



# Meeting Agenda

## City Council

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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**Tuesday, June 22, 2021**

**7:00 PM**

**Online and Via Phone**

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**Register to Attend:**

[https://us02web.zoom.us/webinar/register/WN\\_k1WLiSArR3SApZR8o664bg](https://us02web.zoom.us/webinar/register/WN_k1WLiSArR3SApZR8o664bg)

**1. ROLL CALL**

**1.A ANNOUNCEMENTS**

**1.B APPROVAL OF AGENDA**

**2. SPECIAL RECOGNITION**

- 2.A** [21-0612](#) Special Recognition - Donation of Seven Sculptures for the Installation "A Story Place" as a Gift of Art from Artist Nancy Thorne-Chambers

**Attachments:** [Policy - Gifts of Artwork to the City](#)  
[A Story Place Gift of Art Proposal](#)  
[A Story Place Additional Proposal](#)  
[Sketch of Proposed Installation at LBA Park](#)

- 2.B** [21-0624](#) Special Recognition - Proclamation Recognizing Receipt of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting

**Attachments:** [Proclamation](#)  
[Letter](#)  
[Link to 2019 ACFR](#)

**3. PUBLIC COMMENT**

*(Estimated Time: 0-30 Minutes) (Sign-up Sheets are provided in the Foyer.)*

*During this portion of the meeting, community members may address the City Council regarding items related to City business, including items on the Agenda. In order for the City Council to maintain impartiality and the appearance of fairness in upcoming matters and to comply with Public Disclosure Law for political campaigns, speakers will not be permitted to make public comments before the Council in these three areas: (1) on agenda items for which the City Council either held a Public Hearing in the last 45 days, or will hold a Public Hearing within 45 days, or (2) where the public testimony may implicate a matter on which the City Council will be required to act in a quasi-judicial capacity, or (3) where the speaker promotes or opposes a candidate for public office or a ballot measure.*

*Individual comments are limited to two (2) minutes or less. In order to hear as many people as possible during the 30-minutes set aside for Public Communication, the City Council will refrain from commenting*

*on individual remarks until all public comment has been taken. The City Council will allow for additional public comment to be taken at the end of the meeting for those who signed up at the beginning of the meeting and did not get an opportunity to speak during the allotted 30-minutes.*

## COUNCIL RESPONSE TO PUBLIC COMMENT (Optional)

### 4. CONSENT CALENDAR

*(Items of a Routine Nature)*

- 4.A [21-0646](#) Approval of June 8, 2021 Study Session Meeting Minutes  
**Attachments:** [Minutes](#)
- 4.B [21-0645](#) Approval of June 8, 2021 City Council Meeting Minutes  
**Attachments:** [Minutes](#)
- 4.C [21-0644](#) Approval of June 15, 2021 Work Session Meeting Minutes  
**Attachments:** [Minutes](#)
- 4.D [21-0643](#) Bills and Payroll Certification  
**Attachments:** [Bills and Payroll](#)
- 4.E [21-0404](#) Approval of a Resolution Authorizing an Agreement between the City of Olympia and Providence Community Care Center for the Crisis Response Unit and Outreach Services to occupy Office Space at the Community Care Center at 225 State Ave NE  
**Attachments:** [Resolution](#)  
[Agreement](#)
- 4.F [21-0553](#) Approval of a Resolution Authorizing an Agreement between the City of Olympia and Thurston County, Cities, Tribes and Special Purpose Districts within the Borders of Thurston County to establish a Thurston County Disaster Recovery Council  
**Attachments:** [Resolution](#)  
[Agreement](#)
- 4.G [21-0627](#) Approval of a Resolution Authorizing a Public Works Trust Fund Loan Application for the Fones Road Improvement Project  
**Attachments:** [Resolution](#)  
[Project Webpage](#)
- 4.H [21-0618](#) Approval of the Reallocation of Program Year 2014 Community Development Block Grant Funds  
**Attachments:** [CDBG PY2021 Proposed Budget](#)
- 4.I [21-0619](#) Approval of Allocation for Program Year 2021 Community Development

## Block Grant Funds and Creation of Revolving Loan Fund

**Attachments:** [CDBG PY2021 Proposed Budget](#)

[Olympia Revised FY21 Formula Award Letter](#)

**4.J**     [21-0623](#)     Approval of Regional Fire Authority Planning Committee Appointments

**Attachments:** [2019 Fire Regionalization Study](#)

[Agreement](#)

#### 4. SECOND READINGS (Ordinances)

**4.K**     [21-0614](#)     Approval of an Ordinance Relating to Controlled Substances and Amending Olympia Municipal Code Section 9.28.010 by Adopting RCW 69.50.4013, as Amended by Engrossed Senate Bill 5476, Chapter 311, Addressing the State v. Black Decision - First and Final Reading

**Attachments:** [Ordinance](#)

#### 4. FIRST READINGS (Ordinances)

**4.L**     [21-0625](#)     Approval of an Ordinance Amending Olympia Municipal Code Section 12.16.090 Relating to Street Vacations

**Attachments:** [Ordinance](#)

**4.M**     [21-0615](#)     Approval of an Ordinance Authorizing Acceptance of a Donation of Seven Sculptures for the Installation "A Story Place" as a Gift of Art from Artist Nancy Thorne-Chambers

**Attachments:** [Ordinance](#)

[Agreement](#)

#### 5. PUBLIC HEARING - None

#### 6. OTHER BUSINESS

**6.A**     [21-0626](#)     Thurston County Opioid Task Force Update

**Attachments:** [Thurston County Opioid Response Plan](#)

**6.B**     [21-0570](#)     Approval of the Temporary Expansion of the Clean Team and Downtown Ambassador Programs

**6.C**     [21-0605](#)     Approval of a Resolution Accepting the City of Olympia Housing Action Plan

**Attachments:** [Resolution](#)

[Housing Action Plan](#)

[Commerce Letter](#)

[Olympia Planning Commission Letter](#)

[Survey Summary](#)

[Actions for Low Income and Workforce Housing](#)

[Link to Engage Olympia](#)

**7. CONTINUED PUBLIC COMMENT**

*(If needed for those who signed up earlier and did not get an opportunity to speak during the allotted 30 minutes)*

**8. REPORTS AND REFERRALS**

**8.A COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS**

**8.B CITY MANAGER'S REPORT AND REFERRALS**

**9. EXECUTIVE SESSION**

- 9.A** [21-0621](#) Executive Session Pursuant to RCW 42.30.110(1)(b); RCW 42.30.110 (1)(c) - Real Estate Matter

**9. ADJOURNMENT**

*The City of Olympia is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources. If you require accommodation for your attendance at the City Council meeting, please contact the Council's Executive Assistant at 360.753.8244 at least 48 hours in advance of the meeting. For hearing impaired, please contact us by dialing the Washington State Relay Service at 7-1-1 or 1.800.833.6384.*





## City Council

### Special Recognition - Donation of Seven Sculptures for the Installation "A Story Place" as a Gift of Art from Artist Nancy Thorne- Chambers

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 2.A  
**File Number:** 21-0612

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**Type:** recognition **Version:** 1 **Status:** Recognition

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#### **Title**

Special Recognition - Donation of Seven Sculptures for the Installation "A Story Place" as a Gift of Art from Artist Nancy Thorne-Chambers

#### **Recommended Action**

##### **Committee Recommendation:**

Move to recognize the gift of A Story Place as offered by artist Nancy Thorne-Chambers.

##### **City Manager Recommendation:**

Move to approve the donation ordinance for A Story Place and agreement as submitted under Consent Calendar.

#### **Report**

##### **Issue:**

To recognize the gift of seven bronze sculptures by artist Nancy Thorne-Chambers to complete A Story Place installation at LBA Park.

##### **Staff Contact:**

Stephanie Johnson, Arts Program Manager, Parks, Arts & Recreation, 360.709.2678

##### **Presenter(s):**

Stephanie Johnson, Arts Program Manager  
Frederick Dobler, Chair, Olympia Arts Commission  
Nancy Thorne-Chambers, Artist

##### **Background and Analysis:**

On April 8, 2021, the Arts Commission recommended the acceptance of the gift of A Story Place by artist Nancy Thorne Chambers. A Story Place is a tableau of an assortment of ceramic animals (currently on extended view at the Capital Mall) arranged in a circle listening to the reading of a story by a young girl. The artist has been casting the sculptures in a limited-edition bronze series, and the City currently owns three sculptures through the Percival Plinth Project. The

gift provides seven additional limited edition bronze sculptures to create a small tableau in a City park.

The full proposal includes the sculptures, *Rabbit, Bear, Toad, Fox, Fawn and Skunk*, and a stack of *Storybooks*, all in bronze to add to the *Girl Reading in a Story Place* and *Pig Listening in a Story Place* the City currently owns. In addition, *Mole Listening in a Story Place* is an independent sculpture included with the purchase of *Girl*, which brings the total amount of individual sculptures to ten.

The tableau would be installed at LBA Park, in a grove of trees situated between the play structure (at the west end of the park) and the maintenance building and bathrooms. The location is such that children can discover A Story Place themselves from the play structure, while still under the watchful eye of their guardian. The addition of sitting rocks within the circle is intended to invite children to become part of the tableau and read or pretend to be in an enchanted woodland.

Gifts of art proposed to the City go through a review process by the Arts Commission before recommendation to the City Manager and City Council. The evaluation considers, among other things: installation requirements and cost, long-term maintenance, aesthetic merit and compatibility with greater City public art collection as a whole, and any other specific considerations required of the donor. Nancy Thorne-Chambers in her proposal specified a location accessible to children. Arts staff convened a meeting of Parks maintenance staff and developed a slate of three potential sites: Friendly Grove, Bigelow and LBA Parks. While all had their merits, the tree grove and the significant presence of children on the day of the tour, and subsequent visits by the artist proved the best possible match.

Parks Maintenance staff are able to install the sculptures at LBA park and have noted that the proposed artwork tableau will be a better use of the site location and an appealing addition to the park. Installation would be completed August/September of 2021.

The artist has estimated the value of the proposed donation of seven sculptures to be at \$160,000.

**Neighborhood/Community Interests (if known):**

*Pig Listening in a Story Place* and *Girl Reading in a Story Place (with Mole)*, were each selected by public vote as winners in the Percival Plinth Project, in 2018 and 2020 for inclusion in the City public art collection.

**Options:**

1. Recognize donation of seven sculptures for the Installation "A Story Place" as a gift of art from Artist Nancy Thorne-Chambers.
2. Do not Recognize donation of seven sculptures for the Installation "A Story Place" as a gift of art from Artist Nancy Thorne-Chambers.
3. Recognize donation of seven sculptures for the Installation "A Story Place" as a gift of art from Artist Nancy Thorne-Chambers at another time.

**Financial Impact:**

City materials costs, sitting rocks and dedication plaque estimated at less than \$4,000, from the Municipal Art Fund.

**Attachments:**

Policy - Gifts of Artwork to the City

A Story Place Gift Proposal

A Story Place Additional Proposal

Sketch of Proposed Installation at LBA Park



# GIFTS OF ARTWORK TO THE CITY

Revised: December, 2012

*Experience It!*  
Parks • Arts • Recreation

## City of Olympia Arts Program

### Policy No. 7.0-002

**BACKGROUND:** Ordinance 5097, New Section - Public Art -- Duties of the Arts Commission states that the Commission is responsible for reviewing all proposed gifts of artwork to the City, proposed gifts of funds for the acquisition of artwork, and proposed gifts of sites for artwork to ensure that such gifts are consistent with the goals of the Olympia Arts Commission and the City of Olympia.

**PURPOSE:** To identify a procedure and criteria for the Arts Commission in reviewing proposed gifts of artwork that is consistent with Ordinance 5136 (general donations made to the City).

**AUTHORITY:** Policy of the Olympia Arts Commission, Olympia Parks, Arts & Recreation, and the Olympia City Council.

#### 1.0 Policy

1.1 The Olympia Arts Commission is responsible for review of all proposed gifts of artwork that are donated, devised, or bequeathed, with or without restriction, to the City of Olympia including actual artwork, property for placement of artwork, or funds for the acquisition of artwork. Gifts of artwork to the City may include donations by individuals, neighborhoods and/or community groups. The Olympia Arts Commission will evaluate the suitability of proposed gifts and make recommendations to the City Manager.

#### 2.0 Review Procedure

2.1 A Gifts Panel shall be appointed by the Olympia Arts Commission to review proposed artwork gifts to the City. Each panel shall consist of three to five members representing the Arts Commission. The Arts Program Manager shall serve as facilitator to this panel.

2.2 The Gifts Panel reviews each proposed gift for aesthetic quality, potential sites, and restrictions from the donor, and determines the suitability of the gift based on the following criteria. The panel will require evidence that these issues have been satisfactorily resolved before making a recommendation regarding a proposed gift.

##### 2.2 (a) **Aesthetic Quality**

- Does the proposed gift have strong aesthetic merit?

##### 2.2 (b) **Proposed Location**

- Is the artwork adequately scaled for the proposed site?
- What is the relationship between the artwork and its proposed site?
- Why was a particular site requested?
- Does the site present any special obstacles?

##### 2.2 (c) **Donor Restrictions/Requests**

- Are restrictions/requests clearly identified. If accepted, can the expectations be met?

##### 2.2 (d) **Technical Feasibility**

- Can the artwork be built and installed as proposed?
- Are adequate professional resources identified to do the work?

- 2.2 (e) **Technical Specifications**
- The panel must review the actual work, if available, or scale drawings and/or model(s) consisting of a site plan and elevation describing the following:
    1. Surrounding site conditions if applicable
    2. Dimensions
    3. Materials
    4. Colors
    5. Electrical, plumbing, or other utility requirements
    6. Construction and installation method
  - Panel may require additional support material such as text verbally describing artwork and specifications, models or presentation drawings by a licensed engineer.
- 2.2 (f) **Budget**
- What will be the cost to manage this project?
  - What is the cost of site preparation?
  - What is the cost of delivery and installation?
  - Has the donor provided funds for signage, plaque, or other appropriate attributions?
  - Are all projected costs accurate and realistic?
  - Has the donor clearly defined who is responsible for all costs associated with the donation?
  - Have written estimates been obtained from technical support and fabrication/installation contractors?
- 2.2 (g) **Durability**
- Will the material last? How long is the material expected to last in a public, non-archival exhibition setting?
  - What age have other works in the same material(s) attained?
  - Is the work suitable for its location? For example, what effect will sunlight, salt water, wind, and other elements potentially have on the work?
  - Are seismic considerations relevant?
- 2.2 (h) **Warranty**
- Does the donor agree to be responsible for a warranty period of one (1) year from the date of final installation of the artwork for the integrity of the materials, fabrication, and installation of the artwork?
- 2.2 (i) **Vandalism and Safety**
- Is the work prone to vandalism or a safety hazard at the proposed site?
  - Will the work have a graffiti-resistant coating or can one be easily applied?
- 2.2 (j) **Maintenance and Preservation**
- Are there unusual or on-going costs?
  - Should a maintenance endowment be established by the donor? The panel may recommend that the donor allocate and guarantee funds to ensure adequate quality care for the artwork.
  - Donors must provide a technical and maintenance record including a plan for routine care with estimated costs.
  - Is the work removable if necessary?
- 2.2 (k) **Relationship to the Collection as a Whole**
- The Arts Commission has a commitment to creating a diverse collection of work.
- How is the proposed gift compatible or incompatible with the City of Olympia’s public art collection?
  - Is this artist’s work already well represented in the City’s collection?

2.2 (l) **Community Process**

- If the artwork proposal has been generated by a community group, how has the surrounding community been involved and consulted?

2.2 (m) **Time Line**

- Has a realistic time line been presented indicating a completion date?
- Is the time line realistic?

2.3 Community groups or individual donors proposing gifts are informed of the importance of the above criteria in the panel's consideration. Groups and individuals are encouraged to read this policy carefully, and consult the Worksheet for Prospective Donors Offering Gifts of Art to the City of Olympia.

2.4 The panel makes a recommendation to the full Arts Commission on a course of action regarding each proposed gift. The Commission's recommendation will be communicated to the Director of Parks, Arts & Recreation. The recommendation will then be presented to the City Manager for formal acceptance or rejection of the gift. If the gift will have substantial community impact, the City Manager, at his discretion, may forward the proposed gift to the Olympia City Council for review and approval.

2.5 For each proposed donation, the City Manager or designee shall communicate an acknowledgment of acceptance or rejection on behalf of the City.

3.0 **Gift Acceptance**

3.1 At the time a proposal is made to the City, the donor must present a time line indicating a completion date. If a proposed gift is not completed within the time line originally established, or if significant changes (both conceptual and/or financial) to the proposed work occur, the proposal must be resubmitted for full review. Time lines may be amended only if mutually agreed upon between the donor and the City.

3.2 A gift acceptance form (a legal instrument of conveyance) will be completed for each donation.

3.3 Monetary donations shall be deposited in the Municipal Art Fund. The Olympia Arts Commission will recommend expenditures from the fund to the City Council.

3.4 The Arts Commission will plan specific projects and recommend the allocation of funds, the procedures, and guidelines for all donated funds.

3.5 The Arts Program Manager and the Arts Commission will submit to the City Council the individual project recommendations for implementation.

3.6 The Arts Program Manager will maintain acquisition/inventory records on all gifts acquired under this policy.

3.7 The Arts Program Manager will be responsible for contracting and will act as liaison on behalf of the City in the completion of each project.

3.8 The Department of Parks, Arts & Recreation shall be responsible for the maintenance of gifts to the City as directed by the Arts Program Manager.

3.9 The Arts Program Manager will notify the City in writing what the donation is and its value in order to obtain a property identification number and to include the artwork on the City property schedule for Insurance.

4.0 **Deaccession Review**

4.1 Gifts of artwork may be deaccessioned if necessary, through steps provided in the Deaccession Policy (7.0-004), and in accordance with City policies for the disposition of property

Nancy Thorne Chambers  
1625 Delphi Rd. SW  
Olympia, WA 98512  
360-951-2538  
nancyleethorne@gmail.com

City of Olympia Arts Commission  
Department of Parks, Arts & Recreation  
222 Columbia St. NW  
Olympia, WA 98510

Dear Arts Commission:

**Re: Art Donation to the City of Olympia**

### **1. Cover Letter: (January 2021)**

I am offering an eight piece bronze tableau titled, *A Story Place*, as a gift to the city of Olympia. The life-size bronze figures are foundry produced from the original ceramic artwork. The sculptures are: *Girl Reading in a Story Place, Pig, Rabbit, Bear, Toad, Fox and Mole* listening to her story with a stack of *storybooks* at her feet.

**(Please note): The city of Olympia owns three (3) of these pieces by their winning People's Choice in the Percival Plinth contests for 2018 and 2020. They are:**

**Pig Listening in A Story Place (2018)**

**Girl Reading in A Story Place (2020)**

**Mole Listening in A Story Place (2020)**

***Bear and Rabbit* were on exhibit in the 2019 Percival landing Plinth Exhibit, but did not win).**

Because the original ceramic tableau is fragile, I found it necessary to reproduce several of the pieces in bronze so as to withstand physical interaction and weather over time.

**Please go to my website: [astoryplace.com](http://astoryplace.com)** Olympia has been my home for many, many years. I see A Story Place fitting in with all the magnificent artworks in the city, already part of the unique attractions for local families and visitors to enjoy the welcoming beauty of Capitol Lake, South Sound and Capitol campus.

*The* eight piece ensemble depicts a diverse gathering of figures from all backgrounds coming together for a common purpose. They listen to a child empowered by her ability

to read and speak to others with confidence. Here is a place where imagination knows no boundaries for accomplishing anything. Together, my bronze characters offer a vision for living in harmony and the potential for giving back to the world. Today's children will be tomorrow's adult residents and I see *A Story Place* becoming part of the heart of Olympia where events for discussing ideas and ideals, storytelling and imaginings, portend a robust future for our community.

## **2. Actual Artwork**

**The five bronze pieces plus the three the city owns, are available.**

**Materials used:** Bronze, welded and bolted to metal plates.

**Dimensions:** dimensions vary per sculpture. Tallest is 45" Largest 35" wide

Collectively, the tableau can be arranged in various ways which will determine overall dimension. Possible 8' X8', 10' X10" or larger if seating is installed for community and storytelling events.

**Colors:** Various colors of patina or variations of bronze. Kids like the colors.

**Textures:** Natural bronze textures of hair, fur, bark on stumps and clothing

**Utility Requirements:** No utility requirements

**Site Plan:** Ideally, the site would be close to a children's play area and at ground level to allow for the best imaginative interactions to flourish.

The ground under all the sculptures would be a durable playground rubber or other soft material meeting the city's approval..

## **3. Fabrication, construction, installation**

\* The eight bronze pieces are foundry fabricated and constructed ready to install.

\* Each sculpture will have a built-in solid metal bar or tabs welded underneath for attaching heavy bolts. The bolts will attach to a metal plate that will be reinforced in a cement base. The metal plate and cement base will be underground and covered with a durable rubberized playground material.

\* The donor will oversee these methods for installation and they will be carried out in accordance with the city's approval.

## **4. Criteria**



- \* **Aesthetic quality:** The Aesthetic quality of this artwork is established having been exhibited and on display at many locations over time. It has shown to be a significant draw for young and folks of all ages. Elders enjoy the memories it brings back to them.
- \* **Proposed Location:** Somewhere in the open gathering area or play area by the Percival Landing boardwalk in downtown Olympia.
- \* **Donor restrictions/requests:** Donor wishes to have in-put into installation design and aesthetic placements of the eight pieces of artwork as a whole. This proposal is made with the expectation that, if accepted, it will not be separated but will be exhibited as a diorama in the greater Olympia area.
- \* **Technical feasibility:** Professionals with expertise in understanding the technical issues for installing and constructing bronze artwork in public places will be involved.
- \* **Technical specifications:** These will be determined when the eight pieces are chosen, analyzed and recommendations are considered.
- \* **Budget:** The artwork is free to the city of Olympia. Costs for solid, safe, aesthetically pleasing installation is to be negotiated and determined later if approved.
- \* **Durability:** Bronze works of art are known for their durability against harsh weather, people's touch or climbing and tests of time.
- \* **Vandalism and safety:** While the bronze sculpture, "*Pig Listening in A Story Place*" was on display in front of Olympia's City Hall, protesters set fire to it. The sculpture was not damaged except having a new patina put on at the foundry. For children's safety, the entire installation will have soft material under and around the artwork.
- \* **Maintenance and preservation:** Bronze sculptures takes minimum maintenance. Light waxing two times a year helps preserve the patinas.
- \* **Relationship to the City art collection:** The word "free to be" comes to mind when I think of my work with relationship to the city's collection. Such as a bronze girl with her arms out-stretched, a bird souring, a metal man inner story, and **A Story Place**, where a child, surrounded by diversity, welcomes others to do the same.
- \* **Community process:** A Story Place will surely add to our sense of "Community."

\* **Time line:** The time line will be determined when a location is determined. It should not take too long as all the pieces are cast and finished.

**5. A current appraisal or donor's estimate of value:**

The current donor estimate for the 5 gift pieces is: \$126,000

A current donor estimate for the entire eight piece ensemble is: \$200,000.

**6. Artwork's origin and history**

Since creating *A Story Place* in ceramic, I have found it to be an instant appeal for people of all ages wherever it is displayed. The entire original ceramic artwork was on exhibit at the Bainbridge Island Museum of Art for eight months where games and contests were created for children to find and name the various animals and insects and to write their own stories about them. The ceramic tableau was also exhibited at Olympia's former Matter Gallery.

The original ceramic art sits on a 10' X 10' stage and can be viewed at my website at: astoryplace.com It includes three life size trees with 1500 leaves, various birds and small creatures in a forest scene with 22 larger animals. There are 32 figures in all and were designed to be fully focused on the Girl reading a story. A Story Place is presently on display in a window at Olympia's Westside Capital Mall. Many children and parents have come to participate during our live story telling and storybook readings.

**7. Nancy Thorne Chamber's resume:**

**Education:**

**1993-1996**      **Antioch of Seattle, WA:** Masters degree in Family and Art Therapy

**1992**            **Merylhurst University Portland, OR.** Art Therapy studies using clay, paint, paper to help clients formulate, express, and verbalize inner feelings toward solutions for healthier lives.

**1992-1993**      **Evergreen State College, Olympia, WA:** BA. Cultures Entwined, Societies in Crisis, East/West Buddhist Studies, Practicing Psychology

**1989-1991**      **South Puget Sound Community College:** Sociology, Psychology

**1974-1977**      **Clover Park, Tacoma, WA:** Graphic Design & Illustration: Advertising and layout.

**Recent Sculptural Art Focus:**

- 2005-2007**     **Designed and built** My Art Studio to pursue building clay figures. I am self-taught.
- 2007-2019**     **Marketing and Selling** Original sculpture work through Matter Gallery, State of the Arts Gallery, Boom Gallery, Arts Walk, Tacoma Windows Main St., Bainbridge Island Museum of Art.
- 2014-2019**     **Continuing Art website design:** astoryplace.com,
- 2012-2019**     **Teaching Classes:** Instructing beginning artists on how to use slab and coiling techniques in hand-building clay. Glazing skills, finishing and kiln work.
- 2016-2019**     **Managing:** Overseeing my life-size ceramic sculptures being duplicated in bronze: Digital scanning, 3-D printing, metal casting, patina work, marketing.

*Life-long Artistic Focus*

- 1950-2007**     **Free-lance Illustrator:** Illustrations for children's stories and potential books. Illustrations for family, friends and individual commissioned work.
- 1960-2007**     **Commercial Illustrator:** Freelance illustrator for businesses, agencies, credit unions, politics. Ads for beverage company, travel, storage and commissioned work.
- 1960-2007**     **Graphic Design:** Freelance graphic designer for advertisements, travel brochures, political posters, brochures, credit unions, yellow pages.
- 1995-2007**     **Private Practice and Program Manager at BHR:** Mental Health Agency and Family Therapist using Art Therapy.
- 1981-1984**     **Quintessence Design Studio:** Freelance Artist: Developed political campaign materials, Olympia Brewery advertising, logos, newsletter layout.
- 1984-1985**     **Children's Book Conference, New York:** Workshops. Illustrating and writing.
- 1974-1980**     **Capitol Marketing:** Freelance graphics for credit unions, Shurgard Storage: yellow page layouts, slide show graphics. Capital Press: layout and graphics
- 1972-1973**     **Olympia School District:** Developed and illustrated 10 educational books to be used for Special Needs Training.

*Art Exhibitions & Publicity:*

- 2021**             **Interview** for OlyArts magazine
- 2020**             **Percival Plinth Project,** Winner of People's Choice: Girl Reading in A Story Place.

- 2019** **Hands-On Children's Art Museum** approached me for purchase of several bronze pieces from *A Story Place*.
- 2018** **Percival Plinth Project, Olympia, WA.** Purchased bronze *Pig Listening in a Story Place*. Winner People's Choice
- 2016-2018** **Boom Gallery, Olympia, WA.** Exhibited and sold ceramic sculptures and framed pastel paintings through this local gallery for a year.
- 2015-2016** **Bainbridge Island Museum of Art:** *A Story Place* Installation, 12ft x 12ft x 10ft was a main exhibit for 8 months. Theme activities given to all ages. I presented a slide show of my life's development as an artist. A small sculpted **rabbit** for the writing contest's winner.
- 2015** **Pacific Northwest Sculptures Newsletter:** March, 2015. A featured article on engineering hurdles I have run across building very large sculptures.
- 2014** **Matter Art Gallery, Olympia, WA:** Featured artist's installation, *A Story Place*. Front page photo and article "**Ceramics speak of love, companionship**" by Molly Gillmore, December 20, 2014
- 2014** "**A Story Place at home in Olympia's Matter Gallery**" A featured article in Tacoma's Weekly Volcano by Alec Clayton. December 10, 2014
- 2013** **Kenneth J. Minnaert Gallery:** Rabbit on exhibit.
- 2012** **Washington Center for the Arts, Olympia, WA:** Exhibition of four major ceramic pieces. "African Princess" was a featured work recognized in a published piece in *The Daily Olympian* by Alec Clayton, a local art critic.
- 2011** **35<sup>th</sup> Juried Art Show, Sequim, WA:** "Her Sea Sang of Dying" won best ceramic sculpture and 4<sup>th</sup> place prize in show.
- 2010** **Tacoma, WA. Downtown window installation:** Solo show for six months featuring sculptures and framed pastel paintings.
- 2009-2014** **Matter Art Gallery, Olympia, WA:** Featured Art with many pieces sold over five years. Sculptures addressed trauma, environment issues and fun work using found objects.
- 2008-2009** **State of the Art Gallery, Olympia, WA:** Pastel Gicle's and Sculpture exhibit and sales.

**8. Examples of artist's work:** Please go to Nancy's website at" [astoryplace.com](http://astoryplace.com)





The original ceramic "A Story Place" are hand-built in clay, trees, leaves, fern, lantern, books, etc. Can be viewed at Capital Mall in Olympia's Westside.





*These photos taken before record Pig were made in bronze.*





Send





*Girl Reading in a story Place 45" tall*





*Pig Listening in A Story Place*





Sank





Send





*Ingraved storybook*

*Send*





*So Cute - Someone put a small mitten on Girl's bare foot 2021*

March 29, 2021

Nancy Thorne Chambers  
1625 Delphi Rd. SW  
Olympia, WA 98512  
360-951-2538

City of Olympia Arts Commission  
Dept. of Parks, Arts & Recreation  
222 Columbia St. NW  
Olympia, WA 98501

Dear Program Manager:

### **Gift of Artwork to the City of Olympia**

This proposal is for adding two more bronze pieces from **A Story Place**, as a gift to Olympia, which will accompany the eight pieces already designated for LBA Park. These two pieces, **FAWN** and **SKUNK**, will be manufactured exactly like the others and will be installed in the group setting like the other pieces when they are completed by the foundry. These additional sculptures should round out the ensemble since they are dressed in female attire and the others are in male attire except for the reader.

Currently, the layout for the ten (10) bronze pieces is under consideration and we will be ready for an okay to proceed with preparing the pieces and the area for permanent installation.

Sincerely, Nancy Thorne Chambers





Bear

Skunk

Rock

Pig

Rock

Fawns

Girl Reading

Fox

Rock

Rabbit

Toad





Girls

Pig



Rock

Lemon

Fox

Deer



Rabbit

Fawn

Toad



Bear

Skunk





## City Council

### Special Recognition - Proclamation Recognizing Receipt of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 2.B  
**File Number:**21-0624

---

**Type:** recognition **Version:** 1 **Status:** Recognition

---

#### **Title**

Special Recognition - Proclamation Recognizing Receipt of the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Recognize the City of Olympia Finance Department for receiving the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting.

#### **Report**

##### **Issue:**

Whether to recognize the City of Olympia Finance Department for receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting.

##### **Staff Contact:**

Nanci Lien, Finance Director, 360.753.8465

##### **Presenter(s):**

Councilmember Jim Cooper, Finance Chair

#### **Background and Analysis:**

In April 2021, the GFOA announced the City of Olympia has received the Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ended December 31, 2019. The certificate of achievement was first established in 1945 as a way to encourage state and local governments to exceed the minimum requirements of generally accepted accounting principles and demonstrate a commitment to transparency and disclosure in government finances. The goal of the program is to ensure users of the financial statements have the information they need to assess the financial health

of the participating government. The award is now the highest form of recognition of governmental accounting and financial reporting.

The Certification of Achievement in Excellence in Financial Reporting recognizes information presented in the City's financial report through the production of the Annual Comprehensive Financial Report (ACFR). The purpose of the ACFR is to be transparent about the use of taxpayers' money and to give the public a detailed accounting of all expenditures. The ACFR accomplishes this by including dozens of basic and more intricate financial reports along with the notes, narrative and supporting data.

After the 1929 stock market crash and the Great Depression that followed, the accounting profession started creating standards for all companies to follow. Eventually, it was decided that an impartial group outside the profession should set the standards, and the Financial Accounting Foundation (FAF) was formed in 1972. The FAF created the Financial Accounting Standards Board (FASB) in 1973 to set standards for corporations and nonprofit organizations. In 1984, the FAF created the Governmental Accounting Standards Board (GASB), which established the generally accepted accounting principles (GAAP) for governments. These principles are the benchmark by which state and local governments' financial statements are measured. The City's ACFR is used by auditors, credit rating agencies, federal and state granting agencies, investors in City bonds, other governments, and the general public.

The City of Olympia was one of 36 cities in Washington to receive the award for the fiscal year 2019. The City has received the award 30 times.

**Neighborhood/Community Interests (if known):**

Transparency regarding the use of taxpayers' money and having a detailed accounting of all expenditures is of interest to the community.

**Options:**

1. Recognize the City of Olympia Finance Department for receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting.
2. Recognize the City of Olympia Finance Department for receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting.
3. Recognize the City of Olympia Finance Department for receiving the GFOA Certificate of Achievement for Excellence in Financial Reporting at another time

**Financial Impact:**

None.

**Attachments:**

Proclamation

Letter

[Link to 2019 ACFR](#)

**PROCLAMATION**

*WHEREAS, in April 2021, the City of Olympia was notified that it had been awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for Fiscal Year ended 2019; and*

*WHEREAS the Certificate of Achievement for Excellence in Financial Reporting is the highest form of recognition in the area of governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management; and*

*WHEREAS the award recognizes the City of Olympia for its Annual Comprehensive Financial Report that looks at long-term financial trends and goes beyond minimum standard reporting established for public sector entities; and*

*WHEREAS, Annual Comprehensive Financial Report was reviewed by an impartial panel to meet the high standards of the program, which includes the City demonstrating a constructive “spirit of full disclosure” to clearly communicate its financial story; and*

*WHEREAS the City of Olympia was one of 36 Washington cities to receive the Certificate of Achievement for Excellence in Financial Reporting for Fiscal Year ended 2019; and*

*WHEREAS the GFOA established the Certificate of Achievement in 1945 to encourage state and local governments to exceed the minimum requirements of generally accepted accounting principles by preparing comprehensive annual financial reports that provide greater transparency and accountability in government finances; and*

*WHEREAS, to earn the Certificate of Achievement, government organizations must have established extensive accounting procedures and conduct a comprehensive audit once per year; and*

*WHEREAS City of Olympia’s Finance Department oversaw the City’s Comprehensive Financial Audit for Fiscal Year ended 2019; and*

*WHEREAS, thanks to the efforts of the Finance and all City Departments, the City has now received the GFOA Certificate of Achievement for Excellence in Financial Reporting a total of 30 times; and*

*NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Olympia does hereby extend its congratulations to the*

**CITY OF OLYMPIA FINANCE DEPARTMENT FOR EARNING THE GFOA  
CERTIFICATE FOR EXCELLENCE IN FINANCIAL REPORTING**

*and for their commitment to sound accounting principles and transparency in City of Olympia's finances.*

***SIGNED IN THE CITY OF OLYMPIA, WASHINGTON THIS 22<sup>nd</sup> DAY OF JUNE 2021.***

***OLYMPIA CITY COUNCIL***

***Cheryl Selby  
Mayor***



**Government Finance Officers Association**

203 North LaSalle Street, Suite 2700

Chicago, Illinois 60601-1210

312.977.9700 fax: 312.977.4806

4/28/2021

Jay Burney  
Manager  
City of Olympia, Washington

Dear Mr. Burney:

We are pleased to notify you that your comprehensive annual financial report for the fiscal year ended December 31, 2019 qualifies for GFOA's Certificate of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

When a Certificate of Achievement is awarded to a government, an Award of Financial Reporting Achievement (AFRA) is also presented to the individual(s) or department designated by the government as primarily responsible for its having earned the Certificate. This award has been sent to the submitter as designated on the application.

We hope that you will arrange for a formal presentation of the Certificate and Award of Financial Reporting Achievement, and give appropriate publicity to this notable achievement. A sample news release is included to assist with this effort.

We hope that your example will encourage other government officials in their efforts to achieve and maintain an appropriate standard of excellence in financial reporting.

Sincerely,

A handwritten signature in black ink that reads "Michele Mark Levine". The signature is written in a cursive, flowing style.

Michele Mark Levine  
Director, Technical Services



# City of Olympia, Washington 2019 Comprehensive Annual Financial Report

For the year ended December 31, 2019  
Prepared by the Administrative Services Department



City of Olympia | Capital of Washington State



# 2019 Comprehensive Annual Financial Report

For the year ended December 31, 2019



Prepared by the City of Olympia,  
Administrative Services Department  
P.O. Box 1967, Olympia, Washington 98507-1967

*The City is committed to the non-discriminatory treatment of all persons in employment and the delivery of services/resources*



City of Olympia, Washington  
Comprehensive Annual Financial Report

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**Comprehensive Annual  
Financial Report**



**Olympia**<sup>TM</sup>

**Introduction**





December 16, 2020

To the Honorable Mayor, Members of the City Council, and the Citizens of Olympia:

With this letter of transmittal, I am pleased to provide the Comprehensive Annual Financial Report (CAFR) of the City of Olympia (City) for the fiscal year ended December 31, 2019. The CAFR is published annually as the City's official annual financial report as required by the Revised State of Washington (RCW) statute (RCW 43.09.230). The responsibility for the accuracy of the data, the completeness and fairness of the presentation, and all disclosures rest with the City's management. To the best of my knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to fairly present the financial position and results of operations of the various funds and agencies of the City.

All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. Generally Accepted Accounting Principles (GAAP) require management to provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. This letter of transmittal is a complement to the MD&A and should be read in conjunction with it.

#### **INDEPENDENT AUDIT**

Cities and counties of the State of Washington use the Budgeting, Accounting and Reporting System (BARS) developed and prescribed by the Office of the State Auditor. Washington State law (RCW 43.09.260) calls for a periodic audit of the City's financial records and transactions by the Washington State Auditor, an independent elected state official. The audit of the City has been completed and performed in conformance with auditing standards generally accepted in the United State of America and the standards applicable to financial audits contained in Government Auditing Standards. The City has been given an unmodified opinion for 2019. The Auditor's Opinion is located at the beginning of the Financial Section of this report.

In addition to the regular financial audit, the state auditor also performed a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the auditor to report on the fair presentation of the financial statements, as well as the City's internal controls and compliance with legal requirements. The City's Single Audit Report is issued separately and is available upon request.

#### **HISTORY AND PROFILE OF THE CITY**

The City of Olympia is the capital city of Washington State. Incorporated in 1859, it is a diverse community located within Thurston County at the southern tip of Puget Sound. Located near Interstate 5 between the two major metropolitan areas of Seattle, Washington and Portland, Oregon. The City serves a population of approximately 52,770 while occupying a land area of approximately 20 square miles. While providing residents with ready access to the shores of the Pacific Ocean and the resorts of the Cascade Mountains, the City of Olympia enjoys a low crime rate, excellent schools, and a nationally recognized reputation as one of the most livable cities in the United States.

The Olympia and Thurston County area has a rich history and culture. The area was originally settled by Salish Indian groups including the Nisqually, Squaxin, and Chehalis tribes. In 1792, Captain George Vancouver led a British expedition along with Lt. Peter Puget, to explore the area looking for the Northwest Passage. American exploration of the area began in 1841 with an expedition lead by Lt. Commander Charles Wilkes. He was followed by Michael T. Simmons who led the first permanent settlers to the area around Tumwater Falls. In 1852, Thurston County was organized with Olympia as the county seat; and, in 1853 Olympia was named territorial capital of the newly formed Washington Territory. Statehood followed in 1889 with Olympia fighting to retain its place as the seat of state government.

Since 1982, the City has operated under a Council-Manager form of government which is similar to a business corporate model, with the Council serving as the Board of Directors and setting policy. The Mayor, elected to position 1 of the Council, is the Chair and a voting member of the Council. The City Manager is hired by the City Council as the Chief Executive Officer. Council members serve four-year staggered terms, with positions ending for three members one year and four members the next election. Elections are held on odd numbered years.

Olympia provides a full range of municipal services including public safety (police, fire, court, and jail), streets, parks and recreation, arts, utilities, community planning and development, zoning, and general administrative services. The City provides specific transportation improvement projects through the Olympia Transportation Benefit District (TBD), which functions as a blended component unit of the City, and therefore has been included as an integral part of the City of Olympia's financial statements. Similarly, the City provides administrative and fiscal reporting functions for the Olympia Metropolitan Park District (OMPD). Through the OMPD, the City provides specific parks operations, maintenance, and capital improvement projects for the City's parks, arts, and recreation functions.

The City prepares and maintains budgetary controls in order to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Council. Activities of the General Fund, General Obligation Debt Service Funds, Enterprise, and selected Internal Service Funds are included in the annual operating budget and lapse at the end of the calendar year. The City also adopts budgets for Capital Projects and Special Revenue Funds, these budgets do not lapse at year end. Trust and Agency Funds are not required to be budgeted. The budget constitutes the legal authority for expenditures. The City's budget is adopted at the fund level; therefore, expenditures may not legally exceed appropriations at that level of detail. The City Manager has the authority to transfer internal budget amounts within a fund, however the City Council must approve any budget transfers between funds.

## **ECONOMIC CONDITION AND OUTLOOK**

Since original incorporation, Olympia has evolved from a small town with logging and farming as its chief industries into a modern urban city. Government has been the driving force behind the area's economy due to Olympia's designation as the seat for county and state governments.

Washington State and local governments are Olympia's largest employers. State government employs approximately 18,000 workers while local government employs roughly 3,700. Other major employers in the area include private education, health services, professional services, retail trade, recreation and food services. Thurston County is just south of Joint Base Lewis-McChord, a federal military base, and Olympia is proud to serve as the residence for thousands of military personnel and their families.

Over the past several years, the City has enjoyed a strong local and regional economy providing sufficient revenues to support key programs and services. Several local revenue indicators suggest the economy is

beginning to slow. Sales tax was at or below projections for 2019 and 2018; private utility taxes have somewhat flattened; and cable tv tax is continuing to decline. The City is taking cautious measures to prepare for a budget deficit in the coming years. The following table illustrates changes in key aspects of the City’s economy in 2019 compared to ten years ago. Our statistical tables located at the end of this report provide additional detail in employment, population and other pertinent data.

Growth Indicator	2010	2019	Change	% of Change
Population	45,500	52,770	7,270	16%
Unemployment Rate	7.10%	4.30%	-2.80%	-39%
Median Household Income	\$49,461	\$58,606	\$9,145	18%
Assessed Valuation	\$5,552,078,378	\$7,134,825,096	\$1,582,746,718	29%
Regular Property Tax Rate	\$1.94	\$2.55	\$0.61	31%
OMPD Property Tax Rate**	\$0.00	\$0.55	\$0.55	
Property Tax Revenue	\$11,788,009	\$22,868,388	\$11,080,379	94%
Building Permits Issued*	182	188	6	3%
Building Permit Value *	\$93,698,000	\$147,589,000	\$53,891,000	58%
Impact Fee Revenues	\$1,528,699	\$1,185,985	(\$342,714)	-22%
Sales Tax Revenues	\$16,301,568	\$25,797,855	\$9,496,287	58%
Total Tax Revenues	\$46,140,346	\$72,816,146	\$26,675,800	58%

\*Commercial and Residential Permits, 2019 data revised to reflect citizen investments in real property; includes permits for construction, remodel, major repair, and improvements to real property.

\*\*OMPD - Olympia Metropolitan Parks District was approved by voters in 2015, 2017 is the first year of collections.

Beginning in mid-March 2020, Olympia’s economic outlook, along with the entire country, took a huge hit in response to COVID-19 pandemic basically shutting down the majority of non-essential businesses. At the time of publication of this document, the City is still operating under the mantra, “what we don’t know, far outweighs what we know.” And while there is still not enough data to determine the full impact of this emergency, the quick decline in employment was unprecedented and unemployment has reached an all-time high at 14.6% as of May. The emergency has weakened the economy and the National Bureau of Economic Research has now determined the United States entered a recession in the first quarter 2020. The peak marks the end of the expansion that began in June 2009, lasting 128 months, the longest on record. In response to this economic crisis, in March the City took immediate steps to reduce non-essential expenditures and re-project the 2020 revenues.

## LONG-TERM FINANCIAL PLANNING

### General Operating Reserve

The City adheres to a long-held policy to maintain a minimum reserve of at least 10% of the next years General Fund budgeted revenue. This reserve ensures the City will not have to incur short-term debt to pay for current operating expenditures in an event of an emergency funding need. As of December 31, 2019, the City had a General Fund reserve of \$19.8 million (23% of next years budgeted revenue), which exceeds the 10% minimum required reserve minimum. In light of the very positive ending financial position, in 2020, City management and Council made the directive to set aside an additional 10% for establishing a budget stabilization reserve for the purposes of reducing operational impacts in the event of a recession. The budget stabilization reserve would be in addition to the existing 10% emergency reserve.



**General Government**

The 2019 budget exhibited a practical, responsible, and strategic focus on providing reliable public services while working toward a sustainable future. In 2018, Olympia voters, overwhelmingly approved a 0.1 percent increase in sales tax to allow the city to create the Home Fund to address housing and housing related services, including mental and behavioral health programs and facilities. This new revenue source is estimated to generate \$2.3 million annually.

Expenses such as medical insurance, retirement costs and new mandates continue to grow beyond the City’s control. The 2019 budget maintained all of the City’s current services and programs without eliminating jobs, as well as creating new positions as part of the response to the homelessness. The City continues to work toward a sustainable future with a commitment to innovation, efficiency, community partnership and focus on core services while we move toward our vision of a vibrant urban core, a thriving business sector, and safe and connected neighborhoods.

General government functions are reported in the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds. These funds account for the majority of the City’s operating revenues and expenditures. The 2019 budget and financial strategy also includes the 2019-2024 Capital Facilities Plan, which anticipates \$102.7 million in capital expenditures over the next six years. The main principle for both the operating and capital budgets is to maintain existing assets and develop core services.

The key emphasis on maintaining existing capital infrastructure preserves existing assets as an important step to hold down future costs. The Capital Improvement Program is developed during a separate budget process. Analysis of each capital project to determine its financial impact on operations, operating expenditures, and revenues is performed prior to project approval. Capital projects are funded by current revenues, bonds backed by taxes, state and federal grants, donations, and special assessments. The 2019-2024 General Government Capital Planned Project list had a lot of activity in 2019. Transportation Capital Budget was reduced by \$1.1 million, resulting from a large project completion in 2018. General Capital Facilities capital expenditures increased by \$9.9 million due to the formation of a new Capital Home Fund and new large hazard tree abatement project. The last category, Parks capital projects budget decreased by \$2.2 million in 2019 compared to 2018. The change was the result of a reprioritizing and allocations of projects.

Capital Budget by Project Category 2019 - 2024			
	2019	2020-2024	TOTAL
Parks	\$ 6,092,000	\$ 25,406,500	\$ 31,498,500
Transportation	6,075,281	46,291,093	52,366,374
General Capital Facilities	2,531,000	16,355,000	18,886,000
<b>Total</b>	<b>\$ 14,698,281</b>	<b>\$ 88,052,593</b>	<b>\$ 102,750,874</b>

The following table illustrates the revenues and expenditures from the various sources of the Governmental

Funds, as well as increases or decreases from the previous year.

Revenues and Other Operating Sources Governmental Funds	2018	2019	Variance Increase/(Decrease)	% Variance
Property Tax	\$ 21,922,111	\$ 22,868,388	\$ 946,277	4.32%
Sales and Use Tax	24,609,441	27,403,026	\$2,793,585	11.35%
Other Tax	24,751,144	25,457,105	\$705,961	2.85%
Licenses and Permits	3,565,784	3,808,029	\$242,245	6.79%
Intergovernmental	9,549,475	6,730,468	(\$2,819,007)	-29.52%
Charges for Services	18,474,195	19,503,053	\$1,028,858	5.57%
Fines and Penalties	851,045	699,228	(\$151,817)	-17.84%
Transfers In	17,289,000	19,849,302	\$2,560,302	14.81%
Other Sources	8,685,411	73,681,659	\$64,996,248	748.34%
<b>Total</b>	<b>\$ 129,697,606</b>	<b>\$ 200,000,258</b>	<b>\$ 70,302,652</b>	<b>54.21%</b>

Expenditures and Other Uses Governmental Funds	2018	2019	Variance Increase/(Decrease)	% Variance
General Government	\$ 27,022,180	\$ 27,973,503	\$ 951,323	3.52%
Security of Persons and Property	39,095,438	39,717,138	621,700	1.59%
Utilities and Environment	1,562	42,588	41,026	2626.53%
Transportation	4,135,756	7,818,107	3,682,351	89.04%
Economic Environment	7,216,330	7,865,176	648,846	8.99%
Mental and Physical Health	860,978	775,750	-85,228	-9.90%
Culture and Recreation	9,474,828	10,180,214	705,386	7.44%
Debt Service Principal and Interest	6,075,256	70,391,916	64,316,660	1058.67%
Capital Outlays	15,693,909	6,179,711	-9,514,198	-60.62%
Transfers Out and Other Non-Operating Expense	17,116,421	19,438,285	2,321,864	13.57%
<b>Total</b>	<b>126,692,658</b>	<b>190,382,389</b>	<b>63,689,731</b>	<b>50.27%</b>

Areas of significant importance are:

- The 29.52% decrease in Intergovernmental is the result of a grant-funded project in the capital Improvement Fund completed in 2018.
- The 17.84% decrease in Fines and Penalties are due to a decrease in DWI traffic misdemeanors and parking infractions
- The substantial increases in both Other Sources and Debt Service Principal and Interest is the result of two large debt refundings completed in 2019.
- The large change in Transportation and Capital Outlay costs are the result of several major project completions in 2018.

## Enterprise Operations

Olympia’s enterprise operations are comprised of Drinking Water, Wastewater, Solid Waste, and Storm and Surface Water Utilities. The Drinking Water and Wastewater Utility have two major components: a water distribution system including potable and reclaimed water and a sewer collection system. Through an interlocal agreement, the Lacey-Olympia-Tumwater-Thurston County (LOTT) Wastewater Alliance handles sewage treatment and reclaimed water. The solid waste collection system operates only within the City of Olympia, and provides commercial and residential solid waste, yard waste, and recycling services. Waste is transported to a transfer station owned and operated by Thurston County. Recyclable material is transported to various private recyclers. The Storm and Surface Water Utility accounts for planning, maintenance, and education necessary for environmentally appropriate storm and surface water management capital programs.

Under state law, the utilities are self-supported through rates and charges, thus the reference to “enterprise” funds. The financial strategy established for the utility funds is to keep costs stable and avoid rate increase spikes. Consistent with this approach, revenues are raised in advance of debt issuance, a policy that is viewed favorably by bond rating agencies and investors.

The City adopts and annually updates a Capital Facilities Plan. The six-year, \$55.1 million plan focuses on additional storage for treated water as well as transmission and distribution of water, enhanced treatment of wastewater, stormwater flood control, and overall increased capacity of each utility.

Capital Budget by Utility 2019-2024			
	2019	2020-2024	TOTAL
Drinking Water	\$ 3,500,000	\$ 24,003,000	\$ 27,503,000
Wastewater	2,294,000	7,901,000	\$10,195,000
Stormwater	2,364,000	15,055,000	\$17,419,000
<b>Total</b>	<b>\$ 8,158,000</b>	<b>\$ 46,959,000</b>	<b>\$ 55,117,000</b>

The following tables summarize the total revenues, expenses and net income (loss) for each of the enterprise funds in 2019, as well as the variance increase or decreases from the previous year. The Drinking Water and Wastewater Utilities’ significant net income is the result of the above-mentioned policy of increased revenues ahead of debt issuance. Also mentioned above and discussed further in the Capital Assets and Debt Administration section of the MD&A, the Drinking Water Utility uses low interest loans to invest in expansion of the Drinking Water Utility. The net loss in Storm and Surface Water Utility is the result of using the fund balance of the utility to smooth and maintain lower rates.

Along with other recycling utilities throughout the country, the Waste ReSources utility experienced substantial revenue reductions in the recycling program when China imposed restrictions on imports then followed-up with an outright ban. The loss of this recycling revenue is expected to continue for at least the next 18-36 months. In the Waste ReSources utility, operational efficiency and waste prevention remain a high priority.

Summary Net Income (Loss) for Enterprise Operations				
Enterprise Operations	Total Revenues & Operating Transfers	Expenses/ Transfers Before Depreciation	Depreciation	Net Income (Loss)
Drinking Water and Wastewater	\$ 36,341,895	\$ 31,462,599	\$ 3,774,596	\$ 1,104,700
Waste Resources	12,948,210	12,247,533	50,073	650,604
Storm and Surface Water	6,770,455	5,854,328	787,995	128,131
<b>Total</b>	<b>\$ 56,060,560</b>	<b>\$ 49,564,460</b>	<b>\$ 4,612,664</b>	<b>\$ 1,883,435</b>

Comparison of Enterprise Revenues and Expenses 2017 – 2018					
Enterprise Operations	2018	2019	Variance Increase/ (Decrease)	% Variance	
Revenues – Drinking Water & Wastewater	\$ 36,310,468	\$ 36,341,895	\$ 31,427	0.09%	
Expenses – Drinking Water & Wastewater	33,171,733	35,237,195	2,065,462	6.23%	
Revenues – Waste ReSources	12,417,127	12,948,210	531,083	4.28%	
Expenses – Waste ReSources	12,032,143	12,297,606	265,463	2.21%	
Revenues – Storm & Surface Water	5,965,030	6,770,455	805,425	13.50%	
Expenses – Storm & Surface Water	\$ 6,002,434	\$ 6,642,323	\$ 639,889	10.66%	

The City has implemented new revenue sources, yet remains committed to a practical, responsible, and strategic budget. Fiscal year 2019 represented another year with increased costs, including employee benefits, liability insurance, and unanticipated costs to respond to the homelessness emergency declaration. The growing expenses continue to exceed revenue growth; therefore, the City recognizes that redefining and reorganizing core services is not enough. Services are not being added or expanded that can't be sustained. To stay ahead of fiscal impacts and maintain a diversified and stable revenue stream, the City continually develops long-term financial plans and adjusts revenue strategies. As noted above, in 2019, the City will consider implementing a budget stabilization revenue with the goal of reducing impact on operations in the event of another recession.

## FINANCIAL MANAGEMENT AND CONTROLS

City management is responsible for establishing and maintaining an internal control structure design to ensure that assets of the City are protected from loss, theft, or misuse and to ensure adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance these objectives are met. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived, and the evaluation of the relative cost and benefits of the control system requires estimates and judgements by management.

## AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Olympia for its Comprehensive Annual Financial Report for the fiscal year ended December 31, 2018. To receive this award, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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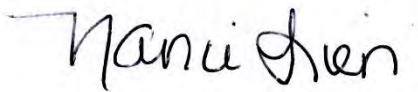
A certificate of achievement is valid for a period of one year only. We believe our current comprehensive annual financial report will meet the Certificate of Achievement Program requirements. Therefore, we are submitting the 2019 report to the GFOA to determine our eligibility for another year.

The City also received the GFOA's Distinguished Budget Presentation Award for its annual operating budget document for the fiscal year beginning January 1, 2019. To qualify, the City's budget document was judged proficient as a policy document, a financial plan, an operations guide, and a communications device. Olympia is the only city in Washington State to have received the award for 34 consecutive years.

Appreciation is extended to the entire City Council and City Manager for their encouragement, interest, and support in conducting the financial operations for the City in a sound and fiscally responsible manner. Preparation of this report could not have been accomplished without the professional, efficient, and dedicated Fiscal Services Team.

I am happy to respond to any questions or comments about the information contained in this report.

Respectfully,

A handwritten signature in black ink that reads "Nanci Lien". The signature is written in a cursive, flowing style.

Nanci Lien  
Finance Director





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Olympia  
Washington**

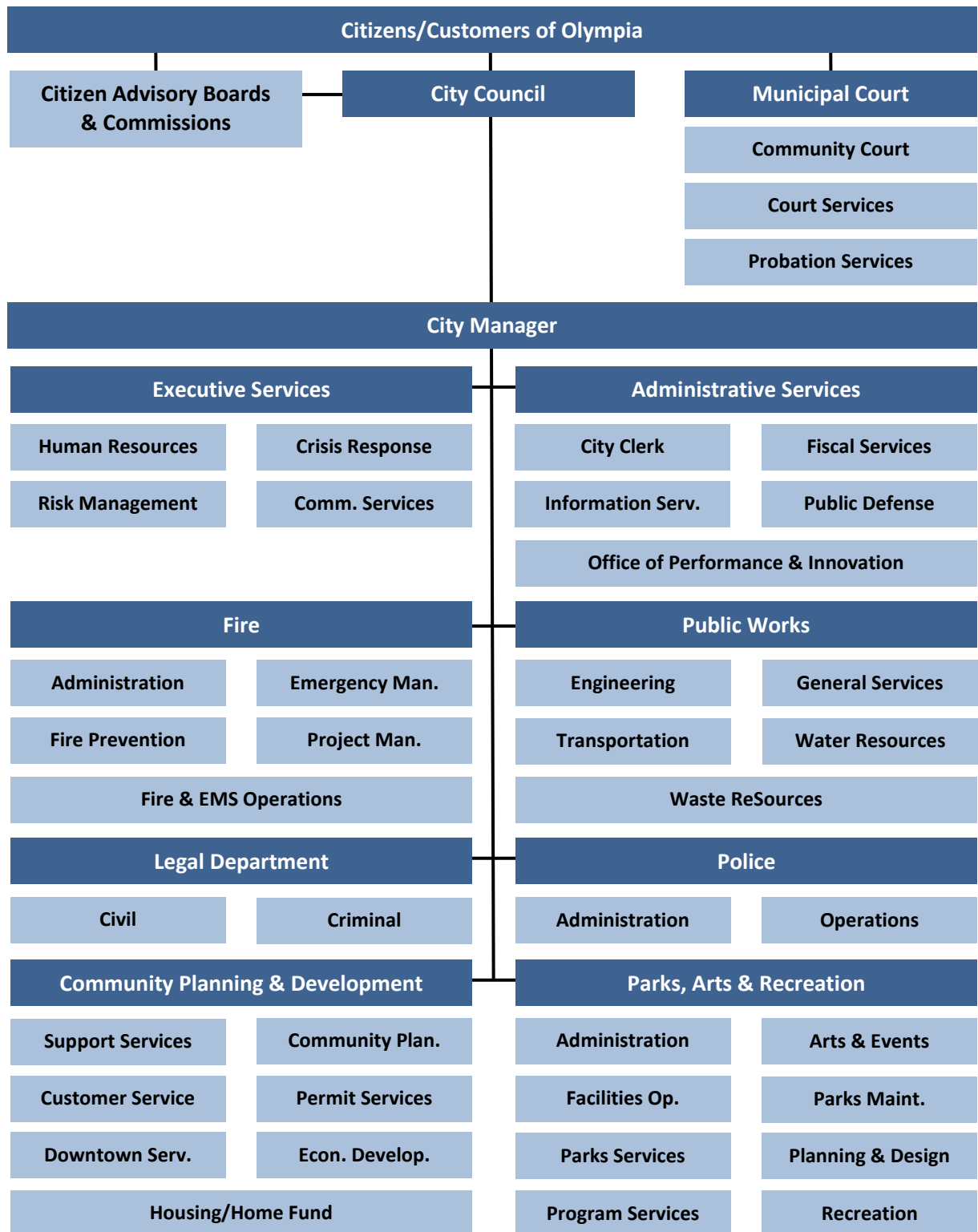
For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**December 31, 2018**

*Christopher P. Morrill*

Executive Director/CEO

# City of Olympia 2019 Organizational Chart



# City of Olympia 2019 Council Members



**Cheryl Selby**  
Mayor



**Jessica Bateman**



**Nathaniel Jones**  
Mayor Pro Tem



**Clark Gilman**



**Lisa Parshley**



**Renata Rollins**



**Jim Cooper**

## 2019 ADMINISTRATION

Jay Burney	Interim City Manager
Mark Barber	City Attorney
Debbie Sullivan	Administrative Services Director
Leonard Bauer	Interim Community Planning & Development Director
Mark John	Fire Chief
Aaron Jelcick	Interim Police Chief
Paul Simmons	Parks and Recreations Director
Rich Hoey	Public Works Director





**Comprehensive Annual  
Financial Report**



**Olympia**<sup>TM</sup>

**Auditor Report**







## Office of the Washington State Auditor Pat McCarthy

### INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

December 16, 2020

Mayor and City Council  
City of Olympia  
Olympia, Washington

#### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Olympia, as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City's preparation and fair presentation of the financial statements in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Olympia, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## **Matters of Emphasis**

As discussed in Note 20 to the financial statements, in February 2020, a state of emergency was declared that could have a negative financial effect on the City. Our opinion is not modified with respect to this matter.

