

10.0 CAPITAL FACILITIES PLAN ELEMENT

The Capital Facilities Plan Element identifies the various capital improvements to support the City's current and future population, the proposed future land use, the transportation system and the general local economic climate. The capital improvements plans are funded plans, rather than a "wish list". The needed capital improvements are based on several standards for levels of service. The Capital Facilities Plan also contains broad goals and specific policies that guide and implement the provision for adequate public facilities. The requirement to fully finance the Capital Facilities Plan provides a reality check on the vision set forth in the comprehensive plan. The capacity of capital facilities provided in the Capital Facilities Plan affects the size and configuration of the urban growth area.

The purpose of the Capital Facilities Plan is to use sound fiscal policies to provide adequate public facilities consistent with the land use element and concurrent with, or prior to, the impacts of development in order to achieve and maintain adopted standards for levels of service, and to exceed the adopted standards when possible.

The Growth Management Act requires the Capital Facilities Plan to identify public facilities that will be required during the six years following adoption of the comprehensive plan. The Capital Facilities Plan includes the location and cost of the facilities, and the sources of revenue used to fund the facilities. The Capital Facilities Plan must be financially feasible; in other words, dependable revenue sources must equal or exceed anticipated costs.

The requirements of the Growth Management Act mandate forecasts of future needs for capital facilities, and the use of minimum standards for levels of service of facility capacity as the basis for public facilities contained in the Capital Facilities Plan (see Revised Code of Washington 36.70A.020 (12)). Therefore, public facilities contained in the Capital Facilities Plan must be based on quantifiable, objective measures of capacity. While the Growth Management Act does not specify the particular measures to be used, examples may include traffic volume capacity per mile of road, or acres of park per capita.

The Growth Management Act also requires the City to develop and adopt regulations frequently called a Concurrency Management System (CMS). The CMS provides the basis to prohibit development approval if the proposed development causes the level of service of public facilities to decline below the adopted level of service, unless improvements or strategies to accommodate the impacts of development are made concurrent with the development. "Concurrent with development" means that the improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within a specified time. In the case of transportation, the specified time is normally considered to be within six years from the time of development. While concurrency can be applied to other elements, in 2003, the City of Covington has only applied concurrency on the transportation system.

10.1 Fire and Rescue

The City of Covington was annexed into Fire District 37 at the time of the City's incorporation. Fire District 37 delivers services in connection with the Kent Fire Department, through agreements that have been in since 1974. Prior to annexation, a portion of incorporated Covington was served by Fire District #43. Portions of that area are still served through a contractual agreement with Fire District 37 (Figure 10.1).

The combined agency of Kent Fire and Fire District 37 operates eight (8) fire stations, a fire prevention and investigation office, public education unit, a regional training center and special operations teams trained in hazardous materials and various forms of rescue. There are 166 uniformed and 23 non-uniformed personnel for a total of 189. Total 24 hour staffing of command, suppression, and special operations personnel is maintained at a minimum of 30.

Four fire stations provide primary service to Covington, Kent Station 72, located at 25620 140th Ave SE, Kent Station 75, located at 15635 SE 272nd Street, Fire District 37 Station 78, located at 17820 SE 256th and Fire District 43 Station 83, located at 27250 216th Ave SE.

The Kent Fire Department and Fire District 37 developed and adopted a Concurrency Management Plan in 2007. This Plan identifies the need for future fire service facilities and capacity within the City of Covington.

10.2 Schools

The Kent School District serves approximately 5,700 students residing in the City of Covington although the district serves a larger area including the City of Kent and unincorporated King County. The school district operates four high schools, seven junior high schools, twenty-six elementary schools, and one learning center (Figure 10.2). The following schools are within the City of Covington:

Table 10.1 – Kent School District Schools

Elementary Schools	Junior High Schools	High School
Cedar Valley Covington Crestwood Jenkins Creek	Cedar Heights Mattson	Kentwood

The total public school district program capacity of permanent facilities for student enrollment is 24,552 (April, 2003 6 Year CIP, Kent School Dist. #415), with portable buildings meets actual headcount of 26,717 students (October, 2002). The district's current standard of service (based on average class size) is as follows:

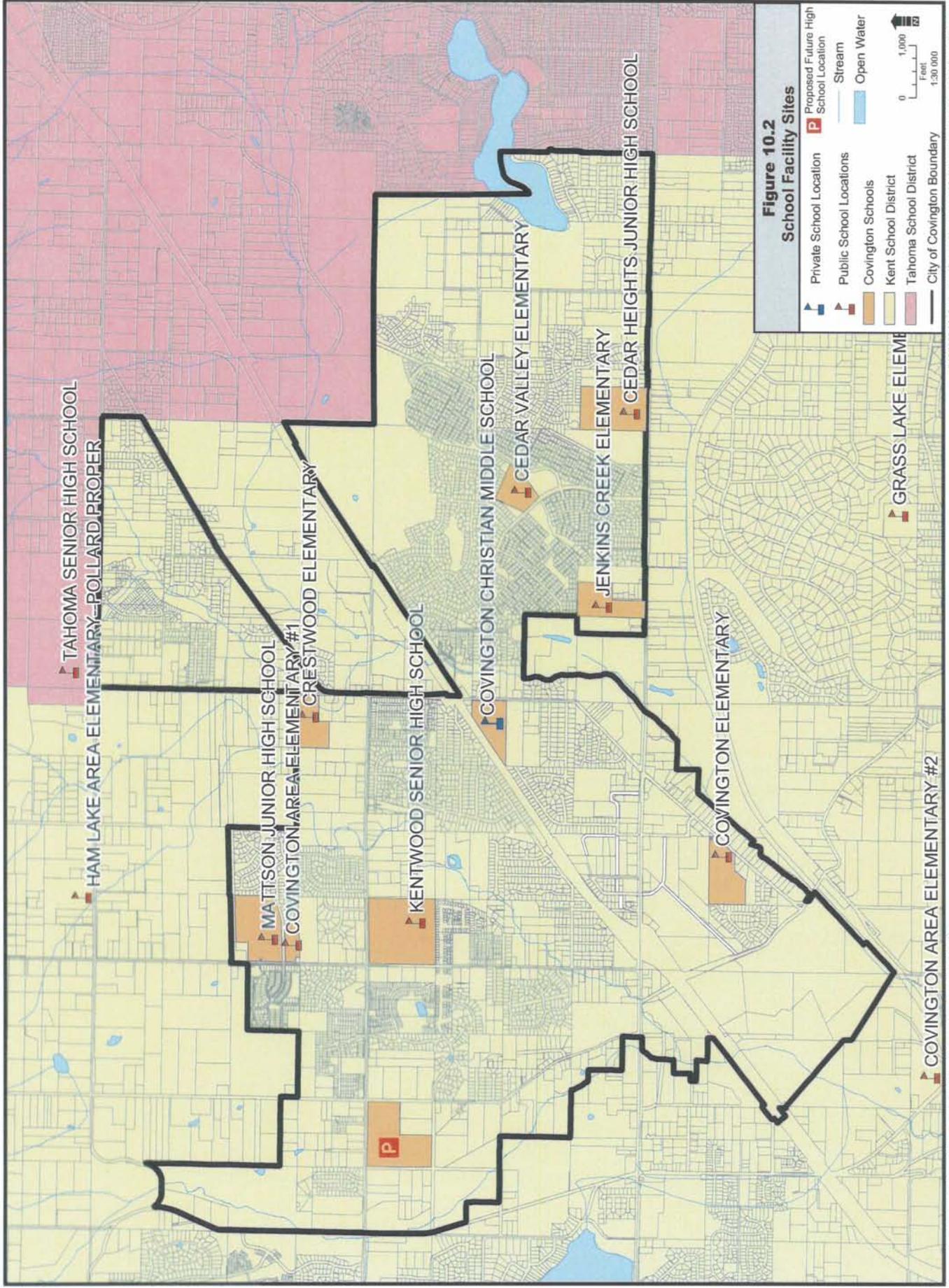
- Grades 1 to 3 = 22
- Grades 4 to 9 = 29
- Grades 10 to 12 = 31

The Kent School District conducted a “Strategic Planning Process” to develop a mission, statement of principles, vision, and strategies to guide the School District into the 21st Century.

