and update every three (3) years. (H.5)	☺ Ongoing		X		●	●	●	●
2. Monitor progress in meeting housing needs and report to City Council annually. Information collected should at a minimum include total housing development, construction and demolition of affordable housing, and creation of ADUs. (H.4, H.7)	☺ Ongoing				●	●	●	●
3. Collect information on a regular basis needed for the Regional Benchmarks.	☺ Ongoing			X	●	●	●	●
4. Evaluate city efforts in achieving projected densities in mf zones and commercial areas. Review standards if densities are not achieved. (H-1.2)	☺ Ongoing					●	●	●
5. Evaluate City efforts in achieving objective of dispersing affordable housing in the City. (H-2.4)	Not scheduled				●	●	●	
6. Undertake an educational campaign to increase awareness of housing issues. (HTF Recommendation)	2002 - 2003				●	●	●	●

FOOTNOTES:
X – Necessary for completion of task
☺ Completed or underway
☺ + Ongoing: Discrete task completed, but work continues

FIGURE C-7

SUMMARY: CREATION OF AFFORDABLE HOUSING: 1993 - 2004

(Updated July 2005)

	LOW INCOME (50% Median)						MODERATE INCOME (80% Median)					
	Direct Assistance	Regulatory Incentives	Market ***	SubTotal	Annual Average	Annual Target	Direct Assistance	Regulatory Incentives *	Market***	SubTotal	Annual Average	Annual Target**
Bellevue	772	0	0	772	64	105	571	296	658	1,525	127	74
Bothell	76	0	0	76	8	23	60	2	637	699	70	17
Issaquah	77	0	0	77	6	41	0	115	133	248	21	29
Kenmore	63	0	0	63	11	13	2	11	10	23	4	9
Kirkland	111	0	33	144	12	70	7	92	158	257	21	50
Mercer Island	53	0	0	53	5	13	1	174	0	175	16	10
Newcastle	14	0	0	14	2	10	1	4	0	5	1	7
Redmond	275	0	0	275	23	139	374	49	216	639	53	99
Sammamish	0	0	0	0	0	44	0	0	0	0	0	33
Woodinville	69	0	0	69	11	22	0	33	3	36	5	15
Beaux Arts Village	0.0	0.0	0.0	0.0	0.00	0.00	0.0	0.0	0.0	0.0	0.00	0.00
Clyde Hill	0.6	0.0	0.0	0.6	0.07	0.14	0.7	1.0	0.0	1.7	0.19	0.10
Hunts Point	0.0	0.0	0.0	0.00	0.00	0.05	0.0	0.0	0.0	0.0	0.00	0.03
Medina	0.6	0.0	0.0	0.6	0.07	0.20	0.1	0.0	0.0	0.1	0.01	0.14
Yarrow Point	0.2	0.0	0.0	0.2	0.02	0.22	0.0	0.0	0.0	0.0	0.00	0.15
TOTAL	1,511	0	33	1,544	141	481	1,017	777	1,815	3,609	317	342

* Includes permits for accessory dwelling units, density bonuses, etc

** Based on projected growth targets (24% of growth target for Low Income, 17% for moderate income)

*** Does not include property built in 2001 and 2002.

ATTACHMENT 2

Housing- C.C. Retreat

C:\Data\ARTFILES\DATA\ Figure C7

CITY OF KIRKLAND
123 Fifth Avenue, Kirkland, WA 98033 425.587.3000
www.ci.kirkland.wa.us

MEMORANDUM

To: Dave Ramsay, City Manager

From: Stan Aston, Police Chief
Jeff Blake, Fire Chief

Date: March 7, 2006

Subject: City Council Retreat – Community Safety Issue Paper

This Community Safety issue paper is a combined effort of the police and fire departments to provide a brief overview of the issues, challenges, and opportunities facing the public safety departments. While it is not a comprehensive report, it does give a good representation of the needs for a safe community. The comprehensive analysis and goals for both police and fire can be found in our Department's Strategic Plans. Planning is a key to have an effective public safety system; funding of the plan is what can insure we have a safe community.

Police:

The Police Department created the 2003-2008 Strategic Plan in June of 2003. This five-year plan has been a successful guide for the past two and a half years and continues to provide direction into the future. To date the Department has accomplished many of the Goals and Objectives of the plan.

Challenges

- While the police department added a Lieutenant, Pro Act Sergeant, three Pro Act Officers and a clerk position in 2005, the department is understaffed due to current open positions. Hiring for open positions takes as long as one year from advertisement of opening to a new officer on patrol. Staff shortages create an inability to staff positions within the department such as current vacant positions to include two Traffic Officers and one Neighborhood Resource Officer. Other positions the department is attempting to fill include five Police Officers, one Clerk, and two Communications Technicians.
- The department continues to work to combat issues related to the transit center on 3rd Street at Main Street.
- Automobile thefts, car prowls and burglaries have shown a rise in crime statistics during the past year.
- Combating DUI's, responding to traffic complaints from citizens and reducing collisions remain high on the department's priority list. However the department currently has only two of four traffic unit positions filled due to staffing shortages in patrol.
- Drug use, especially methamphetamine, and drug related crimes, such as identity theft and property crimes are on the rise regionally and Kirkland is no exception.
- Kirkland Police staff two School Resource Officer positions in the high schools, but there has been no increase in funding from LWSD for several years. This contract is currently under review. Additionally the district would like the police department to staff an additional position for the Junior High School and elementary schools.

Opportunities

- The addition of a fourth Lieutenant in 2005 allowed reorganization of the Command Staff structure to divide duties amongst the staff equitably and along department unit lines.
- The addition of staff for the newly created Pro Act Unit will allow the department to target specific crime areas and periods to reduce overall criminal offenses.
- Staffing the Administrative Corporal position in 2005 redirected a large amount of administrative work to a more appropriate level freeing time for the Lieutenant of the Services Division to dedicate attention to more pressing issues.

The Department has a number of goals and objectives yet to be realized:

- Public Safety Building: To date the department has moved the main property storage and is upgrading existing facilities with new flooring and a planned remodel, but is still seeking money for a new facility.

- Staffing continues to be a concern. The City contracted Public Safety Testing, Inc. to provide advertising and testing services to reduce Human Resource and Police Department staff time.

Short term goals:

- Immediate need is realization of funding for CIP third stage for PD remodel.

- Accreditation past and future: Achieved state accreditation, now exploring national accreditation. Realigned strategic plans and policy manual to be more in tune with current and future needs. This work will continue recognizing the cost of national accreditation is considerably higher.

- False alarms: officers respond to several thousand alarms a year, the vast majority of which are false. Every alarm requires a minimum of two officers to respond, sometimes more for a large building or office complex.

Long term goals:

- Acquisition of Public Safety Building remains the highest priority. The City of Kirkland is growing through building and potential annexation of surrounding area. A Public Safety Building is desirable to meet future needs in conjunction with the Fire Department.

- A larger jail facility is necessary to combat rising detention and incarceration costs.

- Staffing increases to meet rising demand for services and a growing population.

Fire

Since the development of the Department's Strategic Plan in 2000, we have made some progress on meeting the goals established. There are several areas which have been stalled for a number of reasons, with no fault on anyone's part. The economy was a challenge and continues to impact our ability to address response time deterioration; however two recent staffing increases should be a start to address this issue. The impact of statewide initiatives has reduced the city's ability to respond to public safety staffing needs as a normal course of business. The needs for additional staffing in our fire services can seem a little overwhelming; funding is the challenge. A long term strategy for funding is needed to keep our services levels within acceptable limits.

Another significant challenge would be funding one time capital projects to help reduce response times. A project like the over/underpass at NE 60th on I-405 is an example of a way to reduce response times without an ongoing staffing cost. Incident call volumes continue to increase, so capital projects alone cannot fully address the needs.

Other challenges in reducing response times has come from such things as increased traffic volumes, neighborhood traffic calming, population increases and an aging population, etc. These all impact our ability to reduce response times; thereby increasing property damage and lives lost.

In addition to fire and medical response time reductions desired; we have staffing needs in the fire prevention bureau. No additional personnel have been added to the inspection function in the past 14 years. There has been an increase of 9.1 million sq ft of inspection space in the same 14 year period. We have tried to manage the increased workload by implementing an engine company inspection program; however, with the number emergency incidents continuing to increase too, we have not been able to keep up. We have also stretched out the frequency for inspections for up to 18 months; yet continue to fall behind in meeting timelines. The State Survey and Rating Bureau standard for inspection frequency is 12 months; when we do not meet this timeline, we lose points in our fire insurance rating. Fire insurance ratings directly relates to the cost of fire insurance for business and residents.

In addition to inspecting buildings on an ongoing basis, we are responsible for plan review in new construction. The complexity of buildings coming into Kirkland and the volume of work is creating a challenge in the review process. A specialized fire protection engineer is needed for the review of more complex structures; we have used consultant services in the past and Bellevue has "loaned" their employee is a few cases. The workload for this type of plan review and inspection is increasing and needs to be addressed.

Summary:

While some progress is being made toward our strategic goals, we face a number of challenges in reaching the needs of our public safety responsibilities.

Challenges include:
Increase in number of emergencies
Significant staffing needs
Capital projects I.e. Road connections funding
Economic downturns
Traffic volumes
Neighborhood traffic calming
Population increases
Aging populations
Inadequate funding

Opportunities:
Evaluation of new staffing on response times
Implementation of a new alerting system for emergencies
Regional dispatching
Full implementation of wireless technology for quicker responses
Development of a long term funding strategy
Partnering with other cities on a fire protection engineer
Pursuit of capital project funding
Evaluation of the impacts of traffic calming on emergency response
Improvement of inspection capability to reduce fires and maintain insurance rating

Emergency Preparedness

Emergency Preparedness has been addressed in a separate "White Paper" included in the Council's packet for the retreat.

We look forward to the discussion and a potential for a strategy to address the public safety needs; which will lead to a safe community. If you desire addition information prior to the retreat please let us know; we would be happy to provide whatever would help facilitate your discussion.

CITY OF KIRKLAND
Planning and Community Development Department
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MEMORANDUM

Date: March 7, 2006

To: David Ramsay

From: Natural Resource Management Team
Paul Stewart, Deputy Planning Director
Patrice Tovar, Senior Planner

Subject: Environmental Stewardship Issue Paper

Introduction

This memo is intended to provide background on environmental stewardship goals, issues, challenges and opportunities for the Council retreat. It is divided into three sections. The first section notes the current adopted goals and policy direction from various documents. The second section summarizes the activities of the Natural Resource Management Team, and the third section discusses issues, challenges and opportunities.

Goal Statements

The 2005-2006 Budget contains the following statement as part of the Council Philosophy section of the budget.

> *We commit to the proactive protection of our environment. An integrated system of natural resource management focuses on the preservation of wetlands, trees, open space and other sensitive areas, water quality, clean air and waste reduction.*

Two other documents adopted by the Council – the Comprehensive Plan and the Natural Resource Management Plan – provide direction on environmental stewardship and natural resources. For over 20 years the City has adopted and implemented policies, regulations, and programs related to environmental stewardship. The Kirkland Comprehensive Plan – adopted in 1995 and updated in 2004, pursuant to the Growth Management Act – includes Framework Goals and a Natural Environment Element that contains goals and policies pertaining to the natural environment (as opposed to the built environment). State statute requires that the City's planning activities and capital budget decisions conform to the adopted Comprehensive Plan (RCW 36.70A.120). Following are key concepts and goals found in the Framework Goals and the Natural Environment Element:

COMPREHENSIVE PLAN VISION AND FRAMEWORK GOALS

The essence of the Kirkland community's vision is articulated in the Vision Statement and Framework Goals of the Kirkland Comprehensive Plan.

The Vision Statement contains the following:

> *We preserve an open space network of wetlands, stream corridors, and wooded hillsides. These natural systems provide habitat for fish and wildlife and serve important biological, hydrological and geological functions. Streets are lined with a variety of trees, and vegetation is abundant throughout the City. The water and air are clean. We consider community stewardship of the environment to be very important.*

The Natural Environment element highlights the following Framework Goals:

FG-5 Protect and preserve environmentally sensitive areas and a healthy environment.

FG-7 Encourage low impact development and sustainable building practices.

FG-8 Maintain and enhance Kirkland's strong physical, visual, and perceptual linkages to Lake Washington.

FG-11 Maintain existing park facilities, while seeking opportunities to expand and enhance the current range and quality of facilities.

FG-15 Solve regional problems that affect Kirkland through regional coordination and partnerships.

FG-16 Promote active citizen involvement and outreach education in development decisions and planning for Kirkland's future.

FG-17 Establish development regulations that are fair and predictable.

NATURAL ENVIRONMENT GOALS AND POLICIES

Goal NE-1: MANAGING THE NATURAL ENVIRONMENT
Protect natural systems and features from the potentially negative impacts of human activities, including, but not limited to, land development.

Goal NE-2: NATURAL WATER SYSTEMS
Manage the natural and built environments to achieve no net loss of the functions and values of each drainage basin; and, where possible, to enhance and restore functions, values, and features. Retain lakes, ponds,

wetlands, and streams and their corridors substantially in their natural condition.

Goal NE-3: *VEGETATION*
Manage the natural and built environments to protect and, where possible, to enhance and restore vegetation.

Goal NE-4: *SOILS AND GEOLOGY*
Manage the natural and built environment to maintain or improve soils/geologic resources and to minimize risk to life and property.

Goal NE-5: *AIR*
Improve air quality and reduce Kirkland's contribution to climate change.

The Natural Environment chapter of the Kirkland Comprehensive Plan also contains policies and text that support and elaborate on each goal. In addition, the Natural Environment chapter addresses implementation issues, such as balancing environmental conservation with the City's obligations to accommodate future growth and provide a timely, predictable, and equitable development process.

NATURAL RESOURCE MANAGEMENT PLAN
In 2003, the Kirkland City Council adopted the Natural Resource Management Plan to guide and coordinate City actions related to the natural environment. The Natural Resource Management Plan describes objectives, reasons, and methods for implementing the goals and policies of the Natural Environment Element of the Kirkland Comprehensive Plan through City practices, programs, projects, plans, and development regulations.

Environmental Stewardship Activities

The Natural Resource Management Team (NRMT) has been in existence for five years and serves as an interdepartmental coordinating group on many environmental stewardship activities with staff participation from Parks, Public Works and Planning. As noted above, in 2003 the team prepared the City's first Natural Resource Management Plan (NRMP) which is intended to guide the City's actions for coordinating the management of Kirkland's urban forest, water, earth and air resources.

The NRMT has a work program that sets the overall tasks and strategies for the activities to implement the plan. Staff has recommended a study session format designed to update the Council on our progress to date, the work program and to discuss environmental stewardship efforts and priorities.

Issues, Challenges and Opportunities

It's evident from a review of the various documents and adopted plans, goals and policies that environmental stewardship is an important value for Kirkland. As development continues, it will be increasingly important that we balance the impacts of growth with protecting, preserving and enhancing our environmental qualities and natural resources. These challenges and opportunities include:

Establishing Priorities

Several City Departments are involved in a variety of natural resource management and environmental stewardship efforts. The Natural Resource Management Plan laid out an ambitious set of implementation strategies. However there are gaps in funding and resources. At an up-coming study session, staff would like to brief the Council on these activities and get a sense of what the priorities are for the Council and how they fit into the work program. This will enable staff to target the appropriate resources and funding levels needed.

Education and Public Involvement

An important characteristic of environmental stewardship is providing information and getting people involved. Regulation is often not as effective as engaging citizens and businesses to be good environmental stewards. The challenge is time, resources and money. Education, outreach, and community input are intensive efforts.

Partnerships

Environmental stewardship is not limited to Kirkland's boundary – air, water quality, wildlife habitat, watersheds are interrelated. Whether it's working on salmon recovery through the WRIA 8 program, coordinating with King County on the update to the Shoreline Master Plan or in localized efforts with schools or neighborhoods, the future is in working closely with a variety of interests and organizations.

Organizational

Currently, these activities are spread out through a variety of staff in several departments. Coordination takes place through the Natural Resource Management Team. It may be possible to explore other organizational arrangements that might be more effective in coordinating the activities, programs and strategies to achieve the goals of the Council and the adopted plans.

Communication

Communication is the linchpin that ties together education, public involvement, partnerships and the City organization. Externally, getting the message out is the key to building an understanding of the importance of our natural resources and engenders a personal and civic responsibility to be careful environmental stewards. For example, King County and the City of Seattle have aggressive outreach campaigns on sustainability, green buildings, LID strategies, etc. Within the City, we are exploring adding other NRMT team members to broaden the scope of our efforts and promote a more coordinated approach. An area where there is an opportunity to improve is in communication with the Council on all of the activities and actions that are taking place along with getting direction on where to target our efforts and resources. At a future study session, we can explore this further.

CITY OF KIRKLAND
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To: Dave Ramsay, City Manager

From: Daryl Grigsby, Public Works Director
David Godfrey, P.E., Transportation Engineering Manager

Date: March 7, 2006

Subject: City Council Retreat –Transportation Issues

Regional funding of highways
Possible modifications to the RTID (Regional Transportation Improvement District) legislation are being considered by the state legislature at the time of this writing. Without RTID, expensive projects such as replacement of the SR 520 and the Alaska Way Viaduct won't have full funding. Some funding for these projects was set aside from the state 9.5 cent gas tax increase (known as the transportation partnership account or TPA) but the state money can be received only if matched by a local funding source like RTID. Even if RTID is funded, it is unclear how much of the 520 project could be built, beyond the bridge itself. RTID would likely also fund projects in the southern part of I-405. If the legislature paves the way for an RTID vote, the passage of such a vote is unclear.

Kirkland has fared well with early funding on I-405. Nickel and TPA funds will construct new lanes through Kirkland and rebuild the NE 116th Street bridge by 2010. A new interchange at NE 132nd Street is funded for completion by 2021. Managed lanes such as a HOT lane scheme could be implemented between SR 520 and SR 522 through Kirkland.

Funding for rebuilds of the NE 124th or the NE 85th Street interchanges on I-405 in Kirkland is not likely in RTID.

Sound Transit
The Sound Transit Board is preparing a package for a public vote on the next phase of Sound Transit as soon as fall 2006 (the timing of this vote may be altered by RTID legislation). In the second phase of Sound Transit, Kirkland will likely compete with other cities for relatively small projects while the bulk of funding is spent on large projects to extend light-rail across Lake Washington in the I-90 corridor and expand upon the system in Seattle.

In the first phase of Sound Transit, Kirkland received funding for important capital investments including the Totem Lake direct access project, the Totem Lake and Downtown Transit centers and improvement to NE 85th Street.

Congestion
We continue to develop land uses that support density and mixed use. Transit service in Kirkland is reasonable. We continue to build facilities for pedestrians and cyclists. These are helpful steps in building alternatives for those who wish to avoid traffic congestion.

Our Comprehensive Plan calls for less dependency on autos, but today it is normal for Kirkland residents to make most of their trips by auto. Most of our efforts to minimize auto dependency are focused on construction of infrastructure for alternate modes. This strategy may not be directly aimed at addressing the reasons why most Kirkland residents make almost all of their trips by auto. For example, we have contemplated investments to construct walking facilities near schools. This is different than focusing on getting more children to walk to school. The primary reasons why most children are driven to school may be non-infrastructure based.

Congestion is a regional problem. We are subject to traffic from other cities and surrounding unincorporated areas. We currently can't fund and don't want large road projects. Stopping growth in Kirkland is not economically feasible, and not in keeping with the goals of our Comprehensive Plan. Stopping growth on the relatively small amount of land undergoing change in Kirkland would not make important differences in the number of vehicle trips generated in the City.

If there is a silver bullet for congestion it is paying for travel as it is used. HOT lanes and congestion pricing are beginning to be successfully implemented in other states such as Minnesota and California. WSDOT is working on a pilot project on SR 167 and a segment of I-405 in Kirkland may be in position to receive pricing strategies after the nickel and TPA projects are complete. It's hoped that these "managed lane" projects can increase people carrying capacity of both general purpose and HOV lanes.

Concurrency is a subject that once again requires some attention. Concurrency target levels are being approached in two of the city's four subareas (northeast and northwest). While short term changes are possible, it is the desire of the Transportation Commission to take a deeper look at concurrency and possibly propose changes that would significantly reshape the current system.

Transportation Demand Management (TDM)
Kirkland has not made substantial investments in TDM. We are following fairly minimal courses of action for our Commute Trip Reduction sites (larger employers) and Transportation Management Plan (smaller employer) sites. There is not a clear linkage between policy goals in the Comprehensive Plan such as mode split goals and action steps to achieve those goals.

Still, we have more TMP sites than any other city our size and our elected officials and staff have a strong commitment to the principles of TDM, which is supported by our Comprehensive Plan.

TDM is a regional issue. For example, charging for parking at the Totem Lake Mall would be one of the most productive steps possible for reducing auto trips to Totem Lake. However, it is seen as an unreasonable policy given other nearby regional shopping destinations that do not charge for parking. Regional efforts to address such policy questions are very limited.

Pedestrian Safety
Kirkland is viewed by other cities as a regional leader in pedestrian safety. The interest of the City Council makes pedestrian issues a high priority for the city and we have innovated in many areas. Efforts in enforcement and education have been made, but most of the emphasis has been in engineering. Despite this, many report feeling unsafe as pedestrians; we have about 15 pedestrian accidents a year.

There are important technical questions about pedestrian safety that are unanswered and this makes charting a future course for pedestrian safety improvements more difficult. These include questions such as: how many engineering improvements are enough at a given crosswalk? Are flashing crosswalks better than overhead flashers? If so by how much and under what conditions? How many miles are walked in Kirkland and is that number increasing or decreasing? What are the factors that underlie the interaction between drivers and pedestrians when a pedestrian is waiting for a car to stop at a crosswalk?

We do know the basic characteristics that make some crosswalks that are safer than others. We also know that in Kirkland we have crosswalks that would benefit from some improvement. CIP funds have been allocated to work on these crosswalks over time. Seeing pedestrians at night is complicated and a critical element in pedestrian safety. Visibility is not always improved by simply by adding brighter lights. Public Works staff is developing projects for Council consideration that would increase nighttime visibility at key locations.

One other aspect of pedestrian safety is sidewalk availability. Despite the City's emphasis on pedestrian safety, there are still key walk routes without sidewalks. Future development will construct their fare share of sidewalks and the City instituted a new sidewalk maintenance fund. The sidewalk bond Committee found however, there is still an unmet need where neighborhood sidewalk connections are deficient.

Neighborhood Traffic Control Program (NTCP)
Kirkland's NTCP is over 10 years old. More than ever we hear that neighborhoods feel they have enough speed control devices. Groups within neighborhoods that do not want control devices are better organized and more vocal. At the same time there are still many who perceive that new controls should be put in place to reduce speeding.