## **Other Matters**

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The combining financial statements and other supplemental information are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements as a whole. The Introductory and Statistical Sections are presented for purposes of additional analysis and are not a required part of the basic financial statements of the City. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

### **OTHER REPORTING REQUIRED BY GOVERNMENT AUDITING STANDARDS**

In accordance with *Government Auditing Standards*, we will also issue our report dated December 16, 2020, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report will be issued under separate cover in the City's Single Audit Report. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Sincerely,



Pat McCarthy

State Auditor

Olympia, WA





**Comprehensive Annual  
Financial Report**



**Olympia**<sup>TM</sup>

**Financial Section**





## Management's Discussion and Analysis

This discussion and analysis are a narrative overview of the City of Olympia's financial activities for the fiscal year ended December 31, 2019. The information presented here should be read in conjunction with the letter of transmittal, the financial statements, and the related notes to the financial statements.

This overview is intended to:

- Assist the reader in focusing on significant financial issues
- Provide an overview of the City's financial activity
- Identify changes in the City's financial position
- Identify any material deviations from the financial plan and adopted biennial budget
- Identify individual fund issues or concerns

## FINANCIAL INFORMATION

The City's government wide financial statements have been prepared on the full-accrual basis of accounting in conformity with generally accepted accounting principles (GAAP). The City's Fund Financial Statements for governmental funds have been prepared on the modified accrual basis in conformity with GAAP. The City's business -type and fiduciary funds are accounted for on the accrual basis.

The City of Olympia's financial system integrates financial and administrative controls that ensure the safeguarding of assets and the reliability of financial reports. These controls are designed to provide:

- Reasonable assurance that transactions are executed in accordance to management understanding and approval
- Reasonable assurance that transactions are executed in accordance to GAAP principles
- Accountability for control of assets and obligations
- Assurance that sufficient reporting and review exists to provide adequate information for analysis and comparability of data

Internal control is a high priority for the City. The Washington State Auditor's Office (SAO) reviews the City's internal controls, and the City receives and acts on all recommendations made by SAO.

## FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City of Olympia exceeded liabilities and deferred inflows at the close of the most recent fiscal year by \$360.1 million (net position). Of this amount, \$45.6 million represents unrestricted net position; of which \$14.2 million in unrestricted net position of the Governmental Activities and \$31.4 million unrestricted net position of the Business Type Activities. Unrestricted net position may be used to meet the government's ongoing obligations to citizens and creditors.
- At the close of the current fiscal year, the City of Olympia's governmental funds reported a combined fund balance of \$74 million, an \$5.2 million increase in comparison with the prior year. Approximately 4.3% of this amount (\$3.2 million) is available for spending at the government's discretion (unassigned fund balance). Approximately 49.4 % of this amount (\$36.6 million) would require the council action to re-allocate the resources (assigned and committed fund balance). The remaining 46.3% (\$34.3 million) is not available for discretionary spending (nonspendable and restricted fund balance).

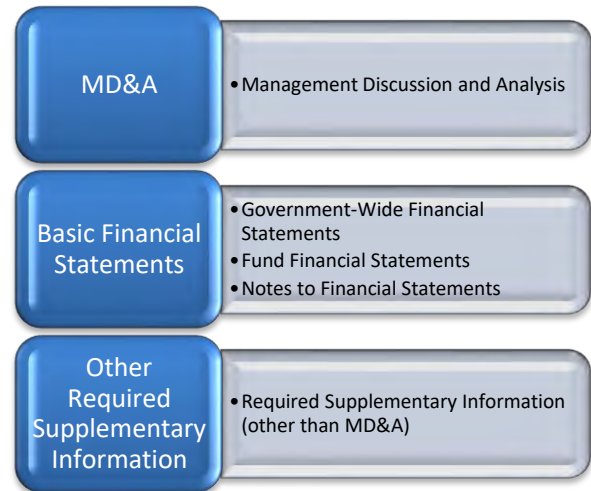
## OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis provide an introduction and overview to the City of Olympia's basic financial statements. The basic financial statements are comprised of three components.

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to the Financial Statements

This report contains other supplementary information in addition to the basic financial statements, intended to furnish additional detail to support the basic financial statements themselves.

Financial statements focus on both the City as a whole (government-wide) and on major individual funds. Both perspectives allow the user to address relevant questions, broaden a basis for annual comparisons and enhance the City's accountability. A graphic is provided to illustrate the composition of the reports.



### Government-Wide Financial Statements

Government-wide statements provide information on the financial status and activities of the City as a whole and are presented on an accrual basis of accounting, similar to private business accounting. The statements are presented for Governmental and Business-Type activities. Governmental activities include all operations of the City, except for the Business-Type activities which includes the operations of its utilities. Excluded from the government-wide statements are the Fiduciary Funds (Trust and Agency funds). Fiduciary Funds of the City include the Firemen's Pension Fund, Municipal Court Trust, and Law Enforcement Records Management Fund.

**The Statement of Net Position** provides information on all City of Olympia assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Olympia is improving or deteriorating. The statement presents separately a roll-up of all Governmental activities and Business-Type activities. The difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, known as net position, is one way to measure the financial status of the City.

**The Statement of Activities** presents information showing how the government's revenues and expenses impacted net position during 2019. The statement distinguishes revenue generated by specific functions from revenue provided by taxes and other sources not related to a specific function. The revenue generated by specific functions (charges for services, grants and contributions) is compared to the expenses for those functions to show the degree to which each function supports itself or relies on taxes and other general funding sources. This is intended to summarize and simplify the user's analysis of cost to various governmental services and/or subsidy to various business-type activities. By separating program revenue from general revenue, users of the financial statements can identify the extent to which each program relies on taxes for funding.

The Statement of Net Position and the Statement of Activities are divided into two categories:

- *Governmental Activities* - Most of the City's basic services are reported here, including the fire and police services, non-utility public works (such as street maintenance), criminal justice, community development and planning, parks, arts and recreation, and general government administration. These activities are primarily supported by taxes, licenses and permits, fines and forfeitures, and charges for general governmental services.
- *Business-Type Activities* - These activities are mainly supported by charges to customers for services. The Business-Type activities of the City are: Water from sources owned by the City, Sewer collection (the City

contracts with the LOTT Wastewater Alliance for sewage treatment), Solid Waste (garbage and recycling) collection, and Stormwater management.

## Fund Financial Statements

The annual financial report includes fund financial statements in addition to the government-wide financial statements. While the government-wide statements present the City's finances based on the type of activity, the fund financial statements are presented by fund type. A fund is a fiscal and accounting entity with a self-balancing set of accounts used to account for specific activities or meet certain objectives. Funds are often set up in accordance with special regulations, restrictions or limitations.

The focus is on Major Funds rather than types. A Major Fund has three elements.

- Total assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures/expenses of that individual governmental or enterprise funds are at least ten percent (10%) of the corresponding total (assets, liabilities, etc.) for all funds of that category or type (i.e. governmental, proprietary, or fiduciary); and
- Total assets plus deferred outflows, liabilities plus deferred inflows, revenues, or expenditures/expenses of the individual government fund or enterprise funds are at least five percent (5%) of the corresponding total for all governmental and enterprise funds combined; or
- Any other governmental or enterprise fund the government's officials believe is particularly important

The City of Olympia maintains twenty-three individual governmental funds. In 2019, the City had three major funds, the General Fund, the City Hall Debt Service Fund and the Capital Improvement Fund. These funds plus a few others chosen at the City's discretion for transparency are presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and change in Fund Balances. The funds the City chose to present were H.U.D, Impact Fees, Lodging Tax, Parks & Recreation Utility Tax, Home Operating and Capital Funds. The remaining funds are combined in this statement into a single column labeled other governmental funds. Individual fund data for each of the other governmental funds can be found in combining statements later in this report.

**Governmental Funds:** Governmental Funds are used to account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements. These reports use a different "basis of accounting" than used in government-wide financial statements. The focus of governmental fund financial statements is on near-term inflows and outflows of available resources and on balances of resources available at the end of the fiscal year. Such information is useful in evaluating near-term financing requirements and immediate fiscal health.

Because the focus of governmental funds is narrower than that of the governmental-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. This provides the reader a better understanding of the long-term impact of the governments near-term financial decisions. To assist with the comparison, reconciliations between the governmental fund statements and the government-wide financial statements are included with the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances.

The City of Olympia maintains budgetary controls over the governmental funds to ensure compliance with state law and council adoption at fund level.

**Proprietary Funds:** Proprietary Funds are reported under two categories, Enterprise Funds for business-type activities and Internal Service Funds for internal service activities. The City uses the enterprise funds to account for its Drinking Water & Wastewater Utility, Waste Resources, and Storm and Surface Water Utility services. The Internal Service Funds are used to account for the City's Fleet Vehicle Operations, Unemployment Compensation, Risk Management (insurance fund), and Workers' Compensation Fund. The Internal Services Funds predominately benefit governmental rather than business-type functions; therefore, they have been included within governmental activities in the government-wide financial statements.

The Basic Proprietary Fund financial statements can be found right after the Basic Governmental Fund statements.



**Fiduciary Funds:** Fiduciary funds are used to account for resources held for the benefit of parties other than the City. Fiduciary funds are not reported in the government-wide financial statement because the resources of these funds are not available to support the City’s own programs. The City maintains three different types of Fiduciary funds: Pension Trust Fund, Private-purpose Trust Fund, and Agency Funds. The Pension Trust Fund is used to report resources held in trust for retired firefighters hired prior to March 1970 and their beneficiaries covered by the Firemen’s’ Pension Plan. The Agency fund reports resources held by the City in a custodial capacity for the Municipal Court and Law Enforcement Records Management System.

The Fiduciary Fund financial statements can be found right after the Basic Proprietary Fund statements.

**Notes to the Financial Statements:** The notes provide additional information that is essential to a full understanding of the data provided and are an integral part of the government-wide and fund financial statements.

**Other Information:** Following the Notes to the Financial Statements, the City presents the required supplementary information (RSI). Within the RSI the City reports on its General Fund Budget, its proportionate share of the state sponsored pension plans, its contributions to the state sponsored pension plans, and its obligation to provide pension and other post-employment benefits (OPEB) for its Fire Pension and LEOFF 1 employees. The only OPEB obligation of the City is to the 65 qualifying police officers and firefighters hired prior to October 1, 1977. Additional financial information and data is provided in the combining statements, other supplementary information, and statistical information, which follow the RSI.

### Government-wide Overall Financial Analysis Statement of Net Position.

As discussed earlier, net position over time may serve as a useful indicator of a government’s financial position. The City’s assets exceeded liabilities by \$360.1 million as of December 31, 2019. The following condensed statement provides information on all assets and liabilities of the City.

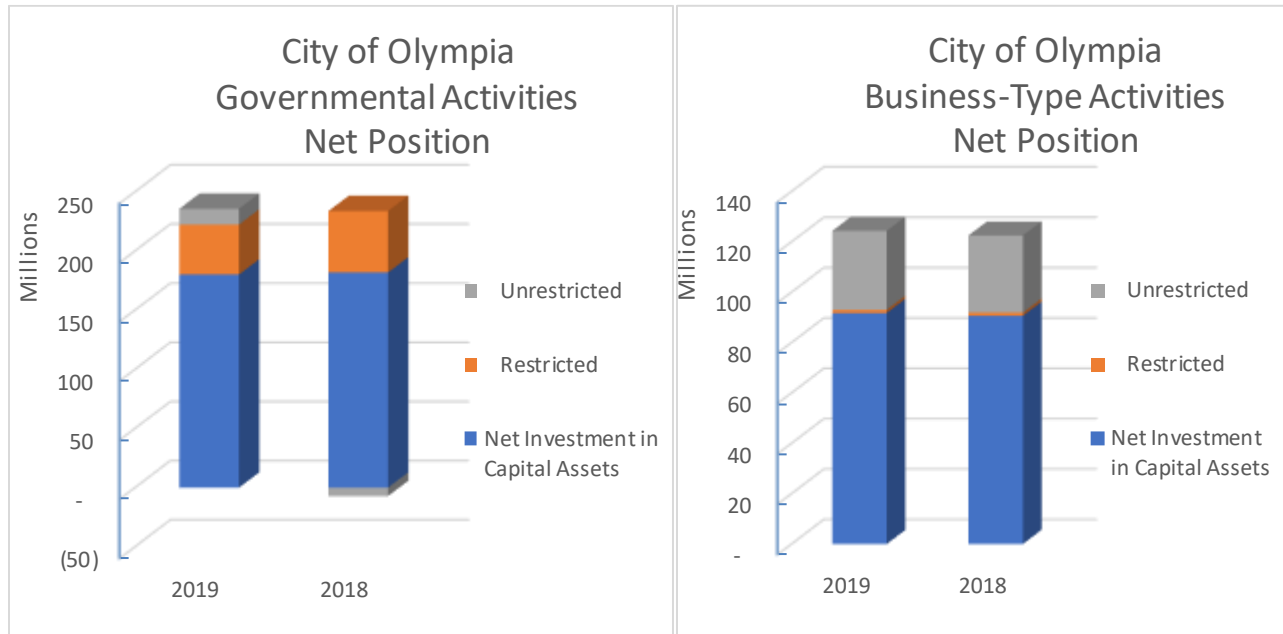
Summary of Statement of Net Position						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Current Assets	\$ 88,018,346	\$ 80,552,861	\$ 39,690,543	\$ 37,939,806	\$127,708,889	\$118,492,667
Other Assets	26,812,644	21,996,559	1,260,900	1,260,900	28,073,545	23,257,459
Capital Assets	254,957,736	258,584,513	126,935,158	128,291,161	381,892,894	386,875,674
Total Assets	369,788,727	361,133,933	167,886,602	167,491,867	537,675,328	528,625,800
Total Deferred Inflows of Resources	5,865,766	4,204,381	852,731	800,449	6,718,498	5,004,830
Current Liabilities	13,530,727	31,504,768	6,206,749	5,582,593	19,737,476	37,087,361
Non-Current Liabilities	116,017,253	97,505,114	36,409,735	38,723,532	152,426,988	136,228,646
Total Liabilities	129,547,980	129,009,882	42,616,485	44,306,125	172,164,465	173,316,007
Total Deferred Inflows of Resources	10,407,688	9,531,486	1,764,626	1,511,403	12,172,314	11,042,889
Net Position						
Net Investment in Capital Assets	183,147,769	181,912,408	91,661,021	90,616,220	274,808,790	272,528,628
Restricted	38,398,078	51,922,452	1,260,900	1,260,900	39,658,978	53,183,352
Unrestricted	14,152,978	(7,037,914)	31,436,301	30,597,668	45,589,279	23,559,754
Total Net Position	\$ 235,698,825	\$ 226,796,946	\$124,358,222	\$122,474,788	\$360,057,047	\$349,271,734

The largest portion of the City’s net position is its net investment of capital assets. This category makes up 76.32% of the City’s total net position and though the City uses these capital assets to provide services to its citizens, these assets are not available for future spending.

Restricted net position makes up 11.01% of the total net position and represents the resources that are subject to external restrictions on how they may be used. These restrictions include debt covenants, laws (enabling legislation), grant

requirements, or other legal or contractual reason which imposes a limit on the use of the assets which is outside the control of the City.

The remaining balance of \$45.6 million is unrestricted and may be used to meet the City’s ongoing obligations to its citizens and creditors. Although this amount is unrestricted, a significant portion has been reserved or set aside for various purposes.



**Governmental Activities:** During the fiscal year, net position for governmental activities increased by \$8.9 million, to a balance of \$235.7 million. The City assets increased \$8.7 million from previous years however overall the total of Capital Assets went down by \$3.6 million due to depreciation. The majority of governmental increase was in cash and investments which was due to the fund balance carry over and the bond refunding issue completed in December of 2019. This debt issue refunded existing debt, as well as providing proceeds for additional Parks Capital Development and a new Fire Ladder truck.

**Business-Type Activities:** During the fiscal year, net position for business-type activities increased by \$1.9 million, to a balance of \$124.4 million. While there wasn’t a significant change in the Business-Type Activities net position, increases are seen in current assets and non-current liabilities. The increase in non-current liabilities is the result of notes and bond payments due. The \$0.5 million increase in deferred inflows of resources are related to the deferred inflows for pensions, which are related to the pension plans discussed in detail in Note 7. More information on these changes can be found in Note 7 Pension Plans and Note 9 Long Term Liabilities.

## Government-wide Overall Financial Analysis Statement of Activities.

Changes in net position are also affected by revenue and expenses of the government. The following statement presents the operations of the City by function, program revenues supporting each function, and general revenues which support all functions by governmental and business-type activities.

Statement of Changes in Net Position						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Revenues						
Program Revenues						
Charges for Service	\$ 34,706,337	\$ 24,466,096	\$ 53,628,811	\$ 52,762,804	\$ 88,335,148	\$ 77,228,900
Operating Grants and Contributions	4,894,407	6,379,383	39,582	326,456	4,933,990	6,705,839
Capital Grants and Contributions	4,322,640	3,494,598	1,361,491	438,396	5,684,131	3,932,994
General Revenues:					-	-
Property Taxes	22,873,648	21,922,111	-	-	22,873,648	21,922,111
Utility and B&O Taxes	20,011,196	15,884,726	-	-	20,011,196	15,884,726
Sales and Other Taxes	27,403,026	24,528,692	-	-	27,403,026	24,528,692
Other General Revenues	8,695,957	5,476,409	1,030,676	1,164,969	9,726,633	6,641,378
Total Revenues	122,907,212	102,152,015	56,060,560	54,692,625	178,967,772	156,844,640
Program Expenses						
General Government	39,027,239	23,159,642	-	-	39,027,239	23,159,642
Public Safety	37,529,719	36,437,660	-	-	37,529,719	36,437,660
Physical Environment	42,588	1,562	-	-	42,588	1,562
Transportation	17,284,274	9,204,132	-	-	17,284,274	9,204,132
Economic Environment	7,574,562	7,216,049	-	-	7,574,562	7,216,049
Mental and Physical Health	775,750	931,071	-	-	775,750	931,071
Culture & Recreation	10,530,770	15,928,421	-	-	10,530,770	15,928,421
Interest on Government Debt	3,766,042	3,198,950	-	-	3,766,042	3,198,950
Water/Sewer	-	-	35,205,943	33,141,022	35,205,943	33,141,022
Solid Waste	-	-	12,284,092	12,018,629	12,284,092	12,018,629
Stormwater	-	-	6,276,073	5,874,079	6,276,073	5,874,079
Total Expenses	116,530,945	96,077,487	53,766,108	51,033,730	170,297,052	147,111,217
Excess(deficiency) before transfers	6,376,268	6,074,528	2,294,452	3,658,895	8,670,720	9,733,423
Transfers (net)	411,017	172,580	(411,017)	(172,580)	-	-
Increase(decrease) in Net Position	6,787,285	6,247,108	1,883,435	3,486,315	8,670,720	9,733,423
Net Position - beginning	226,796,946	222,000,758	122,474,787	118,988,473	349,271,732	340,989,231
Prior Period Adjustment	2,114,595	(1,450,920)	-	-	2,114,595	(1,450,920)
Net Position - ending	\$235,698,825	\$226,796,946	\$124,358,222	\$122,474,787	\$360,057,047	\$349,271,732

**Governmental Activities:** The largest two fund groups contributing to the \$8.9 million change in net position were the General Fund (\$2.86 M), Capital Improvement Fund (\$1.83M) and the Fire Equipment Reserve Funds (\$2.11M).

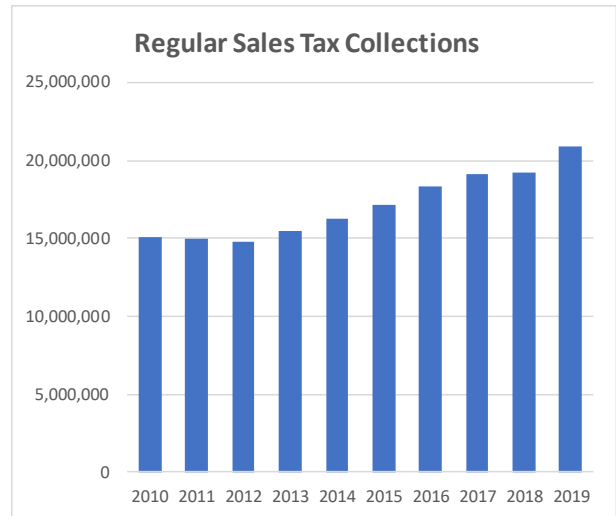
- General Fund: In 2019, General Fund revenues increased by 4.98% or \$4.3 million. The change is primarily due to the revenue groups of taxes and charges for services. Property taxes increased \$726,425 as a result of allowable 1% increase over the 2018 levy and new construction. Charges for services revenue reflected an 8.19% increase for 2019 resulting in \$1.38 million more than 2018. General Fund expenditures increased approximately \$2.2 million (2.5%) over 2018. The largest segment of this increase was General Government at 10%, followed by Culture and Recreation at 7%.
- City Hall Debt Fund: In 2019, this fund qualified as a major fund due to the recording of bond refunding of the 2009 City Hall unlimited General Obligation Bonds.
- Capital Improvement Fund: In 2019, Capital Improvement Fund Other Financing Sources increased by \$17.5



million, primarily due to the debt proceeds. Capital Improvement Fund expenditures increased by \$14.6 million, The majority of this increase in activity occurred in Transportation projects and debt service principal retirement as a result of bond refunding.

- Fire Equipment Reserve Fund: In 2019, Fire Equipment Reserve Fund Other Financing Sources increased by \$1.9 million due to debt proceeds received for the purchase of a ladder Fire truck to occur in 2020.

The graph to the right shows regular sales tax collections for the past 10 years, excluding the voter approved sales tax for public safety and criminal justice. The 2019 General Fund sales tax collections increased approximately \$1.8 million over 2018 sales tax collections. Retail Trade is the largest type of category collecting sales tax and thus largest change in collection from 2018.



**Business-Type Activities:** Charges for services are the main source of revenue for the business-type activities of the City, as required by state law. Charges for service revenues were up \$.9 million, primarily due to rate increases. The 2019 rate increases were as follows:

- Drinking Water rates increased to provide an overall revenue increase of 4.4 percent,
- Wastewater LOTT sewage treatment rates increased 2 percent,
- Wastewater collection system revenue increase of 2 percent,
- Stormwater revenue increased 12 percent, and
- Solid Waste rates increased by 6 percent for residential and 5 percent for commercial.

The City of Olympia Utility Advisory Committee reviews rates and increases and makes recommendations to the City Council. Utility rates are designed to smooth out rate impacts over several years and consider long-term planning of the utilities to ensure that the City can meet the needs of users today and in the future.

The utilities have been able to maintain their operating reserves. Water consumption-based revenue for the Drinking Water and Waste Water (commercial charges based on water consumption) utilities had declined in past years due to effective water conservation efforts and updated technology that more accurately records water usage. The water related utilities (Drinking, Sewer, and Storm) continue to allocate resources from current operations to capital projects.

### Financial Analysis of Governmental Funds

As noted earlier, the City of Olympia uses fund accounting to ensure and demonstrate compliance with finance related legal requirements. Governmental Funds provide information on near-term inflow, outflows, and balances of spendable resources. These reports use a different “basis of accounting” than that used in government-wide statements. The information in the governmental fund statements can be used to evaluate the City’s near-term financing requirements and immediate fiscal health. The use of fund balance reporting provides information that is useful in assessing the City’s current financial condition. Categories of fund balance serve as a useful measure of available fund balance, particularly unassigned fund balance in governmental funds and unrestricted net position in business-type funds, which are resources available for discretionary use. Comparing fund statements to the government-wide statements can help the reader better understand the long-term impact of the City’s current year financing decisions. To assist in this comparison, reconciliations between the governmental funds’ statements and the government-wide financial statements are included, following the Balance Sheet – Governmental Funds and the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds statements.

## Governmental Funds

At December 31, 2019, the City of Olympia’s governmental funds reported a combined fund balance of \$74 million, an increase of \$5.2 million in comparison with 2018. Approximately 4.3% of this amount, \$3.2 million, is unassigned fund balance. The remainder of fund balance is either nonspendable, restricted, committed, or assigned to indicate that the resources are:

1. Not in a spendable form or legally required to be maintained intact,
2. Restricted by external sources for particular purposes,
3. Committed for particular purposes, or
4. Assigned for particular purposes.

The chart below shows the allocation of fund balance for governmental funds, for the years ended December 31, 2019 and 2018. For more detailed information about fund balance, see the Fund Balance Details section of Note 1.E.

Statement of Governmental Fund Balance			
	2019	2018	Difference
General Fund			
Nonspendable	\$ 425,583	\$ 364,335	\$ 61,248
Restricted	583,830	333,631	\$ 250,199
Committed	12,216,541	9,147,713	\$ 3,068,828
Assigned	16,714,412	2,521,995	\$ 14,192,417
Unassigned	3,170,037	17,872,883	\$ (14,702,846)
Total General Fund Balance	33,110,403	30,240,557	2,869,846
All Other Governmental Funds			
Nonspendable	-	-	-
Restricted	33,274,328	31,693,210	1,581,118
Committed	7,623,034	15,335	7,607,699
Assigned	-	7,516,156	(7,516,156)
Unassigned	-	(673,899)	673,899
Total All Other Governmental Funds	40,897,363	38,550,802	2,346,561
Total Governmental Fund Balance	\$ 74,007,766	\$ 68,791,359	\$ 5,216,407

## Proprietary Funds

The City’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail by disclosing information related to the individual utilities. Information regarding the individual internal service funds can be found in the combining statements section of this report. The following chart shows the allocation of net position for the proprietary funds, for the years ended December 31, 2019 and 2018.

Statement of Proprietary Fund Net Position								
	Business-Type Activities Enterprise Funds							
	Drinking Water/ Wastewater Utility		Waste Resources Utility		Storm and Surface Water Utility		Governmental Activities Internal Service Funds	
	2019	2018	2019	2018	2019	2018	2019	2018
Net Position								
Net Investment in Capital Assets	\$70,850,715	\$69,378,406	\$ 249,102	\$ 262,044	\$ 20,561,204	\$ 20,975,770	\$ 6,773,513	\$ 7,325,757
Restricted For:								
Bond Reserve Fund	1,260,900	1,260,900	-	-	-	-	-	-
Workers Comp Reserve	-	-	-	-	-	-	1,887,450	2,436,913
Unrestricted (Deficit)	24,395,937	24,763,547	2,590,060	1,926,514	4,450,304	3,907,607	6,340,410	5,162,715
Total Net Position	\$96,507,552	\$95,402,853	\$2,839,162	\$2,188,558	\$ 25,011,508	\$ 24,883,377	\$15,001,374	\$14,925,385

The 2019 total net position of the business type activities (the utility funds) increased by \$1.9 million from the prior year. The utilities continue their efforts to implement their capital plan, which is focused on water storage and planning for future system capacity.

## Capital Assets and Debt Administration

The City of Olympia is committed to investing in the existing infrastructure and capital assets of both the governmental and proprietary funds. As of December 31, 2019, the City's investment in capital assets, including work in progress, for its governmental and business type activities amounts to \$381.9 million (net of accumulated depreciations).

Capital Assets at Year End, Net of Depreciation						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
Land	\$ 73,825,160	\$ 73,135,340	\$ 4,664,240	\$ 4,664,240	\$ 78,489,400	\$ 77,799,580
Buildings	69,182,415	71,518,700	3,057,220	2,982,734	72,239,635	74,501,434
Improvements	20,211,972	21,281,799	103,947,513	102,651,607	124,159,485	123,933,406
Equipment	10,998,211	11,804,200	997,005	1,070,438	11,995,216	12,874,638
Infrastructure	75,761,401	72,812,624	-	-	75,761,401	72,812,624
Intangible Assets	-	-	2,750,128	2,823,681	2,750,128	2,823,681
Work in Progress	4,978,579	8,031,850	11,519,052	14,098,461	16,497,631	22,130,311
<b>Total</b>	<b>\$ 254,957,738</b>	<b>\$ 258,584,513</b>	<b>\$ 126,935,158</b>	<b>\$ 128,291,161</b>	<b>\$ 381,892,896</b>	<b>\$ 386,875,674</b>

Capital Assets are affected by various additions and deletions, and by depreciation. Additions are from the purchase and/or construction of capital assets, current year work in process expenses, or from donations to the City. Deletions are from the sale or loss (accident or damage) of a capital asset. The following schedule shows a summary of the City's additions and deletions of capital assets, net of work in process capital assets put into service:

Summary of Capital Asset Additions and Deletions			
	Governmental Activities	Business-Type Activities	Total Primary Government
Beginning Balance (Net)	\$ 258,584,513	\$ 128,291,161	\$ 386,875,674
Additions	15,937,493	7,741,078	23,678,571
Deletions	(8,787,339)	(4,567,601)	(13,354,940)
Depreciation (Net)	(10,776,929)	(4,529,480)	(15,306,409)
<b>Ending Balance(Net)</b>	<b>\$ 254,957,738</b>	<b>\$ 126,935,158</b>	<b>\$ 381,892,896</b>

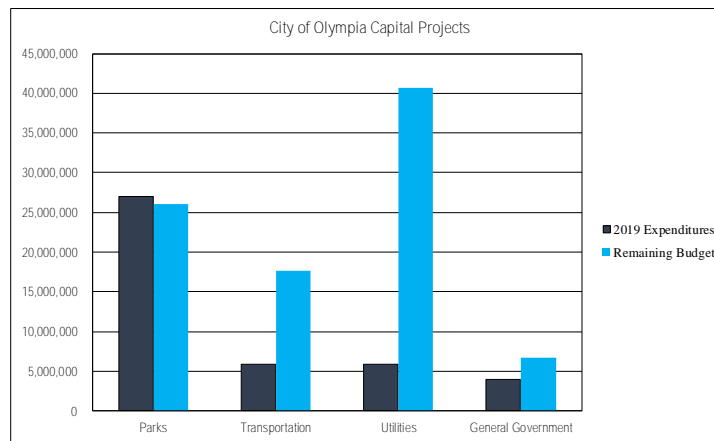
Major capital events during the current fiscal year included the following:

- The Kaiser Rd Watermain Extension, Woodruff Park Spray ground, and Percival Landing Bulkhead are three major projects making up some of the \$17.9 million in additions
- The Macalister Well and State & Phoenix Sidewalk projects were completed.
- At the end of 2019 the City still had \$82.7 million allocated for Capital projects

### Capital Asset Activities

The City continues to place major emphasis on preserving and maintaining the existing buildings, parks, streets, and utility infrastructure. During 2019, the City expended approximately \$42.6 million from its capital project related funds, and at the end of 2019 the City had approximately \$91.1 million of approved budget for the continuation of projects.

The following graph shows the allocation of capital expenditures and the remaining approved budgets.



The utilities remaining budget represents the City’s response to the need for increased storage capacity and distribution of water for the Drinking Water utility, transmission and collection work for the Waste Water utility, and flood mitigation and storm water collections work for the Storm and Surface Water utility.

Please refer to Note 6 in the Notes to the Financial Statements for more information regarding the capital assets of the City.

### Long-Term Debt

The City had \$111.4 million of long-term debt outstanding at December 31, 2019, a \$407,889 increase in Governmental Activities and a \$2.8 million increase in Business-Type Activities when compared to the outstanding amounts at December 31, 2018.

City of Olympia Outstanding Debt						
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
General Obligation Bonds	\$ 72,134,374	\$ 55,720,891	\$ -	\$ -	\$ 72,134,374	\$ 55,720,891
Enterprise Revenue Bonds	-	-	12,032,024	13,590,636	12,032,024	13,590,636
Wa State Trust Fund Loans	707,142	1,240,902	827,517	919,463	1,534,659	2,160,365
Other Loans	3,243,836	18,715,670	22,414,597	23,542,871	25,658,433	42,258,541
<b>Total Long-Term Debt</b>	<b>\$ 76,085,352</b>	<b>\$ 75,677,463</b>	<b>\$ 35,274,138</b>	<b>\$ 38,052,970</b>	<b>\$ 111,359,489</b>	<b>\$ 113,730,433</b>

In 2019, with interest rates historically low, the City took advantage of this and issued \$39.96 million Limited Tax General Obligation (LTGO) and Refunding Bonds and \$8.11 million Unlimited Tax General Obligation (UTGO) Refunding Bonds.

The LTGO Bond was used to retire, defease and refund a \$14 million Parks Bond Anticipation Note, and a portion (\$24.8 million) eligible of the 2009B LTGO Taxable Build America Bonds and the remaining was to be used for additional park acquisition and a Fire Ladder Truck Acquisition. The Refunding provided the City with a net present value savings of \$5.3 million over the remaining life of the debt.

The UTGO Bond was issued to refund the 2009 UTGO Bonds used to build the Fire Station. This refunding saved the taxpayers a net present value savings of \$1.3 million over the remaining life of the debt.

In 2019, the City continued to draw against previously authorized long-term debt from the Drinking Water State Revolving Fund Loan (DWSRF) for the SE Olympia Reservoir and for the Elliot Avenue Reservoir Seismic Retrofit projects.

Please refer to Note 9 in the Notes to the Financial Statements for more information regarding the City’s long-term debt and leases.



## General Fund Original Budget Compared to Final Budget

During the year the General Fund budget increased by \$11.32 million, including transfers out. Major increases were: Continuing Appropriations from 2018. .... \$ 8,523,702  
Operation increases related to business needs,  
and personnel costs..... \$ 2,800,717

## General Fund Final Budget Compared to Actual Results

The General Fund budget, excluding transfer in and transfer out budgets, varied from actuals as follows: revenue actuals were \$1.4 million over the final revenue budget of \$85.3 million and expenditure actuals were \$11.8 less than the expenditure budget of \$98.7 million. Significant budgetary variances between the final amended budget and actual results included the \$8.5 million of continuing appropriations discussed above.

General Fund remaining budget that is not continued into the next year lapses at year end. Therefore, the remaining expenditure budget of approximately \$8.2 million lapsed at December 31, 2019.

## Look Forward to 2020 and Beyond

The 2020 General Fund regular operations budget of \$85.9 million is comprised of the basic municipal services and had a growth of 4 percent from the original 2019 budget. With the exception of new revenue provide by the State to invest in affordable housing (\$330,000), city service levels are maintained at the same level as 2019.

The Drinking Water Utility rates largely reflect inflationary cost increases. The Drinking Water 2020 budget includes a modest increase in capital depreciation funding. Due to higher than projected 2019 revenue in the Wastewater Utility, the 2020 budget reflects a 2 percent rate decrease.

The Storm and Surface Water Utility responds to flood mitigation, water utility improvement, and aquatic habitat enhancement needs. The 2020 budget reflects a 2.51 percent rate increase primarily due to inflationary cost increases.

The Waste ReSources 2020 budget and rates reflect further loss of recycle revenue due to unprecedented changes and instability in global recycling markets. Since January 2018, the City's net cost per ton to transport and process recyclables has quadrupled, resulting in a budget impact of over \$400,000 annually.

The City will continue to invest in capital improvements. The 2020 Capital Facility Plan budgets \$25 million. This is an increase of 16.71% over 2019. The 2020 increase is primarily utility projects: Drinking Water, Wastewater, and Storm and Surface Water. Projects include seismically retrofitting three reservoirs, rehabilitating old sewer lift stations, and designing new stormwater ponds.

With the recent COVID19 pandemic, the economy has weakened, sales tax rate revenues have showed some impact, however it is too early to determine the full impact if any. The City private utility taxes on Electric and Gas have flattened out while Telephone and Cable tax is declining. The City is taking measures to prepare for a budget deficit in the coming years and is forecasting conservatively. The City Council's Finance Committee passed a budget stabilization reserve to complement our current General Fund Reserve. The purpose of this new reserve is to sustain service levels during an economic downturn.

## Additional Information

This report is prepared by the Fiscal Services Division of the Administrative Services Department. It is intended to provide a general overview of the finances of the City. The Fiscal Services Division can be contacted in writing to: City of Olympia, PO Box 1967, Olympia, WA 98507 or by email to: [adminservices@ci.olympia.wa.us](mailto:adminservices@ci.olympia.wa.us).



**Statement of Net Position**  
**December 31, 2019**

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash And Cash Equivalents	\$ 3,545,828	\$ 1,325,143	\$ 4,870,971
Investments	70,052,066	29,872,262	99,924,328
Receivables			
Taxes	10,358,913	-	10,358,913
Customer Accounts	1,724,517	7,405,449	9,129,966
Special Assessments	5,170	-	5,170
Accrued Interest & Penalty	185,574	119,202	304,776
Notes/Contract/Loans Receivable	285,911	2,301	288,211
Other Receivables	374,025	222,563	596,587
Due from Government Units	777,104	214,959	992,064
Inventories	432,980	528,664	961,645
Other Current Assets	276,258	-	276,258
<b>Total Current Assets</b>	<b>\$ 88,018,346</b>	<b>\$ 39,690,543</b>	<b>\$ 127,708,889</b>
<b>Non Current Assets</b>			
Restricted Cash	\$ -	\$ 1,260,900	\$ 1,260,900
Restricted Investments	3,989,190	-	3,989,190
LT Notes/Contract/Loans Receivable	6,138,444	-	6,138,444
Investment In Joint Venture	845,980	-	845,980
Net Pension Asset	15,839,030	-	15,839,030
Capital Assets			
Capital Assets Not Being Depreciated	78,803,739	16,183,292	94,987,031
Depreciable Assets, Net	176,153,997	110,751,866	286,905,863
<b>Total Non-Current Assets</b>	<b>\$ 281,770,381</b>	<b>\$ 128,196,058</b>	<b>\$ 409,966,439</b>
<b>Total Assets</b>	<b>\$ 369,788,727</b>	<b>\$ 167,886,602</b>	<b>\$ 537,675,328</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Outflow-Amount on Refunding	\$ 487,669	\$ -	\$ 487,669
Deferred Outflow-Pension	5,378,097	852,731	6,230,828
<b>Total Deferred Outflows Of Resources</b>	<b>\$ 5,865,766</b>	<b>\$ 852,731</b>	<b>\$ 6,718,498</b>
<b>LIABILITIES</b>			
<b>Current Payables</b>			
Accounts Payable	\$ 1,997,505	\$ 1,589,285	\$ 3,586,789
Claims & Judgements Payable	1,029,365	-	1,029,365
Interest Payable	182,568	162,356	344,923
Contracts Payable	298,226	430,319	728,545
Due To Other Governmental Units	81,455	-	81,455
Other accrued Liabilities	474,679	145,957	620,636
Accrued Wages Payable	2,644,738	435,468	3,080,206
Unearned Revenues	492,135	196,899	689,033
Current Portion of Total OPEB liability	949,000	-	949,000
Current Portion of Long-Term Debt	5,381,057	3,246,466	8,627,523
<b>Total Current Liabilities</b>	<b>\$ 13,530,727</b>	<b>\$ 6,206,749</b>	<b>\$ 19,737,476</b>
<b>Non-Current Liabilities</b>			
Net Pension Liability	\$ 11,105,192	\$ 2,813,317	\$ 13,918,509
Total OPEB liability	29,485,543	-	29,485,543
Long-Term Debt	75,426,518	33,596,418	109,022,936
<b>Total Non-Current Liabilities</b>	<b>\$ 116,017,253</b>	<b>\$ 36,409,735</b>	<b>\$ 152,426,988</b>
<b>Total Liabilities</b>	<b>\$ 129,547,980</b>	<b>\$ 42,616,485</b>	<b>\$ 172,164,465</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflow - Related to Pensions	\$ 10,407,688	\$ 1,764,626	\$ 12,172,314
<b>Total Deferred Inflows Of Resources</b>	<b>\$ 10,407,688</b>	<b>\$ 1,764,626</b>	<b>\$ 12,172,314</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	\$ 183,147,769	\$ 91,661,021	\$ 274,808,790
<b>Restricted For:</b>			
Capital Improvement	25,145,315	-	25,145,315
Criminal Justice	15,461	-	15,461
Debt Service	178,510	1,260,900	1,439,410
Hands on Children's Museum	540,740	-	540,740
Housing and assistance	8,313,444	-	8,313,444
Promoting Downtown Businesses	164,787	-	164,787
Public, Educational, Governmental Cable	499,323	-	499,323
Tourism	1,653,047	-	1,653,047
Workers' Comp Reserve	1,887,450	-	1,887,450
Unrestricted	14,152,978	31,436,301	45,589,279
<b>Total Net Position</b>	<b>\$ 235,698,825</b>	<b>\$ 124,358,222</b>	<b>\$ 360,057,047</b>

*The accompanying notes are an integral part of this statement*

**Statement of Activities**  
**For the Fiscal Year Ended December 31, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>GOVERNMENTAL ACTIVITIES</b>							
General Government	\$ 39,027,239	\$ 21,503,066	\$ 736,682	\$ 1,293,542	\$ (15,493,949)	\$ -	\$ (15,493,949)
Public Safety	37,529,719	7,648,119	2,387,418	26,942	(27,467,240)	-	(27,467,240)
Physical Environment	42,588	-	-	-	(42,588)	-	(42,588)
Transportation	17,284,274	637,680	1,125,517	1,631,000	(13,890,078)	-	(13,890,078)
Economic Environment	7,574,562	3,145,669	16,176	1,074,499	(3,338,217)	-	(3,338,217)
Mental And Physical Health	775,750	-	-	-	(775,750)	-	(775,750)
Culture And Recreation	10,530,770	1,771,802	628,615	296,658	(7,833,695)	-	(7,833,695)
Interest On Long Term Debt	3,766,042	-	-	-	(3,766,042)	-	(3,766,042)
<b>Total Governmental Activities</b>	<b>116,530,945</b>	<b>34,706,337</b>	<b>4,894,407</b>	<b>4,322,640</b>	<b>(72,607,560)</b>	<b>-</b>	<b>(72,607,560)</b>
<b>BUSINESS-TYPE ACTIVITIES</b>							
Drinking Water and Wastewater	\$ 35,205,943	\$ 34,606,485	\$ -	\$ 985,567	-	386,109	386,109
Waste Resources	12,284,092	12,786,313	16,474	-	-	518,695	518,695
Storm And Surface Water	6,276,073	6,236,012	23,109	375,924	-	358,972	358,972
<b>Total Business-Type Activities</b>	<b>53,766,109</b>	<b>53,628,811</b>	<b>39,582</b>	<b>1,361,491</b>	<b>-</b>	<b>1,263,776</b>	<b>1,263,776</b>
<b>Total Government</b>	<b>\$ 170,297,053</b>	<b>\$ 88,335,148</b>	<b>\$ 4,933,990</b>	<b>\$ 5,684,131</b>	<b>\$ (72,607,560)</b>	<b>\$ 1,263,776</b>	<b>\$ (71,343,784)</b>
					<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>General Revenues:</b>							
Taxes							
Property Taxes					\$ 22,873,648	\$ -	\$ 22,873,648
Retail Sales and Use Taxes					27,403,026	-	27,403,026
Business and Occupation Taxes					6,703,728	-	6,703,728
Utility Taxes					8,965,451	-	8,965,451
Excise Taxes					4,342,018	-	4,342,018
Other Taxes					5,445,909	-	5,445,909
Investment Earnings					2,066,891	959,611	3,026,502
Other					1,183,157	71,065	1,254,222
Transfers					411,017	(411,017)	0
<b>Total General Revenues And Transfers</b>					<b>79,394,844</b>	<b>619,659</b>	<b>80,014,503</b>
<b>Change In Net Position</b>					<b>6,787,285</b>	<b>1,883,435</b>	<b>8,670,719</b>
Net Position – Beginning					226,796,946	122,474,787	349,271,733
Prior Period Adjustment					2,114,595	-	2,114,595
<b>Net Position – Ending</b>					<b>\$ 235,698,825</b>	<b>\$ 124,358,222</b>	<b>\$ 360,057,047</b>

The accompanying notes are an integral part of this statement



**Balance Sheet - Governmental Funds**  
**December 31, 2019**

	General	H.U.D	Impact Fees	Lodging Tax	Parks & Recreation Utility Tax	Home Fund	City Hall Debt Fund	Capital Improvement	Home Fund CIP	Other Governmental	Total Governmental Funds
<b>ASSETS</b>											
Cash And Cash Equivalents	\$ 1,486,277	\$ 47,953	\$ 212,050	\$ 42,624	\$ 1,939	\$ 19,502	\$ 528	\$ 1,115,702	\$ 44,379	\$ 333,566	\$ 3,304,519
Investments	26,103,886	445	7,351,079	1,513,612	3,885,085	665,939	3,791	6,667,819	1,567,818	13,354,485	61,113,959
Receivables											
Taxes	8,532,639	-	-	137,967	677,016	158,916	-	454,920	295,130	102,324	10,358,913
Customer Accounts	1,724,517	-	-	-	-	-	-	-	-	-	1,724,517
Special Assessments	-	-	-	-	-	-	-	-	-	5,170	5,170
Accrued Interest & Penalty	51,213	1,337	24,780	2,688	10,874	(19)	18,678	13,694	(160)	41,807	164,893
Notes/Contract/Loans Receivable	112,778	173,132	-	-	-	-	-	-	-	-	285,911
Other Receivables	254,778	-	-	-	-	-	-	15,645	-	103,602	374,025
Interfund Loan Recievable	50,000	-	-	-	-	-	-	-	-	300,490	350,490
Due from Other Governmental Units	680,447	42,420	-	-	-	-	-	38,871	-	4,710	766,449
Prepayments	183,535	-	-	-	-	-	-	-	-	-	183,535
Inventory	242,048	-	-	-	-	-	-	-	-	-	242,048
Restricted Cash & Investments	-	-	-	-	-	-	-	2,002,513	-	1,795,000	3,797,513
Notes/Contract/Loan Receivable	1,970,573	4,167,872	-	-	-	-	-	-	-	-	6,138,444
<b>Total Assets</b>	<b>\$ 41,392,692</b>	<b>\$ 4,433,160</b>	<b>\$ 7,587,909</b>	<b>\$ 1,696,890</b>	<b>\$ 4,574,914</b>	<b>\$ 844,339</b>	<b>\$ 22,997</b>	<b>\$ 10,309,164</b>	<b>\$ 1,907,168</b>	<b>\$ 16,041,154</b>	<b>\$ 88,810,387</b>
<b>LIABILITIES</b>											
Accounts Payable	\$ 1,336,496	\$ 27,198	\$ 4,972	\$ 43,844	\$ -	\$ 35,940	\$ -	\$ 337,128	\$ -	\$ 5,059	\$ 1,790,637
Contracts Retainage Payable	-	-	-	-	-	-	-	298,226	-	-	298,226
Interfund Loan Payable	-	50,000	-	-	-	-	-	-	900,490	-	950,490
Accrued Wages Payable	2,572,247	768	-	-	-	9,223	-	20,489	-	-	2,602,727
Custodial Accounts	70,706	-	-	-	-	-	-	-	-	-	70,706
Revenues Collected In Advance	142,503	-	77	-	-	-	-	300,000	-	-	442,580
Customer Deposits	331,797	-	-	-	-	-	-	-	-	-	331,797
Unearned Revenues	40,492	-	-	-	-	-	-	-	-	145,915	186,407
<b>Total Liabilities</b>	<b>\$ 4,494,241</b>	<b>\$ 77,966</b>	<b>\$ 5,049</b>	<b>\$ 43,844</b>	<b>\$ -</b>	<b>\$ 45,163</b>	<b>\$ -</b>	<b>\$ 955,843</b>	<b>\$ 900,490</b>	<b>\$ 150,973</b>	<b>\$ 6,673,569</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>											
Unavailable Revenue - Court Receivables	\$ 1,470,149	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,470,149
Unavailable Revenue - Property Taxes	234,548	-	-	-	-	-	-	-	-	-	234,548
Unavailable Revenue - HUD Receivables	2,083,351	4,341,004	-	-	-	-	-	-	-	-	6,424,355
<b>Total Deferred Inflows Of Resources</b>	<b>\$ 3,788,048</b>	<b>\$ 4,341,004</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 8,129,052</b>
<b>FUND BALANCE</b>											
Nonspendable	\$ 425,583	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 425,583
Restricted	583,830	14,189	7,582,859	1,653,047	4,574,914	799,177	-	2,002,513	1,006,678	15,640,952	33,858,159
Committed	12,216,541	-	-	-	-	-	22,997	7,350,808	-	249,229	19,839,575
Assigned	16,714,412	-	-	-	-	-	-	-	-	-	16,714,412
Unassigned	3,170,037	-	-	-	-	-	-	-	-	-	3,170,037
<b>Total Fund Balance</b>	<b>33,110,403</b>	<b>14,189</b>	<b>7,582,859</b>	<b>1,653,047</b>	<b>4,574,914</b>	<b>799,177</b>	<b>22,997</b>	<b>9,353,321</b>	<b>1,006,678</b>	<b>15,890,181</b>	<b>74,007,766</b>
<b>Total Liabilities, and Fund Balance</b>	<b>\$ 41,392,692</b>	<b>\$ 4,433,160</b>	<b>\$ 7,587,909</b>	<b>\$ 1,696,890</b>	<b>\$ 4,574,914</b>	<b>\$ 844,339</b>	<b>\$ 22,997</b>	<b>\$ 10,309,164</b>	<b>\$ 1,907,168</b>	<b>\$ 16,041,154</b>	<b>\$ 88,810,387</b>

The accompanying notes are an integral part of this statement

**Reconciliation of the Balance Sheet of Governmental Funds to the Statement of the Net Position  
December 31, 2019**

Fund Balances - Total Governmental Funds	\$ 74,007,766
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds	248,184,224
Investment in Joint Venture are not financial resources and, therefore, not reported in the governmental funds	845,980
Net Pension Asset are not financial resources and, therefore, are not reported in governmental funds	15,839,030
Internal service funds are used by the City to charge costs of equipment rentals, unemployment insurance, risk management and worker's compensation provided to the departments on a reimbursement basis and , therefore not reported in the governmental funds	15,001,374
Fair Value Adjustment not reported in the governmental funds	400,597
Long term assets not available to pay current period expenditures and therefore are deferred in the governmental funds.	
Non-Exchange transactions not reported in the governmental funds	8,194,029
General Long Term Debt not reported in governmental funds	(80,756,522)
Additional Long term debt and liabilities not reported in governmental funds	
Interest Payable	(182,568)
Deferred Outflow-Amount on Refunding	487,669
Deferred Outflow-Pension	5,316,118
Deferred Inflow - Pension	(10,297,552)
Net Pension Liability	(10,906,777)
Total OPEB Liability	(30,434,543)
<b>Net Position of Governmental Activities</b>	<b>\$ 235,698,825</b>

**Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds**  
**For the Fiscal Year Ended December 31, 2019**

	General	H.U.D.	Impact Fees	Lodging Tax	Parks & Recreation Utility Tax	Home Fund	City Hall Debt Fund	Capital Improvement	Home Fund CIP	Other Governmental	Total Governmental Funds
<b>REVENUES</b>											
Taxes	\$ 56,297,467	\$ -	\$ -	\$ 1,098,679	\$ 2,677,879	\$ 1,123,652	\$ 1,733,038	\$ 1,814,846	\$ 1,605,171	\$ 9,377,787	\$ 75,728,519
Licenses and Permits	3,792,962	-	-	-	-	-	-	15,066	-	-	3,808,029
Intergovernmental	3,338,168	140,338	-	-	-	-	690,374	2,071,226	-	490,362	6,730,468
Revenues											
Charges for Services	18,268,110	-	1,185,985	-	-	-	-	35,939	-	13,020	19,503,053
Fines and Forfeits	699,228	-	-	-	-	-	-	-	-	-	699,228
Rents and Leases	3,186,706	-	-	-	-	-	-	41,173	-	-	3,227,879
Miscellaneous	1,069,499	199,140	167,717	27,362	83,216	59,467	14,158	199,188	23,109	407,198	2,250,054
Total Revenues	<u>86,652,141</u>	<u>339,478</u>	<u>1,353,701</u>	<u>1,126,042</u>	<u>2,761,096</u>	<u>1,183,118</u>	<u>2,437,570</u>	<u>4,177,438</u>	<u>1,628,280</u>	<u>10,288,367</u>	<u>111,947,231</u>
<b>EXPENDITURES</b>											
Current:											
General Government Services	27,683,278	-	386	-	-	-	-	218,555	-	71,284	27,973,503
Public Safety	39,717,138	-	-	-	-	-	-	-	-	-	39,717,138
Utilities & Environment	42,588	-	-	-	-	-	-	-	-	-	42,588
Transportation	4,168,310	-	-	-	-	-	-	3,649,797	-	-	7,818,107
Economic Environment	5,354,906	317,108	-	329,645	-	761,858	-	1,101,660	-	-	7,865,176
Mental and Physical Health	775,750	-	-	-	-	-	-	-	-	-	775,750
Culture and Recreation	9,151,317	-	-	-	-	-	-	1,011,368	-	17,529	10,180,214
Debt Service:											
Principal Retirement	-	-	-	-	-	-	310,000	5,300,000	-	12,550,593	18,160,593
Interest	1,829	-	-	-	-	-	2,510,627	17,951	-	1,260,917	3,791,323
Capital Outlays	-	-	-	-	-	-	-	6,155,510	24,201	-	6,179,711
Total Expenditures	<u>86,895,116</u>	<u>317,108</u>	<u>386</u>	<u>329,645</u>	<u>-</u>	<u>761,858</u>	<u>2,820,627</u>	<u>17,454,841</u>	<u>24,201</u>	<u>13,900,323</u>	<u>122,504,104</u>
Excess (Deficiency) of Revenues											
Over Expenditures	<u>(242,975)</u>	<u>22,370</u>	<u>1,353,315</u>	<u>796,397</u>	<u>2,761,096</u>	<u>421,260</u>	<u>(383,056)</u>	<u>(13,277,403)</u>	<u>1,604,079</u>	<u>(3,611,956)</u>	<u>(10,556,873)</u>
<b>OTHER FINANCING SOURCES (USES)</b>											
Transfers - In	4,291,674	-	-	-	-	30,000	-	9,466,929	-	2,161,994	15,950,597
Insurance of Debt	-	-	-	-	-	-	-	5,027,049	-	11,725,000	16,752,049
Issuance of Refunding Bonds	-	-	-	-	-	-	23,185,000	14,017,951	-	8,110,000	45,312,951
Payment to Refunded Bonds Escrow Agent	-	-	-	-	-	-	(24,810,000)	(14,000,000)	-	(9,630,000)	(48,440,000)
Premium on Bonds Sold	-	-	-	-	-	-	2,019,847	1,152,745	-	1,810,241	4,982,833
Sale of Capital Assets	3,703	-	-	-	-	-	-	-	-	10,387	14,090
Insurance Proceeds	-	-	-	-	-	-	-	1,141,802	-	-	1,141,802
Transfers - Out	(1,182,557)	-	(1,773,021)	(509,500)	(2,727,671)	-	-	(1,691,907)	-	(7,654,924)	(15,539,580)
Total Other Financing Sources ( Uses)	<u>3,112,821</u>	<u>-</u>	<u>(1,773,021)</u>	<u>(509,500)</u>	<u>(2,727,671)</u>	<u>30,000</u>	<u>394,847</u>	<u>15,114,568</u>	<u>-</u>	<u>6,532,698</u>	<u>20,174,742</u>
Net Change in Fund Balances	<u>2,869,846</u>	<u>22,370</u>	<u>(419,706)</u>	<u>286,897</u>	<u>33,425</u>	<u>451,260</u>	<u>11,791</u>	<u>1,837,165</u>	<u>1,604,079</u>	<u>2,920,742</u>	<u>9,617,869</u>
<b>FUND BALANCE JANUARY 1</b>	<b>30,240,557</b>	<b>4,393,281</b>	<b>8,002,566</b>	<b>1,366,150</b>	<b>4,541,489</b>	<b>347,916</b>	<b>11,206</b>	<b>7,516,156</b>	<b>(597,402)</b>	<b>12,969,439</b>	<b>68,791,359</b>
prior period Adjustment		(4,401,462)									(4,401,462)
<b>FUND BALANCE DECEMBER 31</b>	<b>\$ 33,110,403</b>	<b>\$ 14,189</b>	<b>\$ 7,582,859</b>	<b>\$ 1,653,047</b>	<b>\$ 4,574,914</b>	<b>\$ 799,177</b>	<b>\$ 22,997</b>	<b>\$ 9,353,321</b>	<b>\$ 1,006,678</b>	<b>\$ 15,890,181</b>	<b>\$ 74,007,766</b>

The accompanying notes are an integral part of this statement

**Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of  
Governmental Funds to the Statement of Activities  
December 31, 2019**

Net Changes in Fund Balances - Total Governmental Funds	\$ 9,617,869
Repayment of bond principal is reported as an expenditure in governmental funds and as a reduction of debt liability in the statement of net position	18,160,593
Long Term Debt Activity recorded as Other Financing in Governmental Funds and as an adjustment in the statement of net position	
Issuance of Debt	(16,752,049)
Issuance of Refunding Bonds	(45,312,951)
Payment to Refunded Bonds Escrow Agent	48,440,000
Premium on Bonds Sold	(4,982,833)
Deferred Amount Refunded	487,669
Interest accrued on Governmental LT Debt not accrued on Governmental Statements	25,281
(Increase) / Decrease in Compensated Absences not listed in Governmental Funds	367,079
Purchase of Capital Assets are treated as an expenditure in governmental funds	6,179,711
Equity adjustment for Investment in Joint Ventures	38,344
Donated Capital Assets not included in Fund Statements	930,930
Revenues not reported in Governmental Funds:	
Unrealized Investment Earnings	551,005
Deferred Revenue - court receivables	218,843
Deferred Revenue - HUD Receivables	(60,457)
Deferred Revenue - property and other taxes	5,260
Internal service funds net income is not reported in governmental funds.	44,745
Depreciation of capital assets not reported in governmental funds	(10,185,174)
Fair Value Adjustment not reported in the governmental funds	
Change in Net Pension Liability, Deferred Inflows, Deferred Outflows, and Net Pension Assets not treated as an expenditure in Governmental Funds	(986,582)
<b>Change in Net Position of Governmental Activities</b>	<b>\$ 6,787,285</b>