The results of the planning process caused a revised standard of service for future capital facilities plans for the District, affecting future capacity projections of the District. Recent state law changes to class sizes made additional changes on facilities requirements.

10.3 Municipal Building

The City of Covington is currently leasing approximately 16,000 SF of professional office space at the first floor of an office/retail building located on the north side of SE 271st Street and just east of SR-18. The new two story office building may be adequate for the City's current staff size and for the 6 year staffing projections, although the site is quite limited for all anticipated municipal parking and operational storage yard and maintenance related facilities (vehicles, streets, storm water, parks, etc.). The Council Chambers are configured well for effective public presentations



and regional meeting uses. The current office/retail complex limits the ability of the City to expand yet the 15 year lease allows for 2 five year extensions and an option to buy out the lease at the end of 10 year period. The building contains significant additional space currently occupied by other tenants that could be occupied by the City in the future.

10.4 Trends and Projections

10.4.1 Fire and Rescue

In 2007, Fire District 37 developed the “King County Fire District 37 Concurrency Management Plan” which outlines the service delivery challenges Fire District 37 faces as a result of current and future development. Growth projected by the Plan through 2016 will outpace Fire District 37’s ability to meet fire and life safety service demand with current resources. Fire Station 78, located at 17820 SE 256th opened for service in February of 2009 with one engine company but will need approximately \$2 million in additional equipment to help meet current and future service demand. A second Covington fire station is also needed to meet future growth and will cost approximately \$6 million. A target site for this additional station will be identified in 2009. A financing plan has not yet been created for these additional resources. Fire Districts are not currently eligible to collect facility impact fees under RCW 82.02

10.4.2 Schools

In 1993, the Kent School District’s Strategic Planning Task Force developed a document “*Report and Strategic Plan: 1993-2000*” to guide the School District into the 21st Century. The largest capital facility in Kent School District’s adopted plan is the reconfiguration of Kentwood High School (\$9.6 million budgeted) including parking facility and a large regional stormwater facility.

10.4.3 Municipal Buildings

In the future, as the City matures and municipal service needs increase, the City of Covington will want to further develop its identity by considering ownership of its own Municipal Building. Nationally accepted level of service guideline is a range of 1,100 to 1,800 square feet of office space per 1,000 population for the purposes of calculating cost for the capital facilities finance plan. The range of floor space per employee is dependent on the types of services that are provided at City Hall (For Example, contracted police services, with some functions located at other facilities while a limited number of City’s contracted police force are

located within City Hall). The space allocation guidelines do not include the support areas that may be required for meeting rooms and other activity areas. The City conducted a Space Needs Analysis to determine the approximate size of City Hall facility required for the 20 year planning period. The results of the study indicate that a 22,000 SF to 28,000 SF facility may be appropriate, for long term city needs, while the current lease provides 16,000 SF thru 2007. However, based on the widely accepted ratio of 1,800 square feet of office per 1,000 population, city will need 32,400 square feet, based on the projected population by 2017 of 18,000 residents, compared to 16,000 square feet currently under lease until 2017.

10.4.4 New Electrical Substation

City of Covington will need a new electrical substation to provide electrical power demand for Downtown area as an identified need. This facility has not yet been sited and a future amendment to the comprehensive plan will address the facility location and size issue. The site and facility will be the same size as the existing substation located at SE 240th Street and SR-18.

10.5 Planning Implications

10.5.1 Planning Consistency

The Capital Facilities Plan needs to be consistent with the land use, transportation, utilities, parks, recreation, and open space elements of the Comprehensive Plan, and with the plans of other governments and agencies.

Consistency means that the elements do not contradict each other, contain compatible policies, and use a common basis of objective data. The proposed elements all use the same urban growth boundaries, forecasts of population and other demand factors, standards for level of service, costs of capital facilities, and forecasts of sources and amounts of revenue. The transportation and utilities element lists of proposed capital improvement projects use the same projects lists.

10.5.2 Planning Coordination

Coordination is guided by the adopted King County Planning Policies (CPP) recently updated following the most recent amendments to the Growth Management Act.

Subjects to be coordinated that affect the City's Capital Facilities Plan include level of service standards on facilities that interface or are adjacent, operation and financing of facilities of regional significance, and identification of service areas for facilities that might otherwise overlap or compete.

The Capital Facilities Plan will need to be carefully coordinated with a variety of other agencies such as fire districts, school districts, water and sewer districts, Crest Air Park, King County Metro Transit and Sewer, etc. This coordination will assure consistency in growth and demand projections, service areas, level of service, and adequate funding for planned capital facilities. Sometimes comprehensive plans will provide data based on an old census while another plan may not provide growth projections at all. These differences in data must be considered when preparing the Capital Facilities Plan. Some plans may identify types of revenue that could be used to finance capital projects but did not forecast revenues or identify a financing plan.

10.6 Level of Service Standards

The development of standards for level of service will require the resolution of several issues:

10.6.1 Sources of Standards

Standards can be obtained from many sources including State regulatory agencies, professional associations, and other local governments. Care must be used when applying these to ensure that the City can afford the most appropriate facilities. Local sources of standards include existing plans, policies, or studies being used by the City and/or other local providers of public facilities. These standards are important because they are locally accepted, particularly if the process of public review and debate has already occurred. However, such standards should be reevaluated occasionally in light of the requirement for financial feasibility of the Capital Facilities Plan.

Another standard is the current actual level of service within the City. Even if the current service level is adequate today, it may not be appropriate as a standard in the future. One option is to prepare the analysis using the current level of service as the standard to verify affordability of continuing current levels of service.

10.6.2 Quality versus Quantity of Services

Levels of service (LOS) standards are typically quantitative. The LOS measure the size, amount, or capacity of a capital facility. However, LOS standards typically do not address the quality of the facility. Care must be taken to assure that quality of capital facilities be considered along with quantity.

10.6.3 Standards for Facilities Owned by Other Providers

The Growth Management Act applies to general-purpose local governments. State law requires that local government must plan for capital facilities provided by other organizations (school district and/or utility district) or coordinate and review such plans (for school impact fee adoption). If the City selects a high standard that another agency cannot achieve, the failure to achieve the higher standard will violate the concurrency requirement and might cause a moratorium on development. If the City selects a standard lower than the other agency has adopted, the City may fail to require development to meet the other agency's standards (i.e. State Environmental Policy Act and/or impact fees).

10.6.4 Service Areas

Service areas for each public facility should be mapped in order to determine whether or not 1) any areas are not receiving service, 2) services are being provided equally throughout the jurisdiction (except for differences due to policies regarding urban versus rural), 3) an area is receiving duplicate services.

10.7 Analysis of Public Facilities and Services and Concurrency

Taken as a whole, the statutory provisions of the Growth Management Act may be interpreted to require concurrency for all public facilities and services.

Concurrency is one of the few tools provided to implement the requirements of the Growth Management Act. Even if concurrency is not required for all public facilities, it is not prohibited for all public facilities either. This allows the City to impose a concurrency requirement on public facilities to implement its comprehensive plan. Achieving concurrency should be a goal for all capital facilities to include transportation facilities. A list of additional facilities should be locally defined. The Office of Community Development recommends that at least domestic water systems and sanitary sewer systems be added to concurrency lists applicable within urban growth areas.

The experience of other cities and counties shows potential for problems if some public facilities are subject to concurrency while others are not. Specifically, when revenues are limited, facilities that are subject to concurrency receive priority for funding while the “non-concurrency” facilities experience greater difficulty obtaining funding.

10.7.1 Shared Facilities

In the future when it becomes advantageous, the City of Covington should combine building space for the city departments with other public agencies or consider a public/private partnership for a building that fulfills the City’s needs.

10.8 Summary of Countywide Planning Policies for Capital and Public Facilities

10.8.1 King County Policies

The Countywide planning policy regarding siting of capital facilities, of the King County Growth Management Planning Council’s Countywide Planning Policies, ensures that capital facilities of a countywide or statewide nature be located to support the countywide land use pattern, economic activities, and minimize public costs. These facility types include, but are not limited to, utility and transportation corridors, airports, wastewater treatment plants, solid waste landfills, higher education facilities, correctional facilities, in-patient treatment facilities, and energy generating facilities. The Growth Management Planning Council will establish an inter-jurisdictional process by which facilities of a countywide or statewide nature will be prioritized, coordinated, planned, and sited.