Speed cushions have been at important step forward in managing the needs of the emergency responders while still limiting vehicle speeds. This is because they are slotted and allow fire vehicles to pass through with little or no delay. Devices such as circles, chokers and other non-hump style devices have generally not been popular in most neighborhoods.

Downtown Parking
In the past couple of years we have begun to understand much more about parking in downtown Kirkland. Regular measurements have been made of occupancies at all lots and this data will help guide rational decision making.

If new supply is to be constructed, users, downtown property owners and Kirkland tax payers in general will likely share the cost. What the cost is and how the cost is shared is a difficult issue to resolve, and it is at the forefront of the Parking Advisory Board's agenda.

Innovative solutions to parking problems are being tried throughout the country. These may hold promise for resolving some of Kirkland's parking issues. At their core is the notion of charging "market rate" for curb parking and using the revenue to enhance the area where the parking is located. This has the added benefit of encouraging the land use and trip making characteristics supported in the Comprehensive Plan.

Wrap-up
We have developed a transportation system that allows autos to travel quickly, easily and safely during the majority of the day. Kirkland also has many good facilities for pedestrians and bicyclists. Transit service has progressed beyond a basic Seattle-centric system. Kirkland is beginning to see regional investments from WSDOT and Sound Transit.

Most transportation issues come from the negative side-effects of an auto dominated transportation system. Over-use causes congestion which is expensive and complicated to solve. Cars pose threats to those on foot, they travel too fast through neighborhoods and it is difficult to find places to store them during the 95% of the time they are not in use. Many of these challenges are regional in nature.

Kirkland currently seeks to balance two themes. First, we seek to continue to receive our fair share of regional projects constructed by WSDOT, Sound Transit or others. We are actively involved in projects on I-405 and Sound Transit phases I and II. On the other hand, we remain interested in issues more common to local streets such as both increased safety and facilities for pedestrians and bicyclists, as well as traffic calming and parking management.

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MEMORANDUM

To: Dave Ramsay, City Manager

From: Kari Page, Neighborhood Services Coordinator

Date: March 14, 2006

Subject: Neighborhood Services Update

Kirkland neighborhoods have enjoyed new City programs and an increased level of attention over the past six years. New channels of information are continuing to be established. Opportunities for neighborhood input are becoming routine and dependable. Annual funding is available for the ongoing operations of neighborhood associations. Every three years funding is available for small capital projects identified and prioritized by each neighborhood. Currently, all areas of town have an active neighborhood association.

Neighborhood participation levels and program statistics provide insight into the effectiveness of our programs and the health of Kirkland's neighborhoods. The following outline lists the efforts and outcomes of Kirkland's Neighborhood Services. Challenges and opportunities exist and some are listed in each category.

COMMUNICATIONS:

1) Electronic dissemination of information:
   - ✓ Web sites: Eight out of the eleven neighborhoods currently have web sites. Most neighborhood web sites include information about association meetings, agendas, picnics, contact information, minutes, and by-laws. In addition, some sites post current information about city events, developments, and projects.
   - ✓ Email distribution lists: All neighborhoods have email distribution lists (50-200 members on each). Most neighborhood leaders forward information from the City along to their membership via these email distribution lists.
   - ✓ Neighborhood E-bulletin: The Neighborhood E-bulletin has roughly 430 self registered email addresses. Information about city events, planning projects, developments, capital improvements, or volunteer opportunities are sent out almost daily. All City departments (and some regional governments) use this vehicle to get important information out to the community. There are now eight other active E-bulletins topics offered on the City's web page.

   Challenges and Opportunities: -Emphasis could be made on developing web pages for the remaining three neighborhoods without them. –The posting of current information on each *individual web page could be streamlined making it easier for all neighborhoods to keep their pages up to date..*

2) Publications, signs and mailings:

- ✓ Kirkland Courier: Neighborhood meetings are listed monthly in the Kirkland Courier. In addition, several of the neighborhoods write articles about their neighborhoods each month for the Courier.
- ✓ Neighborhood mailings: Some neighborhoods are using their Neighborhood Matching Grant funds to do mailings to promote their meetings.
- ✓ Neighborhood Meeting signs: All neighborhoods currently have meeting signs they post around their neighborhood prior to their meetings.
- ✓ Neighborhood Kiosks: Several neighborhoods (almost half) have neighborhood kiosks to post information about issues, plans, and meetings

Challenges and Opportunities: -The Kirkland Courier has limited space available for neighborhood articles. There seems to be some issues around fairness and equal access to Courier space. Members of KAN have offered to work with the Courier to resolve this problem. -There may be efficiencies and cost savings in the meeting notification process.

3) Neighborhood meetings:

The Neighborhood Services Coordinator continues to assist neighborhoods in booking facilities, publicizing meetings, and lining up speakers. Information is shared and projects/issues discussed at neighborhood meetings.

Attendance at neighborhood meetings varies between neighborhoods and from month to month. Roughly half of the neighborhoods consistently have 20 to 50 residents attend their meetings. The other neighborhoods struggle with low attendance, lack of volunteers, and burnout. These neighborhoods have six to twelve participants at their meetings.

Challenges and Opportunities: -The effectiveness of mailing meeting notices and other factors influencing turnout at meetings should be investigated and shared. –Leadership training and mentoring could be offered to all neighborhood leaders on an ongoing basis. –More celebrations and recognition of accomplishments could be created.

4) Kirkland Alliance of Neighborhoods (KAN):

KAN provides an excellent forum for neighborhood leaders to share information and build relationships. Agendas are full and turnout is exceptional now that Heritage Hall has become their home.

Challenges and Opportunities: -The word is out about the effectiveness of KAN to disseminate information to Kirkland neighborhoods. The Coordinator for KAN often has to limit presentations and/or choose between topic areas. Increasing the number of meetings is not a favorable option at this time. -A retreat could be offered from time to time to cover some of the strategizing and mentoring needs of this group. For example, success stories could be shared and help offered to neighborhoods who are struggling with their membership or burnout. Reasons behind successes and failures could be evaluated and better understood.

CITY PROGRAMS:

1) Neighborhood Connection:

Neighborhood Connection has completed its second (three year) cycle around the City. Participation rates have remained relatively constant over the past six years. Staff has addressed over 1250 requests from residents during this time (on the average 50-75 request per neighborhood). Typically, the neighborhoods with the lower participation rates are also those with lower attendance rates at their meetings.

More than 50 small capital projects have been identified and prioritized by the neighborhoods through the Neighborhood Connection Program in the past six years. The following chart shows the choices neighborhoods have made regarding these funds.

Crosswalks: Pedestrian islands, flags, and lights at pedestrian crossings on main arterials.	$206,000
Parks: Benches, tables, playground equipment, and walkway improvements in neighborhood parks.	$142,000
Streets: Lighting, landscaping, benches, and signage.	$80,000
Traffic: Traffic circles, radar equipment, traffic studies.	$76,000
Art: Sculptures (Save the Animals).	$35,000

Challenges and Opportunities: -Extra efforts could be made to increase participation in neighborhoods with historically low involvement. –A feedback (evaluation form) should be instituted to see how valuable the process is to the user and hear ideas for improvements. –Additional information about this process and the accomplishments could be promoted and put on the City's web page. In addition, request forms and ballots could be made available on the web. –Plaques identifying the neighborhood/city partnership could be placed on some neighborhood improvements.

2) City Council Meetings in the Neighborhoods:

There are approximately four City Council meetings in the neighborhoods each year cycling through each neighborhood every three years. These meetings enable residents to meet the City Council in an informal setting and ask questions and learn more about City services. The meetings are well attended (between 30-100 residents) and provide neighborhoods with a useful dialogue on issues of most concern to them.

Challenges and Opportunities: The Council is in the process of refining this forum to promote more of an informal conversational format. The volume of request cards being responded to by staff continues to be very time consuming. –A feedback (evaluation form) should be instituted to see how valuable the process is to the user and hear ideas for improvements.

3) Neighborhood Matching Grants:

Progress has been made over the last couple of years to bring neighborhoods up to date with their grant requirements. Approximately half of the neighborhoods are working in the current grant period (2006). Three have elected to carry forward 2005 funds into 2006. Two are still operating in 2004 funds. Progress has also been made to spend down the grant reserves built up over the past decade. This year will be the second (and possibly final) year for special grants.

Challenges and Opportunities: -The reimbursement process this year is new and different for the neighborhoods and city. A process has been developed to track expenses quickly and process checks/reimbursements efficiently. -Grant workshops are being provided to help neighborhoods with this new process. –This year's biannual budget cycle will include an evaluation of the funding level for Neighborhood Matching Grants ($3,500 per neighborhood per year).

4) Leadership Opportunities:

Boards, Commissions, Tasks Forces and Committees: An increasing number of opportunities exist for neighborhood leaders to become involved in civic activities beyond the neighborhood level. Downtown Action Team, Parks Board, Planning Commission, Senior Council, and Cultural Councils are just a few examples. Neighborhood leadership continues to be an effective introduction to citizen participation in local government.

Challenges and Opportunities: -Leadership and mediation training could be provided as a benefit to neighborhood leaders.

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MEMORANDUM

To: Dave Ramsay, City Manager

From: Jennifer Schroder, Director
Carrie Hite, Deputy Director
Michael Cogle, Park Planning Manager
Jason Filan, Park Operations Manager

Date: March 7, 2006

Subject: **Trends, Issues and Opportunities in Recreation, Parks and Open Space**

In preparation for the City Council retreat; this paper highlights some significant trends, issues and opportunities that will influence the future direction of Recreation, Parks and Open Space in Kirkland.

Trends and Issues

The type of recreation programs to offer, the type of facilities to build, and the City's role in protecting its natural resources may be significantly influenced by the following trends and issues:

- **Increase in the aging population and the more physically active senior:** With Baby Boomers entering retirement the trend is toward an older, more active population. Compared to previous generations, these seniors are more likely to be in good health, with higher education and income levels. Census statistics show that the senior population in Kirkland will make up 60% of the population by 2020. Seniors today are younger, more active, more involved with their health and nutrition needs, and interested in more integrated and alternative exercise opportunities. The center as it is today is great for serving the needs of the more frail and elderly senior population, but limited in its expansion opportunities to meet the needs of the growing younger-senior and physically active senior population.

- **Increase in single parent and two parent working families:** Communities Count 2005 states "Increasing numbers of preschool age children are spending time in the care of child care provider other than their parents". The report also states that a 2004 countywide survey of all households, 17% of school-age children (6-14) were in regularly scheduled childcare, and of these, 19% were in child care for at least 25 hours a week. Therefore, the demand for after-school programs that engage youth (6-14) in skills-based activities such as sports and the arts is expected to grow.

- **Decline in health and fitness for all ages:** According to the 2005 CDC Health Report of the United States, the Health Report of King County, 2005, and Communities Count 2005, our community rates of obesity are almost at epidemic levels. Youth being the largest percentage of threat. The Surgeon General has a call to action for this nation to prevent and decrease overweight and obesity. A major contributor to this health decline is the lack of physical activity.

- **Increase in the percentage of racial diversity in the community:** The 2004 Community Profile states "Since 1990, the racial diversity in Kirkland's population in 2000 more than doubled from 7.2% to a 16.9% minority population". Two areas that measured the most increase within this demographic category were: Hispanic Origin and Asian or Pacific Islander. A larger percentage of these growing populations are either non-English speaking, or second language English speakers. Public recreation programs are in demand as a way to help facilitate integration into the community as well as provide a place as a "group" to gather socially. At the Senior Center we have programmed for this changing demographic, and have been able to provide language and culturally relevant services for both the Latino and Mandarin Chinese citizens. This is an area that we need to continue to recognize not just in Recreation, but in service delivery city-wide.

- **Increased use of our parks and facilities:** Every year there are more requests to schedule fields than we can accommodate. More and more we are seeing an increase in citizens walking, jogging and picnicking in our parks, and families and child care providers frequenting our children's play areas. Both NKCC and the Senior Center have less available hours for rentals due to the demand to fill the available time with programs. Although we enjoy high scores in citizen's value of their park system and it is good to see more citizens of all ages enjoying our parks and facilities, this success is reducing our ability to sustain the level of maintenance citizens have come to expect within the current level of resources.

- **Indoor facility challenges:** As far as keeping up with the indoor, active recreational needs of our citizens, Kirkland is challenged by the limited and lack of dedicated indoor active/athletic recreation space. The Comprehensive Plan defines a service standard for indoor athletic recreation space as 500s.f. per 1000 population served. We have no dedicated space to offer indoor athletic recreation space to the community of 45,000 citizens. Past and present Park Boards adopted work plans that included objectives that develop strategy for determining future indoor recreation space needs. The Joint use agreement with Lake Washington School District is helpful but limited to use for after school programs and is limited in the total number of hours available. Additionally, the gymnasiums are designed to meet school programs and not for multi-generational recreation and health fitness activities.

- **Indoor facility trends:** The most common trend in creating indoor active recreation spaces is developing multi-use designed facilities to meet the needs of everyone in the community (cited from Recreation Management Magazine, Athletic Business Magazine, and the National Recreation and Park Association, 2002-2004, various citations). These facilities often incorporate a specialized senior area, teen area, offer more integrative programs for the whole family, and are designed to be the hub of the community. Often included in these newly designed facilities is a special attraction that may make it unique, generate revenue, and bring people in, i.e. indoor leisure pool, competitive pool, whole foods restaurant, extensive fitness center, rock climbing wall, etc. Additionally these centers offer the flexibility to provide more family oriented recreation where the whole family can come together and participate in the same activity or in separate activities within the one facility. For seniors, the trend has been more toward offering active fitness classes, including yoga, pilates, indoor walking areas, warm water swimming pools, specially designed fitness equipment for "active-agers". For Teens, active recreation trends include rock climbing walls, extreme sports and challenge course opportunities, martial arts, roller hockey, and weight room/fitness classes. From a design and construction perspective, there is an increasing emphasis in park and recreation facility design using low-impact development techniques and practices.

- **Amount of urban forests declining due to development:** We see an ever-increasing emphasis on proactive management of public open spaces and natural areas. While in the past priorities have perhaps been placed on preserving these critical resources via acquisition, it will become increasingly important to provide our urban forests, wetlands, and undeveloped open spaces with more "hands-on" attention.

Needs and Opportunities

Based on the aforementioned trends and issues, we see the following needs and opportunities emerging:

- **Renewed emphasis on renovation and replacement of park systems and amenities:** Kirkland has done a good job of keeping up with growth in the provision of outdoor recreation facilities. Overall the park system has grown substantially since the annexation of 1988, essentially doubling the number of parks and park acreage used by our citizens. While the majority of capital resources during the past nearly 20 years have been devoted to purchasing and developing these new facilities, we envision that as the park system reaches a new level of maturity an increasing proportion of capital investment will need to be directed to renovation and replacement of park systems, such as playgrounds, restroom buildings, grandstands, irrigation and drainage systems, shoreline bulkheads, etc.

- **Need for maintenance support facilities**: The City's Maintenance Center can no longer support all the parks maintenance staff under one roof. The park maintenance staff has grown by 50% between 2001 and 2006 (from 16 to 24 FTE) and, combined with staffing growth with Public Works and the recent relocation of the City's Facilities Division, Park Maintenance division has been forced to disperse to satellite locations at Juanita Beach Park and McAuliffe Park. The use of park facilities to house maintenance operations is a band-aid and should not be viewed as a preferred use of these parks. Future annexation, should it occur, will place additional pressure to address the need to expand or replace the service center.

- **Step Up to Health Initiative:** Kirkland is beginning to actively challenge the national trend of declining health. In February of 2006, 80 citizens attended an all day Step up to Heath Summit and prioritized strategies for our community to increase activity levels and live healthier lives. Some of the top priorities identified by participants included building an indoor recreation facility, implement walking programs, provide way finding signs and mileage for walks throughout the city, provide more active recreation programming for teens, and implement the walking school busses, encouraging kids to walk to school. An opportunity for Kirkland is to prioritize this initiative and dedicate staff and resources to implement strategies to increase the health of our community.

- **Recreation Facility Assessment:** In 2006 the Parks and Community Services Department will be completing an indoor recreation facility needs assessment. Working with citizens and community providers, this study will help our community determine a future direction in the provision of public indoor recreation programs and activities.

- **Natural Resources:** The soon-to-be-developed Green Kirkland partnership provides a glimpse of where we may be headed in the future, combining dedicated City capital resources with community-supported stewardship efforts to remove invasive plant species, plant new native trees and shrubs, and encourage vital wildlife habitat. In addition to reforestation of existing open space, it will be important to identify acquisitions of land to link key city parks, open space and neighborhoods through a network of greenways. Cascade Land Conservancy (CLC) obtained funding to conduct a forest restoration pilot program at Watershed Park. Additionally there is funding in the parks capital plan to contract with CLC to inventory our open space/natural area assets and develop a 20-year restoration plan.

- **Maximizing existing resources for recreation opportunities:** Two significant park master plans were completed in 2005. Both Juanita Beach Park and McAuliffe Park, two unique and remarkable park properties, have been identified through their respective plans as having tremendous opportunities to meet citizen leisure needs in new and important ways. Fully realizing the community's vision for both parks will be an important goal for the future.

- **Multi-use Athletic Fields:** As well, we will need to continue to maximize use of our existing park facilities in new and different ways. Given the dearth of available land to build new playfields in Kirkland, we see an increased need to maximize existing inventory by, where feasible, adapting sole-purpose athletic facilities for multi-use and year-round purposes. Trends in this area, both regionally and nationally, include use of synthetic turf (technology has made this much more cost-effective, aesthetically pleasing, and safe than in the past), efficient field lighting systems, and portable fencing systems. Continued cooperation with the Lake Washington School also may open many more opportunities for meeting community needs in this regard.

- **Cross Kirkland Trail:** We can think of few potential projects in the future that could have as dramatic positive impact to community health and recreation as the creation of the Cross Kirkland Trail within the BNSF rail corridor. While technically a "non-motorized project" and not a "park project", the opportunities this potential trail affords Kirkland residents is unique and far-reaching. Significant hurdles exist in making the Cross Kirkland Trail a reality, and even then implementation may be years away, but its importance for the future cannot be overstressed.

- **Updating our Comprehensive Park Plan:** Next year – 2007 – will be an important year for the Kirkland's parks system. We will be updating the City's Comprehensive Park, Recreation, and Open Space Plan. This comes at an opportune time. For one, the current six-year plan is coming to a close and is in need of updating. Maintaining a current comprehensive park plan is vital for a number of reasons, not the least of which is that it helps maintain the City's eligibility for many government grant programs. Also, as we wrap up all of the projects funded from the 2002 Kirkland Park Bond, it will be a good time to work with our citizens to identify future needs, appropriate levels of service, priorities, staff and support facilities and overall goals for Kirkland's park, recreation and open space system.

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MEMORANDUM

To: Dave Ramsay, City Manager

From: Brenda Cooper, Chief Information Officer
Robin Jenkinson, City Attorney
Bill Kenny, Director, Human Resources
Michael Olson, Interim Director, Finance & Administration

Date: March 9, 2006

Subject: High Performance Organizations

High Performance Organizations are organizations that set standards for high productivity and efficiency. The City of Kirkland is committed to becoming a High Performance Organization, and years of budget belt tightening have only underscored the necessity of doing so. Kirkland is using new technologies, changing its structures, and improving work processes to respond to increasing demands with fewer resources. Becoming a High Performance Organization is best accomplished through three strategies:

- Automate business processes for maximum efficiency
- Engage employees via communication
- Empower employees

This paper focuses on the role of Finance and Administration, Information Technology, Human Resources, and the City Attorney's Office as internal support service providers and as contributors in creating a High Performance Organization.

Finance and Administration

The Department of Finance and Administration continually works toward being a high performance organization through its processes and improvements used in achieving its annual goals. The following were implemented in 2005; purchasing card system, passport acceptance services, electronic packets and on-line utility payments including acceptance of credit cards. Additionally a Capital Improvement Program database was developed. Each of these efforts improved fiscal management, improved customer service or increased efficiency.

To achieve and maintain high performance in today's working environment it is important to automate business processes, increase communication and provide easily accessible information to all customers, citizens and staff.

The challenge in the pursuit of high performance is the problem of limited resources. As the pace of change and the availability of technology increases, greater levels of service are expected. To improve, it is necessary to evaluate the services provided and determine if the most efficient process is being used. Evaluating current practices and implementing new technologies or new practices initially may require additional funds for staffing, software and training. However, improvements resulting from these evaluations will create greater efficiencies, reduce unnecessary tasks and result in reduced costs and increased service levels.

The opportunities for improving performance that the Department of Finance and Administration will be pursuing in 2006 include working with Information Technology to implement a document management system, working with the Police Department to implement a false alarm reporting program and updating the purchasing ordinance.

The document management system pilot project will facilitate the routing and review of contracts. The pilot project will form the basis for a larger document management system implementation which will provide ready access to all new official records and to some legacy documents. Search capabilities and version control will allow staff to find the most up-to-date-version of any document stored centrally on the system.

The false alarm program is expected to produce a significant decrease in the number of false alarms for police assistance and make officers available for higher priority calls. The program will use staff resources and the Police Department's New World CAD/RMS system in conjunction with progressive notification and fines for false alarms to achieve these results.

The revision of the purchasing ordinance will provide the opportunity to improve efficiency in purchasing and contracting. The main goal of this project is to establish bid requirements and authorization limits at levels which more effectively balance accountability and operational efficiency. We will also clarify code language and provide formal guidance in the area of contracting for services. This effort provides an opportunity to provide procurement training throughout the organization.

The Department of Finance and Administration will continue to support the goal of increased performance through automating our processes and increasing communication as opportunities become available.

<u>Information Technology</u>

Technology can be an effective tool to help employees excel and to help them enjoy their work. In the City, we use technology to help staff work anywhere and anytime; whether onsite; in the field; traveling; or working from home. Some examples of Information Technology's contributions are cited below:

- Applications that may be used in the field such as police information systems in patrol vehicles and Geographic Information System data in Public Works vehicles.

- Enhancing and utilizing easy and secure ways for employees to telecommute.

- Personal digital assistants that combine phone, email and calendaring for the City Council, City management, and field staff who are seldom at their desks. The use of these tools may help people feel more productive, support multitasking, and help better handle life/work balance issues. This can be a double-edged sword and proper implementation is necessary to ensure that stress is reduced rather than increased.

The Information Technology Department also supports a variety of functions that help City staff improve internal communication and improve the link between the City and its citizenry. Some examples of these are:

- Collaboration tools, like our SharePoint Intranet, where people from different organizations can work together on topics such as wellness and diversity.

- Communication tools that allow staff to get messages out to the public across multiple venues, such as the internet, the television and in print.

- Communication tools designed to improve staff communication.