**Statement of Net Position - Proprietary Funds**  
**December 31, 2019**

	Business-Type Activities Enterprise Funds				Governmental Activities Internal Service Funds
	Drinking Water Wastewater Utility	Waste Resources Utility	Storm and Surface Water Utility	Total	
<b>ASSETS</b>					
Current Assets					
Cash And Cash Equivalents	\$ 544,020	\$ 699,540	\$ 81,583	\$ 1,325,143	\$ 241,309
Investments	23,233,320	1,953,271	4,685,671	29,872,262	8,537,510
Receivables					
Customer Accounts	4,680,260	1,856,007	869,182	7,405,449	-
Accrued Interest & Penalty	96,537	11,705	10,960	119,202	20,680
Notes/contract/loans Receivable	2,301	-	-	2,301	-
Other Receivables	69,310	153,252	-	222,563	-
Interfund Loan Receivable	-	-	-	-	600,000
Other Governmental Units	141,487	4,064	69,409	214,959	10,655
Inventories	528,664	-	-	528,664	190,933
Other Current Assets	-	-	-	-	92,723
<b>Total Current Assets</b>	<b>29,295,899</b>	<b>4,677,840</b>	<b>5,716,805</b>	<b>39,690,543</b>	<b>9,693,809</b>
Noncurrent Assets					
Capital Assets, Net	104,835,127	249,102	21,850,929	126,935,158	6,773,513
Restricted Cash	1,260,900	-	-	1,260,900	191,677
<b>Total Noncurrent Assets</b>	<b>106,096,027</b>	<b>249,102</b>	<b>21,850,929</b>	<b>128,196,058</b>	<b>6,965,190</b>
<b>Total Assets</b>	<b>\$ 135,391,926</b>	<b>\$ 4,926,941</b>	<b>\$ 27,567,734</b>	<b>\$ 167,886,602</b>	<b>\$ 16,658,999</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Outflows Related to Pensions	426,378	240,880	185,473	852,731	61,979
<b>Total Deferred Outflows of Resources</b>	<b>\$ 426,378</b>	<b>\$ 240,880</b>	<b>\$ 185,473</b>	<b>\$ 852,731</b>	<b>\$ 61,979</b>
<b>LIABILITIES</b>					
Current Liabilities					
Accounts Payable	\$ 1,338,709	\$ 191,551	\$ 59,025	\$ 1,589,285	\$ 206,868
Claims & Judgements Payable	-	-	-	-	1,029,365
Interest Payable	162,356	-	-	162,356	-
Contracts Retainage Payable	430,319	-	-	430,319	-
Due To Other Governmental Units	-	-	-	-	81,455
Other Current Liabilities	145,957	-	-	145,957	301
Wages Payable	215,524	135,190	84,754	435,468	42,011
Unearned Revenue	196,899	-	-	196,899	-
Current Portion of Long-Term Debt	3,056,190	78,810	111,465	3,246,466	-
<b>Total Current Liabilities</b>	<b>5,545,954</b>	<b>405,551</b>	<b>255,244</b>	<b>6,206,749</b>	<b>1,360,000</b>
Noncurrent Liabilities					
Net Pension Liability	1,400,349	777,504	635,464	2,813,317	198,415
Non- Current Portion of Long-Term Debt	31,493,111	709,293	1,394,014	33,596,418	51,053
<b>Total Noncurrent Liabilities</b>	<b>32,893,460</b>	<b>1,486,797</b>	<b>2,029,478</b>	<b>36,409,735</b>	<b>249,468</b>
<b>Total Liabilities</b>	<b>\$ 38,439,415</b>	<b>\$ 1,892,349</b>	<b>\$ 2,284,721</b>	<b>\$ 42,616,485</b>	<b>\$ 1,609,468</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred Inflows Related to Pensions	871,337	436,311	456,978	1,764,626	110,136
<b>Total Deferred Inflows of Resources</b>	<b>\$ 871,337</b>	<b>\$ 436,311</b>	<b>\$ 456,978</b>	<b>\$ 1,764,626</b>	<b>\$ 110,136</b>
<b>NET POSITION</b>					
Net Investment in Capital Assets	70,850,715	249,102	20,561,204	91,661,021	6,773,513
Restricted For:					
Bond Reserve Fund	1,260,900	-	-	1,260,900	-
Workers Comp Reserve	-	-	-	-	1,887,450
Unrestricted (Deficit)	24,395,937	2,590,060	4,450,304	31,436,301	6,340,410
<b>Total Net Position</b>	<b>\$ 96,507,552</b>	<b>\$ 2,839,162</b>	<b>\$ 25,011,508</b>	<b>\$ 124,358,222</b>	<b>\$ 15,001,374</b>

The accompanying notes are an integral part of this statement

**Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds**  
**For Year Ended December 31, 2019**

	Business-Type Activities				Governmental Activities Internal Service Funds
	Drinking Water Wastewater	Waste Resources	Storm and Surface Water Utility	TOTAL	
<b>OPERATING REVENUES:</b>					
Charges for Service	\$ 34,331,119	\$ 12,668,416	\$ 6,193,725	\$ 53,193,260	\$ 5,813,463
Miscellaneous Revenue	275,367	117,897	42,287	435,551	1,938,255
Total Operating Revenues	34,606,485	12,786,313	6,236,012	53,628,811	7,751,718
<b>OPERATING EXPENSES:</b>					
Administration and Overhead	3,687,464	1,649,908	1,593,694	6,931,066	2,083,660
Operation and Maintenance	22,397,874	8,975,417	3,127,765	34,501,055	4,726,883
Taxes	4,553,347	1,619,769	736,457	6,909,573	-
Depreciation and Amortization	3,740,464	38,998	781,996	4,561,458	1,264,875
Total Operating Expenses	34,379,148	12,284,092	6,239,912	52,903,152	8,075,418
Operating Income (Loss)	227,337	502,221	(3,900)	725,659	(323,701)
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment Earnings	749,843	74,358	135,410	959,611	248,317
Intergovernmental Revenue	-	16,474	23,109	39,582	-
Gain (Loss) on Disposal of Capital Assets	-	71,065	-	71,065	120,128
Interest Expense and Fiscal Charges	(826,795)	-	(36,161)	(862,956)	-
Total Non-Operating Revenues (Expenses)	(76,952)	161,897	122,357	207,301	368,445
Net Income (Loss) Before Contributions and Transfers	150,385	664,118	118,457	932,960	44,745
Capital Contributions	985,567	-	375,924	1,361,491	-
Transfers - Out	(31,252)	(13,514)	(366,250)	(411,017)	-
Changes in Net Position	1,104,699	650,604	128,131	1,883,435	44,745
Net Position - Beginning	95,402,853	2,188,558	24,883,377	122,474,787	14,925,385
Prior Year Adjustment	-	-	-	-	31,244
Net Position - Ending	\$ 96,507,552	\$ 2,839,162	\$ 25,011,508	\$ 124,358,222	\$ 15,001,374

*The accompanying notes are an integral part of this statement*

**Statement of Cash Flows - Proprietary Funds  
For Year Ended December 31, 2019**

	Business-Type Activities Enterprise Funds				Governmental Activities Internal Service funds
	Drinking Water Wastewater	Waste Resources	Storm and Surface Water Utility	Total	
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Receipts from customers	\$ 34,225,755	\$ 12,612,582	\$ 6,281,016	\$ 53,119,353	\$ 3,739,329
Cash Received from Interfund Activities	-	-	-	-	4,012,282
Payments to suppliers	(19,909,340)	(7,272,970)	(2,503,004)	(29,685,314)	(5,550,929)
Payments to employees	(5,041,672)	(3,148,849)	(2,262,859)	(10,453,381)	(783,943)
Payments for Taxes	(4,553,347)	(1,619,769)	(736,457)	(6,909,573)	
Net Cash Provided (Used) by Operating Activities	<u>4,721,396</u>	<u>570,994</u>	<u>778,695</u>	<u>6,071,085</u>	<u>1,416,740</u>
<b>CASH FLOW FROM NON-CAPITAL FINANCING ACTIVITIES:</b>					
Operating Grants	-	16,474	23,109	39,583	-
Transfers Out to other Funds	(31,252)	(13,514)	(366,250)	(411,017)	-
Net Cash Provided from Non-Capital Activities	<u>(31,252)</u>	<u>2,960</u>	<u>(343,141)</u>	<u>(371,434)</u>	<u>-</u>
<b>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Proceeds from Capital Debt	243,209	-	-	243,209	120,128
Capital Grants and Contributions	135,005	-	422,800	557,805	-
Purchases of Capital Assets	(2,055,636)	(26,056)	(277,335)	(2,359,027)	(712,632)
Payment on Capital Debt	(3,757,907)	-	(126,256)	(3,884,163)	-
Other Receipts	-	71,065	-	71,065	300,000
Net Cash Provided by Capital and Related Financing Activities	<u>(5,435,329)</u>	<u>45,009</u>	<u>19,209</u>	<u>(5,371,111)</u>	<u>(292,503)</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>					
Proceeds from Sales and Maturities of Investments	(186,529)	-	(639,886)	(826,415)	(1,370,239)
Interest and Dividends	733,646	21,194	135,410	890,250	248,317
Net Cash Provided (Used) by Investing Activities	<u>547,117</u>	<u>21,194</u>	<u>(504,476)</u>	<u>63,834</u>	<u>(1,121,922)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(198,068)	640,156	(49,713)	392,374	2,314
Balances - Beginning of the Year	<u>2,002,988</u>	<u>59,384</u>	<u>131,296</u>	<u>2,193,668</u>	<u>238,994</u>
Balances - End of the Year	<u>\$ 1,804,920</u>	<u>\$ 699,540</u>	<u>\$ 81,583</u>	<u>\$ 2,586,043</u>	<u>\$ 241,309</u>

*The accompanying notes are an integral part of this statement*

**Statement of Cash Flows - Proprietary Funds (continued)**  
**For Year Ended December 31, 2019**

	Business-Type Activities Enterprise Funds			Total	Governmental Activities Internal Service funds
	Drinking Water Wastewater	Waste Resources	Storm and Surface Water Utility		
<b>CASH PROVIDED BY OPERATING ACTIVITIES:</b>					
Net Operating Income (Loss)	\$ 227,337	\$ 502,221	\$ (3,900)	\$ 725,659	\$ (323,701)
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>					
Depreciation, amortization and bad debt	3,774,596	38,998	781,996	4,595,590	1,264,875
(Increase) Decrease in Accounts Receivable	(17,711)	(128,822)	(31,112)	(177,645)	-
(Increase) Decrease in Other Receivables	26,950	(44,909)	76,115	58,157	(403)
(Increase) Decrease in Inventory	(391,620)	-	-	(391,620)	297
(Increase) Decrease in Other Current Assets	1,650	-	-	1,650	(288)
(Increase) Decrease in Deferred outflows-pensions	(22,815)	(14,693)	(14,774)	(52,282)	(2,717)
Increase (Decrease) in Accounts Payable	1,157,974	191,533	29,649	1,379,156	517,401
Increase (Decrease) in Other Current Liabilities	141,736	(22,874)	(57,440)	61,422	34,671
Increase (Decrease) in Compensated Absences	184,435	293,212	51,631	529,278	(3,179)
Increase (Decrease) in Net Pension Liability	(470,378)	(250,277)	(190,846)	(911,501)	(68,504)
Increase (Decrease) in Deferred inflows-pension	109,241	6,605	137,376	253,222	(1,713)
Total Adjustments	4,494,058	68,773	782,595	5,345,426	1,740,441
Net Cash Provided by Operating Activities	\$ 4,721,396	\$ 570,994	\$ 778,695	\$ 6,071,085	\$ 1,416,740
<b>CASH AND CASH EQUIVALENTS:</b>					
RECONCILIATION OF CASH AND CASH EQUIVALENTS REPORTED AT DECEMBER 31					
Statement of Net Position:					
Cash And Cash Equivalents	\$ 544,020	\$ 699,540	\$ 81,583	\$ 1,325,143	\$ 241,309
Restricted Cash	1,260,900	-	-	1,260,900	-
Cash and Cash Equivalents, December 31	\$ 1,804,920	\$ 699,540	\$ 81,583	\$ 2,586,043	\$ 241,309
<b>SCHEDULE OF NON-CASH CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Contribution of capital assets	\$ 985,567	\$ -	\$ 375,924	\$ 1,361,491	\$ -

*The accompanying notes are an integral part of this statement*



**Statement of Fiduciary Net Position - Fiduciary Funds**  
**December 31, 2019**

	Employee Retirement Plans	Agency Funds
<b>ASSETS</b>		
Cash and Residual Investments	\$ 33,484	\$ 21,432
Investments	4,877,319	125,100
Receivables:		
Interest and Dividends	29,326	4,539
Due from Other Governmental Units	9,797	-
Total Assets	<u>4,949,927</u>	<u>151,071</u>
<b>LIABILITIES</b>		
Liabilities:		
Accounts Payable	-	971
Due to Other Governments	-	140,450
Other Current Liabilities	-	9,650
Total Liabilities	<u>-</u>	<u>151,071</u>
<b>NET POSITION</b>		
Net Position Restricted for Pensions	4,949,927	-
Total Net Position	<u>\$ 4,949,927</u>	<u>\$ -</u>

*The accompanying notes are an integral part of this statement*

**Statement of Changes in Fiduciary Net Position - Fiduciary Funds  
For Yr Ended December 31, 2019**

	Employee Retirement Plans
<b>ADDITIONS</b>	
Employer Contributions	\$ 288,000
State Contributions	
Fire Insurance Premium Tax	101,822
Total Contributions	<u>389,822</u>
Investment Income	<u>189,737</u>
Net Investment Earnings	<u>189,737</u>
Total Additions	<u>579,559</u>
<b>DEDUCTIONS</b>	
Benefits	361,651
Administrative Expenses	3,300
Total Deductions	<u>364,951</u>
<b>CHANGE IN NET POSITION</b>	<b>214,608</b>
Net Position - Beginning of the Year	4,735,319
Net Position - End of the Year	<u>\$ 4,949,927</u>

*The accompanying notes are an integral part of this statement*

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## **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the City of Olympia have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described below.

### **A. Reporting Entity**

The City of Olympia was incorporated on January 28, 1859 and operates under the laws of the state of Washington applicable to a Non-Charter Code City, Council/Manager form of government. Olympia is served by a full-time City Manager appointed by a part-time Council of seven members who are elected at-large to staggered/alternating, four-year terms, including the Mayor who is elected to position one of the Council. The City provides a full range of municipal services authorized by State law, such as public safety, highways and streets, parks and recreation, planning and zoning, permits and inspections, sanitation, general administration, and water and sewer services.

The City's Comprehensive Annual Financial Report (CAFR) includes the financial statements for the City of Olympia and its component units, entities for which the City is considered to be financially accountable. The City has two blended component units, the Olympia Transportation Benefit District and the Olympia Metropolitan Park District. Although legally separate entities, blended component units are, in substance, part of the City's operations. (See Note 18 for further information.)

### **B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government (and its component units). All fiduciary activities are reported in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Our policy is to allocate indirect costs to a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements or a particular function or segment, including special assessments. Internally dedicated resources are reported as general revenues rather than program revenues. Taxes and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated for the government-wide financial statements. Exceptions to this general rule are interfund services provided and used by the government's utilities functions and various other functions of the government. Eliminations of these charges would distort the direct costs and program revenues reported for these functions.

Separate fund financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City of Olympia reports the following major governmental funds:

#### **General Fund**

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

#### **H.U.D. Fund**

A special revenue fund to account for all authorized projects funded by the U.S. Department of Housing and Urban Development program.



### **Impact Fees Fund**

This fund is used to accumulate park and transportation impact fees imposed upon building activity authorized by RCW 82.02.060. When the use of this money is approved, funds are transferred from this fund to the appropriate account in which the activity occurs. The City also collects impact fees for the Olympia School District and transmits those funds to the district on a monthly basis.

### **Lodging Tax Fund**

This fund is used to account for the local option 2% tax on lodging authorized under RCW 67.28. This RCW states all revenues collected under this chapter be accounted for in a special revenue fund. When the use of this money is approved, funds are transferred from this fund to the appropriate account in which the activity occurs.

### **Parks and Recreation Utility Tax Fund**

This fund is used to account for the imposed tax on various utility services authorized under RCW 35.21.870. This RCW states all revenues collected under this chapter be accounted for in a special revenue fund. When the use of this money is approved, funds are transferred from this fund to the appropriate account in which the activity occurs.

### **Home Operating Fund**

This special revenue fund is used to account for portion of sales tax authorized by RCW 82.14.530 to be used to operate affordable and supportive housing and for housing-related purposes, including mental and behavioral health-related facilities, and costs of operations, maintenance, delivery and evaluation of mental health program and services, or housing-related services as permitted by state law.

### **City Hall Debt Fund**

This fund is used to account for the repayment of the 2009 city hall bonds providing for the issuance of \$2,400,000 par value of Limited Tax General Obligation Bond, \$32,810,000 par value of Limited Tax General Obligation Bonds, 2009B, which provided funds to finance the new city hall; and fixing the form, terms, covenants of the bonds.

### **Capital Improvement Fund**

This fund was established to account for various general governmental capital projects which the City may choose to finance. Major funding sources include contributions from the Utility and Excise Taxes, Debt, Grants and Impact fees.

### **Home Capital Improvement Fund**

This capital improvement fund is used to account for portion of sales tax authorized by RCW 82.14.530 to be used to construct affordable and supportive housing, including mental and behavioral health-related facilities, as permitted by state law.

The City reports the following major enterprise funds:

#### **Drinking Water and Wastewater Fund**

The City operates a combined water and sewer utility. The utility has two major components: a water distribution system and sewer collection system.

#### **Waste Resources Fund**

The City Waste Resources Fund accounts for a solid waste and recycling collection system. The collection system operates only within the City. Waste is transported to a land fill which is owned and operated by Thurston County. The recyclable material is transported to various private recyclers.

#### **Storm and Surface Water Fund**

The City Storm and Surface Water Utility Fund accounts for planning, public involvement, education, construction, and maintenance activities necessary for environmentally appropriate storm and surface water management programs, improvements and facilities.

Additionally, the City reports the following fund types:

Internal service funds account for equipment rental, unemployment insurance, risk management and worker's

compensation provided to other departments or agencies of the City, or to other cities, on a cost reimbursement basis.

The pension trust fund is used to account for Firefighter’s Pension. For additional information on the Firefighters Pension see Note 7.B.

The agency funds account for cash and investments held by the government on behalf of other governments in an agency capacity, which include the Olympia Municipal Court Fund and the Law Enforcement Records Management System (LERMS) Fund.

### C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Agency funds do not have a measurement focus. However, they are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City of Olympia considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The City considers property taxes as available if they are collected within 60 days after year end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, licenses, and interest associated within the current period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of special assessment receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the City.

Proprietary fund statements are reported using the economic resources measurements focus and full-accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the cash flow. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of all of the City’s Utilities are charges for service. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### D. Budgetary Information

#### Scope of Budget

The City of Olympia budgets its annually adopted governmental funds in accordance with the Revised Code of Washington (RCW), paragraph 35.33. In compliance with the code, annual appropriated budgets are adopted at the level of the fund, where expenditures may not exceed appropriations and the budgets constitute the legal authority for expenditure at that level. Unexpended annual appropriations lapse at the end of the fiscal year.

Annually adopted budgets are adopted for the following

#### Funds: General Fund

All active general obligation debt service funds:

4th/5th Ave Bridge Fund 216	Local Debt Fund 227
City Hall BABs 225	LTGO Hands on Children’s Museum Bond Fund 228
LTGO Bond Refunding 225	LTGO WA Center, LED, Parks Bond Fund 229
UTGO Bond Refunding 224	LTGO Street Projects 226

Encumbrance accounting is employed in governmental funds during the year. Encumbrances outstanding at year end are reported as either restricted, committed or assigned fund balance and do not constitute expenditures or liabilities because the commitments will be re-appropriated and honored during the subsequent year. Encumbrances can be found in the Fund Balance Details of Note 1E listed as continuing appropriations.

### **Amending the Budget**

The budget amounts shown in the financial statements are the final authorized amounts as revised during the year. The City Manager is authorized to transfer appropriations within a fund; however, an increase of the annual adopted budget requires Council action and is done by ordinance. Individual transfers were not material in relation to original appropriations. During the year 2019 there were several supplementary appropriations authorized by the City Council in the General Fund budget totaling \$11,324,419.

The financial statements contain the original and final budget information for the legally required budget of the General Fund, which is located in the Required Supplemental Information section. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable for the fiscal year.

## **E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, Fund Balance and Net Position**

### Cash and Cash Equivalents

It is the City's policy to invest all temporary cash surpluses. At December 31, 2019, the treasurer was holding \$6,186,788 in short- term residual investments of surplus cash. This amount is classified on the balance sheet as cash and cash equivalents in various funds. The interest on these investments is prorated to the various funds.

For purposes of the statement of cash flows, the City considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. For more information on the City's Cash and Cash Equivalents, see Deposits and Investments Note 4.

Investments – (See Deposits and Investments Note 4)

### Receivables

Taxes receivable consists of property taxes and related interest and penalties (See Property Taxes Note No. 5). Accrued interest receivable consists of amounts earned on investments, notes, and contracts at the end of the year.

Special assessments are recorded when levied. Special assessments receivables consist of current and delinquent assessments and related interest and penalties. Deferred assessments on the fund financial statements consist of unbilled special assessments that are liens against the property benefited. As of December 31, 2019, \$5,170 of special assessments receivable were delinquent.

Customer accounts receivable consist of amounts owed from private individuals or organizations for goods and services including amounts owed for which billings have not been prepared. Notes and contracts receivable consist of amounts owed on open account from private individuals or organizations for goods and services rendered.

### Inventories and Prepaids

Inventories in governmental funds consist of expendable supplies held for consumption. The cost is recorded as expenditure at the time individual inventory items are consumed. The reserve for inventory is equal to the ending amount of inventory to indicate that a portion of the fund balance is not available for future expenditures. A comparison to market value is not considered necessary.

Inventories in proprietary funds are valued by the FIFO method (which approximates the market value).

Prepayments are payments in advance of the receipt of goods and services in an exchange transaction and are recorded as an expenditure or expense only when consumed. These payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government wide and fund financial statements.

Restricted Assets and Liabilities

These accounts contain resources for construction and debt service, including current and delinquent special assessments receivable, in enterprise funds and the internal service fund. The current portion of related liabilities is shown as Payables from Current Restricted Assets. Specific debt service reserve requirements are described in (Long-Term Debt Note No. 9).

**The restricted assets of the governmental funds are composed of the following:**

Cash and Investments-Bonded Debt Proceeds..... \$3,797,513

**The restricted assets of the enterprise funds are composed of the following:**

Cash and Investments-Bonded Debt Reserve..... \$1,260,900

**The restricted assets of the internal service funds are composed of the following:**

Cash and Investments - Workers' Compensation Reserve....\$191,677

Capital Assets – (See Note 6)

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., streets, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 depending on the asset and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, and similar items received in a service concession arrangement are reported at acquisition value.

Costs for additions or improvements to capital assets are capitalized when they increase the effectiveness or efficiency of the asset.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset's lives are not capitalized.

Property, plant, and equipment of the City are depreciated using the straight-line method over the following useful lives:

<u>Type of Asset</u>	<u>Number of Years</u>
Buildings and Structures	20-30
Other Improvements	5-40
Machinery and Equipment	5-20
Infrastructure	15-30

Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation, compensatory time off, and sick leave. All vacation and compensatory leave are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements.

Nonexempt employees (nonexempt to overtime pay) may accumulate up to 40 vacation days while exempt employees may accumulate up to 60 vacation days. Nonexempt employees may receive up to 80 hours of compensatory time rather than receiving overtime pay. All outstanding vacation and compensatory leave are payable upon resignation, retirement, or death. Outstanding sick leave is not payable upon resignation, retirement, or death and therefore is not accrued in the financial statements.

Other Compensated Benefits

The City of Olympia self-insures unemployment compensation on a reimbursable basis to the State of Washington. The City utilizes the services of Penser NorthAmerica, Inc. to manage claims of the program. As of December 31, 2019, the Unemployment Compensation Fund had a fund balance of \$680,499 which is plenty to cover the 29 maximum liability claims (26 weeks at \$790 per week).

Other Accrued Liabilities

These accounts consist of accrued wages and accrued employee benefits.



Long-Term Liabilities - (See Long Term Liabilities Note 9)

Pensions

For purposes of measuring the net pension asset, net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of all state sponsored pension plans and additions to/deductions from those plans' fiduciary net position have been determined on the same basis as they are reported by the Washington State Department of Retirement Systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Unearned Revenues

This account includes amounts recognized as receivables but not revenues in governmental funds because the revenue recognition criteria have not been met.

Fund Balance Classification

In the fund financial statements, governmental funds report the following categories of fund balance:

<b>Nonspendable:</b>	Unavailable fund balance due to its form and legally or contractually required to remain intact.
<b>Restricted:</b>	Fund Balance that can only be used for specific purposes as stipulated by the constitution, external resource provider, or through enabling legislation.
<b>Committed:</b>	Fund Balance that can only be used for specific purposes as determined by formal action of the City Council. The City Council is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.
<b>Assigned:</b>	Fund Balance that includes resources intended to be used by the City for specific purposes, as assigned by the City's Finance Committee, an authority given to the Committee by the City Council in the Fund Balance Policy approved on December 6, 2011.
<b>Unassigned:</b>	The General Fund may report a positive fund balance if the available resources have not met the requirements of the above classifications. In other governmental funds a negative unassigned fund balance may apply if expenditures incurred for specific purposes exceed the amounts available in the above classifications.

The City's prioritization of fund balance use, as authorized by the City Council in the Fund Balance Policy, is as follows:

When an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available for use, it shall be the policy of the City to consider restricted amounts to have been reduced first. When an expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the City that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts, unless otherwise approved by the Council.

## Fund Balance Details

Fund Balance details for the year ended December 31, 2019 are listed below.

	General	H.U.D.	Impact Fees	Lodging Tax	Parks & Recreation Utility Tax	Home Fund	City Hall Debt Fund	Capital Improvement Fund	Home Fund Capital Improvement	Other Governmental	Total Governmental Funds
<b>Fund Balance:</b>											
Nonspendable:											
Pre-Payments & Inventory	\$ 425,583	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 425,583
Total Nonspendable	425,583	-	-	-	-	-	-	-	-	-	425,583
<b>Restricted for:</b>											
Capital Improvement	-	-	7,582,859	-	4,574,914	-	-	2,002,513	-	11,930,323	26,090,610
Criminal Justice	15,461	-	-	-	-	-	-	-	-	-	15,461
Debt Service	-	-	-	-	-	-	-	-	-	152,883	152,883
Hands on Children's Museum	-	-	-	-	-	-	-	-	-	540,740	540,740
Housing and assistance	69,046	14,189	-	-	-	799,177	-	-	1,006,678	-	1,889,089
Parks	-	-	-	-	-	-	-	-	-	2,852,218	2,852,218
Promoting Downtown Businesses	-	-	-	-	-	-	-	-	-	86,529	86,529
Public, Educational, Governmental Cable	499,323	-	-	-	-	-	-	-	-	-	499,323
Tourism	-	-	-	1,653,047	-	-	-	-	-	78,258	1,731,305
Total Restricted	583,830	14,189	7,582,859	1,653,047	4,574,914	799,177	-	2,002,513	1,006,678	15,640,952	33,858,158
<b>Committed to:</b>											
Community Development	854,592	-	-	-	-	-	-	7,350,808	-	-	8,205,400
Debt Service	-	-	-	-	-	-	22,997	-	-	2,630	25,627
Technology	1,517,168	-	-	-	-	-	-	-	-	-	1,517,168
Equipment and Facilities Reserve	4,301,237	-	-	-	-	-	-	-	-	246,599	4,547,836
Housing and assistance	251,271	-	-	-	-	-	-	-	-	-	251,271
Municipal Arts	475,386	-	-	-	-	-	-	-	-	-	475,386
Parking	1,115,618	-	-	-	-	-	-	-	-	-	1,115,618
Other Post Employment Benefits	2,929,477	-	-	-	-	-	-	-	-	-	2,929,477
WA Center for Performing Arts	771,792	-	-	-	-	-	-	-	-	-	771,792
Total Committed	12,216,541	-	-	-	-	-	22,997	7,350,808	-	249,229	19,839,575
<b>Assigned to:</b>											
Fund Balance Reserve-Emergency	7,979,187	-	-	-	-	-	-	-	-	-	7,979,187
Fund Balance Reserve-Revenue Stabilization	7,806,773	-	-	-	-	-	-	-	-	-	7,806,773
Public Safety Levy LID Lift Carry Forward	928,452	-	-	-	-	-	-	-	-	-	928,452
Total Assigned	16,714,412	-	-	-	-	-	-	-	-	-	16,714,412
<b>Unassigned:</b>											
	3,170,037	-	-	-	-	-	-	-	-	-	3,170,037
<b>Fund Balance Total:</b>	<b>\$ 33,110,403</b>	<b>\$ 14,189</b>	<b>\$ 7,582,859</b>	<b>\$ 1,653,047</b>	<b>\$ 4,574,914</b>	<b>\$ 799,177</b>	<b>\$ 22,997</b>	<b>\$ 9,353,321</b>	<b>\$ 1,006,678</b>	<b>\$ 15,890,181</b>	<b>\$ 74,007,766</b>

## NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

### A. Explanation of Certain Differences Between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes reconciliation between fund balance – total governmental funds and net position– governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “capital assets are not reported in the governmental funds. “The details of this \$248,184,224 are as follows:

Capital Assets Governmental Activities:	
Capital Assets Not Being Depreciated	\$ 78,803,739
Depreciable Assets, Net	176,153,997
Total Capital Assets Governmental Activities	254,957,736
Less: Capital Assets Internal Service Funds	(6,773,512)
Capital Assets Government Funds	\$ 248,184,224

Land	73,825,160
Construction in progress	4,978,579
Buildings	104,382,255
Less: Accumulated Depreciation	(35,199,840)
Improvements other than buildings	27,857,875
Less: Accumulated Depreciation	(7,645,903)
Machinery and Equipments	12,884,454
Less: Accumulated Depreciation	(8,659,757)
Infrastructure	181,478,167
Less: Accumulated Depreciation	(105,716,766)
Net Adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 248,184,224</u>

**B. Explanation of Certain Differences Between the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-Wide Statement of Activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities.

**NOTE 3 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

The City is compliant with all finance-related legal or contractual provisions.

**NOTE 4 - DEPOSITS AND INVESTMENTS**

The City maintains a cash and investment pool that is available for use by all funds. Cash and investments are presented on the balance sheet in the basic financial statements at fair value. In general, interest earned from pooled deposits and investments is allocated to each fund based on the average earnings and daily cash balance of each fund, interest earned from fiduciary investments is allocated to the fiduciary fund holding the investment.

A reconciliation of cash and investments as shown in the government-wide and fund financial statements are as follows:

<b>Cash Balance</b>	
FDIC or PDPC insured Bank Deposits	\$ 7,015,432
In-Transit Items	(847,984)
Custodial Funds held in Fiduciary	(54,917)
Municipal Court Funds	9,650
Imprest Funds on Hand	9,690
	<u>\$ 6,131,871</u>
Cash and Cash Equivalents	\$ 4,870,971
Restricted Cash	1,260,900
	<u>\$ 6,131,871</u>
<b>Investment Balance</b>	
WA State Investment Pool	\$ 30,783,405
Restricted portion of Pool	601,898
Investments at Fair Market Value	69,140,923
Restricted portion of Investments	3,387,292
	<u>\$ 103,913,517</u>
Investments	\$ 99,924,328
Restricted Investments	3,989,190
	<u>\$ 103,913,517</u>

## A. Deposits

The City's bank balances of deposits and certificates of deposits at December 31, 2019 are entirely insured. The Federal Depository Insurance Commission (FDIC) insures the City's deposits up to \$250,000 and the Washington Public Deposit Protection Commission (WPDPC) insures amounts over \$250,000.

## B. Investments

The City is a participant in the Local Government Investment Pool was authorized by Chapter 294, Laws of 1986, and is managed and operated by the Washington State Treasurer. The State Finance Committee is the administrator of the statute that created the pool and adopts rules. The State Treasurer is responsible for establishing the investment policy for the pool and reviews the policy annually and proposed changes are reviewed by the LGIP advisory Committee.

Investments in the LGIP, a qualified external investment pool, are reported at amortized cost which approximates fair value. The LGIP is an unrated external investment pool. The pool portfolio is invested in a manner that meets the maturity, quality, diversification and liquidity requirements set forth by the GASBS 79 for external investments pools that elect to measure, for financial reporting purposes, investments at amortized cost. The LGIP does not have any legally binding guarantees of share values. The LGIP does not impose liquidity fees or redemption gates on participant withdrawals.

### Investments Measured at Amortized Cost

As of December 31, 2019, the City held the following investments at amortized cost:

Investment Type	Maturity	Olympia's Own Investments	Total
WA State Investment Pool	60 Days	\$ 31,560,571	\$ 31,560,571
Total		<u>31,560,571</u>	<u>31,560,571</u>

The Office of the State Treasurer prepares a stand-alone LGIP financial report. A copy of the report is available from the Office of the State Treasurer, PO Box 40200, Olympia, Washington 98504-0200, online at <http://www.tre.wa.gov>.

Custodial credit risk is the risk that in the event of a failure of the counterparty to an investment transaction the City would not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The LGIP Investment policy requires that securities purchased be held by the master custodian, acting as an independent third party, in its safekeeping or trust department. Securities utilized in repurchase agreements are subject to additional restrictions. These restrictions are designed to limit the LGIP's exposure to risk and ensure the safety of the investment. All securities utilized in repurchase agreements were rated AAA by Moody's and AA+ by Standard & Poor's. The fair value of securities utilized in repurchase agreements must be at least 102 percent of the value of the repurchase agreement. The City does not have a specific Custodial Credit Risk Policy.

### Investments Measured at Fair Value

The City measures and reports investments at fair value using the valuation input hierarchy established by generally accepted accounting principles. Securities classified as Level 1 in the fair value hierarchy are valued using prices quoted in active markets for identical securities, Level 2 securities are valued using observable inputs, and Level 3 securities are valued using unobservable inputs. U.S. Agency and U.S. Treasury Securities classified in Level 2 are valued using quoted prices for similar securities and interest rates. The level of fair value measurement is based on the lowest level of significant input for the security type in its entirety. There are no Level 1 security classifications to report. Bank deposits are valued using a cost-based measure to determine fair value.

As of December 31, 2019, the City held the following investments at fair value:

Investments by Fair Value	12/31/2019	Fair Value Measurement Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Municipal Bond	\$ -			
U.S. Government & Agencies - FHLB	24,042,257		24,042,257	
U.S. Government & Agencies - FFCB	6,930,457		6,930,457	
U.S. Government & Agencies - FHLMC	12,539,281		12,539,281	
U.S. Government & Agencies - FNMA	12,153,770		12,153,770	
U.S. Treasury Notes	21,689,601		21,689,601	
<b>Total By Fair Value Level</b>	<b>\$ 77,355,365</b>	<b>\$ -</b>	<b>\$ 77,355,365</b>	<b>\$ -</b>

**Custodial Credit Risk:** All security transactions including collateral for repurchase agreements shall be conducted on a delivery- versus-payment (DVP) basis. Securities purchased by the City shall be retained by the City or delivered against payment and held in a custodial safekeeping account with a bank. The safekeeping agent(s) shall be designated by the City Treasurer and all transactions shall be evidenced by safekeeping receipts. The City does not have a specific Custodial Credit Risk Policy.

**Credit Risk:** While the City does not have a written Credit Risk Policy, the City invests in securities identified as eligible investments as defined by State law (RCW 35A.40.050) "Fiscal – Investment of Funds", as interpreted by the most current edition of the Office of the State Treasurer, State of Washington publication titled "Eligible Investments for Public Funds." The city currently invests in securities issued by FHLMC, which was rated AAA/Negative Moody's Investor Services and AA+/Negative by S&P. The City does not have a specific Credit Risk Policy.

**Concentration of Credit Risk:** Safety of the principal is the foremost objective of the investment program. Investments of the City shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. To obtain this objective, diversification is usually required and with the exception of U.S. Treasury securities and State of Washington LGIP pools, no more than 50% of the City's total investment portfolio will be invested in a single security type or a single financial institution. The City does not have a specific Concentration of Credit Risk Policy.

**Interest Rate Risk:** The City's investment portfolio shall be designed with the objective of attaining a maximum rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints, the cash flow characteristics of the portfolio and the fact the City utilizes a passive investment program. The City does not have a specific Interest Rate Risk Policy.

#### NOTE 5 - PROPERTY TAXES

The County Treasurer acts as an agent to collect property taxes levied in the county for all taxing authorities.

Property Tax Calendar	
January 01	Taxes are levied and become an enforceable lien against properties.
February 14	Tax bills are mailed.
April 30	First of two equal installment payments is due.
May 31	Assessed value of property established for next year's levy at 100 percent of market value.
October 31	Second installment is due.

In governmental funds, property taxes are recorded as a receivable when levied. During the year, property tax revenues are recognized when cash is collected. At year-end, property tax revenues are recognized for collections to be distributed by the county treasurer in January and collections expected to occur within 60 days. No allowance for uncollectible taxes is established because delinquent taxes are considered fully collectible.



## **A. City of Olympia Property Taxes**

The City may levy up to \$3.60 per \$1,000 of assessed valuation for general governmental services, subject to the following limitations:

- A. Washington State law in RCW 84.55.010 limits the growth of regular property taxes to one percent per year, after adjustments for new construction. If the assessed valuation increases by more than one percent due to revaluation, the levy rate will be decreased.
- B. The Washington State Constitution limits the total regular property taxes to one percent of assessed valuation or \$10 per \$1,000 of value. If the taxes of all districts exceed this amount, each is proportionately reduced until the total is at or below the one percent limit. The City's regular levy for 2019 was \$2.5486 per \$1,000 on an assessed valuation of \$7,134,825,096 for a total regular levy of \$18,183,741.
- C. The City is also authorized to levy \$.45 per \$1,000 of assessed valuation for the Firemen's Pension Fund. See Pension Note No. 7.B. This levy is subject to the same limitations as the levy for general government services. The city's firemen's pension levy for 2019 was \$0.04 per \$1,000 and is included in the amounts listed above.

## **B. Voter Approved 2009 Fire Bond Property Taxes**

The citizens of Olympia authorized the City to issue general obligation bonds via special election on August 19, 2008. The proceeds of the bond were used to construct a fourth fire station, a fire training center, and the acquisition of two fully equipped fire engines and a ladder truck. Annual principal and interest payments are funded by voter approved property tax collections equal to the current year debt service obligation.

The City's excess levy for debt service in 2019 was \$0.1677 per \$1,000 of assessed valuation of \$7,078,934,567 for a total excess levy of \$1,187,039, which is not included in the regular property tax collections discussed in section A.

## **C. Olympia Metropolitan Park District Property Taxes**

The citizens of Olympia authorized the City to form the Olympia Metropolitan Park District (OMPD) via general elections on November 3, 2015. The OMPD is authorized to levy property taxes to fund acquisition, maintenance, and improvements of parks, Percival Landing, and other recreation facilities and programs. The OMPD's property tax levy in 2019 was \$0.5498 per \$1,000 of assessed valuation of \$7,134,825,096 for a total levy of \$3,922,757, which is not included in the regular property tax collections discussed in section A.

**NOTE 6 – CAPITAL ASSETS, DEPRECIATION AND AMORTIZATION**

**A. Capital Assets**

Capital assets activity for the year ended December 31, 2019 is as follows:

Governmental Activities	Balance 12/31/18	Increases	Decreases	Balance 12/31/19
<b>Capital assets, not being depreciated:</b>				
Land	\$ 73,135,340	\$ 689,820	\$ 0	\$ 73,825,160
Construction in progress	8,031,850	5,037,693	8,090,964	4,978,579
<b>Total capital assets, not being depreciated</b>	<b>81,167,190</b>	<b>5,727,513</b>	<b>8,090,964</b>	<b>78,803,739</b>
<b>Capital assets, being depreciated:</b>				
Buildings	104,134,406	537,891	290,042	104,382,255
Improvements other than buildings	27,820,254	37,621	-	27,857,875
Machinery and Equipment Govt.	12,549,037	398,118	62,701	12,884,454
Machinery and Equipment Int Svc	17,245,664	735,888	343,632	17,637,920
Machinery and equipment Subtotal	29,794,701	1,134,006	406,333	30,522,374
Infrastructure	172,977,705	8,500,462	0	181,478,167
<b>Total capital assets being depreciated</b>	<b>334,727,066</b>	<b>10,209,980</b>	<b>696,375</b>	<b>344,240,671</b>
<b>Less accumulated depreciation for:</b>				
Buildings	32,615,706	2,874,176	290,042	35,199,840
Improvements other than buildings	6,538,455	1,107,448	-	7,645,903
Machinery and Equipment Govt.	8,070,594	651,864	62,701	8,659,757
Machinery and Equipment Int Svc	9,919,907	1,264,875	320,376	10,864,406
Machinery and equipment Subtotal	17,990,501	1,916,739	383,077	19,524,163
Infrastructure	100,165,081	5,551,685	-	105,716,766
Total accumulated depreciation	157,309,743	11,450,048	673,119	168,086,672
<b>Total capital assets, being depreciated, net</b>	<b>177,417,323</b>	<b>(1,240,068)</b>	<b>23,256</b>	<b>176,153,999</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 258,584,513</b>	<b>\$ 4,487,445</b>	<b>\$ 8,114,220</b>	<b>\$ 254,957,738</b>

Business-Type Activities	Balance 12/31/18	Increases	Decreases	Balance 12/31/19
<b>Capital assets, not being depreciated:</b>				
Land	\$ 4,664,240.00	\$ -	\$ -	\$ 4,664,240.00
Construction in Progress	14,098,461	1,956,213	4,535,622	\$ 11,519,052
<b>Total capital assets, not being depreciated</b>	<b>18,762,701</b>	<b>1,956,213</b>	<b>4,535,622</b>	<b>16,183,292</b>
<b>Capital assets, being depreciated:</b>				
Buildings	6,444,062	197,739	-	6,641,801
Improvements other than buildings	175,237,033	5,513,027	-	180,750,060
Machinery and equipment	3,055,963	74,099	31,979	3,098,083
Intangible assets	3,559,037	-	-	3,559,037
<b>Total capital assets being depreciated</b>	<b>188,296,095</b>	<b>5,784,865</b>	<b>31,979</b>	<b>194,048,981</b>
<b>Less accumulated depreciation for:</b>				
Buildings	3,461,328	123,253	-	3,584,581
Improvements other than buildings	72,585,426	4,217,121	-	76,802,547
Machinery and equipment	1,985,525	147,532	31,979	2,101,078
Intangible assets	735,356	73,553	-	808,909
Total accumulated depreciation	78,767,635	4,561,459	31,979	83,297,115
<b>Total capital assets, being depreciated, net</b>	<b>109,528,460</b>	<b>1,223,406</b>	<b>-</b>	<b>110,751,866</b>
<b>Business-type activities capital assets, net</b>	<b>\$ 128,291,161</b>	<b>\$ 3,179,619</b>	<b>\$ 4,535,622</b>	<b>\$ 126,935,158</b>

Depreciation and Amortization expense was charged to functions/programs of the primary government and the business type activities for the year ended December 31, 2019 are as follows:

<b>Governmental Activities:</b>	
General Government:	\$ 3,848,186
Security of Persons and Property	239,552
Transportation	5,551,685
Culture and Recreation	545,751
Internal Service Funds	1,264,875
Total Depreciation/Amortization – Governmental Activities	\$ 11,450,048
<b>Business-Type Activities:</b>	
Drinking Water/ Wastewater Utility	\$ 3,740,464
Waste ReSources Utility	38,998
Storm and Surface Water Utility	781,996
Total Depreciation/Amortization – Business-Type Activities	\$ 4,561,459

**B. Construction and Other Significant Commitments**

The City has active construction projects as of December 31, 2019. The projects listed below represent the major projects underway:

Project	Fund	Spent to Date	Remaining Commitment	Outside Financing Sources
Amber Court Emergency Repairs	461 Water CIP Fund	28,507	71,493	N/A
Drinking Water Dist Imp	461 Water CIP Fund	516,237	129,939	N/A
2019 Chip Seal	317 Capital Improvement Fund	712,757	68,725	N/A
Hendersen/Eskridge Intersection Imp	317 Capital Improvement Fund	582,803	125,374	WSDOT Grant
LBA Field 3 ADA Ramp	317 Capital Improvement Fund	-	510,458	N/A
26th Ave Watermain	461 Sewer Capital Improvement Fund	113,275	32,733	N/A
26th Ave Sidewalk	317 Capital Improvement Fund	139,812	103,669	N/A
<b>Total Commitments</b>		<b>2,093,391</b>	<b>1,042,392</b>	

**NOTE 7 – PENSION PLANS**

The following table represents the aggregate pension amounts for all pension plans subject to the requirements of the GASB Statement 68, Accounting and Financial Reporting for Pension for the year 2019:

<b>Aggregate Pension Amounts - All Pension Plans</b>	
Pension Liabilities	\$ 13,918,509
Pension Assets	15,839,030
Deferred Outflows of Resources related to pensions	6,230,828
Deferred Inflows of Resources related to pensions	12,172,214
Pension Expense/Expenditures	1,241,059

**A. State Sponsored Pension Plans**

The following table represents the aggregate pension amounts for the State Sponsored Pension Plans subject to the requirements of the GASB Statement 68, Accounting and Financial Reporting for Pensions for the year 2019:

<b>Aggregate Pension Amounts - State Sponsored Pension Plans</b>	
Pension Liabilities	\$ 11,879,303
Pension Assets	15,839,030
Deferred Outflows of Resources related to pensions	6,099,665
Deferred Inflows of Resources related to pensions	12,172,214
Pension Expense/Expenditures	1,434,044

Substantially all City of Olympia full-time and qualifying part-time employees participate in one of the following statewide retirement systems administered by the Washington State Department of Retirement Systems, under cost-sharing, multiple- employer public employee defined benefit and defined contribution retirement plans. The state Legislature establishes, and amends, laws pertaining to the creation and administration of all public retirement systems.

The Department of Retirement Systems (DRS), a department within the primary government of the State of Washington, issues a publicly available comprehensive annual financial report (CAFR) that includes financial

statements and required supplementary information for each plan. The DRS CAFR may be obtained by writing to:

Department of Retirement  
Systems Communications Unit  
P.O. Box 48380  
Olympia, WA 98540-8380

Or the DRS CAFR may be downloaded from the DRS website at [www.drs.wa.gov](http://www.drs.wa.gov).

**Public Employees’ Retirement System (PERS)**

PERS members include elected officials; state employees; employees of the Supreme, Appeals and Superior Courts; employees of the legislature; employees of district and municipal courts; employees of local governments; and higher education employees not participating in higher education retirement programs. PERS is comprised of three separate pension plans for membership purposes. PERS plans 1 and 2 are defined benefit plans, and PERS plan 3 is a defined benefit plan with a defined contribution component.

**PERS Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member’s average final compensation (AFC) times the member’s years of service. The AFC is the average of the member’s 24 highest consecutive service months. Members are eligible for retirement from active status at any age with at least 30 years of service, at age 55 with at least 25 years of service, or at age 60 with at least five years of service. Members retiring from active status prior to the age of 65 may receive actuarially reduced benefits. Retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of-living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PERS 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

The **PERS Plan 1-member** contribution rate is established by State statute at 6 percent. The employer contribution rate is developed by the Office of the State Actuary and includes an administrative expense component that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 1 employer contribution rates. The PERS Plan 1 required contribution rates (expressed as a percentage of covered payroll) for 2018 were as follows:

PERS Plan 1		
Contribution Rates:	Employer *	Employee**
January through June 2019	12.83%	6.00%
July through December 2019	12.83%	6.00%

\*Employer rate includes 0.18% administrative fee

\*\* For employees participating in JBM, the contribution rate was 12.26%

\*The City of Olympia actual contributions to the plan were \$1,636,706 for the year ended December 31, 2019.

**PERS Plan 2/3** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the member’s average final compensation (AFC) times the member’s years of service for Plan 2 and 1 percent of AFC for Plan 3. The AFC is the average of the member’s 60 highest-paid consecutive service months. There is no cap on years of service credit. Members are eligible for retirement with a full benefit at 65 with at least five years of service credit. Retirement before age 65 is considered an early retirement. PERS Plan 2/3 members who have at least 20 years of service credit and are 55 years of age or older, are eligible for early retirement with a benefit that is reduced by a factor that varies according to age for each year before age 65. PERS Plan 2/3 members who have 30 or more years of service credit and are at least 55 years old can retire under one of two provisions:

- With a benefit that is reduced by three percent for each year before age 65; or



- With a benefit that has a smaller (or no) reduction (depending on age) that imposes stricter return-to-work rules.

PERS Plan 2/3 members hired on or after May 1, 2013 have the option to retire early by accepting a reduction of five percent for each year of retirement before age 65. This option is available only to those who are age 55 or older and have at least 30 years of service credit. PERS Plan 2/3 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other PERS Plan 2/3 benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty related death benefit, if found eligible by the Department of Labor and Industries. PERS 2 members are vested after completing five years of eligible service. Plan 3 members are vested in the defined benefit portion of their plan after ten years of service; or after five years of service if 12 months of that service are earned after age 44.

**PERS Plan 3** defined contribution benefits are totally dependent on employee contributions and investment earnings on those contributions. PERS Plan 3 members choose their contribution rate upon joining membership and have a chance to change rates upon changing employers. As established by statute, Plan 3 required defined contribution rates are set at a minimum of 5 percent and escalate to 15 percent with a choice of six options. Employers do not contribute to the defined contribution benefits. PERS Plan 3 members are immediately vested in the defined contribution portion of their plan.

Contributions

The **PERS Plan 2/3** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2 and the defined benefit portion of Plan 3. The Plan 2/3 employer rates include a component to address the PERS Plan 1 UAAL and an administrative expense that is currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates and Plan 3 contribution rates. The PERS Plan 2/3 required contribution rates (expressed as a percentage of covered payroll) for 2019 were as follows:

PERS Plan 2/3		
Contribution Rates:	Employer *	Employee 2**/3***
January through June 2019	12.83%	7.41%
July through December 2019	12.83%	7.41%

\*Employer rate includes 0.18% administrative fee

\*\* For employees participating in JBM, the contribution rate was 18.53%

\*\*\* For employees participating in PERS3, the contribution rate varies

The City of Olympia actual contributions to the plan were \$2,488,813 for the year ended December 31, 2019.

**Public Safety Employees’ Retirement System (PSERS)**

PSERS Plan 2 was created by the 2004 Legislature and became effective July 1, 2006. To be eligible for membership, an employee must work on a full-time basis and:

- Have completed a certified criminal justice training course with authority to arrest, conduct criminal investigations, enforce the criminal laws of Washington, and carry a firearm as part of the job; or
- Have primary responsibility to ensure the custody and security of incarcerated or probationary individuals; or
- Function as a limited authority Washington peace officer, as defined in RCW 10.93.020; or
- Have primary responsibility to supervise eligible members who meet the

above criteria. PSERS membership includes:

- PERS 2 or 3 employees hired by a covered employer before July 1, 2006, who met at least one of the PSERS eligibility criteria and elected membership during the period of July 1, 2006 to September 30, 2006; and
- Employees hired on or after July 1, 2006 by a covered employer, that meet at least one of the PSERS

eligibility criteria. PSERS covered employers include:

- Certain State of Washington agencies (Department of Corrections, Department of Natural Resources, Gambling commission, Liquor Control Board, Parks and Recreation Commission, and Washington State Patrol),
- Washington State Counties,
- Washington State Cities (except for Seattle, Spokane, and Tacoma),
- Correctional entities formed by PSERS employers under the Interlocal Cooperation Act.

PSERS Plan 2 provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the average final compensation (AFC) for each year of service. The AFC is based on the member’s 60 consecutive highest creditable months of service. Benefits are actuarially reduced for each year that the member’s age is less than 60 (with ten or more service credit years in PSERS), or less than 65 (with fewer than ten service credit years). There is no cap on years of service credit. Members are eligible for retirement at the age of 65 with five years of service; or at the age of 60 with at least ten years of PSERS service credit; or at age 53 with 20 years of service. Retirement before age 60 is considered an early retirement. PSERS members who retire prior to the age of 60 receive reduced benefits. If retirement is at age 53 or older with at least 20 years of service, a three percent per year reduction for each year between the age at retirement and age 60 applies. PSERS Plan 2 retirement benefits are actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, an optional cost-of living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. PSERS Plan 2 members are vested after completing five years of eligible service.

Contributions

The **PSERS Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The Plan 2 employer rates include components to address the PERS Plan 1 unfunded actuarial accrued liability and administrative expense currently set at 0.18 percent. Each biennium, the state Pension Funding Council adopts Plan 2 employer and employee contribution rates.

The PSERS Plan 2 required contribution rates (expressed as a percentage of current-year covered payroll) for 2019 were as follows:

PSERS Plan 2		
Contribution Rates:	Employer *	Employee
January through June 2019	12.38%	7.07%
July through December 2019	12.14%	7.20%

\*Employer rate includes 0.18% administrative fee

The City of Olympia actual contributions to the plan were \$95,554 for the year ended December 31, 2019.

**Law Enforcement Officers’ and Fire Fighters’ Retirement System (LEOFF)**

LEOFF membership includes all full-time, fully compensated, local law enforcement commissioned officers, firefighters, and as of July 24, 2005, emergency medical technicians. LEOFF is comprised of two separate defined benefit plans.

**LEOFF Plan 1** provides retirement, disability and death benefits. Retirement benefits are determined per year of service calculated as a percent of final average salary (FAS) as follows:

- 20+ years of service – 2.0% of FAS
- 10-19 years of service – 1.5% of FAS
- 5-9 years of service – 1% of FAS

The FAS is the basic monthly salary received at the time of retirement, provided a member has held the same position or rank for 12 months preceding the date of retirement. Otherwise, it is the average of the highest consecutive 24 months’ salary within the last ten years of service. Members are eligible for retirement with five years of service at the

age of 50. Other benefits include duty and non-duty disability payments, a cost-of living adjustment (COLA), and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 1 members were vested after the completion of five years of eligible service. The plan was closed to new entrants on September 30, 1977.

Contributions

Starting on July 1, 2000, **LEOFF Plan 1** employers and employees contribute zero percent, as long as the plan remains fully funded. The LEOFF Plan I had no required employer or employee contributions for fiscal year 2019.

**LEOFF Plan 2** provides retirement, disability and death benefits. Retirement benefits are determined as two percent of the final average salary (FAS) per year of service (the FAS is based on the highest consecutive 60 months). Members are eligible for retirement with a full benefit at 53 with at least five years of service credit. Members who retire prior to the age of 53 receive reduced benefits. If the member has at least 20 years of service and is age 50, the reduction is three percent for each year prior to age 53. Otherwise, the benefits are actuarially reduced for each year prior to age 53. LEOFF 2 retirement benefits are also actuarially reduced to reflect the choice of a survivor benefit. Other benefits include duty and non-duty disability payments, a cost-of-living allowance (based on the CPI), capped at three percent annually and a one-time duty-related death benefit, if found eligible by the Department of Labor and Industries. LEOFF 2 members are vested after the completion of five years of eligible service.

Contributions

The **LEOFF Plan 2** employer and employee contribution rates are developed by the Office of the State Actuary to fully fund Plan 2. The employer rate included an administrative expense component set at 0.18 percent. Plan 2 employers and employees are required to pay at the level adopted by the LEOFF Plan 2 Retirement Board. The LEOFF Plan 2 required contribution rates (expressed as a percentage of covered payroll) for 2019 were as follows:

LEOFF Plan 2		
Contribution Rates:	Employer *	Employee
January through June 2019	5.43%	8.75%
July through December 2019	5.33%	8.59%

\*Employer rate includes 0.18% administrative fee

The City of Olympia actual contributions to the plan were \$1,073,409 for the year ended December 31, 2019.

The Legislature, by means of a special funding arrangement, appropriates money from the state General Fund to supplement the current service liability and fund the prior service costs of Plan 2 in accordance with the recommendations of the Pension Funding Council and the LEOFF Plan 2 Retirement Board. This special funding situation is not mandated by the state constitution and could be changed by statute. For the state fiscal year ending June 30, 2019, the state contributed \$72,959,897 to LEOFF Plan 2.

The amount recognized by the City as its proportionate share of this amount is \$702,911.

**Actuarial Assumptions**

The total pension liability (TPL) for each of the DRS plans was determined using the most recent actuarial valuation completed in 2019 with a valuation date of June 30, 2018.

- **Inflation:** 2.75% total economic inflation; 3.5% salary inflation
- **Salary increases:** In addition to the base 3.5% salary inflation assumption, salaries are also expected to grow by promotions and longevity.
- **Investment rate of return:** 7.4%

Mortality rates were based on the RP-2000 report’s Combined Healthy Table and Combined Disabled Table, published by the Society of Actuaries. The OSA applied offsets to the base table and recognized future improvements in mortality by projecting the mortality rates using 100 percent Scale BB. Mortality rates are applied on a generational basis; meaning, each member is assumed to receive additional mortality improvements in each future year throughout his or her lifetime.

There were changes in methods and assumptions since the last valuation.

- For all plans except LEOFF Plan 1, how terminated and vested member benefits are valued was corrected.
- How the basic minimum COLA in PERS Plan 1 is valued for legal order payees was improved.
- For all plans, the average expected remaining service lives calculation was revised.

**Discount Rate**

The discount rate used to measure the total pension liability for all DRS plans was 7.4 percent.

To determine that rate, an asset sufficiency test included an assumed 7.5 percent long-term discount rate to determine funding liabilities for calculating future contribution rate requirements. (All plans use 7.5 percent except LEOFF 2, which has assumed

7.4 percent). Consistent with the long-term expected rate of return, a 7.4 percent future investment rate of return on invested assets was assumed for the test. Contributions from plan members and employers are assumed to continue being made at contractually required rates (including PERS 2/3, PSERS 2, SERS 2/3, and TRS 2/3 employers, whose rates include a component for the PERS 1, and TRS 1 plan liabilities). Based on these assumptions, the pension plans’ fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return of 7.5 percent was used to determine the total liability.

**Long-Term Expected Rate of Return**

The long-term expected rate of return on the DRS pension plan investments of 7.4 percent was determined using a building- block-method. The Washington State Investment Board (WSIB) used a best estimate of expected future rates of return (expected returns, net of pension plan investment expense, including inflation) to develop each major asset class. Those expected returns make up one component of WSIB’s capital market assumptions. The WSIB uses the capital market assumptions and their target asset allocation to simulate future investment returns at various future times.

**Estimated Rates of Return by Asset Class**

Best estimates of arithmetic real rates of return for each major asset class included in the pension plan’s target asset allocation as of June 30, 2019, are summarized in the table below. The inflation component used to create the table is 2.2 percent and represents the WSIB’s most recent long-term estimate of broad economic inflation.

Asset Class	Target Allocation	Percent Long-Term Expected Real Rate of Return Arithmetic
Fixed Income	20%	2.20%
Tangible Assets	7%	5.10%
Real Estate	18%	5.80%
Global Equity	32%	6.30%
Private Equity	23%	9.30%
	<b>100%</b>	

**Sensitivity of NPL**

The table below presents the City of Olympia proportionate share of the net pension liability/(asset) calculated using the discount rate of 7.4 percent, as well as what the City of Olympia’s proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower (6.4 percent) or one percentage point higher (8.4 percent) than the current rate.