King County Growth Management Planning Council’s Countywide Planning Policies, *“Contiguous and Orderly Development and Provision of Urban Services to Such Development”* provides guidelines which require that planning and financing of services be coordinated and phased among jurisdictions. This will 1) ensure that development within urban areas is provided with a full range of urban services, using as guidelines the definitions of public service, public facilities, and urban government service in Revised Code of Washington 36.70A, 2) ensure that infrastructure improvements are provided in such a way to not undermine the countywide development process, and 3) protect natural resources.

Countywide policies also encourage the sharing of facilities and the participation of jurisdictions in countywide/regional projects such as the development of a regional surface water management system.

10.9 Six-Year Capital Facilities Plan

10.9.1 Adopted 2004 to 2009 Capital Improvement Projects for Roads, Surface Water Management, and Parks: Costs and Funding Sources

The City Council has prioritized proposed capital improvement projects and balanced project costs with funding sources pursuant to Revised Code of Washington 36.70A.070(3)(d) for the years 2004 through 2009. Some of the projects listed in the 2004 – 2009 list will carry over into the 2010+ timeframe. Additional information about anticipated project costs for 2010+ are shown for informational purposes only.

The proposed capital improvements will make available adequate facilities for future growth and repair or replace obsolete or worn out facilities through December 31, 2009. Each capital improvement project contains the name of the project, its cost, and the anticipated source(s) of funding that will be used to pay for the project. At the end of the list are the total cost and a summary-financing plan that shows the subtotal of each funding source, and the total of all funds allocated to the project.

The process used to identify specific funding sources for the financing plan was:

1. Match existing beginning balance restricted funding sources to the projects to which they are restricted.
2. Apply anticipated new restricted funding sources to the projects for which they may be used.
3. Calculate the "non-funded" balance: subtract all restricted funding from total costs.
4. Allocate unrestricted funding sources to projects that have "non-funded" balances.

The costs and revenues are shown in FY2003 dollars. No inflation factor has been applied because the costs will be revised as part of the annual review and update of the Capital Facilities Plan.

At the end of the tables listing proposed capital improvements projects is a summary of the funded balances and a description of revenue options that are available to the City. The City can also balance the capital facilities plan by reducing, eliminating, or substituting some proposed capital improvements projects identified within the other chapters of the Plan report document. This Six Year Capital Facilities Plan will be reviewed and revised annually to reconcile the work completed and to extend the plan out to the next year. A complete update to the following Tables will occur during the next 7 year mandate by GMA.

Table 10.2 – Cost/Funding Sources for Municipal Buildings (Times \$1000)

Cost/Funding Sources	2004	2005	2006	2007	2008	2009	6 Year Total	2010+	20 Year Total
Cost									
City Hall/Community Center	\$380	\$380	\$4,300	\$1,360	-	-	\$6,420	-	\$6,420
Fire / Rescue Facility	\$50	\$2,000	\$1,000	\$1,000	\$1,000	\$1,000	\$6,050	\$950	\$7,000
Debt Payments					\$337	\$337	\$674	\$4,381	\$5,055
Funding Sources									
General Fund			\$50	\$50			\$100	-	\$100
Capital Fund (REET)	\$380	\$380	\$380	\$380	\$337	\$337	\$2,194	\$4,381	\$6,575
SWM Funds			\$50				\$50		\$50
Debt Proceeds			\$3,820	\$930			\$4,750		\$4,750
Summary									
Costs	\$380	\$380	\$4,300	\$1,360	\$337	\$337	\$7,094	\$4,381	\$11,475
Funding Sources	\$380	\$380	\$4,300	\$1,360	\$337	\$337	\$7,094	\$4,381	\$11,475
Fire SDC /Mit Fee	\$50	\$2,000	\$1,000	\$1,000	\$1,000	\$1,000	\$6,050	\$950	\$7,000
Balance	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-

Table 10.2 – Cost/Funding Sources for Municipal Buildings (Times \$1000)

Cost/Funding Sources	2003	2004	2005	2006	2007	2008	6 Year Total	2009+	20 Year Total
Cost									
City Hall/Community Center	\$380	\$380	\$4,300	\$1,360	-	-	\$6,420	-	\$6,420
2009-2023 Project Costs	-	-	-	-	-	-	-	-	-
Debt Payments					\$337	\$337	\$674	\$4,381	\$5,055
Funding Sources									
General Fund			\$50	\$50			\$100	-	\$100
Capital Fund (REET)	\$380	\$380	\$380	\$380	\$337	\$337	\$2,194	\$4,381	\$6,575
SWM Funds			\$50				\$50		\$50
Debt Proceeds			\$3,820	\$930			\$4,750		\$4,750
Summary									
Costs	\$380	\$380	\$4,300	\$1,360	\$337	\$337	\$7,094	\$4,381	\$11,475
Funding Sources	\$380	\$380	\$4,300	\$1,360	\$337	\$337	\$7,094	\$4,381	\$11,475
Balance	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-	\$-

Following Table, provided by King County Fire District , to be included in update to Tables 10-2

Cost/Funding Sources	2010	2011	2012	2013	2014	2015	6 year total	2016+	20 year total
Fire/Rescue Cap.	\$100	\$200	\$875	\$900	\$925	\$1,000	\$4,000	\$3,000	\$7,000

Debt Payments				\$600	\$600	\$800	\$2,000	\$5,000	\$7,000
Summary									
Fire SDC / Mit Fee	\$100	\$200	\$875	\$900	\$925	\$1,000	\$4,000	\$3000	\$7,000

Table 10.3 – Cost/Funding Sources for Parks and Recreation (Times \$1000)

Cost/Funding Sources	CIP #	2003	2004	2005	2006	2007	2008	6 Year Total	2009+	20 Year Total
Cost										
Friendship Park	1115		\$149					\$149		\$149
Evergreen Park	1114		\$95					\$95		\$95
180 th -240 th Park	1010			\$600	\$850			\$1,450		\$1,450
SR 516 West Gateway	1001		\$26					\$26		\$26
Tax Title Park	1098			\$350				\$350	\$50	\$400
City Park	1009					\$760	\$250	\$1,010	\$200	\$1,210
Covington School Park	1007			\$400	\$50	\$400		\$850		\$850
SR 516 East Gateway	1002			\$30				\$30		\$30
Jenkins Creek Trail	1087						\$802	\$802	\$400	\$1,202
SE 256 th West Gateway	1003				\$35			\$35		\$35
Community Recreation Center	1113				\$9,000			\$9,000		\$9,000
Downtown Plaza	1008					\$500		\$500		\$500
Covington Way S Gateway	1005						\$40	\$40		\$40
Jenkins Creek Park 2009-2024 Project	1014						\$200	\$200	\$450	\$650
Costs		-	-	-	-	-	-	-	\$17,351	\$17,351
Funding Sources										
General Fund										
Capital Fund (REET)			\$270	\$710	\$85	\$660	\$565	\$2,290	\$4,841	\$7,131
Park Levy					\$500	\$500	\$300	\$1,300	\$7,806	\$9,106
Park Mitigation				\$20			\$2	\$22	\$101	\$123
Bond Proceeds					\$9,000			\$9,000		\$9,000
Grant				\$650	\$350	\$500	\$425	\$1,925	\$5,603	\$7,528
Street Funds									\$100	\$100
Summary										
Costs			\$270	\$1,380	\$9,935	\$1,660	\$1,292	\$14,537	\$18,451	\$32,988
Funding Sources			\$270	\$1,380	\$9,935	\$1,660	\$1,292	\$14,537	\$18,451	\$32,988
Balance		\$--	\$--	\$--						

Table 10.4 – Cost/Funding Sources for Surface Water Management (Times \$1,000)

