

## Draft Capital Facilities Element of the Comprehensive Plan

**Goal 1:** The Capital Facilities Plan provides the public facilities needed to promote orderly compact urban growth, protect investments, maximize use of existing facilities, encourage economic development and redevelopment, promote private investment, increase public wellbeing and safety, and implement the Comprehensive Plan.

**Policy 1.1:** Annually review, update and amend a six-year Capital Facilities Plan that:

- a. Is subject to annual review and adoption, respectively, by the Planning Commission and City Council.
- b. Is consistent with the Comprehensive Plan, master plans and adopted investment strategies.
- c. Defines the scope and location of capital projects or equipment;
- d. States why each project is needed and its relationship to established levels of service.
- e. Includes project construction costs, timing, funding sources, and projected operations and maintenance impacts.
- f. Serves as the City's plan for capital project development.
- g. Includes an inventory of existing capital facilities and a forecast of capital facility needs;
- h. Monitors the progress of capital facilities planning with respect to rates of growth, development trends, changing priorities, and budget and financial considerations.
- i. Considers needs and priorities beyond the 6-year time horizon.
- j. Is coordinated with Thurston County and the Olympia School District if school impact fees are being charged.

**Policy 1.2:** Encourage active citizen participation throughout the process of developing and adopting the Capital Facilities Plan. Provide the public with adequate time to review and respond to the Plan and related proposals.

**Policy 1.3:** Support joint development and use of facilities such as parks and museums, and protection of shared resources such as critical areas and open space.

**Policy 1.4:** Coordinate with other capital facilities service providers to keep each other current, maximize cost savings, and schedule and upgrade facilities efficiently.

**Policy 1.5:** Evaluate and prioritize proposed capital improvement projects using the following long-term financial strategy principles and guidelines:

- a. Do projects well or not at all.
- b. Focus programs on Olympia residents and businesses.
- c. Preserve and maintain physical infrastructure.
- d. Use an asset management approach to the City's real estate holdings.
- e. Use unexpected one-time revenues for one-time costs or reserves.
- f. Pursue innovative approaches.
- g. Maintain capacity to respond to emerging community needs.
- h. Address unfunded mandates.
- i. Selectively recover costs.
- j. Recognize the connection between the operating and capital budgets.

- k. Utilize partnerships wherever possible.
- l. Stay faithful to City goals over the long run.
- m. Think long-term.

**Policy 1.6:** Ensure that capital improvement projects are:

- a. Financially feasible.
- b. Consistent with planned growth patterns provided in the Comprehensive Plan.
- c. Consistent with State and Federal law.
- d. Compatible with plans of state agencies.
- e. Sustainable within the operating budget.

**Policy 1.7:** Give priority consideration to projects that:

- a. Are required to meet State or Federal law.
- b. Implement the Comprehensive Plan.
- c. Are needed to meet concurrency requirements for growth management.
- d. Are already initiated and to be completed in subsequent phases.
- e. Renovate existing facilities to remove deficiencies or allow their full use, preserve the community's prior investment or reduce maintenance and operating costs.
- f. Replace worn-out or obsolete facilities.
- g. Promote social, economic, and environmental revitalization of commercial, industrial, and residential areas in Olympia and its Growth Area.
- h. Are substantially funded through grants or other outside funding.
- i. Address public hazards.

**Policy 1.8:** Adopt each update of this Capital Facilities Plan as part of the Comprehensive Plan.

**Policy 1.9:** Adopt by reference updates of the Olympia School District Capital Facilities Plan as part of this Capital Facilities element. Identify and recommend to the District that it revise any elements of the School District's plan that are inconsistent with the Comprehensive Plan.

**Policy 1.10:** Monitor the progress of the Capital Facilities Plan on an ongoing basis.

**Policy 1.11:** Recognize the year in which a project is carried out, or the exact amounts of expenditures by year for individual facilities, may vary from that stated in the Capital Facilities Plan due to:

- a. Unanticipated revenues or revenues that become available to the City with conditions about when they may be used,
- b. Change in the timing of a facility to serve new development that occurs in an earlier or later year than had been anticipated in the Capital Facilities Plan,
- c. The nature of the Capital Facilities Plan as a multi-year planning document. The first year or years of the Plan are consistent with the budget adopted for that financial period. Projections for remaining years in the Plan may be changed before being adopted into a future budget.

**Goal 2:** As urbanization occurs, the capital facilities needed to direct and serve future development and redevelopment are provided for Olympia and its Urban Growth Area.

**Policy 2.1:** Provide the capital facilities needed to adequately serve the future growth anticipated by the Comprehensive Plan, within projected funding capabilities.