Plan	1% Decrease (6.4%)	Current Discount Rate (7.4%)	1% Increase (8.4%)
PERS 1	\$ 11,399,076	\$ 9,102,378	\$ 7,109,691
PERS 2/3	21,297,912	2,776,925	(12,420,769)
PSERS 2	373,619	(36,190)	(358,129)
LEOFF 1	(2,329,444)	(2,847,545)	(3,294,877)
LEOFF 2	(2,408,936)	(12,955,295)	(21,563,537)

### Pension Plan Fiduciary Net Position

Detailed information about the State's pension plans' fiduciary net position is available in the separately issued DRS financial report.

### Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2019, the City of Olympia reported a total pension liability of \$11,879,303 for its proportionate share of the net pension liabilities and a total pension asset of \$-15,839,030 for its proportionate share of the net pension assets as follows:

Plan	Liability or (Asset)
PERS 1	\$ 9,102,378
PERS 2/3	2,776,925
PSERS 2	(36,190)
LEOFF 1	(2,847,545)
LEOFF 2	(12,955,295)

The amount of the liability/(asset) reported above for LEOFF Plan 2 reflects a reduction for State pension support provided to the City of Olympia. The amount recognized by the City of Olympia as its proportionate share of the net pension liability/(asset), the related State support, and the total portion of the net pension liability/(asset) that was associated with the City of Olympia were as follows:

Plan	Liability (or Asset)
LEOFF 2 – employer's proportionate share	\$ (12,955,295)
LEOFF 2 – State's proportionate share of the net pension liability/(asset) associated with the employer	(8,832,305)
TOTAL	(21,787,600)

At June 30, the City of Olympia proportionate share of the collective net pension liabilities/assets was as follows:

Plan	Proportionate Share 6/30/2018	Proportionate Share 6/30/2019	Change in Proportion
PERS 1	0.237422%	0.236711%	-0.000711%
PERS 2/3	0.283640%	0.285886%	0.002246%
PSERS 2	0.312643%	0.278297%	-0.034346%
LEOFF 1	0.141268%	0.144062%	0.002794%
LEOFF 2	0.586590%	0.559215%	-0.027375%

Employer contribution transmittals received and processed by the DRS for the fiscal year ended June 30 are used as the basis for determining each employer's proportionate share of the collective pension amounts reported by the



DRS in the Schedules of Employer and Nonemployer Allocations for all plans except LEOFF 1.

LEOFF Plan 1 allocation percentages are based on the total historical employer contributions to LEOFF 1 from 1971 through 2000 and the retirement benefit payments in fiscal year 2018. Historical data was obtained from a 2011 study by the Office of the State Actuary (OSA). In fiscal year 2018, the state of Washington contributed 87.12 percent of LEOFF 1 employer contributions, and all other employers contributed the remaining 12.88 percent of employer contributions. LEOFF 1 is fully funded and no further employer contributions have been required since June 2000. If the plan becomes underfunded, funding of the remaining liability will require new legislation. The allocation method the plan chose reflects the projected long-term contribution effort based on historical data.

In fiscal year 2019, the State of Washington contributed 39.57 percent of LEOFF 2 employer contributions pursuant to RCW 41.27.726 and all other employers contributed the remaining 60.43 percent of employer contributions.

The total pension liability (asset) was measured as of June 30th, 2019 using the most recent actuarial valuation completed in 2018 with a valuation date of June 30th, 2018 and rolled forward.

**Pension Expense**

For the year ended December 31, 2019, the City of Olympia recognized pension expense as follows:

Pension Expense	
Plan	Pension Expense
PERS 1	\$ 310,513
PERS 2/3	649,509
PSERS 2	50,063
LEOFF 1	(195,835)
LEOFF 2	619,794
<b>TOTAL</b>	<b>\$ 1,434,044</b>

**Deferred Outflows of Resources and Deferred Inflows of Resources**

At December 31, 2019, the City of Olympia reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

PERS 1	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		
Net difference between projected and actual investment earnings on pension plan investments		\$ 608,115
Changes of assumptions		
Changes in proportion and differences between contributions and proportionate share of contributions		
Contributions subsequent to the measurement date	\$ 898,501	
<b>TOTAL</b>	<b>\$ 898,501</b>	<b>\$ 608,115</b>

<b>PERS 2/3</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 945,604	\$ 597,024
Net difference between projected and actual investment earnings on pension plan investments		\$ 4,042,072
Changes of assumptions	\$ 79,108	\$ 1,165,105
Changes in proportion and differences between contributions and proportionate share of contributions	\$ 651,350	\$ 563,481
Contributions subsequent to the measurement date	\$ 1,462,145	
<b>TOTAL</b>	<b>\$ 3,138,208</b>	<b>\$ 6,367,682</b>

<b>PSERS 2</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 32,699	\$ 3,201
Net difference between projected and actual investment earnings on pension plan investments		\$ 62,845
Changes of assumptions	\$ 291	\$ 19,450
Changes in proportion and differences between contributions and proportionate share of contributions	\$ 5,095	\$ 6,321
Contributions subsequent to the measurement date	\$ 55,963	
<b>TOTAL</b>	<b>\$ 94,048</b>	<b>\$ 91,817</b>

<b>LEOFF 1</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience		
Net difference between projected and actual investment earnings on pension plan investments		\$ 295,205
Changes of assumptions		
Changes in proportion and differences between contributions and proportionate share of contributions		
Contributions subsequent to the measurement date		
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ 295,205</b>

LEOFF 2	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,190,523	\$ 218,849
Net difference between projected and actual investment earnings on pension plan investments		\$ 2,765,294
Changes of assumptions	\$ 23,343	\$ 1,517,741
Changes in proportion and differences between contributions and proportionate share of contributions	\$ 281,152	\$ 307,611
Contributions subsequent to the measurement date	\$ 605,052	
<b>TOTAL</b>	<b>\$ 2,100,070</b>	<b>\$ 4,809,495</b>

ALL PLANS	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,168,827	\$ 819,074
Net difference between projected and actual investment earnings on pension plan investments	\$ -	\$ 7,773,532
Changes of assumptions	\$ 102,742	\$ 2,702,295
Changes in proportion and differences between contributions and proportionate share of contributions	\$ 937,597	\$ 877,413
Contributions subsequent to the measurement date	\$ 3,021,662	\$ -
<b>TOTAL</b>	<b>\$ 6,230,828</b>	<b>\$ 12,172,314</b>

Deferred outflows of resources related to pensions resulting from the City of Olympia contributions subsequent to the measurement date in the amount of \$3,021,662 will be recognized as a reduction of the net pension liability in the year ended December 31, 2019. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:	PERS 1
2020	\$ (134,245)
2021	(317,987)
2022	(113,476)
2023	(42,407)
2024	-
Thereafter	-
<b>Total</b>	<b>\$ (608,115)</b>

Year Ended December 31:	PERS 2/3
2020	\$ (1,052,726)
2021	(1,908,662)
2022	(754,161)
2023	(326,523)
2024	-
Thereafter	-
<b>Total</b>	<b>\$ (4,042,072)</b>

Year Ended December 31:	PSERS 2
2020	\$ (17,658)
2021	(27,541)
2022	(11,839)
2023	(5,807)
2024	-
Thereafter	-
<b>Total</b>	<b>\$ (62,845)</b>

Year Ended December 31:	LEOFF 1
2019	\$ (68,568)
2020	(151,130)
2021	(54,841)
2022	(20,666)
2023	-
Thereafter	-
<b>Total</b>	<b>\$ (295,205)</b>

Year Ended December 31:	LEOFF 2
2019	\$ (695,751)
2020	(1,253,124)
2021	(494,531)
2022	(212,835)
2023	-
Thereafter	-
<b>Total</b>	<b>\$ (2,656,240)</b>

## B. Single Employer Plan

### FIREMENS' PENSION

#### Summary of Significant Accounting Policies

The Firemens' Pension Fund Plan (FPFP) report has been prepared in conformity with the standards set by the Governmental Accounting Standards Board (GASB). The plan report is prepared using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. Interest income is recognized when earned.

Separate financial statements are not issued for the FPFP. The statement of fiduciary net position and the statement of changes in fiduciary net position for the fire pension plan can be found in the Fiduciary Section of the Basic Financial Statements portion of this report. The notes to the FPFP provide detailed disclosures related to GASB Statements 67 and 68. The following table represents the aggregate pension amounts for the FPFP for the year 2019:

<b>Aggregate Pension Amounts - Fire Pension Fund</b>	
<b>Pension Liabilities</b>	<b>\$ 2,039,206</b>
<b>Deferred Outflows of Resources related to pensions</b>	<b>131,163</b>
<b>Pension Expenses/Expenditures</b>	<b>820,260</b>
<b>Firefighters retired from service after March 1, 1970</b>	<b>11</b>
<b>Firefighters disabled in the line of duty since March 1, 1970</b>	<b>8</b>
<b>Survivors of Firefighters retired after March 1, 1970</b>	<b>6</b>

#### Benefits Provided

The FPFP provides the excess fire pensions of the retirement, disability, and death benefits to plan members, widows or widowers, and beneficiaries over those benefits calculated under the LEOFF law. Information regarding LEOFF retirement benefits can be found in the LEOFF Plans 1 and 2 section of Pension Plans, Multiple Employer Plans of the notes to the financial statements. Retirement benefits under the FPFP for general plan members are equal to fifty percent of the basic salary attached to the rank and status of the retiree at the date of retirement, provided that the member has served for twenty-five years. Members with service more twenty-five years shall receive an increased pension by two percent of the basic salary per year for each full year of additional service, not to exceed a total pension payment of sixty percent of the basic salary established.

Disability retirement benefits are determined in the same manner as retirement benefits for duty-related disabilities. All plan members are eligible for non-disability benefits if the member completed their probationary period and were permanently appointed; benefits are equal to fifty percent of the basic salary at the time of disability. Pension benefits are provided for widows or widowers of plan members and are paid at the same monthly rate that the member was eligible to receive at the time of death. Funeral expenses in the amount of five hundred dollars is payable upon the death of any plan member to assist in defraying the funeral expenses of the member.

Annual cost-of-living adjustments to each member's retirement benefit occur automatically when the basic salary of the rank and status attached to the retirees' final position increases. Pension benefits provided to widows or widowers of plan members are increased a minimum of two percent each year, increases for more than two percent must be authorized by the FPFP Board.

#### Plan Description

The City administers of the FPFP which is a closed, single-employer, defined benefit pension plan that was established in conformance with RCW Chapter 14.16 and 14.18. Membership is limited to fire fighters employed prior to March 1, 1970, when the State of Washington established the LEOFF retirement system. The City's obligation under the FPFP consists of paying all benefits, including payments to beneficiaries, for firefighters who retired prior to March 1, 1970, and excess benefits over LEOFF for covered fire fighters who retired on or after March 1, 1970.

Management of the FPPF is overseen by the Board of Trustees of the FPPF, which consists of five members - the Mayor, the City Comptroller or Clerk, the Chairperson of Finance of the City Council, and two eligible plan members elected by the plan members. The elected firefighters shall select a third eligible member who will serve as an alternate in the event of an absence of one of the regularly elected members.

Membership of the Firemens' Pension Plan consisted of the following at December 31, 2019, the date of the latest actuarial valuation:

Firefighters retired from service after March 1, 1970	11
Firefighters disabled in the line of duty since March 1, 1970	8
Survivors of Firefighters retired after March 1, 1970	6

Funding Policy

Under State law, the FPPF is funded from an allocation from the State of Washington of fire insurance premium taxes; interest earnings; member contributions which were made prior to March 1, 1970 (the inception of LEOFF); and City contributions required to meet projected future pension obligations. The City is funding the plan from City contributions over a 26-year (2000-2025) funding plan of property tax revenues, along with future revenues from state fire insurance taxes and interest earnings which will be sufficient to pay all future pension benefits. The state contributes a portion of taxes collected on fire insurance premiums to the FPPF and is considered a non-employer contributing entity. The revenue received through this tax amounted to \$101,077 in 2018. Since the benefits provided by the Plan are the excess benefits between the City's FPF plan and the state's LEOFF plan, a modified aggregate projected benefit actuarial cost method is used for funding purposes. Under this method, all excess liabilities not covered by the actuarial assets as of the date of the valuation are funded as a level dollar or an increasing dollar amount over the period until the youngest participant is expected to reach age 74.

Net Pension Liability of the City

The components of the net pension liability of the City at December 31st were as follows:

Total Pension Liability	\$ 6,961,508
Plan Fiduciary Net Position	4,922,302
<b>City's Net Pension Liability</b>	<b>2,039,206</b>

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Valuation Assumptions		
Valuation Date:	December 31, 2018	December 31, 2019
Measurement Date:	January 1, 2018	January 1, 2018
Inflation:	December 31, 2018	December 31, 2019
Salary Increases Including Inflation	2.25%	2.25%
Discount Rate:	3.25%	3.25%
Long-Term Expected Rate of Return	4.00%	2.75%
Municipal Bond Rate:	4.00%	2.75%
Mortality	RP-2000 Mortality Table (combined healthy) with generational projection using 100% of Projected Scale BB, with ages set back one year for males and forward one year for females (set forward two years for disabled members)	RP-2000 Mortality Table (combined healthy) with generational projection using 100% of Projected Scale BB, with ages set back one year for males and forward one year for females (set forward two years for disabled members)
Actuarial Cost Method:	Entry Age Normal	Entry Age Normal



The long-term expected rate of return on pension plan investments was determined by combining expected inflation to expected long-term real returns and reflecting expected volatility and correlation. The capital market assumptions as of December 31, 2019 are as follows:

Asset Class	Long-Term Expected Real Rate of Return
Cash	0.09%
Short Term Bonds	0.77%
Assumed Inflation	2.09%
Long-Term Expected Rate of Return	2.75%

The discount rate used to measure the total pension liability was 3 percent. The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan’s Fiduciary Net Position is projected to cover benefit payments and administrative expenses. The Bond Buyer General Obligation 20-year municipal bond index as of December 31, 2018 is 4 percent. Rounding this to the nearest 1/4 percent results in the discount rate.

The following presents the sensitivity of the net pension liability to changes in the discount rate for the City, calculated using the current discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

**Sensitivity of the Net Pension Liability**

	1% Decrease	Current Discount Rate	1% Increase
	1.75%	2.75%	3.75%
City's Net Pension Liability	\$ 2,762,314	\$ 2,039,206	\$ 1,419,654

Investments

As of December 31, 2019, the FFPF had an investment portfolio with a fair value of \$4,827,150 which was invested in U.S. Governmental and Municipal Agencies on behalf of the Firemens’ Pension Plan. In addition to these investments, the Plan had cash and cash equivalents totaling \$50,169 in the Washington State Treasurer Local Government Investment Pool (LGIP), a Rule 2a-7 money market type fund with an average portfolio maturity of less than 91 days. All investments are valued at fair value.

As of December 31, 2019, the annual money-weighted rate of return on pension plan investments, net of investment expenses, was 1.76 percent. The money-weighted rate of return considers the changing amounts actually invested during the period and weights the amount of the pension plan investments by the proportion of time they are available to earn a return during the period.

Investments of the FFPF are the responsibility of the City and are included in the City’s portfolio and therefore are included in the City’s investment policy, which is found in Note 4.

Changes in the Net Pension Liability

The changes in the net pension liability of the City for the FFPF at December 31st was as follows:

Changes in Net Pension Liability	Increase (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
<b>Balances as of December 31, 2018</b>	<b>\$ 6,317,183.00</b>	<b>\$ 4,735,319.00</b>	<b>\$ 1,581,864.00</b>
Prior Period Adjustment		\$ (4,496.00)	\$ 4,496.00
Changes for the year:			
Interest on total pension liability	245,525.00		245,525.00
Effect of plan changes	-		-
Effect of economic/demographic gains/(losses)	-		-
Effect of assumptions changes or inputs	760,451.00		760,451.00
Benefit payments	(361,651.00)	(361,651.00)	-
Medical payments from fund		-	-
Employer contributions		288,000.00	(288,000.00)
Contributions from state fire insurance premium tax		101,822.00	(101,822.00)
Net Investment income		166,608.00	(166,608.00)
Administrative expenses		(3,300.00)	3,300.00
<b>Balances as of December 31, 2019</b>	<b>\$ 6,961,508.00</b>	<b>\$ 4,922,302.00</b>	<b>\$ 2,039,206.00</b>

### Deferred Outflows of Resources

At December 31, 2019 the City reported deferred outflows of resources related to the FFPF from the following source:

Fire Pension	Deferred Outflows of Resources
Net difference between projected and actual investment earnings on pension plan investments	\$ 131,163.00
<b>TOTAL</b>	<b>\$ 131,163.00</b>

Deferred outflows of resources related to the FFPF will be recognized in pension expense as follows:

Year Ended December 31:	FFPF
2020	\$ 64,925.00
2021	40,727
2022	20,886
2023	4,625
Thereafter	-

## NOTE 8 - RISK MANAGEMENT

### A. Liability and Auto

The City of Olympia is a member of the Washington Cities Insurance Authority (WCIA). Utilizing Chapter 48.62 RCW (self-insurance regulation) and Chapter 39.34 RCW (Interlocal Cooperation Act), nine cities originally formed WCIA on January 1, 1981. WCIA was created for the purpose of providing a pooling mechanism for jointly purchasing insurance, jointly self-insuring, and / or jointly contracting for risk management services. WCIA has a total of 163 members.

New members initially contract for a three-year term, and thereafter automatically renew on an annual basis. A one-year withdrawal notice is required before membership can be terminated. Termination does not relieve a former member from its unresolved loss history incurred during membership.

Liability coverage is written on an occurrence basis, without deductibles. Coverage includes general, automobile,

police, errors or omissions, stop gap, employment practices and employee benefits liability. Limits are \$4 million per occurrence in the self-insured layer, and \$16 million in limits above the self-insured layer is provided by reinsurance. Total limits are \$20 million per occurrence subject to aggregates and sublimits. The Board of Directors determines the limits and terms of coverage annually.

Insurance for automobile physical damage, fidelity, boiler and machinery coverage are purchased on a group basis. Various deductibles apply by type of coverage. Automobile physical damage coverage is self-funded from the members' deductible to \$250,000 and insured above that to \$100 million per occurrence subject to aggregates and sublimits.

In-house services include risk management consultation, loss control field services, and claims and litigation administration. WCIA contracts for certain claims investigations, consultants for personnel and land use issues, insurance brokerage, actuarial, and lobbyist services.

WCIA is fully funded by its members, who make annual assessments on a prospectively rated basis, as determined by an outside, independent actuary. The assessment covers loss, loss adjustment, reinsurance and other administrative expenses. As outlined in the interlocal, WCIA retains the right to additionally assess the membership for any funding shortfall.

An investment committee, using investment brokers, produces additional revenue by investment of WCIA's assets in financial instruments which comply with all State guidelines.

A Board of Directors governs WCIA, which is comprised of one designated representative from each member. The Board elects an Executive Committee and appoints a Treasurer to provide general policy direction for the organization. The WCIA Executive Director reports to the Executive Committee and is responsible for conducting the day to day operations of WCIA.

## **B. Property**

The City of Olympia purchases property insurance for buildings, contents, inland marine, and other insurable assets through Factory Mutual Global Insurance. Year 2019 coverage extends to approximately \$325 million of City property with a \$50,000 deductible. The coverage includes \$50 million earth movement subject to a 5% per location or \$100,000 deductible and flood coverage subject to a \$50,000 per location deductible.

## **C. Health and Welfare**

The City of Olympia is a member of the Association of Washington Cities Employee Benefit Trust Health Care Program (AWC Trust HCP). Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under Chapter 39.34 RCW, form together or join a pool or organization for the joint purchasing of insurance, and/or joint self-insurance, to the same extent that they may individually purchase insurance or self-insure.

An agreement to form a pooling arrangement was made pursuant to the provisions of Chapter 39.34 RCW, the Interlocal Cooperation Act. The AWC Trust HCP was formed on January 1, 2014 when participating cities, towns, and non-city entities of the AWC Employee Benefit Trust in the State of Washington joined together by signing an Interlocal Governmental Agreement to jointly self-insure certain health benefit plans and programs for participating employees, their covered dependents and other beneficiaries through a designated account within the Trust.

As of December 31, 2019, 261 cities/towns/non-city entities participate in the AWC Trust HCP.

The AWC Trust HCP allows members to establish a program of joint insurance and provides health and welfare services to all participating members. The AWC Trust HCP pools claims without regard to individual member experience. The pool is actuarially rated each year with the assumption of projected claims run-out for all current members. The AWC Trust HCP includes medical, dental and vision insurance through the following carriers: Kaiser Foundation Health Plan of Washington, Kaiser Foundation Health Plan of Washington Options, Inc., Regence BlueShield, Asuris Northwest Health, Delta Dental of Washington, and Vision Service Plan. Eligible members are cities and towns within the state of Washington. Non-City Entities (public agency, public corporation, intergovernmental agency, or political subdivision within the state of Washington) are eligible to apply for coverage into the AWC Trust HCP, submitting application to the Board of Trustees for review as required in the Trust Agreement.

Participating employers pay monthly premiums to the AWC Trust HCP. The AWC Trust HCP is responsible for payment of all covered claims. In 2018, the AWC Trust HCP purchased stop loss insurance for Regence/Asuris plans at an Individual Stop Loss (ISL) of \$1.5 million through Life Map, and Kaiser ISL at \$1 million with Companion Life through ASG Risk Management. The aggregate policy is for 200% of expected medical claims.

Participating employers' contract to remain in the AWC HCP for a minimum of three years. Participating employers with over 250 employees must provide written notice of termination of all coverage a minimum of 12 months in advance of the termination date, and participating employers with under 250 employees must provide written notice of termination of all coverage a minimum of 6 months in advance of termination date. When all coverage is being terminated, termination will only occur on December 31. Participating employers terminating a group or line of coverage must notify the HCP a minimum of 60 days prior to termination. A participating employer's termination will not obligate that member to past debts, or further contributions to the HCP. Similarly, the terminating member forfeits all rights and interest to the HCP Account.

The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Board of Trustees is comprised of four regionally elected officials from Trust member cities or towns, the Employee Benefit Advisory Committee Chair and Vice Chair, and two appointed individuals from the AWC Board of Directors, who are from Trust member cities or towns.

The Trustees or its appointed delegates review and analyze Health Care Program related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW. The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110-WAC.

The accounting records of the Trust HCP are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The Trust HCP also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. The audit report for the AWC Trust HCP is available from the Washington State Auditor's office.

#### **D. Workers Compensation**

The City of Olympia began its self-insured workers' compensation program in July 1994. Previous to that, the City participated in the Washington State Workers Compensation Plan. Washington State provides oversight for all worker's compensation self-insured programs to ensure employee benefits are provided in compliance with applicable industrial insurance laws and regulations. The city utilizes the services of Matrix Absence Management, a third-party vendor to manage claims of the program. An internal services fund accounts for all revenues, expenses and liabilities associated with payment of benefits to entitled workers. The Workers Compensation Fund (Fund) is primarily supported by charges assessed to departments and employees based on the type of work performed, as well as interest on idle funds. Monies deposited into the Fund are used for worker's compensation claims, state administrative costs, premiums for insurance or surety bonds, third-party administration costs, actuarial studies, safety programs and other costs associated with administration of the program. The fund also pays Safety National Casualty Corp for Excess coverage for \$500,000 for staff and \$650,000 for Fire and Police personnel.

#### **E. Unemployment**

The City of Olympia self-insures unemployment compensation on a reimbursable basis to the State of Washington. The city utilizes the services of Proclaim, a third-party vendor to manage claims of the program. An internal services fund accounts for all revenues, expenditures and liabilities associated with payment of benefits to entitled workers. The Unemployment Fund is primarily supported by charges assessed to departments based on a rate of .20% multiplied by gross payroll. The fund also earns interest on idle funds. Monies deposited in the Fund are used for reimbursements to the Washington State Department of Employment Security and other costs associated with administration of the program. The State set a maximum of 26 weeks claimed, per claim. Based on this maximum the city feels the fund has a sufficient reserve to manage this risk.

#### **F. Settlements**

In the past three (3) years, there have been no settlements that exceeded coverage.

## NOTE 9 - LONG-TERM LIABILITIES

### A. Long-Term Debt

The City issues general obligation and revenue bonds to finance the acquisition or construction of capital assets. General obligation bonds have been issued for the general government. General obligation bonds are direct obligations of the City and pledge the full faith and credit of the City. Revenue Bonds have been issued by the City, under the City of Olympia's Water and Sewer Utilities. The City does not pledge the full faith and credit for the payment of the debt service on revenue bonds. Payment of debt service on the bonds for each utility is derived solely from the revenues generated by the related utility.

The City is also liable for notes that were entered into for the acquisition or construction of capital assets. These notes are considered obligations of either the general government or the proprietary funds and are being repaid with general government revenue and proprietary fund revenues, respectively.

General obligation bonds currently outstanding are as follows:

Issuance Date	Purpose	Original Issue	Interest Rates	Maturity Date	Debt Outstanding
2019	2019 LTGO Refunding Bonds issued to refund 2009 Fire Bonds and a portion of 2009B City Hall bonds for the following purposes:				
	Provide funds to finance or refinance park property acquisitions	\$ 15,045,000	2.625-5.00%	2039	\$ 15,045,000
	Provide funds to replace a fire pumper and other capital purposes	1,725,000	2.375-5.00%	2034	1,725,000
	To refinance portion of City Hall bonds, proceeds of which are used to finance construction and improvement of the City Hall building	23,185,000	2.625-5.00%	2039	23,185,000
	Total 2019 Bond Refunding LTGO	39,955,000			39,955,000
2019	2019 Bond Refunding of UTGO Bonds to refinance 2009 bonds issued for the construction of a fire station	8,110,000	5.00%	2029	8,110,000
2009	2009B City Hall BABs issued to finance construction of a City Hall building. Bond was partially refunded by 2019 LTGO refunding bonds described above. Original issue amount has been adjusted to reflect the refunded portion.	8,000,000	6.143%	2039	8,000,000
2010	2010B LTGO to finance construction of the Hand's On Children's Museum	5,670,000	3.00-4.25%	2028	3,675,000
2010	2010 Streets Projects LTGO bond issued to finance transportation projects	5,865,000	3.00-4.25%	2029	3,515,000
2013	2013 LTGO Bonds to finance repairing and improving the Washington Center for the Performing Arts, install LED street lights and refund the City's 2011 LTGO BAN	6,345,000	3.00-5.00%	2032	3,385,000
				Total	\$ 66,640,000



The annual debt service requirements to maturity for General Obligation bonds are as follows:

Year Ending December 31,	Governmental Activities	
	Principal	Interest
2020	\$ 2,700,000	\$ 2,638,769
2021	3,395,000	2,599,840
2022	3,335,000	2,435,990
2023	3,310,000	2,275,540
2024	3,480,000	2,118,440
2025-2029	19,330,000	7,974,194
2030-2034	14,960,000	4,344,366
2035-2039	16,130,000	1,764,669
<b>Total</b>	<b>\$ 66,640,000</b>	<b>\$ 26,151,808</b>

Enterprise revenue bonds currently outstanding are as follows:

Issuance Date	Purpose	Original Issue	Interest Rates	Maturity Date	Debt Outstanding
2007	2017 Waterworks Bond issued to fund waterworks utility improvements	\$ 8,000,000	4.00-4.125	2027	\$ 4,150,000
2010	2010 Waterworks Bond issued to fund waterworks utility improvements	6,485,000	4.00-4.125	2030	4,145,000
2013	2013 Water/Sewer Bonds issued to finance drinking water capital improvements and to refund all of the 2001 Bonds	7,780,000	4.00-4.125	2023	3,455,000
Total					<b>\$ 11,750,000</b>

Enterprise revenue bond debt service requirements to maturity are as follows:

Year Ending December 31,	Business-Type Activities	
	Principal	Interest
2020	1,555,000	487,381
2021	1,625,000	417,031
2022	1,690,000	352,031
2023	1,760,000	284,431
2024	890,000	214,031
2025-2029	3,770,000	513,581
2030-2034	460,000	20,125
<b>Total</b>	<b>\$ 11,750,000</b>	<b>\$ 2,288,613</b>

Loans currently outstanding are as follows:

Issuance Date	Purpose	Original Issue / Total Draw	Interest Rates	Maturity Date	Debt Outstanding
<b>State of Washington Trust Fund Loans</b>					
2000	Public Works Board loan for 4th/5th Avenue corridor improvements	\$ 6,721,144	297%	2020	\$ 360,377
2001	Public Works Board loan for 4th/5th Avenue corridor improvements	3,275,000	LIBOR + 0.2%	2021	346,765
2008	Public Works Board loan for Sleater-Kinney sewerage project	1,085,025	0.05%	2028	827,517
<b>Department of Ecology Loans</b>					
2010	DOE Yaeger Park Stormwater Expansion	1,219,756	2.90%	2030	752,115
2012	DOE Septic Conversion Assistance Program	100,725	3.10%	2032	72,312
2015	DOE State Ave. Stormwater Retrofit	626,081	2.30%	2035	537,611
<b>Drinking Water State Revolving Fund</b>					
2014	McAllister wellfield development project	5,689,267	1.5%	2034	4,266,950
2014	McAllister wellfield transmission pipeline	4,811,640	1.5%	2034	3,608,730
2017	SE Olympia reservoir project	9,385,804	1.5%	2037	8,390,929
2015	McAllister wellfield corrosion control facility	3,351,197	1.5%	2035	2,917,092
2018	Fones Road booster pump stations*	1,931,982	1.5%	2038	1,668,871
2018	Elliott Ave reservoir seismic retrofit*	1,515,000	1.5%	2038	90,729
2018	Fir St Reservoir seismic & value house retrofit*	1,515,000	1.5%	2038	109,258
<b>Other Loans</b>					
2012	State treasury loan for energy savings project	1,534,496	2.97	2020	87,836
2015	U.S. HUD loan for downtown safety improvements	325,000	LIBOR + 0.2%	2020	56,000
2018	Zahn Note for Parks Land Acquisition	6,700,000	0.00	2022	2,700,000
2018	Minh Note for Land Acquisition	700,000	0.00	2021	400,000
N/A	Woodland Park water special assessment debt**	167,998	5.50%	2019	9,797
<b>Total loans outstanding</b>					<b>\$ 27,202,889</b>

\*As projects being funded by the loan are incomplete as of year-end, amount shown in the "Total Draw" column is the maximum authorized and may not have been drawn yet as of December 31, 2019.

\*\*As of December 31, 2019, the balance was still outstanding after the maturity date. Balance was paid in full subsequent to year-end.

The annual debt service requirements to maturity for loans are as follows:

Year Ending December 31,	Governmental Activities			Business-Type Activities			Total Loans	
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest
2020	\$ 1,837,393	\$ 7,286	1,844,679	\$ 1,475,004	\$ 356,381	1,831,385	\$ 3,312,397	\$ 363,667
2021	1,423,382	867	1,424,249	1,477,625	333,951	1,811,576	2,901,007	334,818
2022	700,000	-	700,000	1,480,318	311,447	1,791,765	2,180,318	311,447
2023	-	-	-	1,483,087	288,868	1,771,955	1,483,087	288,868
2024	-	-	-	1,485,933	266,212	1,752,145	1,485,933	266,212
2025 - 2029	-	-	-	7,383,444	988,340	8,371,784	7,383,444	988,340
2030 - 2034	-	-	-	6,690,115	438,410	7,128,525	6,690,115	438,410
2035 - 2039	-	-	-	1,766,588	48,771	1,815,359	1,766,588	48,771
<b>Total</b>	<b>\$ 3,960,775</b>	<b>\$ 8,153</b>	<b>\$ 3,968,928</b>	<b>\$ 23,242,114</b>	<b>\$ 3,032,381</b>	<b>\$ 26,274,495</b>	<b>\$ 27,202,889</b>	<b>\$ 3,040,534</b>

At December 31, 2019, the City has \$178,510 available in debt service funds to service the general bonded debt. Restricted assets in proprietary funds contain \$1,260,900 in reserves as required by bond indentures. The Drinking Water and Wastewater Utilities of the proprietary funds are responsible for the repayment of the Enterprise Revenue Bonds. Revenue bonds are payable from revenues generated by the user fees and are backed by the Drinking Water and Wastewater Utilities. The Drinking Water and Wastewater Utility Fund has \$24,412,512 in Unrestricted Net Position, ensuring that funds are available for repayment.

## B. Current Portion of Long-Term Liabilities

The following table displays the principal portion of each debt instrument that is due within one year of the statement date of December 31, 2019:

<b>State of Washington Trust Fund Loans</b>	
4th / 5th Ave Corridor	533,759
Sleater Kinney Sewer Project	91,946
Subtotal State of Washington Trust Fund Loans	<b>\$ 625,705</b>
<b>State of Washington Local Loans</b>	
Yauger Park Stormwater	\$ 61,766.00
DOE Septic Connection Assistance Loan	4,811
DOE State Avenue Stormwater Loan	28,124
LOCAL Program Energy Savings	87,836
DWSRF McAllister Wellfield Loan	284,463
DWSRF McAllister Pipeline Loan	240,582
DWSRF McAllister Reservoir Loan	466,163
DWSRF McAllister Corrosion Control Facility	182,318
DWSRF Fones Rd Booster Pump Station	104,304
DWSRF Elliott Ave Reservoir Seismic Retrofit	750
DWSRF Fir St. Reservoir Seismic Retrofit	750
Subtotal State of Washington Local Loans	<b>\$ 1,461,868</b>
<b>Other Debt and Loans</b>	
U.S. Department of HUD Section 108 Loan	56,000
2018 Zahn Promissory Note	1,000,000
2018 Mihn Promissory Note	150,000
Subtotal Other Debt and Loans	<b>\$ 1,206,000</b>
<b>Enterprise Revenue Bonds</b>	
2007 Waterworks	435,000
2010 Waterworks	305,000
2013 Water/Sewer Bond	815,000
Subtotal Enterprise Revenue Bonds	<b>\$ 1,555,000</b>
<b>General Obligation Bonds</b>	
2019 LTGO Bond Refunding	895,000
2019 UTGO Bond Refunding	660,000
2009B City Hall BABs	-
2010 Streets Projects LTGO	295,000
2010B HOCM LTGO	315,000
2013 WA Center, LED, and Parks LTGO	535,000
Subtotal General Obligation Bonds	<b>\$ 2,700,000</b>
<b>Total Principal amount due within one year</b>	<b>\$ 7,548,573</b>

### C. Changes in Long-Term Liabilities

During the year ended December 31, 2019, the following changes occurred in long-term liabilities:

	Balance 1/1/2019	Additions	Retirements	Balance 12/31/2019	Due Within One Year
<b>Governmental Activities</b>					
General Obligation Bonds	\$ 55,170,000	\$ 48,065,000	\$ 36,595,000	\$ 66,640,000	2,700,000
Unamortized Premium on GO Bond	550,891	4,982,833	39,350	5,494,374	372,422
Total Bonds Payable	55,720,891	53,047,833	36,634,350	72,134,374	3,072,422
Special Assessment Notes	9,797	-	-	9,797	-
Other Loans	18,715,670	14,000,000	29,471,834	3,243,836	1,293,836
WA State Trust Fund Loans	1,240,902	-	533,760	707,142	533,759
Net Pension Liability - State Plans	11,725,304	49,809,983	52,469,301	9,065,986	-
Net Pension Liability - Fire Pension	1,581,864	1,013,772	556,430	2,039,206	-
Total OPEB Liability	25,656,297	5,664,686	886,440	30,434,543	949,000
Compensated Absences	5,068,072	3,688,209	4,043,855	4,712,426	471,243
Subtotal	\$ 119,718,797	\$ 127,224,483	\$ 124,595,970	\$ 122,347,310	\$ 6,320,261

	1/1/2019	Additions	Retirements	12/31/2019	One Year
<b>Business - Type Activities</b>					
Enterprise Revenue Bonds	\$ 13,240,000	\$ -	\$ 1,490,000	\$ 11,750,000	\$ 1,555,000
Unamortized Premium on Rev Bond	350,636	-	68,613	282,024	68,613
Total Bonds Payable	13,590,636	-	1,558,613	12,032,024	1,623,613
WA State Trust Fund Loans	919,463	-	91,946	827,517	91,946
Other Loans	23,542,871	243,209	1,371,483	22,414,597	1,374,032
Net Pension Liability	3,724,818	5,623,653	6,535,154	2,813,317	-
Compensated Absences	1,039,469	1,875,461	1,346,183	1,568,747	156,875
Subtotal	\$ 42,817,257	\$ 7,742,323	\$ 10,903,378	\$ 39,656,201	\$ 3,246,465
<b>Total</b>	<b>\$ 162,536,054</b>	<b>\$ 134,966,806</b>	<b>\$ 135,499,349</b>	<b>\$ 162,003,511</b>	<b>\$ 9,566,726</b>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end \$51,053 of internal service funds compensated absences are included in the above amounts.

The net pension liability of the state plans for both the governmental funds and the business type funds are funded via required contributions as a percentage of payroll of employees within each fund. For further information related to the state plans see Note 7 State Sponsored Pension Plans.

The net pension liability of the fire pension plan is generally liquidated by the Fire Pension Plan Trust Fund; however, the General Fund would be responsible for funding beyond the available resources of the Fire Pension Trust Fund. For further information related to the Fire Pension Plan Trust Fund see Note 7 B. Firemens' Pension.

### D. Advanced Refunding

On December 19, 2019 the City issued \$8,110,000 Unlimited Tax General Obligation (UTGO) Bonds and \$39,955,000 Limited Tax General Obligation (LTGO) Bonds with an average coupon rate of 3.001%. The UTGO bonds are to advance refund the outstanding 2009 UTGO Bonds issued to build the City's fire station. This refunding saved the taxpayers approximately \$1.3 million over the remaining 20 years remaining of debt service. The \$40 million LTGO bonds were issued to advance refund the \$24 million refundable portion of the 2009 Build America bonds used to build City Hall, refund the \$14 million Bond Anticipation Note issued for Park Land Acquisition and the remaining proceeds was for additional park land acquisition and to purchase a new fire ladder truck.

For both the UTGO and the LTGO Bonds, the appropriated proceeds are used to purchase U.S. Government securities. The securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2009 UTGO and the 2009 LTGO Bonds. As a result, both of these bonds are considered to be defeased and the liability for those bonds have been removed from the statements.

**E. Arbitrage Rebate**

Rebatable arbitrage is defined by the Internal Revenue Service Code Section 148 as earnings on investments purchased from the gross proceeds of a bond issue that are in excess of the amount that would have been earned if the investments were invested at a yield equal to the yield on the bond issue. The rebatable arbitrage must be paid to the federal government. The City of Olympia monitors its bond spend-down and investments to restrict earnings to a yield less than the bond issue, and therefore limits any arbitrage liability. As of December 31, 2019, the City has no arbitrage rebate liability.

**NOTE 10 - LEASES**

**A. Operating Leases**

The City leases land, building, and police radios under noncancelable operating leases. Total cost for such leases was \$103,400 for the year ended December 31, 2019. The future minimum lease payments for these leases are as follows:

Year Ending December 31,	Amount
2020	44,000
2021	20,000
2022	20,000
2023	20,000
2024	20,000
2025 - 2029	100,000
2030 - 2034	100,000
2035 - 2039	100,000
2040 - 2044	100,000
2045 - 2049	100,000
2050 - 2054	100,000

**NOTE 11 - CONTINGENCIES AND LITIGATIONS**

The City has recorded in its financial statements all material liabilities, including an estimate for situations which are not yet resolved but where, based on available information, management believes it is probable that the City will have to make payment. In the opinion of management, the City’s insurance policies and/or self-insurance reserves are adequate to pay all known or pending claims.

**A. Litigation**

The City has claims and lawsuits pending at this time, which could result in a liability for the City over the next few years. The amount of these claims cannot be reasonably estimated at this time and management estimates that the potential claims not covered by insurance resulting from such litigation would not materially affect the financial statements of the City.

**B. Contingent Liabilities**

As discussed in Long-Term Debt Note No. 9, the City is contingently liable for repayment of debt.

The City has received several Federal and State grants for specific purposes, which are subject to review and audit by



the grantor agencies or their representatives. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grant. Based upon experience, City Management believes such disallowance, if any, will be immaterial.

### C. Pollution Remediation

The City has several pieces of property currently owned or recently sold that have contamination requiring a cleanup. Each property is listed below with a brief narrative.

1. Parking Lot – State Avenue

In 2008 the city purchased property for the State Department of Transportation (DOT) to develop a parking lot. The purchase and sale agreement called for the City to clean up the contaminated site and be reimbursed by the DOT for all costs up to the amount of the land purchase, \$1,284,462, in addition to interest earned on the proceeds. The site is remediated at a cost of \$1,521,439 and the DOT has reimbursed the City \$1,384,049. In 2015 the City sold a portion of the site to a developer for the purpose of building low income housing. The City will continue to monitor both sites and work with the Department of Ecology to receive a “No Further Action Required” letter.

2. Percival Landing’s Southern Site

Percival Landing’s southern site is made up of two parcels, the Olympia Center Parking lot and the City of Olympia Wastewater pump station. The parking lot parcel was acquired in 1988 and the sewer pump parcel was purchased in 1949. These parcels contain contaminated soil and the City is working to complete the site investigation phase with the Department of Ecology’s oversight. Because of the undetermined nature and timing of the cleanup, and the fact that any future remediation may coincide with further development of the site, and that the city may capitalize those costs with the development, the city has not accrued any liability on the Entity-Wide Statement of Net Position. The city is under no current obligation for immediate remediation action on the southern site.

3. 8th Avenue Park

In 2006, the City purchased this four-acre parcel at 3000 8th Ave NE to be a future park. The site contains soil contamination from its historic use as a commercial berry farm and is currently closed to public use. Cost estimates for site cleanup have not been determined. Because of the undetermined nature and timing of the cleanup, and the fact that any future remediation may coincide with further development of the site, and the city may capitalize those costs with the development, the city has not accrued any liability on the Entity-Wide Statement of Net Position. The city is under no current obligation for immediate remediation action on the southern site.

4. West Bay

In 2005 the City acquired property on West Bay Drive from the Port of Olympia to develop a waterfront park. The site was located in an area historically subject to industrial uses, and it was known that portions of the property were contaminated. Clean-up actions on the northern portion of the site were associated with Phase 1 of the West Bay Park and were completed in 2009. The City has spent approximately \$1,494,423 on remediation and received approximately \$802,455 in reimbursements from a Department of Ecology grant and \$439,412 from the Port of Olympia; the unreimbursed costs have been capitalized. The City is continuing to monitor and test the northern part of the site until the Department of Ecology confirms full remediation.

The southern portion of the site still contains contaminated soil, and the City has prepared a draft RI/FS that was submitted to the Department of Ecology for approval. Because of the undetermined nature and timing of the cleanup, and the fact that any future remediation may coincide with further development of the site, and that the city may capitalize those costs with the development, the city has not accrued any liability on the Entity-Wide Statement of Net Position. The City is under no current obligation for immediate remediation action.

5. Isthmus Property

The City purchased the Isthmus parcels in 2013. Contaminated soil is known to exist on the property. The City is currently in the planning stages for the development of the property. Because of the undetermined nature and timing of the cleanup, and the fact that any future remediation may coincide with further development

of the site, and that the City may capitalize those costs with the development, the City has not accrued any liability on the Statement of Net Position. The City is under no current obligation for immediate remediation action on the contaminated soil. The City confirmed asbestos and lead in the buildings. The City removed the hazardous material from both of the buildings and completed demolition of the buildings in order to prepare the property for its intended use, and since the City will capitalize those costs, the City has not accrued any liability on the Statement of Net Position.

6. Heritage Fountain Parcels

In 1994, the City acquired the Heritage Fountain property to develop the Heritage Park Fountain. A portion of the site contained a former fuel station that operated between 1932 and 1959. Between 1995 and 1997, the City removed contaminated soil and operated an air sparge and soil vapor recovery system to provide for the final treatment of contaminated soil and groundwater at the site. In 2013, the Department of Ecology notified the City that the documentation demonstrating cleanup standards were achieved for the soils and groundwater submitted to Ecology was insufficient. In 2007, the City acquired the adjacent parcel to add to the Heritage Park site. During the redevelopment of 4th Avenue in 2002, this parcel was confirmed to contain contaminated soil and investigated in 2007. Any future investigations for the Heritage Fountain site will include both of these parcels. Cost estimates for further site characterization and/or cleanup have not been determined. The City has not accrued any liability on the Entity-Wide Statement of Net Position. The City is under no current obligation for immediate remediation action

7. West Olympia Landfill

In the early 1940s, the City purchased property that had been used for household waste disposal and continued operating it as a municipal landfill through the late 1960s. Since the mid-1980s, numerous investigations have been conducted (mostly by development companies) to understand the extent of any contamination. The results of many onsite and offsite soil, waste, soil gas, and groundwater tests indicate low levels of solvent waste in groundwater only. The City is currently in the process of establishing an Agreed Order with the Department of Ecology to finalize site characterization efforts and determine remedial activities. The City is positioning the property for sale and future remediation activities are expected to coincide with development. The City has not accrued any liability on the Statement of Net Position.

8. Water Street Wastewater Lift Station

The City has owned and operated a sewage lift station in the 200 block of Water Street since 1961. In 1998, an underground storage tank used to supply diesel fuel for the backup generator was replaced with an above ground storage tank. During this replacement it was discovered that diesel fuel had leaked from the underground storage tank. The City is monitoring the site as part of a voluntary cleanup program. The City has not accrued any liability on the Statement of Net Position due to the unknown cost and unknown date of cleanup. The City is under no current obligation from the Department of Ecology for immediate remediation action.

9. Miller and Central Wastewater Lift Station

The City has owned and operated a sewage lift station in the 1900 block of Miller Avenue since 1970. In 1998, an underground storage tank used to supply diesel fuel for the backup generator was replaced with an above ground storage tank. During this replacement it was discovered that diesel fuel had leaked from the underground storage tank. The City is monitoring the site as part of a voluntary cleanup program. The City has not accrued any liability on the Statement of Net Position due to the unknown cost and unknown date of cleanup. The City is under no current obligation from the Department of Ecology for immediate remediation action.

10. 7th Avenue Right-of-Way

In 2005, the city reconstructed 7th Avenue between Water Street and Columbia Street. During construction contaminated soils were encountered at approximately mid-block on the north side of the street. Excavated soils were disposed of at a hazardous waste facility. Future excavation for utility maintenance or construction may trigger the need for additional action. The City is under no current obligation from Ecology for immediate remediation action and due to the unknown cost and unknown date of cleanup, the City has not accrued a liability on the Statement of Net Position.

**NOTE 12 – RESTRICTED COMPONENT OF NET POSITION**

Net position reflects the difference between assets and liabilities, in the government-wide and proprietary fund statement of net position. The net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

The following shows the composition of the restricted net position balances reported in the government-wide and proprietary fund statements for the year ended December 31, 2019:

	Restricted Net Position		
	Governmental Activities	Business-Type Activities	Total
<b>Restricted by Enabling Legislation:</b>			
Impact Fees	7,582,859	-	7,582,859
SEPA Mitigation	1,171,521	-	1,171,521
Voted Park and Trails Utility tax	4,574,914	-	4,574,914
Real Estate Excise Tax	6,237,506	-	6,237,506
Olympia Park District	2,852,218	-	2,852,218
Boating Safety, Seizure and Forfeitures, Other	15,461	-	15,461
Public, Educational, Governmental Cable	499,323	-	499,323
Housing and Homeless Programs	8,313,444	-	8,313,444
Transportation	2,726,296	-	2,726,296
Promoting Downtown Businesses	164,787	-	164,787
Lodging Tax	1,653,047	-	1,653,047
Hands On Children's Museum	540,740	-	540,740
Workers Comp Reserve	1,887,450	-	1,887,450
Debt Services	178,510	1,260,900	1,439,410
<b>TOTAL RESTRICTED NET POSITION</b>	<b>\$ 38,398,078</b>	<b>\$ 1,260,900</b>	<b>\$ 39,658,978</b>

**NOTE 13 - INTERFUND TRANSFERS**

Interfund transfers at December 31, 2019 are listed below.

During the year, the majority of the transfers are used to move resources from the fund with collection authorization to debt service funds as debt service principal and interest payments become due, capital project funds when the authorized use of funds has been expended, and the general fund for specific purposes.

	TRANSFERS OUT										
	General Fund	Special Revenue			Capital			Enterprise			Total
		Impact Fees	Lodging Tax	Parks & Recreation Utility Tax Fund	Capital Improvement Fund	Other Governmental Funds	Drinking Wtr/Waste water Funds	Waste Resources Funds	Storm & Surface Water Funds		
<b>TRANSFER IN</b>											
General Fund	\$ -	\$ -	\$ 509,500	\$ -	\$ 1,524,795	\$ 2,077,142	\$ 31,252	\$ 13,514	\$ 135,471	\$ 4,291,674	
Special Revenue Funds	30,000	-	-	-	-	-	-	-	-	30,000	
Debt Service Funds	604,557	434,813	-	66,575	167,112	688,937	-	-	-	1,961,994	
Capital Improvement Funds	548,000	1,338,209	-	2,661,096	-	4,888,845	-	-	230,779	9,666,929	
<b>Total Transfer Out</b>	<b>\$ 1,182,557</b>	<b>\$ 1,773,021</b>	<b>\$ 509,500</b>	<b>\$ 2,727,671</b>	<b>\$ 1,691,907</b>	<b>\$ 7,654,924</b>	<b>\$ 31,252</b>	<b>\$ 13,514</b>	<b>\$ 366,250</b>	<b>\$ 15,950,597</b>	

**NOTE 14 – RECEIVABLE BALANCES**

The City participates in several federally assisted grant programs: for example, Community Development Block Grants and a number of state grants that are direct or federal pass through in nature. The following tables outline the receivables from other governmental units, and current and non-current portions of long-term notes, contracts and loans receivable at fiscal year-end.

**A. Governmental Receivables**

At December 31, 2019, the receivables from other governmental units consisted of the following:

<b>Governmental Funds</b>	
General Fund	
Tumwater Fire Department	\$ 8,453
Thurston County Fire District 9	11,273
Thurston County Medic	219,281
Thurston County Fire District 3	46,724
West Thurston Fire Authority	47,125
Thurston County Fire District 13	2,598
Department of Transportation	3,747
WA Association of Sheriffs & Police Chiefs	49,617
Thurston County Fire District #8	21,615
Department of Licensing	125
State Shared Revenue	269,889
	\$ 680,447
Special Revenue Funds	
Dept of Housing and Urban Development	\$ 42,420
State Shared Revenue	4,710
	\$ 47,131
Capital Project Funds	
Department of Transportation	\$ 22,481
Olympia School District	16,391
	\$ 38,871
<b>Business-Type Funds</b>	
Enterprise Funds	
City of Lacey	\$ 7,413
City of Tumwater	3,565
Thurston County	11,554
Department of Ecology	50,940
Department of Health	141,487
	\$ 214,959
Internal Service Funds	
WA Stat Dept of Enterprise Systems Fleet	\$ 10,655
	\$ 10,655
<b>Total Receivables</b>	<b>\$ 992,062</b>

**B. Current and Non-Current Long-Term Receivables**

At December 31, 2019, the receivables from current and long-term notes, contracts, and loans receivable consisted of the following:

	Current	Non-Current	Total
<b>General Fund</b>			
HUD Downtown Housing	\$ 112,778	\$ 1,970,573	\$ 2,083,351
<b>Subtotal - General Fund</b>	112,778	1,970,573	2,083,351
<b>Special Revenue Funds</b>			
Deferred Loans Receivable			
HUD CDBG Block/Shelter Grant	173,132	4,167,872	4,341,004
<b>Total Long Term Receivables</b>	<b>\$ 285,911</b>	<b>\$ 6,138,444</b>	<b>\$ 6,424,355</b>

## NOTE 15 - JOINT VENTURES AND INTERLOCAL AGREEMENTS

### A. Joint Ventures

#### 1. Animal Protection Services

Thurston County Joint Animal Services is a joint venture providing services to Lacey, Olympia, Tumwater, and Thurston County. Services include licensing, education, complaint, investigation, and enforcement. A shelter is also operated to hold impounded or lost animals, and/or adoptable animals placed with the shelter. It is governed through an interlocal agreement by the Joint Animal Services Commission which is a 6-member board composed of elected representatives from the cities of Lacey, Olympia and Tumwater, Thurston County, the South Puget Sound Veterinary Medical Association, and the Thurston County Humane Society.

An equity interest exists for the cities of Lacey, Olympia and Tumwater, and Thurston County. In 2019 the City of Olympia had a 22.93 percent share of the equity. Net Position as of December 31, 2019, was \$3,432,156. The City of Olympia reports its share of equity interest as an investment in joint venture, in the government-wide statement of net position. The current equity share for the City is valued at \$786,993.

An ongoing financial interest exists for the cities of Lacey, Olympia and Tumwater, and Thurston County. The agreement specifies a funding formula that allocates the cost based on serviced animal cases and population per jurisdiction (unless otherwise adjusted by the Commission) in the prior year. All employees (including the Director) are employees of the City of Lacey. All property is considered to be jointly owned with the title being held by the City of Lacey. Parties will be reimbursed based on their contribution upon sale of property for dissolution of Animal Protection Services. Minimum participation for any one party is three years and withdrawal of any party will not terminate the agreement.

The City of Lacey accounts for the joint venture in a separate agency fund. Completed Financial Statements can be obtained from the City of Lacey Finance Department, 420 College Street SE, Lacey, WA 98503.

#### 2. Interlocal Drug Unit

The Interlocal Drug Unit provides drug control and investigation services to participating local governments in Thurston County. The Drug Unit is governed by a 5-member Executive Committee composed of the Thurston County Sheriff and Police Chiefs from the cities of Lacey, Olympia and Tumwater and by a representative from the Washington State Patrol. The Executive Committee governs the unit, approves and signs all grant agreements and contracts, and specifies staffing levels. Drug Unit personnel remain employees of the agency that assigned them to the Drug Unit. Approximately half of the Drug Unit personnel are funded by their departments. The Drug Unit is funded by grants and seizures of drug funds and the agreement states that each participant will contribute any additional funding equally. All monies and equipment will remain with the Drug Unit upon withdrawal of any permanent participant from the Drug Unit. The City of Lacey accounts for the joint venture in a separate special revenue fund and complete financial statements are available from the City of Lacey, Finance Department, 420 College Street SE, Lacey, WA 98503.

#### 3. Law Enforcement Records Management System

The Law Enforcement Records Management System (LERMS) is a joint venture providing accurate and timely criminal justice data sharing to the cities of Lacey, Olympia, Tenino, Tumwater, and Yelm. The goal of this joint venture is to share public safety information, increase operational efficiency via a reduction in data entry, and ease the process of accessing information. These goals will improve officer and citizen safety, facilitate coordination and information sharing to both internal and external agencies, and improve data quality and timeliness of data accessibility. It is governed through an interlocal agreement by the LERMS Consortium, which is a 5-member board composed of each cities Chief of Police (or their designee).

An equity interest exists for the cities of Lacey, Olympia, Tenino, Tumwater, and Yelm. As of December 31, 2019, the City of Olympia has a 42.00% share of the equity. Net Position as of December 31, 2019, was \$140,449. The City of Olympia reports its share of equity interest as an investment in joint venture, in the government-wide statement of net position. The current equity share for the City is valued at \$58,987.

An ongoing financial interest exists for the cities of Lacey, Olympia, Tenino, Tumwater, and Yelm. The agreement specifies a funding formula that annually assesses member cities based on current year population



as determined by the Thurston Regional Planning Council (unless otherwise adjusted by the Consortium). All property is considered to be jointly owned. Parties will be reimbursed based on their contribution upon sale of property upon the dissolution of LERMS. Any member may withdraw from the agreement at the end of any calendar year, providing a notice to the Consortium no less than six months prior to the date of withdrawal. Withdrawal of a party will not terminate the agreement of the remaining parties.

The City of Olympia accounts for the joint venture in a separate agency fund. Complete Financial Statements can be obtained from the City of Olympia Administrative Services Department, PO Box 1967, Olympia, WA 98507

## **B. Interlocal Agreement**

### **1. Capital Area Regional Public Facilities District (PFD)**

In 2006, the City of Olympia entered into a contract with the Capital Area Regional Public Facilities District (PFD) for the acquisition, development, operation and maintenance of the Hands on Children’s Museum (HOCM). The PFD imposes a sales and use tax pursuant to RCW 82.14.390 to repay any financing obtained to fund the design, construction, acquisition, operation and/or maintenance of the museum. The monies collected as sales taxes shall only be used for the purposes permitted under RCW 82.14.390 and RCW 35.57.020. In 2019, the City of Olympia received \$471,446 in sales taxes levied by the PFD and is accounted for within the HOCM Special Revenue Fund.

### **2. LOTT Alliance**

The Alliance was formed by an interlocal agreement by Thurston County and the cities of Olympia, Lacey, and Tumwater. Under the interlocal agreement the City of Olympia receives Wastewater treatment services. In addition to the Wastewater treatment, LOTT provides reclaimed water for distribution by the City.

### **3. Thurston County Regional Health and Human Services Council**

The Council was formed by an interlocal agreement with Thurston County, and the cities of Lacey, Olympia, and Tumwater. Under the interlocal agreement the County and Cities agree to contribute funding in order to address unmet areas of need in health and human services. The Council will set priorities and provide oversight to ensure better utilization of the funding available for health and human resources within Thurston County. In 2019, the City of Olympia contributed \$91,810, which is received by Thurston County Public Health and Social Services Department.

## **NOTE 16 – UTILITY RATES**

### **A. Solid Waste:**

During 2019, basic residential garbage rates consisted of \$10.98 for one 20 gallon can service. The basic commercial rate for one 10 gallon can service was \$7.10.

### **B. Drinking Water:**

During 2019 basic monthly single family and duplex residential rates consisted of a \$12.98 ready to serve rate. In addition, a tiered rate is applied to consumption as follows:

Block 1 (0 - 400 cubic feet): .....\$1.88 per 100 cubic feet of water consumed.

Block 2 (401 - 900 cubic feet): .....\$3.15 per 100 cubic feet of water consumed.

Block 3 (901 - 1400 cubic feet): .....\$5.03 per 100 cubic feet of water consumed.

Block 4 (1401+ cubic feet): .....\$6.62 per 100 cubic feet of water consumed.

The Water General Facility Charge (GFC) was \$4,433. The GFC is charged for a new hook-up to the system.

### **C. Wastewater:**

During 2019 the local collection charge was billed \$21.47 per ERU. The Sewer General Facility Charge (GFC) was billed \$3,442 per ERU.

An ERU is an Equivalent Residential Unit. The ERU is a measure of sewage usage with the exception of any significant

industrial user. An ERU is defined as a separate single-family residence or one per single family unit with respect to residential duplexes. Residential structures having more than two single-family units are assessed at 70% an ERU per unit. As for other than residential users, an ERU is defined as 900 cubic feet of sewage measured at the source of either water consumption or sewage discharge for LOTT treatment and 700 cubic feet of sewage measured at the source of either water consumption or sewage discharge for Local collection.

**D. Stormwater Drainage:**

During 2019, the rate for single family residences and duplexes was \$14.05 and \$28.10 per month respectively. Accounts other than single family and duplex are charged an \$13.75 administrative fee plus \$5.17, \$10.80, and \$13.63 per billing unit of impervious surface based on the date of development.

