



Meeting Minutes

Finance Committee

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Tuesday, July 31, 2018

5:30 PM

Council Chambers

Special Meeting - Potential Quorum of the City Council

1. CALL TO ORDER

Chair Cooper called the meeting to order at 5:30 p.m.

2. ROLL CALL

Present: 3 - Chair Jim Cooper, Committee member Jessica Bateman and Committee member Lisa Parshley

OTHERS PRESENT

Councilmember Renata Rollins
Mayor Cheryl Selby
Mayor Pro Tem Nathaniel Jones
Councilmember Clark Gilman

3. APPROVAL OF AGENDA

The agenda was approved.

4. PUBLIC COMMENT

The following people spoke: Nickhole Arcade, Borcai Hargrove, Janet Jordan, Georgine Abbott, Larry Dzieza, Neil Smith, Terry Meyer, Candy Mercer of Works in Progress, Matt LeFord, Daniel Einstein, Karen Messmer, Orien Kenyon, Dan Garrapy, Stephanie Tease, Bob Jacobs, Jack Horton, Debra Jacqua, Whitney Bowerman, and Steve Langer.

5. APPROVAL OF MINUTES

5.A [18-0683](#) Approval of June 20, 2018 Finance Committee Meeting Minutes

The minutes were approved.

6. COMMITTEE BUSINESS

6.A [18-0510](#) Budget Snapshot: City-owned Buildings and Operating Lease Agreements

Public Works General Services Director Meliss Maxfield provided an overview of city-owned buildings and operating leases with the Family Support Center, Hands On Children's Museum, Olympia Timberland Regional Library, and the Washington Center for the Performing Arts (WCPA). She detailed the age of each lease and our roles and responsibilities for each building. She noted we also have a lease with the Farmers Market.

The information was provided.

6.B [18-0511](#) Building Repair and Replacement Update

Ms. Maxfield gave an update on the Building Repair and Replacement Fund and building condition assessment ratings. She defined what the fund is and showed recent funding. She indicated that building condition overall has improved as a result of our investments. She provided updates on 2018 building repair and replacement projects. Repairs are guided by condition assessment. She reviewed long-term maintenance needs and explained we have 70% deficiencies at the Maintenance Center, WCPA, and the Lee Creighton Justice Center. Updated building condition assessments and ADA transition plans will provide new building deficiency information and forecast needs.

The information was provided.

6.C [18-0673](#) Urban Forestry and Funding Options

Community Planning and Development (CP&D) Deputy Director Leonard Bauer presented Urban Forestry asset management information and funding options. CP&D Urban Forester Michelle Bentley discussed street tree maintenance including a review of policy direction, current staffing, and funding gaps. She said they would like to request an increase in staffing to bring the program to industry standard. Having 2.75 permanent FTEs would allow the program to attend to every street tree every five to seven years to maintain what we have.

Mr. Bauer presented a list of hazard trees and indicated these trees are the program's highest priority. The long-term need is to increase the budget to \$100,000 per year to keep up with demand and establish a small reserve for future storms. There is a potential to shift \$50,000 from other capital budget sources.

Ms. Bentley talked about Legion Way street tree maintenance and assessment. She displayed a map and defined the assessment rating system. Ratings are based on specific criteria, not judgment calls. This year there are no high-risk trees. She explained when one is being worked on, it is cost-effective to work on neighboring trees. The cost to prune 23 of the moderate to moderately high-risk trees is \$130,000 (average of \$5,652.17/tree). The cost to prune all 49 of the moderate to moderately high-risk trees is \$155,000 (average of \$3,163.27/tree). Committee member Parshley asked if increasing the Urban Forestry staff will reduce the number of trees that become hazard trees. Ms. Bentley responded affirmatively. Committee member Bateman asked if we still need

contractors to work on the hazard trees if we increase staff. Ms. Bentley said we will still need contractors because large crews are required. Parks, Arts and Recreation Stewardship Supervisor Sylvana Niehuser added that hazard tree crews come with value added in experience and equipment. The crews are large because they have people immediately chipping what gets trimmed, people directing traffic, etc.

Chair Cooper noted that telling the story of the Legion Way trees being planted as a living monument to WWI veterans is important to creating a sense of caring about the trees.

The information was provided.

