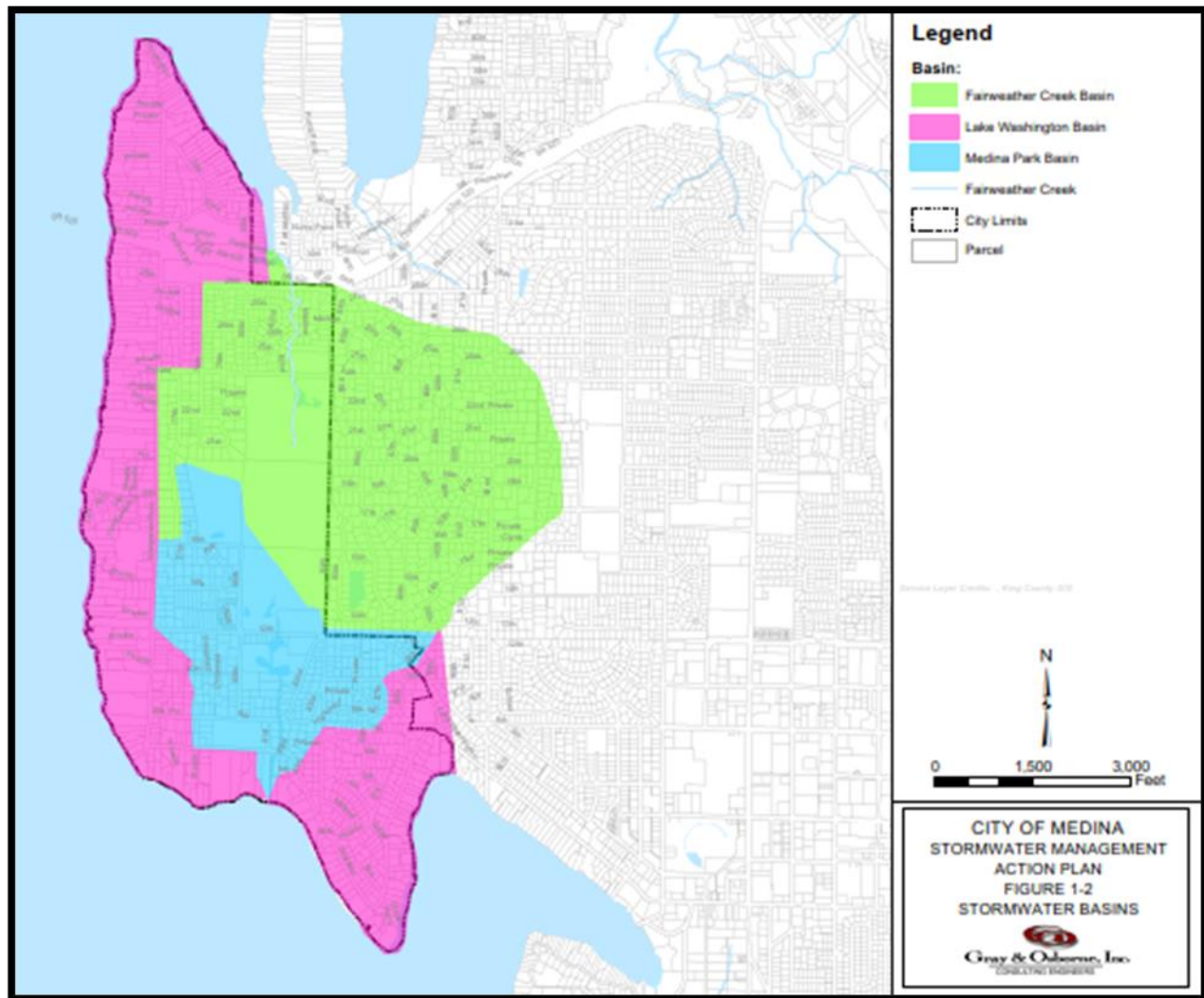


Stormwater Infrastructure Funding



- Ryan Osada presented the need to prioritize Stormwater on March 2. And estimated the city will need between \$300,000 and \$400,000 annually for Stormwater projects and maintenance.
- Currently using ARPA funding for 2023 projects, but a long-term solution is needed.
- Grants are great supplemental sources of funding but are not guaranteed.

Option 1 – Funding Storm Water Internally

- Six Million in Capital Reserves, Stormwater could be funded with current and future capital dollars.
- Create a Stormwater reserve fund of \$1.5 Million from the Capital Fund which will cover costs through at least 2027.
- 50% of REET revenue over expected going forward will be transferred to this fund which will extend the life of this funded past the expected 2027 date.
 - REET has restrictions on maintenance, however the majority of Stormwater projects fall under improvements or new infrastructure.
- 50% of the Capital portion of investment earnings will also be allocated to the new fund.
- Staff will also work to earn grant funding to help offset costs.
- Option two would take us through at least the cross over point for the Levy Lid Lift, without the need for additional cost to residents.

