City of Kenmore

City of Kenmore - 18120 68th Avenue NE - P.O. Box 82607 - Kenmore, WA 98028
Phone: 425-398-8900 - Fax: 425-481-3236 - E-mail: cityhall@kenmorewa.gov

City of Kenmore
City Council Special Study Session Agenda
6:30 p.m., Monday, April 7, 2014
Kenmore City Hall, Council Chambers
18120 68th Ave. NE, Kenmore, WA 98028

If you have any questions or to confirm agenda items prior to the meeting, or if you require special accommodations, please call the City Clerk at 425-398-8900. You may also stop by City Hall at 18120 68th Avenue NE, Kenmore. Council agendas are also available on our website at www.kenmorewa.gov.

I. 6:30 p.m. - CALL SPECIAL MEETING TO ORDER

II. EXECUTIVE SESSION
Pursuant to RCW 42.30.110(1)(b), Property Acquisition

III. POSSIBLE ACTION RELATING TO EXECUTIVE SESSION

IV. 7:00 p.m. - CALL STUDY SESSION TO ORDER

V. STUDY SESSION AGENDA

A. Center for Priority-Based Budgeting (CPBB) Webinar and Proposal - Joanne Gregory, Finance & Administration Director
Agenda Bill & Attachment

B. Establish a Pedestrian and Bicycle Safety Ad Hoc Committee - Rob Karlinsey, City Manager
Agenda Bill & Attachments

VI. STAFF REPORT

VII. COUNCILMEMBER REPORTS & COMMENTS

VIII. ADJOURNMENT

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: Center for Priority Based Budgeting Webinar and Proposal	For Council Meeting Agenda of: **April 7, 2014**
	Department: Finance and Administration
	Prepared by: Joanne Gregory
	Initial & Date
	Approved by Department Head: JMG 3/7/14
	Approved by City Attorney: –
	Approved by Finance Director: JMG 3/7/14
Proposed Council Action/Motion: Motion to authorize City Manager to execute an agreement in the amount of $38,500 for implementation of a priority based budgeting program.	Approved by City Manager: RJK
	Exhibits/Attachments: Achieving Fiscal Health and Wellness Through Priority Based Budgeting

Expenditure Required	Amount Budgeted	Appropriation Required
$38,500	$0	$38,500

INFORMATION/BACKGROUND:

Priority based budgeting is a program that establishes budget priorities as part of the budgeting process. The Center for Priority Based Budgeting proposes to provide consultation services to the City Council and Management Team. During the City Council retreat, it was noted that a webinar on the topic and process would be an opportunity to hear an explanation of the program which would assist in determining if this approach is right for Kenmore.

FISCAL CONSIDERATION:

No funds are budgeted for this project and $38,500 would need to be appropriated during a budget amendment from General Fund balance reserves. A summer management intern has been hired to assist with this project should it be approved.

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

City Council Retreat Agreement Three: To schedule a webinar for the City Council on Priority Based Budgeting to learn more about the program and help determine if the city would like to adopt this budgeting approach.

CPBB

CENTER FOR
PRIORITY BASED BUDGETING

Using a Unique Lens to Focus Community Resources on Results

Achieving Fiscal Health and Wellness *through* PRIORITY BASED BUDGETING

A Proposal for

The City of Kenmore, Washington

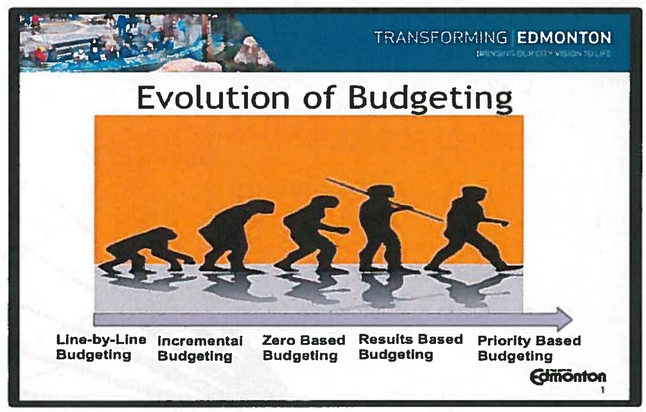
Center for Priority Based Budgeting
13701 W. Jewell Avenue, Suite 28
Lakewood, CO 80228

Executive Summary

"Challenges facing local governments today literally requires a new way to see. It's as if our vision has been blurred by the extraordinary stress of managing in this complex economic environment. Whether attempting to rebuild in a post-recession climate, or persevering through another year of stagnating or declining revenues, the challenge remains: how to allocate scarce resources to achieve our community's highest priorities. Through the new lens of Fiscal Health and Wellness through Priority Based Budgeting, which provides powerful insights, local governments are making significant breakthroughs."

- Jon Johnson and Chris Fabian, *Seeing Things Differently*, Public Management (PM) Magazine, 2012

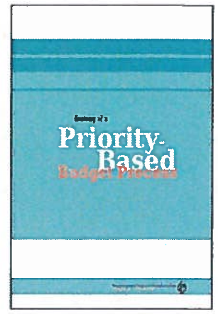
The ***Center for Priority Based Budgeting*** is extremely pleased to provide this proposal in response to the ***City of Kenmore's*** request for advisory, analytical and facilitation assistance in the development and implementation of a ***Priority Based Budgeting*** (***PBB***) process. We believe that our unique and timely results-based approach to resource allocation addresses the needs of local governments everywhere as they struggle to deal with unprecedented budgetary constraints as well as strive to achieve long-term financial sustainability.



While serving as local government practitioners, ***CPBB*** co-founders Jon Johnson and Chris Fabian developed the process and tools needed to successfully implement this approach to ***Priority Based Budgeting.*** We created this process to address our belief that there needed to be a methodology that would successfully link the stated strategic priorities that an organization strives to accomplish with the way resource allocation decisions are made through the budget process. Because of its specific relevance to local governments needing to address their immediate short-term budgetary distress, our ***Priority Based Budgeting*** process has gained nationwide recognition and has been promoted by the International City/County Management Association *(ICMA)*, the Government Finance Officers Association *(GFOA)* and the Alliance for Innovation.

In 2012, the International City/County Management Association (*ICMA*) recognized ***Fiscal Health and Wellness through Priority Based Budgeting*** as a leading practice for local governments. Seeing that the results of this process have helped over forty-plus (40+) communities from across the nation find a common approach in their pursuit of results-oriented resource allocation has been overwhelmingly rewarding. Having ICMA declare this work as a leading practice, encouraging every local government to move toward the achievement and implementation of ***Priority Based Budgeting*** furthers the purpose and mission of ***CPBB*** for the future.

In collaboration with GFOA, we were honored to co-author "***Anatomy of a Priority Based Budget Process***", a white paper published by GFOA in 2011, which establishes and documents a step-by-step methodology for any organization to successfully implement ***Priority Based Budgeting***. This white-paper relied heavily on our experiences and the lessons learned from the pioneering organizations we assisted from 2009 through 2010 as they implemented this unique and innovative process. Since that time, we have significantly enhanced the process even further, incorporating citizen engagement strategies, addressing succession planning, and assisting in the framing of labor negotiations.



In the forty-plus (40+) local governments that ***CPBB*** has provided advisory leadership in the implementation of ***Fiscal Health and Wellness through Priority Based Budgeting,*** we have seen that this process not only provide a way in which an organization can make better short-term resource allocation decisions based on the relative priority of the various programs and services it offers, but also provide a new way to link budget decisions to the strategic results and outcomes that the organization wishes to achieve for the long-term. Furthermore, our "***Resource Alignment Diagnostic Tool***" is truly unlike anything previously available to local governments, providing (*as the City Manager of Fairfield, California coined the phrase*) "***a new and unique lens***" on how government spending is aligned with priorities.

The following proposal was developed with the understanding that this project would begin in ***March 2014*** and that the final ***"Resource Alignment Diagnostic Tool"*** would be completed by ***July/August 2014*** in order to assist the ***City of Kenmore*** in the development of its fiscal year **(*2015-16*) *Budget***. With the delivery of the ***"Resource Alignment Diagnostic Tool"***, the ***City of Kenmore*** will be ready to engage in new and unique conversations as the information gathered during the ***Priority Based Budgeting*** process is utilized to better inform and validate the ***City of Kenmore's*** budget decisions, as well as demonstrate how this process might be used to engage the community in future budget cycles.

Given that any previous efforts that can be directly leveraged are unknown, ***the total proposed estimated budget for this project is $38,500.00***. If the full scope as outlined in this proposal is not needed, the total proposed estimated budget for this project may be revised downward.

It is gratifying and rewarding for ***CPBB*** to be able to offer its assistance to the ***City of Kenmore***. ***CPBB*** very much respects the work that you have already accomplished and the vision you have in bringing this leading practice to your organization. It will be an honor and a pleasure to work with you to help it achieve all the benefits and outcomes of our ***Fiscal Health and Wellness through Priority Based Budgeting*** process, which we believe will lead local governments to more open, transparent and sustainable decision-making for years to come.

Best Regards,

Jon Johnson Chris Fabian

Center for Priority Based Budgeting
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Denver, CO 80426-1926
Jon - 303-909-9052 *or* jjohnson@pbbcenter.org
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Scope of Implementation Services – Priority Based Budgeting

Fiscal trends and conditions, which are primarily beyond an organization's control, represent a reality with which all local governments, school districts, special districts and non-profit entities must cope. Addressing those fiscal realities while still meeting the objectives of the organization as well as the expectations of its constituents represents the biggest challenge to any organization's long-term sustainability.

Traditional responses to a financial crisis such as "***across-the-board cuts,*" *employee furloughs, pay freezes, selling assets,*** or mere cosmetic ***"accounting gimmicks"*** are typically ***not*** the most effective treatments to turn to when trying to close an ongoing *"gap"* between ongoing revenues and ongoing costs to provide programs and services. Local governments choosing to implement ***Fiscal Health and Wellness*** as a treatment regimen are making substantial progress because they are doing the analytical work required to more accurately diagnosis the reasons behind their fiscal issues and then determining the best treatments that lead to a viable cure.

Fiscal Health can only be achieved by properly diagnosing the symptoms and causes of your organization's budget issues, allowing you to "*prescribe*" the correct treatments that can alleviate your fiscal distress. Applying the wrong treatment will not "*cure what ails you*" and may even make matters worse. Once your organization is fiscally healthy, it can then become financially sustainable in the long term by implementing a ***Fiscal Wellness*** regimen that revolves around the principles of ***Priority Based Budgeting***. Through this process, Jon Johnson and Chris Fabian have already helped dozens of local governments achieve ***Fiscal Health and Wellness*** in this tough and unprecedented economic climate. Additionally, by implementing ***Priority Based Budgeting***, cities and counties alike have now found a way to link their strategic goals and objectives with the budget process and with their performance measurements.

Fiscal Health and Wellness *through* ***Priority Based Budgeting***, is an objective and transparent decision-making process, one that ensures programs of higher value - those that achieve an organization's objectives most effectively – can be sustained through adequate funding levels regardless of the fiscal crisis "*du jour*." Regardless of whether there are ***more*** resources to distribute or ***less, Priority Based Budgeting*** leads decision-makers away from the traditional "*across the board*" reduction mentality and guides them towards allocating available resources to those programs most highly valued by the organization and the community it serves.

The creative, organic, and diagnostic process developed by the ***Center for Priority Based Budgeting*** **(CPBB)** progresses from a diagnosis to a prescription that ultimately enables communities to link funding decisions to their avowed priorities. The processes also bring together local government managers, finance officers, elected officials, civic leaders, and community stakeholders to make decisions that better align the community's resources with what the community and its leaders value the most.

Through this unique results-based resource allocation process, organizations successfully:

- Identify and define the strategic *Results* that their organization seeks to achieve to meet community expectations

- If desired, provide a framework for involvement of community stakeholders in validating and/or helping to define the organization's *Results*
- Develop a comprehensive list of programs and services offered by the organization and identify the costs of those services
- Evaluate and determine the degree to which those programs and services contribute to the achievement of the identified *Results*
- Prioritize programs that highly achieve those identified *Results* as compared with programs that are less of a priority in terms of their impact on *Results*
- Align resource allocation decisions with higher priority programs
- Provide a "*new lens*" through which the organization can clearly see where opportunities exist to refocus attention on programs that are of the highest priority to the community and shift resources away from those programs that are not highly relevant in terms of achieving the organization's *Results* for the community
- Lead the organization in the development of measures and metrics that demonstrate how a program achieves the identified *Results*

The methodology and approach involved in the implementation of ***CPBB's*** unique and innovative approach to ***Priority Based Budgeting (PBB)*** are as follows:

Step 1) – DETERMINE RESULTS - accurate prioritization of programs, reflecting the organization's stated purpose, depends on the comprehensive identification of the *Results* it exists to achieve.

Results help to identify the very fundamental reasons that a local government exists – articulating all the ways it serves the needs of the community (*as opposed to a list of specific projects or initiatives that need to be considered during the next budget cycle*). They are meant to answer the question, "***What are we, as an organization, in business to do?***" *Results* are more overarching in nature and will "*stand the test of time*," as opposed to more short-term needs or tasks that normally have a targeted "finish-line." Finally, *Results* are truly unique to your community, in that they attempt to represent why your local government exists and why it offers the types of unique services it does to the community.

As *Results* are developed, there is a distinction made between "***Community-oriented Results***"**,** which help define why certain programs are offered directly to the community, and "***Governance-oriented Results***", which help define why internally focused programs are offered by various support functions such as Finance, Human Resources, and Information Technology. Through its research and work with other local governments, ***CPBB*** has found it imperative in achieving the best outcomes from its ***Priority Based Budgeting*** process that an organization distinguish between "*Community Programs*" (i.e. programs that directly serve the community) and "*Governance*

Options to Consider:

- Has your organization already identified and established a set of ***Results***?
- Will a new set of ***Results*** need to be developed?