- Self-service applications, like Employee Online which lets people look at and change human resource information such as personal contact numbers online.

Some of the important things to do, where possible are:

- Provide adequate training so that staff understands how to use the tools that they have available.

- Create an organizational atmosphere that is positive about change and supports the chaos that often accompanies new ideas at implementation.

- Be sure to provide adequate technology implementation staff inside department as business experts.

- Automate the more repetitive or more aggravating tasks where possible. For example, remove the need for inspectors to drive back to City Hall just to complete paperwork.

Effective use of technology allows employees to be more productive – no matter where they are located. Proper use of these tools should enable us to become more responsive than ever.

We recommend that Council consider the following:

- Becoming as proficient as possible with their existing technology. Please feel free to request training, "how to" books, and other resources you would find useful.

- Encourage and support automation projects such as the document management project mentioned above, paying special attention to adequate training in the customer service departments as well as in Information Technology.

<u>City Attorney's Office</u>

The City Attorney's Office is committed to delivering first rate legal services in a cost-effective manner. The City Attorney's Office uses technology to provide better and faster service. Computer assisted legal research available through the internet and special software licenses allows the attorneys to quickly look up information and helps us become more responsive. The law library is now paperless, constantly updated, and much less expensive to maintain. Remote access to email, voice mail, and the ability to securely communicate with staff are helping increase our productivity. Programs such as Adobe Acrobat improve our ability to transmit and exchange documents by email. The ability to view agenda packets and Council meetings on-line enables to better answer Council questions and capture Council discussion as we work on memoranda and ordinances. Hopefully, the use of technology will yield improved customer satisfaction, something we want to test using an on-line survey of the City Council, City Manager, and other departments.

The City Attorney's Office is in the process of establishing a brief bank which will enable attorneys to retrieve briefs and memoranda prepared by their colleagues. This will also encourage collaboration between attorneys. We intend to use the document management system described above to do so.

By reducing our response time, we hope to accelerate staff decision-making elsewhere in the organization and improve their responsiveness. Other benefits we see from the use of technology are: reduced litigation; increased productivity; greater job satisfaction; and better customer service

The challenges we see are principally around resources. This department, like others, is reliant on the continued excellent support we receive from Information Technology staff for troubleshooting. Strong security is a priority for us as well.

Human Resources

Human Resource plays a unique role and has critical responsibilities in an organization's efforts to develop and sustain a high performance organizational culture. The glue that binds an organization together is its "culture." This is the collection of values, beliefs and norms that the organization follows and defines what it is and how it provides its service and does its business.

As discussed above, the challenge facing us is one of how to pursue high performance and continuous improvement, coupled with a time of increased expectations of services and the problem of limited resources. Adding to this issue is the 21st century reality that the demand for change in the public sector is continuous, rapid and frequent.

The leadership of the organization plays the critical role in identifying and communicating values, goals and priorities. With that guidance, Human Resources then has specific responsibilities as a caretaker and change agent to accomplish the following goals:

Reinforce and Model Values	Enable Two-Way Communications and Feedback
Provide Continuous Learning and Training	Define Roles, Responsibilities and Accountabilities
Sustain Reward and Recognition Systems	Encourage Empowerment and Teams
Clearly Communicate Policies	Individual and Organizational Problem Resolution
Promote Customer Service Roles	Develop an Organization Plan
Eliminate Business-As-Usual Mentality	Embrace Continuous Improvement

In the view of the HR Department, three key opportunities currently exist:

(1) Personnel Policy Revision Process,
(2) Orientation and Training, and
(3) Human Resources Customer Service Model.

These are critically important as they manifest the "foundation" of the culture as well as become the vehicle to communicate the above goals.

The greatest issue challenging us is facilitating the atmosphere of change and learning in an environment where many employees are running as fast as possible to accomplish daily operation and service requirements.

The Personnel Policy Revision is a large project that the department has eagerly taken on. There are five issues that are problematic with the City of Kirkland's current personnel policies; Compliance, Contemporary/Current, Cumbersome, Accessibility, and Maintenance. A combination of all of these issues have created an environment of uncertainty and inconsistency for both managers and employees, with neither party sure of what the policy is and if it is superseded by something else, somewhere else. This particular project will involve all of the Human Resources Department employees and many employees elsewhere in the organization. The strategy for this project follows the steps outlined above with the HR Department gathering input, drafting the policies and utilizing workgroups involving employees around the organization to provide input, edit and finalize recommendations for the policies. This would result in a single, consolidated location for all personnel and employee policies, together with providing an electronic policy in lay language and up to four links/attachments: FAQ, forms, process, and procedure.

A new employee Orientation is one of the most important things an organization can do to ensure the success of their new employees, as well as communicate culture and expectations. This work in process will result in a standardized and structured Orientation for both regular and seasonal employees.

Following the Personnel Policies and Orientation revisions will be a systematic approach to a training program involving identified "competencies" for all levels (i.e. employees, supervisors, managers and director). This will provide the opportunity for communicating organizational policies, expectations and accountabilities, as well as to serve as a venue for organizational development, goals and values. It has been requested by both employees and supervisors alike that we bring more training in-house. Coupled with appropriate external training, this approach will also facilitate management development, performance measurement and succession planning.

Recently, our new Customer Service Model assigned an HR Analyst to each department to assist them with all of their HR needs. This new model is one aspect of HR looking at organizational structure, work process and a means for improved service. Being that the model has been in place for about three months now, we are still evaluating the effect of the change. As the departments grow comfortable with their designated contact, the new model is proving to reduce the confusion around who to call and when. At first glance, it appears to be meeting the needs of our customers much better than the old model. The Department has also restructured positions and functional assignments, and while this work is on-going, it is believed the new models will support its efforts concerning customer service and continuing improvement.

It is believed that these are the opportunities and challenges immediately before us. The issue is resource driven. While there are some financial implications, included in this definition of “resources” is time, staff energy and a commitment to longer-term-strategic thinking (rather than simply meeting the growing service needs of today).

As Council identifies goals and priorities, it is hoped that these efforts will provide a foundation and forum to develop and sustain a high performance organizational culture.

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MEMORANDUM

To: Dave Ramsay, City Manager

From: Marilynne Beard, Assistant City Manager
Brenda Cooper, Chief Information Officer

Date: March 3, 2006

Subject: COMMUNITY ENGAGEMENT

The purpose of this memo is to discuss opportunities the City Council may want to pursue regarding community engagement. It includes background about the types of community engagement Kirkland has used in the past, a discussion about the considerations to use in designing a public engagement process and a description of the some of the resources and venues we have available to us and some suggestions about resources that could enhance our current efforts.

Background on Kirkland Process

A key value of this City is citizen involvement. The adopted Council Philosophy includes the following statement about community involvement:

We value the meaningful participation of the community in City decision-making processes and services. By providing information in a variety of formats, key stakeholder groups and individual residents are encouraged to get involved.

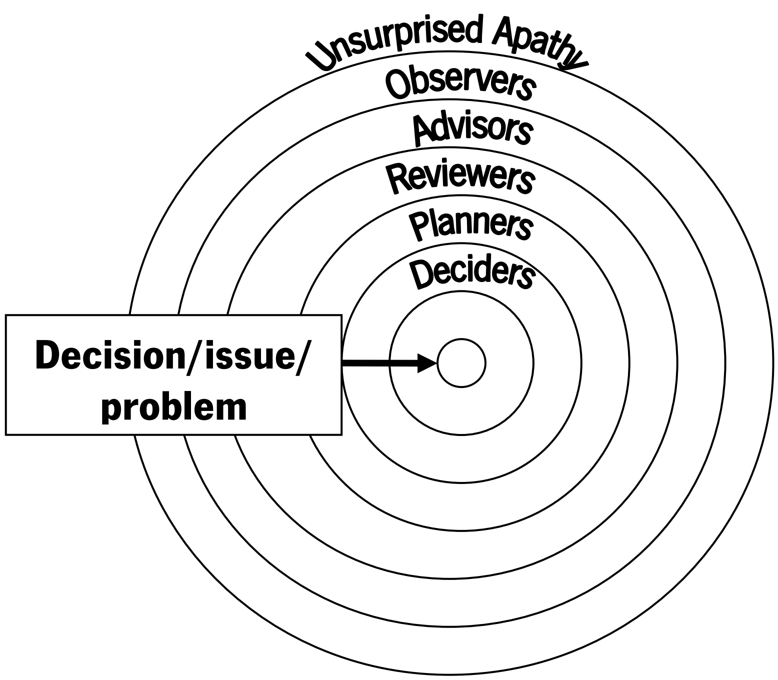
Kirkland employs a range of techniques to inform and involve the community. Using the International Association for Public Participation's (IAP2) "spectrum" of involvement (see attachment A), following are some of the citizen involvement methods used in the past.

Inform	City Update, utility bill stuffers, cable TV programming, websites, broadcast of City Council meetings.
Consult	Surveys, focus groups, feedback forms.
Involve	Public hearings, community meetings, volunteers.
Collaborate	Kirkland conversations, boards and commissions, task forces
Empower	Elections, delegated decisions.

Many of our public involvement efforts have been highly successful. Others may not have achieved the outcome or effect originally intended or fell short of the mark in some way. In order to make public involvement efforts successful, it is important to plan ahead by assessing the nature of the issue, clarifying the decision to be made (and who is going to make it) and identifying who is going to care about it (the stakeholders).

Public involvement can yield many benefits including the collective intelligence and creativity that results from groups (rather than individuals) doing problem solving; greater acceptance of decisions that will impact the public and greater compliance with rules and laws due to increased understanding of the problem being addressed. In order to achieve the desired benefits, a public involvement strategy should be "right-sized" to the issue.

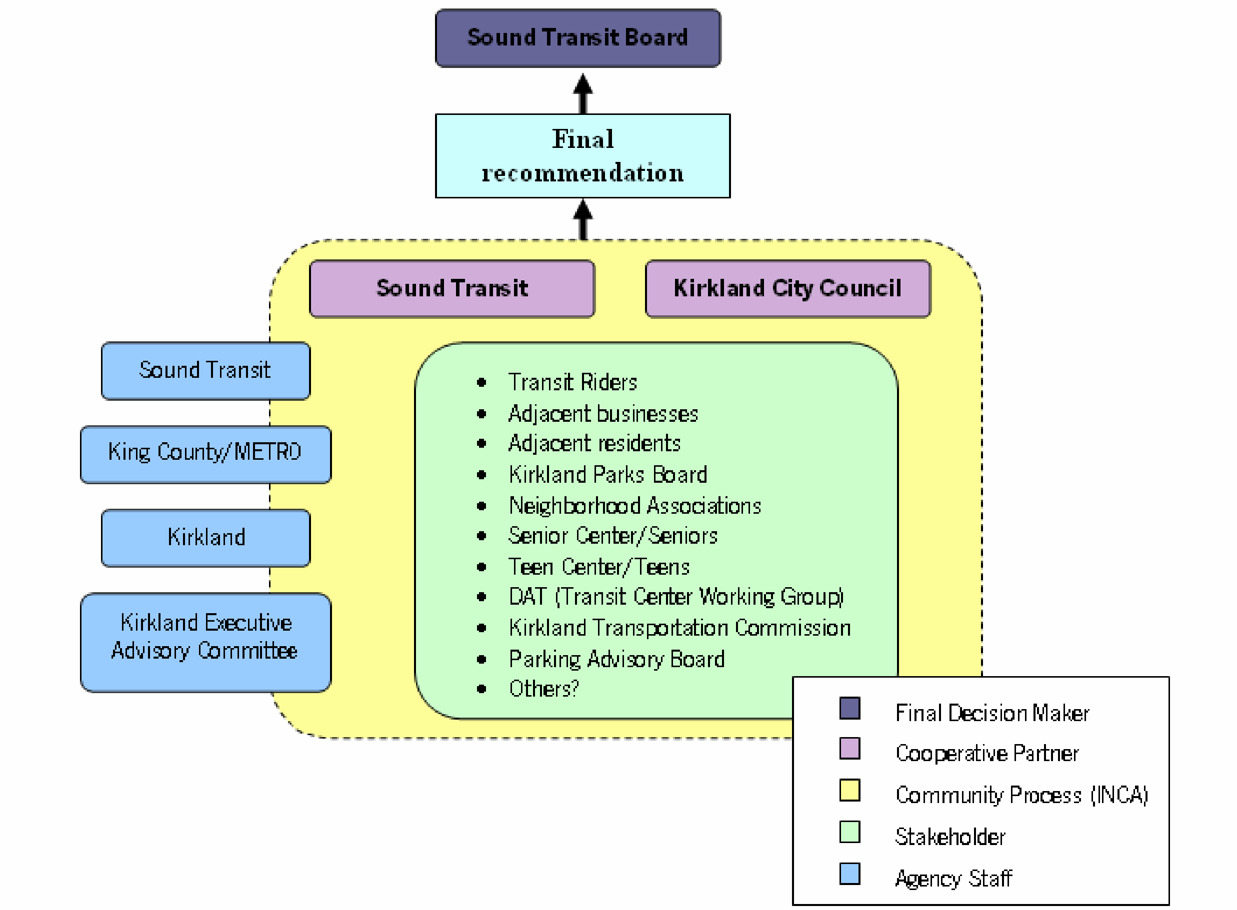
The IAP2 is an association of public involvement professionals that work in both the public and private sectors. They provide a useful framework for analyzing issues with respect to designing a public involvement process. IAP2's model involves a five-step planning process that begins with **defining the decision to be made and who is making it and then identifying the public process goal**. This is possibly the most critical step in a successful public process because it assures that you are involving the right people at the right level. Larry Aggens model of "Orbits of Participation" suggests that there is "no single public" but different levels of public based on differing degrees of interest and ability to participate.



The more a decision will impact someone, the greater their activity and energy will be in the process. People who start in the periphery of "unsurprised apathy" can quickly move to "planners" if they perceive that the decision is beginning to impact them to a greater degree than first thought. The Lake and Central project is an example where individuals moved quickly to the core of this model as they became perceived the project impacts relative to their own situation. Different public involvement activities are appropriate for different people depending on their level of impact and interest and those strategies need to change when the groups' interest and energy change.

The IAP2 Public Participation Spectrum (see attached) depicts how increasing levels of public involvement can lead to greater public impact. At one end of the spectrum, we are simply informing the public. We are not asking for them to respond or provide input and the decision has either already been made or cannot be influenced. At the other end of the spectrum, the public is asked to make the decision and we will abide by their wishes. When we think of public involvement in Kirkland, we are often thinking about issues that fall somewhere in between. But a consultative goal (we want to know what you think and we'll take that into consideration when we make our decision) calls for different public involvement activities than a collaborative goal (we want you to let us know what should be done and your input will strongly influence our decision). In order to design the right process, we need clarity on the level of public involvement that is appropriate for the decision to be made.   If a public involvement process falls short of the intended outcomes, it is likely the result of having identified a process (survey, open house, focus group) without having first analyzed the issue.

The Transit Center project is an example where staff is beginning to design the public involvement strategy. In this case, the decision to be made is not where to site the transit center but how to design the transit center so that it meets the needs of Sound Transit, transit riders, downtown businesses, park users and a variety of others special interests. The diagram below depicts the possible stakeholders and their relationship to the decision.



The decision-maker in this project is Sound Transit and they are coordinating the public participation process with the City. In this case, different stakeholders will have different levels of involvement based on their interest. For instance, Sound Transit may have a "consult" goal with some stakeholders but work at a "collaborate" level with the City on the design of the project. As we proceed with the design of the public involvement process, it will be important for stakeholders to understand how their input will be used (and how it was used in the end).

Designing and implementing an effective public involvement process requires time and skill. Project and program managers are asked to incorporate a public involvement processes in many projects. This may involve a variety of activities that include:

- Preparation and distribution of flyers, invitations, surveys and web content
- Development of videos and cable channel announcements
- Preparation of background reports for task forces and committees
- Coordination of meeting facilities and room set up
- Coordination of bulk mail activities
- Preparation and delivery of meeting presentations
- Group facilitation
- Compilation and analysis of stakeholder input and presentation to City Council
- Feedback to the participants about what took place as a result of the process

On occasion, it will be more appropriate for someone other than the sponsoring department and/or project manager to perform some of these tasks – either because they are not seen by the public as being sufficiently neutral or simply because they don't have the time or skills. In this case, outside consultants and/or support from other departments can supplement their time and talents (e.g. neighborhood services, multimedia services, web services).

In addition to the traditional tools and methods employed by the City in the past, there are also a number of new tools and technologies that can be employed to enhance public involvement efforts. For example, we have most of the technology available today to allow people to call or send email comments during public hearings or during the public comments portion of a Council Meeting. Council members could attend meetings virtually when they are traveling. Business owners who live out of town could interact from home. Consultants could also attend from home, saving the city money spent paying per hour while they sit in Council meetings and wait for agenda items to come up. Although there may be small technology investments which need to be made, we do not use these abilities for enhanced remote communication primarily because we have not developed the policy and processes to support them.

As we expand our ability to reach the public at new locations (such as wireless hot spots in the parks or through a more extensive municipal networking project), we at can provide location-specific information for them. For example, if we have a wireless hot spot at Peter Kirk Park when we're collecting public input on the transit center, we may be able to direct people using that hotspot to a site where they can provide feedback.

Effective public involvement leads to better decisions and better community relations. Given the City Council's emphasis on the value of public involvement and the increasing expectation of the public to have a say in their community, the City Council may want to consider enhancing the organization's capacity in this area.

- **Provide training** for staff responsible for implementing public involvement processes. Topics could include how to design and implement public processes (i.e. diagnosing the issue and "right sizing" the process), group facilitation and how to develop effective written and visual materials.

- **Assign resources** as part of every project budget specifically for public engagement efforts. This would be included either within a project when it is initially funded in the budget process by Council a public process is requested after a project is begun.

- **Consider Trying and/or Funding New Technology** as part of the upcoming budget process.

- **Hire a Communications Specialist** whose job is to assist departments in the design of public involvement strategies, preparation of materials, group facilitation and any other activities that may be needed. This would assure a consistent and effective approach to public involvement and allow department staff to focus on content-related outcomes. In the past, we have either used existing staff or engaged an outside consultant, such as APCO Worldwide, who helped us with our public safety communications strategy. Given the ongoing desire to incorporate public involvement in our work, outside consultants can become costly.

Conclusion

Organizations are increasingly recognizing the benefits of public involvement and the resource commitment that it requires to be effective. An effective communications program can meet and enhance the City Council's commitment to public involvement.

IAP2 Public Participation Spectrum

Developed by the International Association for Public Participation

INCREASING LEVEL OF PUBLIC IMPACT

	CONSULT		COLLABORATE	
Public Participation Goal: To provide the public with balanced and objective information to assist them in understanding the problem, alternatives, opportunities and/or solutions.	**Public Participation Goal:** To obtain public feedback on analysis, alternatives and/or decisions.	**Public Participation Goal:** To work directly with the public throughout the process to ensure that public concerns and aspirations are consistently understood and considered.	**Public Participation Goal:** To partner with the public in each aspect of the decision including the development of alternatives and the identification of the preferred solution.	**Public Participation Goal:** To place final decision-making in the hands of the public.
Promise to the Public: We will keep you informed.	**Promise to the Public:** We will keep you informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision.	**Promise to the Public:** We will work with you to ensure that your concerns and aspirations are directly reflected in the alternatives developed and provide feedback on how public input influenced the decision.	**Promise to the Public:** We will look to you for direct advice and innovation in formulating solutions and incorporate your advice and recommendations into the decisions to the maximum extent possible.	**Promise to the Public:** We will implement what you decide.
Example Techniques to Consider: • Fact sheets • Web sites • Open houses	**Example Techniques to Consider:** • Public comment • Focus groups • Surveys • Public meetings	**Example Techniques to Consider:** • Workshops • Deliberate polling	**Example Techniques to Consider:** • Citizen Advisory Committees • Consensus-building • Participatory decision-making	**Example Techniques to Consider:** • Citizen juries • Ballots • Delegated decisions

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MEMORANDUM

To: David Ramsay, City Manager

From: Jennifer Schroder, Director
Carrie Hite, Deputy Director

Date: March 2, 2006

Subject: Human Service Issue Paper for Council

RECOMMENDATION: Council be informed of current issues, trends, challenges and opportunities as it relates to Human Services. Council use this information when setting long-term goals.

BACKGROUND:

This paper is meant to inform and educate Council on the current issues, trends, challenges and opportunities of Human Services in our community. There are several issues that are worthy of attention as the Council seeks to understand the status of Human Services. This paper will attempt to inform you of these issues and help Council make informed decisions about Human Services during goal setting. This paper will focus on the following:

- County-wide issues and initiatives
- Regional and local issues, trends and opportunities
- Funding issues and opportunities

County-wide Issues, Trends and Opportunities

There are several County-wide issues that are noteworthy and will help inform Council's directions.

1. The Ten-Year Plan to End Homelessness: Homelessness continues to increase in our region, as noted by the One Night Counts, shelter numbers, emergency and transitional housing providers, and Tent City. Eight organizations, coalitions and local governments came together in 2002 to form the Committee to End Homelessness in King County, an effort to develop and implement a plan to end homelessness in King County. In 2003, planning to end homelessness became a national initiative of the federal government and has since become a requirement for continued receipt of over $35 million in annual grant assistance to jurisdictions within King County from the U.S. Department of Housing and Urban Development (HUD).

The Ten-Year Plan to End Homelessness provides a strategy for the community to seek long-term and sustainable solutions to the issue, rather than continuing to manage costly episodes of homelessness as they occur.

At its meeting in February, 2006, City Council endorsed this plan and committed Kirkland's involvement to help implement the plan.

2. King County Issues and Efforts: King County has supported human services within their implementation of the "King County Framework Policies for Human Services" that was developed in the late 1990s. With these policies, they were able to dedicate funds and staff support to provide a County wide impact on human services. Starting in the year 2000, the County found itself in a budget crisis, forcing reorganization of County Departments and budget cuts that impacted a few areas, including human services. The Regional Policy Committee was motivated to tackle this issue in response to the Executive's preliminary budget announcement to cut the entire human services budget in early 2002, recognizing that health and human service funding around the County was interdependent (i.e. local funding was leveraging multiple local, state, federal and private resources). The fear was that loss of a major funding partner, such as King County, could de-stabilize the entire system. After urging from the Human Services Alliance, a strong coalition of providers in King County, the Executive appointed a task force on Regional Human Services to address health and human services administration and funding for the County. RPC followed this process closely. The task force completed its work with recommendations forwarded to the Executive. County Executive Sims formed a Healthy Families and Communities Task Force, which began work in July, 2005, for the purpose of implementing the previous Task Force's recommendations. The Healthy Families Task Force is currently defining the gap between current funding and estimated funding needs; recommendations for future funding sources, including possible ballot measures; and recommendations regarding formation of an administrative system, or regional human services board, to coordinate prioritization of needs/services and improve the overall delivery system. These recommendations are scheduled to be complete by the end of April, 2006.