Cost/Funding Sources	CIP	2003	2004	2005	2006	2007	2008	6 Year Total	2009+	20 Year Total
Cost										
Timberlane Drainage Improvements Phase I	1023	\$73	\$26	\$251.4				\$350.4		\$350.4
SE Wax Rd & 180 th Ave SE	1033S	\$30						\$30		\$30
164 th Ave. SE Phase 2	1038	\$305						\$305		\$305
SR516 Safety/Widening	1039	\$100		\$80.5				\$180.5		\$180.5
Regional Stormwater Detention Pond Study	1080	\$100						\$100		\$100
Ortho Photo Mapping	1024		\$200					\$200		\$200
159 th Ave. Flood Mitigation	1025		\$32.8	\$303.2				\$336		\$336
SR516/160 th Ave. SE Intersection Imp.	1035			\$28.4				\$28.4		\$28.4
SE 262 nd Place Storm Drainage Improvement Study	1064					\$7		\$7		\$7
Timberlane Drainage Imp. Phase II	1026						\$128	\$128	\$1,085	\$1,213
Annual Drainage Improvements 2009-2023 Project	1027						\$78	\$78	\$822	\$900
Costs									\$52,565	\$52,565
Funding Sources										
General Fund										
Capital Fund (REET)									2,100	
Street Fund										
SWM Fund		\$608	\$258.8	\$663.5		\$7	\$206	\$1,743.3	\$9,100.2	\$10,843.5
Developer Share									\$38,780	\$38,780
PWTF Loan									\$1,144.8	\$1,144.8
Other									\$1,440	\$1,440
Summary										
Costs		\$608	\$258.8	\$663.5		\$7	\$206	\$1,743.3	\$52,565	\$54,308.3
Funding Sources		\$608	\$258.8	\$663.5		\$7	\$206	\$1,743.3	\$52,565	\$54,308.3
Balance		\$--	\$--	\$--						

Table 10.5- Cost/Funding Sources for Transportation (Times \$1,000)

Cost/Funding Sources	CIP	2003	2004	2005	2006	2007	2008	6 Year Total	2009+	20 Year Total
Cost										
Annual Road Overlay Projects	1028	\$195	\$100	\$189	\$160	\$277	\$152	\$1,073		\$1,073
Annual Traffic Safety Projects	1029	\$100	\$100	\$100	\$100	\$150	\$100	\$650	\$100	\$750
SE 256 th Street/164 th Ave SE	1034	\$1,195	\$5,327	\$255	\$255	\$255	\$255	\$7,542		\$7,542
SE Wax Rd & 180 th Ave. SE	1033	\$1117	\$194.6	\$3,697	\$875			\$5,883.6		\$5,883.6
SR 526 Safety/Widening	1039	\$165.5	\$1,205	\$1,249				\$2,619.5		\$2,619.5
SE Wax Road	1118	\$30	\$328					\$358		\$358
Wax Road/176 th Place SE	1073		\$25	\$233.5				\$258.5	\$75	\$333.5
168 Wy SE	1082	\$50	\$251	\$2,687	\$16.5	\$16.5	\$16.5	\$3,037.5	\$16.5	\$3,054
SE 276 th Street	1083B						\$162	\$162	\$2,334	\$2,496
SE 270 th Street	1125			\$90	\$251	\$516	\$516	\$1,373		\$1,373
SE 270 PL	1081			\$60.8	\$477	\$581.9		\$1,119.7		\$1,119.7
SR 516	1127				\$351	\$260	\$1,419.5	\$2,030.5	\$1,419.5	\$3,450
SR 516	1128			\$509	\$260	\$1,658	\$1,658	\$4,085		\$4,085
SR 516	1030	\$177.7	\$310					\$487.7		\$487.7
SR 516/160 th Ave SE Intersection Imp	1035			\$83.8	\$626.2			\$710		\$710
164 th Ave SE Phase 2	1038		\$391.1	\$582.1				\$973.2		\$973.2
180 th Ave. SE Ext.	1124E				\$252	\$292	\$282	\$826	\$2,942	\$3,768
164 th Ave. SE	1040					\$116.7	\$606.3	\$723		\$723
Storm/Sidewalk										
Se 256 th Street/156 th Ave. SE	1044						\$67	\$67	\$739	\$806
SE Wax Road) Circulation Needs Study	1045						\$156	\$156	\$1,745	\$1,901
SR 516 Access Control Project	1042	\$100					\$100	\$200		\$200
2009-2024 Projects	1063		\$94		\$836	\$332.5	\$332.5	\$1,595		\$1,595
									\$105,336	\$105,336
Funding Sources										
General Fund		\$195	\$200	\$289	\$260	\$429	\$252	\$1,625	\$100	\$1,725
Capital Fund (REET)			\$611.3	\$612.6	\$806.8	\$395.5	\$493	\$2,919.2	\$3,259.8	\$6,179
Street Fund								\$86	\$86	\$86
SWM Fund		\$435		\$138.7				\$573.7	\$2,370	\$2,943.7
Developer Road Impact Fees/LID		\$1,058.3	\$1,367.8	\$2,804.6	\$1,220	\$1,290.6	\$1,587.4	\$9,328.7	\$48,115.6	\$57,444.3
Grants (TIB & other)		\$683.3	\$1,613.5	\$2,564.7	\$848	\$997	\$188.4	\$6,894.9	\$20,599	\$27,493.9
Grants (ISTEA & HES)		\$150.8	\$1,231.6	\$52.5				\$1,434.9	\$709.1	\$2,144
PWTF Loan			\$4,036.7				\$748.8	\$4,785.5		\$4,785.5
Other		\$152.7		\$509	\$611	\$1,918	\$3,077.5	\$6,268.2	\$29,011.3	\$35,279.5
Debt Proceeds										
Summary										
Costs		\$3,130.2	\$8,325.7	\$9,736.2	\$4,459.7	\$4,455.6	\$5,852.8	\$35,930.2	\$114,707	\$150,637.2
Funding Sources		\$2,675.1	\$9,060.9	\$6,971.1	\$3,745.8	\$5,030.1	\$6,347.1	\$33,830.1	\$104,250.8	\$138,080.9
Balance		(\$455.1)	\$735.2	(\$1,765.)	(\$713.9)	\$574.5	(\$494.3)	(\$7,900)	(\$10,457)	(\$12,557)

10.10 Capital Facilities Plan Projects and Financing Plan Summary

Table 10-6 is a summary of Tables 10-1 through 10-4. Table 10-6 shows subtraction of the known funding sources from total estimated costs to show the non-funded balances by facility type. The following tables represent updates in 2003 and 2004. King County Fire District provided updates for 2010. A complete update to the following Tables will occur during the next 7 year mandate by GMA. Refer to Section 10.16 below for a summary of action options and strategies to meet the unfunded gap.

Table 10-6 Capital Facilities Plan Summary of Costs and Funding Sources (Times \$1,000)