You have the flexibility in the ***PBB*** process to validate existing ***Results***, or start fresh by establishing new ***Results***

Programs" (i.e. programs that are more internal in nature and generally support the administration, elected officials and departments within the organization). In order to understand the relevance of *Governance Programs*, we need to evaluate them against different *Results* than *Community Programs*, because *Governance Programs* exist within the organization for fundamentally different reasons than do the *Community Programs*. Even though the scoring criteria might be different for each of these two types of programs, the process allows you to ultimately look at all offered programs from an overall City-wide perspective in the eventual program prioritization array.

The main deliverable for ***Step 1*** includes the identification of *Results* for both "*Community-focused*" programs and "*Governance-focused*" programs, against which programs and services can be validated to establish priorities for the City as the ***PBB*** process unfolds.

***CPBB** will help the **City of Kenmore identify and/or** validate its **Results** by:*

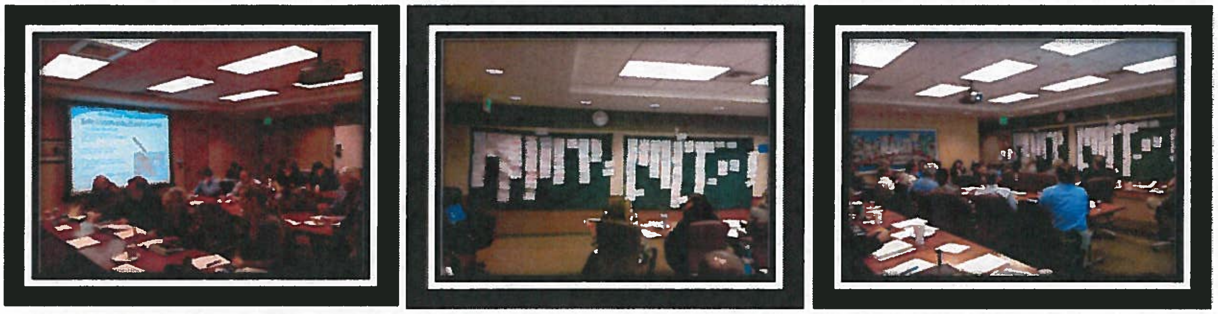
- Leveraging the strategic planning efforts already completed by the City as it works to articulate the City's stated *Results* for the purposes of program prioritization
- Conducting a "*Results Validation*" exercise to confirm that the City's current *Results* are complete, and provide an opportunity to address any *Results* that may not have been identified
- Assisting in distinguishing those *Results* from more specific *(and short-term)* objectives, tasks, and projects, for the purposes of facilitating program prioritization.

OR

- Facilitating a collaborative workshop with the ***City Council, the City's Budget Team, administrative staff, department heads and/or other identified stakeholders*** to identify the *Results* that the City wishes to achieve.
- Assisting in distinguishing those *Results* from more specific *(and short-term)* objectives, tasks, and projects, for the purposes of facilitating program prioritization.

Step 2) Clarify Result Definitions **- precision in Priority Based Budgeting depends on the clear articulation of the cause and effect relationship between a program and a defined *Result*. With clearly defined "*Result Maps*," detailing the factors that influence the *Results* the City is in business to achieve, it can seek to minimize subjectivity in the process of linking those *Results* to programs or services offered to the community.**

CPBB will lead your elected officials, Executive/Leadership Team; Budget staff, department heads, management staff and/or community stakeholders (*if desired*) through a facilitated exercise to develop comprehensive definitions for your City's *Results* that were identified as outlined in ***Step 1***. Participants in the "brainstorming" exercise will contribute by expressing all of the many ways that the City's *Results*



can be achieved, with ***CPBB*** then organizing all of those answers into similarly themed groups that form the basis for each of the *Result Definitions*. The technique is called ***Affinity Diagramming*** - a proven and powerful method that: a) gathers large and comprehensive amounts of information about all of the different ways your City's *Results* can be defined, and b) does so in an extremely efficient manner that makes the most optimal use of the participant's time while still producing complete definitions.

These pictures demonstrate the CPBB "Strategy Mapping" workshop with the City of Sacramento, California

Following the exercise, ***CPBB*** will produce draft "***Result Maps"*** for each of your City's stated *Results*. These "***Result Maps"*** provide a simple, graphic way to organize and articulate the concepts identified in the facilitated exercise as the definitions around each *Result*. "***Result Maps"*** serve as one of the key criteria for *program scoring*, which will take place in ***Step 4*** outlined below.

CPBB prides itself on its ability to train organizations it has worked with on the ***Affinity Diagramming*** approach. Staff from your City will not only participate in the development of the City's "***Result Maps"***, but will also be trained so that they may conduct their own "***Result Mapping"*** sessions when facilitating their own "brainstorming" sessions involving staff or citizens.

Options to Consider:

- Will it be important to invite the community into this process?

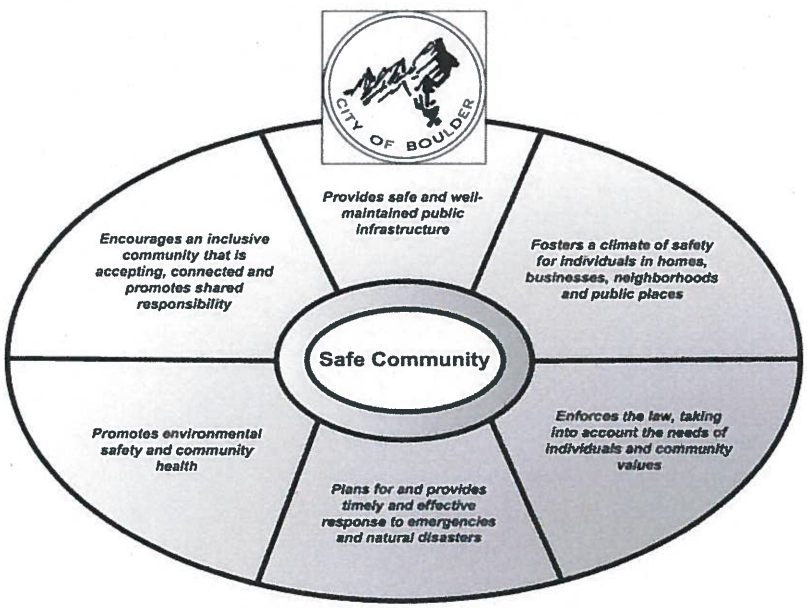
Citizen engagement can be very effective in the *Results definition* process. ***CPBB*** offers several options for reaching out to citizens, including a web-based approach and live workshops

*Specifically, **CPBB** will help the **City of Kenmore** clarify **Result Definitions** by:*

- Utilizing the proven "*Result Mapping*" exercise, ***CPBB*** will facilitate a workshop with ***City Council, the City's Budget Team, administrative staff, department heads and/or other identified stakeholders*** to define outcomes and objectives relative to each *Result*. The process uses affirmative inquiry and open-ended questioning to garner a specific response that helps better define the City's *Results*. *(If desired, the workshop lends itself well to involving community stakeholders.)*

- Leveraging information included in any of the City's existing strategic documents, vision statements and/or mission statements to ensure that this work is incorporated in the development of the *Result Definitions*.
- Facilitating a collaborative work session to establish *"Governance" Results* to support the prioritization of internally focused programs (*i.e. Finance, Legal, Human Resources, Information Technology, etc.).*
- Developing ***"Result Maps"*** for each of the determined *Results* for review and approval by staff and/or City Council members.
- Summarizing the responses provided during the "*Result Mapping*" exercise to capture the entirety of ideas offered by the participants.
- Facilitating, if desired, a process with elected officials, Administrative staff, Department Heads, and/or other internal or external stakeholders to "*weight*" the relative importance of the City's stated *Results,* which establishes the *Result* weighting factors utilized in the calculation of program scores. This is another effective exercise proven to engage community stakeholders in the process of validating the organization's *Result Definitions.* (Result Definition process for community stakeholders is not included in proposal pricing)

This graphic illustrates a "Result Map" from the City of Boulder, Colorado that clearly defines their Result of achieving a "Safe Community."



Step 3) Identify Ongoing Programs and Services **- differentiating programs and services offered by the City to the community, as opposed to drawing only a comparison between each of the individual departments that provide services to the community, builds a common understanding of exactly what the entire City offers to its constituents and leads to a more effective means of making discrete resource allocation decisions through the Priority Based Budgeting process.**

One of the key objectives that your City will achieve with this process is the identification of programs and services it offers, as well as the cost for these programs. The ***"Program Inventory"*** will clarify the breadth of services provided by your City, and highlight key characteristics of each program *(e.g., the full cost of providing the program and level of revenues that program directly generates to support its operations)*. The ***"Program Inventory"*** is a tremendously valuable tool in and of itself but also serves as the basis for discussion of prioritizing resources – programs are prioritized based on their influence on *Results* (which will be the focus of ***Steps 4 and 5***).

Many Cities attempt to *"prioritize"* their spending by comparing one department or division against another rather than determining which of the typically hundreds of programs and services offered across the organization are more highly valued than others. By developing a comprehensive list of programs offered by the City and identifying the costs of those services, your City will be able to better understand at a more discrete level what programs it provides and how much it costs to provide them.

CPBB founders wrote the guidelines for developing a ***"Program Inventory"***, as published by the Government Finance Officers' Association (GFOA) white paper on ***Priority Based Budgeting***, entitled ***"Anatomy of a Priority Based Budgeting Process"*** (GFOA, 2011). These guidelines form the basis for ***CPBB's*** work with an organization in developing a ***"Program Inventory"***. Critical to this process is finding the right level of detail when identifying discrete programs. If a program is too big or encompasses too much, it will not provide sufficient perspective and information – that is, it will be very difficult to describe the precise value the program creates, or to use program cost information in decision making. However, if program definitions are too small, decision makers can become overwhelmed with detail and be unable to see the big picture. ***CPBB*** will work with your City to establish the right level of discretion in the creation of ***"Program Inventories"***.

Tool Profile: Program Costing Tool

Individual elements of the ***Priority Based Budgeting*** approach can actually be valuable, in and of themselves. Getting to a program level understanding of "*what you do,*" and a transparent and accurate understanding of "*how much it costs*" to provide those programs is a critical ingredient for understanding what options you have as an organization to change what you're currently doing. Furthermore, the only way to get to the answer of questions like "*can we provide this program more efficiently,*" or "*are we the best source to offer this service,*" or "*are we truly recovering the direct AND indirect costs for providing this service"* requires a more complete understanding of what the program ***"is"***, and how much it costs.

Besides being useful for ***Priority Based Budgeting***, you'll have a Tool that:

- allows you to evaluate established or potential fees, rates and charges on a program-by-program basis;
- allows you to compare your organization with other public or private sector providers to help evaluate the efficiency or appropriate sourcing of your programs;
- allows departments to gain a better understanding and more clearly communicate, at a program level, what they do and how much it costs;
- allows you to clearly see how your workforce is associated with programs (i.e. - what are staff spending their time doing);
- and ultimately allows you to transition your approach to budget development from "line-item budgeting" to "program budgeting" - a key breakthrough!

CPBB

If your City already has a head start in developing a *"**Program Inventory**"* or estimating program costs, that information can be directly leveraged as part of this effort. As part of its work, ***CPBB*** will conduct a more comprehensive review of your City's listing of programs and offer additional comments and guidance with respect to specific programs identified. The City will be provided an illustrative listing of program examples gathered from other organizations that have worked with ***CPBB*** for its review and use in refinement of its own "***Program Inventory***". This will provide your City with the assurance that it has developed a complete and comprehensive listing of all activities at a level discrete enough to offer the full benefit of the ***PBB*** process. ***CPBB*** will also evaluate the "***Program Inventory***" listing to ensure that it reflects only programs and services of an ongoing nature as opposed to one-time initiatives or capital-related projects.

With respect to identifying costs for each of the programs identified, ***CPBB*** will provide a workshop and provide templates in order to train staff on how to derive these *program costs*, as well as serve as a resource to staff in providing assistance in the estimation of these costs. ***CPBB*** will provide guidance and coaching that will offer your City techniques and methodologies used in calculating indirect and direct *program costs* and identifying the number of staff associated with each program offered with ***CPBB's*** proven cost allocation tools and templates. ***CPBB*** offers an intuitive "***Program Costing Tool"*** that truly simplifies the process of developing *program costs* through a step-by-step approach that is a shared "task" between each operating department and Budget staff - where each fills in the relevant information that they are best suited to provide.

This screen capture illustrates an individualized departmental "Program Costing Tool" for the City of Wheat Ridge, Colorado's Police Department's Patrol Division

*Specifically, **CPBB** will help the **City of Kenmore** develop an effective "**Program Inventory**" listing and determine program costs by:*

- Facilitating a workshop to help department heads and other identified staff gain a better understanding of how to define and identity the individual programs and services that are offered by each individual department and to provide guidance in distinguishing between a task (*too small to be considered a program*) and a department/division (*oftentimes too large to be considered a program*).

- Sharing an illustrative listing of program examples gathered from other organizations that have worked with ***CPBB*** to use in developing and/or refining its own "***Program Inventory***".
- Providing worksheets, feedback and coaching in support of the City's overall efforts in developing individual department's "***Program Inventory***" listings.
- Facilitating a workshop to help department heads and other identified staff gain a better understanding of how to utilize ***CPBB's*** "***Program Costing Tool***" to determine program costs
- Developing individualized department and/or division "***Program Costing Tool***" templates to assist in the determination of program costs and associated FTE needed to provide the program; effectively "*flipping*" your line item budget to a program budget.
- Providing guidance and coaching to department heads, division directors, managers and/or supervisors to train them on techniques and methodologies used in calculating program costs (*including direct and indirect costs*) and identifying the number of staff associated with each program offered *(if desired).*

Step 4) Value Ongoing Programs Based on Results **- with the right *Results*, and with clear definitions of those *Results*, your City is now ready to more accurately place a value on individual programs (and potentially one-time initiatives) relative to its influence on achieving the City's stated *Results*.**

In evaluating programs through the scoring phase, it is essential to give departments the first opportunity to score their own programs, relative to your City's *Results* and demonstrate why they believe their programs are influential in achieving those *Results*. This gives departments the chance to provide their own unique intelligence on their own programs that no one else but the program providers would have known. Not only does this help solidify organizational buy-in but at the same time provides a more thorough and complete understanding about everything the City does and how those programs help achieve the identified *Results* (i.*e. "why" we offer the program*).