During this process, the RPC developed a veterans service levy for a total of $10 million per year. Human service advocates raised concerns about the exclusive focus on veterans' services and expressed their desire for a larger, comprehensive human services levy proposal. A compromise was reached and the Council voted to put forth a $13.3 million levy, which passed in fall 2005 and divided funding equally between veteran and human services.
Currently, County staff and representatives from other jurisdictions are framing recommendations for County Council on the allocation and governance of these funds. ***The two issues that have been discussed in this process are the formation of a County-wide governing body, assuring equity across the County and the need for a County-wide Human Services Master Plan. This is an opportunity for Kirkland to be involved in these two initiatives to assure equal access and representation.***

3. Early Learning Initiative: There is a local, regional, and statewide focus on Early Learning and School readiness for children in our community. The State Legislature almost unanimously passed a bill establishing a new State agency for Early Learning. In addition, United Way, King County and the City of Seattle have funded a regional initiative, SOAR, whose focus is to help kids reach for the sky. Kirkland has been involved in a local initiative, Families and Children Early Support (FACES East) which works to support early development, education and school readiness efforts in East King County. The trend is to focus with children early, so as to prepare them for school, and prevent future academic and social failure. Our State is behind in this area, thus creating momentum to focus on this issue. ***Kirkland's opportunity is to continue to stay involved in these initiatives, assuring the Kirkland's children are school-ready***.

4. Community Development Block Grant Funding

Our Human Service system has been reliant on leveraging CDBG funds both for capital needs and program needs. These funds have been shrinking every year, with a FY 2007 proposed presidential budget cut of these funds by an additional 26%. There is also a proposal to reallocate these funds to the most distressed communities. Thus, the King County Consortium could be stripped away due to these formula changes. There has been some indication that the legislature will not support these cuts. With a 10% decrease from last year, and a possible 26% decrease this year, this could impact our service delivery system greatly. The other trend we have experienced this past year is the regionalization of funds. King County, along with many other consortiums around the country, reorganized their management of CDBG funds to pass-through cities. There are now two regional consortiums (one North and East, and one South), that will initiate a competitive granting process. This keeps the management at the County level, while trying to maintain local priorities. For Kirkland this means that some of our agencies may suffer additional cuts. ***The opportunity for Kirkland is to stay involved at the regional level assuring that Kirkland agencies are faring equitably with other communities. In addition, Kirkland could take an active role in advocating for legislation to maintain this critical funding source.***

Regional and Local Issues, Trends and Opportunities

We have a strong community in Kirkland, and on the Eastside. From recent reports, including Communities Count 2005, the Health Report of King County 2005, United Way Community Needs Assessment 2004, we are fairing well in the County. But the Eastside, and Kirkland, is not the same it was five or ten years ago. Our communities are changing quickly, and the needs our citizens face are changing too. We know that affordable housing is declining, the poverty rate from 1990 to 2000 has almost doubled, access to health care, and insurance coverage is decreasing, hunger and homelessness is increasing, job growth is less robust than anticipated, young people's health needs are increasing, and school drop out rates are increasing. We also know that many who work here cannot afford to live here. Kirkland is becoming much more diverse, with a steady increase in foreign born residents who are non-English speaking. We know are population is growing older and has more needs. As a community, we have strived to keep up with the increasing need, but have also faced one of the worst recessions in history, which resulted in Federal, State and County cuts to support human services. Locally, we have prioritized our citizen's needs and, even facing tough budget years, have been able to squeeze increases to support our local nonprofits. But the local trend that we are experiencing is an increased need and decreasing budgets to be able to support agencies to fulfill those needs of our citizens. ***The opportunity for Kirkland is to stay involved in regional efforts, continue to take a leadership role with the Eastside Human Services Forum, and continue to be aware and prepared to be proactive in meeting the needs of our citizens.***

Funding Issues, Trends and Opportunities

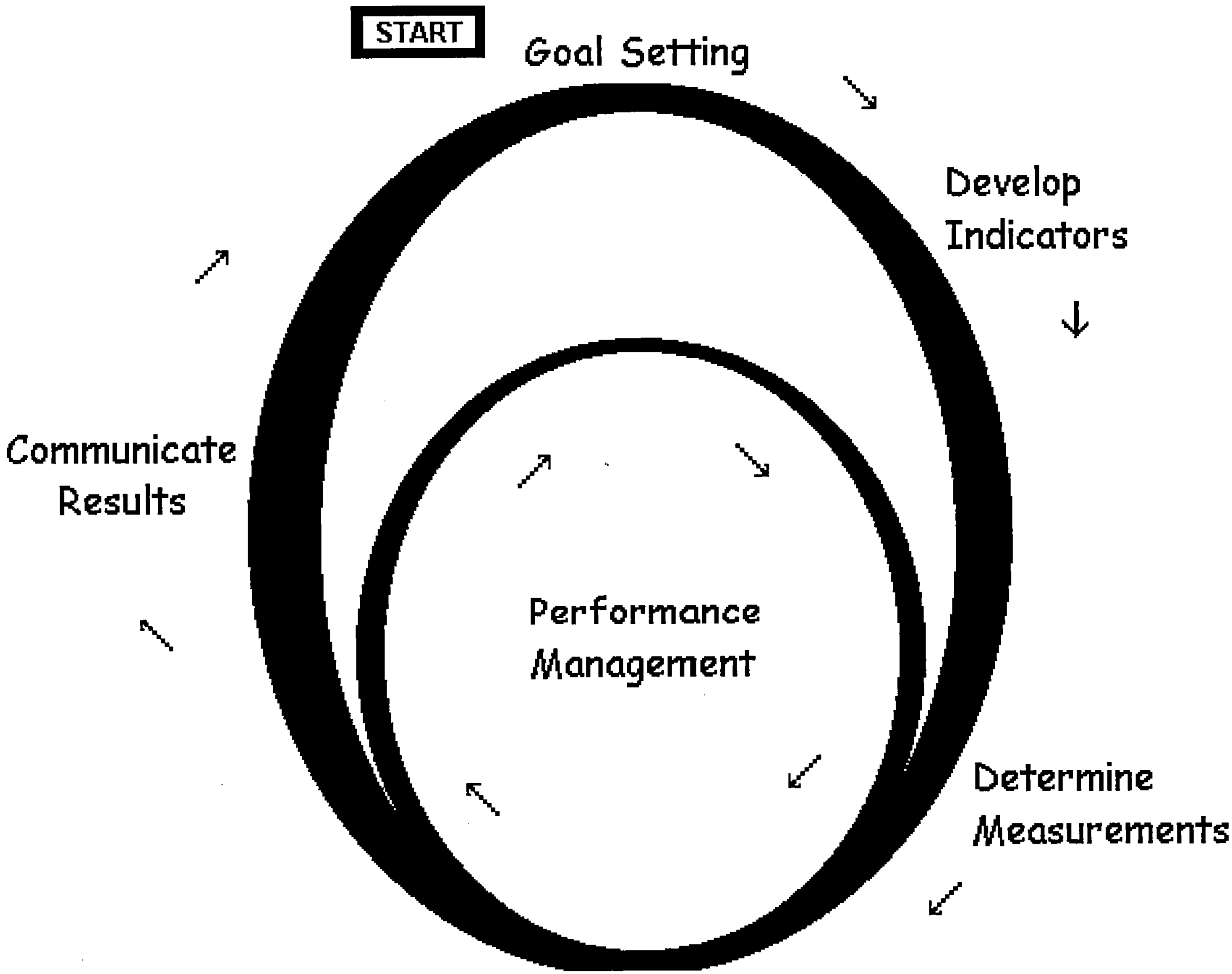
Regional Opportunities:

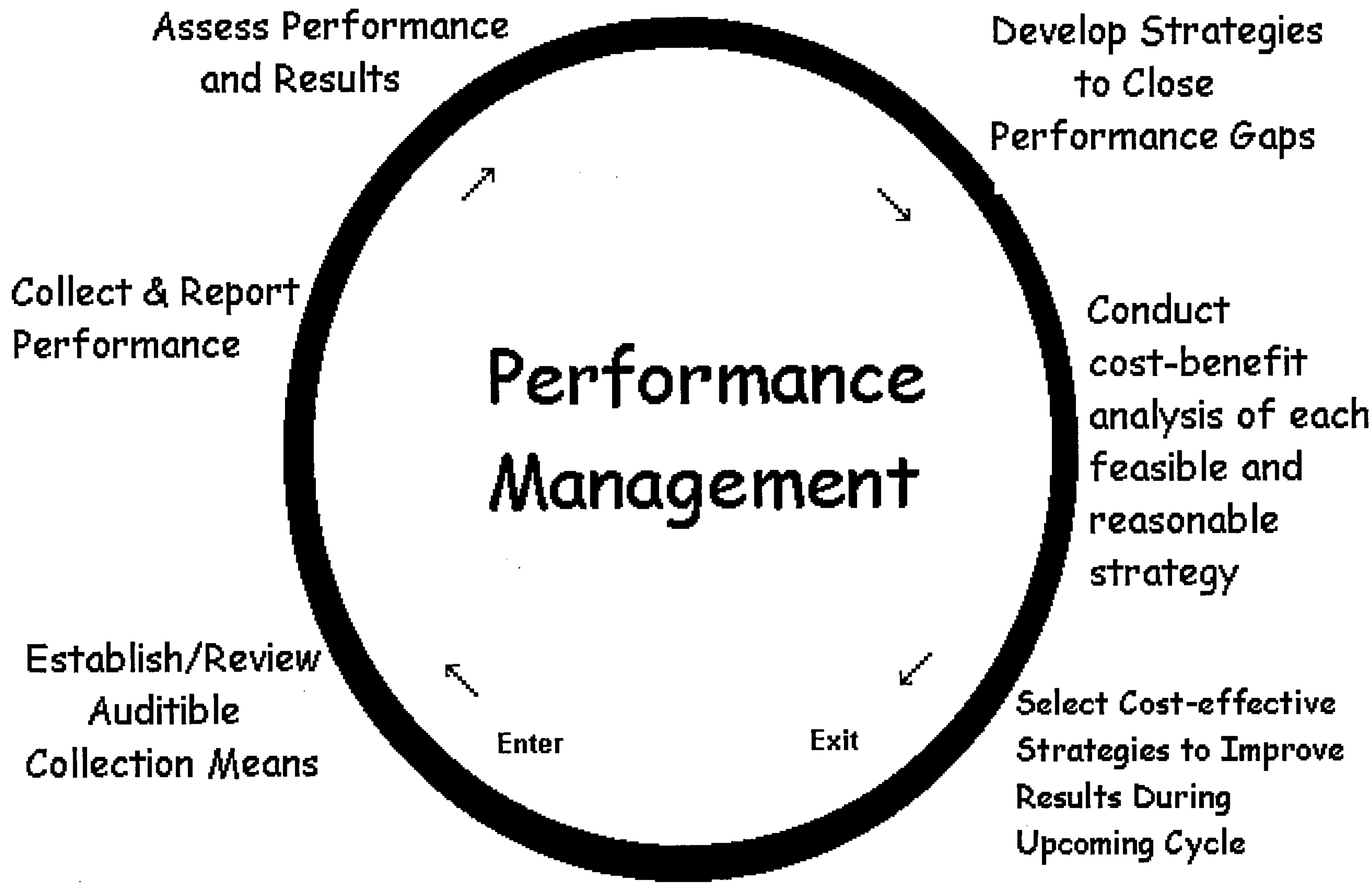
It would benefit Kirkland to continue involvement in both the CDBG Consortium and the Health Families Task Force. In addition, it would be valuable to represent our interests in the Governance structure, Levy funding allocation process and the potential County-wide Human Services Master Plan. Each of these initiatives has potential to leverage funds to our local community, so as to solidify and, possibly, enhance our human service delivery system for our citizens.

Local Issues and Opportunities:

City Council has done an outstanding job allocating funding each year for our local non-profits providing human services within our community. There seems to be a trend at the Federal, State and County level to try to push some of their budget costs to the local level. Local governments have not prepared for this and, if budget cuts at those levels continue, this could result in a very fragmented social service system. Currently, we rely on a large amount of one-time funding to continue to support our human service agencies. This does not create a foundation and security within our service delivery system. In addition, as new needs arise and new agencies apply for funding (i.e. SeaMar applying to serve a growing Latino population in Kirkland), there is often no room built in our funding picture for growth. Therefore, it is really hard for new and emerging needs and agencies to compete for funding support. If we were to fund some of these new efforts, then some of our foundation of human services would need to sustain cuts. ***An opportunity for Kirkland could be to strive to solidify the human service per capita funding and build in a growth factor each year.***

Another opportunity for Kirkland could be to seek alternative funding methods for human services, minimizing the burden on the General Fund. For example, the City of Redmond is ready to open a social venture project coffee shop at Microsoft. All profits will be directed to Youth Services. Mercer Island operates a thrift store, all profit directed toward Youth and Family Services. An idea for Kirkland would be to dedicate all concession revenues through our parks system to Human Services. The thought would be to implement something in the community that could be a service for our citizens and would benefit the people through our human service system.


START
Goal Setting
Develop Indicators
Determine Measurements
Communicate Results
Performance Management


Performance Management
Assess Performance and Results
Develop Strategies to Close Performance Gaps
Conduct cost-benefit analysis of each feasible and reasonable strategy
Select Cost-effective Strategies to Improve Results During Upcoming Cycle
Exit
Enter
Establish/Review Auditible Collection Means
Collect & Report Performance

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MEMORANDUM

To: Kirkland City Council

From: Tracy Burrows, Sr. Management Analyst

Date: March 14, 2006

Subject: Performance Measurement Outcome Charts

In 2005, the City of Kirkland initiated a Performance Measurement Project to measure key indicators in six service areas: Fire and EMS; Police Services; Refuse and Recycling; Information Technology; Parks and Recreation; Highways and Roads. At the outset of the project, staff from the City Manager's Office met with key staff coordinators in each of the six service areas to identify a set of core measures that would assess the City's service delivery outcomes and could be tracked from year to year.

One source for the core measures has been the International City Manager's Association (ICMA) Center for Performance Measurement. Kirkland joined the ICMA Center for Performance Measurement in 2005 to gain technical assistance for this project. The Center for Performance Measurement is dedicated to helping local governments measure, compare, and improve municipal service delivery. Using the ICMA measures as a starting point, the CMO staff worked with service area coordinators to develop outcome charts and core measures that are customized to track Kirkland's service delivery performance.

The attached outcome (or "so that") charts for Police, Fire and EMS, and Parks and Recreation are examples of the work that has been done for each service area. They are logic chains that are read from top to bottom and, in the simplest terms, describe "what we do" and "why we do it." For example, the Police Services logic chain reads as follows: Kirkland has a Police Department **so that** We Prevent and Respond to Crime **so that** We Keep the City Safe **so that** Citizens Feel Safe. For each segment of the "so that" logic chain, the chart includes specific measures to track performance in that aspect of service delivery. The logic chain includes input, workload, output and outcome measures as follows:

Police Service Measure	Type of Measure
Police Department Staffing	Input or Resource
Calls for Service	Workload
Response Time	Output or Efficiency
Crime Rate	Outcome
Citizen rating of safety in neighborhood	Outcome/Citizen Satisfaction

To date, staff has collected data for 2004 and 2005. The real value of this project will be to track these performance measures over time, to compare performance to established benchmarks, and to analyze the data to determine the underlying factors that influence performance numbers. This will allow service area managers and the City Council to have an improved understanding of why a measure is moving either in a positive or negative direction and to make better informed decisions about how to deploy resources in order to enhance results.

These outcome charts and associated performance measures should be considered works in progress. For this initial work, we have chosen key measures that are focused on outcomes and do not require extensive additional staff time to collect new data. Staff anticipates refinements to the performance measures as we move forward, with careful consideration of the resources needed to sustain this effort. The outcome of the Council Goal-Setting Session at the Council Retreat could well have an influence on the direction of this project. For example, the Performance Measurement Project could be adapted to help measure progress on a set of goals established by the Council.

Reporting Performance Measurement Results

In addition to the Outcome Charts, staff has worked on developing a format for reporting Performance Measurement Results to the City Council and the public. These results offer an opportunity to tell Kirkland's story about the efficiencies and effectiveness of local government service delivery. In order to convey that story in a compelling way, staff has worked to identify members of the Kirkland community that rely on the services that we deliver. For each outcome chart, we have produced a short vignette that features an individual, business or family and that illustrates the service delivery message that is embedded in the performance numbers. For example, in order to illustrate the excellent performance on the Fire Department measure of "Percentage of Fires Confined to the Room of Origin," we have documented the story of a young mother who experienced a fire that originated with a dryer malfunction. Staff will have a draft of this presentation document that includes both performance measures and an illustrative narrative story for the Council Retreat.

Parks and Recreation: Outcome Chart

MEASURE	2004[1]	2005

Parks and Recreation Staff

Total FTE for parks maintenance and recreation programs	55.8	59.8
Park maintenance FTE's per 100 acres developed land	15.5	14.8
Number of volunteer hours per capita		0.08

Maintain Parks & Provide Recreation Programs

Total O&M for recreation programs	$1,501,826	$1,659,619
Total O&M for parks maintenance	$2,217,657[2]	$2,446,832
Net annual O&M Exp per capita	$56.90	$63.50
Net cost recovery per capita	-$64.01[3]	-$71.03

Provide High Quality Parks and Recreation Programs

Developed park acreage per 1000 population	4.6	4.6
Citizen ratings of appearance of Parks/Rec Facilities	3.43 / 4.00	3.43 / 4.00
Citizen ratings of the quality of Parks/Rec programs	3.15 / 4.00	3.15 / 4.00
Recreation classes offered	2,868	2,812

Increase citizens' health, activity, and quality of

Citizens' enrollment in classes	16,030	18,104

Citizen Satisfaction

Citizen ratings of overall satisfaction with Parks/Rec[4]	3.29 / 4.00	3.29 / 4.00

[1] Data from ICMA except "Recreation classes offered" and "Citizens' Enrollment in classes"
[2] No utilities cost included
[3] Includes total parks and recreation O&M expenditures including special facilities
[4] Average of citizen rating of facilities appearance and quality of programs

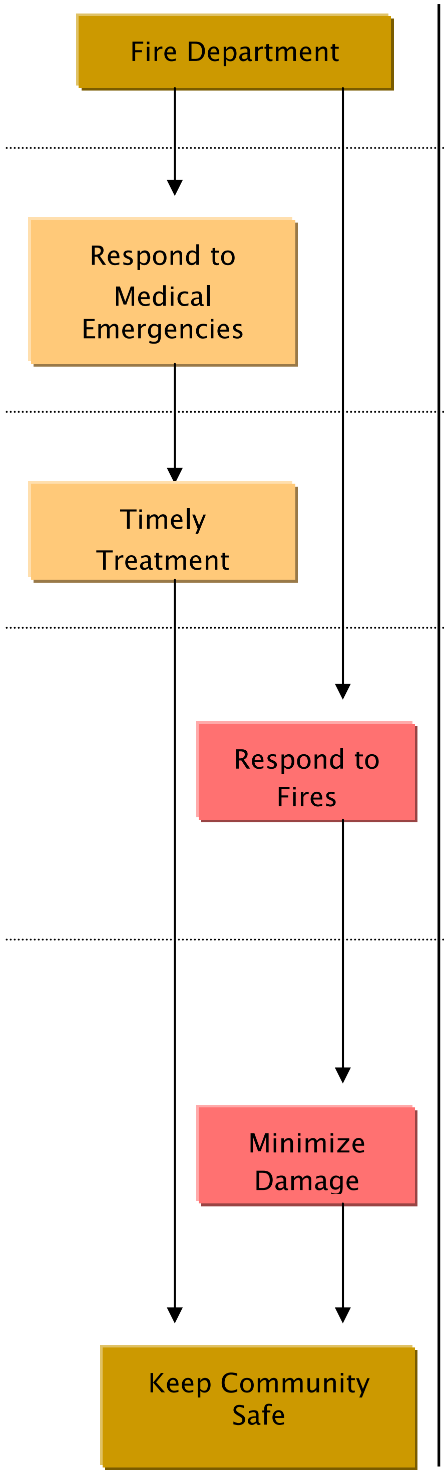
Police Services: Outcome Chart

	MEASURE	2004	2005
Police Department	Sworn FTEs per 1,000 population	1.36	1.39
Prevent and Respond to Crime	Average Response Time in Minutes to Top Priority Calls		6:43 min
	Top Priority Calls Response Time 90th Percentile		13:00 min
	Total Calls for service	59,877	43,120
Keep City Safe	Total Arrests per 1,000 population	51.5	42.6
	DUI Arrests per 1,000 population	10.9	9.0
	Total Part I Violent Crimes per 1000 population	1.7	1.6
	Total Part I Property Crimes per 1000 population	37.1	39.0
Citizens Feel Safe	Citizen rating of safety in their neighborhood during the day	Very Safe 89% Somewhat Safe 9%	Very Safe 89% Somewhat Safe 9%
	Citizen rating of safety of their neighborhoods after dark	Very Safe 54% Somewhat Safe 29%	Very Safe 54% Somewhat Safe 29%

Notes:

- Data for "Average Response Time in Minutes to Top Priority Calls" and "Priority Calls Response Time 90th Percentile" in 2004 is not congruent with measuring methods for 2005

Fire and EMS: Outcome Chart



MEASURE	2004[1]	2005
Paid fire and EMS staffing per 1,000 population served	.89	.93
EMS responses per 1,000 population served BLS, ALS Total	66.2	65.2
EMS Response Time ALS & BLS responses	4:36 min[2]	4:29 min
Total fire incidents per 1,000 population served	27.4	26.6
Total non-fire incidents per 1,000 population	12	9.6
% Responses time under 5 minutes	53.1%[3]	33.1%
Fires Contained to Room of Origin	58%	67%

[1] From ICMA Data
[2] Average time from conclusion of dispatch to arrival on scene
[3] Emergency calls; Non-Emergency calls is 27.3%

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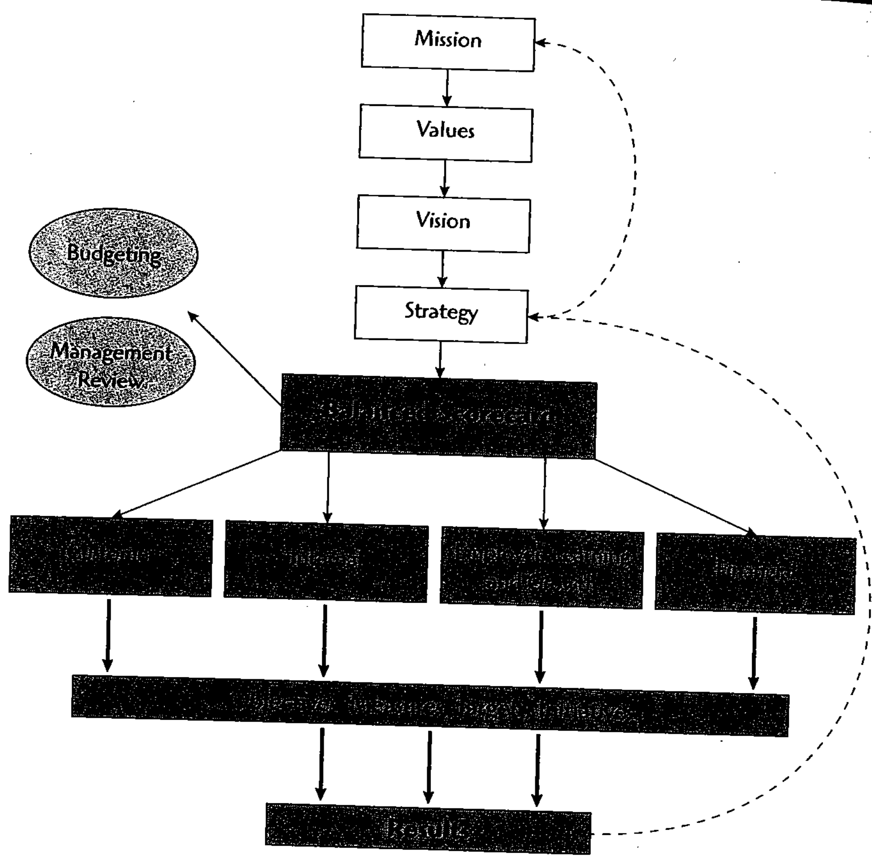
3/15/2006

Exhibit 8.1 Where We Are, Where We Are Going



BEFORE YOU BUILD YOUR MAP

Selecting Perspectives and Perspective Names That Are Right for You

A fundamental question to ask prior to building your agency's Balanced Scorecard is, "Which perspectives will we use to tell the story of our strategy?" As you know, Scorecard architects Kaplan and Norton originally conceived of four perspectives in the Balanced Scorecard: Financial, Customer, Internal Processes, and Employee Learning and Growth. However, they did so with the private sector in mind. As use of the Scorecard has evolved and expanded over many years, the founding fathers realized their original perspectives may not be appropriate for all organizations. They have since suggested the four perspectives *"should be considered a template, not a strait jacket."*[2] Let's look

at how many creative public an
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needs.