**NOTE 17 - DEFINED BENEFIT OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLANS**

**A. Other Postemployment Benefit**

The following table represents the aggregate OPEB amounts for all plans subject to the requirements of GASB Statement 75 for the year 2019:

<b>Aggregate OPEB Amounts - All Plans</b>	
OPEB liabilities	\$ 30,434,543
OPEB assets	-
Deferred outflows of resources	-
Deferred inflows of resources	-
OPEB expenses/expenditures	5,664,686

\*The discount rate in 2018 was 4%; in 2019 it decreased to 2.75% which created an increase in expense.

**1. OPEB Plan Description:**

The City of Olympia participates in the LEOFF 1 plan for Fire and Police. The plan is a single employer defined benefit plan administered by The City of Olympia for employees hired before October 1, 1977 as required by RCW 41.26. The eligible members are covered under LEOFF Plan 1.

The City LEOFF1 plan provides benefits in accordance with RCW41.26. Under the authorization of the LEOFF Disability Board, direct payments are made for medical, dental, long term care, vision, counseling, hearing aids and preventative care. Each member of LEOFF1 qualifies for all benefits. LEOFF1 is closed to new employees. The authority under which benefit terms are established or amended is determined by RCW41.26.

There are 32 inactive Police Officers and 33 inactive Fire Fighters that are covered and receiving

OPEB

Employees Covered by the Benefit Terms at December 31, 2019:

Inactive employees of beneficiaries currently receiving benefits	65
Inactive employees entitled to but not yet receiving benefits	N/A
Active employees	N/A
<b>Total</b>	<b>65</b>

**2. Funding**

The plan is funded on a pay-as-you-go basis and there are no assets accumulated in a qualifying trust. The City paid \$677,791 in medical benefits for plan members in year ending December 31, 2019.

Assumptions and Other Inputs	
Discount Rate	\$30,434,543
Beginning of Year	4.00%
End of Year	2.75%
Mortality Table	RP-2000 Mortality Table
Mortality Improvements	100% of Projection Scale BB
Age Setback	-1 year males/+1 year females/+2 disabled
Actuarial Cost Method	Entry Age Normal

The following represents the total OPEB liability of the City calculated using the current healthcare cost trend rate, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate. The rate is a blended rate with each benefit and age bracket having its own weighted percentage.

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$26,517,909	\$30,434,543	\$35,111,760

The following presents the total OPEB liability of the City calculated using the discount rate of 4 percent, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower (2 percent) or 1-percentage point higher (5 percent) than the current rate.

	1% Decrease 1.75%	Discount Rate 2.75%	1% Increase 3.75%
Total OPEB Liability	\$35,260,335	\$30,434,543	\$26,505,801

Changes in the Total OPEB Liability

LEOFF1	
Total OPEB Liability at 1/1/2018	\$25,656,297
Service Cost	
Interest	1,008,697
Changes of benefit terms	
*Differences between expected and actual experience	
*Changes of assumptions	4,655,989
Benefit payments	(886,440)
Other changes	
Total OPEB Liability at 12/31/2019	\$30,434,543
*The measurement date of the actuarial valuation was December 31, 2019.	
The actuarial valuation was January 1, 2018.	
The reporting date was December 31, 2019, the fiscal year ending date.	

In 2019 the discount rate decreased from 4.0% to 2.75% increasing the projected benefit payments and change of assumptions for the City. The City did not have any deferred outflows or inflows because the remaining service life was determined to be under 1 year. All expenses related to pension were recognized in the reporting year.

For 2018 and 2019, the actuarially determined contribution was equal to the budgeted contribution developed in the January 1, 2018 actuarial valuation report, dated August 1, 2018. The contributions calculated in that report were scheduled to be sufficient to amortize the actuarial deficiency by the end of 2025.

The H.R. 1865 Further Consolidated Appropriations Act, 2020 became law on December 20, 2019. This act repeals the excise tax for high cost or "Cadillac" health plans completely and removes the Health Insurer Fee permanently beginning in 2021. Accordingly, the excise tax was not reflected in the December 31, 2019 Total OPEB Liability as of the December 31, 2019 measurement date.

## B. AWC Benefits Trust

### 1. Trust Description

The City is a participating employer in the Association of Washington Cities Employee Benefit Trust ("Trust"), a cost-sharing multiple employer welfare benefit plan administered by the Association of Washington Cities. The Trust provides medical and dental benefits to certain eligible retired employees of Participating Employers and their eligible family members. Under Article VII of the Trust document, the Trustees have the authority and power to amend the amount and nature of the medical and dental benefits provided by the Trust. The Trust issues a publicly available financial report that includes financial statements and required supplementary information for the Trust. That report, along with a copy of the Trust document, may be obtained by writing to the Trust at 1076 Franklin Street SE, Olympia, WA 98501-1346 or by calling 1-800-562-8981.

### 2. Funding Policy

The Trust provides established rates for the eligible retired employees and other beneficiaries. The rates are established and may be amended by the Board of Trustees of the Trust. Retirees of the City receiving medical and/or dental benefits from the Trust contribute the following amounts:

Type of Coverage	Monthly Retiree Cost	
<b>Regence &amp; Asuris HealthFirst 1000</b>		
Retiree only - Non-Medicare Coverage	\$	1,050.20
Retiree & Spouse - Non-Medicare Coverage	\$	1,059.36
Retiree with Medicare A&B (Medicare Advantage)	\$	409.02
Retiree & Spouse with Medicare A&B (Medicare Advantage)	\$	409.02
<b>Kaiser Permanente 1000</b>		
Retiree only - Non-Medicare Coverage	\$	958.74
Retiree & Spouse - Non-Medicare Coverage	\$	930.80
Retiree with Medicare Coverage & Spouse without	\$	483.14
Retiree & Spouse - with Medicare Coverage	\$	483.14
<b>Delta Dental of Washington</b>		
Retiree only	\$	61.54
Retiree & Spouse	\$	125.42
Retiree & Child(ren)	\$	124.57
Retiree & Spouse & Child(ren)	\$	187.11

Participating Employers are not contractually required to contribute an assessed rate set each year by the Trust for non-LEOFF I retirees. The City does not contribute to the Trust on behalf of its retirees.

## C. Northwest Fire-Fighters Benefits Trust

### 1. Trust Description

The City is a participating employer in the Northwest Fire Fighter Benefits Trust, a cost-sharing multiple employer welfare benefit plan administered by Benefit Solutions and DiMartino Associates. The Trust provides medical and dental benefits to certain eligible retired employees of participating employers and their eligible family members. The Board of Trustees has the authority and power to amend the amount and nature of the medical and dental benefits provided by the Trust. The Trust's governing documents, conflict of interest policy, financial statements, and Form 990 are available to the general public upon written request to Benefit Solutions, Inc. at PO Box 6, Mukilteo, WA 98275.

### 2. Funding Policy

The Board of Trustees establishes rates for eligible retired employees and other beneficiaries. The rates may be amended by the Board. Retirees of the City receiving medical and/or dental benefits from the Trust contribute the following amounts:

Type of Coverage	Monthly Retiree Cost
<b>NWFFT Plan \$1500</b>	
Retiree only	\$ 698.46
Retiree & Spouse	\$ 1,525.85
Retiree & 1 Dependent	\$ 1,139.07
Retiree & 2 Dependent	\$ 1,370.80
Retiree, Spouse & 1 Dependent	\$ 1,966.46
Retiree, Spouse & 2 Dependents	\$ 2,198.18
<b>NWFFT Plan \$5000</b>	
Retiree only	\$ 579.61
Retiree & Spouse	\$ 1,266.21
Retiree & 1 Dependent	\$ 945.26
Retiree & 2 Dependent	\$ 1,137.55
Retiree, Spouse & 1 Dependent	\$ 1,631.86
Retiree, Spouse & 2 Dependents	\$ 1,824.13
<b>NWFFT Retiree Dental</b>	
Retiree only	\$ 51.58
Retiree & Spouse	\$ 96.36
Retiree & 1 Dependent	\$ 96.36
Retiree & 2 Dependent	\$ 146.83
Retiree, Spouse & 1 Dependent	\$ 146.83
Retiree, Spouse & 2 Dependents	\$ 146.86
<b>NWFFT Plan \$50</b>	
Retiree only	\$ 1,093.36
Retiree & Spouse	\$ 2,387.47
Retiree & 1 Dependent	\$ 1,785.30
Retiree & 2 Dependent	\$ 2,147.58
Retiree, Spouse & 1 Dependent	\$ 3,079.39
Retiree, Spouse & 2 Dependents	\$ 3,441.69

Participating employers are not required to contribute an assessed rate for non-LEOFF 1 retirees. The City does not contribute to the Trust on behalf of its non-LEOFF 1 retirees.

## NOTE 18 – BLENDED COMPONENT UNITS INCLUDED IN REPORTING ENTITY

### A. Olympia Transportation Benefit District:

During the fiscal year 2008 the City Council passed an ordinance forming the Olympia Transportation Benefit District. The Washington State RCW 36.73.020 grants cities the authority to establish a Transportation Benefit District (TBD). The



Olympia TBD governing board is comprised of all the members of the Olympia City Council and therefore the management of the City of Olympia has operational responsibility of the Olympia TBD. The operations of the Olympia TBD are so closely related to those of the City that it is reported as if it were part of the primary government.

The transportation benefit districts sole purpose is to acquire, construct, improve, provide, and fund transportation improvement within the City of Olympia, which is consistent with any existing state, regional, and local transportation plan. RCW 36.73.065 gives the Olympia TBD authorization to impose taxes, fees, charges and tolls. The Olympia TBD currently collects \$40 vehicle registration. The fees are imposed on vehicles registered within the district.

The TBD is accounted for in Fund 138, a Special Revenue Fund. Financial reporting for this fund can be found in the Combining Statements section of this report.

**B. Olympia Metropolitan Park District:**

During the fiscal year 2015 the voters of the City of Olympia approved the creation of the Olympia Metropolitan Park District (OMPD). The Washington State RCW 35.61 and other state laws provides the authority for the voters and the City to establish the OMPD. The OMPD governing board is comprised of all the members of the Olympia City Council and therefore the management of the City of Olympia has operational responsibility of the OMPD. The operations of the OMPD are so closely related to those of the City that it is reported as if it were part of the primary government.

The OMPD’s sole purpose is to generate revenue to provide ongoing funding to maintain, operate, construct, improve and acquire parks, community centers, athletic fields and other recreation facilities within the City of Olympia. State law gives the OMPD authorization to impose taxes for these purposes. In 2018, the OMPD imposed property taxes on properties within the district’s boundaries. Please see note 5.C. for more information on the collection of property taxes.

The OMPD is accounted for in Fund 141, a Special Revenue Fund. Financial reporting for this fund can be found in the Combining Statements section of this report.

**NOTE 19 – ACCOUNTING AND REPORTING CHANGES, AND OTHER DISCLOSURES**

**A. Prior Year Adjustments**

In 2018, there was a prior year correction for the Long-Term portion of the HUD Loans Receivable, moving the balance of \$4,401,462 out of unearned revenue into fund balance. However, this was done in error. Instead this balance along with the 2,083,351 unearned balance for HUD Loans receivable in the General Fund were recognized as fund balance in the Government -Wide Statements.

In Workers Compensation Internal Service Fund there is a material prior year adjustment of \$45,926 due to a 2018 transaction posted to the wrong fund in error. This same transaction thus resulted in a material prior year adjustment of \$14,682 to Unemployment Compensation Internal Service Fund.

**B. Calculation of Net Position, Net Investment in Capital Assets**

Below is the calculation of Net Position, Net Investment in Capital Assets:

Governmental Activities:		Business-Type Activities:	
Capital Assets, Net of Depreciation	\$ 248,184,223	Capital Assets, Net of Depreciation	\$ 126,935,158
General Obligation Bonds Payable	(66,640,000)	Revenue Bonds Payable	(11,750,000.00)
Unamortized premium on Bonds	(5,494,374)	Unamortized premium on Bonds	(282,023.46)
Deferred Outflow- Amount on Refunding	487,669	Due to Other Governments	(23,242,113.84)
Other Long Term Payables	(3,109,797)		
Due to Other Governments	(850,978)		
Unspent Capital Related borrowings	3,797,512.83		
Internal Service Capital Assets, Net	6,773,513		
<b>Net Investment in Capital Assets</b>	<b>\$ 183,147,769</b>	<b>Net Investment in Capital Assets</b>	<b>\$ 91,661,021</b>

## NOTE 20 – SUBSEQUENT EVENTS

In February 2020, the Governor of the state of Washington declared a state of emergency in response to the spread of a deadly new virus. In the weeks following the declaration, precautionary measures to slow the spread of the virus have been ordered. These measures include closing schools, colleges and universities, cancelling public events, prohibiting public and private gatherings, and requiring people to stay home unless they are leaving for an essential function.

The City of Olympia issued a proclamation of local emergency on March 17, 2020 in order to support measures that may be needed in order to protect public health, safety and welfare within the City. An emergency order was issued to close public facilities, including recreations centers and City Hall, and on March 18, 2020 the City closed outdoor recreations facilities including parks and playgrounds. City Services continued to be offered online such as applications for permits and business licensing and payment of utility bills. In line with the Governors orders, extensions to pay utility bills and taxes were granted to our business and residential community along with waiving any penalties for late payment. The City estimates a possible reduction in revenues of approximately 12% for the General Fund. The executive team immediately made decisions to reduce discretionary funding, delay hiring for vacant positions, furloughed all seasonal employees, implemented a voluntary furlough for full and part-time employees, offered incentive for voluntary retirements, and accepted a Teamsters voluntary wage increase deferral.

The City has focused on pursuing funding assistance from federal and state governments. The City has also increased support of local businesses such as helping to identify city, state and federal economic relief programs. The length of time these measures will be in place and the full extent of the financial impact on the City is unknown at this time.

**Comprehensive Annual  
Financial Report**



**Olympia**<sup>TM</sup>

**Required Supplementary  
Information**

**Required Supplementary  
Information**



**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget to Actual - General Fund  
For Year Ended December 31, 2019**

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 56,326,449	\$ 56,326,449	\$ 56,297,467	\$ (28,982)
Licenses and Permits	3,858,180	3,858,680	3,792,962	(65,718)
Intergovernmental Revenues	2,288,023	2,688,008	3,338,168	650,160
Charges for Services	17,456,130	17,968,517	18,268,110	299,593
Fines and Forfeits	708,650	708,650	699,228	(9,422)
Miscellaneous Revenues	3,483,869	3,723,334	4,256,205	532,871
<b>Total Revenues</b>	<b>84,121,301</b>	<b>85,273,638</b>	<b>86,652,141</b>	<b>1,378,503</b>
<b>EXPENDITURES</b>				
Current:				
General Government Services	29,859,666	36,440,419	27,683,278	(8,757,141)
Security of Persons & Property	38,925,495	40,034,093	39,717,138	(316,955)
Utilities & Environment	-	-	42,588	42,588
Transportation	4,536,474	4,812,600	4,168,310	(644,290)
Economic Environment	4,655,339	4,920,882	5,354,906	434,024
Mental and Physical Health	927,698	1,184,515	775,750	(408,765)
Culture and Recreation	8,720,089	9,934,226	9,151,317	(782,909)
Debt Service:				
Interest	-	-	1,829	1,829
Capital Outlays	-	1,391,655	-	(1,391,655)
<b>Total Expenditures</b>	<b>87,624,761</b>	<b>98,718,390</b>	<b>86,895,116</b>	<b>(11,823,274)</b>
Excess (Deficiency) of Revenues over Expenditures	(3,503,460)	(13,444,752)	(242,975)	13,201,777
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers - In	7,189,560	7,644,866	4,291,674	(3,353,192)
Transfers - Out	(4,767,561)	(4,998,351)	(1,182,557)	3,815,794
Sale of Capital Assets	-	-	3,703	3,703
<b>Total Other Financing Sources ( Uses)</b>	<b>2,421,999</b>	<b>2,646,515</b>	<b>3,112,821</b>	<b>466,306</b>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	(1,081,461)	(10,798,237)	2,869,846	13,668,083
<b>FUND BALANCE JANUARY 1</b>	<b>30,240,557</b>	<b>30,240,557</b>	<b>30,240,557</b>	<b>-</b>
<b>FUND BALANCE DECEMBER 31</b>	<b>\$ 29,159,096</b>	<b>\$ 19,442,320</b>	<b>\$ 33,110,403</b>	<b>\$ 13,668,083</b>

**NOTE 1 - BUDGETARY BASIS OF ACCOUNTING**

The City's budget preparation conforms to Generally Accepted Accounting Principles by using a modified accrual basis for preparing the operating budgets of the general government, proprietary and fiduciary funds.



**Schedule of Proportionate Share of Net Pension Liability - Multiple Employer Plan**

The Required Supplementary Information related to the Multiple Employer Plans Provides detailed disclosures related to GASB Statement 68. During the reporting year of 2019, the City of Olympia's Statement of Net Position reported the required Pension Information as a result of GASB Statement 68. The following charts reflect these statements.

As of June 30, the Plan's fiscal year end, the City of Olympia reported the following Proportionate Share of the Net Pension Liability/(Asset):

Year	City of Olympia's proportion of the net pension liability/(asset)	City of Olympia's proportionate share of the net pension liability/(asset)	City of Olympia's covered payroll	City of Olympia's proportionate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
<b>Schedule of Proportionate Share of the Net Pension Liability - PERS Plan 1-For Year Ended June 30, *</b>					
2015	0.231015%	\$12,084,233	\$25,897,212	46.66%	59.10%
2016	0.244414%	\$13,126,183	\$28,612,035	45.88%	57.03%
2017	0.224259%	\$10,641,264	\$27,756,042	38.34%	61.40%
2018	0.237422%	\$10,603,347	\$31,045,213	34.15%	63.22%
2019	0.236711%	\$9,102,378	\$32,788,947	27.76%	67.12%
<b>Schedule of Proportionate Share of the Net Pension Liability - PERS 2/3-For Year Ended June 30, *</b>					
2015	0.276999%	\$9,897,332	\$24,578,585	40.27%	89.20%
2016	0.290972%	\$14,650,210	\$27,169,982	53.92%	85.82%
2017	0.268542%	\$9,330,551	\$26,328,684	35.44%	90.97%
2018	0.283640%	\$4,842,901	\$29,430,388	16.46%	95.77%
2019	0.285886%	\$2,776,925	\$31,188,867	8.90%	97.77%
<b>Schedule of Proportionate Share of the Net Pension Liability - PSERS 2-For Year Ended June 30, *</b>					
2015	0.290827%	\$53,082	\$851,537	6.23%	95.08%
2016	0.294818%	\$125,292	\$955,706	13.11%	90.41%
2017	0.289407%	\$56,704	\$1,024,695	5.53%	96.26%
2018	0.312643%	\$3,874	\$1,226,499	0.32%	99.79%
2019	0.278297%	(\$36,190)	\$1,280,621	-2.83%	101.85%
<b>Schedule of Proportionate Share of the Net Pension Liability - LEOFF Plan 1-For Year Ended June 30, *</b>					
2015	0.135558%	(\$1,633,773)	\$264,409	-617.90%	127.36%
2016	0.133879%	(\$1,379,337)	\$284,582	-484.69%	123.74%
2017	0.136175%	(\$2,066,074)	\$222,002	-930.66%	135.96%
2018	0.141268%	(\$2,564,723)	\$127,562	-2010.57%	144.42%
2019	0.144062%	(\$2,847,545)	\$0	0.00%	148.78%
*This Schedule is to be built prospectively until it contains ten years of data and represents the plan's fiscal year end.					

Year	City of Olympia's proportion of the net pension liability/(asset)	City of Olympia's proportionate share of the net pension liability/(asset)	State's proportionate share of the net pension liability/(asset) associated with the City of Olympia	TOTAL	City of Olympia's covered payroll	City of Olympia's proportionate share of the net pension liability as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
<b>Schedule of Proportionate Share of the Net Pension Liability - LEOFF Plan 2-For Year Ended June 30, *</b>							
2015	0.563046%	(\$5,786,987)	(\$3,826,358)	(\$9,613,345)	\$16,341,808	-58.83%	111.67%
2016	0.586922%	(\$3,413,714)	(\$2,225,493)	(\$5,639,207)	\$17,780,306	-31.72%	106.04%
2017	0.559215%	(\$7,760,092)	(\$5,033,829)	(\$12,793,921)	\$17,493,258	-73.14%	113.36%
2018	0.586600%	(\$11,909,198)	(\$7,710,975)	(\$19,620,173)	\$19,239,605	-101.98%	118.50%
2019	0.582174%	(\$13,487,184)	(\$8,832,305)	(\$22,319,489)	\$20,367,809	-109.58%	119.43%
*This Schedule is to be built prospectively until it contains ten years of data and represents the plan's fiscal year end.							

## Schedule of Employer Contributions

As of December 31, the City's fiscal year end, the City of Olympia reported the following Contributions to the plans:

Year	Statutorily or contractually required contributions	Contributions in relation to the statutorily or contractually required contributions	Contribution deficiency (excess)	Covered payroll	Contributions as a percentage of covered payroll
<b>Schedule of Contributions - PERS Plan 1-For Year Ended December 31,*</b>					
2015	\$1,200,043	\$1,200,043	\$0	\$26,725,993	4.49%
2016	\$1,371,444	\$1,371,444	\$0	\$28,150,217	4.87%
2017	\$1,504,869	\$1,504,869	\$0	\$30,122,945	5.00%
2018	\$1,641,967	\$1,641,967	\$0	\$31,788,405	5.17%
2019	\$1,636,706	\$1,636,706	\$0	\$33,914,415	4.83%
<b>Schedule of Contributions - PERS 2/3-For Year Ended December 31,*</b>					
2015	\$1,474,478	\$1,474,478	\$0	\$25,358,818	5.81%
2016	\$1,712,423	\$1,712,423	\$0	\$26,715,765	6.41%
2017	\$1,956,714	\$1,956,714	\$0	\$28,509,195	6.86%
2018	\$2,276,623	\$2,276,623	\$0	\$30,287,282	7.52%
2019	\$2,448,813	\$2,448,813	\$0	\$32,232,400	7.60%
<b>Schedule of Contributions - PSERS 2-For Year Ended December 31,*</b>					
2015	\$59,665	\$59,665	\$0	\$896,384	6.66%
2016	\$66,737	\$66,737	\$0	\$985,806	6.77%
2017	\$79,943	\$79,943	\$0	\$1,198,785	6.67%
2018	\$82,721	\$82,721	\$0	\$1,148,354	7.20%
2019	\$95,554	\$95,554	\$0	\$1,339,090	7.14%
<b>Schedule of Contributions - LEOFF Plan 2-For Year Ended December 31,*</b>					
2015	\$868,339	\$868,339	\$0	\$16,603,052	5.23%
2016	\$921,634	\$921,634	\$0	\$17,622,064	5.23%
2017	\$980,803	\$980,803	\$0	\$18,934,014	5.18%
2018	\$1,047,265	\$1,047,265	\$0	\$19,736,136	5.31%
2019	\$1,073,409	\$1,073,409	\$0	\$20,510,827	5.23%
*This Schedule is to be built prospectively until it contains ten years of data and represents the plan's fiscal year end. Schedule does not include LEOFF 1 because there are no employer contributions to this plan.					

**Schedule of Changes in Net Pension Liability and Related Ratios - Firemen's Pension Plan**

The Required Supplementary Information related to the Firemen's Pension Fund Plan provides detailed disclosures related to GASB Statements 67 and 68. During the reporting year of 2019, the City of Olympia's Statement of Net Position reported the required Net Pension Liability as a result of GASB 67 and 68. The following charts reflect these statements.

As of January 1, 2019, the most recent actuarial evaluation date, the changes in net pension liability and related ratios was as follows:

<b>Firemen's Pension Fund Plan - Schedule of Changes in Net Pension Liability and Related Ratios (Dollar amounts in thousands)</b>						
<b>Fiscal Year Ending December 31,</b>						
	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Total Pension Liability</b>						
Interest on Total Pension Liability	\$ 246	\$ 230	\$ 201	\$ 198	\$ 187	\$ 191
Effect of Economic/Demographic Gains/(Losses)	-	-	1,196	-	(171)	-
Effect of Assumption Changes/Inputs	760	(307)	167	(147)	602	135
Benefit Payments	(361)	(364)	(355)	(326)	(294)	(277)
<b>Net Change in Total Pension Liability</b>	<b>645</b>	<b>(441)</b>	<b>1,209</b>	<b>(275)</b>	<b>324</b>	<b>49</b>
Total Pension Liability, Beginning	6,317	6,758	5,549	5,824	5,500	5,451
<b>Total Pension Liability, Ending (a)</b>	<b>\$ 6,962</b>	<b>\$ 6,317</b>	<b>\$ 6,758</b>	<b>\$ 5,549</b>	<b>\$ 5,824</b>	<b>\$ 5,500</b>
<b>Fiduciary Net Position</b>						
Employer Contributions	\$ 288	\$ 266	\$ 205	\$ 100	\$ 154	\$ 1,077
Contributions from State Fire Insurance Premium Tax	102	101	94	92	91	91
Net Investment Income	167	83	75	44	3	15
Prior Period Adjustment	(4)	(36)	-	-	-	-
Benefit Payments	(362)	(364)	(355)	(326)	(294)	(277)
Medical Payment from Fund	-	-	-	-	-	(460)
Administrative Expenses	(3)	(12)	(2)	(12)	(1)	(24)
<b>Net Change in Plan Fiduciary Net Position</b>	<b>187</b>	<b>38</b>	<b>17</b>	<b>(103)</b>	<b>(48)</b>	<b>422</b>
<b>Fiduciary Net Position, Beginning</b>	<b>\$ 4,735</b>	<b>\$ 4,697</b>	<b>\$ 4,680</b>	<b>\$ 4,783</b>	<b>\$ 4,830</b>	<b>\$ 4,408</b>
<b>Fiduciary Net Position, Ending (b)</b>	<b>\$ 4,922</b>	<b>\$ 4,735</b>	<b>\$ 4,697</b>	<b>\$ 4,680</b>	<b>\$ 4,783</b>	<b>\$ 4,830</b>
<b>Net Pension Liability, ending = (a) - (b)</b>	<b>\$ 2,039</b>	<b>\$ 1,582</b>	<b>\$ 2,061</b>	<b>\$ 869</b>	<b>\$ 1,041</b>	<b>\$ 670</b>
Fiduciary Net Position as a Percentage of Total Pension Liability	70.71%	74.96%	69.50%	84.34%	82.13%	87.82%
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

In 2018 and 2019 the "Prior Period Adjustments" are results of overstatements in investment income in prior years.

**Firemen's Pension Fund Plan - Schedule of Investment Returns - Last 5 Fiscal Years**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
Annual Money-Weighted Rate of Return, net of investment expense	0.31%	0.05%	0.93%	1.60%	1.76%	3.50%

As of January 1, 2019, the most recent actuarial evaluation date, the employer contributions to the actuarially determined contributions was as follows:

Firemen's Pension Plan - Schedule of Contributions						
Last 10 Fiscal Years						
Fiscal Year Ending December 31,	Actuarially Determined Contribution	Actual Employer Contribution*	Contribution Deficiency (Excess)	Covered Payroll	Contribution as a % of Covered Payroll	
2010	\$ 203,183	\$ 535,665	\$ (332,482)	\$ -	N/A	
2011	203,183	304,163	(100,980)	-	N/A	
2012	119,273	591,221	(471,948)	-	N/A	
2013	119,273	666,742	(547,469)	-	N/A	
2014	475,000	707,924	(232,924)	-	N/A	
2015	119,000	244,818	(125,818)	-	N/A	
2016	252,000	191,883	60,117	-	N/A	
2017	267,000	298,694	(31,694)	-	N/A	
2018	239,000	367,384	(128,384)	-	N/A	
2019	253,000	389,822	(136,822)	-	N/A	

**Notes to Schedule:**

\*Employer contributions for pensions are total contributions to the Fund net of disbursement from the Fund for medical expenses under RCW 41.26.150. It includes revenues from fire insurance premium taxes. Prior to 2014, administrative expenses were also subtracted from employee contributions.

**Actuarial Valuation Information**

Valuation Date:	January 1, 2018
Actuarial Cost Method:	Entry Age Normal
Amortization Method:	21-year, closed as of January 1, 2008
Remaining Amortization Period:	11 years
Asset Valuation Method:	Fair Value

**Actuarial Assumptions**

Investment Rate of Return:	
Projected Salary Increases:	3.25%
Inflation:	2.25%
Age of Retirement:	65
Cost-of-living Adjustments:	Based upon salary increase assumption when appropriate
Long-Term Expected Rate of Return:	2.75%
Discount Rate:	2.75%
Mortality:	RP-2000 Mortality Table (combined healthy) with generational projection using 100% of Projection Scale BB, with ages set back one year for males and forward one year for females (set forward 2 years for disabled members)

<b>Changes in Total LEOFF 1 OPEB Liability</b>		
<b>Fiscal Year Ending December 31,</b>		
	<b>2019</b>	<b>2018</b>
<b>Total LEOFF 1 OPEB Liability*</b>		
Interest on Total OPEB Liability	\$ 1,008,697	\$ 943,678
Effect of Assumption Changes/Inputs	4,655,989	(1,853,008)
Benefit Payments	(886,440)	(786,430)
<b>Net Changes in Total OPEB Liability</b>	<b>4,778,246</b>	<b>(1,695,760)</b>
<b>Total OPEB Liability, Beginning</b>	<b>\$ 25,656,297</b>	<b>\$ 27,352,057</b>
<b>Total OPEB Liability, Ending</b>	<b>\$ 30,434,543</b>	<b>\$ 25,656,297</b>
Covered Payroll	\$ -	\$ -
Total OPEB Liability as a Percentage of Covered Payroll	N/A	N/A

*\*This schedule is to be built prospectively until it contains ten years of data.*

*\* No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.*

*\* There are no active employees participating in the City-sponsored plans, therefore, there is no covered payroll.*



**Comprehensive Annual  
Financial Report**



**Olympia**<sup>TM</sup>

**Combining Statements**

**Combining Statements**



## SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for the proceeds of specific revenues or to account for specific activities as required by law or regulations. The Special Revenue Funds are briefly described below.

### **SEPA MITIGATION (130)**

This fund is used to account for transportation mitigation fees pursuant to the provisions of the State Environmental Policy Act (SEPA).

### **PARKING IMPROVEMENT BENEFIT AREA FUND (PBIA) (135)**

This fund is used to account for the downtown parking improvement area.

### **FARMERS MARKET REPAIR/REPLACEMENT FUND (136)**

This fund is used to account for major repairs and maintenance of the Farmers Market. Lease payments from the Market are held here to fund the repairs and maintenance.

### **HANDS ON CHILDREN'S MUSEUM (137)**

This fund is used to account for monies received from the Capital Area Public Facilities District for the construction of the Hands On Children's Museum.

### **TRANSPORTATION BENEFIT DISTRICT (138)**

This fund is used to account for the \$20 vehicle registration fee charged to the residents of the City, and used to fund transportation projects within the City.

### **REAL ESTATE EXCISE TAX FUND (140)**

This fund is used to account for monies received from real estate excise taxes on sale of real property.

### **OLYMPIA METROPOLITAN PARKS DISTRICT FUND (141)**

This fund is used to account for monies received from property taxes paid by residents of the City, and used to provide funding for parks operations and capital.

## DEBT SERVICE FUNDS

Debt Service Funds are established to accumulate monies for the payment of interest and principal of general obligation bonds and special assessment bonds. Payment for General obligation bonds is backed by the full faith and credit of the City. The primary source of revenue to these funds is property tax.

### **LID OBLIGATION CONTROL FUND (208)**

This fund accounts for the Special Assessment collections and debt service payments for all local improvement districts located within the City.

### **LID GUARANTY FUND (213)**

This fund was established in accordance with State law for the purpose of guaranteeing the payment of outstanding Special Assessment Bonds and Notes.

### **4th/5th AVE BRIDGE PWTFM REPAYMENT FUND (216)**

A debt service fund for debt related to the 4th Ave Bridge corridor construction project.

### **2009 UTGO FIRE BOND FUND (224)**

A debt service fund for debt related to the construction of the Fire Station and Training Center.

### **2010 LTGO STREETS BOND FUND (226)**

A debt service fund for debt related to the construction of street projects.

### **LOCAL DEBT FUND (227)**

A debt service fund for debt related to the energy conservation improvement projects.

### **2010 LTGO HANDS ON CHILDREN'S MUSEUM BOND FUND (228)**

A debt service fund for debt related to the construction of the Hands on Children's Museum.

### **2013 LTGO WA CENTER, LED LIGHTING, AND PARKS BOND FUND (229)**

A debt service fund for debt related to the 2013 LTGO bond issued to finance the major repairs to the Washington Center for Performing Arts, Citywide LED street light replacement, and redemption of the Percival Landing Parks BAN.

**2016 LTGO BOND ANTICIPATION NOTE FUND (230)**

A debt service fund for debt related to the Parks land acquisition bond anticipation note.

**CAPITAL IMPROVEMENT FUNDS**

Capital Project Funds account for acquisition, construction or planning for capital facilities or equipment which are general governmental in nature. The Capital Improvement Funds are briefly described below.

**CITY HALL CONSTRUCTION FUND (325)**

A capital project fund for the New City Hall construction project.

**FIRE EQUIPMENT REPLACEMENT FUND (331)**

This fund is for the purchase of equipment by the Fire Department, including, but not limited to, vehicles, accessories thereto and major repairs and improvements.

**INTERNAL SERVICE FUNDS**

Internal Service Funds are used to account for the financing of goods or service provided by one department to other departments and to other governmental units, on a cost reimbursement basis. The Internal Service Funds are briefly described below.

**EQUIPMENT RENTAL FUND (501/502)**

The Equipment Rental Fund provides equipment (primarily vehicles) to the various departments. The charges for the equipment covers depreciation, operations, maintenance, and replacement costs.

**UNEMPLOYMENT COMPENSATION FUND (503)**

This fund is for funding unemployment compensation. The City is on a reimbursable plan with the State. The State determines and pays benefits, then is reimbursed by the City. The fund is supported by interest earnings and charges to the various departments.

**RISK MANAGEMENT FUND (504)**

The Risk Management Fund is used primarily to pay for purchases of insurance, deposits with a liability insurance pool, studies related to risk managements and loss prevention.

**WORKERS' COMPENSATION FUND (505)**

In July of 1994, the City, who previously participated in the State Workers Compensation Plan, began a self-insurance program. This fund is to account for the claim liability and any possibility of payment of benefits to any entitled worker.

**AGENCY FUNDS**

Agency Funds are used to account for the resources held by the City in a custodial capacity. The Agency Funds are briefly described below.

**MUNICIPAL COURT (622)**

The Municipal Court Fund accounts for the funds collected by the Courts for private parties.

**LAW ENFORCEMENT RECORDS MANAGEMENT SYSTEM (LERMS) (682)**

The LERMS Funds accounts for the funds held on behalf of the LERMS consortium for the operation of the records management system.

Combining Balance Sheet - Other Governmental Funds  
December 31, 2019

	Special Revenue Funds						
	SEPA Mitigation Fund 130	Parking Improvement Benefit Area Fund 135	Farmers Market Repair/Replacement Fund 136	Hands On Children's Museum Fund 137	Transportation Benefit District Fund 138	Real Estate Excise Tax Fund 140	Olympia Metropolitan Parks District Fund 141
<b>ASSETS:</b>							
Cash and Residual Investments	\$ 2,160	\$ 4,423	\$ 2,132	\$ 14,784	\$ 11,380	\$ 105,032	\$ 1,285
Investments	1,165,489	59,070	75,935	525,031	2,709,674	5,817,280	2,809,452
Receivables (Net of Allowances):							
Taxes	-	-	-	-	-	-	80,820
Special Assessments	-	-	-	-	-	-	-
Accrued Interest & Penalty	3,872	220	191	926	5,282	14,705	4,591
Other Receivables	-	27,835	-	75,767	-	-	-
Interfund Loan Receivable	-	-	-	-	-	300,490	-
Due from Other Governmental Units	-	-	-	-	-	-	4,710
Restricted Cash	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>1,171,521</b>	<b>91,547</b>	<b>78,258</b>	<b>616,507</b>	<b>2,726,336</b>	<b>6,237,506</b>	<b>2,900,859</b>
<b>LIABILITIES:</b>							
Accounts Payable	-	5,019	-	-	40	-	-
Unearned Revenues	-	-	-	75,767	-	-	48,641
<b>Total Liabilities</b>	<b>0</b>	<b>5,019</b>	<b>0</b>	<b>75,767</b>	<b>40</b>	<b>0</b>	<b>48,641</b>
<b>FUND BALANCE:</b>							
Restricted	1,171,521	86,529	78,258	540,740	2,726,296	6,237,506	2,852,218
Committed	-	-	-	-	-	-	-
Total Fund Balance	1,171,521	86,529	78,258	540,740	2,726,296	6,237,506	2,852,218
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 1,171,521</b>	<b>\$ 91,547</b>	<b>\$ 78,258</b>	<b>\$ 616,507</b>	<b>\$ 2,726,336</b>	<b>\$ 6,237,506</b>	<b>\$ 2,900,859</b>



Combining Balance Sheet - Other Governmental Funds  
December 31, 2019

	Debt Service Funds					Capital Project Funds		Total Other Governmental Funds
	LID Obligation Control Fund 208	LID Guaranty Fund 213	4th/5th Ave Bridge PWTF Repayment Fund 216	UTGO Fire Bond Fund 224	Hands On Children's Museum Bond Fund 228	City Hall Construction Fund 325	Fire Equipment Reserve Fund 331	
<b>ASSETS:</b>								
Cash and Residual Investments	\$ 895	\$ 79,081	\$ 2,589	\$ 53,402	\$ -	\$ 113	\$ 56,290	\$ 333,566
Investments	5	808	20	1,677	-	4,007	186,038	13,354,485
Receivables (Net of Allowances):								
Taxes	-	-	-	21,504	-	-	-	102,324
Special Assessments	5,170	-	-	-	-	-	-	5,170
Accrued Interest & Penalty	13	2,192	21	9,643	0.11	5	146	41,807
Other Receivables	-	-	-	-	-	-	-	103,602
Interfund Loan Receivable	-	-	-	-	-	-	-	300,490
Due from Other Governmental Units	-	-	-	-	-	-	-	4,710
Restricted Cash	-	-	-	-	-	-	1,795,000	1,795,000
<b>Total Assets</b>	<b>6,083</b>	<b>82,081</b>	<b>2,630</b>	<b>86,226</b>	<b>0.11</b>	<b>4,125</b>	<b>2,037,474</b>	<b>16,041,154</b>
<b>LIABILITIES:</b>								
Accounts Payable	-	-	-	-	-	-	-	5,059
Unearned Revenues	5,170	-	-	16,337	-	-	-	145,915
<b>Total Liabilities</b>	<b>5,170</b>	<b>0</b>	<b>0</b>	<b>16,337</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150,973</b>
<b>FUND BALANCE:</b>								
Restricted	913	82,081	-	69,889	-	-	1,795,000	15,640,952
Committed	-	-	2,630	-	0.11	4,125	242,474	249,229
Total Fund Balance	913	82,081	2,630	69,889	0.11	4,125	2,037,474	15,890,181
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 6,083</b>	<b>\$ 82,081</b>	<b>\$ 2,630</b>	<b>\$ 86,226</b>	<b>\$ 0.11</b>	<b>\$ 4,125</b>	<b>\$ 2,037,474</b>	<b>\$ 16,041,154</b>

**Combining Statement of Revenues, Expenditures and Changes in fund Balance - Other Governmental Funds  
For Year Ended December 31, 2019**

	Special Revenue Funds						
	SEPA Mitigation Fund 130	Parking Improvement Benefit Area Fund 135	Farmers Market Repair/ Replacement Fund 136	Hands On Children's Museum Fund 137	Transportation Benefit District Fund 138	Real Estate Excise Tax Fund 140	Olympia Metropolitan Parks District Fund 141
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,680,942	\$ 2,063,971	\$ 3,907,265
Intergovernmental Revenues	-	-	-	471,446	-	-	18,916
Charges for Services	13,020	-	-	-	-	-	-
Miscellaneous Revenues	26,484	110,630	1,557	9,279	44,729	130,339	70,044
<b>Total Revenues</b>	<b>39,503</b>	<b>110,630</b>	<b>1,557</b>	<b>480,724</b>	<b>1,725,670</b>	<b>2,194,310</b>	<b>3,996,226</b>
<b>EXPENDITURES</b>							
Current:							
General Government Services	-	40,275	-	24,433	6,576	-	-
Culture and Recreation	-	-	-	-	-	-	17,529
Debt Service:							
Principal Retirement	-	-	-	-	-	-	-
Interest	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>-</b>	<b>40,275</b>	<b>-</b>	<b>24,433</b>	<b>6,576</b>	<b>-</b>	<b>17,529</b>
Excess (Deficiency) of Revenues Over Expenditures	39,503	70,356	1,557	456,291	1,719,094	2,194,310	3,978,697
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers - In	-	-	-	-	-	-	-
Issuance of Debt	-	-	-	-	-	-	-
Issuance of Rfnd Bonds	-	-	-	-	-	-	-
Payment to Refunded Bonds Escrow Agent	-	-	-	-	-	-	-
Premium on Bonds Sold	-	-	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-	-	-
Transfers - Out	(266,420)	(43,500)	-	(444,187)	(876,538)	(2,128,669)	(3,895,609)
<b>Total Other Financing Sources ( Uses)</b>	<b>(266,420)</b>	<b>(43,500)</b>	<b>-</b>	<b>(444,187)</b>	<b>(876,538)</b>	<b>(2,128,669)</b>	<b>(3,895,609)</b>
<b>Net Change in Fund Balances</b>	<b>(226,917)</b>	<b>26,856</b>	<b>1,557</b>	<b>12,104</b>	<b>842,556</b>	<b>65,640</b>	<b>83,088</b>
<b>FUND BALANCE</b>							
<b>JANUARY 1</b>	1,398,438	59,673	76,701	528,637	1,883,740	6,171,866	2,769,130
<b>FUND BALANCE</b>							
<b>DECEMBER 31</b>	<b>\$ 1,171,521</b>	<b>\$ 86,529</b>	<b>\$ 78,258</b>	<b>\$ 540,741</b>	<b>\$ 2,726,296</b>	<b>\$ 6,237,506</b>	<b>\$ 2,852,218</b>

**Combining Statement of Revenues, Expenditures and Changes in fund Balance - Other Governmental Funds  
For Year Ended December 31, 2019**

	Debt Service Funds								
	LID Obligation Control Fund 208	LID Guaranty Fund 213	4th/5th Ave Bridge PWTFL Repayment Fund 216	UTGO Fire Bond Fund 224	LTGO Streets Bond Fund 226	Local Debt Fund 227	Hands On Children's Museum Bond Fund 228	LTGO WA Ctr Lighting, Park Bond Fund 229	LTGO Bond Anticipation Note Fund 230
<b>REVENUES</b>									
Taxes	\$ -	\$ -	\$ 546,084	\$ 1,179,525	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	-	-	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-	-	-	-
Miscellaneous Revenues	1,446	1,646	28	8,430	-	-	-	-	-
<b>Total Revenues</b>	<b>1,446</b>	<b>1,646</b>	<b>546,112</b>	<b>1,187,955</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EXPENDITURES</b>									
Current:									
General Government	-	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	-
Debt Service:									
Principal Retirement	-	-	533,759	770,000	280,000	171,834	290,000	505,000	10,000,000
Interest	539	-	9,808	514,070	154,813	6,448	154,188	166,025	233,688
<b>Total Expenditures</b>	<b>539</b>	<b>-</b>	<b>543,568</b>	<b>1,284,070</b>	<b>434,813</b>	<b>178,282</b>	<b>444,188</b>	<b>671,025</b>	<b>10,233,688</b>
Excess (Deficiency) of Revenues Over Expenditures	907	1,646	2,544	(96,115)	(434,813)	(178,282)	(444,188)	(671,025)	(10,233,688)
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers - In	-	-	-	-	434,813	178,282	444,187	671,025	233,688
Issuance of Debt	-	-	-	-	-	-	-	-	10,000,000
Issuance of Rfnd Bonds	-	-	-	8,110,000	-	-	-	-	-
Payment to Refunded Bonds Escrow Agent	-	-	-	(9,630,000)	-	-	-	-	-
Premium on Bonds Sold	-	-	-	1,612,822	-	-	-	-	-
Sale of Capital Assets	-	-	-	-	-	-	-	-	-
Insurance Proceeds	-	-	-	-	-	-	-	-	-
Transfers - Out	-	-	-	-	-	-	-	-	-
<b>Total Other Financing Sources ( Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92,822</b>	<b>434,813</b>	<b>178,282</b>	<b>444,187</b>	<b>671,025</b>	<b>10,233,688</b>
<b>Net Change in Fund</b>	<b>907</b>	<b>1,646</b>	<b>2,544</b>	<b>(3,293)</b>	<b>-</b>	<b>-</b>	<b>(0)</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCE JANUARY 1</b>									
	6	80,435	86	73,182	-	-	-	-	-
<b>FUND BALANCE DECEMBER 31</b>									
	\$ 913	\$ 82,081	\$ 2,630	\$ 69,889	\$ -	\$ -	\$ (0)	\$ -	\$ -

**Combining Statement of Revenues, Expenditures and Changes in fund Balance - Other Governmental Funds  
For Year Ended December 31, 2019**

	Capital Project Funds		
	City Hall Construction Fund 325	Fire Equipment Reserve Fund 331	Total Other Governmental
<b>REVENUES</b>			
Taxes	\$ -	\$ -	\$ 9,377,787
Intergovernmental Revenues	-	-	490,362
Charges for Services	-	-	13,020
Miscellaneous Revenues	82	2,505	407,198
<b>Total Revenues</b>	<b>82</b>	<b>2,505</b>	<b>10,288,367</b>
<b>EXPENDITURES</b>			
Current:			
General Government Services	-	-	71,284
Culture and Recreation	-	-	17,529
Debt Service:			
Principal Retirement	-	-	12,550,593
Interest	-	21,339	1,260,917
<b>Total Expenditures</b>	<b>-</b>	<b>21,339</b>	<b>13,900,323</b>
Excess (Deficiency) of Revenues Over Expenditures	82	(18,835)	\$ (3,611,956)
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers - In	-	200,000	2,161,994
Issuance of Debt	-	1,725,000	11,725,000
Issuance of Rfnd Bonds	-	-	8,110,000
Payment to Refunded Bonds Escrow Agent	-	-	(9,630,000)
Premium on Bonds Sold	-	197,419	1,810,241
Sale of Capital Assets	-	10,387	10,387
Insurance Proceeds	-	-	-
Transfers - Out	-	-	(7,654,924)
<b>Total Other Financing Sources ( Uses)</b>	<b>-</b>	<b>2,132,806</b>	<b>6,532,698</b>
<b>Net Change in Fund Balances</b>	<b>82</b>	<b>2,113,971</b>	<b>2,920,742</b>
<b>FUND BALANCE JANUARY 1</b>	<b>4,043</b>	<b>(76,497)</b>	<b>12,969,439</b>
<b>FUND BALANCE DECEMBER 31</b>	<b>\$ 4,125</b>	<b>\$ 2,037,474</b>	<b>\$ 15,890,181</b>

**Combining Statement of Net Position - Internal Services Funds  
December 31, 2019**

	Governmental Activities - Internal Service Funds				
	Equipment Rental	Unemployment Compensation	Risk Management	Workers' Compensation	Total
<b>ASSETS</b>					
Current Assets					
Cash and Cash Equivalents	\$ 148,454	\$ 18,916	\$ 2,341	\$ 71,599	\$ 241,309
Investments	5,400,480	677,226	83,750	2,376,054	8,537,510
Receivables					
Accrued Interest & Penalty	9,454	1,676	1,371	8,179	20,680
Interfund Loan Receivable	300,000	-	-	300,000	600,000
Other Governmental Units	10,655	-	-	-	10,655
Inventories	190,933	-	-	-	190,933
Other Current Assets	-	-	-	92,723	92,723
Total Current Assets	6,059,975	697,818	87,462	2,848,554	9,693,809
Non-Current Assets					
Capital Assets, Net of Depreciation	6,773,513	-	-	-	6,773,513
Restricted Investments	-	-	-	191,677	191,677
Total Non-Current Assets	6,773,513	-	-	191,677	6,965,190
Total Assets	12,833,488	697,818	87,462	3,040,231	16,658,999
<b>DEFERRED OUTFLOWS OF RESOURCES</b>					
Deferred Outflow - Related to Pensions	52,085	-	693	9,201	61,979
Total Deferred Outflows of Resources	52,085	-	693	9,201	61,979
<b>LIABILITIES</b>					
Current Liabilities					
Accounts Payable	206,544	263	-	61	206,868
Claims & Judgements Payable	-	-	-	1,029,365	1,029,365
Due to Other Governmental Units	-	17,056	-	64,399	81,455
Wages Payable	25,475	-	388	16,148	42,011
Custodial Accounts	301	-	-	-	301
Total Current Liabilities	232,320	17,318	388	1,109,974	1,360,000
Non-current Liabilities					
Compensated Absences	44,776	-	-	6,277	51,053
Net Pension Liability	165,803	-	2,335	30,277	198,415
Total Non-current Liabilities	210,579	-	2,335	36,554	249,468
Total Liabilities	442,900	17,318	2,723	1,146,527	1,609,468
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Deferred inflows related to pensions	93,639	-	1,043	15,454	110,136
Total Deferred Inflows of Resources	93,639	-	1,043	15,454	110,136
<b>NET POSITION</b>					
Net Investment in Capital Assets	6,773,513	-	-	-	6,773,513
Restricted for:					
Workers' Comp Reserve	-	-	-	1,887,450	1,887,450
Unrestricted (Deficit)	5,575,522	680,499	84,389	-	6,340,410
Total Net Position	\$ 12,349,035	\$ 680,499	\$ 84,389	\$ 1,887,450	\$ 15,001,374

**Internal Service Funds - Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
For Year Ended December 31, 2019**

	Governmental Activities- Internal Service Funds				
	Equipment Rental	Unemployment Compensation	Risk Management	Workers' Compensation	Total
<b>OPERATING REVENUES</b>					
Charges for Service	\$ 2,439,680	\$ 100,255	\$ 2,137,821	\$ 1,135,707	\$ 5,813,463
Miscellaneous Revenue	1,859,392	-	22,436	56,427	1,938,255
Total operating revenue	4,299,072	100,255	2,160,257	1,192,133	7,751,718
<b>OPERATING EXPENSES</b>					
Administration and Overhead	143,114	52,926	16,451	1,871,168	2,083,660
Operations and Maintenance	2,548,319	-	2,178,564	-	4,726,883
Depreciation and Amortization	1,264,875	-	-	-	1,264,875
Total Operating Expenses	3,956,309	52,926	2,195,015	1,871,168	8,075,418
Operating Income (Loss)	342,763	47,329	(34,758)	(679,035)	(323,701)
<b>NON-OPERATING REVENUES (EXPENSES)</b>					
Investment Earnings	143,019	19,468	2,185	83,646	248,317
Gain(Loss) on Disposal of Capital Assets	103,399	-	16,730	-	120,128
Total Non-Operating Revenues (Expenses)	246,418	19,468	18,914	83,646	368,445
Changes in Net Position	589,181	66,797	(15,844)	(595,389)	44,745
<b>Net Position - Beginning</b>	11,759,854	628,385	100,233	2,436,913	14,925,385
Prior Year Adjustment		(14,682)		45,926	31,244
<b>Net Position - Ending</b>	<u>\$ 12,349,035</u>	<u>\$ 680,499</u>	<u>\$ 84,389</u>	<u>\$ 1,887,450</u>	<u>\$ 15,001,374</u>



**Internal Service Funds - Combining Statement of Cash Flows  
For Year Ended December 31, 2019**

	Governmental Activities - Internal Service Funds				
	Equipment Rental	Unemployment Compensation	Risk Management	Workers' Compensation	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>					
Cash Received from Customers and Users	\$ 2,524,760	\$ -	\$ 22,436	\$ 1,192,133	\$ 3,739,329
Cash Received from Interfund Activity	1,774,206	100,255	2,137,821	-	4,012,282
Cash Paid to Suppliers	(1,889,882)	(96,216)	(2,184,946)	(1,379,885)	(5,550,929)
Cash Paid to Employees	(653,977)	-	(6,881)	(123,084)	(783,943)
Net Cash Provided (Used) by Operating Activities	1,755,106	4,039	(31,570)	(310,835)	1,416,740
<b>CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>					
Purchase of Capital Assets	(712,632)	-	-	-	(712,632)
Interfund Loan Recievable	150,000	-	-	150,000	300,000
Proceeds from Sale of Capital Assets	103,399	-	16,730	-	120,128
Net Cash Provided by Capital and Related Financing Activities	(459,233)	-	16,730	150,000	(292,503)
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>					
Changes due to Investment Purchases and Sales	(1,419,718)	(25,780)	11,856	63,403	(1,370,239)
Interest on Investments	143,019	19,468	2,185	83,646	248,317
Net Cash Provided (Used) by Investing Activities	(1,276,699)	(6,313)	14,040	147,049	(1,121,922)
Net Increase in Cash and Cash Equivalents	19,174	(2,274)	(800)	(13,786)	2,314
Cash and Cash Equivalents, January 1	129,279	21,189	3,141	85,385	238,994
Cash and Cash Equivalents, December 31	\$ 148,454	\$ 18,916	\$ 2,341	\$ 71,599	\$ 241,309

**Internal Service Funds - Combining Statement of Cash Flows  
For Year Ended December 31, 2019**

	<b>Governmental Activities - Internal Service Funds</b>				
	<b>Equipment Rental</b>	<b>Unemployment Compensation</b>	<b>Risk Management</b>	<b>Workers' Compensation</b>	<b>Total</b>
<b>CASH PROVIDED BY OPERATING ACTIVITIES:</b>					
Net Operating Income (Loss)	\$ 342,763	\$ 47,329	\$ (34,758)	\$ (679,035)	\$ (323,701)
<b>ADJUSTMENTS TO RECONCILE OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>					
Depreciation	\$ 1,264,875	\$ -	\$ -	\$ -	\$ 1,264,875
(Increase) Decrease in Inventory	297	-	-	-	297
(Increase) Decrease in Other Current Assets				(288)	(288)
(Increase) Decrease in Deferred outflows - pensions	(1,808)		(578)	(331)	(2,717)
Increase (Decrease) in Compensated Absences	8,684			2,749	11,433
Increase (Decrease) in Net Pension Liability	(60,801)		2,335	(10,038)	(68,504)
Increase (Decrease) in Deferred inflows - pensions	(1,351)		1,043	(1,405)	(1,713)
Increase (Decrease) in Due to Other Governments	(403)	17,056		49,787	66,439
Increase (Decrease) in Other Current Liabilities	(2,711)	(60,608)		62,074	(1,246)
Increase (Decrease) in Accounts Payable	205,561	263	388	265,652	471,863
Total Adjustments	\$ 1,412,343	\$ (43,290)	\$ 3,188	\$ 368,200	\$ 1,740,441
Net Cash Provide by Operating Activities	\$ 1,755,106	\$ 4,039	\$ (31,570)	\$ (310,835)	\$ 1,416,740

**Combing Statement of Fiduciary Net Position - Agency Funds  
December 31, 2019**

	Municipal Courts	Law Enforcement Records Management System	Total Agency Funds
<b>ASSETS</b>			
Cash and Residual Investments	\$ 9,650	\$ 11,782	\$ 21,432
Investments	-	125,100	125,100
Receivables (Net of Allowances):			-
Interest and Dividends	-	4,539	4,539
<b>Total Assets</b>	<b>\$ 9,650</b>	<b>\$ 141,421</b>	<b>\$ 151,071</b>
<b>LIABILITIES AND FUND BALANCE</b>			
Liabilities:			
Accounts Payable	-	971	971
Due to Other Governments	-	140,450	140,450
Other Current Liabilities	9,650	-	9,650
<b>Total Liabilities</b>	<b>9,650</b>	<b>141,421</b>	<b>151,071</b>

**Combining Statement of Changes in Assets and Liabilities - Agency Funds  
December 31, 2019**

	Balance 12/31/2018	Additions	Deductions	Balance 12/31/2019
<b>Municipal Court</b>				
<b>ASSETS:</b>				
Cash and Cash Equivalents	5,733	3,917	-	9,650
<b>Total Assets</b>	<b>5,733</b>	<b>3,917</b>	<b>-</b>	<b>9,650</b>
<b>LIABILITIES:</b>				
Accounts Payable	5,733	3,917	-	9,650
<b>Total Liabilities</b>	<b>5,733</b>	<b>3,917</b>	<b>-</b>	<b>9,650</b>
<b>Law Enforcement Records Mgmt</b>				
<b>ASSETS:</b>				
Cash and Cash Equivalents	73,656	507,143	443,917	136,882
Accounts Receivables, Net of Uncollectible Accounts	1,628	3,694	783	4,539
<b>Total Assets</b>	<b>75,284</b>	<b>510,837</b>	<b>444,700</b>	<b>141,421</b>
<b>LIABILITIES:</b>				
Accounts Payable	75,284	510,837	444,700	141,421
<b>Total Liabilities</b>	<b>75,284</b>	<b>510,837</b>	<b>444,700</b>	<b>141,421</b>

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**Olympia**<sup>TM</sup>

**Other Supplementary  
Information**

**Other Supplementary  
Information**



# Other Supplementary Information

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Schedules Revenues, Expenditures and Changes in Fund Balance - Budget to Actuals - Debt Service Funds  
For Year Ended December 31, 2019

4th/5th Avenue PWTFL Repayment Fund 216				
	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 546,084	\$ 546,084	\$ 546,084	\$ -
Miscellaneous Revenues	-	86	28	(58)
<b>Total Revenues</b>	<b>546,084</b>	<b>546,256</b>	<b>546,112</b>	<b>(58)</b>
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	533,760	533,760	533,759	1
Interest	12,324	12,324	9,808	2,516
<b>Total Expenditures</b>	<b>546,084</b>	<b>546,084</b>	<b>543,567</b>	<b>2,517</b>
Excess (deficiency) of Revenues over Expenditures	-	172	2,545	2,459
<b>FUND BALANCE JANUARY 1</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>-</b>
<b>FUND BALANCE DECEMBER 31</b>	<b>\$ 86</b>	<b>\$ 258</b>	<b>\$ 2,631</b>	<b>\$ 2,459</b>

UTGO Bond Refunding Repayment Fund 224				
	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 1,187,039	\$ 10,910,039	\$ 10,902,347	\$ (7,692)
Miscellaneous Revenues	4,518	73,182	8,430	(64,752)
<b>Total Revenues</b>	<b>1,191,557</b>	<b>10,983,221</b>	<b>10,910,777</b>	<b>(72,444)</b>
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	770,000	10,441,065	10,440,583	482
Interest	421,557	542,156	473,487	68,669
<b>Total Expenditures</b>	<b>1,191,557</b>	<b>10,983,221</b>	<b>10,914,070</b>	<b>69,151</b>
Excess (deficiency) of Revenues over Expenditures	-	-	(3,293)	(3,293)
<b>FUND BALANCE JANUARY 1</b>	<b>63,971</b>	<b>63,971</b>	<b>73,182</b>	<b>9,211</b>
<b>FUND BALANCE DECEMBER 31</b>	<b>\$ 63,971</b>	<b>\$ 63,971</b>	<b>\$ 69,889</b>	<b>\$ 5,918</b>