The ***Peer Review*** phase then provides for an authentication process to validate (*and question*) the department's belief that their programs are indeed relevant to your City's *Results*. Several organizations have commented that, unlike other more conventional approaches to performance measures, ***Peer Review*** provides a forum for a far better discussion that leads to a clearer understanding of how programs truly influence *Results*. Furthermore, departments gain a City-wide perspective about programs being offered across the organization, which has led to uncovering program redundancies. This step in the process has also led to cross-departmental collaboration, as departments discover that they provide similar programs to other departments. Additionally, this process has contributed to a change in the organizational culture as departments are tasked with the duty of objectively analyzing programs that aren't their own (i.*e. a "jury of their peers").*

The effect of ***Peer Review*** has been remarkable, not only for the purposes of ***PBB***, but for bringing an organization together to look at the programs they offer in the context of how they collectively achieve the *Results* that the community finds meaningful. In a sense, ***Peer Review*** begins to break down the old departmental *"silos"* and lets staff see the world from a more global perspective. Ultimately, it is through this step that more accurate *program* scores emerge, that a better understanding of *programs* is developed, and an assurance that the outcome of the entire process is objective and valid. For the long-term, this phase in the process sparks the discussion of how to determine what measure, metric or *"key indicator"* will substantiate the fact that a program's desired outcome is achieving that objective.

Specifically, ***CPBB*** *will help the* ***City of Kenmore value programs*** *based on their stated Results by*:

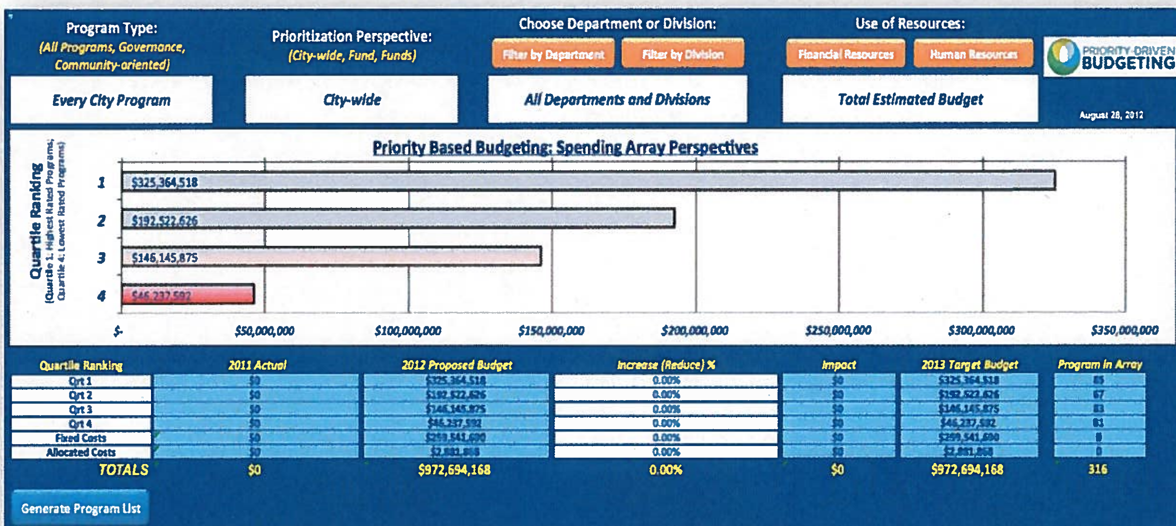
- Developing and creating individual department "***Program Scorecards***" that facilitate the City's effort to score programs based on the program's influence on *Results* and on the identified *"Basic Program Attributes".*
- Conducting a workshop for department heads, division directors, managers and/or supervisors to train them on the program scoring process.
- Facilitating a discussion to identify ***"Basic Program Attributes"*** to help the City determine *"what characteristics would make a program a high priority*?" ***"Basic Program Attributes"*** are defined as additional program characteristics that influence the priority of a program, beyond the program's ability to influence *Results*.
- Assisting the organization with the development of ***Peer Review Teams*** to ensure they are cross-functional in nature and maintain the level of objectivity needed to make this phase of the process successful. This is another part of the process where including external stakeholders from the community is a potential area of interest.
- Providing coaching and support to the ***Peer Review Teams*** in the evaluation of program scores, encouraging them to interview program managers to hear evidence that justify assigned program scores, and then in recommending program score adjustments where appropriate.
- Evaluating the City's efforts in performance management and performance measurement to leverage existing measures in the process of justifying program scores – linking performance management and measurement to program scoring, and thus tying these measures into the budget process.
- Accumulating the information provided through the program scoring and peer review phases into a "***Master Program Scorecard***"
- Developing a "*Peer Review Exception Report*" to identify the impact of changes to the department's initial program score made by the ***Peer Review Teams***.
- If desired, coaching the City on how to utilize a similar process in evaluating significant capital projects and other one-time initiatives to determine which of these are of the highest priority in terms of accomplishing the City's overall *Results*.

Step 5) Allocate Resources Based on Priorities **–ultimately, the *Results* identified and defined by the City and the programs that achieve those *Results* become clearly articulated in the budget through a process in which resource allocation decisions are linked to the prioritization of those individual programs and services.**

Once programs have been scored against the *Results* and a relative value determined, the entire list of your City's offered services can be arranged in order of "*highest priority*" (those programs most relevant in achieving the City's stated *Results*) to "*lowest priority*" (those programs that are less relevant in achieving those *Results*). The programs are then grouped into four "***Quartiles***" based on the similarity of the scoring ranges, with *Quartile 1* representing those programs of the highest priority and *Quartile 4* including those programs of the lowest priority.

Individual costs are then associated with each program in order to develop a final "*Spending Array by Quartile*." ***CPBB*** takes this information and develops a customized "***Resource Alignment Diagnostic Tool"*** that can be utilized by the City in 1) assessing its spending profile in terms of aligning resources with identified priorities; 2) developing "*target budgets*" for departments based on their individual prioritized spending profile and 3) analyzing programs using the "***Resource Alignment Diagnostic Tool's"*** unique filtering capabilities.

This graphic depiction from the City of Cincinnati, Ohio of its ***"Resource Alignment Diagnostic Tool"*** helps illustrate how the *Results* of an City's ***Priority Based Budgeting*** work can be used to derive



departmental resource allocation *"targets."* With the "***Resource Alignment Diagnostic Tool"***, your City will have a "*unique lens*" to see your programs not only in terms of their relevance to *Results*, but also in light of mandates, fee structures, citizens' reliance and community partnerships. This *unique lens* allows staff to efficiently analyze programs and gain insights into areas such as:

- *Programs supported by specific user-fees* ***VS****. those funded through general government revenues (taxes)*
- *Stringently mandated services* ***VS.*** *programs without any legislative requirement*
- *Programs that the community depends exclusively upon the local government to provide* ***VS.*** *programs offered by other entities in the community (private, non-profit, etc.)*
- *Programs that highly achieve one or more of the local government's stated Results* ***VS.*** *those programs that do not help to achieve any of those Results.*

- *Direct **VS**. indirect costs for services (potentially, if desired)*

In addition, the *"**Resource Alignment Diagnostic Tool**"* provides staff and the City's City Council members with a way to engage in more powerful and meaningful discussions that address questions such as:

- *What services are truly mandated to be provided by the local government, and how much does it cost to fulfill those mandates?*
- *What programs are most appropriate to consider a discussion about establishing or increasing user-fees?*
- *What programs are most appropriate for discussions about partnerships with other service providers in the community?*
- *What services might the City consider "getting out of" the business of providing altogether?*
- *Where are there apparent duplications in services offered across the organization that might lead to a meaningful efficiency discussion?*
- *How can succession planning be incorporated to focus on training staff providing lower priority programs to fill the positions left vacant in higher priority programs?*

*Specifically, **CPBB** will help the **City of Kenmore** develop a **resource allocation** methodology based on priorities by:*

- Calculating final program scores and developing the quartile rankings for all the City's programs and services based on their relative score.
- Calculating and applying the "weighting factor" to each *Result* as determined by the responses from the "*Results Weighting Exercise*" *(if desired).*
- Associating program costs and associated FTE counts with the scored programs to develop a final calculation of the City's total budget by quartile ranking (*the "Spending Array by Quartile" – a summation of program costs by quartile ranking).*
- Providing the City with an interactive "***Resource Alignment Diagnostic Tool***" that will guide all resource allocation calculations based on the prioritization of programs (*allowing allocations to be summarized by Fund, by Departments, etc.*)
- Training staff on how to use the "***Resource Alignment Diagnostic Tool***" to provide them with both the ability to efficiently analyze programs by way of the filtering capabilities of the "***Resource Alignment Diagnostic Tool***," creating unique perspectives on the City's programs as outlined in the discussion above, and to gain a new perspective on the programs offered by the City, allowing for better analysis and leading to more powerful and meaningful discussions.
- Offering guidance in using the "***Resource Alignment Diagnostic Tool***" to identify which of the City's highly relevant programs should be evaluated in terms of effectiveness and efficiency and how to use the ***Priority Based Budgeting*** process to continuously refine performance metrics to ensure the identified *Results* are being achieved.
- Providing a high level interpretive analysis of the data available in the "***Resource Alignment Diagnostic Tool***" and identifying opportunity areas for discussion related to programs and their continued relevance to the City.

- Recommending ways to incorporate ***PBB*** into the City's budget development process as well as providing "***Budget Transmittal Form***" templates to guide departments in communicating their recommended program level budgets within the context of ***PBB*** and to demonstrate the allocation of general government resources is being focused on higher-priority programs. *(if desired)*

Implementation Plan and Approach to Pricing

Once the March 2014 start date for the project is confirmed, ***CPBB*** will develop an implementation timeline that normally spans a ***five to six month*** time period in which it can guide the City of Kenmore through the ***Priority Based Budgeting*** process. This time frame might vary slightly depending on the level of citizen engagement that might be desired ***OR*** the amount of information that might already be in place before the work begins. Typically, ***CPBB*** works with staff to ensure that the process concludes before the City's normal budget development process begins. Once the process is in place and ready to be utilized for the upcoming budget cycle, ***CPBB*** remains available for questions, guidance and general advisory assistance until the City completes its' budget process.

While the duration of the implementation process is anticipated to span several months, the actual workload placed on staff in the City is by no means of a "*day-to-day*" nature. The timeline allows for staff to manage their own internal workload and still participate effectively in the process. This timeline also provides for the scheduling of workshops, team meetings and the tasks performed off-site by ***CPBB*** in the development of the various templates used as well as the final ***"Resource Alignment Diagnostic Tool."*** Having experienced processes that burdened organizations with more intense time requirements and having been practitioners in a local government environment ourselves, ***CPBB*** has specifically designed this process to require staff to devote manageable amounts of time along the way as each step is completed.

CPBB's commitment as a mission-driven entity is to make this process available and affordable to any organization that wishes to receive the benefits it can provide. The necessary budget for any organization will depend on the size of the organization and the amount of work that has already been started before ***CPBB*** is engaged. Typically the budget required for the full implementation of ***Priority Based Budgeting***, exclusive of travel related expenses, is between $38,500 and $50,000. However, we pride ourselves in being flexible and reasonable as we engage in conversations with organizations about the implementation process and will work with you in negotiating costs.

Given the fact that you are a self-described "contract" city, CPBB can leverage this fact for implementation, thus ***the total proposed budget for this project with the City of Kenmore is $38,500.00.*** Travel costs will be billed separately on an occurrence basis and will include airfare, lodging, ground transportation (*rental car, fuel, taxi service*); airport parking and a modest per diem *($60 per day*). ***CPBB*** agrees to work cooperatively with you to reduce travel costs to the greatest extent possible while still meeting the requirements specified in this proposal.

The ***City of Kenmore*** may be asked and should be prepared to provide certain office supply items for use in onsite workshops such as paper, markers, white boards, and other needs as requested by ***CPBB***. These items are estimated to cost no more than $300.

The quotation of fees and compensation shall remain firm for ***a period of 120 days*** from the submission of this proposal.

Company Credentials

The Center *for Priority Based Budgeting*, formed in 2010 by Jon Johnson and Chris Fabian, prides itself in providing creative solutions to local governments struggling to address their own fiscal realities. Our mission is to share our experience and technical knowledge of government financial operations and budget development with organizations that are seeking to achieve ***Fiscal Health and Wellness*** that is sustainable for the long-term. Above all, ***CPBB*** strives to be viewed as a trusted advisor and a dependable, objective resource that assists local governments who are seeking service excellence, transparency to their stakeholders and a strong desire to achieve the *Results* that are important to their community. In particular, our experience in dealing with finance-related issues combined with our backgrounds in performance measurement, achievement of efficiencies, and genuine community engagement, makes the ***Center for Priority Based Budgeting*** a truly unique and beneficial partner in dealing with fiscal issues and budgetary concerns, especially in these unprecedented and turbulent times.

Prior to the creation of ***CPBB,*** Jon and Chris worked as independent local government advisors during 2009 after leaving their positions with Jefferson County, Colorado. During that time they were associated with the International City/County Management Association (*ICMA*) as consulting contractors as well as serving as trainers and speakers for the Government Finance Officers Association (*GFOA*) and the Alliance for Innovation. Before becoming local government advisors, Jon served local governments as a finance/budget practitioner for over 28 years, while Chris served as both a local government budget professional and a management consultant to government organizations, specializing in outcomes-based budgeting initiatives.