Mission May Appear at the T
Scorecard as a Fifth Perspect

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Customer Perspective Ma

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The Customer pers
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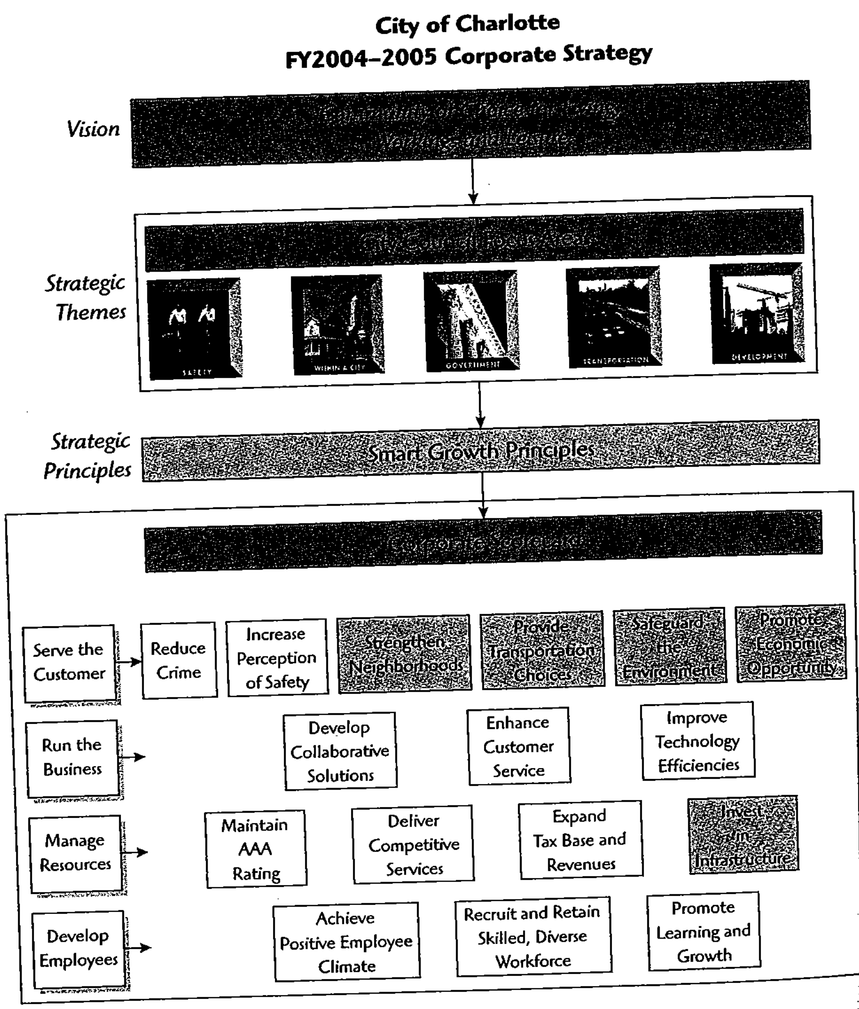
Exhibit 13.1 The City of Charlotte's Strategy Map of Objectives



PN: Did you use the typical Kaplan and Norton *terminology* of *objectives, measures, targets,* and *initiatives*?

TC: For the most part we were very consistent with using the terminology that's presented in the original Balanced Scorecard book. We use *objectives, measures, targets,* and *initiatives.* However, we expanded the types of measures. Specifically, we use four types of measures: activity measures, input measures, output measures, and outcome measures.

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in the city organization.
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PN: *How many measures* do you have on your Balanced Scorecards?

TC: Before the Balanced Scorecard, we had about 900 measures across 13 key business units. After we implemented the Scorecard, that number dropped down to about 260. Right now we have approximately 375 measures across all 14 of our key business units. We felt a little apprehensive when we saw the number of measures gradually increasing; however, our concerns subsided because we were getting a better balance of measures. Government is process-oriented. Often it takes more than a fiscal year to achieve or to accomplish the ultimate goal. We had to become more comfortable with the fact that we're not going to have only outcome measures on our Scorecard or in key business unit business plans. There will undoubtedly be some process measures as well [see Exhibit 13.2].

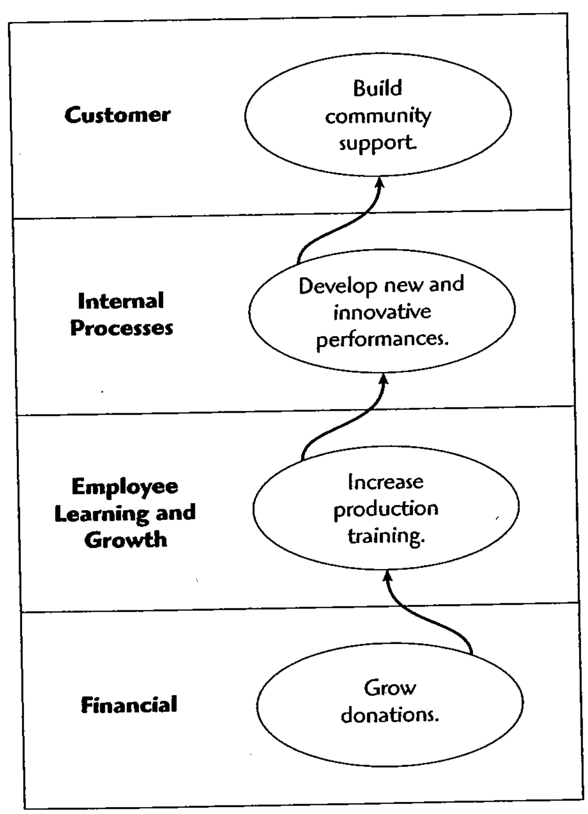
Exhibit 13.2 Sample of Charlotte's Corporate-Level Scorecard Measures

Perspective	Objective	Sample Measure	Target
Serve the Customer	Strengthen Neighborhoods	Number of stable neighborhoods as measured by the Quality of Life index	102 Stable Neighborhoods
Run the Business	Develop Collaborative Solutions	Percent of strategic transportation and land use projects utilizing integrated land use and transportation planning	100%
Manage Resources	Expand Tax Base and Revenues	Percent change in tax valuation in targeted neighborhoods	10% increase in tax valuation
Develop Employees	Recruit and Retain Skilled, Diverse Workforce	Percent increase in city average turnover rate	<5% increase in turnover

the way through to improved customer outcomes as reflected in the Customer perspective. We are attempting to document our strategy through measurement, making the relationships between the measures explicit so they can be monitored, managed, and validated. Only then can we begin learning about, and successfully implementing, our strategy.

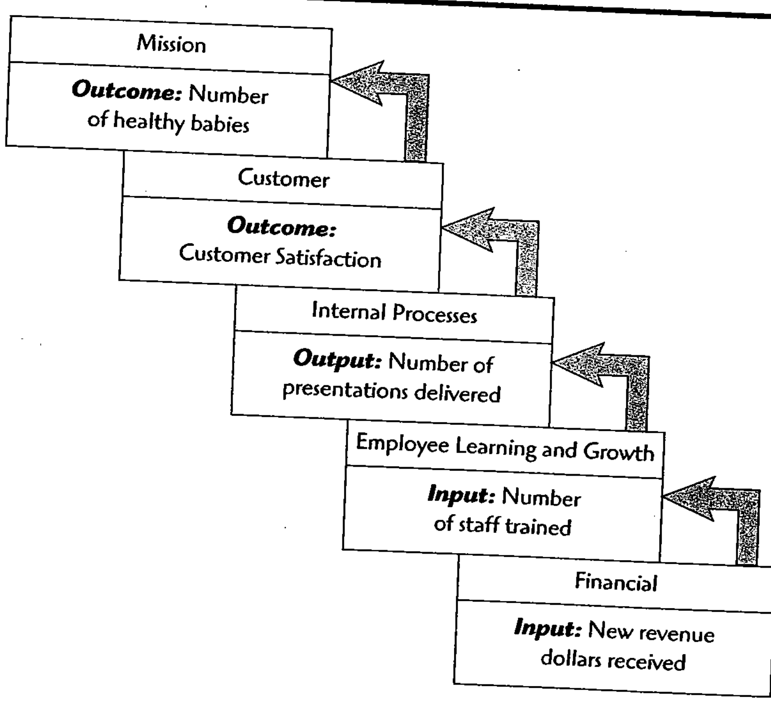
Exhibit 2.2 provides an example of cause and effect that can be used to demonstrate this concept. Let's say you're the executive director of a local performing arts organization. You consider the community in which you operate to be a customer of the theater; therefore, you include the objective of "Build community support" in the Customer perspective of the Scorecard. But how do you build community support? At which processes must you excel? You hypothesize that community support is a function of the number of new and innovative performances you stage. As a result, you decide to add the objective, "Develop new and innovative performances" in your Internal Processes perspective.

Exhibit 2.2 Telling Your Strategic Story through Cause-and-Effect Linkages



provides an example for a prenatal health clinic. In this example, the clinic measures new revenue received in the Financial perspective. Funding dollars will be used to support the clinic's ongoing operations, and is thus considered an input. The clinic will dedicate a least a portion of its enhanced funding to support training of staff on the latest prenatal care techniques. Number of staff trained is a metric chosen in the Employee Learning and Growth perspective. Trained staff will use their knowledge in the delivery of services, and hence training may be considered an input. Possessing additional knowledge will allow the staff to deliver new and highly informative presentations to their targeted audience of low-income mothers. Number of presentations delivered is the output measure chosen in the Internal Processes perspective. The clinic is hypothesizing—remember, a Balanced Scorecard is designed to capture your business hypothesis—that informative presentations will help clients make better decisions, which will ultimately result in better choices and clients feeling better about themselves. This will be reflected in an outcome measure of

Exhibit 9.1 Mix of Input, Output, and Outcomes in a Balanced Scorecard



Budgeting for Outcomes: Getting the Results You Need in an Age of Permanent Fiscal Crisis

In government, as in most realms of life, we find it safer and easier to do what we've always done, simply because we've always done it. Only on rare occasions—usually at times of crisis—do we step back to gain a broader perspective, erase all our preconceived ideas and routine behaviors, and take a fresh look at how to make the most of our limited time and resources.

Budgeting for Outcomes allows public leaders to do some of this big-picture, creative thinking *each time* they prepare a budget. In fact, the process demands it.

In traditional budgeting, leaders start with last year's costs, then add or subtract. In Outcome Budgeting, they start with the results citizens' value. This approach clears away all the games departments play – padding costs and hiding excess, to protect themselves against the inevitable cuts. It focuses squarely on the real issue: producing results citizens' value at a price they are willing to pay. These are the key steps:

1. ***Set the price of government***: Decide up front how much citizens are willing to spend. Get political agreement on a revenue forecast and any tax or fee increases.
2. ***Set the priorities of government***: Define the results that matter most to citizens with indicators to measure progress.
3. ***Set the price of each priority***: Divide the funds available among the priority results.
4. ***Develop a purchasing plan for each priority***: Create teams to act as purchasing agents for citizens. Ask each one to decide which strategies have the most impact on their desired outcome.
5. ***Solicit offers to deliver the desired results***: Have the teams issue "requests for results" to all comers, public and private. Choose those bids that will provide the best results for the money available for that priority result.
6. ***Negotiate performance agreements with the chosen providers.*** These should spell out the expected outputs and outcomes, how they will be measured, the consequences for performance, and the flexibilities granted to help the provider maximize performance.

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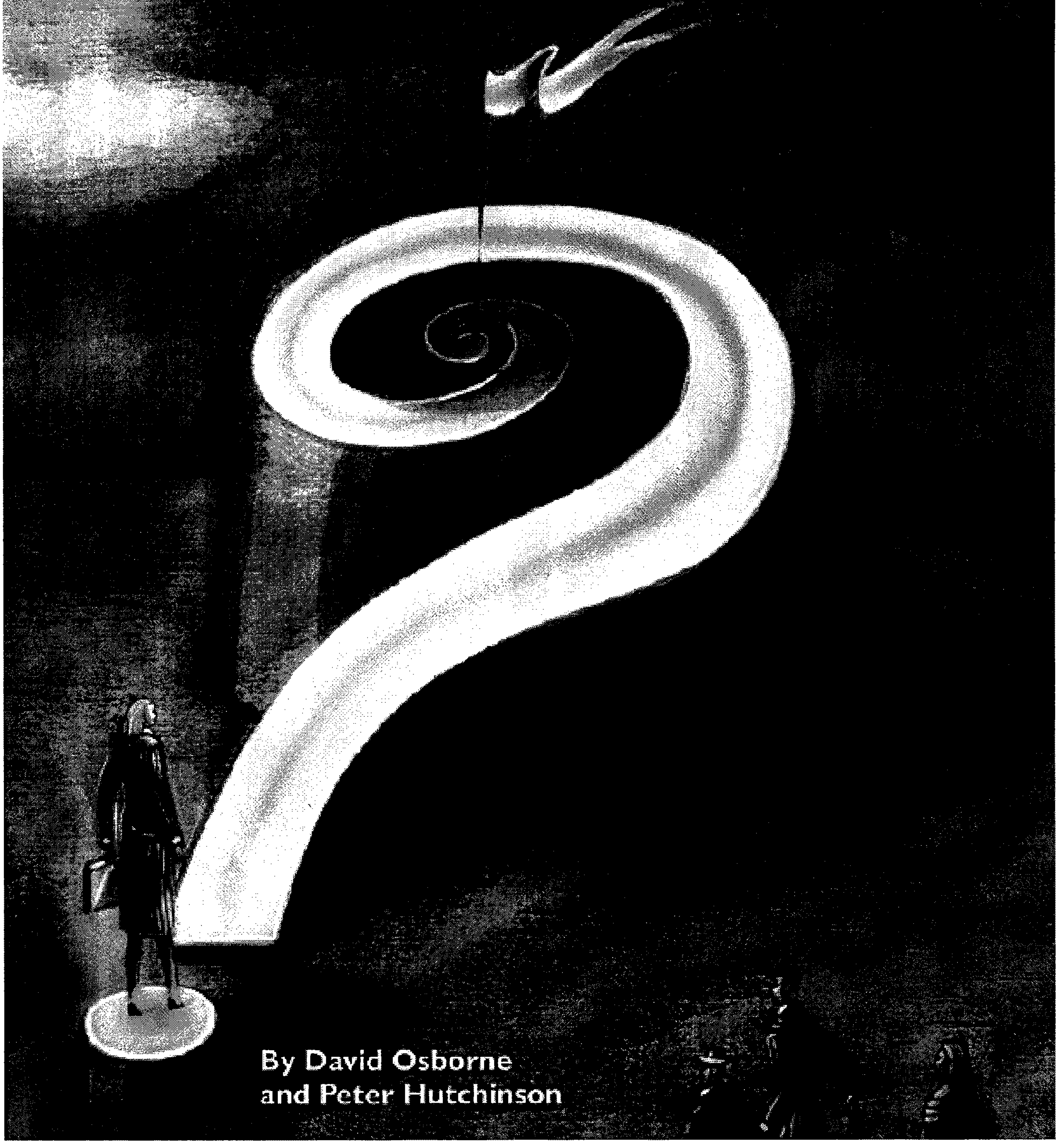
Budgeting for Outcomes

Delivering Results Citizens Value at a Price They Are Willing to Pay



By David Osborne
and Peter Hutchinson

Native Americans have many sayings, and one of the wisest is this: When you're riding a dead horse, the best strategy is to dismount. Traditional budgeting, which focuses on costs rather than results, is the dead horse of the public sector. When we budget for costs, we get more of them. What we don't get is the innovation and accountability for results we need if we are to win the competition for public support.

Winning back the public support we have lost over the past 40 years is the greatest challenge we face in government today. Yet when faced with deficits, many governments resort to politically expedient budget and accounting practices that only deepen public cynicism. The public finance literature refers to such practices as "fiscal illusions," since they distort the ability of stakeholders to evaluate the true costs and benefits of government programs. Seven such illusions are particularly harmful to the financial credibility of state and local governments:

1. Robbing Peter to pay Paul. When that general fund gets in trouble, some leaders start eyeing "off budget" funds as resources to be mined. One state government helped balance its budget by transferring the cost of running a waterway system from the general fund ("on budget") to the toll road authority ("off budget"). Another state transferred management of a convention center and parking garage to the state pension fund to lower its cash contribution from the general fund. Technically, this allowed the state to show a savings of $175 million. Robbing Peter to pay Paul can plug a hole to make the budget look better this year, but the same hole will reappear next year, when Peter and Paul will both be worse off.

2. Using accounting gimmicks to disguise fiscal problems. As the Enron debacle showed, accounting presents leaders with many dangerous choices. Quick-fix accounting gimmicks include pretending (or even requiring) that money you expect to receive early next year will actually come in late this year. The opposite side of the coin is to pretend (or even require) that expenses planned for this year will be made, technically, next year. For example, some states have informed school districts expecting a school-aid payment in the current fiscal year that they will not receive it until the next fiscal year, thus making the current year's expenses look smaller. Similarly, some states have urged retailers that normally submit their June sales tax receipts in July (next fiscal year) to do so in June, thus propping up the current year's revenues. It's all legal and properly accounted for, but it does not reflect the government's true financial condition.

3. Borrowing. Even when the general fund is legally prohibited from being in debt, governments find ways to borrow. New York City mastered this dubious art in the 1970s, when it piled up so much debt that it landed in receivership. Both the city and state of New York are still trying to figure out when and how to pay off all the bonds issued back when New York truly was, in former Mayor John Lindsay's famous phrase, "Fun City."

During the current fiscal crisis, several states have proven that the "what me worry" politics of borrowing works for both political parties. Instead of making the difficult decisions necessary to secure their long-term fiscal health, these states borrowed their way to "balanced" budgets either through outright deficit financing or less transparent means such as pension obligation bonds. These maneuvers failed to convince the credit rating agencies, which in some cases lowered their ratings to junk-bond status.

4. Selling off assets. When times are tight, it is popular to sell surplus buildings, land, or other assets, and then use the proceeds to plug a hole in the operating budget by treating the real estate money as though it were "normal" revenue. For example, instead of resolving a significant structural budget problem, the leaders of one city government decided to sell the water and sewer works to the off-balance sheet entity that operated it. A year later, the city sold $51.2 million in tax and sewage liens—money due to the city that it not yet been able to collect—for $32.2 million. The city has continued to rely on one-shot revenue sources to balance the annual budget, putting off the crisis for one more year.

5. Making something up. A budget is really just a forecast, a statement of expected revenues and expenses. If done correctly it can be a serviceable estimate. But in the end, every budget is based on assumptions, and you can make it look better or worse simply by changing those assumptions.

Ronald Reagan's approach in 1982 was a classic example of making the budget "work" by working the assumptions. To justify massive tax cuts, his budget director, David Stockman, forecast 5 percent growth for 1982. According to "supply side" theory, this would help create a $28 billion surplus by 1986. As it turned out, the gross domestic product fell by 2 percent in 1982–and the largest deficits since World War II soon followed. In his memoirs, Stockman admitted that the entire effort, sardonically nicknamed "rosy scenario" by White House insiders, was a sham.

6. Nickel and diming employees. Too often, the political response to budget problems is symbolic. Leaders order coffee pots unplugged, travel budgets slashed, and consultants banned. To save energy, they force workers to endure hotter offices in summer and colder offices in winter. Some even outlaw potted plants. In one state last year, the governor ordered that every other light bulb in government buildings be unscrewed. While such actions may send a message, they have two critical consequences: they don't save much money and they kill morale.

7. Delaying maintenance and replacement of assets (and relying on hope). When our personal budgets get tight, we sometimes don't take our car in for its regular oil change, or we don't fix the crack in the driveway. We can save a little money now, but if a missed oil change leads to overheating, we can crack the engine block. The people who make Fram oil filters said it well: "You can pay me now or pay me later."

Fiscal illusions may help our leaders solve the math problem and claim that their budgets are balanced. But they fail utterly to address the real problem: how to deliver the results citizens want at the price they are willing to pay.

So does the other common dead horse solution: across-the-board cuts. Across-the-board cutting allows us to avoid the hard work of making choices, but it is nothing more than thinning the soup. Every time we use it, we pretend that everything our organizations do is equally valuable to our citizens. We also pretend that they won't notice. Done enough times, thinning the soup makes government services distasteful—contributing directly to lost citizen confidence.

