

Memo

To: Mayor Carolyn Eslick
City Council
From: Deborah Knight, City Administrator
Date: June 6, 2008
Re: 2009 Budget Themes

Following are the 2009 budget themes for Council discussion:

- Economic Development
- Community Vision
- Financial Health
- Succession Planning
- Strategic Partnerships

The Budget Retreat will focus on four work tasks proposed for funding in 2009:

1. Economic Development Strategic Plan - \$25,000 - \$50,000
2. 2011 Comprehensive Plan Update (Sultan 2030) - \$75,000-\$100,000
3. Building Maintenance and Repair - \$33,000
4. Library Annexation "Savings" – \$98,000 in revenues

Economic Development – Bob Martin/Donna Murphy

Economic Development is one of the primary planks in the platform of mayoral candidates this election year. Sultan continues to struggle with attracting and retaining retail business. Retail business and a healthy sales tax revenue are needed for long-term financial stability.

- Economic Development Strategic Plan

- \$20,000 in 2009 \$45,000-\$55,000 in 2010
- Fund an economic development strategic plan to identify economic development goals, policies and strategies, and prioritize efforts.
- Begins 3rd/4th quarter 2008 – tied to work on Sultan 2030 and Economic Element and Land Use Element of the Comprehensive Plan

- Prioritize Strategic Public Investment.

- \$5,000 in 2009 \$5,000 in 2010
- Identify capital investments to kick-start economic development.
- Begins during 2010-2015 Capital Improvement Plan process – Review evaluation criteria in the capital improvement plan to identify priority investments such as the East-West Industrial Park Connector Road that will kick-start economic development.

- Implement Streamline Permitting

- \$7,000 in 2009
- Reduce red tape and forge a new partnership with the business community. Streamline and simplify the permitting requirements for most businesses, homeowners and developers.
- Evaluate permit process. Identify areas of improvement. Implement changes such as central filing and software system for managing permit process.

Community Vision – Bob Martin/Connie Dunn

- Sultan 2030 Comprehensive Plan Update

- \$100,000 in 2009 \$50,000 in 2010
- Review the City's growth strategy in the Comprehensive Plan. A discussion to amend the City's growth strategy will begin in 2008. This effort will include a review of the rooftops vs. retail policies in the Comprehensive Plan.

- A decision to amend growth strategies will require amending transportation, parks, economic development, capital facilities, and other elements of the Comprehensive.
- Development code update
 - \$15,000 in 2009
 - Parts of the development code are under review this year including the Council's quasi-judicial authority and expansion of non-conforming uses.
 - Changes to the development code may be necessary in 2009 to implement changes in the City's growth strategy. The City Council has also expressed an interest in a "code scrub". This could begin in 2009.
- Wastewater Treatment Plant (WWTP) design and construction
 - \$450,000 2009 \$1,000,000 in 2010
 - Complete the purchase of the dewatering/centrifuge to address short-term need for solids handling to serve existing customers and significantly reduce operating costs for solids disposal
 - Complete the plant design
- Open Space Acquisition and Strategic Plan
 - \$350,000 in 2009 \$
 - Staff is exploring capital funding sources and grant opportunities
 - The City is negotiating to acquire open space using park impact fees. The City should consider a strategic plan for acquiring and financing additional open space before development pressures make acquisition financially unfeasible.
- First Street master plan
 - \$0 in 2009 \$10,000 in 2010
 - The City has discussed various uses for the City owned properties on First Street. The proposal is to evaluate various uses and develop a master plan for the site.

Financial Health – Laura Koenig/Connie Dunn

- Utility Rate Studies
 - Water \$65,000 2008 Garbage - \$65,000 in 2009
 - The City is starting a Water Rate Study. City staff recommend conducting a garbage rate study in 2009 to ensure that the remaining utilities are paying for themselves and have long-term financial stability.
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- Building Maintenance and Repair

- \$33,000
- Repair and long-term maintenance of the City's existing facilities
- Land Use and Building – special revenue fund \$50,000-\$65,000
 - \$55,000 in 2010
 - Create a land use and building department special revenue fund to ensure development and building fees are adequate to support review staff time, materials and facilities. The special revenue fund would collect and disburse permit fee revenues to cover permit review expenses.

Personnel Policies – Deborah Knight/Laura Koenig

- Update Personnel Rules
 - \$10,000 in 2009
 - The update would begin in the second half of 2009 and be finished in 2010.
 - The City has updated its personnel policies since 2000
 - The update would also include review and revision of job descriptions
- Reduce long-term medical benefit expenses
 - \$10,000 in 2009 \$10,000 in 2010
 - Retain the services of a professional labor negotiator to assist the City in bargaining long-term savings for employee medical benefit expenses.

Strategic Partnerships – Mayor Eslick

- Riverfront Park w/Snohomish County and other stakeholders
- Gun range w/ Department of Natural Resources and other stakeholders
- Public Safety Complex master plan
- Parks Operations and Maintenance
 - \$35,000 in 2009
 - The City's park system is suffering from neglect. There are not enough staff and financial resources to main the City current park system. The City should explore long-term solutions and develop a strategic plan. This is related to, and could be combined with, the open space strategic plan.
 - Funding in 2009 would be used to explore creating a separate Park Taxing district and a voter approved park maintenance and operations bond.