The ***Center for Priority Based Budgeting,*** a mission-driven organization, is located at 13701 W. Jewell Avenue, Suite 28, Lakewood, Colorado, 80228, proudly offers its services in helping local government organizations address their fiscal realities both in the short-term and long-term through a new and creative process that is actively being implemented across the country. These "hands-on" practitioners have developed the ***Fiscal Health and Wellness*** process to help cities counties, school districts, special districts and non-profit agencies find the answers to the most relevant questions of the day:

- *How do we **"stop the bleeding"** and properly diagnose our fiscal issues in order to apply the proper treatments?"*
- *How can our organization **"spend within its means**?"*
- *How do we allocate scarce resources to **"top priority"** programs?*
- *How can we link our budget with our strategic goals/objectives and then **"measure"** their performance?*
- *How does our organization head down a path of long-term **"financial sustainability**?"*

CPBB offers the professional expertise, analytical skills and diagnostic tools needed to help your jurisdiction turn these tough times around. For the short-term we can provide you with the tools and techniques you need to assess and monitor your organization's ***"picture of Fiscal Health"***. For the long-term, we can assist your organization in clearly defining its goals and objectives and lead you in a process that prioritizes your spending to align with these goals. Our objective is to help you:

- Diagnose the root cause of your fiscal problems
- Identify effective treatment options

- Establish clearly defined goals for your organization
- Prioritize resource allocation to your most valuable programs and services
- Engage the community in determining what they highly value and expect
- Provide decision-makers with better information about the impacts of their decisions
- Develop the tools you need to see things more clearly through a "*new lens*" with our unique "***Fiscal Health Diagnostic Tool***" and our "***Resource Alignment Diagnostic Tool***"

The ***Center for Priority Based Budgeting*** offer several levels of services to meet the individual needs of your organization as it addresses its short-term and long-term fiscal concerns. These flexible and attainable approaches can be tailored to work with any level of engagement your organization is ready to embark upon. Jon and Chris are available to talk through these alternative approaches and find the best one that meets your particular needs with the main objective being to find the best way to assist your organization in dealing with its fiscal stress and reaching a stable and sustainable level of ***Fiscal Health and Wellness***.

Among the wide range of services available through the
Center for Priority Based Budgeting:

- ***Priority Based Budgeting*** Process Implementation
- ***"Resource Alignment Diagnostic Tool"*** Development
- ***Fiscal Health*** Diagnostic Assessments
- "***Fiscal Health Diagnostic Tool***" Development
- Utility Rate Modeling (*using our "**Fiscal Health Diagnostic Tool**"*)
- Facilitated Goal-Setting / Strategic Planning Retreats *and* Workshops
- Citizen Engagement Facilitation
- ***Fiscal Health and Wellness*** Workshops
- Financial Policy Development
- Revenue Forecasting Support
- Revenue Manual *and* Program Inventory Development
- ***Capital Improvement Plan*** (*CIP*) Development *and* Prioritization
- Internal Service Fund Analysis *and* Development
- Program Costing Support (*direct, indirect and overhead components)*

Please visit our website: www.pbbcenter.org

The CPBB Team

JON JOHNSON

Jon is the co-founder of the ***Center for Priority Based Budgeting***, a Denver-based organization whose mission is to help local governments achieve "*fiscal health and wellness*" during these challenging economic times. Jon has more than 28 years of experience as a practitioner in financial administration for municipalities, counties, school districts and public universities. Throughout his career as a finance/budget director, he has been responsible for the management of all aspects of local government finance operations for both small and large organizations. Jon brings with him not only the "hands-on" technical skills associated with the day-to-day financial operations of local governments, but also the ability to apply a diagnostic approach to the analysis needed to assess the fiscal health of an organization and the management experience to implement the resulting solutions from that diagnostic analysis.

Most recently, Jon served as the Director of Budget and Management Analysis for Jefferson County, Colorado. Previous to that position, he was Assistant Director of Finance for Douglas County, Colorado. Prior to moving to Colorado in 2002, Jon served as the Director of Finance for several municipalities in Missouri, including the City of Blue Springs, the City of Joplin, and the City of Kansas City (MO) Aviation Department. He has also been associated with ICMA as a Senior Management Advisor and with GFOA as a regional trainer and workshop presenter. Jon holds a B.A. in political science and a B.S. in accounting from Missouri Southern State University, as well as a master's degree in College Administration from Pittsburg (KS) State University.

CHRIS FABIAN

Chris co-founded the ***Center for Priority Based Budgeting,*** a mission-driven firm located in Denver, CO, which is dedicated to assisting local governments address their fiscal reality in an entirely new way. During his career, Chris has provided consulting and advisory services to numerous local governments across the country. His consulting experience has focused on public entities at all levels, advising top municipal managers, department heads and program directors from over 60 organizations concerning the fundamental business issues of local government. Of most significance, his work has centered on the budget process as a lever to produce results, accountability and change; performance and outcome-based management; purpose, productivity, and efficiency in operations; and rigorous financial analysis and strategy. Pursing the objectives of Budgeting for Outcomes (BFO), Chris was a partner of the consulting team that implemented BFO in Ft. Collins, Colorado, one of the leading organizations using this approach and is now assisting with their conversion to the priority based budgeting model he developed in partnership with Jon.

Most recently Chris has served as a budget practitioner with Jefferson County, Colorado, where he incorporated the lessons learned from BFO into the development of the ***Priority Based Budgeting*** process. He holds a B.S. in engineering from the Colorado School of Mines.

Jon and Chris have been featured speakers at numerous national and regional conferences webinars, and workshops sponsored by the ***International City/County Management Association*** (ICMA), the ***National League of Cities*** (NLC), the ***National Association of Counties*** (NACo), the ***Government Finance Officers Association*** (GFOA), and the ***Alliance for Innovation*** as well as numerous state and regional organizations such as the ***Municipal Managers Association of Southern California*** (MMASC), the ***Municipal Managers Association of Northern California*** (MMANC), the ***Virginia Local Government Managers Association*** (VLGMA) the ***Tennessee Municipal League*** (TML), the ***Colorado Government Finance Officers Association*** (CGFOA), the Oregon ***Emerging Local Government Leaders*** and the ***Senior Executive Institute at the University of Virginia*** (SEI). They have co-authored several articles describing their approach to ***Fiscal Health and Wellness through Priority Based Budgeting*** for local governments including:

- ***"Getting Your Priorities Straight"*** published by ICMA in the June 2008 issue of ***PM Magazine***
- ***"Leading the Way to Fiscal Health"*** published by Government Finance Officers Association (*GFOA*) in their December 2008 issue of the ***Government Finance Review***
- ***"It's All in the Questions: The Manager's Role in Achieving Fiscal Health"*** a two-part article appearing in the September and October 2009 issues of ***PM Magazine***
- ***"Anatomy of a Priority Based Budget Process,"*** co-authored with Shayne Kavanagh of GFOA, published in the May, 2010 issue of the ***Government Finance Review***
- ***"Anatomy of a Priority Based Budget Process,"*** a white paper on "**Priority Based Budgeting**" as a best practice, published by GFOA in March 2011, co-authored with Shayne Kavanagh
- "***Seeing Things Differently***," published by ICMA in the September 2012 issue of ***PM Magazine***

Who's Looking through the "Unique Lens"…?

The ***Priority Based Budgeting*** process was first developed by Jon Johnson and Chris Fabian for Jefferson County, Colorado, where both of them served prior to April, 2009. After publishing an article in ICMA's professional journal *"Public Management"* (*"PM"*) magazine, Jon and Chris were contacted by several organizations seeking assistance in implementing their ***Fiscal Health and Wellness through Priority Based Budgeting*** initiative. We are honored to be working with some of the most notable local governments in the country to implement and integrate our process and have learned so much because of the work we have accomplished together. Non-profit associations such as the International City/County Management Association (*ICMA*), the Alliance for Innovation, the National League of Cities (NLC), the Government Finance Officers Association (*GFOA*), and the Institute for Local Government (*ILG*) in California are among the most prominent organizations endorsing ***Priority Based Budgeting*** as a best practice – publishing case studies, journal articles and hosting seminars and conferences to promote the accomplishment of cities and counties implementing this work. Among those local governments that have worked with Jon and Chris to introduce ***Priority Based Budgeting*** to their organization are:

- *ARIZONA -* Chandler (*2 years*); Queen Creek; Goodyear; Navajo County
- *CALIFORNIA -* Walnut Creek *(3)* ; San Jose *(3)*; Sacramento *(2)* ; Monterey *(2)*; Salinas, Seaside; Fairfield; Placentia; Mission Viejo; Temple City; La Palma
- *CANADA -* Edmonton*;* Alberta Ministry of Health
- *COLORADO -* Boulder *(3)*; Longmont *(3)*; Fort Collins *(2)*; Wheat Ridge *(2)*; Thornton; Manitou Springs; Victor; Mountain View Fire Protection District; Denver International Airport; Dillon Valley Water/Sewer District; Loveland
- *FLORIDA -* Lakeland *(3)*; Delray Beach *(2)*; Plantation; Pasco County; New Smyrna Beach
- *GEORGIA* Roswell; Cobb County
- *IDAHO -* Post Falls
- *ILLINOIS -* Boone County
- *KANSAS -* Shawnee
- *MISSOURI -* Branson
- *MONTANA -* Billings
- *NEBRASKA -* Grand Island *(3)*
- *NEW MEXICO -* San Juan County
- *NEVADA -* Douglas County *(2)*
- *N. CAROLINA* Cary
- *OHIO -* Blue Ash; Cincinnati
- *OREGON -* Springfield, Tualatin
- *PENNSYLVANIA-* Lehigh County
- *TEXAS -* Plano *(2);* Southlake
- VIRGINIA - Chesapeake *(2)*; Christiansburg
- *WISCONSIN* Janesville
- WYOMING Green River
- *NON-PROFIT'S* Alliance for Innovation; International City/County Management Association (ICMA)

The following examples of engagements with local government entities are meant to be illustrative of the types of advisory services offered by ***CPBB***. While we pride ourselves in tailoring the process to the needs of each organization, the work done with all of our organizations is of a similar nature. Based on the number of local governments that have introduced our process into their culture, we feel we have the technical and creative skill set to work with any entity that wishes to embrace the concepts of ***Priority Based Budgeting.***

1. City of Walnut Creek, California -Priority Based Budgeting Project

Project Scope

Anticipating significant budget shortfalls – even before the national recession unfolded – the City of Walnut Creek began exploring in the summer of 2008 a variety of ways to achieve a balanced budget for 2010-12 and beyond.

CPBB's project scope was described in a memo to staff: "*The process first identifies and defines community Goals; and then scores city programs based on their ability to achieve those Goals. Council, staff and the community each play a specific and important role in the prioritization process. Figuring out together what should change as resources shrink reflects the City's mission of working in partnership with the community*." The City outlined the following notes on the process:

- ***Involves both the community and the staff in the process in an appropriate way.*** The Council as representatives of the community should set the overall goals for what we try to achieve—it's their appropriate role—and involving the community at large is part of our way of doing business. Staff knows the programs best—which are mandated, which generate revenue, which increase efficiency, etc. Figuring out *together* what should change as resources shrink makes sense.

- ***It's a positive process, not a negative one.*** The community process focuses on determining what's most important from a high level, value-based perspective that focuses on common ground and identifying what folks like and want most. It doesn't ask them what programs should be cut which instantly brings out defensiveness and competition. From staff perspective, the process provokes discussion of and learning about programs and activities in a deeper way designed to weaken silo-thinking.

- ***The prioritization process is just a tool not something magic***. It's not intended to cut of all the 4th quartile programs nor leave all the 1st quartile programs untouched. The process has helped us, all of us, have conversations about the how and the why of programs, services and activities in a new and very effective way. But it's not a machine that spits out automatic decisions made without tempering by experience and judgment.

- ***The process is useful both when making reductions and when deciding where to allocate new revenues***. This is not a one time investment of time and energy into a new process. This is a new way to make sure we're spending community resources in ways that match community priorities.

- ***And lastly, we believe the prioritization process is a good fit for the "new normal" that we face.*** The shortfalls between our revenues and our expenses that we have been dealing with for many years, and most dramatically in the last two, are not likely to subside. As we look ahead, a permanent reset back to revenues of 10 years ago or more are what we see. Neither uniform across the board cuts nor major influxes of one-time funds are suited to address the new situation in which we find ourselves.