BUDGETING FOR OUTCOMES

In 2002, Gov. Gary Locke of Washington concluded that it was time to find a new horse. He turned traditional budgeting on its head—accepting the challenge of delivering results citizens valued at the price they were willing to pay. In so doing he literally changed the rules of the budget game. His success has inspired others to follow. The City of Spokane and Snohomish County, in Washington, the cities of Azusa and Los Angeles, in California, and the State of Iowa have all embraced Budgeting for Outcomes. The State of Washington is now completing its second budget using these principles. "One of the lasting achievements of Gov. Gary Locke should be to make permanent the budget process he used two years ago," the Seattle Times recently editorialized. "The state is using it again, and it needs to keep using it after he is gone."

The following steps constitute the core of Budgeting for Outcomes:

1. Set the price of government. Establish up front how much citizens are willing to pay for the results they want from government: what percent of their personal income they are willing to devote to taxes, fees, and charges. Every jurisdiction has its own price, and it is usually quite stable over time. The price of government for the U.S. as a whole, including all federal, state, and local governments, has averaged about 36 percent of personal income for the last 50 years. History is a good guide, since leaders must ensure that the price they set is acceptable, adequate, and competitive.

2. Set the priorities of government. Define the outcomes that matter most to citizens, along with indicators to measure progress. Citizens don't think in terms of programs or activities (and certainly not in terms of departments). They want results—things like safety, jobs, and health. Elected officials need to find out and articulate what matters most to their constituents, using many of the same methods they use to get themselves elected:

- Polling—random sampling of public opinion.
- Focus groups—multiple discussions with randomly selected participants.
- Town hall sessions—multiple public discussions with whoever shows up (facilitated by experienced staff).
- Civic journalism—news media initiatives to engage readers, listeners, and viewers in interactive discussions, debates, and feedback about priorities.
- Web sites—feedback collected in response to efforts to heighten awareness.

Generally, you should select 10 or fewer outcome goals. In the end, these priorities should be expressed in citizen terms using indicators that citizens would use to assess progress. In choosing indicators:

- Include both subjective and objective measures (citizen perceptions of safety and the crime rate, for example).

- Don't settle for activity data that is readily available; commit to indicators of real results.
- Use an index if necessary to capture multiple sources of related data. Washington developed an index of health that combines data on the incidence of major diseases, for instance.
- In the end, the acid test is whether the priorities and indicators you have chosen make sense to citizens. Snohomish County in Washington literally put their priorities in the terms that citizens use. Here they are:

1. **Transportation**—I want reasonable and predictable travel times.
2. **Safety**—I want to feel safe where I live, work, and play.
3. **Education**—I want kids in my community schools to pass the state school achievement tests.
4. **Health and Vulnerability**—I want to improve the health of people in the community and reduce vulnerability of those at risk.
5. **Community**—I want to live in a thriving community, one with infrastructure sufficient to support planned growth.
6. **Preparedness**—I want my community to be prepared to respond to emergencies.
7. **Effective, Efficient, and Transparent Government**—I want to get the level of service I need at an affordable price and see that my dollars are spent wisely.

3. Set the price of each priority. Divide total revenue among the priority outcomes on the basis of their relative value to citizens. Here again, ask citizens for guidance. Give them $100 or 100 percent to divide among the priorities, based on their assessment of relative value. There is no right answer to this question—it is a matter of judgment. The goal is to put a relative value on each result citizens seek. Executives must make the final call, but knowing what citizens think makes their job a lot easier.

4. Develop a purchasing plan for each priority. Create "buyer teams" to act as purchasing agents for the citizens. Ask each one to determine what matters most when it comes to delivering its assigned result. This is a crucial step—and an exciting one. It challenges team members to get outside of their day-to-day work, step back, and explore which factors have the most impact on the desired result, whether they are part of what government does or not.

This means answering questions such as, "When it comes to student achievement (or the health of citizens, or decreasing congestion), which factors have the most impact, and how do different factors interact?" The answers can be compiled into cause-and-effect maps that provide the basis for deciding which routes to follow.

Creating such a map requires those involved to be clear about how they think activities add up to results. Doing so subjects each "theory of what matters most" to a challenge from every competing theory—exactly the kind of debate the budgetary process should stimulate.

These cause-and-effect maps help purchasers choose from among many possible strategies and to assign a relative priority to each. Washington State's health team identified four possible strategies: increasing healthy behaviors (getting citizens to eat better, drink less, quit smoking, get more exercise, etc.); mitigating environmental hazards (ensuring cleaner water, air, and food); identifying and mitigating risk factors related to gender, socioeconomic hardships, and genetic predispositions; and providing access to appropriate physical and mental health treatment. These four strategies appeared on the state's map.

When the team ranked these strategies in terms of their contributions to the end result, it decided that mitigating environmental hazards was most important, increasing healthy behaviors was second, providing access to health care was third, and mitigating risk factors was fourth. With limited resources, it decided to increase the state's emphasis on the first two. Research data had convinced team members that this was the way to get the most bang for its buck, even though it meant reducing spending on more traditional—and highly expensive—patient care. In fact, their analysis showed that these two strategies would yield a 16-to-1 return on investment.

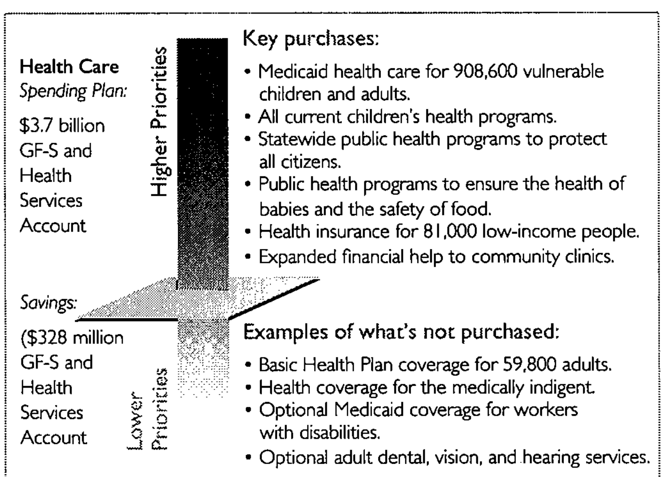
The old budget game would have led the health team to focus on the strategies with the greatest costs. The new approach required the team members to ignore last year's numbers and figure out where the best results could be obtained for the money available.

5. Solicit offers from providers to deliver the desired results. With their outcome goals and strategies clearly in mind, buyers then solicit offers to see who can deliver the most results for the money. This is the step that departs most radically from the old budget game. Instead of asking agencies or departments to add or subtract from last year's costs, the purchasing agents incorporate the results, price, and purchasing strategy they have settled upon into something like a request for proposals—call it a "request for results". This solicitation replaces the traditional budget instructions. The request for results can be sent to all agencies and departments, to other governments, even to unions, nonprofits, and for-profit organizations. It asks each of these potential suppliers to identify how they would help deliver the expected results, and at what price.

In developing their responses, sellers need not, indeed cannot, take anything for granted. They must assume that for each result there will be many proposals from many potential sellers. If they expect to get funded, they have to offer up proposals that deliver the needed results at a competitive price. Since an individual bidder may choose to submit multiple proposals (for its various programs and activities), it is in a sense competing against itself. This forces it to challenge its own practices, to make them as competitive as possible.

Sellers are not limited by the past; the process encourages them to come up with new approaches and creative twists. Some will forge partnerships across departments or agencies, with other governments, and with nongovernmental organizations. The bidding process also encourages them to consider ways they could contribute to more than one of the priority outcomes. While it is challenging to bidders, the process also liberates them.

6. Buy the best, leave the rest. After the offers are in, the buyers must rank them in terms of results delivered per dollar, then move down the list, buying according to priority until available funds have been exhausted. Then draw a line. Those proposals above the line are in, the rest are out. This buying plan becomes the budget. It is a list of keeps, not cuts—positive choices for spending the citizens' resources to buy the citizens' results. The diagram below, from the Washington budget presentation, shows how this was done for the health result.



Laying out the budget this way is another radical departure. In tough times, the traditional process makes us put 100 percent of our time and energy into finding the 5 to 15 percent to cut. When we are done, we publish the list and set ourselves up for attack by the interests directly affected. In Budgeting for Outcomes our energies go into deciding what to keep, and where to draw the line. At the end of this process, the support of those above the line can counterbalance the opposing arguments of those below.

7. Negotiate performance agreements with the chosen providers. Finally, frame the budget as a collection of performance agreements. These should spell out the expected outputs and outcomes, how they will be measured, the consequences for performance, and the flexibilities granted to help the provider maximize performance. As a result, accountability is built into the budget.

LEADERSHIP THAT "CHANGES THINGS TO MAKE THINGS BETTER"

When Peter Hutchinson was superintendent of the Minneapolis Public Schools, his favorite activity was visiting classrooms. One day, in a fourth grade classroom, the teacher stopped the class to introduce him. She explained that he was the superintendent of schools and asked the class if anyone knew what a superintendent was.

Hands flew into the air. (Fourth graders are so enthusiastic about learning that they will take a stab at any question.) The teacher called on an eager young man who proudly announced that the superintendent was the guy in charge of Super Nintendo. The teacher allowed as how that was a very creative answer, then explained that the superintendent was the leader of the schools.

"Does anyone know what a leader is?" she asked. Hands flew again. The teacher called on a young girl in the back who was raising her hand so hard and high that Peter was afraid it might become detached from her body. She stood very straight and tall as she answered, "A leader is someone who goes out and changes things to make things better." Hutchinson was stunned: A fourth grader had articulated perfectly what government needs—and what people expect.

It's time for leaders to dismount the dead horse strategies that are taking us nowhere. Budgeting for Outcomes means saddling up to "change things to make things better." Can we live up to that fourth grader's expectations? Given what is at stake, do we have any other choice? ❚

This article is adapted from *The Price of Government: Getting the Results We Need in an Age of Permanent Fiscal Crisis*, a new book by **DAVID OSBORNE** and **PETER HUTCHINSON** (Basic Books, 2004). Both Osborne and Hutchinson are partners in the Public Strategies Group (www.psg.us), a consulting firm whose mission is "transforming governance."

The Price of Government

Getting the Results We Need in an Age of Permanent Fiscal Crisis

David Osborne (co-author of *Reinventing Government*) and Peter Hutchinson

Government is broke. The 2004 federal deficit will set a record. The states have suffered three years of record shortfalls. Cities, counties and school districts are laying off policemen and teachers, closing schools, and cutting services. Government leaders have patched together combinations of accounting gimmicks, one time fixes, real cuts, and tax and fee increases to relieve the fiscal pain. But it won't go away.

Overall, American governments are enduring their worst fiscal crisis since World War II. But this one will be permanent. On one side are skyrocketing costs for health care, Social Security and pensions. On the other is opposition to tax increases. In the face of this crisis the bankrupt ideologies of left and right offer little guidance. *The Price of Government* goes beyond left and right to show a third way: a results-based government that can give citizens the outcomes they want at a price they are willing to pay.

The Price of Government begins by describing a radically different approach to budgeting – Budgeting for Outcomes - that focuses on buying results for citizens rather than cutting or adding to last year's spending programs. It goes on to show how leaders can use consolidation, competition, customer choice, and a relentless focus on results to save millions while improving public services, at all levels of government.

In government, as in most realms of life, we find it safer and easier to do what we've always done, simply because we've always done it. Only on rare occasions — usually at times of crisis — do we step back to gain a broader perspective, erase all our preconceived ideas and routine behaviors, and take a fresh look at how to make the most of our limited time and resources. Budgeting for Outcomes allows public leaders to do some of this big-picture, creative thinking *each time* they prepare a budget. In fact, the process demands it.

Budgeting for Outcomes was pioneered by Governor Gary Locke of Washington at a time when his state faced a $2.5 billion shortfall in its budget. The Seattle Times described the rationale for Locke's approach this way:

> *The usual, political way to handle a projected deficit is to take last year's budget and cut. It is like taking last year's family car and reducing its weight with a blowtorch and shears. But cutting $2 billion from this vehicle does not make it a compact; it makes it a wreck. What is wanted is a budget designed from the ground up.*

In traditional budgeting, leaders start with last year's costs, then add or subtract. In Outcome Budgeting, they start with the results citizens value. This approach clears away all the games department's play – padding costs and hiding excess, to protect themselves against the inevitable cuts. It focuses squarely on the real issue: producing results citizens value at a price they are willing to pay. The key steps in Budgeting for Outcomes include:

Set the price of government: Establish up front how much citizens are willing to spend. Get agreement on a revenue forecast and any tax or fee changes.

Set the priorities of government: Define the outcomes or results that matter most to citizens, along with indicators to measure progress.

Set the price of each priority: Divide the price or revenue among the priority outcomes on the basis of their relative value to citizens.

Develop a purchasing plan for each priority: Create "results teams" to act as purchasing agents for the citizens. Ask each one to decide which strategies have the most impact on their desired outcome.

Solicit offers to deliver the desired results: Have the results teams issue "requests for results" to all comers including their own government's agencies or department, other governmental jurisdictions, unions, non-profits and businesses. Invite them to propose how they would deliver the result and at what price. Then choose those proposals that will provide the best results for the money.

Negotiate performance agreements with the chosen providers. These should spell out the expected outputs and outcomes, how they will be measured, the consequences for performance, and the flexibilities granted to help the provider maximize performance.

Once these decisions have focused attention squarely on buying better results for citizens, the ten approaches described below provide the means. Through smarter sizing, spending, management, and work processes, they make it possible to produce the desired results at the set price, by increasing the value created for every dollar appropriated.

1. Strategic Reviews: Divesting to Invest.
Because time is short during budget season, smart leaders create ongoing review processes—outside the budget process— to develop new strategies and eliminate programs that are not central to their core purposes or are no longer valuable to citizens. There are many tools they can use to comb through every organization, from top to bottom, including program reviews, sunset reviews, special commissions, and subsidy reviews.

2. Consolidation: Smart Mergers.

Politicians love to merge organizations, because it looks like they're taking action to save money. But simply moving boxes on an organization chart can actually make matters worse, increasing costs while sowing confusion that hampers performance. A much more powerful alternative is to consolidate funding streams and policy authority into 'steering' organizations that can purchase results from any "rowing" organization — public or private — that can best produce them.

3. Rightsizing: The Right Work, the Right Way, with the Right Staff.

Some organizations work better when reduced in size, but others are crippled. Finding the right size does not start with layoffs. Rather it starts by asking whether organizations are doing the right work – aimed at producing the right results and – doing it in the right or most effective way. Then it is essential to make sure the organization has the right staff with the right mix of skills to maximize the value delivered. Eliminating bureaucratic layers and closing regional offices can help an organization find the right size, while human-capital planning can help it develop the right skills.

4. Buying Services Competitively.

The fastest way to save money and increase value is to force public institutions to compete. Nobody who doesn't own one thinks monopoly is good for business. Why should it be any different in the public sector? When Steve Goldsmith was elected mayor of Indianapolis during the last fiscal crisis, he decided to make public agencies bid against private firms for the right to continue delivering public services. Over the next four years he bid out more than 30 services, from garbage pickup to operation of the city's wastewater treatment system. Close to half were won or shared by public agencies and the rest by private organizations. The average amount saved the first time a service was bid competitively was *25 percent.* Over seven years, competition saved Indianapolis more than $120 million.

5. Rewarding Performance, Not Good Intentions.

If public-sector managers don't know what they're getting for their money, chances are they aren't getting it. The solution is to set performance targets at all levels, measure performance against them, and reward those who improve. In a time of fiscal crisis, however, positive outcomes aren't enough. The new imperative is improved outcomes for less money: value for dollars.

6. Smarter Customer Service: Putting Customers in the Driver's Seat.

When public organizations let their customers choose between providers, rather than imposing services on them, they can achieve much greater customer satisfaction at less cost. With some services, the Internet even makes self-service possible, at enormous savings.

7. Don't Buy Mistrust—Eliminate It.
The sad truth of bureaucracy is that 20 percent of government spending is designed merely to control the other 80 percent. The ruling assumption is that most of us, given the opportunity, will lie, cheat, and steal. Not only does this approach undermine performance, it is incredibly expensive. The smarter move is to first win voluntary compliance by simplifying the rules, working in partnership with and educating compliers, making the process of compliance easier (without lowering the performance standards), creating incentives that reward compliance, and reserving punishment for those who willfully violate the rules.

8. Using Flexibility to Get Accountability.
From the governments of New Zealand and the United Kingdom to the U.S. Education Department's Office of Federal Student Aid (FSA), examples abound of "performance-based organizations" that have willingly accepted greater accountability in return for freedom from rules and regulations that impede performance. Charter schools use the same formula, with even more independence and accountability: They are free from many state and district rules, and most operate independently of any district, but they can be closed down if they don't perform.

9. Making Administrative Systems Allies, Not Enemies.
All organizations are creatures—or prisoners—of their internal systems. Traditional budget, accounting, personnel, procurement, and audit systems are nests of red tape that tie employees up in knots. The messages these systems send about following bureaucratic rules are much more powerful than any leadership exhortations to perform better. To get lasting improvements in performance, public leaders have to modernize and streamline these systems. The payoff is dramatic savings: Two major procurement reform bills passed by Congress, in 1994 and 1996, had already saved $12 billion by the end of 1997.

10. Smarter Work Processes: Tools from Industry.
To do more with less, organizations must ultimately change the way they work. Some of this involves wholesale substitution of new methods and strategies. But much of it requires that existing work processes of all kinds—from street repair to eligibility determination to tax collection—be streamlined. There are many ways to do this, from Total Quality Management to Business Process Reengineering to WorkOuts.

Native Americans have many sayings, and one of the wisest is this: When you're riding a dead horse, the best strategy is to dismount.

You don't change riders.
You don't reorganize the herd.
You don't put together a blue-ribbon commission of veterinarians.
And you don't spend more money on feed.
You get off and find yourself a new horse.

Too many public leaders, from school districts to cities, counties, and states to the federal government, are still riding the dead horse of bureaucracy. For two decades they have been have been getting by with duct tape solutions, patching the cracks as their Industrial Era bureaucracies groan under the strain of Information Age demands. But getting by is not good enough. Getting by has crippled our public services and withered the public's confidence.

During these same two decades, pioneering leaders at all levels of government have been inventing solutions that work. They have been finding new horses. Today, as the permanent fiscal storm batters us, we no longer have the luxury of ignoring them. It is time for the rest of America's leaders to saddle up and ride.

Authors:

David Osborne is the co-author, with Ted Gaebler, of *Reinventing Government,* which made the bestseller lists in 1992 after it was endorsed by Bill Clinton on the campaign trail. He is also the author of *Laboratories of Democracy* and co-author of *Banishing Bureaucracy* and *The Reinventor's Fieldbook.* A senior partner of the Public Strategies Group, he has served as an advisor or consultant to Vice-President Al Gore, governors, mayors and city managers nationwide, and public leaders around the world. He has written for *The Atlantic, The New York Times Magazine, Harper's, The New Republic, The Washington Post, Mother Jones,* and many other publications. He lives in Essex, Massachusetts.

Peter Hutchinson is a founder and President of the Public Strategies Group in St. Paul, Minnesota (http://www.psg.us). He previously served as Vice President of the Dayton Hudson Corporation (now Target Corporation); Commissioner of Finance in Minnesota, where he began his search for common-sense budgets built around results; and Superintendent of Schools in Minneapolis, where he led a dramatic turnaround in student achievement and financial health. As a consultant he has advised governors and their administrations in Washington, Minnesota, New York, and Iowa, as well as cities, counties, and school districts throughout the United States and internationally. He lives in Minneapolis, Minnesota.

Early reviews:
"If you care about the future of American government, read this book. Under America's current economic plan, fiscal crisis is here to stay and there is only one way out: We must fundamentally reinvent the way we spend the public's money. Like Reinventing Government before it, this book shows us the way."

Former Vice President Al Gore

"As this book says, 'We are waist deep in the worst fiscal crisis since World War II.' Most politicians are so afraid of this mess that they hide behind slogans, gimmicks and blame to divert attention. Citizens want better. This book shows them how to get it."

Jesse Ventura, Former Governor of Minnesota

"When I was Mayor of New York City, Reinventing Government was required reading for my staff. This new book should be required reading for those who serve the public in cities and states across America-and in Washington. Public servants should always remember that the money they're spending is not their own. Osborne and Hutchinson teach how to wring value out of every tax dollar, with a revolutionary approach to budgeting and a relentless focus on accountability and results."

Rudolph W. Giuliani

"Houdini would love this book! Most analysts believe that American government is increasingly trapped between escalating costs and lower tax rates-a condition that promises frustration and hardship for decades to come. But now along come management guru David Osborne and his colleague Peter Hutchinson with ways out of the maze. Drawing upon the stories of innovators across the country, they offer hope that we can indeed learn to do more with less."

David Gergen, Director, Center for Public Leadership, Kennedy School of Government, Harvard University

Making Ends Meet in Washington State

By Wolfgang Opitz, Connie Nelson and David Osborne

"The usual, political way to handle a projected deficit is to take last year's budget and cut. It is like taking last year's family car and reducing its weight with a blowtorch and shears. But cutting $2 billion from this vehicle does not make it a compact; it makes it a wreck. What is wanted is a budget designed from the ground up."

--Seattle Times editorial, Nov. 17, 2002

"States face the most dire fiscal situation since World War II," the National Governors Association and the National Association of State Budget Officers declared last November. In fiscal 2002, state revenues actually *declined* for the first time since the associations began keeping records. They cited four converging factors: an explosion of health care costs, a collapse of capital gains tax revenues, slow economic growth, and outdated revenue systems that tax less and less of the new economy. "Many states have exhausted budget cuts and drawing down rainy-day funds," the report concluded, "and the most difficult decisions still lie ahead."

By late February, with only four months left in fiscal 2003, states still faced deficits of $30 billion. Fiscal 2004 looked even worse, with states reporting $82 billion in expected shortfalls. In most states, no easy choices remained to plug these holes. The rainy day funds were dry. Across-the-board cuts have been made. Expenses and payments have been shifted into future years.

Washington State was no exception. In the current biennium (2001-03), general fund revenue declined for the first time in 30 years. Halfway through the biennium the governor and legislature had to cut $1.5 billion and eliminate 1340 jobs.

The process frustrated democratic Governor Gary Locke and his staff. "Every step we took, we asked ourselves, why are we so focused on the cuts and not on the keeps?" says Marty Brown, director of the Office of Financial Management (OFM). "We were missing something. We knew it in our guts."