6.D [18-0655](#) Briefing on Costs and Funding for Resolution to Address Homelessness in Olympia

CP&D Homeless Response Coordinator Colin DeForrest began the presentation by showing the two sites identified as possible locations for homeless camp sites. He reviewed Council direction from July 24 and listed goals for the proposed City-owned campsites. He called out cost comparisons between Tacoma's Stability Site of \$64/night and Olympia's Village sites of \$32/night (estimated).

CP&D Program and Planning Supervisor Amy Buckler reviewed details of estimated costs for both village camps. She indicated the concept is based on models done in Seattle and Eugene, OR. The majority of operating costs is staff cost. Staff includes a site manager, two village organizers, five case managers, and two security workers at an estimated cost of \$54,808 per month. Estimated monthly operating cost for the two sites is \$9,975 per site. Total estimated monthly operating cost is \$74,758 or \$897,096 annually. This is an average of \$32 per person, per day for 80 people to receive basic services and one daily meal.

Ms. Buckler discussed one-time construction and set-up costs. The estimated capital cost to develop and establish both sites is \$2,450,000. This figure does not include the cost of tiny homes. Initially, these sites would provide space for tent campers and a few car campers. The plan is to transition to tiny homes for the comfort and security of residents.

Ms. Buckler responded to citizens who, during public comment, mentioned annual operating costs of \$1.4 million. She explained that the estimated annual operating budget is \$900,000. The additional \$504,000 per year is contingency and flexible funds for partnerships. The \$504,000 is not part of costs to operate the camps.

Committee members Bateman and Parshley want to hear more from subject matter experts before the City spends \$690,000 to purchase the Martin Way property. They both believe a housing committee needs to be established and given an opportunity to make decisions.

City Manager Steve Hall spoke about where we might find the funds to pay for permanent, supportive housing for the homeless and what we can do in the meantime. In February 2018, Olympia voters approved the Home Fund which will generate \$2.3 million per year. The three to four years needed to produce permanent housing wasn't fast enough for voters so City Council asked for more immediate actions. The camping option with case management and security isn't the least expensive option, but it is legal and the safest option.

Mr. Hall addressed concerns about using a portion of the non-voted utility tax to help fund the homeless village. He said no money will be taken from funds dedicated to parks acquisition. Instead, the non-voted utility tax would be extended for three years. The additional three years would fulfill the promise to Parks. Mr. Hall listed expenses of \$2.45 million for the homeless village. Revenue sources include \$1.35 million from the Home Fund, \$300,000 in CDBG funds, and possible funding from 2018 Year-End funds, the Environmental Cleanup/Development Fund, and the sale of assets.

Committee member Bateman wants feedback from community providers on the feasibility of the overall program. She also wants to see how the Martin Way location will work with our coordinated housing plan before approving any operating costs. She indicated she is more comfortable with the operating costs of the nursery site.

Chair Cooper provided an overall review of the situation and said 56% of people looking for housing in our community face a single barrier - income. He asked staff about storage of homeless people's personal possessions. Staff replied that the cost of storage is included in their estimates under the flexible funding line item. Chair Cooper said he wants partner vetting. He recognized the City's personnel cost to solve the homelessness crisis is higher than anticipated or desired.

Ms. Buckler emphasized that significant staff time is required in order to move forward with better estimates and more information. Committee members expressed interest in discussing the homelessness resolution at the August 21 City Council Study Session. They want to invite providers so full City Council can have the opportunity to hear the issues and discuss. Chair Cooper is interested in putting a provider on the design board. Mr. DeForrest expressed the need for more direction on day center objectives. Committee members Bateman and Parshley said they want service providers involved. Committee member Bateman stated satellite day centers would be ideal in the future, but for this coming winter we need to provide whatever we can as fast as we can. Mr. Hall will bring options to get additional staff involved on this project because there are several issues that need attention simultaneously.

During final discussions, the Committee reiterated the following key points:

- Any future design should include partners
- More planning needs to be done on sustainability for day centers

- More planning needs to be done on a rest stop/respice center
- An advisory committee needs to get up and running

A discussion of the full City Council needs to happen before discussing the issue again at Finance Committee.

The information was provided.

7. REPORTS AND UPDATES - None

8. ADJOURNMENT

Chair Cooper adjourned the meeting at 8:48 p.m.