Cash and Investment Activity						
	Period: 2023 - March Period Totals					
	Beginning Cash	Beginning Investments	Activity In	Activity Out	Ending Cash	
General Fund	\$3,414,017.31	\$0.00	\$725,853.86	\$489,238.26	\$3,650,632.91	
City Street Fund	\$61,996.60	\$0.00	\$51,621.03	\$41,665.75	\$71,951.88	
Tree Fund	\$72,937.96	\$0.00	\$0.00	\$0.00	\$72,937.96	
Contingency Fund	\$250,000.00	\$0.00	\$0.00	\$0.00	\$250,000.00	
Levy Stabilization Fund	\$1,083,333.37	\$0.00	\$41,666.67	\$0.00	\$1,125,000.04	
Capital Projects Fund	\$5,998,734.26	\$0.00	\$421,350.36	\$9,673.75	\$6,410,410.87	
Development Services Fund	\$720,629.87	\$0.00	\$152,487.15	\$107,452.09	\$765,664.93	
NonRevenue Trust Funds	\$22,459.18	\$0.00	\$1,132.53	\$123.50	\$23,468.21	

Capital Fund Overview – Last Decade

	REET	Additional Revenue	Expenditures	Change
2014	\$ 1,183,402.16	\$ 26,108.18	\$ 1,059,798.70	\$ 149,711.64
2015	\$ 924,670.98	\$ 24,848.04	\$ 410,677.36	\$ 538,841.66
2016	\$ 942,930.28	\$ 135,356.07	\$ 1,125,636.26	\$ (47,349.91)
2017	\$ 1,378,806.38	\$ 170,483.88	\$ 830,247.18	\$ 719,043.08
2018	\$ 1,160,324.66	\$ 184,276.16	\$ 1,536,087.20	\$ (191,486.38)
2019	\$ 1,118,164.56	\$ 334,779.34	\$ 1,323,509.55	\$ 129,434.35
2020	\$ 1,537,707.64	\$ 305,009.43	\$ 668,505.36	\$ 1,174,211.71
2021	\$ 1,924,141.74	\$ 519,003.33	\$ 651,667.13	\$ 1,791,477.94
2022	\$ 1,336,037.16	\$ 811,244.10	\$ 1,238,272.30	\$ 909,008.96
2023	\$ 1,133,064.54	\$ 120,200.00	\$ 1,090,000.00	\$ 163,264.54 (Estimate)

Option 2 – Storm Water Fee Through King County

-Earliest Implementation would be 2025, most likely 2026.

- \$40K- \$60K Startup cost with a \$2.00 annual maintenance per parcel (Approx. 1185 Parcels in Medina)

- *This maintenance cost includes customer account services salaries to research, maintenance and monitoring the accounts, adding/deleting accounts, customer inquiries/compliances, and to host the billing system by our IT folks.*

With rising costs of materials and labor, Council could elect to include an escalator to increase the per parcel fee at a periodic rate (For example every 5 years)

Could waivers be available?

The County Assessor's manage a program called Senior Citizen and Disable Taxpayer Exemption Program. The County along with 17 other cities utilize that program and provide a waiver or 50% discounts.

To Cover our Costs

\$300K - \$400K Divided by 1185 Parcels, Including \$2 per Parcel for the County

Annual fee per parcel: \$255 - \$340

Visual of how it will look on your Property Tax Statement

Breakdown by Tax Year				
Tax Information	2023	2022	2021	2020
Levy code	2660	2660	2660	2660
Status	Taxable	Taxable	Taxable	Taxable
Omit year	0000	0000	0000	0000
Land value	\$2,211,000	\$1,670,000	\$1,463,000	\$1,510,000
Improvement value	\$1,000	\$1,000	\$1,000	\$1,000
Charges				
Tax	\$13,750.34	\$12,396.83	\$11,771.12	\$11,887.90
Surface Water	\$336.00	\$157.20	\$157.20	\$157.20
Noxious Weed	\$6.29	\$5.39	\$5.39	\$5.39
Conservation	\$12.47	\$12.17	\$11.89	\$11.63
Total billed	\$14,105.10	\$12,571.59	\$11,945.60	\$12,062.12
Amount paid	\$0.00	\$12,571.59	\$11,945.60	\$12,062.12
Interest	\$0.00	\$0.00	\$0.00	\$0.00
Penalty	\$0.00	\$0.00	\$0.00	\$0.00
Balance	\$14,105.10	\$0.00	\$0.00	\$0.00

Other Cities who use the County for fee collection

Black Diamond Bothell Burien Covington Des Moines Federal Way Kenmore KC Kirkland Lake Forest Park	Maple Valley Newcastle Normandy Park Sammamish SeaTac Shoreline Tukwila Woodinville Yarrow Point
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Option 3 – Combination of Option 1 and 2

- Phased in approach, could start with a lower fee structure with a periodic increase
- Example, \$120 annual fee per parcel with \$200K annual from capital reserves
- Current capital reserves to be used to cover the additional funds needed