Governor Locke was tired of across-the-board cuts. He wanted to focus on the big question: What should state government do and what should it stop doing? In the upcoming biennium, he faced an estimated $2.1 billion deficit in the general fund – almost 10 percent – plus another $600 million in the health services account. "Closing the gap we face in the next biennium would require an across-the-board cut of 15 percent – if that's all we did," the governor announced. "And that is not what we are going to do. I don't want to thin the soup. I want state government to do a great job in fulfilling its highest priorities."

In August 2002, Locke's chief of staff, Fred Kiga, asked The Public Strategies Group, Inc. (PSG) for help. "PSG made Washington State an unreasonable proposal," says PSG's Peter Hutchinson. "In the time available—which was ten weeks—we were not going to help them find cuts equivalent to 15% of their general fund budget. We shifted the focus from spending cuts to helping them buy the best possible results for citizens with the resources they did have."

Like most governments, Washington traditionally started with last year's budget and added money to cover inflation, caseload increases, and the like. Then it asked each agency to propose cuts. "But this familiar approach accepts, with little question, most of the status quo level of spending," said Marty Brown, director of OFM, "and leads quickly to discussions about how fairly we've treated each agency's programs in the cut exercise."

In contrast, Hutchinson proposed a top-to-bottom review of everything state government did— from the citizens' perspective, not the agencies'. He proposed to start by focusing not on last year's spending but on the results or outcomes the governor wanted to produce for the citizens of his state. He urged the governor and his staff to focus not on how to cut 15 percent but on how to maximize the results produced with the remaining 85 percent. Governor Locke decided this unreasonable approach was the only reasonable thing to do.

TURNING THE BUDGET PROCESS ON ITS HEAD – Starting with Results

PSG helped the governor's budget staff design a process to answer four key questions:

- How much are citizens willing to spend?
- What results form the core of what must be done and done well to serve the citizens of Washington?
- How much will the state spend to produce each of these priority outcomes?
- How best can that money be spent to achieve each of the core results?

These four questions evolved into a four part plan of action for the budget.

1. Set the price of government.

Setting the price, or judging what Washington citizens were willing to spend, was the first task of a Guidance Team, made of up senior cabinet members, including chief of staff Fred Kiga, and several leaders from business and private think tanks.

In early November of the previous year, despite heavy lobbying by Locke, voters soundly defeated a gas tax increase to pay for long-needed transportation projects -- another in a string of successes for a powerful anti-tax coalition. This reality – plus a fear that tax increases would further depress the state's economy — led the team to advise the governor against raising taxes. So Governor Locke chose to build the budget on expected revenues, with no tax increases.

The Guidance team also decided that the process should include all available funds, widening attention beyond the state's general fund to include its dedicated funds and revolving funds, as well as monies raised and spent locally by cities, counties and schools.

Thus, the price of government was set at current revenues from all sources for all governments in the state.

2. Set the priorities of government.

Here a Staff Team made up of senior people from the Office of Financial Management assisted the Guidance Team. Working together and using information from the Governor's office, they identified the key results they believed the citizens most wanted from government in Washington. The Guidance Team improved on that list which the governor subsequently called the "Priorities of Government." These ten results challenged government in Washington to deliver to citizens improvements in:

- Student achievement in elementary, middle and high schools;
- The quality and productivity of the workforce;
- The value of a state college or university education;
- The health of Washingtonians;
- The security of Washington's vulnerable children and adults;
- The vitality of businesses and individuals;
- Statewide mobility of people, goods, information and energy;
- The safety of people and property;
- The quality of Washington's natural resources; and
- Cultural and recreational opportunities.

3. Allocate available resources across the results areas.

The next challenge was to decide how to allocate the available resources (the price) among the 10 results. The two teams set aside ten percent of the budget for overhead functions, such as pension contributions, debt service and internal services. Then they parceled the rest out among the 10 results, using a citizen's point of view (based on perceived value) rather than an analysis of past practice. In some areas their choices reinforced past patterns, but in a few they made strategic changes – allocating more resources to student achievement, for example, and fewer to public safety.

4. Develop a purchasing plan for each result.

The Staff Team then put together 10 "Results Teams," one for each outcome. The job of each Results Team was to produce a purchasing plan - to procure the best possible results for citizens, given their available resources. Teams included knowledgeable people from agencies involved in that policy area. A senior staff member from the Office of Financial Management chaired each team.

"We asked them to forget the loyalties they have to the agencies they represent," said Gov. Locke. "'Be like citizens,' we said. 'Tell us where to put the money, so we get the best results. Tell us what similar programs can be consolidated. Tell us what programs don't make a large enough difference in getting the results we want.'"

Each of the 10 Results Teams went through three tollgates – or check-ins with the Guidance Team. Ahead of each tollgate, the Staff Team looked at the Results Teams' work and suggested ways to improve it. After each tollgate, the teams received feedback from the Staff and Guidance Teams, to guide their next submission.

At the first tollgate, teams had to present three concrete indicators they would use to measure progress toward their outcome. They also had to present a "strategy map," backed by evidence of best or promising practice, to show an explicit cause-effect way to achieve their desired outcome.

At the second tollgate, each team had to present its general purchasing plan - the five or six key purchases and/or strategies it would use to achieve the desired outcome. Both these steps stimulated a kind of creativity that is absent from traditional budget processes. Asking how to produce specific results, rather than how to cut budgets, elicited far more strategic thinking about the best uses of public money.

For example, the team responsible for improving student achievement said they needed to purchase more early childhood education; started to move to a "pay for skills" compensation system for teachers; and moved away from an across-the-board basis of funding toward targeted funding for those schools and kids most in need. The health team decided the highest impact strategies focused on *prevention* — mitigating environmental hazards, improving food sanitation, providing public health clinics, and the like. They proposed spending more on these strategies and less on health insurance for childless adults.

Before tollgate three, the 10 Results Team leaders met together to talk about what they needed to purchase from one another. The higher education team decided to use some of its funds to pay for better K-12 education to improve the educational competencies (and minimize remediation needed) among its incoming students. Two teams jointly bought improved water quality, to leverage both health and natural resources outcomes. Several teams decided to use some of their money to fund prisons, to reduce the number of low-risk prisoners who would have been released early. This cross-team buying was important because the work of state government is so interconnected.

Finally, the process turned to existing state activities – where traditional budget processes start. Each Result Team was given a subset of the 1300 state activities funded by the traditional budget. "Their mission," the governor explained, "was to get more yield on less acreage." To do so they had to put together a detailed purchasing plan, indicating four things:

- what they would buy now -- both new and existing activities;
- what else they would buy if they had more money;
- what they would eliminate first if they had less money; and
- what they would not buy.

This third product gave the Staff Team and Guidance Team a prioritized ranking of all existing activities of state government. Using these and similar rankings provided by the agencies, they made final recommendations to the governor. The result – ten sets of recommendations for state government that linked key results, success indicators, strategies, and purchase plans.

The governor embraced the product, following the purchase plans closely in finalizing his budget proposal. Under each of his 10 priority results, his budget showed those activities that would be purchased and those that would not. It was clear, easy to understand, and it explained why some activities continued and others were eliminated.

The governor held back some of the more far-reaching reform proposals, such as the K-12 education reforms mentioned earlier, for further work. He proposed a joint legislative-executive study of the K-12 financing system to examine the options more carefully and build the political support necessary for reform.

"NEVER WAS SUCH BAD NEWS RECEIVED SO WELL"

Governor Locke had warned that the budget would be painful, and it was. It proposed to eliminate health insurance for nearly 60,000 of the working poor, dental, hearing and optometric coverage for poor adults on Medicaid, and 2,500 state jobs. If passed, it would suspend cost-of-living increases for state employees, eliminate teacher pay increases, and suspend a $221 million class-size-reduction effort mandated by a citizen initiative. University tuition would rise by nine percent a year for two years; 1200 low-risk felons would leave prison early; and a series of smaller programs would shut down.

Yet, the editorial response was overwhelmingly positive. As former chief of staff Joe Dear put it, "Never has such bad news been received so well."

"Gov. Gary Locke's budget is a big step forward for Washington," declared the *Seattle Times.*

"Few Washingtonians will find much to like about the brutal state spending plan Gov. Gary Locke recommended Tuesday," added the Tacoma *News Tribune*. "But as ugly as the result was, there's a lot to like about the way Locke and his staff arrived at it, using a new process that forced hard choices about the core priorities of state government."

Liberal interest groups such as labor objected strenuously to the deep cuts. But conservatives applauded. "Three cheers!" said the conservative Evergreen Freedom Foundation. "OFM's model will revolutionize state spending and take necessary steps toward assuring accountability to taxpayers."

After six years in office, Governor Locke had been widely seen as a status-quo manager. But by setting clear priorities and making tough choices – while refusing to raise taxes or make across-the-board cuts – he transformed his image. When Republican John Carlson ran against him in 2000, his central message was that Locke had failed to show any leadership. Soon after the budget was released, he wrote a column indicating he had changed his mind. Locke's "newly proposed $22.9 billion budget for the next two years is a work of bold, impressive statecraft," he wrote. He told the *Seattle Times*: "He is willing to face down the most powerful interest groups in his own party to bring this budget in without a major tax increase. Genuine leadership is doing what must be done when you don't want to do it. And I think the governor is doing that."

In a late January survey, voters agreed. Sixty-four percent endorsed the following statement: "Whether or not I agree with all of the Governor's budget recommendations, I respect his leadership and vision to solve the current problem and get the state's economy back on track." Only 29 percent disagreed.

Republicans in the legislature also liked the new budget format. "It was astounding," says OFM Director Brown. "I've never been to a set of hearings where the reception was so positive, despite the amount of bad news we had to deliver." With the budget framed around 10 desired results and all activities listed in order of importance – including those that would survive and those that would be eliminated – legislators found the budget documents very clear. "They seemed to understand the whole picture. I think there have been a lot of 'aha' moments when we've presented it to the public and to interest groups: `Here's the $24 billion we're buying and the $2.4 billion we're not.'"

One committee chair asked what would happen if a proposed revenue change in health care were not approved, Wolfgang Opitz, deputy director of OFM, recalls. "I said: 'Move the line up by $389 million. That shows you what's still on the list and what's off.' There was no hemming and hawing. It made it very clear that amending a recently passed public initiative was better than cutting deeper into the Medicaid program."

SO, HOW DID IT ALL TURN OUT?

In early April, when the State Senate released and passed its own budget, it began with the words: "Following the Governor's Lead." Public reaction was similar. "When we've taken this to the public, no matter what the setting – business, labor, social services advocates, health care, the classroom, the Rotary meeting – people understand what we're doing and not doing in a much more fundamental way than ever before," according to Opitz. "When they say, `Well, I don't like that cut,' I respond by asking, `Then what from above this line do you not want to do?' And the response is usually `Oh.... Well, I'm learning to like the cut a little more now.' It seems to help re-subscribe everyone to the basic business of state government."

But as clear as some of the choices may have seemed, the decisions of the legislature were anything but easy. Though often deeply divided on whether to increase taxes to pay for popular public initiatives or to restore expiring tax exemptions to stimulate the economy, the Legislature ended up with a budget that is remarkably close to Governor Locke's original proposal. Legislators passed major sentencing reform in criminal justice and delayed popular publicly passed initiatives that would have further reduced class sizes in K-12 and guaranteed automatic pay increases for teachers. Another public initiative to expand health insurance coverage in the state basic health plan was amended to allow its revenue to go toward current programs instead.

Upon the passage of the operating budget, Governor Locke commented, "When I proposed the Priorities of Government spending plan, I knew this budget had plenty of pain to go around. I know it was hard for the Legislature to enact these difficult solutions. But our legislators passed a responsible budget well suited for difficult times – a budget that sets priorities and does not rely on gimmicks or tricks. I'm proud of what they accomplished in a bipartisan fashion. In many cases they adopted my priorities, and in a number of cases they worked creatively to improve on what I proposed."

Legislative floor speeches, editorials, and columnists all highlighted the importance of the Governor's initial budget. In his Tacoma News Tribune column, veteran political reporter Peter Callaghan said, "Locke changed this year's budget debate before it began...the building blocks were placed by Locke."

As the June 8, 2003 editorial in The Seattle Times went on to say, "The Governor's priorities-of-government plan was a success. Automatically raising taxes to bolster a deficit is old school budgeting. In the template Locke offered and the Legislature approved, the budget doesn't raise general taxes. The budget brings pain to many programs, but the priorities-of-government approach will be with us awhile."

Presented in the terse prose of a budget proviso, POG, or the priorities of government approach to budgeting now has formal endorsement from the Legislature, adding momentum to the permanent adoption of this approach. Section 128(2) of the 2003-05 operating budget says, in part, "By November 15, 2003, the office of financial management shall report...on the ten general priorities of government upon which the

2005-07 biennial budgets will be structured. Each priority must include a proposed set of cross agency activities with definitions and outcome measures. For historical comparisons, the 2001-03 expenditures and 2003-05 appropriations must be restated in this format and organized by priority, activity, fund source, and agency."

LOOKING BACK, LOOKING FORWARD

At the conclusion of the legislative session, Deputy Director Opitz reflected on a few key ingredients he considered vital to Washington State's success, starting with **"Leadership counts!"** In Opitz's opinion, having all three key leaders of the budget development process – Governor Locke, Chief of Staff Kiga, and OFM Director Brown – solidly on board made it clear that they were serious – and energized the many leaders at other levels of the process. Other key lessons to which Opitz ascribes their success:

- **Do your homework.** For Opitz, it was important to come to grips with the size of the budget problem and with the need for a radically different approach. Then, "we shared our information and analysis with everyone we could think of to get a wide understanding of the depth of the problem."
- **Take the enterprise-wide view.** Like most, Washington was used to looking primarily at the General Fund, which in this case was only 40% of all monies available. Looking across the whole enterprise made more visible the contributions to the ten results from different agencies and from the different funds. Opitz says, "An agency-specific approach would likely have resulted in concerns about a "fair" distribution of the budget pain, but would not have been as clear about our priorities."
- **Encourage creativity over precision.** To get out of their large budget gap, they could NOT do things as they had. Opitz says, "Believe it or not, it was important to lower our standards. In an ideal world, an activity based costing model would have been tested, data definitions agreed upon, systems built, instructions issued, training conducted, and analysis performed. This time, we relied on a sense for when we had *sufficient* information upon which to base a decision. We found the phrase 'progress not perfection' to be a good motto." Encouraging innovation over precision helped them get clear about the end results that mattered – and the best minds focused on how produce them.
- **Use time constraints to your advantage.** This project imposed unreasonable time frames and unreasonable demands on people. This effort caused all involved to leave their comfort zone. But the tight time frame helped force the hard choices. Again, Opitz said, "The shorter time line created urgency – and finality – in the decision process. This added pressure, but also added pace and focus."
- **Bring in communications and policy people up front.** "This is not just a budget exercise." Optiz advises others to "get communications and external relations staff involved from the outset. Doing so ensured that we talked about the approach consistently and effectively."

An opportunity to change the fundamental approach to budgeting comes around only rarely. It is encouraging to see such support from the press, the public and the

Legislature. The staff in the Office of Financial Management – who already deserve enormous credit for seeing this through to this point – will need this encouragement to take the major next steps to make this approach a permanent part of the way Washington state does its budgets. Major system changes, development of new analytical tools, and basic culture change in the way decisions are made are all well underway.

There are great benefits to seizing this golden moment. Perhaps most important, this results-based budget process can help public leaders win back some of the support government has lost in recent decades. Back in December 2002 The Everett *Daily Herald* put it well: "The public is not in a forgiving mood. It still holds a grudge for a government it sees as wasteful and unresponsive. Locke's plan, or one like it, might be a good step toward proving otherwise. The more thrifty government becomes, the more generous voters might be at the ballot box in years to come."

#

Connie Nelson and David Osborne are partners in the Public Strategies Group, a consulting firm whose mission is to be the best resource on transforming governance in the world. Wolfgang Opitz is deputy director of the Office of Financial Management in Washington State. For a full discussion of this approach to budgeting, including tools to support its success, see ***Budgeting in Tough Times: The Decisions that Matter Most to Improving Service to Citizens When Budgets Are Tight,*** *at www.psgrp.com.*

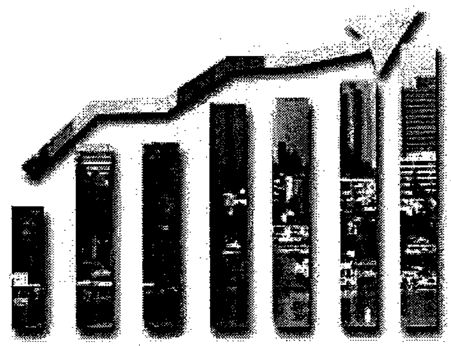
Performance Measures | City of Bellevue | 2004

Bellevue is among a number of jurisdictions that regularly reports on government performance. On this website, you will find information about your government's performance. How well did your city perform?

Bellevue Vital Signs is a "Shortlist" of key performance measures that when looked at together, give a sense of the city's overall health.

Performance Scorecards include each department's key performance measures and shows how the department did against targets it set. A detailed report accompanies each scorecard.

Department Key Observations is a summary of key issues and provides some insight into department accomplishments or challenges.



Public entities must continually strive to provide their stakeholders with highly efficient, well managed programs that meet citizen and legislature expectations. Citizens and other stakeholders invest substantial resources in their government and rightfully expect the government will provide, in return, quality services at a reasonable cost that meet their needs. This is government's "bottom line".
Annual Performance Report, 2004

Performance Measures Vital Signs | City of Bellevue | 2004

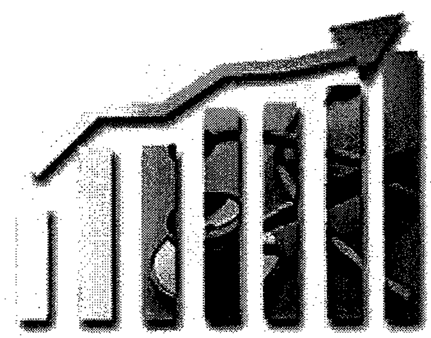
WATCH
*Bellevue's *
"It's Our Jol
Employee

Bellevue Vital Signs

Bellevue Vital Signs is a collection of just 16 performance measures. They include information on Police, Fire, Parks and Recreation, the city's water supply, and feedback from the city's annual performance survey. When looked at together, these indicators can give a sense of the city's overall health now and in previous years.

List of Vital Signs

Overall Satisfaction with Parks and Recreation
Patrol response times to critical emergencies
Number of violent and property crimes
Residents getting their money's worth
City bond rating
Customer satisfaction rating for clean streets
Percent of fires confined to room of origin
Average pavement rating for residential streets
Violations of drinking water standards
Cardiac arrest survival rate
Bellevue as a place to live
Neighborhood as a place to live
Residents satisfied with job city is doing
Water service interruptions
Direction in which Bellevue is headed
Mobility Management Areas achieving concurrency

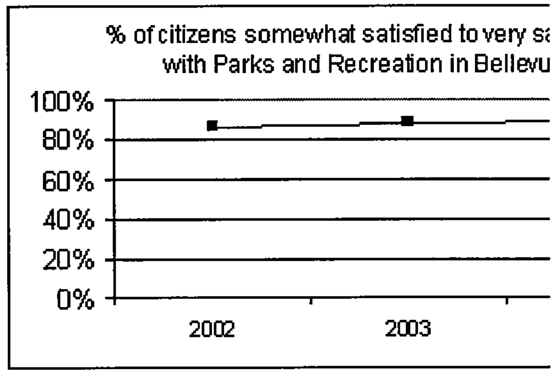


Bellevue Vital Signs: Overall Satisfaction with Parks and Recreation in Bellevue

Overall Satisfaction with Parks and Recreation in Bellevue

Nine in ten (89%) respondents are either very or somewhat satisfied, overall, with parks and recreatio with twice as many who are very satisfied (63%) than are somewhat satisfied (25%).
Very few respondents are neither satisfied nor dissatisfied (5%), somewhat dissatisfied (1%) or very d (1%).

DIFFERENCES BETWEEN SUB-GROUPS



Respondents aged 55 to 64 are significantly more likely than any other age group to be very satisfied, overall, with parks and recreation in Bellevue (78% are very satisfied).
High percentages of residents in zip codes 98005 (75%) and 98008 (71%) are very satisfied. Compared to 98005 residents, significantly fewer 98004 (58%) and 98006 (54%) residents are very satisfied, overall, with parks and recreation (98006 residents are also significantly less likely than 98008 residents to be very satisfied with parks and recreation). In addition, the pattern of satisfaction emerges again among those who are satisfied with other survey measures. Significant percentages of the following groups a satisfied, overall, with parks and recreation in Bellevue: those who feel Bellevue is an excellent place t residents who feel their neighborhood is an excellent place to live (71%), respondents who say Bellev the right direction (70%), respondents who are satisfied with City planning (71%) and respondents wh satisfied with City communication (74%).

City of Tucson

City Home | E-Services | City Calendar | Visitors | Business | Site Map | City Contacts

Search

LIVABLE TUCSON VISION PROGRAM

In the spring of 1997, the Mayor and Council of the City of Tucson initiated the Livab Vision Program to identify a long-term, community-driven vision for Tucson that wou shape the city's budget and provide a framework for developing programs and services address the real concerns of the community.

Livable Tucson
Introduction
Workforce
Goals List
Featured Projects

From Seattle to Jacksonville, communities across the country are starting to define a v their future that balances the needs of this generation without compromising the abiliti generations to meet their needs. These "sustainable" cities are learning and demonstrat balancing the economic, social, and environmental concerns of their communities can their quality of life and ensure a better future. Over 1,200 community members, busin and city employees have participated in the program to date, laying the groundwork fc development of new and enhanced programs and services that will help bring us close community's vision of a more Livable Tucson.

BACKGROUND

During the spring and summer of 1997, three public forums were held in each ward to community in identifying a common vision and strategies for achieving a sustainable c In addition to these ward forums, additional forums were held in the fall targeting busi youth, and Spanish speakers. An Internet site also gave citizens the opportunity to con priorities, and City Council offices had bulletin boards for community input. Based on thousands of comments that the community made, seventeen (17) key goals emerged. embody the values and aspirations of the community to maintain and improve Tucson future. The next phase of the Livable Tucson Vision Program involved holding six wo the spring of 1998 to develop indicators of progress towards each of the 17 goals. Tak the indicators will form a community report card. For the latest Livable Tucson inforn including a listing of the goals and indicators, visit the city's Web page at www.ci.tucson.az.us/livable.html.

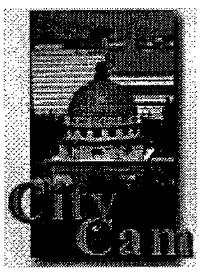
LIVABLE TUCSON TIES TO NATIONAL INITIATIVE

The Livable Tucson Vision Program closely aligns our community with the federal Li Agenda for the 21st Century. In announcing the new initiative on January 11, 1999, V President Gore stated, "It is an initiative that will help us build more livable communit which to raise our families - places where young and old can walk, bike, and play toge where we not only protect historic old neighborhoods, but where farms, green spaces, can add life and beauty to the newest of suburbs; places where we can work competiti still spend less time in traffic and more time - that most precious of commodities - for we really are - with our children, our spouses, our friends."