Schedules Revenues, Expenditures and Changes in Fund Balance - Budget to Actuals - Debt Service Funds  
For Year Ended December 31, 2019

LTGO Bond Refunding/City Hall BABs Repayment Fund 225

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
<b>REVENUES</b>				
Taxes	\$ 1,733,038	\$ 26,942,038	\$ 26,937,885	\$ (4,153)
Intergovernmental Revenues	685,000	685,000	690,374	5,374
Miscellaneous Revenues	3,880	11,206	14,158	2,952
Total Revenues	2,421,918	27,638,244	27,642,417	4,173
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	310,000	25,245,800	25,245,511	289
Interest	2,111,918	2,392,444	2,385,116	7,328
Total Expenditures	2,421,918	27,638,244	27,630,627	7,617
Excess (deficiency) of Revenues over Expenditures	-	-	11,790	11,790
<b>FUND BALANCE JANUARY 1</b>	11,206	11,206	11,206	-
<b>FUND BALANCE DECEMBER 31</b>	\$ 11,206	\$ 11,206	\$ 22,996	\$ 11,790

LTGO Street Bond Repayment Fund 226

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	Budgetary Basis	Final Budget
<b>REVENUES</b>				
Miscellaneous Revenues	\$ 434,813	\$ 434,813	\$ 434,813	\$ (1)
Total Revenues	434,813	434,813	434,813	(1)
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	\$ 280,000	\$ 280,000	\$ 280,000	\$ -
Interest	154,813	154,813	154,813	1
Total Expenditures	434,813	434,813	434,813	1
Excess (deficiency) of Revenues over Expenditures	-	-	-	-
<b>FUND BALANCE JANUARY 1</b>	4	4	-	(4)
<b>FUND BALANCE DECEMBER 31</b>	\$ 4	\$ 4	\$ -	\$ (4)

**Schedules Revenues, Expenditures and Changes in Fund Balance - Budget to Actuals - Debt Service Funds  
For Year Ended December 31, 2019**

<b>LOCAL Debt Repayment Fund 227</b>				
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Budgetary Basis</b>	<b>Final Budget</b>
<b>REVENUES</b>				
Taxes	\$ 178,282	\$ 178,282	\$ 178,282	\$ (0)
Miscellaneous Revenues	0	0	0	0
<b>Total Revenues</b>	<b>178,282</b>	<b>178,282</b>	<b>178,282</b>	<b>(0)</b>
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	\$ 171,834	\$ 171,834	\$ 171,834	\$ 0
Interest	6,448	6,448	6,448	0
<b>Total Expenditures</b>	<b>178,282</b>	<b>178,282</b>	<b>178,282</b>	<b>-</b>
Excess (deficiency) of Revenues over Expenditures	-	-	(0)	(0)
<b>FUND BALANCE JANUARY 1</b>	-	-	-	-
<b>FUND BALANCE DECEMBER 31</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0)</b>	<b>\$ (0)</b>

<b>LTGO Hands on Children's Museum Repayment Fund 228</b>				
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	<b>Variance with</b>
	<b>Original</b>	<b>Final</b>	<b>Budgetary Basis</b>	<b>Final Budget</b>
<b>REVENUES</b>				
Miscellaneous Revenues	\$ 444,188	\$ 444,188	\$ 444,188	\$ 0
<b>Total Revenues</b>	<b>444,188</b>	<b>444,188</b>	<b>444,188</b>	<b>0</b>
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	\$ 290,000	\$ 290,000	\$ 290,000	\$ -
Interest	154,188	154,188	154,188	-
<b>Total Expenditures</b>	<b>444,188</b>	<b>444,188</b>	<b>444,188</b>	<b>-</b>
Excess (deficiency) of Revenues over Expenditures	-	-	0	0
<b>FUND BALANCE JANUARY 1</b>	-	-	-	-
<b>FUND BALANCE DECEMBER 31</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ 0</b>

Schedules Revenues, Expenditures and Changes in Fund Balance - Budget to Actuals - Debt Service Funds  
For Year Ended December 31, 2019

WA Center, LED, and Parks Bond Repayment Fund 229

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Miscellaneous Revenues	671,065	671,065	671,025	(40)
Total Revenues	671,065	671,065	671,025	(40)
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	\$ 505,000	\$ 505,000	\$ 505,000	\$ -
Interest	166,065	166,065	166,025	40
Total Expenditures	671,065	671,065	671,025	40
Excess (deficiency) of Revenues over Expenditures	-	-	-	-
<b>FUND BALANCE JANUARY 1</b>	-	-	-	-
<b>FUND BALANCE DECEMBER 31</b>	\$ -	\$ -	\$ -	\$ -

LTGO 2016 BAN Repayment Fund 230

	Budgeted Amounts		Actual Amounts Budgetary Basis	Variance with Final Budget
	Original	Final		
<b>REVENUES</b>				
Miscellaneous Revenues	67,500	10,067,500	10,233,688	166,188
Total Revenues	67,500	10,067,500	10,233,688	166,188
<b>EXPENDITURES</b>				
Debt Service:				
Principal Retirement	\$ -	\$ 10,000,000	\$ 10,000,000	\$ -
Interest	67,500	67,500	233,688	(166,188)
Total Expenditures	67,500	10,067,500	10,233,688	(166,188)
Excess (deficiency) of Revenues over Expenditures	-	-	(0)	(0)
<b>FUND BALANCE JANUARY 1</b>	-	-	-	-
<b>FUND BALANCE DECEMBER 31</b>	\$ -	\$ -	\$ (0)	\$ (0)

**Debt Service Requirements to Maturity - All General Obligation and Revenue Bonds**

Year	GENERAL OBLIGATION BONDS			ENTERPRISE REVENUE BONDS			TOTAL CITY
	Principal	Interest	Total	Principal	Interest	Total	
2020	\$ 2,700,000	\$ 2,638,769	\$ 5,338,769	\$ 1,555,000	\$ 487,381	\$ 2,042,381	\$ 7,381,150
2021	3,395,000	2,599,840	5,994,840	1,625,000	417,031	2,042,031	8,036,871
2022	3,335,000	2,435,990	5,770,990	1,690,000	352,031	2,042,031	7,813,021
2023	3,310,000	2,275,540	5,585,540	1,760,000	284,431	2,044,431	7,629,971
2024	3,480,000	2,118,440	5,598,440	890,000	214,031	1,104,031	6,702,471
2025	3,665,000	1,953,190	5,618,190	925,000	177,769	1,102,769	6,720,959
2026	3,845,000	1,779,290	5,624,290	970,000	139,613	1,109,613	6,733,903
2027	4,035,000	1,598,453	5,633,453	1,015,000	99,600	1,114,600	6,748,053
2028	3,945,000	1,413,196	5,358,196	420,000	57,225	477,225	5,835,421
2029	3,840,000	1,230,065	5,070,065	440,000	39,375	479,375	5,549,440
2030	2,540,000	1,044,290	3,584,290	460,000	20,125	480,125	4,064,415
2031	3,100,000	971,075	4,071,075	-	-	-	4,071,075
2032	3,185,000	876,153	4,061,153	-	-	-	4,061,153
2033	3,025,000	775,444	3,800,444	-	-	-	3,800,444
2034	3,110,000	677,405	3,787,405	-	-	-	3,787,405
2035	3,045,000	573,398	3,618,398	-	-	-	3,618,398
2036	3,135,000	466,854	3,601,854	-	-	-	3,601,854
2037	3,220,000	356,967	3,576,967	-	-	-	3,576,967
2038	3,315,000	243,680	3,558,680	-	-	-	3,558,680
2039	3,415,000	123,768	3,538,768	-	-	-	3,538,768
<b>TOTAL</b>	<b>\$ 66,640,000</b>	<b>\$ 26,151,808</b>	<b>\$ 92,791,808</b>	<b>\$ 11,750,000</b>	<b>\$ 2,288,613</b>	<b>\$ 14,038,613</b>	<b>\$ 106,830,420</b>

## General Obligation Bonds - Debt Service Changes to Maturity

Issue	Year	Bond Maturities	Interest On Bonds	Total Bonds and Interest	Month Bonds Mature
2009B City Hall BABs	2020	-	491,440	491,440	
	2021	-	491,440	491,440	
	2022	-	491,440	491,440	
	2023	-	491,440	491,440	
	2024-2039	8,000,000	5,872,094	13,872,094	
		8,000,000	7,837,854	15,837,854	Dec
2010 Streets Projects LTGO	2020	295,000	143,613	438,613	
	2021	305,000	131,813	436,813	
	2022	315,000	119,613	434,613	
	2023	330,000	107,013	437,013	
	2024-2029	2,270,000	343,950	2,613,950	
		3,515,000	846,000	4,361,000	Dec
2010B HOCM LTGO	2020	315,000	142,088	457,088	
	2021	345,000	128,888	473,888	
	2022	375,000	114,488	489,488	
	2023	405,000	98,888	503,888	
	2024-2028	2,235,000	219,869	2,454,869	
		3,675,000	704,219	4,379,219	Jun
2013 WA Center, LED, and Parks LTGO	2020	535,000	140,775	675,775	
	2021	560,000	114,025	674,025	
	2022	345,000	86,025	431,025	
	2023	165,000	68,775	233,775	
	2024-2032	1,780,000	321,750	2,101,750	
		3,385,000	731,350	4,116,350	Dec
2019 Bond Refunding LTGO	2020	895,000	1,335,629	2,230,629	
	2021	1,510,000	1,361,175	2,871,175	
	2022	1,595,000	1,285,675	2,880,675	
	2023	1,665,000	1,205,925	2,870,925	
	2024-2039	34,290,000	8,474,506	42,764,506	
		39,955,000	13,662,910	53,617,910	Dec
2019 Bond Refunding UTGO	2020	660,000	385,225	1,045,225	
	2021	675,000	372,500	1,047,500	
	2022	705,000	338,750	1,043,750	
	2023	745,000	303,500	1,048,500	
	2024-2029	5,325,000	969,500	6,294,500	
		8,110,000	2,369,475	10,479,475	Dec
Total General Obligation Debt Service To Maturity		<u>\$ 66,640,000</u>	<u>\$ 26,151,808</u>	<u>\$ 92,791,808</u>	



**Enterprise Revenue Bonds - Debt Service Changes to Maturity**

Issue	Year	Bond Maturities	Interest On Bonds	Total Bonds and Interest	Month Bonds Mature
2007 Waterworks Capital Improvement	2020	435,000	168,844	603,844	
	2021	455,000	151,444	606,444	
	2022	480,000	133,244	613,244	
	2023	505,000	114,044	619,044	
	2024-2027	<u>2,275,000</u>	<u>240,075</u>	<u>2,515,075</u>	
		4,150,000	807,650	4,957,650	Nov
2010 Water/Sewer Capital Improvement	2020	305,000	172,188	477,188	
	2021	320,000	159,988	479,988	
	2022	330,000	147,188	477,188	
	2023	345,000	133,988	478,988	
	2024-2030	<u>2,845,000</u>	<u>507,663</u>	<u>3,352,663</u>	
		4,145,000	1,121,013	5,266,013	Nov
2013 Water/Sewer Capital Improvement	2020	815,000	146,350	961,350	
	2021	850,000	105,600	955,600	
	2022	880,000	71,600	951,600	
	2023	<u>910,000</u>	<u>36,400</u>	<u>946,400</u>	
		3,455,000	359,950	3,814,950	Nov
Total Enterprise Revenue Bond Debt To Maturity		<u>\$ 11,750,000</u>	<u>\$ 2,288,613</u>	<u>\$ 14,038,613</u>	

**Public Works Trust Fund Loans - Debt Service Changes to Maturity**

Issue	Year	Principal	Interest	Total Principal and Interest
4th Avenue Bridge (039)	2020	360,377	3,604	363,981
4th Avenue Bridge (048)	2020	173,382	1,734	175,116
	2021	<u>173,382</u>	<u>867</u>	<u>174,249</u>
		346,765	2,601	349,365
Sleater-Kinney Sewer	2020	91,946	4,138	96,084
	2021	91,946	3,678	95,624
	2022	91,946	3,218	95,164
	2023	91,946	2,758	94,705
	2024-2028	<u>459,731</u>	<u>6,896</u>	<u>466,627</u>
		827,517	20,688	848,204
Total Public Works Trust Fund Debt to Maturity		<u>\$ 1,534,658</u>	<u>\$ 26,892</u>	<u>\$ 1,561,551</u>

## Other Debt - Debt Service Changes to Maturity

Issue	Year	Principal	Interest	Total Principal and Interest
LOCAL Program Energy Savings	2020	87,836	1,305	89,141
Section 108 Loan	2020	56,000	644	56,644
2018 Zahn Promissory Note	2020	1,000,000		1,000,000
	2021	1,000,000		1,000,000
	2022	700,000		700,000
		<u>2,700,000</u>		<u>2,700,000</u>
2018 Mihn Promisory Note	2019	150,000		150,000
	2020	250,000		250,000
		<u>400,000</u>		<u>400,000</u>
Yauger Park Stormwater	2020	61,766	21,496	83,262
	2021	63,581	19,681	83,262
	2022	65,450	17,813	83,262
	2023	67,373	15,889	83,262
	2024-2030	493,945	52,402	546,347
		<u>752,115</u>	<u>127,281</u>	<u>879,396</u>
DOE Septic Conversion Assistance Program	2020	4,812	2,219	7,031
	2021	4,963	2,068	7,031
	2022	5,119	1,912	7,031
	2023	5,280	1,751	7,031
	2024-2032	52,138	7,622	59,761
		<u>72,312</u>	<u>15,571</u>	<u>87,883</u>
State Avenue Stormwater Retrofit	2020	28,124	12,263	40,386
	2021	28,777	11,609	40,386
	2022	29,446	10,940	40,386
	2023	30,131	10,256	40,386
	2024-2035	421,133	63,504	484,637
		<u>537,611</u>	<u>108,572</u>	<u>646,183</u>
DWSRF Loan McAllister Wellfield Development	2020	284,463	64,004	348,468
	2021	284,463	59,737	344,201
	2022	284,463	55,470	339,934
	2023	284,463	51,203	335,667
	2024-2034	3,129,097	281,619	3,410,715
		<u>4,266,950</u>	<u>512,034</u>	<u>4,778,984</u>
DWSRF Loan McAllister Wellfield Transmission Pipeline	2020	240,582	54,131	294,713
	2021	240,582	50,522	291,104
	2022	240,582	46,913	287,495
	2023	240,582	43,305	283,887
	2024-2034	2,646,402	238,176	2,884,578
		<u>3,608,730</u>	<u>433,048</u>	<u>4,041,778</u>

### Other Debt - Debt Service Changes to Maturity

Issue	Year	Principal	Interest	Total Principal and Interest
DWSRF Loan SE Olympia Reservoir	2020	466,163	125,864	592,027
	2021	466,163	118,872	585,034
	2022	466,163	111,879	578,042
	2023	466,163	104,887	571,049
	2024-2037	6,598,001	734,206	7,332,207
		<u>8,462,652</u>	<u>1,195,707</u>	<u>9,658,359</u>
McAllister Corrosion Control Facility	2020	182,318	43,756	226,075
	2021	182,318	41,022	223,340
	2022	182,318	38,287	220,605
	2023	182,318	35,552	217,870
	2024-2035	2,187,819	213,312	2,401,131
		<u>2,917,092</u>	<u>371,929</u>	<u>3,289,021</u>
Fones Road Booster Station	2020	104,304	25,033	129,338
	2021	104,304	23,469	127,773
	2022	104,304	21,904	126,208
	2023	104,304	20,339	124,644
	2024-2035	1,251,654	122,036	1,373,690
		<u>1,668,871</u>	<u>212,781</u>	<u>1,881,653</u>
Elliott Ave Reservoir Seismic Retrofit	2020	750	214	964
	2021	750	203	953
	2022	750	191	941
	2023	750	180	930
	2024-2038	87,729	1,350	89,079
		<u>90,729</u>	<u>2,138</u>	<u>92,866</u>
Fir St. Reservoir Seismic and Value House Retrofit	2020	750	214	964
	2021	750	203	953
	2022	750	191	941
	2023	750	180	930
	2024-2038	106,258	1,350	107,608
		<u>109,258</u>	<u>2,138</u>	<u>111,395</u>
2018 Home Fund Interfund Loan	2020	450,245	12,382	462,627
	2021	450,245	5,628	455,873
		<u>900,490</u>	<u>18,010</u>	<u>918,500</u>
2018 HUD Interfund Loan	2020	50,000		50,000
Total Other Debt to Maturity		<u>\$ 26,680,646</u>	<u>\$ 3,001,157</u>	<u>\$ 29,681,803</u>

**Schedule of Long Term Debt**

General Obligations:	Date of Issue	Final Maturity	Amount of Issue	Effective Interest Rate	Amount Outstanding 1-1-2019	Issued 2019	Redeemed 2019	Amount Outstanding 12-31-2019
<b>Bonds:</b>								
2019 Bond Refunding LTGO	Dec 2019	2039	\$ 39,955,000	2.62-5.00	\$ -	\$ 39,955,000		\$ 39,955,000
2019 Bond Refunding UTGO	Dec 2019	2029	8,110,000	5.00		8,110,000		8,110,000
2009A City Hall LTGO	Sept 2009	2019	2,400,000	3.00-4.00	310,000	-	310,000	-
2009B City Hall BABs	Sept 2009	2039	32,810,000	6.14	32,810,000	-	24,810,000	8,000,000
2009 Fire Stn Construction LTGO	Dec 2009	2029	16,180,000	3.00-4.25	10,400,000	-	10,400,000	-
2010 Street Projects LTGO	May 2010	2029	5,865,000	3.00-4.25	3,795,000	-	280,000	3,515,000
2010B HOCM LTGO	Dec 2010	2028	5,670,000	3.00-4.25	3,965,000	-	290,000	3,675,000
2013 WA Center, LED, and Parks LTGO	Dec 2013	2032	6,345,000	3.00-5.00	3,890,000	-	505,000	3,385,000
Total General Obligation Bonds			117,335,000		55,170,000	48,065,000	36,595,000	66,640,000
<b>Loans:</b>								
St of Washington LOCAL Loan Program	Jun 2010	2020	1,534,496	2.97	259,670	-	171,834	87,836
U.S. HUD Department Section 108 Loan	Jun 2010	2020	325,000	LIBOR + 0.2%	56,000		-	56,000
2016 Parks BAN	May 2019	2035	14,000,000	3.50	10,000,000	4,000,000	14,000,000	-
2017 Parks Land Promissory Note	Feb 2017	2019	2,200,000	0.00	1,000,000		1,000,000	-
2018 Zahn Property Promissory Note	Aug 2018	2022	10,700,000	0.00	6,700,000		4,000,000	2,700,000
2018 Minh Smith Promissory Note	Sep 2018	2021	950,000	0.00	700,000		300,000	400,000
Total General Obligation Loans			29,709,496		18,715,670	4,000,000	19,471,834	3,243,836
<b>State of Washington Trust Fund Loans:</b>								
4th / 5th Ave. Corridor	Jul 2000	2020	6,721,144	1.00	720,754	-	360,377	360,377
4th / 5th Ave. Corridor	Apr 2001	2021	3,275,000	0.50	520,148	-	173,383	346,765
Total State of WA Trust Fund Loans			9,996,144		1,240,902	-	533,760	707,142
Total General Obligations			\$ 157,040,640		\$ 75,126,572	\$ 52,065,000	\$ 56,600,594	\$ 70,590,978
<b>Enterprise Revenue Debt:</b>								
<b>Bonds:</b>								
2007 Waterworks Capital Improvement	Aug 2007	2027	\$ 8,000,000	4.00-4.125	\$ 4,565,000	\$ -	\$ 415,000	\$ 4,150,000
2010 Waterworks Capital Improvement	Nov 2010	2030	6,485,000	3.45	4,440,000	-	295,000	4,145,000
2013 Water/Sewer Capital Improvement	Nov 2013	2023	7,780,000	4.10	4,235,000	-	780,000	3,455,000
Total Enterprise Revenue Bonds			22,265,000		13,240,000	-	1,490,000	11,750,000
<b>Loans:</b>								
St of Washington Public Works Board								
Yauger Park	Jul 2009	2030	1,219,756	2.90	812,118	-	60,003	752,115
Dept of Ecology - Septic Assistance	Jun 2012	2032	100,725	3.10	76,977	-	4,665	72,312
Dept of Ecology - State Ave. Stormwater Retrofit	Mar 2014	2035	626,081	2.30	565,095		27,484	537,611
DWSRF McAllister Wellfield Development	Jul 2011	2034	5,689,267	1.50	4,551,413	-	284,463	4,266,950
DWSRF McAllister Wellfield Transmission Pipeline	Oct 2011	2034	4,811,640	1.50	3,849,312	-	240,582	3,608,730
DWSRF SE Olympia Reservoir Loan	May 2014	2037	9,385,804	1.50	8,785,370	71,722	466,163	8,390,929
DWSRF McAllister Wellfield Corrosion Control Facility	Jun 2016	2035	3,351,197	1.50	3,099,410		182,318	2,917,092
DWSRF Fones Road Booster Pump Stations	Jun 2016	2035	1,931,982	1.50	1,773,176		104,304	1,668,872
DWSRF Elliot Ave Reservoir Seismic Retrofit	Sep 2018	2038	1,515,000	1.50	15,000	76,479	750	90,729
DWSRF Fir St Reservoir Seismic and Valve House Retrofit	Sep 2018	2038	1,515,000	1.50	15,000	95,008	750	109,258
Total Enterprise Revenue Loans			30,146,451		23,542,871	243,209	1,371,483	22,414,597
<b>State of Washington Trust Fund Loans:</b>								
Sleater-Kinney Sewer	Dec 2009	2028	\$ 1,085,025	0.50	\$ 919,463	\$ -	\$ 91,946	\$ 827,517
Total State of WA Trust Fund Loans			1,085,025		919,463	-	91,946	827,517
Total Enterprise Revenue Debt			\$ 53,496,476		\$ 37,702,334	\$ 243,209	\$ 2,953,429	\$ 34,992,113

Interfund Loans							
2018 Home Fund Interfund Loan	Oct 2018	2021	1,350,735	0.10	1,350,735	450,245	900,490
2018 Fire Equipment Interfund Loan	Jun 2018	2021	85,000	3.00	85,000	85,000	-
2018 HUD Loan	Dec 2018	2020	100,000	0.00	100,000	50,000	50,000
Total Interfund Loans			<u>\$ 1,535,735</u>		<u>\$ 1,535,735</u>	<u>\$ -</u>	<u>\$ 585,245</u>
							<u>\$ 950,490</u>
L.I.D. Debt Notes:							
#762 Water	Nov 2007	2020	<u>\$ 167,998</u>	6.50	<u>\$ 9,797</u>	<u>\$ -</u>	<u>\$ 9,797</u>
Total L.I.D. Debt			<u>\$ 167,998</u>		<u>\$ 9,797</u>	<u>\$ -</u>	<u>\$ 9,797</u>
Compensated Absences-Proprietary Funds					\$ 1,039,469	\$ 1,875,461	\$ 1,346,183
Compensated Absences-Internal Service Funds					39,620	55,243.22	43,809.86
Compensated Absences-Governmental Funds					<u>5,028,452</u>	<u>3,632,966</u>	<u>4,000,045</u>
Total Compensated Absences					<u>\$ 6,107,541</u>	<u>\$ 5,563,670</u>	<u>\$ 5,390,038</u>
<b>TOTAL LONG TERM DEBT</b>			<u><b>\$ 212,240,849</b></u>		<u><b>\$ 120,481,979</b></u>	<u><b>\$ 57,871,879</b></u>	<u><b>\$ 65,529,306</b></u>
							<u><b>\$ 112,824,551</b></u>

**Comprehensive Annual  
Financial Report**



**Olympia**<sup>TM</sup>

**Statistical Information**





The Statistical Schedules present detailed information as a context for understanding this year's financial statements, note disclosures, and required supplementary information.

**This section contains the following subsections:**

- Financial Trends
- Revenue Capacity
- Debt Capacity
- Demographic and Economic Information
- Operating Information

**FINANCIAL TRENDS**

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

- Schedule 1 Net Position by Component, Last Ten Fiscal Years**
- Schedule 2 Changes in Net Position by Component, Last Ten Fiscal Years**
- Schedule 3 Fund Balances, Governmental Funds, Last Ten Fiscal Years**
- Schedule 4 Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years**

**REVENUE CAPACITY**

These schedules contain information to help the reader assess the City's two significant local revenue sources, the property tax, and water and sewer charges.

- Schedule 5 Tax Revenues by Source, Governmental Funds, Last Ten Years**
- Schedule 6 Sales Tax Revenues by Type and Percentage, Governmental Funds, Last Ten Years**
- Schedule 7 Direct and Overlapping Property Tax Rates, Last Ten Fiscal Years**
- Schedule 8 Principal Property Taxpayers, Current Year and Nine Years Ago**
- Schedule 9 Property Tax Levies and Collections, Last Ten Fiscal Years**

**DEBT CAPACITY**

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

- Schedule 10 Ratios of Outstanding Debt by Type, Last Ten Fiscal Years**
- Schedule 11 Ratios of General Bonded Debt Outstanding, Last Ten Fiscal Years**
- Schedule 12 Direct and Overlapping Governmental Activities Debt**
- Schedule 13 Legal Debt Margin Information, Last Ten Fiscal Years**
- Schedule 14 Pledged Revenue Coverage, Last Ten Fiscal Years**

**DEMOGRAPHIC AND ECONOMIC INFORMATION**

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

- Schedule 15 Demographic and Economic Statistics, Last Ten Fiscal Years**
- Schedule 16 Principal Employers Current Year and Nine Years Ago**

**OPERATING INFORMATION**

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

- Schedule 17 Full-Time Equivalent City Government Employees by Function/Program, Last Ten Fiscal Years**
- Schedule 18 Operating Indicators by Function/Program, Last Ten Fiscal Years**
- Schedule 19 Capital Asset Statistics by Function/Program, Last Ten Fiscal Years**

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**City of Olympia**  
**Schedule 1 - Net Position by Component, Last Ten Years**  
*(accrual basis of accounting)*

	Fiscal Year									
	2010	2011	2012	2013	2014*	2015**	2016	2017	2018	2019
<b>Governmental Activities</b>										
Invested in Capital Assets, Net of Related Debt	\$ 148,840,361	\$ 169,351,088	\$ 177,169,037	\$ 181,567,905	\$ 182,749,408	\$ 182,889,905	\$ 180,374,377	\$ 178,132,389	\$ 181,912,408	\$ 183,147,769
Restricted	6,157,421	15,452,414	13,547,730	16,250,647	14,938,346	26,881,135	30,257,414	40,844,856	51,922,452	38,398,078
Unrestricted	44,069,792	30,686,241	28,263,450	24,488,356	11,831,998	4,822,059	6,240,568	3,023,513	(7,037,914)	14,152,978
Total Governmental Activities	<u>\$ 199,067,574</u>	<u>\$ 215,489,743</u>	<u>\$ 218,980,217</u>	<u>\$ 222,306,908</u>	<u>\$ 209,519,752</u>	<u>\$ 214,593,099</u>	<u>\$ 216,872,359</u>	<u>\$ 222,000,758</u>	<u>\$ 226,796,946</u>	<u>\$ 235,698,825</u>
<b>Business-Type Activities</b>										
Invested in Capital Assets, Net of related debt	\$ 77,359,526	\$ 84,653,446	\$ 90,901,306	\$ 91,354,309	\$ 93,527,138	\$ 93,301,224	\$ 91,615,999	\$ 95,693,051	\$ 90,616,220	\$ 91,661,021
Restricted	435,807	438,233	438,233	1,260,733	1,260,900	1,260,900	1,260,900	1,260,900	1,260,900	1,260,900
Unrestricted	26,172,949	24,258,687	21,078,362	20,865,914	16,018,583	17,743,933	23,299,341	22,034,523	30,597,668	31,436,301
Total Business-Type Activities	<u>\$ 103,968,282</u>	<u>\$ 109,350,366</u>	<u>\$ 112,417,901</u>	<u>\$ 113,480,956</u>	<u>\$ 110,806,621</u>	<u>\$ 112,306,057</u>	<u>\$ 116,176,240</u>	<u>\$ 118,988,474</u>	<u>\$ 122,474,788</u>	<u>\$ 124,358,222</u>
<b>Primary Government</b>										
Net Invested in Capital Assets	\$ 226,199,887	\$ 254,004,534	\$ 268,070,343	\$ 272,922,214	\$ 276,276,546	\$ 276,191,129	\$ 271,990,376	\$ 273,825,440	\$ 272,528,628	\$ 274,808,790
Restricted	6,593,228	15,890,647	13,985,963	17,511,380	16,199,246	28,142,035	31,518,314	42,105,756	53,183,352	39,658,978
Unrestricted	70,242,741	54,944,928	49,341,812	45,354,270	27,850,581	22,565,992	29,539,909	25,058,036	23,559,754	45,589,279
Total Primary Government	<u>\$ 303,035,856</u>	<u>\$ 324,840,109</u>	<u>\$ 331,398,118</u>	<u>\$ 335,787,864</u>	<u>\$ 320,326,373</u>	<u>\$ 326,899,156</u>	<u>\$ 333,048,599</u>	<u>\$ 340,989,232</u>	<u>\$ 349,271,734</u>	<u>\$ 360,057,047</u>

\* 2014 Net Position was restated due to the 2015 GASB 68 Pension Implementation and 2015 Prior Period adjustment related to acquisition of land from prior years. The total value of land was added to the "Net Investment in Capital Assets" as of 2014. Prior years were not restated since land was acquired between 1996 and 2013.

\*\*2015 Net Position Governmental activities Restricted and Unrestricted restated to reflect Net Pension Asset value as Restricted Net Position and OPEB Fund reclassification from a Fiduciary Trust into the General Fund.

City of Olympia

Schedule 2 - Changes in Net Position by Component, Last Ten Years

Changes in Net Position by Component, Last Ten Years

(accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014*	2015	2016	2017	2018	2019*
<b>Expenses</b>										
Governmental Activities:										
General Government	\$ 22,985,923	\$ 24,441,738	\$ 24,423,345	\$ 23,390,910	\$ 36,083,883	\$ 27,310,588	\$ 26,506,321	\$ 27,091,074	\$ 23,159,642	\$ 39,027,239
Public Safety	26,587,222	27,790,718	28,083,446	29,147,579	28,612,558	31,182,898	34,015,639	35,296,198	36,437,660	37,529,719
Physical Environment	0	0	0	0	0	0	0	72	1,562	42,588
Transportation	7,874,452	6,025,209	9,668,045	9,413,918	17,628,133	15,003,326	14,706,532	13,008,781	9,204,132	17,284,274
Economic Environment	3,553,388	3,173,039	3,143,841	3,811,778	5,432,777	4,101,801	6,144,538	5,929,157	7,216,049	7,574,562
Mental and Physical Health	16,942	16,848	18,267	82,097	107,451	111,854	111,686	100,953	931,071	775,750
Culture and Recreation	7,680,425	7,453,770	6,083,524	5,858,268	7,886,138	6,747,259	5,992,961	10,618,838	15,928,421	10,530,770
Interest on Long Term Debt	3,179,478	3,704,209	3,607,848	3,594,158	3,552,801	3,431,705	3,332,015	3,285,041	3,198,950	3,766,042
<b>Total Governmental Activities</b>	<b>71,877,830</b>	<b>72,605,531</b>	<b>75,028,316</b>	<b>75,298,708</b>	<b>99,303,741</b>	<b>87,889,431</b>	<b>90,809,692</b>	<b>95,330,114</b>	<b>96,077,487</b>	<b>116,530,945</b>
Business-type activities:										
Drinking Water and Wastewater	23,299,976	24,469,083	25,935,482	27,549,466	32,522,084	31,318,153	30,521,606	32,879,455	33,141,022	35,205,943
Waste Resources	8,399,167	8,384,390	9,201,809	9,086,569	11,087,325	9,913,614	10,236,494	11,392,863	12,018,629	12,284,092
Storm and Surface Water	3,874,319	4,105,731	5,295,418	5,472,378	6,503,310	6,377,980	6,676,731	6,662,513	5,874,079	6,276,073
<b>Total Business-Type Activities</b>	<b>35,573,462</b>	<b>36,959,204</b>	<b>40,432,609</b>	<b>42,108,413</b>	<b>50,112,719</b>	<b>47,609,747</b>	<b>47,434,831</b>	<b>50,934,831</b>	<b>51,033,730</b>	<b>53,766,108</b>
<b>Total Government Expenses</b>	<b>\$ 107,451,292</b>	<b>\$ 109,564,735</b>	<b>\$ 115,460,925</b>	<b>\$ 117,407,121</b>	<b>\$ 149,416,460</b>	<b>\$ 135,499,178</b>	<b>\$ 138,244,523</b>	<b>\$ 146,264,945</b>	<b>\$ 147,111,217</b>	<b>\$ 170,297,052</b>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services - Building										
Permits and Inspections	2,666,074	2,740,343	1,956,632	2,618,496	2,767,900	2,671,429	3,073,179	2,519,404	2,317,732	2,734,047
Charges for services - Fire Protection	3,529,078	3,575,126	4,071,206	4,241,112	4,021,605	4,236,289	4,645,380	4,853,402	4,962,173	5,347,390
Charges for services - Impact Fees	1,528,699	2,124,715	1,652,226	3,180,307	2,233,576	2,357,462	3,594,132	1,496,233	1,586,376	1,185,985
Charges for services - Other	8,662,000	8,456,281	7,905,243	11,227,859	15,317,094	14,994,920	12,300,294	15,020,861	15,599,815	25,438,916
Operating grants and contributions	9,566,679	5,937,832	6,029,974	3,870,094	4,161,895	4,580,008	5,442,857	5,313,679	6,379,383	4,894,407
Capital grants and contributions	7,682,798	2,917,224	6,317,758	2,860,324	3,943,590	3,270,005	397,671	1,151,212	3,494,598	4,322,640
<b>Total governmental activities program revenue</b>	<b>33,635,328</b>	<b>25,751,520</b>	<b>27,933,039</b>	<b>27,998,192</b>	<b>32,445,660</b>	<b>32,110,113</b>	<b>29,453,513</b>	<b>30,354,791</b>	<b>34,340,077</b>	<b>43,923,385</b>
Business-type activities:										
Charges for services:										
Drinking Water and Wastewater	22,579,947	24,226,688	24,919,143	28,305,004	30,339,653	31,823,214	33,975,843	35,329,851	35,177,529	34,606,485
Waste Resources	8,023,370	8,408,548	8,595,218	8,592,413	9,388,619	10,030,818	10,513,187	11,278,840	12,025,280	12,786,313
Storm and Surface Water	4,071,595	4,478,690	4,218,353	4,813,089	5,119,344	4,943,074	5,154,386	5,791,587	5,559,995	6,236,012
Operating grants and contributor	488,476	1,215,109	523,073	672,542	241,289	160,002	738,479	244,775	326,456	39,582
Capital grants and contributions	1,359,750	585,000	2,836,700	446,000	1,453,376	2,388,401	499,356	287,857	438,396	1,361,491
<b>Total business-type activities program revenue</b>	<b>36,523,138</b>	<b>38,914,035</b>	<b>41,092,487</b>	<b>42,829,048</b>	<b>46,542,281</b>	<b>49,345,509</b>	<b>50,881,251</b>	<b>52,932,910</b>	<b>53,527,656</b>	<b>55,029,884</b>
<b>Total government program revenues</b>	<b>\$ 70,158,466</b>	<b>\$ 64,665,555</b>	<b>\$ 69,025,526</b>	<b>\$ 70,827,240</b>	<b>\$ 78,987,941</b>	<b>\$ 81,455,622</b>	<b>\$ 80,334,764</b>	<b>\$ 83,287,701</b>	<b>\$ 87,867,733</b>	<b>\$ 98,953,269</b>
<b>Net (Expense) Revenue</b>										
Governmental activities:	\$ (38,242,502)	\$ (46,854,011)	\$ (47,095,277)	\$ (47,300,516)	\$ (66,858,081)	\$ (55,779,318)	\$ (61,356,179)	\$ (64,975,323)	\$ (61,737,410)	\$ (72,607,560)
Business-type activities:	949,676	1,954,831	659,878	720,635	(3,570,438)	1,735,762	3,446,420	1,998,079	2,493,926	1,263,776
<b>Total Government net expense revenue</b>	<b>\$ (37,292,826)</b>	<b>\$ (44,899,180)</b>	<b>\$ (46,435,399)</b>	<b>\$ (46,579,881)</b>	<b>\$ (70,428,519)</b>	<b>\$ (54,043,556)</b>	<b>\$ (57,909,759)</b>	<b>\$ (62,977,244)</b>	<b>\$ (59,243,484)</b>	<b>\$ (71,343,784)</b>
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental activities:										
Taxes										
Property Taxes	11,788,009	20,044,686	12,710,415	13,073,123	13,340,294	14,032,891	14,928,974	18,914,576	21,922,111	22,873,648
Sales Taxes	17,765,052	17,274,548	17,437,326	18,931,717	20,805,958	23,455,500	25,291,820	27,545,865	20,340,013	27,403,026
<b>Business &amp; Occupation Taxes</b>										6,703,728
Utility Taxes										8,965,451
Gross Receipt Taxes	16,587,285	17,797,769	17,657,603	17,487,091	18,065,984	19,636,064	21,252,737	21,573,209	15,884,726	0
Excise Taxes									4,188,679	4,342,018
<b>Other Taxes</b>										5,445,909
Investment earnings	375,712	285,466	264,291	98,718	82,077	70,012	328,228	419,522	1,057,421	2,066,891
Other	4,361,104	3,147,102	2,463,796	746,273	954,444	1,506,425	1,739,005	3,761,096	4,418,988	1,183,157
Transfers	435,005	(155,123)	52,320	290,285	353,271	553,524	94,674	202,972	172,580	411,017
<b>Total governmental activities</b>	<b>51,312,167</b>	<b>63,276,180</b>	<b>50,585,751</b>	<b>50,627,207</b>	<b>53,602,028</b>	<b>59,254,416</b>	<b>63,635,438</b>	<b>72,417,240</b>	<b>67,984,518</b>	<b>79,394,844</b>
Business-type activities:										
Investment earnings	63,795	45,306	42,432	33,904	32,380	11,528	129,173	179,290	538,806	959,611
Other	2,943,153	3,226,824	2,417,545	598,801	427,642	305,670	389,264	837,837	626,163	71,065
Transfers	(435,005)	155,123	(52,320)	(290,285)	(353,271)	(553,524)	(94,674)	(202,972)	(172,580)	(411,017)
<b>Total business-type activities</b>	<b>2,571,943</b>	<b>3,427,253</b>	<b>2,407,657</b>	<b>342,420</b>	<b>106,751</b>	<b>(236,326)</b>	<b>423,763</b>	<b>814,155</b>	<b>992,389</b>	<b>619,659</b>
<b>Total government</b>	<b>\$ 53,884,110</b>	<b>\$ 66,703,433</b>	<b>\$ 52,993,408</b>	<b>\$ 50,969,627</b>	<b>\$ 53,708,779</b>	<b>\$ 59,018,090</b>	<b>\$ 64,059,201</b>	<b>\$ 73,231,395</b>	<b>\$ 68,976,907</b>	<b>\$ 80,014,503</b>
<b>Changes in Net Position</b>										
Governmental activities	13,069,665	16,422,169	3,490,474	3,326,691	(13,256,053)	3,475,098	2,279,259	7,441,917	6,247,108	6,787,285
Business-type activities	3,521,619	5,382,084	3,067,535	1,063,055	(3,463,687)	1,499,436	3,870,183	2,812,234	3,486,315	1,883,435
<b>Total Government</b>	<b>\$ 16,591,284</b>	<b>\$ 21,804,253</b>	<b>\$ 6,558,009</b>	<b>\$ 4,389,746</b>	<b>\$ (16,719,740)</b>	<b>\$ 4,974,534</b>	<b>\$ 6,149,442</b>	<b>\$ 10,254,151</b>	<b>\$ 9,733,423</b>	<b>\$ 8,670,720</b>

\* 2014 Changes in Net Position was restated due to the 2015 GASB 68 Pension Implementation. The Changes in Net Position, \$468,897 Governmental activities and \$789,352 Business activities was not restated in 2014 the 2015 Prior Period adjustment related to acquisition of land from prior years due to acquisition occurring between 1996 and 2013, which would have effected the changes of those years.

**City of Olympia**

**Schedule 3 - Fund Balances, Governmental Funds, Last Ten Years**

(modified accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>General Fund</b>										
Nonspendable	\$ 2,310,470	\$ 98,147	\$ 150,255	\$ 194,911	\$ 78,599	\$ 74,826	\$ 190,893	\$ 247,425	\$ 364,335	\$ 425,583
Restricted	2,037,834	345,035	245,104	262,132	285,343	276,613	283,536	216,743	333,631	3,513,307
Committed	1,158,838	1,793,280	3,026,155	3,968,099	3,846,511	5,361,283	7,849,057	8,915,510	9,147,713	9,287,064
Assigned	2,087,753	5,083,083	5,063,120	6,110,654	6,389,484	3,875,850	4,239,357	2,896,639	2,521,995	16,714,412
Unassigned	6,315,643	6,501,171	5,784,635	6,266,733	6,616,409	7,934,158	6,640,535	8,780,509	17,872,883	3,170,037
<b>Total General Fund</b>	<b>\$ 13,910,538</b>	<b>\$ 13,820,716</b>	<b>\$ 14,269,269</b>	<b>\$ 16,802,529</b>	<b>\$ 17,216,346</b>	<b>\$ 17,522,730</b>	<b>\$ 19,203,378</b>	<b>\$ 21,056,826</b>	<b>\$ 30,240,557</b>	<b>\$ 33,110,403</b>
<b>All Other Governmental Funds</b>										
Nonspendable	5,000	-	-	-	-	-	-	-	-	-
Restricted	29,124,058	14,950,975	13,019,866	15,312,376	13,240,669	15,763,928	20,458,427	25,863,370	31,693,210	17,632,971
Committed	355,762	2,252,446	1,458,849	1,287,414	1,095,568	336,143	179,024	206,689	15,335	23,014,757
Assigned	8,312,133	5,264,556	3,055,298	2,694,641	4,172,048	4,100,711	4,447,734	4,333,600	7,516,156	245,104
Unassigned	-	-	-	-	-	-	-	-	(673,899)	4,125
<b>Total All Other Governmental Funds</b>	<b>\$ 37,796,953</b>	<b>\$ 22,467,977</b>	<b>\$ 17,534,013</b>	<b>\$ 19,294,431</b>	<b>\$ 18,508,285</b>	<b>\$ 20,200,782</b>	<b>\$ 25,085,185</b>	<b>\$ 30,403,659</b>	<b>\$ 38,550,802</b>	<b>\$ 40,896,957</b>

**City of Olympia**

**Schedule 4 - Change in Fund Balances, Governmental Funds, Last Ten Years**

(modified accrual basis of accounting)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Revenues</b>										
Taxes	\$ 46,140,346	\$ 47,842,387	\$ 47,629,286	\$ 49,624,944	\$ 52,128,911	\$ 56,713,991	\$ 60,266,469	\$ 67,421,606	\$ 71,282,695	\$ 75,728,519
Licenses and Permits	3,649,928	3,800,814	3,072,611	3,818,982	3,925,136	3,968,414	4,309,935	3,660,352	3,565,784	3,808,029
Intergovernmental										
Revenues	14,936,983	8,700,821	8,220,062	4,954,911	6,719,821	5,693,751	5,604,018	6,068,753	9,549,475	6,730,468
Charges for Services	11,717,950	11,758,412	12,286,347	16,487,641	16,993,502	16,988,973	18,483,359	17,581,378	18,474,195	19,503,053
Fines and Forfeits	1,017,973	1,283,156	951,268	1,021,476	980,103	990,911	970,529	838,342	851,045	699,228
Other Revenues	4,330,261	2,644,626	2,699,916	3,523,003	3,000,896	3,544,591	3,866,427	5,393,127	6,243,473	5,477,933
<b>Total Revenues</b>	<b>\$ 81,793,441</b>	<b>\$ 76,030,216</b>	<b>\$ 74,859,490</b>	<b>\$ 79,430,957</b>	<b>\$ 83,748,369</b>	<b>\$ 87,900,631</b>	<b>\$ 93,500,737</b>	<b>\$ 100,963,558</b>	<b>\$ 109,966,667</b>	<b>\$ 111,947,231</b>
<b>Expenditures</b>										
General Government										
Services	\$ 21,484,274	\$ 22,994,484	\$ 22,526,855	\$ 22,159,001	\$ 24,035,733	\$ 24,107,067	\$ 25,858,876	\$ 27,148,516	\$ 27,022,180	\$ 27,973,503
Security of Persons & Property	26,102,849	27,087,050	27,583,292	28,796,471	30,275,237	32,408,827	34,789,193	37,079,378	39,095,438	39,717,138
Utilities & Environment									1,562	42,588
Transportation	5,070,868	3,944,327	4,227,734	3,950,169	6,378,624	4,472,202	4,072,937	4,005,139	4,135,756	7,818,107
Economic Environment	3,551,748	3,169,004	3,143,653	3,813,141	4,023,001	4,100,640	5,716,930	6,106,882	7,216,330	7,865,176
Mental and Physical										
Health	16,942	16,848	18,267	82,097	107,451	111,854	111,686	100,953	860,978	775,750
Culture and Recreation	7,494,622	7,298,359	5,981,834	5,814,641	5,578,189	6,198,180	6,530,275	8,215,939	9,474,828	10,180,214
Capital Outlay	49,656,245	24,680,776	10,115,914	8,868,477	7,226,936	6,854,514	10,681,498	10,241,964	15,693,909	6,179,711
Debt Service										
Principal	2,213,713	2,829,117	2,868,246	5,680,409	3,474,757	3,600,820	3,920,525	2,673,255	2,825,599	18,160,593
Interest	4,043,269	3,713,593	3,596,721	3,599,261	3,604,334	3,479,443	3,383,796	3,322,754	3,249,657	3,791,323
<b>Total Expenditures</b>	<b>\$ 119,634,530</b>	<b>\$ 95,733,558</b>	<b>\$ 80,062,516</b>	<b>\$ 82,763,667</b>	<b>\$ 84,704,262</b>	<b>\$ 85,333,547</b>	<b>\$ 95,065,716</b>	<b>\$ 98,894,780</b>	<b>\$ 109,576,237</b>	<b>\$ 122,504,104</b>
Excess of revenues over (under) expenditures	(37,841,089)	(19,703,342)	(5,203,026)	(3,332,710)	(955,893)	2,567,084	(1,564,979)	2,068,778	390,430	(10,556,873)
<b>Other Financing Sources (Uses)</b>										
Transfers In	18,844,550	12,212,954	8,028,386	12,044,967	13,065,854	11,387,009	9,142,369	12,125,395	17,289,000	15,950,597
Issuance of Debt										18,607,833
Transfers Out	(17,495,216)	(11,216,357)	(7,338,941)	(11,542,525)	(12,597,475)	(12,333,031)	(9,042,985)	(10,822,761)	(17,116,421)	(15,539,580)
Proceeds from borrowing	13,467,348	2,500,000	0	7,112,312	0	0	6,355,882	833,764	1,189,522	1,141,802
Sale of Capital Assets	8,702	787,944	28,172	11,634	115,185	377,819	76,516	0	0	14,090
<b>Total Other Financing Sources (Uses)</b>	<b>14,825,384</b>	<b>4,284,541</b>	<b>717,617</b>	<b>7,626,388</b>	<b>583,564</b>	<b>(568,203)</b>	<b>6,531,782</b>	<b>2,136,398</b>	<b>1,362,101</b>	<b>20,174,742</b>
<b>Net Change in Fund Balances</b>	<b>\$ (23,015,705)</b>	<b>\$ (15,418,801)</b>	<b>\$ (4,485,409)</b>	<b>\$ 4,293,678</b>	<b>\$ (372,329)</b>	<b>\$ 1,998,881</b>	<b>\$ 4,966,803</b>	<b>\$ 4,205,176</b>	<b>\$ 1,752,531</b>	<b>\$ 9,617,869</b>
<b>Debt Service as a percentage of noncapital expenditure</b>	<b>9.30%</b>	<b>9.74%</b>	<b>9.28%</b>	<b>12.75%</b>	<b>9.03%</b>	<b>8.82%</b>	<b>8.57%</b>	<b>6.64%</b>	<b>6.34%</b>	<b>18.87%</b>

**City of Olympia**

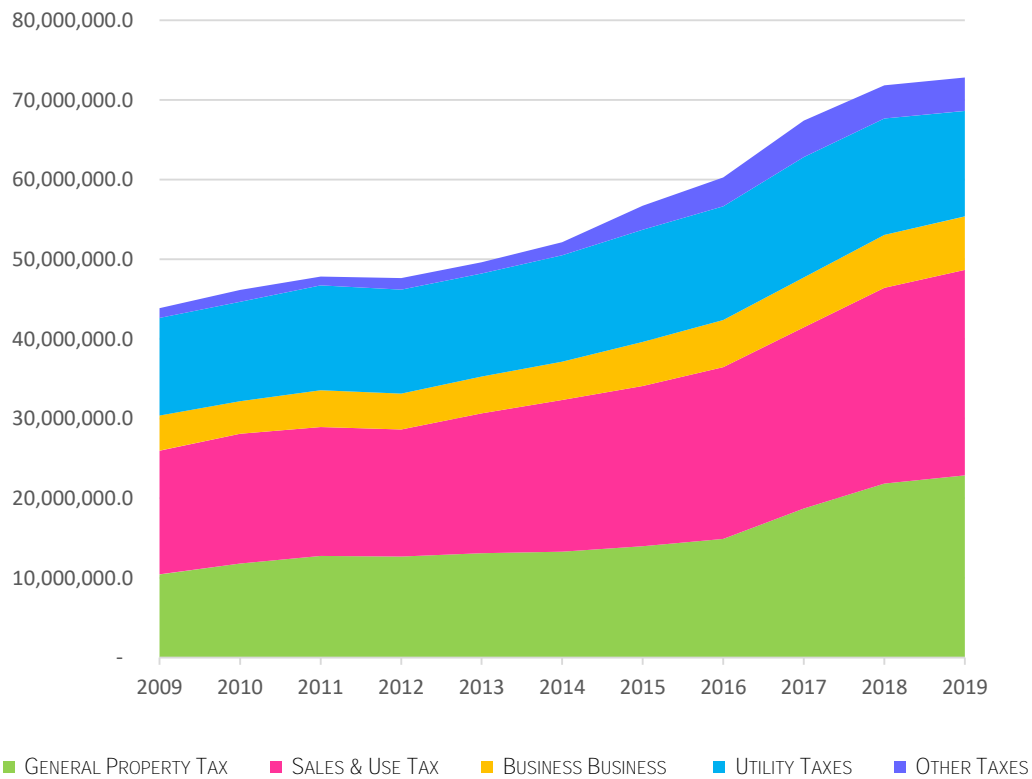
**Schedule 5 - Tax Revenues by Source, Governmental Funds, Last Ten Years**

*(modified accrual basis of accounting)*

Fiscal Year	General Property Tax	Sales & Use Tax	Business Taxes	Utility Taxes	Other Taxes	Total
2010	11,788,009	16,301,568	4,104,335	12,482,950	1,463,484	46,140,346
2011	12,770,070	16,165,551	4,603,464	13,194,305	1,108,997	47,842,387
2012	12,667,673	15,952,956	4,497,564	13,056,914	1,454,179	47,629,286
2013	13,105,139	17,558,502	4,594,932	12,968,458	1,397,913	49,624,944
2014	13,288,767	19,065,328	4,784,237	13,346,682	1,643,897	52,128,911
2015	13,965,698	20,133,091	5,533,466	14,064,275	3,017,461	56,713,991
2016	14,899,631	21,572,857	5,902,899	14,282,312	3,608,770	60,266,469
2017	18,708,063	22,730,768	6,280,663	15,116,637	4,585,475	67,421,606
2018	21,825,585	24,609,441	6,614,756	14,605,546	4,188,679	71,844,007
2019	22,868,388	25,797,855	6,703,728	13,246,912	4,199,263	72,816,146

Change	General Property Tax	Sales & Use Tax	Business Taxes	Utility Taxes	Other Taxes	Total
2019-2010	94.0%	58.3%	63.3%	6.1%	186.9%	57.8%

**Tax Revenues**



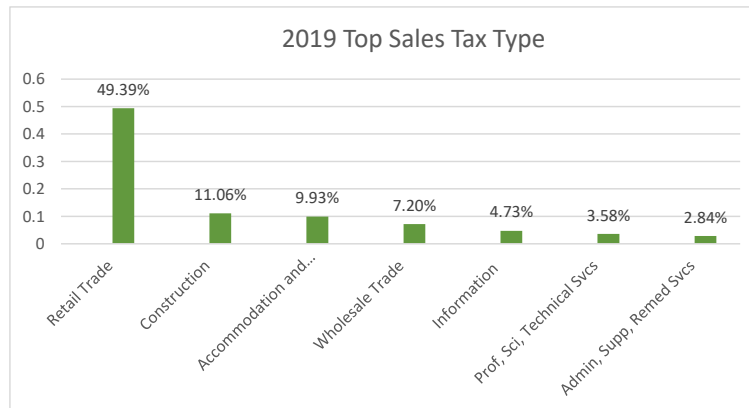


**Schedule 6- City of Olympia**

**Sales Tax Revenues by Type and Percentage, Governmental Funds, Last Ten Years**

(modified accrual basis of accounting)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Sales Tax Collected (000)	\$ 15,127	\$ 14,937	\$ 14,767	\$ 15,637	\$ 16,352	\$ 17,136	\$ 18,515	\$ 19,170	\$ 19,271	\$ 20,511
Agriculture, Forestry, Fishing	0.04 %	0.02 %	0.02 %	0.02 %	0.02 %	0.01 %	0.01 %	0.01 %	0.01 %	0.01 %
Mining	0.02 %	0.01 %	0.01 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Utilities	0.02 %	0.02 %	0.01 %	0.01 %	0.02 %	0.02 %	0.01 %	0.02 %	0.02 %	0.12 %
Construction	16.37 %	12.98 %	11.96 %	11.59 %	11.11 %	10.61 %	11.59 %	12.01 %	10.05 %	11.06 %
Manufacturing	1.87 %	1.69 %	1.58 %	1.90 %	1.59 %	1.56 %	1.50 %	1.31 %	1.54 %	1.48 %
Wholesale Trade	8.45 %	8.38 %	7.13 %	7.05 %	6.53 %	5.67 %	6.07 %	5.80 %	6.69 %	7.20 %
Retail Trade	48.69 %	51.07 %	52.44 %	52.18 %	52.29 %	51.74 %	51.36 %	51.15 %	50.39 %	49.39 %
Transportation and Warehousing	0.14 %	0.13 %	0.17 %	0.18 %	0.14 %	0.12 %	0.15 %	0.08 %	0.19 %	0.60 %
Information	3.84 %	4.05 %	4.63 %	4.72 %	4.96 %	5.31 %	4.95 %	5.09 %	4.88 %	4.73 %
Finance and Insurance	0.87 %	0.73 %	0.84 %	0.84 %	0.89 %	0.90 %	0.99 %	1.04 %	1.02 %	0.94 %
Real Estate, Rental, Leasing	1.86 %	1.68 %	1.80 %	1.69 %	1.59 %	1.79 %	1.67 %	1.71 %	1.67 %	1.69 %
Prof, Sci, Technical Svcs	2.09 %	3.27 %	3.86 %	3.14 %	2.78 %	3.50 %	3.21 %	3.19 %	3.06 %	3.58 %
Company Management	0.00 %	0.00 %	0.01 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %	0.00 %
Admin, Supp, Remed Svcs	1.57 %	1.65 %	0.08 %	1.08 %	1.79 %	1.85 %	1.86 %	2.10 %	2.69 %	2.84 %
Educational Services	0.35 %	0.39 %	0.32 %	0.26 %	0.30 %	0.29 %	0.31 %	0.22 %	0.21 %	0.24 %
Health Care Social Assistance	0.97 %	0.47 %	1.18 %	0.97 %	1.08 %	1.56 %	1.50 %	1.36 %	1.37 %	0.94 %
Arts, Entertain, Recreation	0.69 %	0.72 %	0.74 %	0.91 %	1.00 %	0.90 %	0.90 %	0.87 %	0.93 %	0.91 %
Accommodation and Food Svcs	8.26 %	8.37 %	9.07 %	9.17 %	9.39 %	9.80 %	9.68 %	9.91 %	10.26 %	9.93 %
Other Services	2.75 %	2.81 %	2.95 %	2.80 %	2.68 %	2.68 %	2.52 %	2.49 %	2.60 %	2.57 %
Public Administration	1.15 %	1.56 %	1.20 %	1.49 %	1.84 %	1.69 %	1.73 %	1.81 %	0.87 %	0.82 %



**City of Olympia**

**Schedule 7 -Direct and Overlapping Property Tax Rates, Last Ten Years**

*(rates per \$1,000 of assessed value)*

Fiscal Year	Direct City Rate	Overlapping Rates							Total Average Levy
		Library	State School	Local School	County	Port	Oly Metro Park District	Fire	
2010	1.9689	0.3389	2.0619	4.2216	1.4536	0.1576		0.1999	10.4024
2011	2.2311	0.3569	2.2575	5.0951	1.6043	0.1721		0.2276	11.9446
2012	2.3945	0.3830	2.4503	5.3858	1.7401	0.1845		0.2263	12.7645
2013	2.5567	0.4150	2.5100	5.7090	1.9090	0.2043		0.2420	13.5460
2014	2.4839	0.4157	2.3845	5.2122	1.8365	0.1957		0.2303	12.7588
2015	2.3978	0.4107	2.2756	5.2268	1.7671	0.1866		0.2116	12.4762
2016	2.4084	0.4095	2.1186	5.0254	1.7461	0.1822		0.2096	12.0998
2017	2.2642	0.3993	1.9897	5.2569	1.6675	0.1731	0.5261	0.1880	12.4647
2018	2.6003	0.3821	2.8052	5.1155	1.6293	0.1938	0.5399	0.1807	13.4552
2019	2.5485	0.3621	2.5398	4.3279	1.5816	0.1841	0.5498	0.0168	12.2618

- o All levies expressed in dollars per \$1,000.
- o Due to varying tax rates within the City, the average rate is shown for each item in the table.
- o County levy includes Medic 1 and the Public Utility District #1.
- o Fire levy is for the repayment of the 2009 Voted Fire Bond.
- o Olympia Metropolitan Parks District was approved by voters in 2015, 2017 is the first year of collections.
- o Fiscal years illustrated are the years in which the taxes will be collected.