Cost/Funding Sources	2004	2005	2006	2007	2008	2009	6 Year Total	2010+	20 Year Total
Fire / Rescue Facility*	\$50	\$2,000	\$1,000	\$1,000	\$1,000	\$1,000	\$6,050	\$650	\$7,000
City Hall/Community Center	\$380	\$380	\$4,300	\$1,380	\$337	\$337	\$7,074	\$4,718	\$11,812
Parks and Recreation	\$270	\$1,380	\$9,935	\$1,660	\$1,292	\$699	\$15,238	\$17,732	\$32,938
Surface Water Management	\$258.8	\$883.8	\$7	\$7	\$208		\$1,858	\$51,844	\$53,700
Transportation	\$8,328.7	\$9,738.2	\$4,459.7	\$4,458.8	\$5,852.8	\$6047.3	\$40,112.8	\$113,231.3	\$153,334.2
Funding Sources									
General Fund	\$200	\$339	\$310	\$429	\$252	\$100	\$1,530		\$1,530
Capital Fund (REET)	\$1,281.3	\$1,702.8	\$1,271.8	\$1,382.5	\$1395	\$1,190.8	\$8,214.3	\$11,294	\$19,508.3
Street Fund (Gas Tax and Vehicle License Fee)							\$0	\$188	\$188
SWM Funds	\$258	\$852.2		\$7	\$208	\$721	\$2,045	\$10,871	\$12,718
Grants (State & Federal)	\$2845.1	\$3,287.2	\$1,198	\$1,497	\$613.4	\$548.4	\$8,989.1	\$28,815.1	\$36,784.2
Developer Road Impact Fees/LID	\$1,387.8	\$2,804.8	\$1,228	\$1,280.8	\$1,587.4	\$2,689.2	\$10,950.8	\$44,731	\$56,890.8
Developer Share (SWM)								\$38,780	\$38,780
Other		\$509	\$611	\$1,918	\$3,077.5	\$1,541	\$7,858.5	\$32,188.2	\$39,782.7
King County DOT							\$0	\$804.5	\$804.5
City of Kent							\$0	\$1,822.5	\$1,822.5
Fire Dist #37 / City*	\$50	\$2,000	\$1,000	\$1,000	\$1,000	\$1,000	\$6,050	\$650	\$7,000
Park Levy			\$500	\$500	\$300	\$509	\$1,809	\$7,297	\$9,108
Park Mitigation		\$20			\$2		\$22	\$101	\$123
PWTF Loan	\$4,038.7				\$748.8		\$4,786.5	\$1,144.8	\$5,930.3
Bond Proceeds			\$8,000				\$8,000	\$0	\$8,000
Beginning Fund						\$588.8	\$588.8	\$200	\$788.8
Debt Proceeds			\$3,828	\$930			\$4,758	\$0	\$4,758
Summary Costs *	\$9,234.5	\$16,079.7	\$15,754.7	\$8,459.8	\$7,687.8	\$7,684.3	\$64,255.9	\$190,516	\$251,117.2
Funding Sources *	\$9,969.7	\$13,314.9	\$15,040.8	\$7,034.1	\$8,182.1	\$7,889.2	\$61,409.8	\$179,738	\$237,062.9
Balance *	\$735.2	(\$2764.8)	\$713.9	\$1574.5	\$494.3	\$83.9	(\$2,846.1)	(\$10,780)	(\$14,044.3)

* - Totals exclude KC Fire Dist #37 / City New Fire / Rescue Station cost and expense line items. The current financing plan is for system development charges combined with SEPA mitigation and RCW 82.02 impact fees.

Following Table, provided by King County Fire District, to be included in update to Tables 10-6

Cost/Funding Sources	2010	2011	2012	2013	2014	2015	6 year total	2016+	20 year total
Fire/Rescue Cap.	\$100	\$200	\$875	\$900	\$925	\$1,000	\$4,000	\$3,000	\$7,000
Debt Payments				\$600	\$600	\$800	\$2,000	\$5,000	\$7,000
Summary									
Fire SDC / Mit Fee	\$100	\$200	\$875	\$900	\$925	\$1,000	\$4,000	\$3000	\$7,000

Table 10-6 Capital Facilities Plan Summary of Costs and Funding Sources (Times \$1,000)

Cost/Funding Sources	2003	2004	2005	2006	2007	2008	6 Year Total	2009+	20 Year Total
Cost									
City Hall/Community Center	\$380	\$380	\$4,300	\$1,360	\$337	\$337	\$7,074	\$4,718	\$11,812
Parks and Recreation		\$270	\$1,380	\$9,935	\$1,660	\$1,292	\$14,537	\$18,401	\$32,938

City of Covington Comprehensive Plan

Capital Facilities Program Element

Surface Water Management	\$608	\$258.8	\$663.5		\$7	\$206	\$1,743.3	\$52,565	\$54,308.3
Transportation	\$3,130.2	\$8,325.7	\$9,736.2	\$4,459.7	\$4,455.6	\$5,852.8	\$35,960.2	\$114,832	\$150,792.2
Funding Sources									
General Fund	\$195	\$200	\$339	\$310	\$429	\$252	\$1,725	\$100	\$1,825
Capital Fund (REET)	\$380	\$1,261.3	\$1,702.9	\$1,271.8	\$1,392.5	\$1395	\$7,403.5	\$14,868.8	\$20,172
Street Fund (Gas Tax and Vehicle License Fee)							\$0	\$187	\$186
SWM Funds	\$1,043	\$258.8	\$852.2		\$7	\$206	\$2,367	\$11,470.2	\$13,837
Grants (State & Federal)	\$834.1	\$2845.1	\$3,267.2	\$1,198	\$1,497	\$613.4	\$10,254.8	\$26,911.1	\$37,166
Developer Road Impact Fees/LID	\$1,058.3	\$1,367.8	\$2,804.6	\$1,220	\$1,290.6	\$1,587.4	\$9,328.7	\$48,115.6	\$57,444
Developer Share (SWM)								\$38,780	\$38,780
Other	\$152.7		\$509	\$611	\$1,918	\$3,077.5	\$6,282.2	\$27,145.8	\$33,428
King County DOT							\$0	\$1,483	\$1,483
City of Kent							\$0	\$1,822.5	\$1,823
Kent School District									
Park Levy				\$500	\$500	\$300	\$1,300	\$7,806	\$9,106
Park Mitigation			\$20			\$2	\$22	\$101	\$123
PWTF Loan		\$4,036.7				\$748.8	\$4,785.5	\$1,144.8	\$5,930
Bond Proceeds				\$9,000			\$9,000	\$0	\$9,000
Debt Proceeds			\$3,820	\$930			\$4,750	\$0	\$4,750
Summary									
Costs	\$4,118.2	\$9,234.5	\$16,079.7	\$15,754.7	\$6,459.6	\$7,687.8	\$59,334.5	\$190,516	\$249,751
Funding Sources	\$3,663.1	\$9969.7	\$13,314.9	\$15,040.8	\$7,034.1	\$8,182.1	\$57,204.7	\$179,736	\$235,053
Balance	(\$455.1)	\$735.2	(\$2764.8)	\$(713.9)	\$574.5	\$494.3	(\$2,129.8)	(\$10,780)	(\$14,698)

10.11 Revenue Options and Forecasts

The following is a description of each revenue source identified in the preceding Capital Facilities Plan Projects and Financing Plan Summary, along with assumptions used in the forecasts.

10.11.1 Park Impact Fees

Revised Code of Washington 82.02.050-090 authorizes a charge to be paid by new development for its "fair share" of the system (off-site) improvement costs of parks and recreational facilities that are required to serve the development.

Park impact fees are flat rates charged on the basis of the type of dwelling unit in each type of residential development. The fees are usually collected at the issuance of building permits or at recording for subdivisions. Adjustments must be made to fee calculations to account for parks and recreational facilities costs that are paid by other sources of revenue, and additional "credits" can be given to developers who contribute land, improvements, or other assets.

GMA authorized impact fees under RCW 82.02 do not include any other form of developer contributions or extractions, such as mitigation or voluntary payments authorized by State Environmental Policy Act (RCW 43.21C), local improvement districts or other special assessment districts, linkage fees, or land donations or fees in lieu of land. City expects a modest \$123,000 over a 20 year period from mitigation.

Impact fees must be used for capital facilities needed by growth, and not for current deficiencies in levels of service, and cannot be used for operating expenses. Impact fees must show a "rationale nexus of benefit" between the payer of the fee and the expenditure of the fee.

10.11.2 Impact Fee Revenue

The City of Covington presently has 5,048 dwelling units and anticipates an increase of approximately 900 units within the six-year planning period. A parks, trails and recreation facility impact fee rate has not been calculated at this time. A separate analysis has been undertaken to study the merits of formation a metropolitan park district, including City of Covington and nearby unincorporated areas or adjacent communities.

No parks impact fee revenue has been included in the 6 year or 20 year plans.

10.12 Parks, Trails, and Open Space General Obligation Debt Capacity

10.12.1 Levies

Cities may issue voter-approved general obligation bonds for parks and open space. General obligation bonds are backed by the value of the property within the jurisdiction (full faith and credit). Voter-approved bonds will increase the property tax rate, with the increased revenues dedicated to paying principal and interest on the bonds.

