



## CITY OF EVERETT 2020 Proposed budget address

I am pleased to present you with a proposed budget for 2020 that is balanced, responsible and supports the important services the City provides to its residents and businesses.

After facing a \$13 million deficit last year and making more than \$5 million in permanent reductions, we began the year with a \$10.9 million budget gap for 2020.

By working closely with members of the City Council and especially its Budget and Finance Committee, we have shown our commitment to fiscal responsibility. We've crafted a balanced budget and reduced our ongoing deficit further, bringing total permanent reductions to \$7.6 million.

Programs across all City departments have had to tighten their belts. Since I've taken office, we've eliminated 18 positions throughout City government. Appointive staff in the Mayor's office have voluntarily elected to not receive a cost-of-living increase in 2020 and I will lead by example by donating my own commission-mandated salary increase back to the general fund.

These short-term cuts are not the long-term answer. Rather, we need to continue to make changes that are aligned with our community's priorities.

This year we have built this budget on a foundation of quality-of-life priorities, which are:

- Responsive & responsible government
- Safe community
- Economic & cultural vitality
- Transportation & infrastructure
- Engaged & informed community
- Education & workforce development, and
- Housing and Affordability

Each item in this budget falls under one of these priorities.

### **Responsive & Responsible Government**

I'll start with responsive and responsible government, which is the foundation of our work. That means being good financial stewards and delivering essential City services efficiently and effectively.

On that note, I'm particularly proud to announce that in 2020, we'll become the first city in Snohomish County to offer a new consumer-driven health plan and City-sponsored clinic for employees.

This program will increase the quality of healthcare for our team members and their families, while saving more than \$350,000 in its first year. Those savings are expected to grow to nearly \$1 million a year by 2023.

Part of being responsive is understanding your community and its needs. My proposed budget builds on our work on equity and inclusion. This includes updating the City's recruiting processes to attract and retain a workforce that better reflects our City's diverse community.

Our work on redistricting is another important investment. Last year voters approved the creation of city council districts, and the Districting Commission is beginning this critical work that changes how Everett will be governed. The first Council elections under the new district format will occur in 2021.

We also must be responsible with our natural environment and right now climate change is a growing concern for our region and quality of life. Next year we will continue updating the City's Climate Action Plan in partnership with our council. The plan will identify and prioritize actions we can take locally to address this global challenge. A special thanks to Council Member Roberts for his dedication to this issue.

### **Safe Community**

Ensuring the people of Everett are safe is our top priority. That's why over half of our proposed general fund expenditures will support investments in fire, police, and other public safety programs.

Starting with Everett Fire:

Last year our voters approved an emergency services levy. This ensures that life-saving services are always available wherever and whenever needed. Part of that investment is being combined with a three-year federal grant of \$1.6 million to pay for 10 more first responders at Station 6 in South Everett, as well as an additional medical aid unit.

Moving on to Everett Police:

Everett *is* becoming safer. According to the latest data released by the FBI, violent crime in Everett decreased 25% last year and property crimes fell 8%. Since we created our gang response unit, Everett has also seen a substantial curtailment of gang-related offenses.

But we know our residents doesn't always feel safe.

So, to continue these positive trends, our proposed 2020 budget estimates a fully staffed department. It also continues vital investments in the very successful gang response unit. It will fund an additional motorcycle officer to enhance traffic enforcement on our streets. And, it includes funds for the police to test and evaluate the use of body-worn cameras.

My proposed 2020 budget also provides ongoing funding for programs that help address our street-level social issues.

This continues investment in our very successful Community Outreach and Enforcement Team. This program pairs social workers with police officers to help members of our community who are struggling.

This strategy is working and we are ahead of many of our peer cities.

Since launching in 2017, our embedded teams have logged nearly 9,000 interactions with people facing mental health or addiction challenges, and homelessness. Many of these interactions have connected people with services that have put roofs over their heads and helped them get treatment.