**City of Olympia**

**Schedule 8 - Principal Property Tax Payers, Current Year and Nine Years Ago**

TEN LARGEST TAXPAYERS	2019			2010		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation	Taxable Assessed Value	Rank	Percentage of Total Assessed Valuation
Capital Mall	\$ 111,128,700	1	1.6%	\$ 96,772,750	1	1.6 %
Vine Street Investors LLC	95,982,200	2	1.3%	87,495,150	2	1.5 %
Puget Sound Energy	85,659,197	3	1.2%	52,547,504	3	0.9 %
Mpt of Olympia Capella LLC	55,027,400	4	0.8%			
Ocean Front-Cambridge LLC	37,771,100	5	0.5%			
MGP X Proeprties LLC	36,732,800	6	0.5%			
Group Health Coop Of Puget Sound	33,371,000	7	0.5%	18,703,303	10	0.3 %
Black Lake Apartments	30,053,166	8	0.4%	24,270,950	8	0.4 %
Breit ACG Mf Woodland LLC	28,635,400	9	0.4%			
Cafaro Northwest Partnership	26,603,500	10	0.4%			
Washington State Employees Credit Union				39,011,450	4	0.7 %
Continental Cambridge				24,136,150	9	0.4 %
Columbia / Capital Medical Ctr				35,988,200	5	0.6 %
Qwest Corp				27,556,266	6	0.5 %
Pf I Olympia Square Llc				26,743,350	7	0.4 %
Totals	540,964,463		7.6%	433,225,073		7.2 %
Balance of Property Tax Payers	6,593,860,633		92.4%	5,566,134,770		92.8 %
Total Assessed Values	<u>\$ 7,134,825,096</u>		<u>100%</u>	<u>\$ 5,999,359,843</u>		<u>100%</u>

Source: Thurston County Assessor's Office

**City of Olympia**

**Schedule 9 - Property Tax Levies and Collections, Last Ten Years**

Fiscal Year	Current Total Tax Total Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	12,915,675	12,636,270	97.8%	278,970	12,915,240	100.00%
2011	13,619,408	13,362,213	98.1%	257,157	13,619,371	100.00%
2012	13,845,292	13,581,489	98.1%	263,756	13,845,245	100.00%
2013	14,111,435	13,909,434	98.6%	201,480	14,110,913	100.00%
2014	14,347,985	14,159,177	98.2%	167,718	14,326,895	98.24%
2015	14,776,517	14,614,476	98.9%	119,286	14,733,762	99.71%
2016	15,092,270	14,923,464	98.9%	95,739	15,019,203	98.88%
2017	18,905,512	18,737,845	99.1%	-	18,737,845	99.11%
2018	22,074,910	20,834,414	94.4%		20,834,414	94.38%
2019	19,327,935	19,164,595	99.2%		19,164,595	99.15%

Current levy and outstanding non-current taxes are net of adjustments.

This includes OMPD

Source: Thurston County Assessor's Office

**City of Olympia**

**Schedule 10 - Ratios of Outstanding Debt by Type, Last Ten Years**

Fiscal Year	Governmental Activities		Business-Type Activities		Total Government	Personal Income (2)	Percentage of Personal Income	Population	Per Capita
	General Obligation Bonds (1)	PSTF and Other Loans	Revenue Bonds (1)	PWTF and Other Loans					
2010	68,355,000	5,562,639	17,515,000	1,997,357	93,495,206	49,461	4.15%	45,500	2,055
2011	66,265,000	4,977,218	16,610,000	1,762,044	89,661,499	52,371	3.66%	46,780	1,917
2012	64,080,000	8,134,204	15,660,000	3,717,871	91,629,610	53,147	3.63%	47,500	1,929
2013	68,682,638	4,956,476	20,564,007	8,133,104	100,949,432	51,902	4.01%	48,480	2,082
2014	65,794,440	4,274,441	19,272,580	12,996,176	102,359,767	52,834	3.90%	49,670	2,061
2015	62,845,372	3,587,968	17,916,153	14,063,266	98,430,542	52,834	3.65%	51,020	1,929
2016	59,834,590	9,058,806	16,519,727	14,302,394	99,727,819	52,834	3.66%	51,600	1,933
2017	57,820,241	13,288,550	15,068,301	17,281,498	103,468,388	54,523	3.64%	52,160	1,984
2018	55,720,891	19,956,572	13,571,874	24,434,941	113,694,074	54,523	3.97%	52,490	2,166
2019	66,640,000	3,960,775	11,750,000	23,273,937	105,634,510	58,606	3.42%	52,770	2,002

(1) Presented net of related premiums, discounts, and adjustments.

(2) Personal Income data is taken from the State of Washington Office of Financial Management Forecasting Division for 2007-2009; U.S. Census Bureau American Fact Finder for 2010 to current available year; U.S. Census Bureau for 2019.

**City of Olympia**

**Schedule 11 - Ratios of General Obligation Outstanding Debt, Last Ten Years**

Fiscal Year	G.O. Bonded Debt (2)(3)	Accumulated Resources		Net G.O. Bonded Debt	Population	Assessed Value (1)	Ratio of Net Bonded Debt To Assessed Value	Net G.O. Bonded Debt Per Capita
		Restricted for Principal Repayment of G.O. Bonded Debt	Net G.O. Bonded Debt					
2010	68,355,000	-	68,355,000	45,500	5,999,359,843	1.14	1,502	
2011	66,225,826	39,174	66,186,653	46,780	5,552,078,378	1.19	1,415	
2012	64,060,167	19,833	64,040,335	47,500	5,308,051,162	1.21	1,348	
2013	68,638,670	43,968	68,594,702	48,480	5,060,434,532	1.36	1,415	
2014	65,735,592	58,848	65,676,745	49,670	5,313,341,232	1.24	1,322	
2015	62,786,805	58,567	62,728,238	51,020	5,671,256,103	1.11	1,229	
2016	59,834,590	58,214	59,776,376	51,600	5,785,389,448	1.03	1,158	
2017	57,820,241	59,197	57,761,044	52,160	6,361,555,378	0.91	1,107	
2018	55,720,891	73,182	55,647,709	52,490	6,690,364,182	0.83	1,060	
2019	66,640,000	2,630	66,637,370	52,770	7,134,825,096	0.93	1,263	

(1) Assessed Value 100% of True and Fair Market, Thurston County.

(2) Presented net of related premiums, discounts, and adjustments.

(3) The General Obligation Bond for the 2009 Fire Station Construction bond is presented net of related accumulated restricted resources in the Fire Bond Debt Service Fund 224.

**City of Olympia**

**Schedule 12 - Direct and Overlapping Governmental Activities Debt**

Governmental Unit	G.O. Debt Outstanding	Percentage Applicable to Olympia Residents (2)	City of Olympia Residents Share of Debt
City of Olympia direct debt (1)	\$ 70,600,775	100.0%	\$ 70,600,775
Total Direct Debt	<u>\$ 70,600,775</u>		<u>\$ 70,600,775</u>
Olympia School District #111	224,155,000	67.0%	150,106,991
North Thurston School District #3	196,185,000	6.0%	11,857,814
Tumwater School District #33	105,434,736	0.2%	181,216
Lacey Fire District #3	19,655,000	0.6%	122,979
McLane Fire District #9	4,615,000	5.6%	256,920
PUD #1	21,118,182	20.4%	4,301,072
Port of Olympia	42,560,000	20.4%	8,668,058
Thurston County	51,821,394	20.4%	10,554,296
Total Overlapping Debt	<u>\$ 665,544,312</u>		<u>\$ 186,049,345</u>
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>	<u><u>\$ 736,145,087</u></u>		<u><u>\$ 256,650,120</u></u>

(1) G.O. direct debt payable from property tax revenue are presented net of related premiums, discounts, and adjustments.

(2) Percentage applicable to City of Olympia is based on ratio of taxing unit's valuation to its valuation within the City of Olympia.

City of Olympia

Schedule 13 - Legal Debt Margin Information, Last Ten Years

Assessed Value:	\$ 7,134,825,096
Debt Limit:	
General Purpose Debt Limit without a vote of the people (1.5%)	\$ 107,022,376
General Purpose Debt Limit with a vote of the people (1.0%)	71,348,251
Utility Purpose Debt Limit with a vote of the people (2.5%)	178,370,627
Open Space, Park, and Capital Facilities Debt Limit with a vote of the people (2.5%)	178,370,627
Total Legal Debt Limit:	<u>\$ 535,111,882</u>
Outstanding Debt	
General Purpose Debt without a vote of the people (1.5%), net of premium	\$ 62,480,978
General Purpose Debt with a vote of the people (1.0%)	8,110,000
Utility Purpose Debt with a vote of the people (2.5%)	-
Open Space, Park, and Capital Facilities Debt with a vote of the people (2.5%)	-
Less: Amount set aside for repayment of general obligation debt	-
Total Net Debt Applicable to Limit	70,590,978
Total Legal Debt Margin	\$ 464,520,905

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assessed Value of Property	\$ 5,999,359,843	\$ 5,552,078,378	\$ 5,060,434,532	\$ 5,060,434,532	\$ 5,313,341,232	\$ 5,671,256,103	\$ 5,785,389,448	\$ 6,361,555,378	\$ 6,690,364,182	\$ 7,134,825,096
Debt Limit, 7.5% of Assessed Value	449,951,988	416,405,878	379,532,590	379,532,590	398,500,592	425,344,208	433,904,209	477,116,653	501,777,314	535,111,882
Total net debt applicable to limit	75,043,094	90,112,746	72,214,204	72,891,476	70,068,881	66,433,340	68,834,829	71,059,392	75,614,079	70,590,978
Legal Debt Margin	\$ 15,478,537	\$ 307,991,091	\$ 307,318,385	\$ 325,609,116	\$ 328,431,711	\$ 358,910,868	\$ 365,069,380	\$ 406,057,261	\$ 426,163,235	\$ 464,520,905
Total net debt applicable to the limit as a percentage of debt limit	16.68%	21.64%	19.03%	19.21%	17.58%	15.62%	15.86%	14.89%	15.07%	13.19%

City of Olympia

Schedule 14 - Pledged-Revenue Debt Coverage, Last Ten Years

Water/Sewer Utility Enterprise Revenue Bonds

Fiscal Year	Utility Service Charges	Less: Operating Expenses*	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2010	\$ 25,153,496	\$ 18,530,963	\$ 6,622,533	\$ 640,000	\$ 589,523	5.39
2011	26,975,937	19,014,400	7,961,537	905,000	722,590	4.89
2012	27,025,903	20,372,108	6,653,795	950,000	681,939	4.08
2013	28,791,492	21,899,582	6,891,910	990,000	648,767	4.21
2014	30,690,025	22,456,859	8,233,166	1,225,000	816,944	4.03
2015	32,046,668	24,458,700	7,587,968	1,290,000	752,631	3.71
2016	34,296,642	23,975,134	10,321,508	1,330,000	710,531	5.06
2017	35,747,883	25,774,779	9,973,104	1,385,000	659,981	4.88
2018	35,475,279	26,136,286	9,338,993	1,430,000	611,981	4.57
2019	34,331,119	24,621,870	9,709,249	1,490,000	554,781	4.75

\*Operating Expenses do not include depreciation, amortization, or City of Olympia taxes.



**City of Olympia**  
**Schedule 15 - Demographic and Economic Statistics, Last Ten Calendar Years**

Year	Population	Personal Income*	Median Household Income*	Median Age**	School Enrollment***	Unemployment Rate****
2010	45,500	\$ 2,250,475,500	\$ 49,461	38.4	9,355	7.1%
2011	46,780	2,449,915,380	52,371	38.8	9,338	7.4%
2012	47,500	2,524,482,500	53,147	38.8	9,286	6.8%
2013	48,480	2,516,208,960	51,902	39.2	9,143	6.0%
2014	49,670	2,624,264,780	52,834	37.4	9,601	6.0%
2015	51,020	2,695,590,680	52,834	37.4	9,437	5.8%
2016	51,600	2,726,234,400	52,834	37.4	10,006	5.7%
2017	52,160	2,843,919,680	54,523	38.1	10,191	4.6%
2018	52,490	2,915,242,110	55,539	38.0	10,231	5.0%
2019	52,770	3,092,638,620	58,606	38.3	10,391	4.3%

Bureau for 2019.

\*\*Median Age data is from the Washington State Office of Financial Management Thurston County Profile 2010-2016; 2017-2018 data is from American Fact Finder; 2019 data is from the U.S. Census Bureau.

\*\*\*School Enrollment data is from the Office of the Superintendent of Public Instruction, for Thurston County.

\*\*\*\*Unemployment Rate taken from the Bureau of Labor Statistics for Olympia-Tumwater Area, data taken as of December

**City of Olympia**  
**Schedule 16 - Principal Employers, Current Year and Nine Years Ago**

NAME	2019*		2010**	
	Approx No. Employees	Rank	Approx No. Employees	Rank
State Government, Including education	18,204	1	20,000 - 25,000	1
Local Government, including education	3,740	2	10,000 - 15,000	2
Providence St. Peter Hospital	2,133	3	1,000 - 5,000	3
Capital Medical Center	650	4	100-500	8
YMCA	551	5		
Washington State Employees Credit Union	499	6		
Titus Will	460	7		
AMR Corp	300	8		
Olympian	270	9		
Macys	200	10		
Tribal Government			1,000-5,000	4
Federal Government			500-1,000	5
Group Health			500-1,000	6
Wal-Mart			100-500	9
Saint Martin's University			100-500	10
Great Wolf Lodge			500-1,000	7

\*SOURCE: Thurston County Regional Planning Council - Thurston County Employers

\*\*SOURCE: "The Profile 2010" - Thurston Regional Planning Council. Employers are for all of Thurston County.

## City of Olympia

### Schedule 17

#### Full-time Equivalent Employees by Function/Program

Function / Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General Government	117	114	110	107	111	107	104	107	96	95
Public Safety	172	181	182	180	193	193	194	195	189	216
Physical Environment	77	77	79	63	67	80	79	73	69	47
Transportation	18	18	19	15	20	19	18	21	19	29
Economic Environment	43	43	44	43	41	49	49	51	51	64
Culture and Recreation	85	101	89	79	80	84	78	78	82	55
Drinking Water & Wastewater	32	30	29	27	29	30	31	30	31	44
Waste Resources	26	26	26	25	25	27	27	29	24	30
Storm and Surface Water	5	6	5	7	7	9	8	7	7	19

## City of Olympia

### Schedule 18

#### Operating Indicators by Function/Program, Last Ten Years

Function / Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Public Safety</b>										
Fire Department Fleet Vehicles	32	32	32	32	32	32	37	37	39	36
Fire Inspections	2,345	2,461	2,409	2,376	2,495	2,391	2,640	2,386	2,406	2,370
Police calls for service	46,946	48,954	48,730	51,284	58,297	54,784	47,353	48,014	50,595	49,931
<b>Economic Environment</b>										
# of Commercial Permits	50	12	15	13	43	31	734**	578	965	159
Value of Commercial Const (000)	62,559	47,977	17,054	19,311	35,280	56,343	167,231	104,217	134,023	139,639
# of Residential Permits	132	97	113	149	153	129	785**	98	96	29
Value of Residential Const (000)	31,139	25,545	27,161	36,962	39,158	32,354	75,682	29,417	9,752	7,950
<b>Public Works</b>										
Number of signalized intersections	94	94	95	95	95	95	79*	79*	79*	79*
Parking services citations issued	38,564	39,068	30,400	27,068	24,357	23,705	23,495	20,346	17,066	13,927
<b>Water</b>										
Average daily volume of water produced (millions of gallons)	7	8	7	8	7	7	7	6	7	6
<b>Sewer</b>										
Miles of sewer pipe	215	220	225	223	224	223	225	225	227	226
<b>Solid Waste</b>										
Tons of garbage collected residential	10,868	10,832	10,745	10,551	10,890	11,229	11,726	12,128	12,515	12,357
Tons of garbage collected commercial	16,398	16,018	15,933	15,342	15,843	16,417	17,775	18,297	18,397	18,734

Source: City of Olympia Public Works Department, City of Olympia Community Planning and Development Department, Olympia Police Department and Olympia Fire Department

\*Revised to reflect City of Olympia owned and maintained, previously included maintained but not owned signals

\*\*Revised to reflect citizen investments in real property; includes permits for construction, remodel, major repair, and improvements to real property.

**City of Olympia**

**Schedule 19 - Capital Asset Statistics by Function/Program, Last Ten Years**

Function / Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
<b>Public Safety</b>										
Fire Department Fleet Vehicles	32	32	32	32	32	32	37	37	39	36
<b>Public Works</b>										
Miles of Streets	209.2	209.7	211.4	214.0	215.9	216.4	216.7	217.3	217.3	218.0
Miles of Ped. Paths, Curbs & Walks	77.3	77.6	78.1	78.1	78.1	78.7	79.2	79.2	79.2	135.0
Miles of Curbs Without Walks	78.7	78.4	77.9	77.9	77.9	77.3	76.8	76.8	76.8	83.0
Miles of Concrete Surface Streets	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3	6.3
Miles of Asphalt Plant or Road Mix	157.3	157.8	160.1	163.5	165.2	165.6	165.9	166.7	166.7	167.3
Miles of Bituminous Surface Treatment	45.3	45.3	44.7	43.9	44.2	44.2	44.2	44.0	44.0	44.0
Miles of Gravel or Crushed Rock	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3
<b>City Parks</b>										
Number of City Parks	41	42	42	44	44	45	48	48	48	49
<b>Water</b>										
Miles of Water Mains	280.0	285.0	285.0	275.0	275.0	285.0	330.0	360.0	295.0	338.7
Miles of Reclaimed Water Lines	2.8	3.0	5.0	5.0	5.0	5.0	5.0	4.85	5.00	4.80
<b>Sewer</b>										
Miles of Sanitary Sewer Lines	215.0	220.0	225.0	223.0	224.0	223.0	225.0	225.0	227.0	226.0
<b>Stormwater</b>										
Miles of Storm Pipe Lines	140.0	172.0	176.0	179.0	155.0	154.0	155.0	158.0	160.0	163.2

Source: City of Olympia Parks Department, Public Works Department, Police Department and Fire Department

**City of Olympia  
Schedule 20-Levy Book**

City of Olympia	New Construction & Added Improvement	Real & Personal	Timber Value	State Assessed Utilities	Total Certified
Levy: City of Olympia Bond 2009	\$ 76,765,310	\$ 7,078,934,567		\$ 122,039,664	\$ 7,078,934,567
City of Olympia General Expense	76,765,310	7,134,825,096		122,039,664	7,134,825,096



Staff who contributed their time and talents on this project include, Jana Brown (Team Leader), Sharon Espejo, Meegan Crossan and Regina Adams.

Software used to produce this document include; Microsoft Word, Microsoft Excel, and Adobe Acrobat Pro. This document was produced by the City of Olympia. Thank you to all who contributed to the CAFR.

Nanci Lien



City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

## City Council

### Approval of June 8, 2021 Study Session Meeting Minutes

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.A  
**File Number:**21-0646

---

**Type:** minutes **Version:** 1 **Status:** Consent Calendar

---

**Title**

Approval of June 8, 2021 Study Session Meeting Minutes



# Meeting Minutes - Draft

## City Council

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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Tuesday, June 8, 2021

5:30 PM

Online and Via Phone

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### Study Session

Attend: <https://us02web.zoom.us/j/81817183619>

#### 1. ROLL CALL

**Present:** 6 - Mayor Cheryl Selby, Mayor Pro Tem Clark Gilman, Councilmember Jim Cooper, Councilmember Yên Huỳnh, Councilmember Lisa Parshley and Councilmember Renata Rollins

**Excused:** 1 - Councilmember Dani Madrone

#### 2. OTHER BUSINESS

##### 2.A [21-0560](#) Hearing Examiner Update

Planning and Engineering Manager Tim Smith gave an overview of the role of the Hearings Examiner. Hearing Examiner Mark Scheibmeir shared information regarding the Hearings process. Councilmembers asked clarifying questions.

Mayor Pro Tem Gilman suggested the Council consider reviewing the Hearings Examiner contract and potentially using an RFP process to get a gauge on the market for that work. He also asked Council to consider returning to the role of conducting hearings that consider rezone and master plan development. That role was moved to the Hearings Examiner several years ago. Mayor Selby suggested these topics may be suited for a referral.

**The study session was completed.**

#### 3. ADJOURNMENT

The meeting adjourned at 6:27 p.m.





City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

## City Council

### Approval of June 8, 2021 City Council Meeting Minutes

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.B  
**File Number:**21-0645

---

**Type:** minutes **Version:** 1 **Status:** Consent Calendar

---

**Title**

Approval of June 8, 2021 City Council Meeting Minutes



# Meeting Minutes - Draft

## City Council

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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Tuesday, June 8, 2021

7:00 PM

Online and Via Phone

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Attend: [https://us02web.zoom.us/webinar/register/WN\\_8pbZjSxWRv6dFF9v77shvQ](https://us02web.zoom.us/webinar/register/WN_8pbZjSxWRv6dFF9v77shvQ)

### 1. ROLL CALL

**Present:** 7 - Mayor Cheryl Selby, Mayor Pro Tem Clark Gilman, Councilmember Jim Cooper, Councilmember Yên Huỳnh, Councilmember Dani Madrone, Councilmember Lisa Parshley and Councilmember Renata Rollins

### 1.A ANNOUNCEMENTS

There were no announcements.

### 1.B APPROVAL OF AGENDA

The agenda was approved.

### 2. SPECIAL RECOGNITION

#### 2.B [21-0565](#) Special Recognition - Proclamation Recognizing Juneteenth

Mayor Selby read a proclamation recognizing Juneteenth.

Equity and Inclusion Coordinator Olivia Salazar de Breaux, shared information regarding a Juneteenth celebration, called Omo Africa, occurring on June 19 at the Fertile Grounds Garden located at 311 9th Avenue SE, near the library. The event is hosted by a partnership between the City, Women of Color in Leadership Movement; the Hawk Foundation for Research and Education in African Culture and Media Island International.

Hawk Foundation Founder and Executive Director Javoen Byrd and Media Island Executive Director Shawna Hawk discussed the event and the significance of Juneteenth.

**The recognition was received.**

#### 2.C [21-0566](#) Special Recognition - Proclamation Recognizing Capital City Pride Month

Councilmembers read a proclamation recognizing pride month.

Capital City Pride representative Natalie Coblentz discussed the virtual Capital City

Pride event being held on June 26. More information can be found at [capitalcitypride.net](http://capitalcitypride.net).

**The recognition was received.**

### 3. PUBLIC COMMENT

The following person spoke, Jeff Loyer.

#### COUNCIL RESPONSE TO PUBLIC COMMENT (Optional)

### 4. CONSENT CALENDAR

- 4.A [21-0576](#) Approval of May 18, 2021 Study Session Meeting Minutes

**The minutes were adopted.**

- 4.B [21-0577](#) Approval of May 18, 2021 City Council Meeting Minutes

**The minutes were adopted.**

- 4.D [21-0528](#) Approval of a Resolution Authorizing the Purchase of Real Estate Owned by Bonita J. Bourgault and Cherise E. Tyler, as Co-Trustees of the Paul A. Bourgault Credit Shelter Trust A

**The resolution was adopted.**

- 4.E [21-0529](#) Approval of a Resolution Authorizing an Interlocal Agreement Between the City of Olympia and Thurston County to Fund Services for People Impacted by Homelessness

**The resolution was adopted.**

- 4.F [21-0556](#) Approval of a Bid Award for Dog Park Construction Project

**The contract was adopted.**

- 4.G [21-0563](#) Approval of a Resolution Establishing a Utility Customer Assistance Charitable Fund and Authorizing a Contract Between the City of Olympia and the Community Action Council to Administer the Fund

**The resolution was adopted.**

- 4.H [21-0568](#) Approval of a Resolution Authorizing Amendment No. 1 to a Rental Agreement Between the City of Olympia and South Puget Sound Community College for Property Located at 112 4th Avenue West

**The resolution was adopted.**

### 4. SECOND READINGS (Ordinances)

- 4.I [21-0491](#) Approval of an Ordinance Amending Ordinance 7268 (Operating, Special and Capital Budgets) - 2021 First Quarter Budget Amendment

**The ordinance was approved on second reading.**

### **Approval of the Consent Agenda**

**Councilmember Parshley moved, seconded by Councilmember Rollins, to adopt the Consent Calendar. The motion carried by the following vote:**

**Aye:** 7 - Mayor Selby, Mayor Pro Tem Gilman, Councilmember Cooper, Councilmember Huỳnh, Councilmember Madrone, Councilmember Parshley and Councilmember Rollins

### **4. FIRST READINGS (Ordinances) - None**

## **5. PUBLIC HEARING**

- 5.A [21-0525](#) Public Hearing to Consider the Reallocation of Program Year 2014 Community Development Block Grant Funds

(Note items 5.A and 5.B were transposed during the meeting.)

Community Development Block Grant (CDBG) Program Manager Darian Lightfoot gave an overview of the recommendation to reallocate Program Year (PY) 2014 CDBG funds.

Mayor Selby opened the hearing at 8:01 p.m. None one spoke. The hearing was closed at 8:01 p.m.

**The public hearing was held and closed.**

- 5.B [21-0526](#) Public Hearing to Consider Allocation of Program Year 2021 Community Development Block Grant Funds and Creation of Revolving Loan Fund

Community Development Block Grant (CDBG) Program Manager Darian Lightfoot gave an overview of the recommendation the allocation of PY 2021 CDBG funds and the creation of a revolving loan fund.

Mayor Selby opened the hearing at 7:57 p.m. None one spoke. The hearing was closed at 7:57 p.m.

**The public hearing was held and closed.**

## **6. OTHER BUSINESS**

- 6.A [21-0578](#) Approval of the Proposed Agenda, Location, and Facilitator for the

### Mid-Year City Council Retreat

City Manager Jay Burney presented the proposed agenda, location and facilitator for the mid-year City Council retreat.

Councilmembers asked clarifying questions. Several amendments the agenda were suggested; remove the Council Guidebook discussion and use that 30 minutes to discuss working agreements.

**Councilmember Cooper moved, seconded by Councilmember Parshley, to approve the agenda as amended. The motion carried by the following vote:**

**Aye:** 7 - Mayor Selby, Mayor Pro Tem Gilman, Councilmember Cooper, Councilmember Huỳnh, Councilmember Madrone, Councilmember Parshley and Councilmember Rollins

**6.B**     [21-0567](#)     Reimagining Public Safety Public Engagement Process Update and Launch

Strategic Planning & Performance Manager Stacey Ray and Community Work Group member Larry Jefferson gave a briefing on the launch of the City's public engagement process for Reimagining Public Safety.

Councilmembers asked clarifying questions.

**The report was received.**

## 7. CONTINUED PUBLIC COMMENT

## 8. REPORTS AND REFERRALS

### 8.A COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS

Councilmembers reported on meetings and events attended.

Councilmember Cooper noted that he would like consideration of support of the upcoming Emergency Services Levy to be included on an upcoming City Council agenda.

Councilmember Parshley discussed a referral she will be bringing forward regarding climate mitigation.

Councilmember Madrone discussed a past referral that was made to the Land Use & Environment Committee related to 108 State Avenue and future uses. She would like to revive for discussion.

### 8.B CITY MANAGER'S REPORT AND REFERRALS

City Manager Burney reported that the City statement regarding guiding principles for

demonstrations and crowd contract will be completed and posted on the Police Accountability webpage, the City's homepage and social media by this coming Friday.

**9. ADJOURNMENT**

The meeting adjourned at 9:26 p.m.





City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

## City Council

### Approval of June 15, 2021 Work Session Meeting Minutes

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.C  
**File Number:**21-0644

---

**Type:** minutes **Version:** 1 **Status:** Consent Calendar

---

**Title**

Approval of June 15, 2021 Work Session Meeting Minutes



# Meeting Minutes - Draft

## City Council

City Hall  
601 4th Avenue E  
Olympia, WA 98501

Information: 360.753.8244

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Tuesday, June 15, 2021

5:30 PM

Online and Via Phone

---

### Special Work Session

Attend: [https://us02web.zoom.us/j/86988086395?](https://us02web.zoom.us/j/86988086395?pwd=T1FTa0EwU0Voa0R0UVpUWi85dnRkZz09)  
[pwd=T1FTa0EwU0Voa0R0UVpUWi85dnRkZz09](https://us02web.zoom.us/j/86988086395?pwd=T1FTa0EwU0Voa0R0UVpUWi85dnRkZz09)

#### 1. ROLL CALL

**Present:** 7 - Mayor Cheryl Selby, Mayor Pro Tem Clark Gilman, Councilmember Jim Cooper, Councilmember Yến Huỳnh, Councilmember Dani Madrone, Councilmember Lisa Parshley and Councilmember Renata Rollins

#### 2. BUSINESS ITEM

##### 2.A [21-0604](#) 2022 Budget Priorities

Assistant City Manager Debbie Sullivan facilitated a discussion with Councilmembers to identify 2022 budget priorities.

**The discussion was completed.**

#### 3. ADJOURNMENT

The meeting adjourned at 7:32 p.m.



City Hall  
601 4th Avenue E.  
Olympia, WA 98501  
360-753-8244

## City Council

### Bills and Payroll Certification

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.D  
**File Number:**21-0643

---

**Type:** decision **Version:** 1 **Status:** Consent Calendar

---

**Title**  
Bills and Payroll Certification

CITY OF OLYMPIA  
EXPENDITURE SUMMARY

I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN, THAT ANY ADVANCE PAYMENT IS DUE AND PAYABLE PURSUANT TO A CONTRACT OR IS AVAILABLE AS AN OPTION FOR FULL OR PARTIAL FULFILLMENT OF A CONTRACTUAL OBLIGATION, AND THAT THE CLAIMS ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS, AND,

I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT CLAIMS FOR EMPLOYEE AND OFFICER EXPENSES ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO CERTIFY SAID CLAIMS.

FOR PERIOD: 5/9/2021 THROUGH 5/15/2021  
 FOR A/P ACH PAYMENTS and A/P CHECKS NUMBERED 373543 THROUGH 373519  
 FOR OTHER ELECTRONIC PAYMENTS DATED \_\_\_\_\_ THROUGH \_\_\_\_\_

INCLUDE IN THE AMOUNT TOTALING

DATED 6/17/2021 FINANCE DIRECTOR Manuel

TOTAL APPROVED FOR PAYMENT

FUND		
\$654,548.21	001	GENERAL FUND
\$0.00	002	SHOP FACILITIES
\$13,439.53	003	REVOLVING ACCOUNT FUND
\$0.00	004	URBAN ARTERIAL FUND
\$526,923.44	006	Development Fee Revenue
\$8,222.91	007	Parking Fund
\$1,611.20	014	LEOFF 1 OPEB Trust Fund
\$0.00	21	Washington Center Endow
\$0.00	025	WASHINGTON CENTER
\$3,000.00	026	MUNICIPAL ARTS FUND
\$370.00	029	EQUIP & FACIL REPLACE RES
\$13,367.58	107	HJD
\$0.00	108	HJD
\$0.00	127	IMPACT FEES
\$0.00	130	SEPA MITIGATION FUND
\$5,221.50	132	LODGING TAX FUND
\$0.00	133	ARTS AND CONFERENCE FUND
\$0.00	134	PARKS AND REC SIDEWALK UT TAX
\$189.32	135	PARKING BUSINESS IMP AREA
\$0.00	136	FARMERS MKRT REPAIR/REPLC
\$0.00	137	CHILDREN'S HANDS ON MUSEUM
\$0.00	138	TRANS BENEFIT DISTRICT
\$0.00	140	REET
\$0.00	141	Oly Metro Park District
\$17,802.30	142	HOME FUND
\$0.00	208	LID OBLIGATION CONTROL
\$0.00	216	4th/5th AVE PW TRST
\$0.00	223	LTGO BOND FUND '06-PARKS
\$0.00	224	LTGO BOND FUND 2009 FIRE
\$0.00	225	CITY HALL DEBT FUND
\$0.00	226	2010 LTGO BOND-STREETPROJ
\$0.00	227	LOCAL DEBT FUND
\$0.00	228	2010B LTGO BONDS-HOCM
\$0.00	229	
\$0.00	230	LTGO Bond Fund 2016
\$363,105.30	317	CIP
\$0.00	318	Home Fund
\$0.00	322	4/5th AVE CORRIDOR BRIDGE
\$0.00	323	CIP CONSTR FUND - PARKS
\$0.00	324	FIRE STATION 4 CONSTRUCT
\$0.00	325	CITY HALL CONST
\$0.00	328	TRANSPORTATION CONST
\$0.00	329	GO BOND PROJECT FUND
\$12,866.96	331	FIRE EQUIPMENT REPLACEMENT FUND
\$32,154.28	401	WATER
\$1,191,226.30	402	SEWER
\$65.64	403	SOLID WASTE
\$1,651.18	404	STORM AND SURFACE WATER
\$0.00	417	WS REV BOND REDEMPTION
\$0.00	418	Stormwater Debt Service Fund
\$0.00	427	
\$0.00	434	STORM AND SURFACE WATER CIP
\$90,097.10	461	WATER CIP FUND
\$9,297.23	482	SEWER CIP FUND
\$0.00	463	SOLID WASTE/ADVERTISING
\$7,027.53	501	EQUIPMENT RENTAL
\$0.00	502	C R EQUIPMENT RENTAL
\$0.00	503	UNEMPLOYMENT COMPENSATION
\$0.00	504	INS TRUST FUND
\$0.00	505	WORKERS COMPENSATION
\$0.00	604	FIREMEN'S PENSION FUND
\$0.00	605	CUSTOMERS WATER RESERVE
\$0.00	621	WASHINGTON CENTER ENDOW
\$0.00	631	PUBLIC FACILITIES
\$0.00	682	LAW ENFORCEMENT RECORD MGMTSYS
\$0.00	701	PARKS-NEIGHBORHOOD
\$0.00	702	PARKS-COMMUNITY
\$0.00	703	PARKS-OPEN SPACE
\$0.00	707	PARKS-SPECIAL USE
\$0.00	711	TRANSPORTATION
\$0.00	720	SCHOOLS

\$2,995,367.51 GRAND TOTAL FOR WEEK

Reconciliation of Superior All Checks Register to Expenditure Summary

Data From Superior All Checks Register			
Description	From Check	to Check	Check Amount
Payroll A/P (vendors) Checks	21140		1,235.75
Payroll A/P (vendors) Checks	21139		4,358.76
Payroll A/P (vendors) Checks	21144	21148	917.33
Payroll A/P (vendors) Checks	21141		3,872.57
Payroll A/P (vendors) Checks	21142		810,915.40
Payroll A/P (vendors) Checks	21143		1,169.83
Payroll A/P (vendors) Checks	17438		169.57
		Subtotal	522,479.21

VOID CHECKS	0.00
EFT	198,201.57
A/P Checks	2,274,686.73

Grand Total 2,995,367.51

Proof 0.00

CITY OF OLYMPIA  
EXPENDITURE SUMMARY

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN, THAT ANY ADVANCE PAYMENT IS DUE AND PAYABLE PURSUANT TO A CONTRACT OR IS AVAILABLE AS AN OPTION FOR FULL OR PARTIAL FULFILLMENT OF A CONTRACTUAL OBLIGATION, AND THAT THE CLAIMS ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS"; AND,

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT CLAIMS FOR EMPLOYEE AND OFFICER EXPENSES ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO CERTIFY SAID CLAIMS".

FOR PERIOD 5/16/2021 THROUGH 5/22/2021  
 FOR A/P ACH PAYMENTS and A/P CHECKS NUMBERED 3735720 THROUGH 3735896  
 FOR OTHER ELECTRONIC PAYMENTS DATED \_\_\_\_\_ THROUGH \_\_\_\_\_

INCLUSIVE IN THE AMOUNT TOTALING

DATED 6/1/2021

FINANCE DIRECTOR Namuel

TOTAL APPROVED FOR PAYMENT

FUND	DESCRIPTION	AMOUNT
001	GENERAL FUND	\$9,489,680.05
002	SHOP FACILITIES	\$0.00
003	REVOLVING ACCOUNT FUND	\$20,628.68
004	URBAN ARTERIAL FUND	\$0.00
006	Development Fee Revenue	\$0.00
007	Parking Fund	\$643.63
014	LEOFF 1 OPEB Trust Fund	\$0.00
21	Washington Center Endow	\$0.00
025	WASHINGTON CENTER	\$30.34
026	MUNICIPAL ARTS FUND	\$14.20
029	EQUIP & FACIL REPLACE RES	\$150,000.00
107	HUD	\$0.00
108	HUD	\$0.00
127	IMPACT FEES	\$0.00
130	SEPA MITIGATION FUND	\$0.00
132	LODGING TAX FUND	\$0.00
133	ARTS AND CONFERENCE FUND	\$0.00
134	PARKS AND REC SIDEWALK UT TAX	\$150,000.00
135	PARKING BUSINESS IMP AREA	\$0.00
136	FARMERS MKRT REPAIR/REPLC	\$0.00
137	CHILDRENS HANDS ON MUSEUM	\$0.00
138	TRANS BENEFIT DISTRICT	\$200,000.00
140	REET	\$500,000.00
141	Oly Metro Park District	\$1,750,000.00
142	HOME FUND	\$840.47
208	LID OBLIGATION CONTROL	\$0.00
216	4th/5th AVE PW TRST	\$0.00
223	LTGO BOND FUND '06-PARKS	\$0.00
224	UTGO BOND FUND 2009 FIRE	\$0.00
225	CITY HALL DEBT FUND	\$0.00
226	2010 LTGO BOND-STREETPROJ	\$0.00
227	LOCAL DEBT FUND	\$0.00
228	2010B LTGO BONDS-HOCM	\$0.00
229	LTGO BOND FUND 2013	\$0.00
230	LTGO Band Fund 2016	\$0.00
317	CIP	\$27,441.56
318	Home Fund	\$0.00
322	4/5th AVE CORRIDOR/BRIDGE	\$0.00
323	CIP CONSTR FUND - PARKS	\$0.00
324	FIRE STATION 4 CONSTRUCT	\$0.00
325	CITY HALL CONST	\$0.00
326	TRANSPORTATION CONST	\$0.00
329	GO BOND PROJECT FUND	\$0.00
331	FIRE EQUIPMENT REPLACEMENT FUND	\$0.00
401	WATER	\$316,277.40
402	SEWER	\$35,138.22
403	SOLID WASTE	\$927,394.06
404	STORM AND SURFACE WATER	\$310,770.16
407	STORM AND SURFACE WATER MITIG	\$100,000.00
417	WIS REV BOND REDEMPTION	\$0.00
418	Stormwater Debt Service Fund	\$0.00
427	WIS REV BOND REDEMPTION	\$250,000.00
434	STORM AND SURFACE WATER CIP	\$253,199.79
461	WATER CIP FUND	\$16,579.99
462	SEWER CIP FUND	\$8,102.89
463	SOLID WASTE/ADVERTISING	\$0.00
501	EQUIPMENT RENTAL	\$479.74
502	C R EQUIPMENT RENTAL	\$0.00
503	UNEMPLOYMENT COMPENSATION	\$16,247.05
504	INS TRUST FUND	\$0.00
505	WORKERS COMPENSATION	\$47,449.13
604	FIREMEN'S PENSION FUND	\$1,040.32
605	CUSTOMERS WATER RESERVE	\$0.00
621	WASHINGTON CENTER ENDOW	\$0.00
631	PUBLIC FACILITIES	\$0.00
682	LAW ENFORCEMENT RECORD MGNYSYS	\$0.00
701	PARKS-NEIGHBORHOOD	\$0.00
702	PARKS-COMMUNITY	\$0.00
703	PARKS-OPEN SPACE	\$0.00
707	PARKS-SPECIAL USE	\$0.00
711	TRANSPORTATION	\$0.00
720	SCHOOLS	\$0.00
<b>GRAND TOTAL FOR WEEK</b>		<b>\$14,571,957.68</b>

Reconciliation of Superior All Checks Register to Expenditure Summary			
Data From Superior All Checks Register			
Description	From Check	to Check	Check Amount
Payroll A/P (vendors) Checks	21147		471.15
Payroll A/P (vendors) Checks	21148		20,252.03
Payroll A/P (vendors) Checks	21149		1,040.32
Payroll A/P (vendors) Checks	21150		510,915.40
Payroll A/P (vendors) Checks	21151		1,169.83
Payroll A/P (vendors) Checks	21152		3,672.57
Payroll A/P (vendors) Checks	21153		12,500,000.00
Payroll A/P (vendors) Checks	17438		(185.57) VOIDED EFT
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Subtotal			13,037,351.73
VOID CHECKS			(238.48)
EFT			640,092.25
A/P Checks			894,752.18
Grand Total			14,571,957.68
Proof			0.00



CITY OF OLYMPIA  
EXPENDITURE SUMMARY

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN, THAT ANY ADVANCE PAYMENT IS DUE AND PAYABLE PURSUANT TO A CONTRACT OR IS AVAILABLE AS AN OPTION FOR FULL OR PARTIAL FULFILLMENT OF A CONTRACTUAL OBLIGATION, AND THAT THE CLAIMS ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS", AND,

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT CLAIMS FOR EMPLOYEE AND OFFICER EXPENSES ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO CERTIFY SAID CLAIMS"

FOR PERIOD 4/4/2021 THROUGH 4/10/2021  
 FOR A/P ACH PAYMENTS and A/P CHECKS NUMBERED 3734677 THROUGH 3734832  
 FOR OTHER ELECTRONIC PAYMENTS DATED \_\_\_\_\_ THROUGH \_\_\_\_\_

INCLUSIVE IN THE AMOUNT TOTALING

DATED 5/1/2021 FINANCE DIRECTOR [Signature]

TOTAL APPROVED FOR PAYMENT  
FUND

\$1,889,122.71	001	GENERAL FUND
\$0.00	002	SHOP FACILITIES
\$12,936.80	003	REVOLVING ACCOUNT FUND
\$0.00	004	URBAN ARTERIAL FUND
\$150,601.42	006	Development Fee Revenue
\$1,947.44	007	Parking Fund
\$58,948.53	014	LEOFF 1 OPEB Trust Fund
\$0.00	21	Washington Center Endow
\$1,285.12	025	WASHINGTON CENTER
\$0.00	026	MUNICIPAL ARTS FUND
\$0.00	029	EQUIP & FACIL REPLACE RES
\$0.00	107	HUD
\$0.00	108	HUD
\$0.00	127	IMPACT FEES
\$0.00	130	SEPA MITIGATION FUND
\$17,417.00	132	LODGING TAX FUND
\$0.00	133	ARTS AND CONFERENCE FUND
\$0.00	134	PARKS AND REC SIDEWALK UT TAX
\$1,000.00	135	PARKING BUSINESS IMP AREA
\$0.00	136	FARMERS MKRT REPAIR/REPLC
\$0.00	137	CHILDREN'S HANDS ON MUSEUM
\$0.00	138	TRANS BENEFIT DISTRICT
\$0.00	140	REET
\$0.00	141	Oly Metro Park District
\$61,405.76	142	HOME FUND
\$0.00	208	LID OBLIGATION CONTROL
\$0.00	216	4th/5th AVE PW TRST
\$0.00	223	LTGO BOND FUND '06-PARKS
\$0.00	224	UTGO BOND FUND 2009 FIRE
\$0.00	225	CITY HALL DEBT FUND
\$0.00	226	2010 LTGO BOND-STREETPROJ
\$0.00	227	LOCAL DEBT FUND
\$0.00	228	2010B LTGO BONDS-HOCM
\$0.00	229	
\$0.00	230	LTGO Bond Fund 2016
\$1,075.49	317	CIP
\$0.00	318	Home Fund
\$0.00	322	4/5th AVE CORRIDOR/BRIDGE
\$0.00	323	CIP CONSTR FUND - PARKS
\$0.00	324	FIRE STATION 4 CONSTRUCT
\$0.00	325	CITY HALL CONST
\$0.00	326	TRANSPORTATION CONST
\$0.00	329	GO BOND PROJECT FUND
\$519.78	331	FIRE EQUIPMENT REPLACEMENT FUND
\$102,363.94	401	WATER
\$1,053,047.14	402	SEWER
\$970.61	403	SOLID WASTE
\$5,823.18	404	STORM AND SURFACE WATER
\$0.00	417	WS REV BOND REDEMPTION
\$0.00	418	Stormwater Debt Service Fund
\$0.00	427	
\$0.00	434	STORM AND SURFACE WATER CIP
\$24,696.19	461	WATER CIP FUND
-\$9,916.89	462	SEWER CIP FUND
\$0.00	463	SOLID WASTE/ADVERTISING
\$10,792.85	501	EQUIPMENT RENTAL
\$0.00	502	C. R. EQUIPMENT RENTAL
\$0.00	503	UNEMPLOYMENT COMPENSATION
\$0.00	504	INS TRUST FUND
\$19,122.18	505	WORKERS COMPENSATION
\$0.00	604	FIREMEN'S PENSION FUND
\$0.00	605	CUSTOMERS WATER RESERVE
\$0.00	621	WASHINGTON CENTER ENDOW
\$0.00	631	PUBLIC FACILITIES
\$0.00	682	LAW ENFORCEMENT RECORD MGNTSYS
\$0.00	701	PARKS-NEIGHBORHOOD
\$0.00	702	PARKS-COMMUNITY
\$0.00	703	PARKS-OPEN SPACE
\$0.00	707	PARKS-SPECIAL USE
\$0.00	711	TRANSPORTATION
\$0.00	720	SCHOOLS

\$3,403,159.25 GRAND TOTAL FOR WEEK

Reconciliation of Superior All Checks Register to Expenditure Summary

Data From Superior All Checks Register			
Description	From Check	to Check	Check Amount
Payroll A/P (vendors) Checks	21097		510.98
Payroll A/P (vendors) Checks	21098		57.74
Payroll A/P (vendors) Checks	21099		1,011.11
Payroll A/P (vendors) Checks	21100		59.23
Payroll A/P (vendors) Checks	21101		248.78
Payroll A/P (vendors) Checks	21102		14,998.75
Payroll A/P (vendors) Checks	21103		248.78
Payroll A/P (vendors) Checks	21107		473,997.77
Payroll A/P (vendors) Checks			(9,916.98)
Payroll A/P (vendors) Checks			248.78
Payroll A/P (vendors) Checks			Manually voided
Subtotal			481,465.03
VOID CHECKS			(2,214.12)
EFT			402,551.43
A/P Checks			2,521,356.91
Grand Total			3,403,159.25
Proof			0.00

CITY OF OLYMPIA  
EXPENDITURE SUMMARY

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN, THAT ANY ADVANCE PAYMENT IS DUE AND PAYABLE PURSUANT TO A CONTRACT OR IS AVAILABLE AS AN OPTION FOR FULL OR PARTIAL FULFILLMENT OF A CONTRACTUAL OBLIGATION, AND THAT THE CLAIMS ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS", AND,

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FOR PERIOD 4/1/2021 4/17/2021  
FOR A/P ACH PAYMENTS and A/P CHECKS NUMBERED 3734833 THROUGH 3735033  
FOR OTHER ELECTRONIC PAYMENTS DATED \_\_\_\_\_ THROUGH \_\_\_\_\_

INCLUSIVE IN THE AMOUNT TOTALING

DATED 5/1/2021 FINANCE DIRECTOR Mamedien

TOTAL APPROVED FOR PAYMENT

	FUND	
\$210,518.05	001	GENERAL FUND
\$0.00	002	SHOP FACILITIES
\$6,329.34	003	REVOLVING ACCOUNT FUND
\$0.00	004	URBAN ARTERIAL FUND
\$4,140.00	006	Development Fee Revenue
\$7,827.32	007	Parking Fund
\$770.60	014	LEOFF 1 OPEB Trust Fund
\$0.00	21	Washington Center Endow
\$0.00	025	WASHINGTON CENTER
\$0.00	026	MUNICIPAL ARTS FUND
\$0.00	029	EQUIP & FACIL REPLACE RES
\$58,965.06	107	HUD
\$0.00	108	HUD
\$0.00	127	IMPACT FEES
\$0.00	130	SEPA MITIGATION FUND
\$0.00	132	LODGING TAX FUND
\$0.00	133	ARTS AND CONFERENCE FUND
\$0.00	134	PARKS AND REC SIDEWALK UT TAX
\$212.86	135	PARKING BUSINESS IMP AREA
\$0.00	136	FARMERS MKRT REPAIR/REPLC
\$0.00	137	CHILDREN'S HANDS ON MUSEUM
\$0.00	138	TRANS BENEFIT DISTRICT
\$0.00	140	REET
\$0.00	141	Oly Metro Park District
\$58,866.72	142	HOME FUND
\$0.00	208	LID OBLIGATION CONTROL
\$0.00	216	4th/5th AVE PW TRST
\$0.00	223	LTGO BOND FUND '06-PARKS
\$0.00	224	UTGO BOND FUND 2009 FIRE
\$0.00	225	CITY HALL DEBT FUND
\$0.00	226	2010 LTGO BOND-STREETPROJ
\$0.00	227	LOCAL DEBT FUND
\$0.00	228	2010B LTGO BONDS-HOCM
\$0.00	229	
\$0.00	230	LTGO Bond Fund 2016
\$52,723.11	317	CIP
\$0.00	318	Home Fund
\$0.00	322	4/5th AVE CORRIDOR/BRIDGE
\$0.00	323	CIP CONSTR FUND - PARKS
\$0.00	324	FIRE STATION 4 CONSTRUCT
\$0.00	325	CITY HALL CONST
\$0.00	326	TRANSPORTATION CONST
\$0.00	329	GO BOND PROJECT FUND
\$0.00	331	FIRE EQUIPMENT REPLACEMENT FUND
\$19,626.61	401	WATER
\$14,887.52	402	SEWER
\$2,355.41	403	SOLID WASTE
\$9,360.80	404	STORM AND SURFACE WATER
\$0.00	417	W/S REV BOND REDEMPTION
\$0.00	418	Stormwater Debt Service Fund
\$0.00	427	
\$2,789.03	434	STORM AND SURFACE WATER CIP
\$7,571.18	461	WATER CIP FUND
\$16,238.22	462	SEWER CIP FUND
\$0.00	463	SOLID WASTE/ADVERTISING
\$18,725.29	501	EQUIPMENT RENTAL
\$0.00	502	C. R. EQUIPMENT RENTAL
\$0.00	503	UNEMPLOYMENT COMPENSATION
\$210.00	504	INS TRUST FUND
\$36,038.58	505	WORKERS COMPENSATION
\$0.00	604	FIREMEN'S PENSION FUND
\$0.00	605	CUSTOMERS WATER RESERVE
\$0.00	621	WASHINGTON CENTER ENDOW
\$0.00	631	PUBLIC FACILITIES
\$0.00	682	LAW ENFORCEMENT RECORD MGNTSYS
\$0.00	701	PARKS-NEIGHBORHOOD
\$0.00	702	PARKS-COMMUNITY
\$0.00	703	PARKS-OPEN SPACE
\$0.00	707	PARKS-SPECIAL USE
\$0.00	711	TRANSPORTATION
\$0.00	720	SCHOOLS

\$528,155.70 GRAND TOTAL FOR WEEK

Reconciliation of Superior All Checks Register to Expenditure Summary			
Data From Superior All Checks Register			
Description	From Check	to Check	Check Amount
Payroll A/P (vendors) Checks	21109	21110	36,318.40
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Subtotal			36,318.40
VOID CHECKS			(109.66)
EFT			145,209.88
A/P Checks			346,737.08
Grand Total			\$28,155.70
Proof			0.00







CITY OF OLYMPIA  
EXPENDITURE SUMMARY

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN, THAT ANY ADVANCE PAYMENT IS DUE AND PAYABLE PURSUANT TO A CONTRACT OR IS AVAILABLE AS AN OPTION FOR FULL OR PARTIAL FULFILLMENT OF A CONTRACTUAL OBLIGATION, AND THAT THE CLAIMS ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS", AND,

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FOR PERIOD 5/2/2021 5/8/2021  
 FOR A/P ACH PAYMENTS and A/P CHECKS NUMBERED 3735343 THROUGH 3735542  
 FOR OTHER ELECTRONIC PAYMENTS DATED                      THROUGH                     

INCLUSIVE IN THE AMOUNT TOTALING

DATED

5/21/2021

FINANCE DIRECTOR

M. Mendenhall

TOTAL APPROVED FOR PAYMENT

FUND	DESCRIPTION	AMOUNT
\$1,355,923.95	001 GENERAL FUND	
\$0.00	002 SHOP FACILITIES	
\$31,063.08	003 REVOLVING ACCOUNT FUND	
\$0.00	004 URBAN ARTERIAL FUND	
\$0.00	006 Development Fee Revenue	
\$11,540.91	007 Parking Fund	
\$65,133.33	014 LEOFF 1 OPEB Trust Fund	
\$0.00	21 Washington Center Endow	
\$85.33	025 WASHINGTON CENTER	
\$0.00	026 MUNICIPAL ARTS FUND	
\$0.00	029 EQUIP & FACIL REPLACE RES	
\$14,293.40	107 HUD	
\$0.00	108 HUD	
\$0.00	127 IMPACT FEES	
\$0.00	130 SEPA MITIGATION FUND	
\$12,806.91	132 LODGING TAX FUND	
\$0.00	133 ARTS AND CONFERENCE FUND	
\$0.00	134 PARKS AND REC SIDEWALK UT TAX	
\$0.00	135 PARKING BUSINESS IMP AREA	
\$0.00	136 FARMERS MRKT REPAIR/REPLC	
\$0.00	137 CHILDREN'S HANDS ON MUSEUM	
\$0.00	138 TRANS BENEFIT DISTRICT	
\$0.00	140 REET	
\$0.00	141 Oly Metro Park District	
\$2,782.48	142 HOME FUND	
\$0.00	208 LID OBLIGATION CONTROL	
\$0.00	216 4th/5th AVE PW TRST	
\$0.00	223 LTGO BOND FUND '06-PARKS	
\$0.00	224 UTGO BOND FUND 2009 FIRE	
\$0.00	225 CITY HALL DEBT FUND	
\$0.00	226 2010 LTGO BOND-STREETPROJ	
\$0.00	227 LOCAL DEBT FUND	
\$0.00	228 2010B LTGO BONDS-HOCM	
\$0.00	229	
\$0.00	230 LTGO Bond Fund 2016	
\$72,404.05	317 CIP	
\$0.00	318 Home Fund	
\$0.00	322 4/5th AVE CORRIDOR/BRIDGE	
\$0.00	323 CIP CONSTR FUND - PARKS	
\$0.00	324 FIRE STATION 4 CONSTRUCT	
\$0.00	325 CITY HALL CONST	
\$0.00	326 TRANSPORTATION CONST	
\$0.00	329 GO BOND PROJECT FUND	
\$2,565.61	331 FIRE EQUIPMENT REPLACEMENT FUND	
\$18,720.11	401 WATER	
\$25,296.92	402 SEWER	
\$46,855.82	403 SOLID WASTE	
\$12,824.26	404 STORM AND SURFACE WATER	
\$127,993.26	417 W/S REV BOND REDEMPTION	
\$0.00	418 Stormwater Debt Service Fund	
\$0.00	427	
\$0.00	434 STORM AND SURFACE WATER CIP	
\$21,022.56	461 WATER CIP FUND	
\$12,663.68	462 SEWER CIP FUND	
\$34,802.18	463 SOLID WASTE/ADVERTISING	
\$5,083.01	501 EQUIPMENT RENTAL	
\$347,783.36	502 C. R. EQUIPMENT RENTAL	
\$0.00	503 UNEMPLOYMENT COMPENSATION	
\$0.00	504 INS TRUST FUND	
\$117,154.43	505 WORKERS COMPENSATION	
\$496,833.38	604 FIREMEN'S PENSION FUND	
\$0.00	605 CUSTOMERS WATER RESERVE	
\$0.00	621 WASHINGTON CENTER ENDOW	
\$0.00	631 PUBLIC FACILITIES	
\$0.00	682 LAW ENFORCEMENT RECORD MGNTSYS	
\$347,783.36	701 PARKS-NEIGHBORHOOD	
\$496,833.38	702 PARKS-COMMUNITY	
\$0.00	703 PARKS-OPEN SPACE	
\$0.00	707 PARKS-SPECIAL USE	
\$0.00	711 TRANSPORTATION	
\$0.00	720 SCHOOLS	
<b>\$3,680,248.76 GRAND TOTAL FOR WEEK</b>		

Reconciliation of Superior All Checks Register to Expenditure Summary

Data From Superior All Checks Register			
Description	From Check	to Check	Check Amount
Payroll A/P (vendors) Checks	21121	21121	1,689,233.48
Payroll A/P (vendors) Checks	21122	21122	15,356.51
Payroll A/P (vendors) Checks	21123	21123	7,077.03
Payroll A/P (vendors) Checks	21125	21135	998.00
Payroll A/P (vendors) Checks	21124	21124	14,841.40
			<b>Subtotal</b>
			1,727,506.42
VOID CHECKS			(2,200.00)
EFT			630,353.05
A/P Checks			1,324,589.29
<b>Grand Total</b>			<b>3,680,248.76</b>
Proof			0.00



CITY OF OLYMPIA  
EXPENDITURE SUMMARY

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN, THAT ANY ADVANCE PAYMENT IS DUE AND PAYABLE PURSUANT TO A CONTRACT OR IS AVAILABLE AS AN OPTION FOR FULL OR PARTIAL FULFILLMENT OF A CONTRACTUAL OBLIGATION, AND THAT THE CLAIMS ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS", AND,

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT CLAIMS FOR EMPLOYEE AND OFFICER EXPENSES ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO CERTIFY SAID CLAIMS".