Local governments are authorized to take "excess levies" as increases in the regular property tax levy (Revised Code of Washington 84.52) above the \$3.60 per \$1,000 statutory limit to repay Parks, Trails, and Open Space voter-approved bonds. There is no dollar limit for this levy. However, the total amount of debt for open space and park facilities is restricted by law to 2.5% of taxable value of property (Revised Code of Washington 39.36.020[2][a][ii]). The excess levy is in addition to the 2.5% for general purpose debt. A 60% majority vote is required for voter-approved bonds/excess levy.

10.12.2 Forecast of Park and Recreation Debt Capacity

The estimated park and recreation general obligation debt capacity and the basis for the forecast is provided in the 20 year Parks CIP periodically updated. Currently, the plan relies on use of debt in year 2006 and later in the 20 year period.

10.12.3 Interagency Committee for Outdoor Recreation (Interagency Committee)

The well known IAC grant program is really a central clearinghouse agency for several federal and state grant programs primarily for acquisition, development and renovation of outdoor recreation and habitat conservation areas. There are currently eight (8) accounts or programs funded by grants provided by the Interagency Committee:

1. Boating Facility Grants: acquisition, development and renovation of public access boating facilities;
2. Firearms Range Account: acquisition, development and renovation of public and private non-profit firearm ranges and archery facilities;

3. Non-Highway Off-Road Vehicles: planning, education and/or enforcement, acquisition and/or development, and maintenance/operation of off-road vehicle trails and facilities.
4. Traditional Park Grants
5. Wildlife and Recreation Program: acquisition and development of wildlife habitat
6. Habitat Conservation Account: acquisition and development of urban wildlife habitat
7. Outdoor Recreation Account: acquisition and development of local parks, including existing parks, regional trails, trail head facilities and water access sites
8. Aquatic Lands Enhancement Account (ALEA): The ALEA program was recently moved to IAC administration, from WDNR oversight. The ALEA program funds aquatic projects from shellfish lease revenues.

A comprehensive parks and recreation plan or a parks and recreation component in a local comprehensive plan is required for Boating Facility and Outdoor Recreation Account grants. A 50% local match is required for all grants and only occasionally will IAC grants exceed the \$1,000,000 grant funding level. The City of Covington recently was awarded a \$500,000 grant from IAC.

10.13 Forecast for Interagency Committee Revenue

Revenue estimates are dependent on project eligibility for the following funds.

10.13.1 Surface Water Management Capital Funds

Upon incorporation the City formed its own surface water utility. Currently the fee rates are slightly more than parcels nearby in the King County system and the City of Covington fees are collected for the City by King County. There is a flat rate for single family dwellings. Multiple family, commercial and industrial fees are based on the amount of impervious surface on each site. The City's annual budget anticipates revenue net of operational expenses, allowing for funding capital facilities improvements as well as operations and regulatory compliance funding. (See Chapter 8 Surface Water Resource Element for further explanation)

10.13.2 Forecast of Surface Water Management Project Revenue

The updates to the annual budget shows the revenue forecast for the stormwater utility. However, rate adjustments are subject to annual council review.

10.13.3 Transportation Equity Act for the 21st Century–Next Program

The Transportation Equity Act for the 21st Century (TEA-21) successor program for years 2004 thru 2010 is expected to provide federal funding for standard street improvement projects as well as enhancement projects that include alternative transportation modes such as bicycle paths. The federally funded grant program, administered locally by WSDOT and PSRC typically funds 80% of the project and requires the local government to fund the remaining 20%. The majority of projects that received TEA-21 funds were required to have a minimum local match of fifty percent (50%). Although final rules are not set for the 2004 renewal program and beyond, the grant program will likely have competitive rules similar to the former TEA-21 and ISTEA programs.

10.13.4 Forecast of Transportation Equity Act for the 21st Century Enhancement Project Revenue

Revenue estimates are dependent on project eligibility and regional competitive factors for federal funds, although the long term revenues expected are shown in annual budget updates. Most likely candidate projects for federal funding are multi-use trails in an open space greenway (Jenkins Creek or Little Soos Creek) or along a rural to urban transportation corridor of regional significance (SR-516 and SR-18).

10.14 State Grant and Loan Funding Sources

10.14.1 Funds Administered by the Transportation Improvement Board

Grant programs administered by the Transportation Improvement Board are designated for cities and counties for the design and construction of roadways that have arterial designations and for pedestrian facilities. Funds for the competitive grant programs are generated from the state gas tax that is collected at the gas pump. Applications for grants are normally requested on an annual basis when adequate funding is available. Both the Transportation Partnership Programs and the Arterial Improvement Program are programs that are geared primarily towards street improvement projects and have eligible landscaping and illumination cost limited to three percent of the total project cost.

Refer to Chapter 5, for an overview of transportation funding strategies. Here are some of the programs:

Pedestrian Safety and Mobility Program

The intent of this program is to enhance and promote pedestrian mobility and safety as a viable transportation choice by providing funding for pedestrian projects that provide access and address system continuity and connectivity of pedestrian facilities. Project applications will be rated and awarded points in several categories.

The program provides a maximum of \$150,000 in grant funds with local agencies match of not less than twenty percent. The local match may be from other grant sources or private funds. Highly ranked projects are listed by their score and are selected for funding in numerical order down to the funding level that is available each year.

Public Works Trust Fund

The Public Works Trust Fund provides interest-free or very low interest rate loans for the construction of new or expanded infrastructure. Loan funds can only be provided to correct existing deficiencies, improve unsafe conditions, and to meet current design and capacity standards. Funding cannot be provided for projects that provide substantial additional capacity.

Corridor Congestion Relief Program

A new state funded program began in 2000 that is funded by state gas taxes. The purpose of the new "Corridor Congestion Relief Program" is to provide funding for congested urban corridors, as defined and selected by the Washington State Department of Transportation in consultation with cities, counties and regional transportation planning organizations. Eligible projects include roadway widening, channelization, signalization, HOV lanes, and Intelligent Transportation Systems.

The grant program restricts the funding to urban corridors that connect urban or significant activity centers; begin or end at the intersection of another arterial, state highway, or limited access freeway system; and provides an alternative route to the limited access freeway system. Project applications will be rated and awarded points in several categories.

A minimum local match to this program is 10%. The program may be funded depending on the approved state budget.

Traffic Safety Near Schools Program

Similar to the Corridor Congestion Relief Program, the Traffic Safety Near Schools program is relatively new and successful. The purpose of this program is to fund capital projects for traffic and pedestrian safety improvements near schools. Eligible projects include sidewalks and walkways, school signing and signals (except for fluorescent yellow green warning signs), improved pedestrian crossings (medians, curb bulbs, crosswalks flashing pavement warning lights, flashing beacons), turning lanes, school bus pullouts, roadway channelization and signalization. WSDOT Highways and Local Programs administers this program. The maximum amount of grant funds is \$150,000 per application and a twenty-five percent local match is required. Project applications will be rated and awarded points in the following categories:

10.14.5 Forecast of State Grant and Loan Funding Project Revenue

Revenue estimates are dependent on project eligibility and revenue for these funds. Any grant and loan funding updates are shown in annual City of Covington budget updates.

10.14.6 Gas Tax + Local Vehicle License Fees for Capital Expenditures

Revised Code of Washington 82.36 authorizes this tax, which is administered by the Department of Licensing, and paid by gasoline distributors. Cities and counties receive 11.53% and 22.78%, respectively, of the motor vehicle fuel tax receipts.

Revenues must be spent for "highway purposes including the construction, maintenance, and operation of city streets, county roads, and state highways.

10.14.7 Forecast of Gas and Vehicle License Tax Revenue

The City allocates this gas tax revenue to the Street Fund for maintenance, operation, reconstruction, and renovation of City streets. The gas tax revenue forecast is shown in the annual budget. The City also allocates Local Vehicle License fees to the Street Fund for maintenance, operation, reconstruction, and renovation of City streets. The local vehicle license tax revenue forecast is shown in the annual budget. Through various voter approved initiatives, gas tax revenue has declined approximately 10% in the six years for municipal use.