CONTACT: *Ms. Lorie Tinfow, Assistant City Manager*
925-943-5899 or Tinfow@walnut-creek.org

2. City of Boulder, Colorado -Priority Based Budgeting Project	
Project Scope	The City of Boulder engaged ***CPBB*** in November, 2009 to assist them with the implementation of a ***Priority Based Budgeting*** process in order: • To establish the core goals results and/or objectives (the "results") of the City of Boulder and its citizens and also to articulate them to external as well as internal stakeholders, thus providing a "roadmap" to determine that decisions made are leading the City in the direction of Prioritization; • To implement a holistic process that will align strategic planning with resource allocation decisions (i.e., the budget process) as well as performance measurement and management; • To provide a process by which programs and services offered by the City can be evaluated in order to identify those areas that are of the highest priority in terms of accomplishing the City's overall results; • To provide a process by which significant capital and other one-time expenditures for the foreseeable future can be evaluated in order to identify those projects and initiatives that are of the highest priority in terms of accomplishing the City's overall results; and • To undertake a strategic process that will achieve the identified results Now entering its fourth budget cycle using the ***Priority Based Budgeting*** process, the City of Boulder continues to work with the ***CPBB*** in using this process to link resource allocation decisions with their strategic goals and objectives. ***CONTACT:*** Mr. Bob Eichem, Chief Financial Officer 303-441-1819 or Eichemb@bouldercolorado.gov

3. City of Monterey, California -Priority Based Budgeting Project	
Project Scope	"We have cut millions of dollars out of the City budget over the last two years, and there really isn't anything left to cut that won't be painful for our residents and our employees," said City Manager Fred Meurer. "That is why we have worked diligently this year to get the all of our stakeholders involved in the priority-based budgeting process." In 2010, the City of Monterey engaged staff and residents in a priority-based budgeting process to determine how to best address reduced revenues and a five million dollar budget gap. Rather than make across the board cuts, the city brought in *The Center for Priority Based Budgeting* to help them engage staff and residents in transparently crafting a budget linked to results and values most important to the community. The city hired CPBB because of the proven and refined process for aligning city resources and services with community values that had been implemented successfully in neighbouring California communities. Residents were asked to further define broad goals set by the City Council, and then to prioritize how they wanted their tax dollars spent to achieve those goals. According to "Strong Cities, Strong State," a California think-tank: *"Using a mathematical model developed by consultants with the Center for Priority-based budgeting, the priorities given to specific City programs were considered by executives and the City Council during budget deliberations. The Monterey City Council adopted a balanced 2011-2012 budget and closed a $5 million gap between expenses and revenues with public support and a more informed citizenry.* *"The success of the program encouraged the City to continue its commitment to priority-based budgeting. During the current fiscal year, the program focuses internally as departments analyze their programs, staffing and costs. Next year, the City will once again reach out to its citizens for feedback through a comprehensive community survey. Ultimately, the City hopes its new approach to budgeting will monitor the performance of individual programs; help set fees more accurately, and assist in decision-making about where to invest and / or withdraw City resources."* ***CONTACT:*** Mr. Don Rhoads, Director of Finance 831-646-3940 or rhoads@ci.monterey.ca.us

3. City of Cincinnati, Ohio - Priority Based Budgeting Project	
Project Scope	Confronted with the 'new normal' of flat or declining revenues, spiraling health care and pension costs, and persistent structural imbalances, the City of Cincinnati chose Priority Based Budgeting an alternative to the traditional incremental budgeting approach that automatically makes this year's budget the basis for next year's spending plan. Council approved the administration's recommendation to hire the Center for Priority Based Budgeting (Center for PBB) to help with the intensive citizen engagement that drives the new approach. According to Council: "Priority-driven budgeting offers a common-sense, strategic alternative to conventional budgeting. It creates a fundamental change in the way resources are allocated by using a collaborative, evidence-based approach to measure services against community priorities. By bringing together community leaders and citizens to determine strategic priorities, the city can align resources with what the community values most, and create service efficiencies and innovation." For 2013, the City faces a projected $34.0 million budget deficit for the General Fund Operating Budget and will need to cut spending and increase revenues to fill this need. ***CONTACT:*** Ms. Lea Eriksen, Director of Budget 513-352-1578 or lea.eriksen@cincinnati-oh.gov

Additionally, the following individuals may also be contacted for more information about the implementation of the ***Priority Based Budgeting*** model in their communities:

- **City of Wheat Ridge, Colorado** – Ms. Heather Geyer, Administrative Services Director at 303-235-2826, or hgeyer@ci.wheatridge.co.us
- **Douglas County, Nevada** – Mr. Stephen Mokrohisky, County Manager at 775-782-9821 or smokrohisky@co.douglas.nv.us or Ms. Christine Vuletich at 775-782-9097 or cvuletich@co.douglas.nv.us
- **City of Fort Collins, Colorado** – Mr. Darin Atteberry, City Manager at 970-221-6505 or datteberry@fcgov.com
- **Town of Cary, North Carolina** – Mr. Scott Fogleman, Budget Director at 919-462-3911 or Scott.Fogleman@townofcary.org
- **City of Chandler, Arizona** – Ms. Dawn Lang, Management Services Director at 480-782-2255 or Dawn.Lang@chandleraz.gov
- **City of Edmonton, Alberta** – Mr. Todd Burge, Branch Manager, Client Financial Services at 780-423-1362 or todd.burge@edmonton.ca or Ms. Jodie Buksa, Director of Financial Strategies and Budgeting Planning at 780-5342 or jodie.buksa@edmonton.ca
- **City of Shawnee, Kansas** – Ms. Carol Gonzales, City Manager at 913-742-6200 or cgonzales@ci.shawnee.ks.us
- **City of Sacramento, California** – Ms. Leyne Milstein, Director of Finance at 916-808-8491, or LMilstein@cityofsacramento.org
- **City of Billings, Montana** – Ms. Tina Volek, City Administrator at 406-657-8430 or VolekC@ci.billings.mt.us
- **City of Blue Ash, Ohio** – Mr. David Waltz, City Manager at 513-745-8538 or DWaltz@BlueAsh.com, or Ms. Kelly Harrington, Assistant City Manager at 513-745-8503 or kharrington@blueash.com
- **City of Seaside, California** – Ms. Daphne Hodgson, Deputy City Manager at 831-899-6718 or dhodgson@ci.seaside.ca.us
- **City of Plano, Texas** – Ms. Karen Rhodes-Whitley, Finance Director at 972-941-7472 or Karenr@plano.gov
- **City of San Jose, California** – Ms. Kim Walesh, Chief Strategist at 408-535-8177 or Kim.Walesh@sanjoseca.gov

... and What have they seen!

"Councilmen Larry Carney and Scott Dugan praised Pederson and Brown for the prioritization process. They called it a logical and understandable method of making some difficult decisions to come."

- ***Grand Island (Nebraska) Independent Newspaper***

Using ROI for City Budgeting: Business Planning Meets Government Spending - the city of Boulder is going about this full spectrum analysis of the highest ROI where "return on investment" is the return of City programs on the results our citizens expect in the community.

- ***"Boulder Tomorrow" – Colorado Business Association on Priority Based Budgeting process***

***Budget process requires clear priorities, vision** - By examining each of the 365 programs that are directed out of City Hall, the administration, mayor and city council are looking under every rock for ways to save taxpayer dollars and keep core services intact. It is a responsible and rational ways to control expense growth on programs that may be well intended, but do not significantly support the community in the four core areas.*

- Grand Island (Nebraska) Independent Newspaper

"I read with both pleasure and envy the recent article on the city's (Grand Island) new Program Prioritization process. Pleasure because a discerning approach like this is the type of focused decision-making model that successful businesses use. I am glad to see its use in our city's governance. I am envious because it is the type of approach the Unicameral is moving toward with our recently initiated planning committee process. In this instance, the city of Grand Island is well ahead of the state of Nebraska."

- Nebraska State Senator Mike Gloor on the Priority Based Budgeting Process

Walnut Creek, California, which must close a $20m (€14m, £12.5m) deficit for the 2010 financial year, is polling citizens on what services they value most, so it can make targeted cuts. Lorie Tinfow, assistant city manager, also expects the expansion of volunteer programs such as checking on the elderly at home. "*We are rethinking what services the city provides, what we are paying for them and what we are expecting as American taxpayers to get for that dollar*," Ms. Tinfow said.

- ***Financial Times, quoting Lorie Tinfow, City of Walnut Creek, California***

The City of Monterey is launching a public review of its budget priorities this fall and your participation is vital to the success of the Priority-based Budgeting project. In good times, the City allocated its resources to a wide range of programs and services. Now, the City needs to adjust to "the new normal" of reduced revenues. In Monterey, revenue from hotel, sales and property taxes have fallen to levels not seen in years. Significant recovery is unlikely for the next several years. So, the City needs to tighten its belt just like other municipalities, businesses and citizens have done.

- ***Press Release -City of Monterey, California***

"The process is called Priority-based Budgeting and it recasts the budget into programs instead of line items."

- ***Monterey County (California) Herald Newspaper***

The city of Boulder is looking to change the way it manages its annual budget. Under the new model, the programs that best help the city achieve the community's goals of having a safe, economically sustainable and socially vibrant place to live will receive top priority for funding. *Those programs that are duplicated, waste money or don't meet the community's goals could be cut.*

- ***Boulder (Colorado) Daily Camera Newspaper***

"Although Boulder is in a better financial condition than many of its peer cities, the economic outlook continues to be uncertain," said City Manager Jane Brautigam. "In response, we're taking a prudent and strategic approach to the 2011 recommended budget by focusing on achieving greater efficiencies in how services are delivered to the Boulder community. In many cases we have been able to reallocate staff and funding to those areas most likely to achieve community goals, and are reducing duplication of services to hold the line on spending at 2010 levels."

- ***Boulder (Colorado) Daily Camera Newspaper***

The new list divides the city's 443 programs into four categories, ranking them from highest to lowest priority, based on whether they help meet the community's general goals of cultivating a safe, economically sustainable and socially thriving community.

- ***Boulder (Colorado) Daily Camera Newspaper***

With budgets getting tighter across the country, more cities are turning to Prioritization. "*I just feel like we need to begin to put proactive steps in place so we can prepare the organization for what is ahead,*" said William Harrell, City Manager. *"Sure, we can just start eliminating things. But then is that what the citizens are saying? Is that what council is saying to us? This is a more disciplined and analytical approach."*

- ***(Chesapeake) Virginia Pilot Newspaper***

"It sounds intuitive but what we found was there was no real methodology to connect all of the things that government does" to what policymakers want to see for their cities."

- ***(Chesapeake) Virginia Pilot Newspaper***

Recent information from **Moody's** (the nation's largest bond rating agency) confirms that prioritization processes such as what Blue Ash is going through demonstrate a strategic approach to managing the current fiscal environment. So where do we go from here? The local government advisors developed a unique tool that Blue Ash can utilize for years to come as a part of the city's annual budgetary planning process. This tool will be valuable in assisting the council and administration in determining what services and programs contribute directly to the city's overall objectives, including the evaluation of any future new programs or services being considered.

- ***Press Release - City of Blue Ash, Ohio***

Even cities with a relatively well-off population are facing difficult choices due to falling revenues. In the eastern San Francisco bay area city of Walnut Creek, as in many other cities around the state, local officials faced the unpleasant task of cutting programs in 2009 due to budget shortfalls, and the more unpleasant task of explaining this to the public. Building on an ongoing tradition of collaboration with residents and community building programs, city staff and officials worked with consultants and adopted a multi-stage public engagement ***Fiscal Health and Wellness*** prioritization process to educate and gather informed input from hundreds of residents.

- ***Institute for Local Government on Priority Based Budgeting process***

"PBB is attractive to the City because it relies on community input and the work of employees to be successful. In contrast to past years, decisions on potential funding reductions are expected to occur at the program level rather than at the level of individual budget line items that run across multiple programs. The results of this process are anticipated to enable decision makers to reallocate funding between programs based upon changing needs and priorities."

- ***Internal Memo - City of Fairfield, California***

San Jose Outcomes of Prioritization Approach:
• Increased connection of budget to City's Priority Results
• Stakeholder engagement in program priorities
• Rationale for reducing or eliminating programs that have the least impact on achieving the City's Priority Results

- ***City Manager's Budget Message, City of San Jose, California***

The Program Prioritization effort will inform the development of the City's 2010-2011 Proposed Budget and serve as a tool to identify potential service reductions and eliminations. The evaluation of programs as part of this process may also identify potential duplication of efforts or opportunities to consolidate similar programs and/or services that can delivered through partnership with other governmental agencies, non-profit agencies, or the private sector.

It is important to note that a high rating of a program will not guarantee that a program will be retained; nor does it guarantee that a lower-ranking program will be proposed for elimination. Also, the rankings do not reflect whether a program is being delivered in the most efficient manner. The prioritization process will provide valuable information for budget proposal development and City Council deliberation. It will not be the "only answer" to how best to rectify the City's budget shortfall.

- ***City Manager's Budget Message, City of San Jose, California***

City Council Business Agenda Item
City of Kenmore, WA

Subject/Topic: **Pedestrian and Bicycle Safety Ad Hoc Committee** **Proposed Council Action/Motion:** **Establish a Pedestrian and Bicycle Safety Ad Hoc Committee**	**For Council Meeting Agenda of: April 7, 2014** **Department: Various** **Prepared by: Rob Karlinsey, City Manager** **Initial & Date** **Approved by Department Head:** ______ **Approved by City Attorney:** ______ **Approved by Finance Director:** ______ **Approved by City Manager:** RJK 3/28 **Exhibits/Attachments:** Exhibit A: Draft Committee Member Application Exhibit B: Bicycle Strategy

INFORMATION/BACKGROUND:

At the March 24, 2014 City Council meeting, the City Council and members of the community discussed pedestrian and bicycle safety in the wake of recent automobile vs. pedestrian collisions in the City, including two crosswalk fatalities within four days of each other. Over 150 members of the community came to the meeting, many of whom offered public comment on the subject of pedestrian and bicycle safety. The city manager presented a number of short term and midterm actions to take to address the issue of pedestrian and bicycle safety. The City Council deliberated over the recommendations from the City Manager and the community. The City Council voted to move forward on a series of action steps, including ordering and installing of Rectangular Rapid Flashing Beacons at arterial crosswalks with no mainline stop control.

Another potential next step would be to form an ad hoc citizen advisory committee on pedestrian and bicycle safety. The City Council agreed at the March 24, 2014 City Council meeting to bring further discussion of this potential committee forward to the April 7, 2014 City Council meeting. The City Manager suggested at the time that the committee, if formed, could be tasked with revisiting the Bicycle Strategy that was developed in 2013. The committee could rename the document "Bicycle and Pedestrian Safety Strategy," add a new section on pedestrian safety, and further update or refine the bicycle portion.