To further bolster this important program, our police department recently brought on board an AmeriCorps VISTA volunteer. This volunteer is helping to grow our Safe Streets Flex Fund, which is 100% donation funded and supports our at-risk residents using no taxpayer dollars.

But this is not enough.

Early in 2020 I will release a plan to ensure that we increase our police force back to pre-recession staffing levels. That's a minimum of two officers per one thousand Everett residents.

I also plan to bring forward additional strategies very soon to provide Police with more tools to keep our streets safe and our community welcoming to all.

### **Economic & Cultural Vitality**

What also makes a community welcoming is having a robust economy and a vibrant cultural scene. That's why economic and cultural vitality is one of our City priorities. Encouraging economic growth is one of the best ways to grow City revenues, and we've been working hard to bring more businesses, jobs and commerce into our city.

We launched our Metro Everett initiative, as well as our Visit Everett tourism and marketing campaign. Both are attracting not only tourists who are spending money here, but also businesses that enhance our local culture, economy and quality of life. We were also thrilled to help the Everett Farmer's Market move from their waterfront location to downtown and we look forward to hosting them for years to come.

Our 2020 budget builds on this momentum, and includes work to establish the City as a certified creative district. We'll also invest in a mural program to leverage the power of the arts to transform Everett through creative placemaking.

Having beautiful, safe and modern parks is also part of our vitality as a City and I am proud of Everett's robust parks system, which includes 1400 acres spanning 45 parks. Next year we'll continue park improvements that provide best-in-class facility renovations and new park developments. This includes completing the Phil Johnson Ballfields renovation and a new, state-of-the art playground at Forest Park. We will also construct a new park adjacent to the YMCA in the Glacier View neighborhood.

Embedded within our parks program is our animal shelter, which supports the welfare of our favorite furry friends. As someone whose adopted animals outnumber the people in my household, the work of our animal shelter is near and dear to my heart. Our budget includes a new fundraising coordinator for the shelter. The new position will not only pay for itself, but will also generate new revenue to sustain shelter operations and care for the animals.

### **Transportation & Infrastructure**

Making sure people and goods are able to move easily and efficiently within and through Everett is another priority. As such, our 2020 budget continues investments in public transit, safe roadways, pedestrian safety, bridges and other vital infrastructure.

I'm proud to say that Everett Transit continues to be a regional leader in the adoption of zero-emission electric buses. Two more electric buses will join the fleet in 2020, bringing our total to nine. These new

buses are being purchased with federal funds. Matching funds were provided as part of the Volkswagen settlement, which brings our cost for these buses to zero!

Improvements to our stormwater system continue, building on the significant strides we've made in recent years to reduce impacts when intense rainfalls overwhelm our system. In 2020 I look forward to celebrating the completion of the Grand Avenue Park Bridge. This project replaces deteriorated underground pipes with new stormwater and sewer pipelines and will provide easy pedestrian access from Grand Avenue Park to our growing waterfront.

Drivers and cyclists in Everett currently enjoy some of the most pothole-free streets in the region. Our proposed budget continues to fund a healthy street overlay program to keep our roadways in top condition. This comes with a cautionary note. If state voters approve Initiative 976, more than half of that funding will be lost. Everett Transit will also lose \$750,000 dollars a year for paratransit services that help disabled and senior residents meet their basic transportation needs.

### **Education and Workforce Development**

Our next priority is education and workforce development. It's important that people who *live* in Everett can also *work* in Everett and that young people have a wide variety of career paths available to them.

My 2020 budget includes continued support for the Everett Career Link internship program. I was proud to debut this program this year in partnership with Everett Public Schools. This links local businesses with emerging, local talent for a 90-hour summer internship where students earn high school credit.

I had the pleasure of hosting my own intern this summer. Jamie started with us in the Mayor's Office after her junior year of high school. It's been a rewarding opportunity for my entire team. She did such a great job we decided to extend her internship through the school year.

The interns in this program demonstrated professionalism and enthusiasm, and we're currently working with new Superintendent Saltzman to expand. And I hope to make it available to Mukilteo School District so that all Everett students have an opportunity to participate.