10.14.8 Transportation Mitigation Fees

The City has collected mitigation fees that are assessed to developers for their share of street improvements. The amount of the fee has been established by the Mitigation Payment System (MPS) for projects that includes two sources of projects. The arterial street projects budgeted by King County located within the City at the time of incorporation as well as City of Covington arterial street projects are included. For the single-family developments that are subject to impact fees, the current (Sept. 1, 2003) average rate per single family home is \$2,054, with multi-family residential units at 60% of the single family rate. Rates for commercial development are calculated for the City by King County and are based on the location and impacts on identified street projects. Transportation mitigation fees collected must be expended toward the identified mitigation within six years of collection or returned to the payee.

Additional fees may be collected during the environmental review process for a development project. If during the review it is determined that concurrency cannot be reached within the required six year period additional fees may be collected to assure that the existing level of service is sustained. Transportation mitigation fees collected by the environmental review process must be expended toward the identified mitigation within five years of collection or returned to the payee.

The City of Covington also collects impact fees in a range from \$146 to \$2,010 per single family residence on behalf of King County, for the portion of nearby road projects located in unincorporated King County, through an Interlocal Agreement.

10.14.9 Forecast of Transportation Mitigation Fee Revenue

The updated revenue forecasts for mitigation fees are shown in the annual budget report. The 6 year model forecast for the period 2004 to 2009 reflects \$2,278,829 in impact fees for City and an additional \$1,877,200 collected by City and forwarded to King County, for projects on the adopted impact fee lists. In addition, there is a small undetermined amount of annual revenue regularly collected by King County and provided to City of Covington, under the reciprocal impact fee Interlocal Agreement currently in place, from development in King County that is served by City of Covington street projects. Covington is one of only a few cities with such a reciprocal impact fee collection program with King County.

10.14.10 Real Estate Excise Tax: 1st and 2nd 1/4%:

Revised Code of Washington 82.46 initially authorized real estate excise tax levy of 1/4%, and the state legislature later authorized another 1/4% for capital facilities, subject to the requirement that the existing 1/4% real estate excise tax to be used primarily for financing capital facilities specified in the local government's capital facilities plan.

Both the first and second 1/4% real estate excise tax revenue may be used for the following capital facilities:

1. The planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation or improvement of: Streets, Roads, Sidewalks, Street and Road Lighting Systems, and Storm and Sanitary Sewer Systems.
2. The planning, construction, reconstruction, repair, rehabilitation, or improvement of parks and recreation facilities.

In addition, the first 1/4% real estate excise tax may be used for the following capital facilities:

1. The acquisition of parks and recreation facilities;
2. The planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation or improvement of: Law Enforcement Facilities, Fire Protection Facilities, Trails, Libraries, Administrative and Judicial Facilities, River and/or Waterway Flood Control Projects (within certain dates), and Housing Projects (within certain dates).

10.14.11 Forecast of Real Estate Excise Tax Revenue

The City of Covington has enacted both the first and second 1/4% real estate excise tax. The REET revenue is allocated to the Capital Fund, as required.

The REET revenue forecast is based on assumptions and projections of past revenues in the City's annual budget. The forecast assumes continuation of the allocation of revenue for capital improvements.

10.14.12 General Obligation Debt Capacity

General Obligation (GO) Bonds are backed by the value of the property within the jurisdiction (full faith and credit). There are

two types of General Obligation Bonds: councilmanic and voter-approved.

Councilmanic bonds are authorized by the jurisdiction's legislative body without the need for voter approval. Principal and interest payments for councilmanic bonds come from general government revenues, without a corresponding increase in taxes, which means that this method of bond approval does not utilize a dedicated funding source for repaying the bondholders.

Voter-approved bonds will increase the property tax rate, with the increased revenues dedicated to paying principal and interest on the bonds. Local governments are authorized "excess levies" (increases in the regular property tax levy [Revised Code of Washington 84.52] above the \$3.60 per \$1,000 assessed valuation statutory limit to repay voter-approved bonds). There is no dollar limit for this levy. However the total amount of debt (councilmanic and voter-approved combined) is restricted by law to 2.5% of taxable value of property. Of the 2.5% for general-purpose debt, the City may issue up to 1.5% in the form of councilmanic bonds.

10.14.13 Forecast of General Obligation Debt Capacity

The City does not currently have any voted general obligation or councilmanic general obligation debt. The forecast for remaining unused general obligation debt capacity for the planning period is adequate for capital needs (if used) and strategies to fund proposed plans. The proposed plan elements do not cause the City of Covington debt to be in excess of the state allowable maximum limits. The debt capacity forecast is based on the statutory debt limitations as of December, 2002.

Councilmanic Debt Capacity

The estimated councilmanic debt capacity (based on 1.5% of taxable valuation of property) is currently \$16,045,179. The basis for the estimate is the 2003 assessed valuation of \$1,069,678,571.

Total Debt Capacity

The estimated voted and non-voted debt capacity, including parks and open space and utility purposes is \$80,225,893. The basis for the estimate is the 2003 assessed valuation is \$1,069,678,571.

The estimates for debt capacity do not include the projected assessed valuation of \$37,607,544 for any proposed annexation areas in 2003, after development, if annexed.

10.15 Six Year Capital Facilities Lists

This section contains the list of projects that have been identified in the other elements of the Plan that are needed to obtain and sustain the adopted levels of services. The Six Year list of capital facilities will be reviewed, prioritized and revised annually, by the City Council. Projects may be exchanged between the current Six Year Capital Facilities Plan and this list as priorities are established. The Twenty Year Capital Facilities list is used as the primary source to identify projects for future Six Year Capital Facilities Plans as budgets are developed and updated on an annual basis.

The six-year citywide Capital Facilities Plans is not required to be financially balanced, under GMA requirements, the long term plan must have either a financing plan or strategy to finance the plan.

10.16 Capital Facilities Plan and Financing Plan Summary

The forecast of cost of projects and anticipated revenues beyond a six-year period is uncertain. The identified revenue shortfalls (Tables 10.1 thru 10.4) could be reduced by several options. Possible sources to reduce shortfall are, but not limited to, the following:

- Increases to surface water management rates and using the increase in fees to fund a greater portion of the storm drainage portion of transportation projects. The proposed rate increase as currently presented in the Stormwater Element have already been assumed to be implemented for the both the Six Year Capital Facilities Plan and the long term Capital Facilities Plan.
- Use the City's general obligation debt capacity to finance some of the proposed improvements. The advantage of this option is that it provides the City with the benefits of the facility earlier than if the City saves for the needed funds. The disadvantage of this option is that funds used to make the payments on the interest and financing of the debt competes with funding resources for other projects and needs.
- Reduction in the adopted levels of service standards or changes in the designated land use plan that reduces the need for infrastructure capital improvements.

- Addition of utilities taxes. City of Covington is nearly unique among adjacent cities in this regard. There are no utility taxes currently for telephone, cable TV, electricity, natural gas, water, solid waste, etc. while comparable size nearby cities currently obtain \$350,000 annually or more from a combination of utility taxes.

Regular levies for capital improvements or maintenance and operations. City of Covington is similar compared to adjacent cities, because cities use levies infrequently. There are no municipal levies in Covington in 2003. Cities obtain funds from voter approved levies on a regular basis, typically for parks and recreation facility maintenance or specific needs, such as technology upgrades. In fall 2002, the Planning Commission and staff identified that a small levy amount (approximately \$2 million) used on regular basis (assuming a vote to approve each time) could create a rolling source of capital improvement funds, to fund all of the estimated unfunded \$56 million gap for the streets and stormwater capital improvements long term 20 year CIP.

10.17 Goals and Policies

CFG 1.0 Enhance the quality of life for Covington residents through the planned provision of public and private capital facilities, either directly by the City or via coordination with other public and private entities.