To provide the necessary staff for supporting the committee and implementing the strategy, we recommend having our Engineering and Environmental Services Director, Kris Overleese, staff the committee with the assistance of an intern. To do so, we will need to bring in temporary help to take on several of the projects that that Ms. Overleese is currently directly managing. Citizen action requests for traffic calming and pedestrian safety have also increased, and this temporary position may be able to assist. Ms. Overleese must also stay focused on the West Sammamish River Bridge project and supporting the SR 522 West A project which are a significant part of her workload. We are currently in discussions with a municipal services staffing agency that may be able to provide an experienced project manager on a temporary basis.

Discussion points for the Council meeting on April 7 for creating and facilitating the committee are as follows:

Committee make up and qualifications: Criteria for selecting members could be residency, geographic representation, willingness to serve in light of other commitments, etc.

Committee size & Deliverables: The City Council should also discuss size of the committee and the committee's specific tasks and deliverables. The committee could be tasked with bringing forward recommended pedestrian safety policies and strategies, including tools for the three E's (education, enforcement and engineering). The committee could also discuss the creation of Neighborhood Transportation Plans. The committee could also discuss priorities, including defining criteria for setting those priorities, and funding for these strategies in the context of budget constraints.

The committee that helped develop the bicycle strategy was, for the most part, self-selected and met three or four times over a period of about 9-12 months to develop the strategy. Given the community urgency for bicycle and pedestrian safety improvements and interest in such a committee, and given that the Transportation Element is being updated through the Planning Commission this year, we recommend that the committee get formed and started as soon as possible and that the strategy be written in a shorter time period—three to four months. It is also important that the committee's work coincide with the City's budget process.

Timeline: The City puts out a request for applications on April 8, and the City Council accepts applications to serve on the committee through April 18th.

The City Council reviews applications on April 21, makes a decision on which candidates to interview, and then conducts interviews on April 28. The City Council makes the appointments that same night, and the committee holds its first meeting soon thereafter.

The committee meets several times over a 2-3 month period and produces a recommended strategy by mid August 2014.

City Council reviews and approves the Strategy in September 2014, and implementation begins as resources (staff and budget) are identified.

FISCAL CONSIDERATION:

Funding Needed for Committee Support and Strategy Implementation

Cost of a Temporary Project Manager to allow Ms. Overleese to support the committee and begin implementation:

$70 per hour at 40 hours per week through November 2014: $85,000. Funding for this temporary project manager would likely come from the fund balance of the Street Fund and directly from project budgets.

As a reference, the following were authorized by Council at the the March 24, 2014 Council Meeting for near term recommendations:

Near Term Recommendations that Need Funding:

Crosswalk Lighting Enhancements	TBD
Crosswalk RRFB Installations	$170,000
Rechannelization Evaluation	$25,000
Arterial Speed Studies	$15,000
Educational Materials	$5,000
Total	$215,000

COUNCIL GOAL/BUDGET OBJECTIVE BEING ADDRESSED:

Public Safety
Accelerating the implementation of the sidewalk plan

APPLICATION FOR CITY OF KENMORE
PEDESTRIAN AND BICYCLE SAFETY CITIZEN AD HOC COMMITTEE

(Additional information and/or a resume may be submitted with this application)

Name ______________________________

Physical Address ______________________________ Phone ______________

Mailing Address ______________________________ Email ______________

City ______________ State ________ Zip Code ______________

Are you a resident of the City Limits? Yes ____ No ____ How long? ______________

What is your interest/objective in serving on this Committee? ______________

What is your educational background? ______________

Do you have other obligations that may inhibit your ability to serve on the Committee? ______________

What previous experience do you have serving on a board, committee or commission? ______________

Where are you currently employed (job title, employer, dates, supervisor, phone)? ______________

Please return completed application to:
Kenmore City Hall
18120 68th Avenue N.E.
Kenmore, WA 98028

Applicant Signature ______________________________ **Date** ______________

(Over)

REFERENCES (Please list a minimum of three (3) references.)

Name	Address	Business	Phone Number

If more space is needed to answer one of the previous questions, please restate the question below then complete your response.

City of Kenmore, WA
18120 68th Ave NE
Kenmore, WA 98028
(425) 398-8900

We want Kenmore to be known as a bicycle friendly City. This document provides a background on current conditions for cyclists in Kenmore including areas of strength and barriers for cyclists. It then gives general policy suggestions to provide a "tool box" for City officials to make cycling more accessible to the public as well as recommendations.

Table of Contents

Introduction

In November of 2012, a group of citizens and City officials meet and discussed what the City could do to encourage cycling in Kenmore. This report stems from that discussion as well as electronic correspondence afterward and staff research. The information contained herein aims to inform and provide direction for the City with regard to effective bicycle policies.

What we know

There is demand for cycling in Kenmore.

Kenmore is in the fortunate position of already possessing an established cycling population. The Burke-Gilman trail, a multi-use regional trail which runs from Redmond to Seattle, bisects the City from east to west and is one of the most popular bicycle routes in the region. According to a count conducted by the Cascade bicycle club, the trail trough Kenmore serves as many as 559 cyclists from 7-9 AM[1]. That volume is comparable to the vehicular traffic volume on 68th Avenue (north of SR 522) during that same time period.[2]

Cyclists already use bicycles as part of larger commute trips. The Bicycle Alliance of Washington rents lockers at park and rides to people who commute by bicycle at least 3 times per week.[3] Currently, the lockers at Kenmore Park and Ride have a 100% occupancy rate with names on a wait list[4].

Kenmore is also a well known center for mountain biking. St. Edwards State Park and neighboring Big Finn Hill State Park together provide one of the most extensive mountain bike facilities in the Seattle metropolitan area.

There is Potential for Multi-Modal Transportation

According to data from the US Census Bureau, most Kenmore residents do not work in the City.[5] The average commute time for Kenmore residents is nearly 30 minutes and 72% percent of residents commute by car. [6] The high percentage of people driving to work coupled with the high average commute time implies that Kenmore residents generally work relatively far from the City. With that in mind, residents will likely have to use some form of public transit in addition to their bicycle, as cycling alone would likely increase their commute time to impractical levels.

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[1] Ryann Child, Cascade Bicycle Club, Email Correspondence, March 20, 2013
[2] 68th Avenue NE and NE 182nd Street, 03-15-13
[3] King County Metro Transit, "Bike Parking at Transit Facilities" *Metro Online,* http://metro.kingcounty.gov/tops/bike/parking.html, updated November 28, 2012
[4] Bicycle Alliance of Washington Spokesperson, Telephone Correspondence, March 19, 2013
[5] United States Census Bureau, *2007-2011 American Community Survey: Commuting Characteristics by Sex*, Form S0801
[6] Ibid.

Currently, Kenmore Park and Ride is listed as being 100% utilized by King County Metro Transit. [7] This means that during a typical weekday, the parking lot is completely full during peak hours. Due to this high demand for park and ride space, King County Metro leases parking lots from local churches to be used as additional commuter parking. All of the leased lots are also listed as "High-Utilization." [8]

If people were to ride their bicycles to the bus instead of driving it would free up spaces for commuters who cannot bicycle. By taking their bike with them on the bus, riders would be able to access areas that would have been impractical to reach by transit alone.

There are barriers for cyclists in the City

Although there is demand for cycling in Kenmore, there are factors that limit residents from being able to get around safely by bike. The first is the lack of bicycle facilities in the City. While the Burke-Gilman trail is certainly an asset for the City, without a network of facilities which connect destinations (e.g. schools, libraries, major employers, stores, etc.) there isn't much incentive for people to leave the trail. With the exception of the Burke-Gilman Trail, most of Kenmore's bicycle network has no dedicated bicycle facilities.

Further, SR 522, which at its widest carries six lanes of traffic moving at 45 miles per hour, has proven to be an intimidating crossing point for all but the most experienced of cyclists. Only one intersection with SR 522 has any sort of bicycle facility: 80th Ave NE has bike lanes at the intersection. However, these lanes only continue for a few hundred yards before disappearing. See facility inventory in appendix A for a special layout of the bicycle facilities in the City.

There are a number of common bicycle corridors in the City

Through discussions with major stakeholders and members of the cycling community in Kenmore, 5 common bicycle routes were identified. These routes themselves, as well as the major community and regional amenities they connect, are listed below:

- **Burke-Gillman Trail.** In addition to being a regional cycling artery and one of the most popular cycling facilities in the state, this trail serves as the "backbone" of Kenmore's existing bicycle network. With the exception of one stop-sign at 61st Avenue NE, it provides an uninterrupted East-West corridor for cyclists riding through the City.
- **68th/Juanita Drive (Southbound from the Burke-Gilman).** As a part of the "Lake Washington loop," a common bicycle route for recreational and enthusiast cyclists which circumnavigates Lake Washington, this stretch of road sees significant bicycle traffic despite its hilly and curvy nature. Further, this road provides a connection to several major destinations both regionally and in the City. This road connects to Kirkland, Arrowhead Elementary and Bastyr University/St. Edwards State Park.
- **61st Ave NE.** The stakeholder meeting and discussion process listed 61st Avenue NE as a common bicycle route in the City. While 61st Avenue NE does not connect many major destinations in Kenmore itself, it does provide a route to the Interurban Trail (a regional mixed use bike trail

[7] King County Metro Transit, *Park-and-Ride Utilization Report: Fourth Quarter 2012,* January 2013, pp. 5
[8] Ibid.

similar to the Burke-Gilman) to the north. Due to the high volume and speed of traffic combined with the lack of shoulders on the southern portion of the road, it is currently only accessible to experienced cyclists who are used to riding in traffic.

- **68th Ave NE/NE 202nd Street (Northbound from the Burke-Gilman).** The relatively gentle slope of this street, combined with its low traffic volumes (compared to 61st Avenue NE) and ample shoulder make this a common cycling route for people to reach Kenmore Elementary and Kenmore Jr. High. The combination of 68th Avenue NE that turns into NE 202nd Street provides riders a lower traffic route to the north compared to 61st Ave NE.
- **73rd Ave NE.** The location of the Park and Ride on this street makes this a popular connection point for bicycle commuters in the area.
- **Simonds Road NE.** Although this road has a relatively steep slope, this road has relatively wide lanes which can accommodate cyclists fairly well. Additionally, this street serves as a major connection to Inglemoor High School.

Policies to increase cycling and establish Kenmore as Bicycle Friendly

While there is no "silver bullet" answer to increasing cycling in Kenmore, there are a number of policies that when implemented effectively will synergize to make Kenmore a more bicycle friendly place. Below are a few examples, placed into 4 broad categories.

"Place Making"

Place making can be loosely defined as creating a vibrant location which drives people to use the public space available to them, rather than ignoring it or simply passing through it. Part of Kenmore's development strategy is creating a more defined, compact downtown. Development with active public spaces will make Kenmore more amenable to cyclists as compact development reduces the distance between destinations and active public spaces create incentive to make the trip in the first place.

However, no matter how appealing a destination may be, people will not ride their bikes to a location without a safe place to park their bikes when they get there. The provision of bicycle parking facilities can be relatively inexpensive to implement and absolutely necessary for people to feel comfortable leaving their bikes while they shop, dine or enjoy everything Kenmore has to offer. Ensuring Kenmore has adequate parking facilities can be done a few ways. First, the City can place bike parking facilities itself on sidewalks by major destinations. Additionally, the City can encourage private developers to provide parking facilities through incentives such as reduced vehicle parking requirements.

Creation of marked bicycle corridors to downtown and other destinations is an activity to both create a more defined identity for Kenmore and increase bicycling. Not only would signed bike routes guide cyclists to major destinations using roads that are safest for cyclists, but it would also provide drivers with an additional reminder to be "on the look-out" for cyclists.

Safety Improvements

Many people refrain from cycling because they do not feel safe.[9] Surprisingly, it appears that how safe people perceive cycling to be is much more important in increasing the number of people bicycling than actual safety improvements, although increasing both is preferable. Most available research shows that the key to increasing perceived safety for cyclists is in providing dedicated road facilities for bicyclists. Below, the benefits and drawbacks of major bicycle facilities are outlined. For detailed cross-sections or plan views of these facilities see appendix B.

- **Cycle Tracks.** Although they are ubiquitous in some European countries, Cycle Tracks have only recently found a place in the American planning process. Unlike traditional bike lanes, cycle tracks have some form of physical separation from the roadway. This can either be a grade separation or through some form of raised median. Generally, cycle tracks are placed to the right of a line of parking to further separate cyclists from moving traffic. While users of cycle tracks perceive themselves to be the safest on these facilities, there is inconsistent data on if these facilities actually improve safety. [10] However, because of that perceived safety, cycle tracks were shown in a Danish study comparing various bicycle facilities to cause the largest increase in bicycle use at 18-30% over roads without these facilities. Unfortunately, because of the right of way requirements for these facilities, cycle tracks can prove to be expensive due to real estate acquisition and construction costs. Most people are unfamiliar with bicycle tracks, which can increase danger for cyclists unless drivers and cyclists are educated on their use.
- **Bicycle Lanes.** These facilities are striped areas on the road (generally adjacent to general travel lanes) which are reserved for bicycles only. While these facilities have a notable actual safety improvement over no lane, there is not a huge jump in perceived safety.[11] In the Danish study conducted on bicycle facilities, bike lanes were shown to modestly increase cycling by 5-7% compared to roads without designated bicycle facilities. However, it should be noted that the increase quoted for ridership numbers may be artificially low compared to the US, considering it was considering Danish cyclists in Copenhagen (where the cycling mode-share is nearly 50% for commuters).[12] This study is primarily used because it is one of the only studies to compared different types of bicycle facilities. Studies in the US show increases closer to 30%.[13] From a cost perspective, bike lanes are relatively inexpensive when compared to facilities like cycle tracks. In some cases, they can be put in with a simple road restriping, rather than requiring additional ROW and widening the pavement. Actual and perceived safety improvements to bicycle lanes can be achieved with the additions of buffers or striped areas between the vehicle travel lane and the bike lane. See appendix B for examples of both types of facilities.