We will continue to support higher education through our advocacy efforts in Olympia, whether it's for expanding Washington State University's footprint in Everett or new programs at Everett Community College. These schools play a key role in growing our regional workforce and providing quality education for our residents.

### **Engaged & Informed Community**

To support our priority of an engaged and informed community, I'm excited to report that in spring 2020 we'll be bringing back the very popular Everett Essentials civic academy.

We'll also continue to invest in our libraries, which serve as information hubs and places for people to gather. Our Evergreen Branch expansion will be completed in December, adding an additional 5,600 square feet and creating a state-of-the-art facility in south Everett. I thank our residents for their patience during the renovation; you'll soon see that it was worth the wait! New this year, we began offering passport services at our main branch; we hope to expand those services to the Evergreen Branch next year. We will also expand the Great Stories Club program for at-risk/underserved teens to Cascade, Sequoia, Denney Juvenile Justice and Cocoon House.

And to ensure everyone in our community can see how well City departments are performing, from Police to Fire to Public Works, we'll continue to add new data to the open data portal we launched this year. It offers an unprecedented amount of public information, easily accessible on our City website.

### **Housing and Affordability**

Our final priority is housing. Our goal in Everett is to have a wide range of quality housing available at all price points.

By creating a more livable city, we're laying the groundwork for investments in new housing. Those investments are paying off in the growth all around us. Projects to develop over 1,200 new units are either under construction or in the City's permitting pipeline. This includes 266 new apartments in the Port of Everett's Waterfront Central development, which will break ground this afternoon! There are also new apartments and townhomes in the works in Twin Creeks, Beverly Lake, Silver Lake and Westmont. And, we're excited for the first phase of a new Riverfront Development, which will bring 295 residential units, as well as a theater, grocery store, restaurants and more!

Keeping housing affordable for all of our residents is important, and a key strategy for dealing with the challenge of homelessness. Thanks to a measure adopted by the State earlier this year, Everett now has additional resources to help fund affordable housing. In addition to these new funds, we will continue our investments in grants for organizations addressing housing and homelessness.

This includes our effective Community Housing Improvement Program known as CHIP. CHIP has provided housing repair assistance to over 1,400 single-family households since 1977. One of our recent clients is a long-term Everett resident and disabled veteran, who found himself unable to maintain his home. Not knowing where to turn, and with no financial resources to make the repairs on his own, his home literally began to fall apart around him. He applied and was accepted into the CHIP program, and soon CHIP staff helped him get a new roof, upgrade electrical and plumbing systems, and make other repairs to allow him to remain in his home, safe and secure. It's programs like this that really do make a difference – one home at a time.

Everett is also engaged in Snohomish County's Housing Affordability Regional Taskforce (HART). One thing HART has made clear is that Everett has led on housing affordability in this county. I'm proud of the work our city council has led in this arena. However, *all* communities throughout Snohomish County need to work together with nonprofits, developers and social service agencies to address this challenge. I look forward to collaborating with partner jurisdictions to ensure their investment in affordable housing moving forward.

In closing, achieving a balanced budget that addresses the key priorities of our City is no easy task.

It takes a team to accomplish it. A team that is willing to collaborate and compromise. I'd like to once again thank our amazing City staff for their tireless dedication to serving our residents.

I also want to again thank our Budget and Finance Committee Chair, Councilmember Scott Murphy, along with Councilmembers Brenda Stonecipher and Jeff Moore, and the entire Council for their leadership and significant involvement in what has been a very deliberate, transparent process.

When I ran for mayor, I promised to provide our residents the best services possible while stewarding our resources and planning for the future. I know we have accomplished this. Good government is a

commodity that we must not take for granted, and I am committed to ensuring that we continue to improve.

Our budget is built on a strong foundation of City priorities that I believe will serve us well for years to come. Working together toward common goals, there are few limits to what we can accomplish. These priorities will provide a platform to help us measure results and ensure we're doing the most we can for our residents with the resources we have. After all, that's what public service is about.

Thank you. I'm now happy to answer any questions you have.