CFP 1.1 When planning, developing, and administering the City's capital investment program, give primary consideration to the following:

- *Protect public health and safety;*
- *Provide infrastructure to support the vision of Covington's future as articulated in the Comprehensive Plan;*
- *Support the provision of City services consistent with the expectations of the community, as expressed in the City's adopted level of service standards;*
- *Maintain, rehabilitate, or replace the City's facilities and infrastructure as necessary to extend the useful life of existing facilities and ensure continued efficiency and conservation of energy and resources; and*

- *Provide facilities that meet special needs of the community, such as those supported by voter-approved bonds.*

CFP 1.2 Require water and sewer utilities, as well as those utility providers for which the City collects fees, to prepare a Capital Facilities Plan that includes:

- *A long-range plan for capital improvements and construction needed to support the level and distribution of the adopted 20-year population and employment growth target;*
- *A demonstration of how facility and service needs are determined;*
- *At least a six-year finance plan, which is to be updated on an annual basis, demonstrating how needs are to be funded;*
- *Population and employment projections consistent with those used in developing the Covington Comprehensive Plan; and*
- *A strategy for achieving consistency between the land use and the capital facility plan beyond the six-year capital improvement program, including identified potential funding sources.*

CFP 1.3 Maintain an inventory of existing capital facilities owned by public entities. This inventory should include the locations and capacities of such facilities, and will be updated annually.

CFP 1.4 Project needed capital facilities based on adopted level of service standards and forecasted growth in accordance with the Land Use Element of the Comprehensive Plan. This projection, along with project costs and financing should be updated annually. To ensure concurrency, the Kent School District and Fire Districts 37 and 43

shall submit their Six-Year Capital Facilities Plans to the City annually and the Plans shall be adopted by reference annually as a sub-element of the Capital Facilities Element of the Comprehensive Plan.

- CFP 1.5 Identify deficiencies in public facilities serving existing development, based on adopted level of service standards, and the means and timing by which those deficiencies will be corrected.*
- CFP 1.6 The City will prepare and adopt a six year Capital Facilities Plan annually that identifies projects, outlines a schedule, and designates realistic funding sources for all City capital projects.*
- CFP 1.7 Include acquisition and development costs for trails projects specified in the City Comprehensive Park and Recreational Facilities Plan within its six-year Capital Facilities Plan.*
- CFP 1.8 Require new development to include storm water facilities in compliance with city ordinances and regulations and incorporate low-cost, long term maintenance methods and, whenever possible, recreational facilities and good aesthetics.*
- CFP 1.9 Encourage public and private community service providers to share or reuse facilities when appropriate, to reduce costs, conserve land, and provide convenience and amenity for the public. Encourage joint siting and shared use of facilities for schools, community centers, health facilities, cultural and entertainment facilities, public safety/public works, libraries, swimming pools, and other social and recreational facilities.*
- CFG 2.0 Ensure that public facilities (other than transportation) necessary to support new development are adequate or available without compromising public health and safety to serve the development at the time the

development is available for occupancy and use, based on locally adopted level of service standards and guidelines and in accordance with State law.

- CFP 2.1 Maintain a long-term Capital Facilities Plan that demonstrates “plan-level” concurrency. “Plan-level” concurrency shall mean the demonstrated financial capacity to provide adequate capital facilities in support of the adopted Land Use Plan, 20-year growth targets, and adopted facility service standards.*
- CFP 2.2 Eliminate concurrency determinations at the project level where feasible in instances where the City’s Capital Facilities Plan demonstrates “plan level” concurrency. (This policy does not apply to transportation concurrency assessments, whose requirements are defined in the Transportation Element.)*
- CFP 2.3 Request the applicable service providers to adopt a capital improvement program to remedy the deficiency when an area-wide service deficiency is identified.*
- CFP 2.4 Evaluate the adequacy of school and fire facilities when reviewing new residential development in accordance with RCW 58.17.110, using the annual inventories noted in CFP 1.3, CFP 3.1 and other sources.*
- CFG 3.0 Achieve consistency in capital facilities level of service standards within the Covington Planning Area for each public service provided by multiple purveyors.
- CFP 3.1 Require capital facility service standards to be established by the providing agency for the following types of facilities to determine long-term (CFP) facility and funding requirements. Such standards will take into consideration the requirements of the American Public Works Association (APWA), the American Water Works Association (AWWA) and Washington State*

Department of Ecology (WDOE) and the Washington Department of Health (WDOH).

Water System:

Require that adequate water capacity, distribution, and transmission facilities are in place to accommodate new development at the current level of service to meet American Water Works (AWWA) and Washington State Department of Health (WDOH) requirements.

Sewer System:

Require that adequate sewer capacity, distribution and transmission facilities are in place to accommodate new development at the current level of service to meet American Public Works Association (APWA) and Washington State Department of Ecology (WDOE) requirements.

Storm Water System:

Require that adequate storm water systems are in place to accommodate new development at the current level of service to meet American Public Works Association (APWA) and Washington Department of Ecology (WDOE) requirements.

Transportation:

Level of Service E or better Citywide for non-arterial intersections

- TSA designation of areawide average volume to capacity ratio (v/c) of 0.89 or LOS D or better.
- SR 516 critical link v/c ratio, impacted by 50% of development peak hour traffic.

Parks and Recreation:

Neighborhood Parks

Two acres developed park acres per 1,000 population

Community Parks

Five acres developed park acres per 1,000 population

Regional Parks

Six acres developed park acres per 1,000 population

Fire and Rescue

Require the addition of fire/emergency service facilities and associated equipment necessary to deliver a uniform level of service in response time for City residents and property located within City limits.

Utilize Fire District 37's Standards of Coverage and Mitigation and Level of Service Contribution Policies for fire and emergency medical response times and consider implementing the benchmarks of the National Fire Protection Association (NFPA) standards for response times.

Schools:

Kent School District

Grades 1 to 3: 22 Students per Teaching Station

Grades 4 to 9: 29 Students per Teaching Station

Grades 10 to 12: 31 Students per Teaching Station

Municipal buildings:

City Offices: Utilize a level of service guideline of 1,100 to 1,800 square feet of office space per 1,000 population for the purposes of calculating costs for the capital facilities finance plan. The amount of office space will be determined by the services, which will be provided with the City Offices. Prior to construction the City should reassess the level of service guideline.

City Maintenance Shops: Utilize a level of service guideline of a minimum of 800 to 1,200 square feet of maintenance shop space per 1,000 population for the purposes of calculating costs for the Capital Facilities Plan. The amount of shop space will be determined by the services, which will be provided by the City. Prior to construction the City should reassess the level of service guideline at that time.

Adequate administrative fee shall be assessed to offset associated program costs.

CFP 3.2 Reassess the Capital Facilities Plan annually to confirm that long-term financial capacity exists to provide adequate capital facilities and to ensure consistency between the Capital Facilities Plan and the Land Use Element.

CFP 3.3 The City will continue to attend regular meetings with local purveyors to better assure continued coordination between agencies.

CFG 4.0 Achieve consistency in capital facilities level of service standards between the Covington Planning Area and surrounding jurisdictions' planning areas.

- CFP 4.1 Coordinate with other public entities which provide public services outside the Covington Planning Area, but within the designated urban growth area. Due to varying levels of progress on comprehensive plan updates among affected jurisdictions, this process may not be completed by the initial adoption of this plan. As other jurisdictions' comprehensive plan updates are completed, the City shall incorporate any necessary revisions in a subsequent updating of this plan.*
- CFG 5.0 Ensure that development pays a proportionate share of the cost of new facilities needed to serve such growth and development.
- CFP 5.1 Develop funding strategies for government infrastructure in cooperation with other jurisdictions that take into account economic development goals and consider the costs to, and benefits for, the jurisdictions and the region.*
- CFP 5.2 Utilize the following guidelines for any imposition of impact fees on new development by the City of Covington:*
- Fees shall be imposed only for system improvements that are reasonably related to the new development;*
- Fees shall not exceed a roughly proportionate share of the costs of system improvements that are reasonably related to the new development;*
- Impact fee revenues must be balanced with other public revenue sources to finance system improvements which serve new development;*
- Proceeds shall be used for system improvements that will reasonably benefit the new development; and*

Proceeds shall not be used to correct any existing capital facility deficiencies.

Adequate administrative fees shall be assessed to offset associated program costs.

CFP 5.3 Consider the exemption of certain land uses which have broad public purpose from payment of impact fees when adopting any impact fee ordinance.

CFP 5.4 Aggressively pursue funding from all levels of government and private agencies to accomplish its capital investment program while optimizing use of City resources.

CFP 5.5 Fund regional and area-wide storm water and flow control facilities through an adequate and equitable set of user charges.