LIVABLE TUCSON TEAM

To continue the progress already made with the Livable Tucson program, and to expa program further throughout the city organization and in the community, an interdepart Livable Tucson Team was formed in the fall of 1999. These city staff members meet c

basis to determine the next steps that must be taken to further the Livable Tucson goal
the coming year, the team has three priorities: 1) refine the indicators and determine h
indicator data can be gathered on a regular basis, 2) review current City of Tucson pro
goal of determining how these projects could benefit from additional collaborations w
city departments and offices, as well as organizations outside of city government, and
determine strategies for communicating progress on Livable Tucson to the community



LIVABLE TUCSON GOALS: INDICATORS OF A LIVABLE TUCSON

Better Alternatives to Automobile Transportation
Includes improved public transportation system, bicycle and pedestrian friendly streets, improved roadways (landscape, lighting, sidewalks, bus stops), and promotion of alternatives to the automobile.

Engaged Community and Responsive Government
Includes involvement of citizens in the community, volunteering, neighborhood participation, responsiveness of government organizations to citizen input, and the connection between government and the people.

Safe Neighborhoods
Includes how safe people feel in their neighborhoods, crime, policing, and risk perceptions.

Caring, Healthy Families and Youth
Includes opportunities, services, and conditions that support Tucson's families and youth.

Excellent Public Education
Includes the quality of education at all levels - youth to adult, as well as vocational, lifeskills, cultural, and civic training.

Infill and Reinvestment, Not Urban Sprawl
Includes well-planned growth, the management of sprawl, and development in the city's core, rather than on the periphery.

Abundant Urban Green Space and Recreation Areas
Includes recreation and green space within the city, including neighborhood and regional parks, common space, community gardens, bike and walking paths, linear and river parks, trees, and urban landscaping.

Protected Natural Desert Environment
Includes protection of the Sonoran Desert eco-system and protection of washes, hillsides, open space, and wildlife.

Better Paying Jobs
Includes wages, job quality, job diversity, and an improved standard of living.

Clean Air and Quality Water
Includes reduced pollution and provision of clean, potable water.

People-Oriented Neighborhoods
Includes designing new neighborhoods and investing in old neighborhoods to promote a mix of commercial and residential uses, a pedestrian focus, landscaping and aesthetics, and interaction among residents.

Respected Historic and Cultural Resources

Includes the preservation and celebration of local landmarks, buildings, neighborhoods, archeological treasures, open spaces, cultures, and traditions that make Tucson unique.

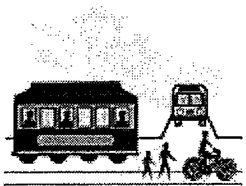
Quality Job Training
Includes education, training, and skill development that lead to high quality, living wage jobs.

Reduced Poverty and Greater Equality of Opportunity
Includes the fair distribution of resources, creating opportunities to overcome poverty, and social and economic inequality.

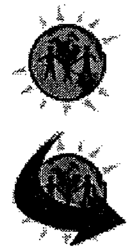
Strong Local Businesses
Includes the local economy, particularly small, Tucson-based businesses.

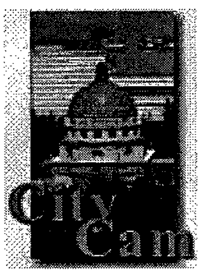
Efficient Use of Natural Resources
Includes conservation of resources and use of sustainable energy sources.

Successful Downtown
Includes the cultural and commercial aspects of the city center.



Better Alternatives to Automobile Transportation





Definition: Includes improved public transportation system, bicycle and pedestrian fri streets, improved roadways (landscape, lighting, sidewalks, bus stops), and promotion alternatives to the automobile

What the community said:

- "Address traffic problem with the goal to make the city more children, pedestria bicycle friendly."
- "Provide better and more frequent public transportation."
- "Focus planning on a neighborhood level. We should encourage more neighborl friendly transportation modes such as cycling, bus, and walking."
- "More tree-shaded off-street pedestrian and bike paths."
- "We need to learn from our Phoenix neighbors what to avoid when planning grc and highways. Tucson needs to do it better."
- "Stop designing the city primarily for the automobile. Shape the urban environn more friendly to pedestrians, bicyclists, and users of mass transit."

City Department/Office Support for this Goal:

- **Intergovernmental Relations** - working on legislation to bring additional fedei transportation funds to Tucson

- **Special Projects** - overseeing the Civano development, a pedestrian-oriented ne community

- **Human Resources** - supporting and facilitating training for the Employee Tele(Program

- **Planning** - promoting alternate modes through neighborhood and area planning comprehensive plan policies

- **Transportation** - administering programs that promote the use of mass transit, and walking, and constructing sidewalks, pedestrian crossing devices, sidewalk landscaping, bike paths, and bus shelters

Key Indicators of Progress:

Source: Trained observers from community organizations can help conduct thes counts".

The Livable Tucson Goals provide a shared vision of the future and a common framev action, as expressed by the community. At the policy level, these Goals are helping to City's annual budget and the programming of City departments. City employees and c improve our quality of life and our legacy to future generations. These examples show individual actions support this effort.

What YOU Can Do

- Ride the bus
- Carpool
- Bike to work, the store, etc.
- Walk to work, the store, etc.
- Work a compressed work week (four 10-hour days)
- Work at home, communicating through e-mail and telephone
- Travel during hours other than rush hour

Featured Project for this goal indicator.

1. **Use of alternative means of travel** Determining how many people are getting a without a car, and how often, is a way to determine how well our neighborhoods designed to promote these alternatives. To measure this people will be asked in how often they use alternative travel means of travel, including biking, walking, trolley, and other public transit.

   Based on the 1980 census, 66 percent of the population in Pima County drove to alone, while 21 percent carpooled. Eleven percent used other means to get to wc public transit, trolley bus, walking, and bicycling, while 2 percent worked at hoı 1990, in Pima County 72 percent drove alone, and 15 percent carpooled. The reı either used other means to get to work (10 percent) or worked at home (3 percer

   Source: Pima County Association of Governments/Transportation Planning Div

2. **Ratio of miles of quality pedestrian and bike paths and bus routes to total l of roads** This indicator describes how well people can circulate throughout the without reliance on cars. It focuses on urban paths and trails, rather than those ir desert areas.

   Total number of lane miles for the City of Tucson, 4,000

   Total number of street miles for the City of Tucson, 1,480

   Total number of bicycle route miles for the City of Tucson, 600

   Total number of bus route miles for the City of Tucson, 550

   With 38 routes; buses run an average of 27,000 miles weekdays, and 7,110,000 annually

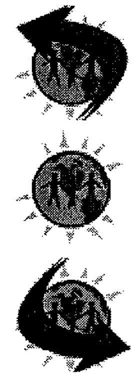
   Source: City of Tucson Transportation Department

3. **Number of days you can see Rincon Peak from Tumamoc Hill** Looking from peak to mountain peak across Tucson is a simple way to determine the clarity of including the amount of pollution from auto emissions, which account for up to Tucson's air pollution.

   Pima County Department of Environmental Quality, in conjunction with Arizon Department of Environmental Quality, monitors visible air pollution (urban haz continuously using a video camera from partway up Tumamoc Hill oriented tow Rincon Mountains (and also from a second site atop the County Health Building due east). Video from Tumamoc Hill may be put on PCDEQ's website, and the Tucson website in the near future.

4. **Number of pedestrians in neighborhoods** Counting the number of people out neighborhoods is one indication of people walking or biking instead of driving. expect more people to be visible in neighborhoods as it becomes more appealin and bike places. The number of pedestrians and cyclists can be measured by cou number of people seen at certain times in randomly selected areas throughout th

Safe Neighborhoods



Definition: Includes how safe people feel in their neighborhoods, crime, policing, and perceptions

What the community said:

- "Neighborhoods should be safe and nurturing environments for children."
- "I am afraid even when my son plays in our own yard. I am leery to go out at ni;
- "Increase police foot and bike patrols."
- "Create safe neighborhood zones by fostering interaction opportunities. People ' each other come to trust each other and watch out for one another."
- "Need to accelerate programs such as Geo-based policing to get tough on juveni gangs, burglaries, and other neighborhood problems."

City Department/Office Support for this Goal:

- **Independent Police Auditor** – conveying concerns from citizens about neighb(crimes and police practices to the appropriate personnel within the Police Depar

- **Information Outreach** – providing citizens the opportunity for direct dialogue Police Department through the weekly call-in program "Assignment Tucson"

- **City Attorney** – prosecuting criminals, educating neighborhoods of their rights Neighborhood Protection Act, and supporting the Tucson/Pima Anti-Hate Crim(Force

- **City Court** – mediating family and neighborhood problems through issuance o1 orders, harassment injunctions, and hearings, conducting warrant sweeps, and o: traffic safety classes

- **Operations** – receiving and processing 9-1-1 calls and coordinating constructio: Multi-Agency Mutual Aid Radio system linking 13 local public safety agencies

- **Police** – reducing crime through geo-based policing by becoming familiar with . areas and working closely with residents and other city departments

- **Fire** – responding to fire and medical emergencies and maintaining fire stations neighborhood "safe houses," providing home and business safety inspections

- **Planning** – supporting the Safe by Design principles through the rezoning and development review processes

- **Development Services** – conducting plan reviews, issuing construction permits conducting inspections to ensure safe and lawfully operated residential and com structures, and providing for abatement of dangerous, dilapidated, and uninhabi structures

- **Transportation** – ensuring that Safe by Design concepts are integrated into des construction, administering the residential street lighting program, maintaining ‹ striping, and installing traffic calming features

Key Indicators of Progress:

1. **Number of pedestrians in neighborhoods** Counting the number of people out neighborhoods is one indication of people walking or biking instead of driving. expect more people to be visible in neighborhoods as it becomes more appealin and bike places. The number of pedestrians and bicyclists can be measured by c number of people seen at certain times in randomly selected areas throughout th

   Source: Trained observers from community organizations can assist in these "pe counts".

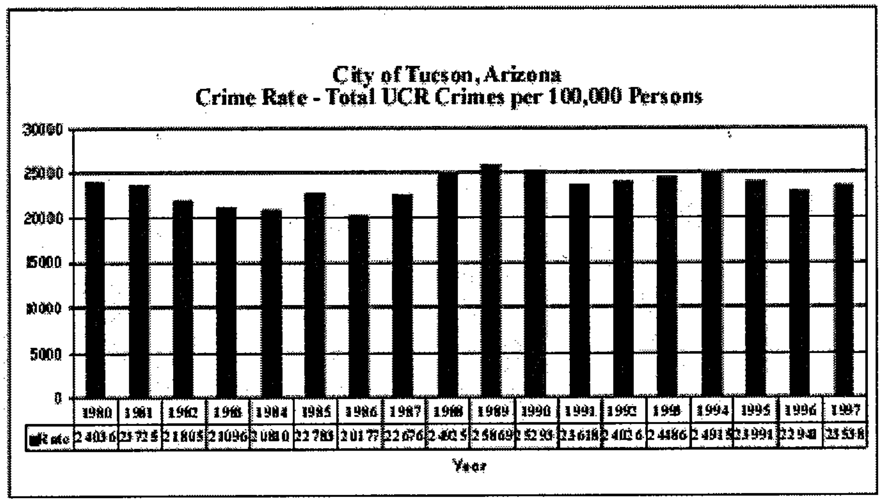
2. **Neighborhood crime rates** The number and severity of crimes is a straightforw measure neighborhood safety. Selected crime statistics are used to measure this

   Source: Tucson Police Department Crime Statistics

   1997 Crime Picture for Tucson

   Tucson's Overall 1997 Crime Rate, given Population Growth, is About the Sam Years.

   Tucson's 1997 Crime Totals were up 4.5% from 1996, including noticeable incr Robberies, Auto Thefts, Frauds, Criminal Damage, and Commercial Sex. Decli seen in Aggravated Assault, Weapons Crimes and Driving Under the Influence. Longer Term Basis, Robbery, Auto Theft, Criminal Damage, Offenses Against Youth, and Runaway Juvenile Crime Rates are at All Time Highs for Tucson.



Enlarge Graph

3. **Percent of people who feel safe in their neighborhood** If you want to know th safety of neighborhoods, simply ask residents how safe they feel. Surveys will b conducted to gather this information.

   Source: Resident survey

   Results from last Tucson Police Department Survey:

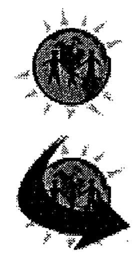
   - Do you feel safe walking in your neighborhood during the day?
   - 90% yes
   - Do you feel safe being out in your neighborhood at night?
   - 60% yes
   - Do you feel safe in your home at night?
   - 85% yes

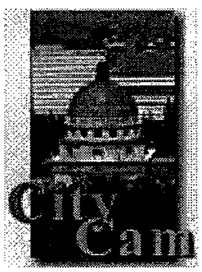
What YOU Can Do

- Get to know your neighbors
- Set a consistently good example for children
- Participate in a neighborhood watch program
- Report any suspicious activity to the Police Department (791-4444, or 911 for e
- Keep your yard free from rubbish and flammable materials

Featured Project for this goal indicator.

Better Alternatives to Automobile Transportation





Featured Projects: Pedestrian Master Plan and Corridor Studies

Description
Pedestrian Master Plan: As part of its efforts to promote alternate modes of travel, the of Transportation has included the creation of a Pedestrian Master Plan in the Fiscal Y 01 budget. The goal is to have a systematic method to complete pedestrian routes, esp routes connecting schools to neighborhoods, or connecting the disabled population to such as SunTran.

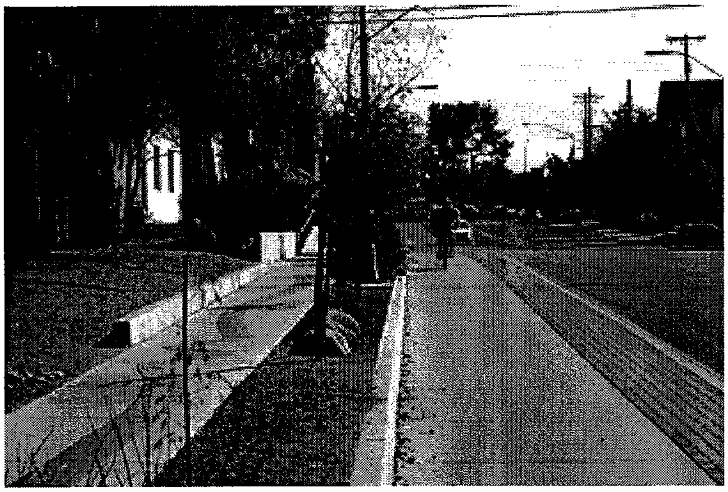
Corridor Studies:
The Stone Avenue Corridor Study and the 5th/6th Street Livability and Circulation St examples of corridor studies that are now being conducted by the Department of Tran These studies go beyond traditional transportation studies to look at issues of circulati livability, economic development, and aesthetic improvements.

Key Features
The pedestrian master planning efforts will include documentation of existing sidewal pedestrian-ways, as well as developing an implementation plan for future sidewalk an projects.

Corridor Studies:

- Public forums held along the corridors to explore problems and opportunities
- Formation of a Citizens Corridor Advisory Group to provide feedback for the p
- Propose alternatives and gather public comment

Partners
The pedestrian master plan effort will require the assistance of many city departments, neighborhood groups, to ensure that the documentation is complete and that the imple done in conjunction with other planned projects.



Critical to the success of corridor studies are the active involvement of corridor reside
businesses, schools and users of the corridors, as well as coordination and collaboratio
relevant departments within the city.

Impact

A Pedestrian Master Plan is an important step toward creating a more walkable, pedes
friendly city. It will help to document the most critical needs facing pedestrian travele
identify priorities, timelines, and resources for addressing them.

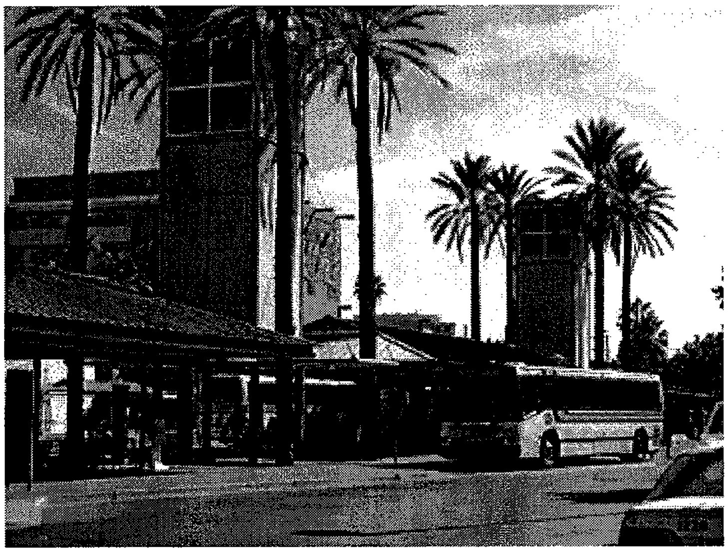
Recognizing the interrelationships between transportation and the corridor users and r
studies seek to improve and promote safety, convenience, lighting, sidewalks, bicycle
transit use.

For more information about Pedestrian Master Plan and Corridor Studies, contact Kim
791-4372, kmckay1@ci.tucson.az.us

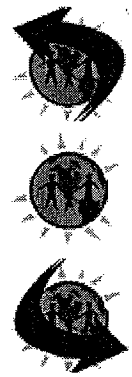
Other Projects That Further This Goal:

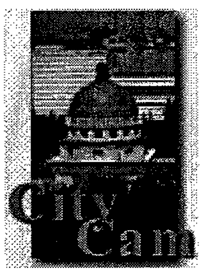
- Downtown Depot Intermodal Center
- South Park Avenue Pedestrian, Transit, and Public Art
- Runabout: Neighborhood Shuttle (with Tucson Association for the Blind)
- Bikeways Program supported by City Bicycle Coordinator

Goal Indicator definition for this project.



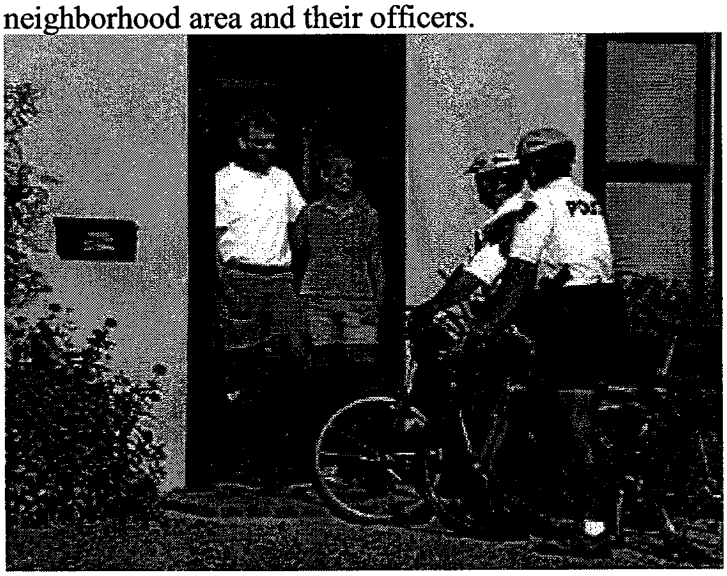
Safe Neighborhoods





Featured Projects: Community Policing and the School Resource Officer Prograı

Description
Implemented in 1995, Community Policing is a collaborative policing philosophy that patrol officers into neighborhoods and business areas. Community Policing differs fro traditional model of policing in that police officers are more directly involved with nei and their resident associations in an effort to address problems of crime, neighborhooc gangs, and drugs. Officers attend neighborhood association meetings and are involved neighborhood activities such as National Night Out, clean-ups and peace marches. Ofl enforcement activities based upon the priorities mutually identified by the people livin neighborhood area and their officers.

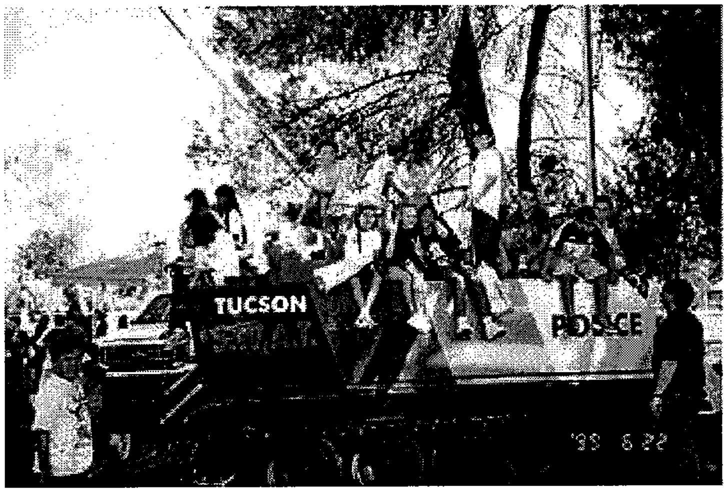


In Tucson Police Department's School Resource Officer (SRO) Program, officers are a full time basis to a middle school and the associated feeder elementary schools. The as role models for the children, spending time in classrooms teaching gang resistance safety awareness, civic responsibility, and reinforcing self-esteem. A key component i curriculum is the Gang Resistance Education and Training (GREAT) program, a natio gang program.

Key Features

With Community Policing:

- The primary focus of service is at the neighborhood level.
- Each neighborhood has a small group of officers who patrol the neighbhood anc with the residents when not responding to calls.
- Officers work with neighborhood associations and Citizen and Neighborhood S address neighborhood issues.



The SRO program:

- Assigns police officers to middle and elementary schools
- Has officers teach students in their classrooms
- Includes GREAT as part of the curriculum

Partners
Neighborhood Enhancement Teams (NET Teams), city departments, neighborhood as outside government agencies, parents, local businesses, churches, and local school dis

Impact
With Community Policing, neighborhoods participate both in the identification and so the underlying problems of crime - empowering the residents and shifting control bacl neighborhood.

The SRO program is a prevention program that allows police officers to connect with daily basis in an effort to help them practice socially acceptable behavior, realize their potential, and become model citizens.

For more information about Community Policing and SRO, contact Capt. John Leavitt jleavit1@ci.tucson.az.us

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Other Projects That Further This Goal:

- Neighborhood and Business Watch Programs
- Graffiti Abatement Team ï Safe By Design Planning Standards
- Property Abatement Program

Goal Indicator definition for this project.