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[9] Jenson, Søren Underlien, Roskilde, Claus, Jensen, Niels, *Road Safety and Perceived Risk,* City of Copenhagen
[10] Ann Lusk et al., *"Risk of Injury for Bicycling on Cycle Tracks versus in the Street," Injury Prevention,* doi:10.1136/ip.2010.
[11] Jenson, Søren Underlien, Roskilde, Claus, Jensen, Niels, *Road Safety and Perceived Risk,* City of Copenhagen
[12] City of Copenhagen, *Good, Better, Best: City of Copenhagen's Bicycle Strategy 2011-2025,* 2010, Copenhagen Denmark, pp. 3-6
[13] City of San Francisco, 2004. Fell Street Bike Lane (Scott to Baker) and Tow-Away Zone Proposal. City of San Francisco, San Francisco, CA.
http://www.sfmta.com/cms/uploadedfiles/dpt/bike/rewrite%20of%20memo%20for%20website%2011_22_04.pdf

- **"Bike Boxes."** A large portion of serious bike crashes occur when a vehicle strikes a cyclist. One of the most common types of vehicle-cyclists collisions is the "right-hook" accident. In this situation, a vehicle that is turning right fails to see and yield to a cyclist that is approaching from behind and continuing straight. One solution to help prevent this type of accident is the use of "bike boxes." These facilities are an intersection safety design which consists of a painted green space ahead of the queue of vehicles and behind the crosswalk. By providing bicycle queuing space ahead of cars, cyclists become more visible to vehicles, which prevents accidents. Bike boxes are increasing in popularity in the Puget Sound Region. A depiction of a bike box is shown in appendix B.
- **"Sharrows."** In certain situations there may not currently be space on the road for an exclusive bicycle facility. When these constraints are present, putting shared lane markings (or "sharrows") on the road may offer some form of bicycle facility. Sharrows are intended to guide cyclists on where the best place to ride on the road may be to avoid car doors and to remind drivers to share the road. While these facilities may serve as visual reminders to cyclists and drivers, there is little data to suggest they make a positive impact in the number or safety of cyclists on a given corridor. See appendix B for a depiction of sharrows.

Reducing Speed Limits on Local Streets and Collector Arterials

Another way to increase both the perceived and actual safety of cycling in Kenmore is to lower the speed differential between motor vehicles and bicycles. According to a 2011 study by AAA, a pedestrian's or cyclist's risk of death is more than halved when impact speed is reduced from 32 mph to 23 mph.[14]

Given that the speed of an individual cyclist is limited by the rider, the only feasible way to reduce this differential is to lower the speed of vehicle traffic along major bike routes where feasible, especially on local streets and areas with large numbers of pedestrians. With the State's recent passage of SB 5066 (which waives the requirements for engineering studies when reducing speed limits from 25 to 20), implementing this change has been made much easier. Implementation of lowering speed limits is inexpensive and requires new signage.

Publicize!

Increasing the ease of cycling and safety in Kenmore is listed as a priority for the City in the Comprehensive Plan. There are projects currently underway that can make Kenmore a better place for cyclists. Educating the public how projects fit into the context of making Kenmore a friendlier place for cycling should be a priority for the City. The Kenmore Village redevelopment is a prime example of a non-cycling specific project with tangible positive effects on cycling in Kenmore. The denser, multi-use development will reduce distance between residents' homes and amenities (including transit), making cycling more appealing.

[14] Brian Tefft, *Impact Speed and a Pedestrian's Risk of Severe Injury or Death,* September 2011, https://www.aaafoundation.org/sites/default/files/2011PedestrianRiskVsSpeed.pdf

Specific Next Steps

We have reviewed current conditions for cyclists in Kenmore and examined general policies that can increase cycling. The remainder of this report discusses how we can put general policies to work. These next steps reflect both the suggestions of the citizen group as well as staff recommendations derived from research.

Short Term

- **Promote safety through awareness signage.** One inexpensive means of improving bicycle safety through the busier corridors of the City is through the installation of awareness signage on streets frequented by bicycles. Awareness signage encourages drivers to both "share the road" generally, and also gives them warning to be extra alert for cyclists on designated or known bike routes.
- **Place making improvements through way-finding projects and signed bike routes.** Kenmore already is taking steps to build a sense of "place" in downtown area through way-finding projects. However, these efforts are predominately tailored to vehicle users. By creating signed bicycle routes, cyclists will be able to more successfully navigate the City and find destinations, using routes that are better suited to bicycle users (e.g. on roads with less traffic, or lower road grades). Signage indicating Kenmore as a bicycle-friendly city can also be added to "gateway" signage for people entering the City. Additionally, the City should make sure that Kenmore's bicycle facilities are accurately represented in regional cycling maps and literature.
- **Step up the City's marketing efforts.** Promote Kenmore as a bicycle friendly community. Marketing materials, authored articles in cycling publications, and blog entries are a few ways to promote the City and its current facilities.
- **Create a cycling map/brochure for the City**. The City could follow the example of cities like Redmond and Seattle in creating a bicycling map for residents. A map of bike routes, facilities, and "caution areas" (roads with higher traffic or steep slopes) can be made which allows residents a tool to navigate the City on their own. Further, making a facilities map would help establish Kenmore as a bicycle friendly community.
- **Promote and recruit cycling events in Kenmore.** Activities that can promote cycling in the City include rides, races, and education programs. Races and education programs can expose cycling to groups that might not otherwise be interested. Additionally, events in a closed loop can help highlight sections of the City like the downtown zone. Some stakeholder groups the City can partner with are Cascade Bicycle Club (education programs and rides) and the Washington State Bicycle Association (bike races). The City may also consider partnering with neighboring cities to organize cycling events (such as rides, races, or even cycling art exhibitions) that highlight both city's people and places.
- **Restripe Juanita with bike lanes on one or both side of the street (as feasible).** There are current plans to overlay Juanita Drive (Kenmore's portion) in 2013. Once an overlay is complete, restriping the road surface is necessary. The City is evaluating the corridor to determine if addition of bicycle lanes if feasible. As the overlay will not be adding additional road surface, it may not be possible to add bicycle facilities to both sides of the road. If only one facility can be

added it should be placed on the southbound stretch of road as it is uphill as the speed differential between cyclists and vehicles is much larger than on the downhill section. Cyclists also ride uphill at slower speeds and are more likely to have a laterally erratic travel path as they struggle to maintain forward momentum. Additionally, two intersections (68th Aveune NE & NE 170th Street and Juanita Drive NE & NE 153rd Place) would be reviewed for the addition of bike boxes.

- **Comprehensive Plan and Street/Road Standards update.** In the next two years, the City will be updating the Transportation Element of the Comprehensive Plan. In addition, the City's Road/Street standards will be updated. At this time, staff utilizes the King County Roads Standards from the 1990s. Update of both of these documents is an opportunity to review bicycle facilities within the City.
- **Ensure mountain bike trails are well maintained and remain open to cyclists.** Kenmore possesses excellent mountain bike facilities that are a regional draw. Making sure that these facilities are well maintained and open to cyclists is essential to keeping Kenmore a regional center for mountain biking. Organizations such as the Evergreen Mountain Bike Alliance and neighborhood groups have previously partnered with parks groups for trail maintenance and improvements and would likely make excellent partners in the future.
- **Work to install more bike lockers in the vicinity of SR 522.** The bike lockers at the Kenmore Park and Ride are utilized and there is a wait list. To encourage bicycle use as component of a commute, the City should make more lockers available to the public. The City could work with King County Metro Transit and the Bicycle Alliance of Washington to increase the number of lockers available at the Park and Ride. Should the City acquire the property on the northwest corner of SR 522 and 67th Avenue NE, it may be possible to install bicycle lockers and other bicycle facilities at this location as well.

Longer Term

- **Street improvements that include separated facilities for cyclists.** As the City grows and improves its road network, it is important to work towards meeting the needs of cyclists. Any time a street is overlaid or widened, special attention should be given to adding bicycle facilities where possible. As the City does not have an unlimited budget for bicycle improvements, care must be given to prioritizing what type of facilities are best for increasing cycling in the particular project. Below is a list of facilities arranged from most beneficial to cycling to least beneficial. The City should use this as a guide and pick the highest benefit facility which is financially feasible for a given project.
    1. **Cycle Track (On existing high utilization bicycle corridors only).** Given the high expense involved in the construction of these facilities, they should only be considered on areas with high bicycle utilization. Further, as this type facility isn't currently covered in Kenmore's road standards, they will need to be evaluated during the planned update.
    2. **Buffered Bike Lanes (both sides).** Like cycle tracks, these standards for these facilities should be added into the planned update of Kenmore's road standards.
    3. **Buffered Bike Lane (one side, preferably uphill), Bike lane downhill**
    4. **Bike Lane (both sides)**

5. **Bike Lane (one side, preferably uphill), "Sharrow" downhill**
6. **Wide Shared Use Shoulders**
7. **Sharrows (both Sides)**

Additionally, special care to put the highest benefit bike facility possible should be given to streets that are on established bike routes.

- **Improve SR 522 crossings for cyclists.** Currently, crossing SR 522 can be a challenge for cyclists. As the streets that intersect SR 522 get improved to include bicycle facilities, it is important to make sure that the crossing is as safe as possible for cyclists. "Bike boxes" would be well suited to the high volume nature of these roads as it gives cyclists as much visibility to cars as possible. However, more study on their traffic effects may be needed considering they will either require additional road infrastructure (a pedestrian island) to separate right-turning traffic in dedicated right turn lanes or the removal of right-turn-on-red abilities for vehicle traffic to be effective. Further, making sure cyclists crossing SR 522 have easy access to the Burke-Gilman trail should be a priority.
- **Compact development in the downtown core.** As outlined in the "policies" section, a compact, defined downtown creates a destination for cyclists as well as general traffic. Further, denser development lowers the distance between destinations for cyclists.
- **68th Ave bridge reconstruction with bicycle facilities.** In the long run, the 68th Avenue Bridge should be retrofitted and/or replaced to include bicycle and pedestrian facilities. The bridges are a "choke point" for cyclists riding the Lake Washington loop (as the bridge has no shoulders or any bicycle facility).
- **Plan for and identify locations for more automobile parking at bicycle trail access points (along NE 175th Street, for example).**
- **Research Liability and other potential costs for a public bike share program or City Employee Bicycle program**
- **Provide cycling concessions near major bicycle facilities.** Providing facilities for cyclists both on and off the road is important. The City could coordinate with private partners looking to set up concession facilities in Kenmore's city-owned parks that would benefit cyclists. Making sure that the City is amicable to their requests benefits the City in two ways. First, the City will be providing services that will either support existing cyclists (such as with a bicycle parts vending machine), or will encourage new cyclists (with facilities like bicycle rentals). Considering the health effects of cycling, encouraging or supporting these activities constitutes a clear public benefit. Second, by allowing these private ventures on public lands, the City is able to provide services without shouldering the financial burden.
- **Improve the Burke-Gilman crossing at 61st Ave NE.** One of the reasons the Burke-Gilman trail is so popular for cyclists is that it provides a route through Kenmore for cyclists that has almost no conflict points with motor vehicle traffic. One of the two remaining conflict points between motor vehicles and cyclists are at 61st Ave NE. The steep slope of 61st, combined with the tight s-curve between SR-522 and 175th street make it difficult for vehicles to see trail users at that crossing point. Making the trail crossing for this road either above or below grade from cars will

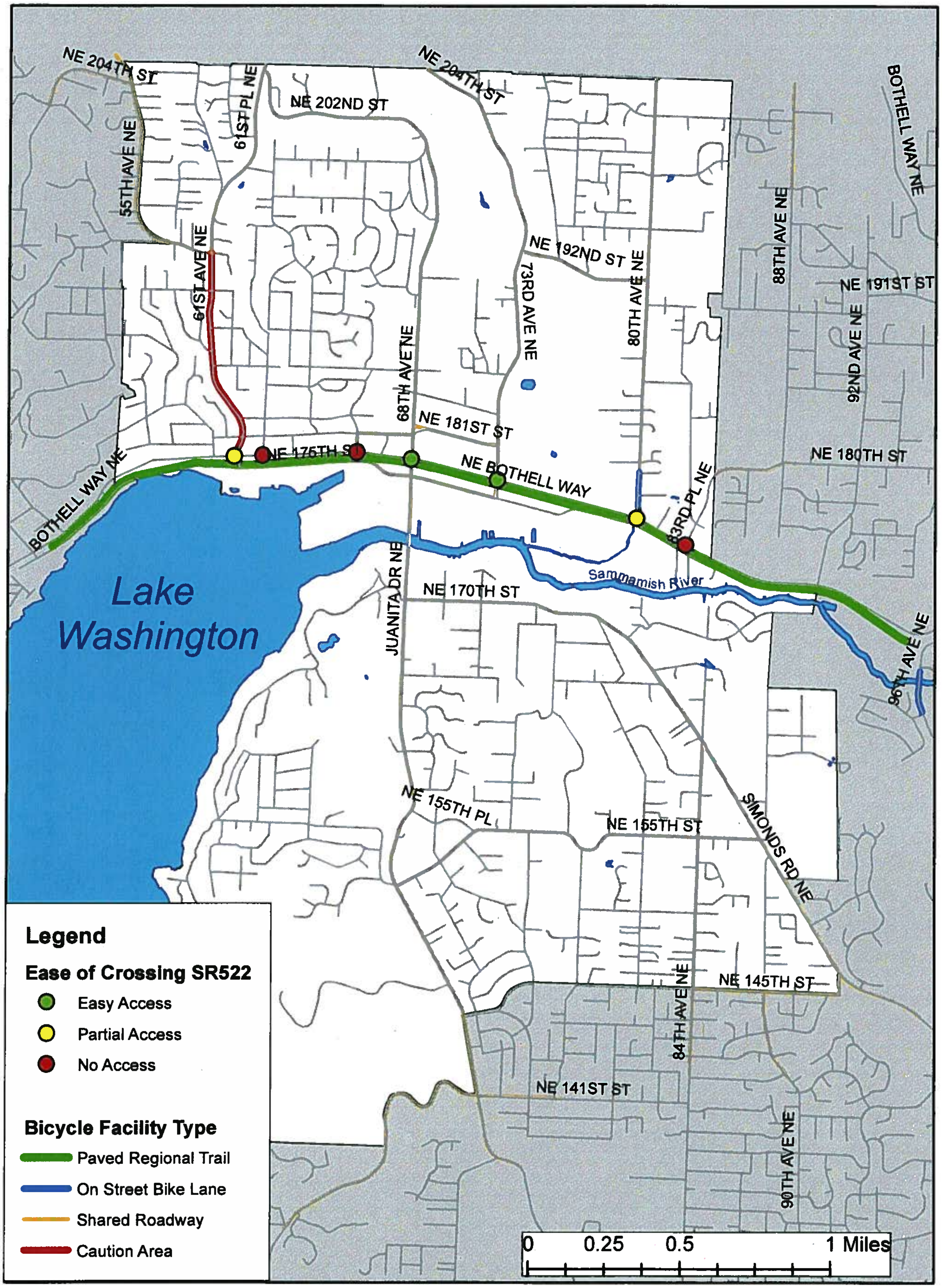
completely remove that risk for cyclists on the Burke-Gillman. However, those solutions may be prohibitively expensive given the low traffic volume on that street. A more cost-sensitive solution to making that intersection safer for cyclists would be to put in some form of traffic calming on 61st Avenue NE (example: investigate opportunity for a roundabout incorporating the trail and 61st/175th Street intersection) or by requiring vehicular traffic to yield to trail traffic (which many motorists already do), or stop before crossing the trail. Any of these solutions will require coordination with King County as the Burke Gillman trail is a County facility.