**Policy 2.2:** Plan and coordinate the location of public facilities and utilities to accommodate growth in advance of need, and in accordance with the following standards:

- Coordinate urban services, planning, and standards by identifying, in advance of development, sites for schools, parks, fire and police stations, major stormwater facilities, greenbelts, and open space consistent with goals and policies promoting compact growth in the Comprehensive Plan. Acquire sites for these facilities in a timely manner and as early as possible in the overall development of the area.
- Assure adequate capacity in all modes of transportation, public and private utilities, municipal services, parks, and schools.
- Protect groundwater from contamination and maintain groundwater in adequate supply by identifying and reserving future supplies well in advance of need.

**Policy 2.3:** Use the type, location, and phasing of public facilities and utilities to direct urban development and redevelopment consistent with the Comprehensive Plan. Consider the level of key facilities that can be provided when planning for various densities and types of urban land use.

**Policy 2.4:** Ensure adequate levels of public facilities and services are provided prior to or concurrent with land development within the Olympia Urban Growth Area.

**Policy 2.6:** When planning for public facilities, consider expected future economic activity.

**Policy 2.7:** Maintain a process for identifying and siting essential public facilities consistent with state law and County-wide Planning Policies.

**Goal 3:** The City prudently manages its fiscal resources to provide needed capital facilities.

**Policy 3.1:** Ensure a balanced approach to allocating financial resources among: (1) maintaining existing facilities, (2) eliminating existing capital facility deficiencies, and (3) providing new or expanding facilities to serve development and encourage redevelopment.

**Policy 3.2:** Use the Capital Facilities Plan to integrate all of the community's capital project resources (grants, bonds, city funds, donations, impact fees, and any other available funding).

**Policy 3.3:** Allow developers who install infrastructure with excess capacity to use latecomers agreements wherever reasonable.

**Policy 3.4:** Pursue funding strategies that derive revenues from growth that can be used to provide capital facilities to serve that growth. These strategies include, but are not limited to:

- Collecting impact fees for transportation, parks and open space, and schools.
- Allocating sewer and water connection fees primarily to capital improvements related to urban expansion.
- Developing and implementing other appropriate funding mechanisms to ensure new development's fair share contribution to public facilities.

**Policy 3.5:** Assess the additional operations and maintenance costs associated with acquisition or development of new capital facilities. If accommodating these costs places a financial burden on the operating budget, consider adjusting the capital plans.

**Policy 3.6:** Achieve more efficient use of capital funds through joint use of facilities and services by utilizing measures such as inter-local agreements, regional authorities, and negotiated use of privately and publicly owned land.

**Policy 3.7:** Consider potential new revenue sources for funding capital facilities, such as:

- a. Growth-induced tax revenues.
- b. Additional voter-approved revenue.
- c. Regional tax base sharing.
- d. Regional cost sharing for urban infrastructure.
- e. County-wide bonds.
- f. Local Improvement Districts.

**Policy 3.8:** Choose among the following available contingency strategies should the City be faced with capital facility funding shortfalls:

- Increase general revenues, rates, or user fees; change funding source(s).
- Decrease level of service standards in the Comprehensive Plan and reprioritize projects to focus on those related to concurrency.
- Change project scope to decrease the cost of selected facilities or delay construction.
- Decrease the demand for the public services or facilities by placing a moratorium on development, developing only in served areas until funding is available, or changing project timing and/or phasing.
- Encourage private funding of needed capital project; develop partnerships with Lacey, Tumwater and Thurston County (the metropolitan service area approach to services, facilities or funding); coordinate regional funding efforts; privatize services; mitigate under the State Environmental Protection Act (SEPA); issue long-term debt (bonds); use Local Improvement Districts (LID's); or sell unneeded City-owned assets.

**Policy 3.9:** Secure grants or private funds, when available, to finance capital facility projects when consistent with the Comprehensive Plan.

**Policy 3.10:** Reassess the Land Use Element of the Comprehensive Plan if probable funding for capital facilities falls short of needs.

**Goal 4:** Public facilities constructed in Olympia and its Growth Area meet appropriate safety, construction, durability and sustainability standards.

**Policy 4.1:** Adhere to Olympia's Engineering Development and Design Standards when constructing utility and transportation related facilities.

**Policy 4.2:** Regularly update the Engineering Development and Design Standards.

**Policy 4.3:** Ensure that the Engineering and Development and Design Standards are consistent with the Comprehensive Plan.

**Policy 4.4:** Apply value engineering approaches on major projects in order to efficiently use resources and meet community needs.