



December 30, 2013

Mr. Jerry Parker
Olympia Planning Commission

Mr. Roger Horn, Chair
Olympia Planning Commission Finance Sub-
Committee

Dear Members of the Olympia Planning Commission:

As Chair of the Finance Committee, I want to thank you for your comprehensive and thoughtful evaluation and recommendations related to the City's Capital Facilities Plan (CFP) for the years 2014 through 2019. The Council especially appreciates your collaboration with other advisory committees to give us a holistic look at our capital facilities needs and priorities within the community.

There are many good ideas contained in your letter, and the Council moved forward on several of them for 2014. Some others are more administrative in nature and we have asked staff to look carefully at those changes to increase the usability and understanding of the CFP document itself. In addition, the Finance Committee is committed in 2014 to meeting with each of our Advisory Boards/Commissions who have a hand in helping to produce the CFP.

CFP Context

The CFP is an important tool for implementing the vision of our community. As such, we agree that this year's change to include the capital facilities element (CFE) of the Comprehensive Plan in the draft CFP was an excellent change to better frame the role of the CFP within the larger context.

Further OPC work on the goals and principles in 2014 within the CFE will greatly help the City Council staff, our advisory boards, and the public to better understand how we allocate scarce capital facility dollars among the many choices within our CFP.

We also take note of your comments about the role of "out year" funding within the CFP. Given the dramatic reductions in capital funding over the past several years, this does seem to represent more of a vision than a financial commitment to funding projects beyond the current year. You raised good questions about whether we should provide additional disclaimers or context to the "out year" funding in future CFPs. One important issue related to that conversation is whether the City is successful in finding additional revenue sources over the next year or two to fill the gaps in our capital facilities funding. If not, we need to address the definition of "out year" funding.

The City Council understands the critical need to maintain our existing assets. That means more money for maintenance in parks, roads, buildings, and recreational facilities such as Percival Landing. The Finance Committee is committed in the first quarter of 2014 to continue exploring revenue options that may help us better meet our capital goals.

We also need more money in other capital areas such as pedestrian crossings, bicycle facilities, etc. The comments in your letter of ensuring a significant public involvement process for this conversation are well taken and sound advice.

Parks

Within the Parks area, a strategy for the maintenance and replacement of Percival Landing is paramount. Our waterfront is the grand entrance to our city for the boating community. It should represent the best of what we are as a city. The Finance Committee is also set to take on this challenge as part of its 2014 work plan. Maintenance of our parks system has been underfunded for several years and Percival Landing is a prime example of what can happen if we don't fund a strategy for addressing these needs.

Transportation

While the City Council is proud of the work we have done within our Pavement Management system to expand bike and pedestrian facilities in conjunction with major road projects, we agree that more needs to be done around our bicycle/pedestrian priorities. Consequently, the City Council was able to provide a one-time funding of \$100,000 for development of a bike corridor program within our transportation system, as recommended by the Bicycle and Pedestrian Advisory Committee. This pilot program will allow us to develop parameters for a program of identifying low volume side streets that could become part of a safe bicycle network for our community members. We are hopeful that this can be done at a significantly lower cost than traditional construction of separate bicycle facilities.

With regard to transportation funding for pavement management, we are also keenly aware of the underfunding in this area. Consequently, our broader discussion at the Finance Committee about how to provide adequate funding must include pavement management as well buildings and parks. As you note, the voted Transportation Benefit District increase or other sources are part of the equation for our consideration.

Urban Forestry

In this area we are reminded of the significant impact that the great recession is having on City funding. Where the City used to employ 2-1/2 full time urban foresters, we are now down to only one-half FTE. In response, the City Council identified funding for an additional quarter time FTE in 2014 to begin a process for prioritizing our backlog in the urban forestry area. This will likely include a better assessment of funding needs around hazard trees, replanting of lost trees in our urban environment, and what the appropriate participation and funding that could come from our stormwater utility.

Utilities

One major initiative that we, as well as the Utility Advisory Committee (UAC) are supporting in 2014 is the review of volume-based sewer billing. The UAC and staff are working with our regional partners to look comprehensively at the advantages and disadvantages of moving toward that approach.

School District Impact Fees

Finally, we share your concerns expressed around timing and presentation of information related to school impact fees. While we support providing a mechanism whereby the District can collect impact fees, we are also frustrated with the timing of this process. Consequently, City staff has provided School District staff with options for changing this approach. In addition, the City Council will be meeting with the Olympia School District Board in April and we will have a chance to further reinforce our interest in changing our arrangement with school impact fees.

Again, we are grateful to you and our other advisory boards for your continuing effort to help us use our CFP in the most advantageous way to support our visions as a community.

Sincerely,



**Stephen H. Buxbaum, Chair
Olympia City Council Finance Committee**

cc: Olympia City Council
Steven R. Hall
Jane Kirkemo
Chair of BPAC
Chair of PRAC
Chair of UAC

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