Conclusions

Kenmore possesses the basic building blocks to be a well known and functioning bicycle community. We possess the Burke Gilman Trail which is largely conflict free, mountain bike trails, METRO/Soundtransit service to many regional destinations, and citizens who cycle. However, there are currently barriers for cyclists in the City. The concepts and steps outlined in this Strategy will go a long way towards addressing these barriers will require a short and long-term commitment from the City and community.

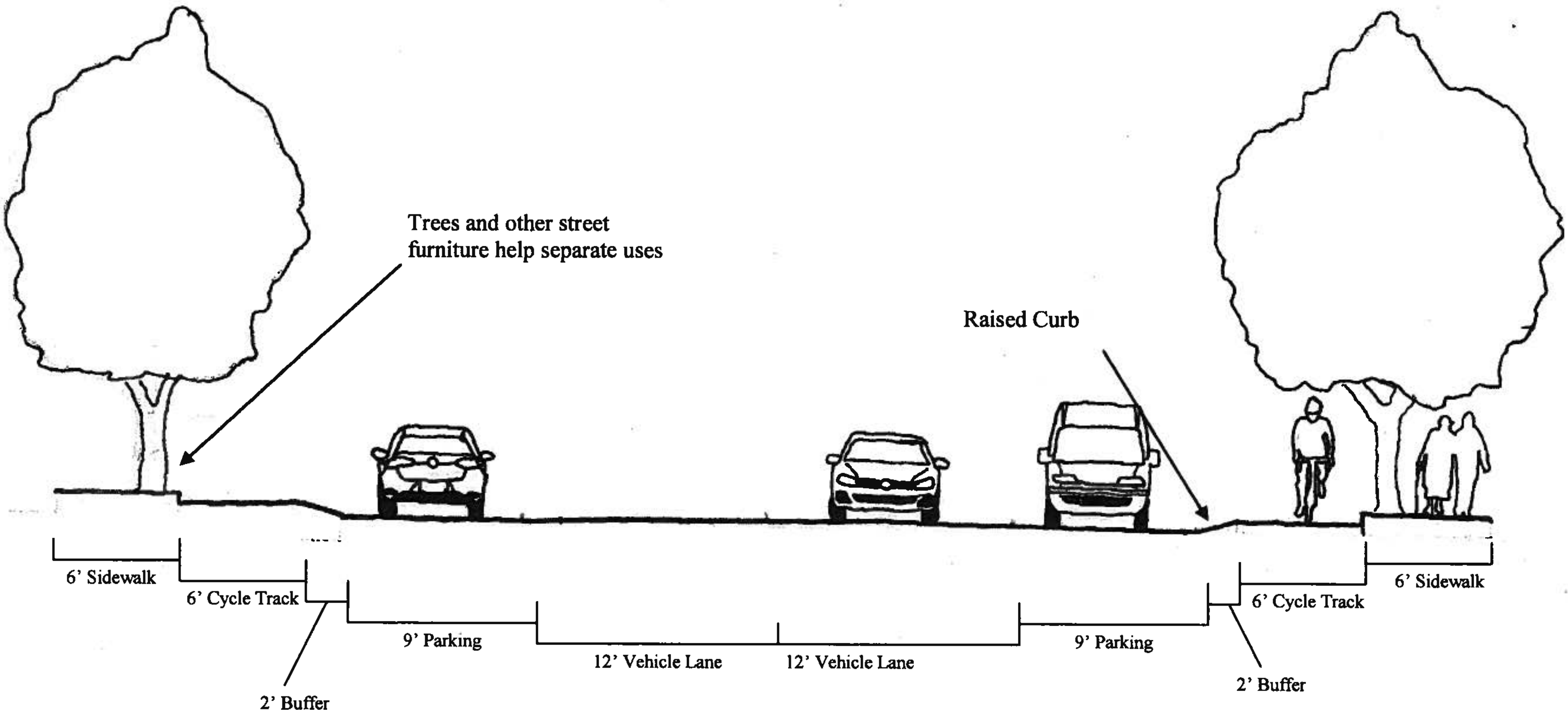
Once this Strategy is set in motion, the City will convene a citizen bicycle advisory group periodically to monitor progress.

City of Kenmore Bicycle Inventory

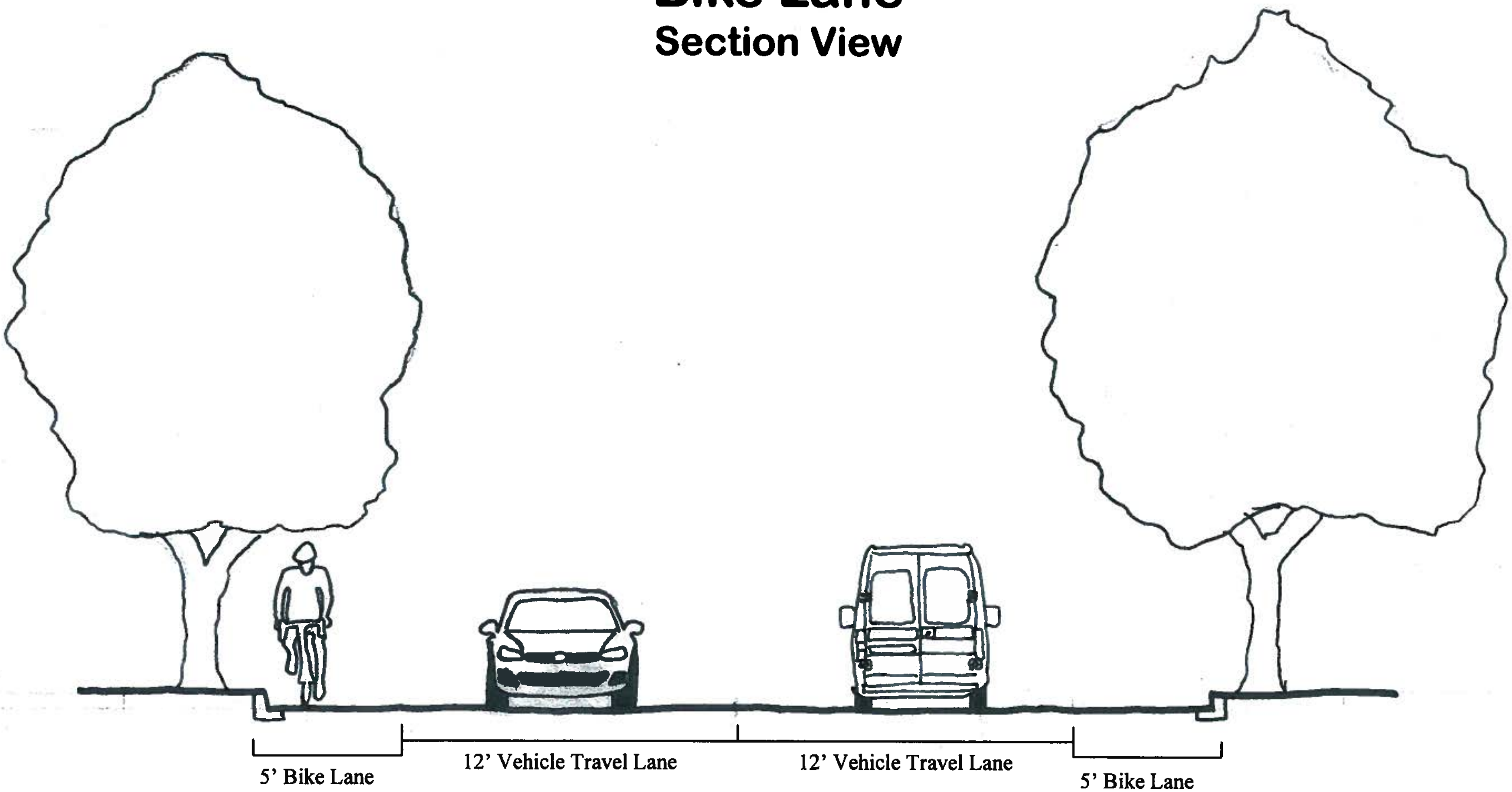


Appendix B

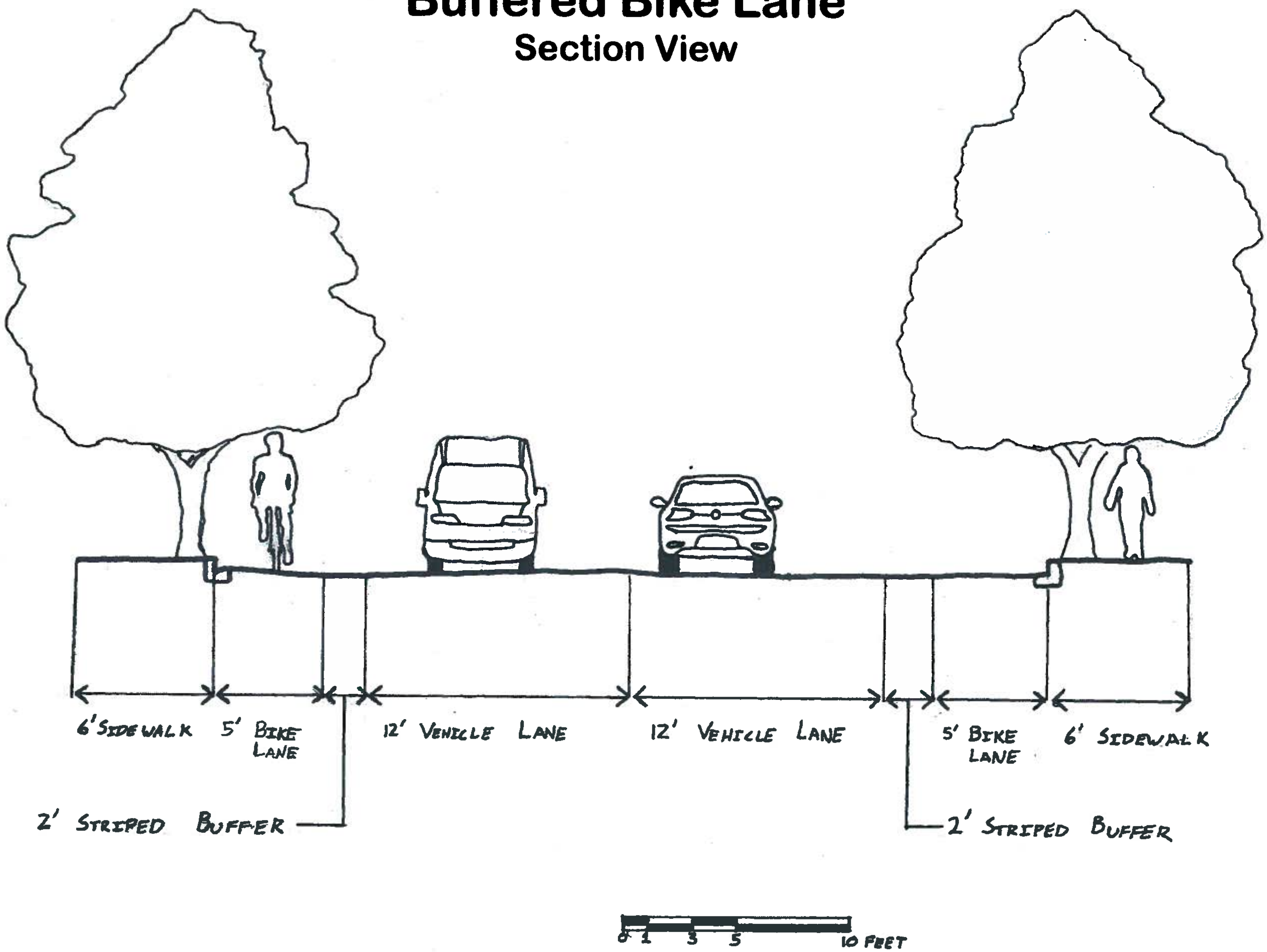
Cycle Track
Section View



Bike Lane
Section View



Buffered Bike Lane
Section View



Bike Box
Plan View