FOR PERIOD 5/9/2021 THROUGH 5/15/2021  
 FOR A/P ACH PAYMENTS and A/P CHECKS NUMBERED 3735543 THROUGH 3735719  
 FOR OTHER ELECTRONIC PAYMENTS DATED \_\_\_\_\_ THROUGH \_\_\_\_\_

INCLUSIVE IN THE AMOUNT TOTALING

DATED 5/21/2021 \_\_\_\_\_  
 FINANCE DIRECTOR Melanie Davis \_\_\_\_\_

TOTAL APPROVED FOR PAYMENT

	FUND	
\$894,548.21	001	GENERAL FUND
\$0.00	002	SHOP FACILITIES
\$13,439.53	003	REVOLVING ACCOUNT FUND
\$0.00	004	URBAN ARTERIAL FUND
\$529,923.44	006	Development Fee Revenue
\$8,222.91	007	Parking Fund
\$1,611.20	014	LEOFF 1 OPEB Trust Fund
\$0.00	21	Washington Center Endow
\$0.00	025	WASHINGTON CENTER
\$3,000.00	026	MUNICIPAL ARTS FUND
\$370.00	029	EQUIP & FACIL REPLACE RES
\$13,367.58	107	HUD
\$0.00	108	HUD
\$0.00	127	IMPACT FEES
\$0.00	130	SEPA MITIGATION FUND
\$5,221.50	132	LOGGING TAX FUND
\$0.00	133	ARTS AND CONFERENCE FUND
\$0.00	134	PARKS AND REC SIDEWALK UT TAX
\$169.32	135	PARKING BUSINESS IMP AREA
\$0.00	136	FARMERS MKRT REPAIR/REPLC
\$0.00	137	CHILDREN'S HANDS ON MUSEUM
\$0.00	138	TRANS BENEFIT DISTRICT
\$0.00	140	REET
\$0.00	141	Oly Metro Park District
\$17,802.30	142	HOME FUND
\$0.00	208	LID OBLIGATION CONTROL
\$0.00	216	4th/5th AVE PW TRST
\$0.00	223	LTGO BOND FUND '06-PARKS
\$0.00	224	UTGO BOND FUND 2009 FIRE
\$0.00	225	CITY HALL DEBT FUND
\$0.00	226	2010 LTGO BOND-STREETPROJ
\$0.00	227	LOCAL DEBT FUND
\$0.00	228	2010B LTGO BONDS-HOCM
\$0.00	229	
\$0.00	230	LTGO Band Fund 2016
\$363,105.30	317	CIP
\$0.00	318	Home Fund
\$0.00	322	4/5th AVE CORRIDOR/BRIDGE
\$0.00	323	CIP CONSTR FUND - PARKS
\$0.00	324	FIRE STATION 4 CONSTRUCT
\$0.00	325	CITY HALL CONST
\$0.00	326	TRANSPORTATION CONST
\$0.00	329	GO BOND PROJECT FUND
\$12,866.96	331	FIRE EQUIPMENT REPLACEMENT FUND
\$32,154.28	401	WATER
\$1,191,226.30	402	SEWER
\$65.64	403	SOLID WASTE
\$1,851.18	404	STORM AND SURFACE WATER
\$0.00	417	W/S REV BOND REDEMPTION
\$0.00	418	Stormwater Debt Service Fund
\$0.00	427	
\$0.00	434	STORM AND SURFACE WATER CIP
\$90,097.10	461	WATER CIP FUND
\$9,297.23	462	SEWER CIP FUND
\$0.00	463	SOLID WASTE/ADVERTISING
\$7,027.53	501	EQUIPMENT RENTAL
\$0.00	502	C. R. EQUIPMENT RENTAL
\$0.00	503	UNEMPLOYMENT COMPENSATION
\$0.00	504	INS TRUST FUND
\$0.00	505	WORKERS COMPENSATION
\$0.00	604	FIREMEN'S PENSION FUND
\$0.00	605	CUSTOMERS WATER RESERVE
\$0.00	621	WASHINGTON CENTER ENDOW
\$0.00	631	PUBLIC FACILITIES
\$0.00	682	LAW ENFORCEMENT RECORD MGNTSYS
\$0.00	701	PARKS-NEIGHBORHOOD
\$0.00	702	PARKS-COMMUNITY
\$0.00	703	PARKS-OPEN SPACE
\$0.00	707	PARKS-SPECIAL USE
\$0.00	711	TRANSPORTATION
\$0.00	720	SCHOOLS

\$2,995,367.51 GRAND TOTAL FOR WEEK

Reconciliation of Superior All Checks Register to Expenditure Summary

Data From Superior All Checks Register			
Description	From Check	to Check	Check Amount
Payroll A/P (vendors) Checks	21140		1,235.75
Payroll A/P (vendors) Checks	21139		4,398.76
Payroll A/P (vendors) Checks	21144	21146	917.33
Payroll A/P (vendors) Checks	21141		3,672.57
Payroll A/P (vendors) Checks	21142		510,915.40
Payroll A/P (vendors) Checks	21143		1,169.83
Payroll A/P (vendors) Checks	17438		169.57
		<i>Subtotal</i>	522,479.21
VOID CHECKS			0.00
EFT			198,201.57
A/P Checks			2,274,686.73
<b>Grand Total</b>			<b>2,995,367.51</b>
<i>Proof</i>			0.00

CITY OF OLYMPIA  
EXPENDITURE SUMMARY

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT THE MATERIALS HAVE BEEN FURNISHED, THE SERVICES RENDERED OR THE LABOR PERFORMED AS DESCRIBED HEREIN, THAT ANY ADVANCE PAYMENT IS DUE AND PAYABLE PURSUANT TO A CONTRACT OR IS AVAILABLE AS AN OPTION FOR FULL OR PARTIAL FULFILLMENT OF A CONTRACTUAL OBLIGATION, AND THAT THE CLAIMS ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO AUTHENTICATE AND CERTIFY TO SAID CLAIMS", AND,

"I, THE UNDERSIGNED, DO HEREBY CERTIFY UNDER PENALTY OF PERJURY THAT CLAIMS FOR EMPLOYEE AND OFFICER EXPENSES ARE JUST, DUE AND UNPAID OBLIGATIONS AGAINST THE CITY OF OLYMPIA, AND THAT I AM AUTHORIZED TO CERTIFY SAID CLAIMS",

FOR PERIOD 5/23/2021 5/29/2021  
 FOR A/P ACH PAYMENTS and A/P CHECKS NUMBERED 3735897 THROUGH 3736053  
 FOR OTHER ELECTRONIC PAYMENTS DATED \_\_\_\_\_ THROUGH \_\_\_\_\_

INCLUSIVE IN THE AMOUNT TOTALING

DATED 6/3/2021

FINANCE DIRECTOR  
Mam Maher

TOTAL APPROVED FOR PAYMENT

FUND		
\$712,076.89	001	GENERAL FUND
\$0.00	002	SHOP FACILITIES
\$6,358.26	003	REVOLVING ACCOUNT FUND
\$0.00	004	URBAN ARTERIAL FUND
\$1,278.50	006	Development Fee Revenue
\$469.47	007	Parking Fund
\$0.00	014	LEOFF 1 OPEB Trust Fund
\$0.00	21	Washington Center Endow
\$26,445.89	025	WASHINGTON CENTER
\$2,991.03	026	MUNICIPAL ARTS FUND
\$0.00	029	EQUIP & FACIL REPLACE RES
\$2,076.00	107	HUD
\$0.00	108	HUD
\$0.00	127	IMPACT FEES
\$0.00	130	SEPA MITIGATION FUND
\$6,336.78	132	LODGING TAX FUND
\$0.00	133	ARTS AND CONFERENCE FUND
\$0.00	134	PARKS AND REC SIDEWALK UT TAX
\$0.00	135	PARKING BUSINESS IMP AREA
\$0.00	136	FARMERS MKRT REPAIR/REPLC
\$0.00	137	CHILDREN'S HANDS ON MUSEUM
\$0.00	138	TRANS BENEFIT DISTRICT
\$0.00	140	REET
\$0.00	141	Oly Metro Park District
\$8,214.78	142	HOME FUND
\$0.00	208	LID OBLIGATION CONTROL
\$0.00	216	4th/5th AVE PW TRST
\$0.00	223	LTGO BOND FUND '06-PARKS
\$0.00	224	UTGO BOND FUND 2009 FIRE
\$0.00	225	CITY HALL DEBT FUND
\$0.00	226	2010 LTGO BOND-STREETPROJ
\$0.00	227	LOCAL DEBT FUND
\$0.00	228	2010B LTGO BONDS-HOCM
\$0.00	229	LTGO BOND FUND 2013
\$0.00	230	LTGO Bond Fund 2016
\$35,070.45	317	CIP
\$0.00	318	Home Fund
\$0.00	322	4/5th AVE CORRIDOR/BRIDGE
\$0.00	323	CIP CONSTR FUND - PARKS
\$0.00	324	FIRE STATION 4 CONSTRUCT
\$0.00	325	CITY HALL CONST
\$0.00	326	TRANSPORTATION CONST
\$0.00	329	GO BOND PROJECT FUND
\$134.05	331	FIRE EQUIPMENT REPLACEMENT FUND
\$86,798.01	401	WATER
\$7,684.62	402	SEWER
\$2,954.74	403	SOLID WASTE
\$41,760.34	404	STORM AND SURFACE WATER
\$0.00	407	STORM AND SURFACE WATER MITIG
\$0.00	417	W/S REV BOND REDEMPTION
\$0.00	418	Stormwater Debt Service Fund
\$0.00	427	W/S REV BOND REDEMPTION
\$0.00	434	STORM AND SURFACE WATER CIP
\$552,838.27	461	WATER CIP FUND
\$10,546.45	462	SEWER CIP FUND
\$0.00	463	SOLID WASTE/ADVERTISING
\$18,028.59	501	EQUIPMENT RENTAL
\$0.00	502	C. R. EQUIPMENT RENTAL
\$250.00	503	UNEMPLOYMENT COMPENSATION
\$0.00	504	INS TRUST FUND
\$52.41	505	WORKERS COMPENSATION
\$1,040.32	604	FIREMEN'S PENSION FUND
\$0.00	605	CUSTOMERS WATER RESERVE
\$0.00	621	WASHINGTON CENTER ENDOW
\$0.00	631	PUBLIC FACILITIES
\$0.00	682	LAW ENFORCEMENT RECORD MGNTSYS
\$0.00	701	PARKS-NEIGHBORHOOD
\$0.00	702	PARKS-COMMUNITY
\$0.00	703	PARKS-OPEN SPACE
\$0.00	707	PARKS-SPECIAL USE
\$0.00	711	TRANSPORTATION
\$163,240.00	720	SCHOOLS

\$1,686,645.85 GRAND TOTAL FOR WEEK

Reconciliation of Superior All Checks Register to Expenditure Summary  
Data From Superior All Checks Register

Description	From Check	to Check	Check Amount
Payroll A/P (vendors) Checks	21159		623.13
Payroll A/P (vendors) Checks	21160		391,936.11
Payroll A/P (vendors) Checks	21161		505,259.58
Payroll A/P (vendors) Checks	3736022		43.46
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Payroll A/P (vendors) Checks			
Subtotal			897,862.28

VOID CHECKS	(516,908.52)
EFT	270,966.23
A/P Checks	1,034,725.86

Grand Total 1,686,645.85

Proof 0.00

# CITY OF OLYMPIA

## PAYROLL CERTIFICATION FOR PAY PERIOD END: 3/31/2021

NET PAY: (SEMI MONTHLY)		\$	1,579,533.34
FIRE PENSION PAY: (MONTHLY)		\$	29,710.07
MANUAL:		\$	531.69
TOTAL NET PAY:		\$	1,609,775.10
Semi-monthly Payroll			
Check Numbers:	<u>93024</u>	to	<u>93028</u>
		\$	4,124.11
Semi-monthly Payroll			
Direct Deposit:		\$	1,575,409.23
Manual Payroll Check			
Numbers:	<u>93023</u>	to	<u>93023</u>
		\$	531.69
Monthly Fire Pension			
Check Numbers:	<u>93018</u>	to	<u>93022</u>
		\$	7,985.23
Monthly Fire Pension			
Direct Deposit:		\$	21,724.84
TOTAL NET PAY:		\$	1,609,775.10

*Patricia Brassfield*

Prepared by:

4/5/2021

Date

*Debbie Heilman*

Reviewed by:

4/5/2021

Date

The Finance Director of the City of Olympia, Washington, hereby certifies that the Payroll gross earnings, benefits and LEOFF I post-retirement insurance benefits for the pay cycle ending: **3/31/2021** have been examined and are approved as recommended for payment.

*Nanci Lien*

Approved by/Finance Director

4/11/2021

Date



# CITY OF OLYMPIA

## PAYROLL CERTIFICATION FOR PAY PERIOD END: 4/15/2021

NET PAY: (SEMI MONTHLY)		\$	1,606,777.91
FIRE PENSION PAY: (MONTHLY)			
MANUAL:		\$	2,352.16
TOTAL NET PAY:		\$	1,609,130.07
Semi-monthly Payroll			
Check Numbers:	<u>93031</u>	to	<u>93042</u>
		\$	15,531.26
Semi-monthly Payroll			
Direct Deposit:		\$	1,591,246.65
Manual Payroll Check			
Numbers:	<u>93029</u>	to	<u>903030</u>
		\$	2,352.16
Monthly Fire Pension			
Check Numbers:	<u>          </u>	to	<u>          </u>
Monthly Fire Pension			
Direct Deposit:			
TOTAL NET PAY:		\$	1,609,130.07

*Patricia Brassfield*

Prepared by:

4/22/2021

Date

*Debbie Heilman*

Reviewed by:

4/22/2021

Date

The Finance Director of the City of Olympia, Washington, hereby certifies that the Payroll gross earnings, benefits and LEOFF I post-retirement insurance benefits for the pay cycle ending: 4/15/2021 have been examined and are approved as recommended for payment.

*Nanci Lien*

Approved by/Finance Director

4/28/2021

Date

# CITY OF OLYMPIA

## PAYROLL CERTIFICATION FOR PAY PERIOD END: 4/30/2021

NET PAY: (SEMI MONTHLY)		\$	1,766,265.36
FIRE PENSION PAY: (MONTHLY)		\$	28,247.47
MANUAL:		\$	464.66
TOTAL NET PAY:		\$	1,794,977.49
Semi-monthly Payroll			
Check Numbers:	<u>93049</u>	to	<u>93120</u>
		\$	171,521.94
Semi-monthly Payroll			
Direct Deposit:		\$	1,594,743.42
Manual Payroll Check			
Numbers:	<u>93048</u>	to	<u>93048</u>
		\$	464.66
Monthly Fire Pension			
Check Numbers:	<u>93043</u>	to	<u>93047</u>
		\$	7,668.60
Monthly Fire Pension			
Direct Deposit:		\$	20,578.87
TOTAL NET PAY:		\$	1,794,977.49

*Patricia Brassfield*

Prepared by:

5/10/2021

Date

*Debbie Heilman*

Reviewed by:

5/10/2021

Date

The Finance Director of the City of Olympia, Washington, hereby certifies that the Payroll gross earnings, benefits and LEOFF I post-retirement insurance benefits for the pay cycle ending: **4/30/2021** have been examined and are approved as recommended for payment.

*Nanci Lien*

Approved by/Finance Director

5/15/2021

Date

CITY OF OLYMPIA

PAYROLL CERTIFICATION FOR PAY PERIOD END: 5/15/2021

NET PAY: (SEMI MONTHLY)		\$	1,616,810.19
FIRE PENSION PAY: (MONTHLY)			
MANUAL:			
TOTAL NET PAY:		\$	1,616,810.19
Semi-monthly Payroll			
Check Numbers:	<u>93121</u>	to	<u>93135</u>
		\$	19,400.52
Semi-monthly Payroll			
Direct Deposit:		\$	1,597,409.67
Manual Payroll Check			
Numbers:	<u>          </u>	to	<u>          </u>
Monthly Fire Pension			
Check Numbers:	<u>          </u>	to	<u>          </u>
Monthly Fire Pension			
Direct Deposit:			
TOTAL NET PAY:		\$	1,616,810.19

Patricia Brassfield  
Prepared by:

5/25/2021  
Date

Debbie Heilman  
Reviewed by:

5/25/2021  
Date

The Finance Director of the City of Olympia, Washington, hereby certifies that the Payroll gross earnings, benefits and LEOFF I post-retirement insurance benefits for the pay cycle ending: 5/15/2021 have been examined and are approved as recommended for payment.

Manuel  
Approved by/Finance Director

5/16/2021  
Date

CITY OF OLYMPIA

PAYROLL CERTIFICATION FOR PAY PERIOD END: 5/31/2021

NET PAY: (SEMI MONTHLY)	\$	1,706,856.85
FIRE PENSION PAY: (MONTHLY)	\$	28,247.47
MANUAL:	\$	2,157.87
TOTAL NET PAY:	\$	1,737,262.19
Semi-monthly Payroll Check Numbers: <u>93142</u> to <u>93169</u>	\$	32,896.82
Semi-monthly Payroll Direct Deposit:	\$	1,673,960.03
Manual Payroll Check Numbers: <u>93141</u> to <u>93141</u>	\$	2,157.87
Monthly Fire Pension Check Numbers: <u>93136</u> to <u>93140</u>	\$	7,668.60
Monthly Fire Pension Direct Deposit:	\$	20,578.87
TOTAL NET PAY:	\$	1,737,262.19

Patricia Brassfield  
Prepared by: \_\_\_\_\_ Date 6/2/2021

Debbie Heilman  
Reviewed by: \_\_\_\_\_ Date 6/2/2021

The Finance Director of the City of Olympia, Washington, hereby certifies that the Payroll gross earnings, benefits and LEOFF I post-retirement insurance benefits for the pay cycle ending: 5/31/2021 have been examined and are approved as recommended for payment.

[Signature]  
Approved by/Finance Director \_\_\_\_\_ Date 6/2/2021



## City Council

### Approval of a Resolution Authorizing an Agreement between the City of Olympia and Providence Community Care Center for the Crisis Response Unit and Outreach Services to occupy Office Space at the Community Care Center at 225 State Ave NE

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.E  
**File Number:**21-0404

---

**Type:** resolution **Version:** 1 **Status:** Consent Calendar

---

#### **Title**

Approval of a Resolution Authorizing an Agreement between the City of Olympia and Providence Community Care Center for the Crisis Response Unit and Outreach Services to occupy Office Space at the Community Care Center at 225 State Ave NE

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to approve a resolution authorizing an agreement between the City of Olympia and Providence Community Care Center for the Crisis Response Unit and Outreach Services to occupy office space at the Community Care Center located at 225 State Ave NE, Olympia, and authorize the City Manager to sign the agreement.

#### **Report**

##### **Issue:**

Whether to approve between City of Olympia and Providence Community Care Center for the Crisis Response Unit and Outreach Services to occupy office space at the Community Care Center located 225 State Ave NE, Olympia, WA 98501.

##### **Staff Contact:**

Anne Larsen, Outreach Services Coordinator, Police Department, 360.753.8238

##### **Presenter(s):**

None - Consent Calendar Item.

##### **Background and Analysis:**

Providence Community Care Center has invited the Crisis Response Unit and Outreach Services to

occupy space in the Community Care Center at no charge. The Community Care Center is a central location that will aid in the collaboration among the partner groups. The Providence Community Care Center will treat individuals for non-emergent behavioral and physical health needs by appointment. Medical treatment consists of non-emergent primary and psychiatric care with additional resources available as defined by each patient and their medical providers.

Other partners in the Hub:

- Providence Mental Health Team
- Valley View Primary Care
- The Olympia Free Clinic
- Behavioral Health Resources

The collaboration between outreach and response efforts will divert non-acute community members in need from the Saint Peter's Emergency Department.

**Neighborhood/Community Interests (if known):**

The Community Care Center medical and behavioral health providers will treat individuals for non-emergent behavioral and physical health needs by appointment. Medical treatment consists of non-emergent primary and psychiatric care with additional resources available as defined by each patient and their medical providers.

The behavioral health team on site helps patients enroll in substance use disorder (SUD) services they need. The Community Care Center currently collaborates with Northwest resources and also refer patients to Providence SUD services.

The Crisis Response Unit will continue to respond to community members in the community and will not be using the Community Care Center as a drop in space or location for client services.

**Options:**

1. Move to approve the resolution and authorize the City Manager to sign the agreement.
2. Do not move to approve the resolution or authorize the City manager to sign the agreement.
3. Do not approve the resolution and direct staff to modify the agreement to be brought back for approval at a later date.

**Financial Impact:**

The projected tenant improvement costs of approximately \$250,000 can be supported with Public Safety Levy Lift Reserves and will be included in a future quarterly budget amendment ordinance.

The partnership with Providence will provide the Crisis Response Unit and Outreach Services employees a shared space to better facilitate continuity of care for some of Olympia's most vulnerable population. Currently, the Crisis Response Staff and future Outreach Services staff is spread out over 3 locations. Centralizing City staff and coordinating resources with Providence staff will result in lower instances of higher cost responses from the Olympia Fire Department or Olympia Police Department.

**Attachments:**

Resolution



Agreement

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,  
APPROVING THE MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE CITY OF  
OLYMPIA AND PROVIDENCE COMMUNITY CARE CENTER TO OCCUPY OFFICE SPACE AT  
THE SOCIAL OUTREACH HUB**

**WHEREAS**, Providence Community Care Center has invited the Olympia Police Department (OPD) to occupy space in their Social Outreach Hub at 225 State Ave NE at no charge; and

**WHEREAS**, the Social Outreach Hub will be a central location that will aid in the collaboration among the partner groups and will treat individuals for non-emergent behavioral and physical health needs; and

**WHEREAS**, Medical treatment consists of non-emergent primary and psychiatric care with additional resources available as defined by each patient and their medical providers; and

**WHEREAS**, the OPD Crisis Response Unit will continue to respond as voluntary crisis response assistance from 7 a.m. to 9 p.m., 7 days a week which will serve as their primary office location;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the form of the Memorandum of Understanding between the City of Olympia and Providence Community Care Center and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Memorandum of Understanding and any other documents necessary to execute said Agreement, and to make any minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

## MEMORANDUM OF UNDERSTANDING

between  
The City of Olympia  
and

Providence Community Care Center

This Memorandum of Understanding is entered into by and between City of Olympia (“Provider”) and Providence Health & Services – WA d/b/a Providence Community Care Center (“Center”). Provider wishes to make certain employees available to administer on-site services through its police department at the Center located at 225 State Ave NE to provide the Olympia community vulnerable patient population integrated community services in a safe compassionate environment.

The parties agree as follows:

- 1) Each party is responsible for obtaining and maintaining their own proper licensure, accreditation, and/or certification as required by federal and/or state laws to operate out of the Center.
- 2) Each party understands and acknowledges that this Memorandum will not be construed to create a partnership, joint venture, or employment relationship between Center and Provider. No employee or agent of either party will represent himself or herself to be an employee or agent of the other party or enter into any agreement in each other’s name.
- 3) Compliance with Laws. Each party will (a) comply with all federal, state, and local laws, ordinances, regulations and orders with respect to its business; (b) file all reports relating to its business (including, without limitation, federal, state, and local tax returns); (c) pay all filing fees and federal, state and local taxes applicable to its business as the same shall become due; and (d) pay all amounts required under local, state and federal workers' compensation acts, disability benefit acts, unemployment insurance acts and other employee benefits acts when due.
- 4) Insurance. Provider shall maintain throughout the term of this Memorandum such insurance policies sufficient to protect against all applicable risks. Unless otherwise requested, Provider shall carry general and professional liability insurance with at least \$1 million (\$1,000,000) per occurrence; and workers compensation insurance in accordance with the statutory requirements of Washington State. Provider will provide Center with certificates of coverage and other supporting materials as Center may reasonably request to evidence Provider’s continuing compliance with these insurance requirements. Provider will be liable for all loss or damage, which is caused by Provider, other than ordinary wear and tear, to Center's property in Provider’s exclusive possession or control. In the event of any such loss or damage, Provider will pay Center the full current replacement cost of such equipment or property within ninety (90) days after its loss or damage.
- 5) Confidentiality of Patient and Client Records. Provider agrees to hold all individually identifiable patient health information (“Protected Health Information” or “PHI”) that may be shared, transferred, maintained, transmitted, or otherwise obtained strictly confidential, and provide all reasonable protections to prevent the unauthorized use or disclosure of such information, including, but not limited to the protection afforded by applicable federal, state and local laws and/or regulations regarding the security and the confidentiality of patient health care

information. If applicable, Provider further agrees to make every reasonable effort to comply with any regulations, standards, or rules promulgated pursuant to the authority of the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) The Health Information Technology for Economic and Clinical Health Act (“HITECH”) or the American Recovery and Reinvestment Act of 2009 (“ARRA”), including those provisions listed below. Provider agrees as follows: (1) to maintain administrative, physical, and technical safeguards as necessary to ensure that the PHI is not used or disclosed except as provided herein and to protect the confidentiality, integrity, and availability of PHI including implementing required policies and procedures with respect to PHI and the privacy and security rules pursuant to HIPAA/HITECH or the ARRA; (2) to mitigate, if possible, any harmful effect known of a use or disclosure of PHI by Provider; (3) to ensure that any subConsultants or agents to whom it provides PHI will agree in writing to substantially similar restrictions and conditions that apply with respect to such information, in the form of a business associate agreement; (4) to make available respective internal practices, books and records relating to the use and disclosure of PHI to the U.S. Department of Health and Human Services or its agents; (5) to incorporate any amendments or corrections to PHI when notified that the information is inaccurate or incomplete; and (6) to ensure applicable policies are in place for providing the PHI to satisfy an individuals’ request to access their information. Provider shall maintain its own confidential patient/client records in a secure manner so as to prevent risk of loss of such confidential information.

- 6) Each party will indemnify, defend and hold the other party (and its agents and employees) harmless from all claims, damages, losses and expenses (including attorneys' fees) arising out of or resulting from any claim, action, or other proceeding (including any proceeding by any employees or agents) that is based upon (a) the indemnifying party’s breach of this Memorandum, (b) the conduct of the indemnifying party’s business, (c) any negligent act or omission of the indemnifying party; or (d) the infringement or misappropriation of any foreign or United States patent, copyright, trade secret, or other proprietary right.
- 7) Term and Termination. The term of this Memorandum of Understanding shall be for one (1) year beginning on March 1, 2021, and shall automatically renew on one (1) year terms. Either party may terminate this Memorandum of Understanding at any time upon thirty (30) days written notice to the non-terminating party.
- 8) Governing Law and Venue. The terms of this Memorandum of Understanding shall be construed by the laws of the State of Washington and the venue for any dispute arising out of this Agreement shall be brought in the courts for Thurston County, Washington.
- 9) Assignment. Neither party may assign this Memorandum of Understanding without the prior written consent of the other party.

Cooperation. The parties agree to cooperate with each other in the fulfillment of their respective obligations under this Memorandum and to comply with the requirements of the law and with all applicable ordinances, statutes, regulations, directives, orders, or other lawful enactments or pronouncements of any federal, state, municipal, local or other lawful authority.

10) Ratification. Occupancy prior to the effective date that falls within the scope of this Agreement and is consistent with its terms is hereby ratified and confirmed.

11) Contract Managers. The Parties agree that all formal communications about this Agreement, contract deliverables, accomplishments, regulatory oversight, invoicing and requests for amendment must be coordinated directly between the Consultant and City's Contract Manager unless otherwise approved in writing by the City. The contract managers are identified as follows:

**Providence Community Care Center**

Kristin Stocks, MA, LMHC  
Manager – Community Behavioral Health Services  
225 State Ave NE Olympia, WA 98501  
Kristin.Stocks@providence.org  
(360) 972-5587

**City of Olympia**

Rich Allen  
Acting Deputy Chief  
PO Box 1967 Olympia WA 98507  
Rallen@ci.olympia.wa.us  
360-753-8300

The parties hereto have caused this Memorandum of Understanding to be executed by their duly authorized representatives, who certify that they have the proper authority to legally bind their organization to this Agreement.

**PROVIDENCE HEALTH & SERVICES  
WASHINGTON d/b/a  
Providence Community Care Center:**

By: Darrin Goss  
Darrin Goss, CEO

Date: 05/17/2021

**CITY OF OLYMPIA:**

\_\_\_\_\_  
Steven J. Burney, City Manager

Date: \_\_\_\_\_

APPROVED AS TO FORM:

[Signature]  
Deputy City Attorney



## City Council

### Approval of a Resolution Authorizing an Agreement between the City of Olympia and Thurston County, Cities, Tribes and Special Purpose Districts within the Borders of Thurston County to establish a Thurston County Disaster Recovery Council

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.F  
**File Number:**21-0553

---

**Type:** resolution **Version:** 1 **Status:** Consent Calendar

---

#### **Title**

Approval of a Resolution Authorizing an Agreement between the City of Olympia and Thurston County, Cities, Tribes and Special Purpose Districts within the Borders of Thurston County to establish a Thurston County Disaster Recovery Council

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to committee

##### **City Manager Recommendation:**

Move to approve a Resolution authorizing an Interlocal Agreement between the City of Olympia and Thurston County, Cities, Tribes and Special Purpose Districts within the Borders of Thurston County to establish a Thurston County Disaster Recovery Council.

#### **Report**

##### **Issue:**

Whether to approve a Resolution Authorizing an Interlocal Agreement between the City of Olympia and Thurston County, Cities, Tribes and Special Purpose Districts within the Borders of Thurston County to establish a Thurston County Disaster Recovery Council.

##### **Staff Contact:**

Patrick Knouff, Emergency Management Coordinator, 360.709.2701

##### **Presenter(s):**

None - consent item only.

##### **Background and Analysis:**

At the February 25-28, 2019, Integrated Emergency Management Course on Disaster Recovery held at Ocean Shores, elected officials who participated expressed the desire to create a means to



continue interjurisdictional coordination on pre-disaster recovery planning activities. In response to this, an agreement was drafted by the Thurston County Emergency Management Council and regional recovery planning stakeholders to establish a Disaster Recovery Council.

The Disaster Recovery Council is a temporary advisory workgroup consisting of representatives appointed from each signatory party to the Agreement. The agreement would terminate after five years and extensions of this agreement of up to five years may be executed upon mutual agreement of the participating jurisdictions.

The Disaster Recovery Council will serve as a coordinating organization to advise its members on effective disaster recovery practices. Membership includes Thurston County, cities, tribes and special purpose districts within the border of Thurston County. The formation of the Council will commence upon the signature of the sixth signatory agency.

The Interlocal Agreement identifies six duties and responsibilities:

1. Establish bylaws and meeting schedule.
2. Develop a workplan for establishing a Recovery Managers Office and a Recovery Task Force.
3. Assign work as needed for the creation of the Recovery Managers Office and Recovery Task Force.
4. Consult with emergency management and community recovery stakeholders and communicate recommendations with the members.
5. Make recommendations for the implementation of county-wide recovery activities including a scope of work and budget to support such activities. Such activities may require review and approval by the governing bodies that are signatories to the agreement.
6. Shepherd the creation and implementation of any process deemed to be required to establish the Recovery Managers Office and Recovery Task Force.

**Neighborhood/Community Interests (if known):**

This interlocal agreement will enhance recovery planning in the Thurston County region. Recovery includes the restoration and strengthening of key systems and resource assets that are critical to the economic stability, vitality and long-term sustainability of our communities.

**Options:**

1. Approve the Resolution authorizing the Interlocal Agreement. Accept the terms of the Interlocal Agreement and authorize the City Manager to sign the Agreement.
2. Do not approve the Resolution authorizing the Interlocal Agreement and send back to staff for further work.
3. Approve the Resolution at another time.

**Financial Impact:**

No financial impact is expected.

**Attachments:**

Resolution

Agreement

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,  
APPROVING THE INTERLOCAL COOPERATIVE AGREEMENT FOR THURSTON COUNTY  
DISASTER RECOVERY COUNCIL.**

**WHEREAS**, it is in the best interest of the residents of Thurston County that all of the political subdivisions in the county cooperate and coordinate with each other in developing emergency management plans and programs; and

**WHEREAS**, a unified approach to providing emergency management recovery is desired by all parties to more efficiently recover from a major disaster;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby approves the form of Interlocal Agreement **for THURSTON COUNTY DISASTER RECOVERY COUNCIL** and the terms and conditions contained therein.
2. The City Manager is authorized and directed to execute on behalf of the City of Olympia the Interlocal Agreement and any other documents necessary to execute said Agreement, and to make any minor modifications as may be required and are consistent with the intent of the Agreement, or to correct any scrivener's errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

  
\_\_\_\_\_  
DEPUTY CITY ATTORNEY

**INTERLOCAL COOPERATIVE AGREEMENT FOR  
THURSTON COUNTY DISASTER RECOVERY COUNCIL**

THIS AGREEMENT is made and entered into in duplicate by and between Thurston County, Washington, a municipal corporation of the State of Washington, and those cities, towns, tribes and other organizations located within or bordering Thurston County which are a signatory hereto, hereinafter "parties".

WITNESSETH:

WHEREAS, the Interlocal Cooperation Act, Chapter 39.34 RCW, authorizes cooperative undertakings by public agencies as defined in the Act;

WHEREAS, it is in the best interest of the residents of Thurston County that all of the political subdivisions in the county cooperate and coordinate with each other in developing emergency management plans and programs; and

WHEREAS, a unified approach to providing emergency management is cost efficient and can prevent the duplication of effort.

WHEREAS, a unified approach to providing emergency management recovery is desired by all parties to more efficiently recover from a major disaster.

NOW, THEREFORE, in consideration of the mutual covenants, promises and conditions contained herein the parties agree as follows:

I. PURPOSE

It is the purpose of this Agreement that each participating member meet regularly as a Disaster Recovery Council for the purpose of developing a Recovery Managers Office and Recovery Task Force following and expanding upon the Thurston Regional Planning Council (TRPC) recovery framework exercised at the 2019 Integrated Emergency Management Course (IEMC). The ultimate goal of the Recovery Managers Office and Recovery Task Force will be to coordinate and prioritize recovery activities following emergencies and disasters caused by all hazards, whether natural, technological or human caused.

II. ORGANIZATION

A. There is hereby created a coordinating organization, the Disaster Recovery Council for purposes of mutual advice and discussion regarding disaster recovery.

- B. The Disaster Recovery Council shall commence its existence upon the approval of this Agreement by a minimum of six (6) parties, through their respective governing bodies; and following recordation of this Agreement with the Thurston County Auditor. Thereafter, any incorporated city, town, special purpose district within the county or any federally-recognized tribe that shares a border with Thurston County may become a participating member of the joint organization. New membership with the exception of federally-recognized tribes, will require an addendum to the original Agreement, pursuant to Section IX, herein.

### III. DISASTER RECOVERY COUNCIL

#### A. Membership.

1. The Disaster Recovery Council shall consist of the designated agent of each signatory party.
2. The election of officers, terms of office, subcommittee appointments, and other operational issues will be addressed by the members of the Disaster Recovery Council during the formation of the Council. Membership in the future Recovery Managers Office and Recovery Task Force will be detailed by the Disaster Recovery Council in their work product.

#### B. DUTIES AND RESPONSIBILITIES.

1. Establish the Disaster Recovery Council bylaws, charter, participation and meeting schedule.
2. Develop the work plan for the creation of the Recovery Managers Office and Recovery Task Force following and expanding upon the Thurston Regional Planning Council (TRPC) recovery framework exercised at the 2019 Integrated Emergency Management Course (IEMC).
3. Assign work as needed for the creation of the Recovery Managers Office and Recovery Task Force.
4. Consult on emergency management and community recovery planning and make recommendations to the designated agents of the parties to this Agreement, for further discussion with their respective legislative bodies.
5. Make recommendations for the implementation of county-wide emergency management recovery activities, such as a Recovery Managers Office and Recovery Task Force. Make recommendations as to the scope of work necessary to implement such activities, make recommendations for an operating budget to support such activities, and make decisions regarding the distribution of costs should the Disaster Recovery Council incur costs. Recommendations may need review and approval by the governing bodies that are signatories to this Agreement.

6. Determine how a future Recovery Managers Office and Recovery Task Force will be established. Shepherd the creation and implementation of any process deemed to be required to establish the Recovery Managers Office and Recovery Task Force.

#### IV. FINANCES

Revenue to support the annual budget may be derived from the following sources:

1. Federal or state funds.
2. Grants (other than federal or state), contributions, and donations by other agencies, groups, or individuals not signatory to this Agreement.
3. The Emergency Management Council of Thurston County.
4. Additional funding strategies may be implemented using a formula to be suggested by the Disaster Recovery Council.

#### V. PROPERTY & EQUIPMENT

- A. The ownership of all property, equipment and monies owned by signatory parties prior to the execution of this Agreement shall remain the property of said parties notwithstanding its use by the Disaster Recovery Council subsequent to the execution of this Agreement.
- B. The ownership of property or equipment loaned or contributed for use by the Disaster Recovery Council by any party hereto shall remain with the lending or contributing party.
- C. In the event that any party withdraws from this Agreement prior to its termination as provided herein, any property or equipment loaned or contributed by such party shall be returned to such party within 90 days following the date of the party's withdrawal.
- D. Upon termination of this Agreement, should any property be purchased by the Disaster Recovery Council, the Disaster Recovery Council shall liquidate the property and the proceeds shall be shared by the parties to this Agreement in proportion to the financial contribution of each party in the year of acquisition of such property, equipment or monies.
- E. The terms of this section shall survive termination of this Agreement until all property is disposed.

#### VI. DURATION

This Agreement shall commence upon signature of the sixth signatory agency to this agreement and shall terminate five years from that date. Extensions of this agreement of up to five (5) years may be executed upon mutual agreement of the signatory agencies to this agreement as set forth in Section IX.

VII. WITHDRAWAL

Any party to this Agreement may withdraw from this Agreement effective December 31 of any year during the term hereof, provided such notice to withdraw is provided in writing 90 days prior to December 31. The withdrawal of any party shall not require dissolution of this Agreement and no compensation shall be owed to any withdrawing party.

VIII. TERMINATION

This Agreement will terminate automatically effective December 31 of any year during the term of this Agreement in the event a majority of the signatory parties exercise their right to withdraw from this Agreement as set forth in Section VII.

IX. AMENDMENTS

This Agreement may be amended upon the mutual agreement of all parties hereto. Amendments must be in writing, be approved by the governing bodies of each jurisdiction, and be recorded with the Thurston County Auditor. A written addendum will be required in the event that an incorporated city or town wishes to become a participating member, to be executed in accordance with the requirements of Section II.B, herein.

X. INDEMNITY

Each party shall be responsible for its own wrongful and negligent acts or omissions, or those of its officer, agents, or employees, and shall indemnify, defend, and hold the other parties harmless from any such liability. In the case of negligence of more than one party, any damages allowed shall be levied in proportion to the percentage of negligence attributable to each party and each party shall have the right to seek contribution from each of the other parties in proportion to the percentage of negligence attributable to each of the other parties.

XI. POLITICAL ACTIVITY PROHIBITED

None of the funds, materials, property or services provided directly or indirectly under this Agreement shall be used for any partisan political activity, or to further the election or defeat of any candidate for public office.

XII. NOTICE

Notice provided for in this Agreement shall be sent by certified mail to the addresses designated herein for the parties.



XIII. JURISDICTION AND VENUE

- A. This Agreement has been and shall be construed as having been made and delivered with the State of Washington, and it is agreed by each party hereto that this Agreement shall be governed by laws of the State of Washington, both as to interpretation and performance.
- B. Any action of law, suit in equity, or judicial proceeding for the enforcement of this Agreement or any provisions thereof, shall be instituted and maintained only in any of the courts of competent jurisdiction in Thurston County, Washington.

XIV. SEVERABILITY

- A. It is understood and agreed by the parties hereto that if any part, term or provision of this Agreement is held by the courts to be illegal, the validity of the remaining provisions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular provision held to be invalid.
- B. If it should appear that any provision hereof is in conflict with any statute of the State of Washington, said provision which may conflict therewith shall be deemed modified to conform to such statutory provision.

XV. ENTIRE AGREEMENT

The parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded.

DATED: \_\_\_\_\_

BOARD OF COUNTY COMMISSIONERS  
Thurston County, Washington

ATTEST:

\_\_\_\_\_  
Clerk of the Board

\_\_\_\_\_  
Chair

Approved as to form:  
Jon Tunheim  
Prosecuting Attorney

\_\_\_\_\_  
Commissioner

By: \_\_\_\_\_  
Deputy Prosecuting Attorney

\_\_\_\_\_  
Commissioner

**TOWN OF BUCODA:**

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*Alan Carr, Mayor*

DATED: \_\_\_\_\_

Approved as to Form:

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Town Attorney

**CITY OF LACEY:**

\_\_\_\_\_  
Scott Spence, City Manager

DATED: \_\_\_\_\_

Approved as to Form:


\_\_\_\_\_  
City Attorney

**CITY OF OLYMPIA:**

\_\_\_\_\_  
Steven J. Burney, City Manager

DATED: \_\_\_\_\_

Approved as to Form:

  
\_\_\_\_\_  
Deputy City Attorney

**CITY OF TUMWATER:**

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*Peter Kmet, Mayor*

DATED: \_\_\_\_\_

Approved as to Form:

---

City Attorney

**CITY OF YELM**

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*JW Foster, Mayor*

DATED: \_\_\_\_\_

Approved as to Form:

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City Attorney



## City Council

### Approval of a Resolution Authorizing a Public Works Trust Fund Loan Application for the Fones Road Improvement Project

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.G  
**File Number:**21-0627

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**Type:** resolution   **Version:** 1   **Status:** Consent Calendar

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**Title**

Approval of a Resolution Authorizing a Public Works Trust Fund Loan Application for the Fones Road Improvement Project

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Move to approve a Resolution authorizing a Public Works Trust Fund Loan application for the Fones Road Improvement project.

**Report Issue:**

Whether to approve a Resolution authorizing a Public Works Trust Fund Loan application for the Fones Road Improvement project.

**Staff Contact:**

Mark Russell, P.E., Deputy Director, Public Works Department, 360.753.8762

**Presenter(s):**

None - Consent Calendar Item.

**Background and Analysis:**

The Fones Road Project is the City's highest priority for funding in transportation. Construction of the Fones Road Improvement Project is scheduled for late 2022 through 2023.

Fones Road serves a unique mix of users, including freight, commuter traffic, bicyclists, and pedestrians. Traffic is concentrated on Fones Road because there are no nearby parallel routes, and it serves as a regional connection. Along the corridor there are single- and multi-family homes, businesses, and industrial uses. This high-volume street lacks sidewalks and bike lanes and needs resurfacing.

The Fones Road improvement projects is included in the Transportation Master Plan and the 2021-2026 Capital Facilities Plan. The scope of the Fones Road project is consistent with our



comprehensive plan goals for a more human-scale, multimodal street. See the project website for more on the project scope.

The total cost of the project, including design, is estimated to be between \$15 and \$18 million. A variety of sources are being used to fund the project and approximately \$13 million in funding is confirmed. Confirmed sources include \$9 million in City funds including Real Estate Excise Tax (REET), the Voted Utility Tax for sidewalks, Transportation Impact Fees, and Transportation Benefit District funds. Confirmed state and federal grants total \$4.1 million.

Several direct allocations for funding the project are pending, including \$5 million in Federal stimulus funds and \$5 million in State stimulus funds. Should the stimulus funds not be awarded, a Public Works Trust Fund Loan would be an appropriate funding source for the remaining construction costs.

Staff is proposing that a loan be pursued for \$5 million, with a 20-year term. Interest rates for Public Works Trust Fund Loans range from 0.23% - 0.94%. It is anticipated debt service would range from \$255,000 to \$275,000 per year. Staff proposes using Real Estate Excise Tax (REET) for debt service. Currently, the City receives just over \$1 million in REET revenues. REET revenues are used for a wide range of transportation projects. Should the City be awarded stimulus funds in the next year, the loan can be cancelled.

The attached Resolution authorizes the City Manager to apply for a Public Works Trust Fund Loan.

**Neighborhood/Community Interests (if known):**

The Fones Road project was identified more than 15 years ago, but recently the scope of the project was redefined. The Bicycle and Pedestrian Advisory Committee, in their review of the Capital Facilities Plan, commented that a re-envisioning of the corridor design was needed. In 2017, a value planning charrette explored the design concepts to enhance this corridor. The outcome of the charrette informs the scope of this project which is more multi-modal. The re-envisioned Fones Road project has been included in the Capital Facilities Plan for the last 3 years, and the Transportation Master Plan. The public has had the opportunity to comment on both plans, and no changes to the Fones Road Improvement Project have been suggested.

**Options:**

1. Approve a Resolution authorizing a Public Works Trust Fund Loan application for the Fones Road Improvement Project. Receiving a loan would allow the project to be fully funded.
2. Do not approve a Resolution authorizing a Public Works Trust Fund Loan application for the Fones Road Improvement Project. Additional City funds would be needed if stimulus funds or additional grants are not received for the project.
3. Consider a Resolution authorizing a Public Works Trust Fund Loan application for the Fones Road Improvement Project. Receiving a loan would allow the project to be fully funded at another time.

**Financial Impact:**

The City would commit to paying debt service of approximately \$255,000 to \$275,000 per year. Staff proposes using REET revenues for this additional debt service. The City is currently using impact fees for debt service on bonds for previous transportation projects. The bonds will sunset in 2029.

**Attachments:**

Resolution  
Project Website

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,  
AUTHORIZING THE CITY MANAGER TO APPLY FOR A PUBLIC WORKS TRUST FUND LOAN FOR  
THE FONES ROAD IMPROVEMENT PROJECT**

**WHEREAS**, the Fones Road project is the City's highest priority for funding in transportation, and construction of the Fones Road improvement project is scheduled for 2022 and 2023; and

**WHEREAS**, the Fones Road improvement project is included in the Transportation Master Plan and the 2021-2026 Capital Facilities Plan, and the scope of the Fones Road project is consistent with the City's comprehensive plan goals for a more human-scale, multimodal street; and

**WHEREAS**, the total cost of the project, including design, is estimated to be between \$15 and \$17 million, with \$13 million in funding confirmed from a variety of sources; and

**WHEREAS**, several direct allocations for funding the project are pending, including \$6 million in Federal stimulus funds and \$6 million in State stimulus funds, however, should the stimulus funds not be awarded, a Public Works Trust Fund Loan would be an appropriate funding source for the remaining funds needed for construction of the project; and

**WHEREAS**, staff is proposing that a Public Works Trust Fund loan be pursued for \$5 million with a 20-year term. Interest rates for Public Works Trust Fund Loans range from .23% - .94%, with anticipated debt service from \$255,000 - \$275,000 per year;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

1. The Olympia City Council hereby authorizes the application for a Public Works Trust Fund Loan for the Fones Road Improvement Project and the terms and conditions contained therein.
2. The City Manager or his designee is directed and authorized to execute on behalf of the City of Olympia the application for a Public Works Trust Fund Loan, and any other documents necessary to obligate funds for the Fones Road Improvement Project, and to make any minor modifications as may be required and are consistent with the intent of the loan Application, or to correct any scrivener's errors.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

\_\_\_\_\_  
MAYOR

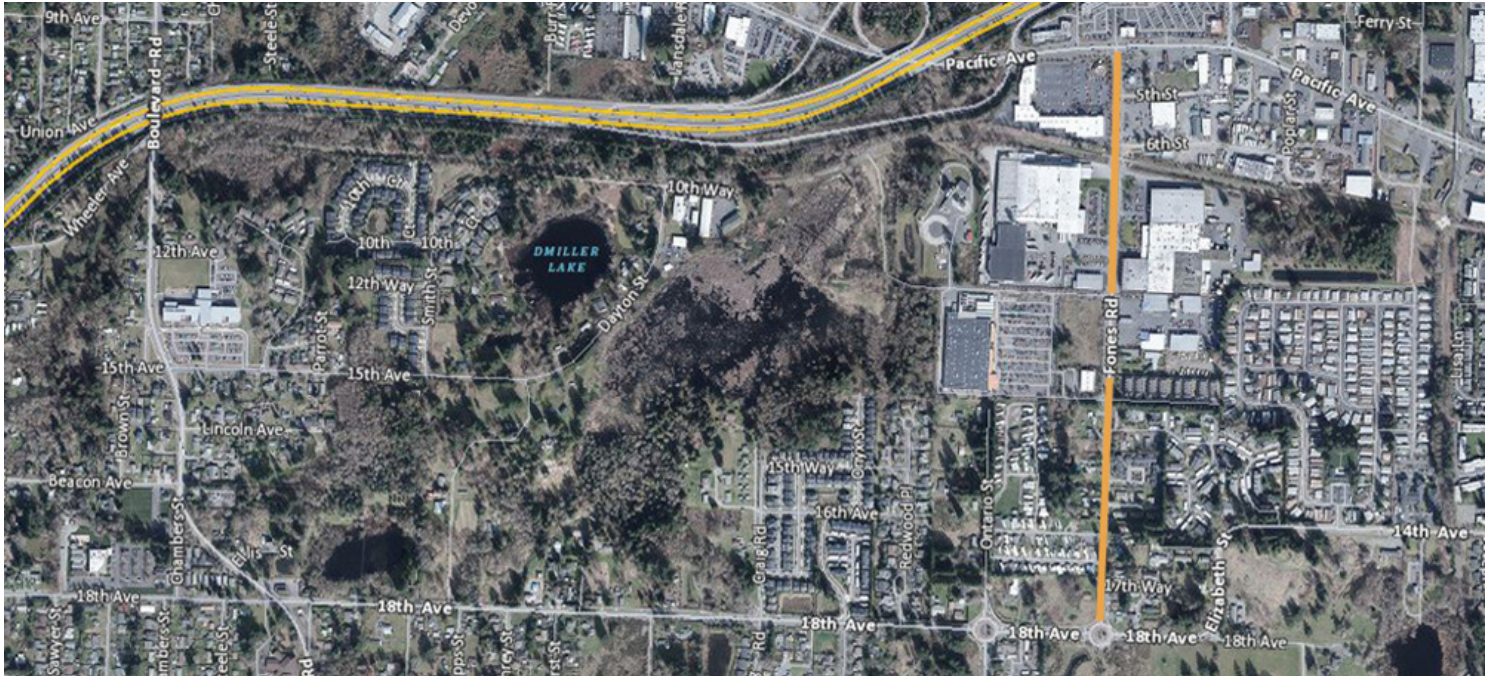
ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

**Mark Barber**  
\_\_\_\_\_  
CITY ATTORNEY

# Fones Road Corridor



## What's happening?

The City is moving forward with plans to improve Fones Road. The project area is the entire length of Fones Road between 18th and Pacific Avenues. Construction is scheduled for 2022/2023 and the estimated cost is \$16M.

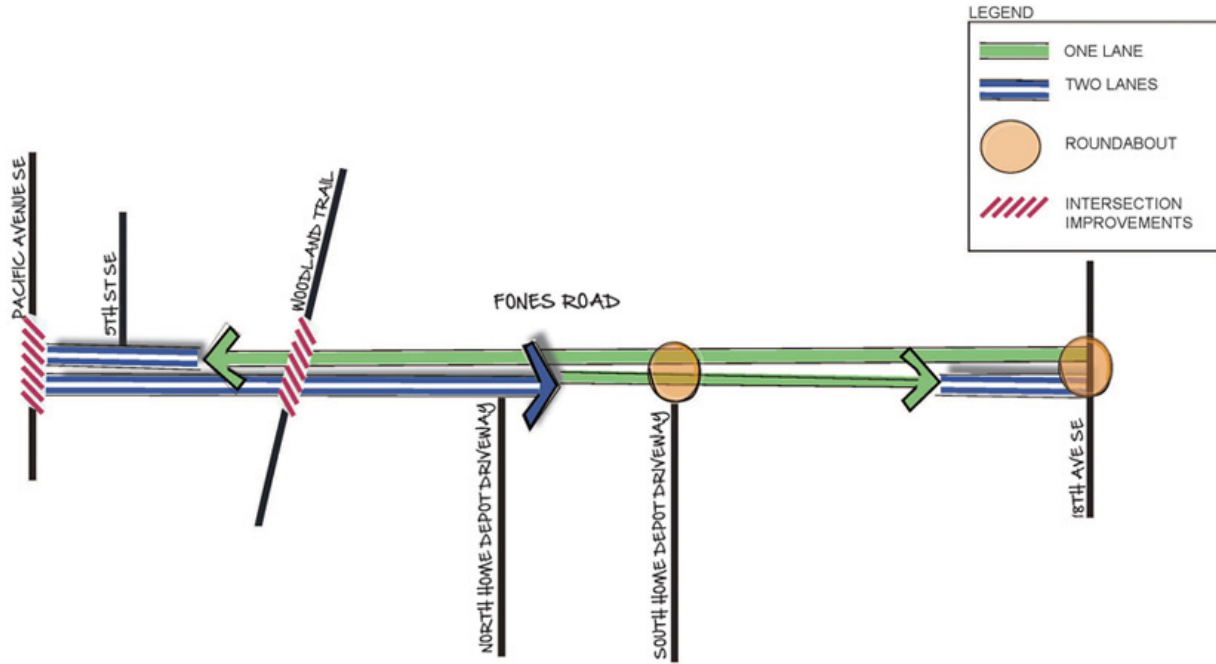
Planned changes to this street include:

- A new roundabout and lane modifications to improve traffic flow.
- Bike lanes and sidewalks to improve the safety of people walking and biking.
- Upgraded crossing at the intersection of the Karen Fraser Woodland Trail.
- New landscaping, lighting, and upgraded utilities.
- New pavement on the entire street.

 Pre-Design Transportation Analysis Report

 TBD Presentation on Fones Road Begins on Agenda Item 4C





## Roadway Improvements

The proposed design will include the addition of a roundabout, intersection improvements, and changes to the number of travel lanes in portions of the corridor.



## Pedestrian Crossing

A pedestrian crossing at the Karen Fraser Woodland Trail will include a raised crosswalk with a protected island and flashing beacons.



## Protected Bike Lanes

Protected bike lanes will create a buffer between cars and people riding bicycles. This addition to the broader bike network will also help connect people to the Karen Fraser Woodland Trail.



## Compact Roundabout

A compact roundabout will be installed near Home Depot and the Red Leaf Apartments. This will improve traffic flow, provide a u-turn opportunity, and serve as a gateway between the residential and commercial areas.

## Questions?



Contact Project Manager Jim Rioux at 360.753.8484 or [jrioux@ci.olympia.wa.us](mailto:jrioux@ci.olympia.wa.us)

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The City of Olympia is committed to the non-discriminatory treatment of all persons in employment and the delivery of services and resources.





## City Council

# Approval of the Reallocation of Program Year 2014 Community Development Block Grant Funds

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.H  
**File Number:**21-0618

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**Type:** decision **Version:** 1 **Status:** Consent Calendar

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### Title

Approval of the Reallocation of Program Year 2014 Community Development Block Grant Funds

### Recommended Action

#### Committee Recommendation:

The General Government committee recommends the approval of the reallocation of funds from Program Year (PY) 2014 Community Development Block Grant (CDBG) to PY 2020 for Home First rental rehabilitation projects.

#### City Manager Recommendation:

Move to approve the reallocation of funds from PY 2014 CDBG to PY 2020 for Home First rental rehabilitation projects.

### Report

#### Issue:

Whether to reallocate unspent PY 2014 CDBG funds.

#### Staff Contact:

Darian Lightfoot, CDBG Program Manager 360.280.8951

#### Presenter(s):

None - Consent Calendar Item.

#### Background and Analysis:

The City will be completing a Substantial Amendment to the PY 2014 in order to reprogram unspent funds towards affordable housing efforts.

Staff propose to reallocate \$65,820 of PY 2014 unspent funds to Homes First in order to provide single-family, health and safety rehabilitations to low-income renters.

The General Government Committee advanced this recommendation on May 26, 2021.

Amendments to the CDBG Annual Action Plan require a 30-day public comment period, which opened on May 20, 2021, and is open until June 20, 2021. No comments were received at the time of the publishing of the meeting packet.

**Neighborhood/Community Interests (if known):**

CDBG funds can be spent to meet the needs of low to moderate income individuals throughout the community.

**Options:**

1. Move to recommend the reallocation of existing CDBG Funds from PY 2014 with the incorporated public comments.
2. Provide staff with feedback and provide alternative direction.
3. Take other action.

**Financial Impact:**

There is \$65,820 in PY 2014 available for reallocation. Staff provided a detailed recommendation at the May 26, 2021, General Government Committee meeting and offered an opportunity for public hearing on June 8, 2021.

**Attachments:**

CDBG PY2021 Proposed Budget

# Olympia CDBG Budget

## Shelter and Housing

Homeless Coordinator	\$	-
Downtown Ambassadors	\$	50,000
Housing Authority	\$	50,000
Rebuilding Together	\$	100,000
Homes First	\$	50,000
	<b>\$</b>	<b>250,000</b>

## Economic Development

NW Coop Development	\$	50,000
	<b>\$</b>	<b>50,000</b>

## CDBG Administration

City Admin	\$	91,548
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## Total

	<b>\$</b>	<b>391,548</b>
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**CDBG-CV2                  Previous Program Year**

\$            84,036  
\$            -  
\$            -  
\$            -  
\$            -  
\$            84,036

\$65,820 PY2014

\$            -

\$            9,000

**\$            93,036**

**PY2014 Reprogrammed - \$65,820**

**PY2021 TOTAL - \$391,548**

**CDBG-CV2 TOTAL- \$93,036**

**Total- \$550,404**



## City Council

# Approval of Allocation for Program Year 2021 Community Development Block Grant Funds and Creation of Revolving Loan Fund

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.1  
**File Number:**21-0619

---

**Type:** decision **Version:** 4 **Status:** Consent Calendar

---

### Title

Approval of Allocation for Program Year 2021 Community Development Block Grant Funds and Creation of Revolving Loan Fund

### Recommended Action

#### Committee Recommendation:

The General Government Committee recommends approval of an allocation for Program Year (PY) 2021 Community Development Block Grant (CDBG) funds and creation of revolving loan fund.

#### City Manager Recommendation:

Move to approve allocation for PY 2021 CDBG Funds and creation of revolving loan Fund.

### Report

#### Issue:

Whether to approve allocation for PY 2021 CDBG funds and creation of revolving loan fund.

#### Staff Contact:

Darian Lightfoot, CDBG Program Manager 360.280.8951

#### Presenter(s):

None - Consent Calendar Item.

### Background and Analysis:

The City of Olympia will receive a PY 2021 CDBG allocation of \$391,548. Staff has created a proposal to allocate PY 2021 funds to the below sub grantees in an effort to address economic development and improved affordable housing.

Proposed uses for these funds are as follows:

1. Northwest Coop Development Center to provide technical assistance, business planning, and support to low/mod income residents.
2. Rebuilding Together Thurston County to provide critical home repair to low-income homeowners.

3. Homes First to provide roof repair and energy efficiency support to low-income renters.
4. Housing Authority of Thurston County to provide rental rehab to low-income renters.
5. Downtown Ambassador Program to support the downtown.

Staff is also recommending the City reinstate the Rental Rehabilitation and Single-Family Rehabilitation programs in the form of a revolving loan fund. Approximately \$6M in outstanding rehabilitation loans will feed into this fund and offer new rehabilitations loans to low-income residents to complete health and safety renovations to their homes.

The General Government Committee advanced this recommendation on May 26, 2021.

An opportunity for public hearing was provided on June 8, 2021. Approval of the CDBG Annual Action Plan requires a 30-day public comment period. That period began on May 20, 2021, and will end on June 20, 2021. At the time of publishing the agenda, the public comment period has not yet closed.

**Neighborhood/Community Interests (if known):**

CDBG funds can be spent to meet the needs of low to moderate income individuals throughout the community.

**Options:**

1. Move to recommend for approval staff recommendations for allocation of PY 2021 and the recently added CDBG Coronavirus (CDBG-CV2) grant funds.
2. Provide staff with feedback and provide alternative direction.
3. Take other action.

**Financial Impact:**

There is approximately \$484,584 available for allocation from the Department of Housing and Urban Development. Staff provided a detailed recommendation at the May 26, 2021, General Government Committee meeting.

**Attachments:**

HUD PY21 Award Letter-Revised  
Budget Spreadsheet

# Olympia CDBG Budget

## Shelter and Housing

Homeless Coordinator	\$	-
Downtown Ambassadors	\$	50,000
Housing Authority	\$	50,000
Rebuilding Together	\$	100,000
Homes First	\$	50,000
	<b>\$</b>	<b>250,000</b>

## Economic Development

NW Coop Development	\$	50,000
	<b>\$</b>	<b>50,000</b>

## CDBG Administration

City Admin	\$	91,548
------------	----	--------

## Total

	<b>\$</b>	<b>391,548</b>
--	-----------	----------------



**CDBG-CV2                  Previous Program Year**

\$            84,036  
\$            -  
\$            -  
\$            -  
\$            -  
\$            84,036

\$65,820 PY2014

\$            -

\$            9,000

**\$            93,036**

**PY2014 Reprogrammed - \$65,820**

**PY2021 TOTAL - \$391,548**

**CDBG-CV2 TOTAL- \$93,036**

**Total- \$550,404**



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

OFFICE OF COMMUNITY PLANNING  
AND DEVELOPMENT

May 13, 2021

The Honorable Cheryl Selby  
Mayor of Olympia  
P.O. Box 1967  
Olympia, WA 98507-1967

Dear Mayor Selby:

I am pleased to inform you of your jurisdiction's Fiscal Year (FY) 2021 allocations for the Office of Community Planning and Development's (CPD) formula programs, which provide funding for housing, community and economic development activities, and assistance for low- and moderate-income persons and special needs populations across the country. Public Law 116-260 includes FY 2021 funding for these programs. Please note that this letter reflects a revised amount for the Community Development Block Grant and Section 108 borrowing authority. Your jurisdiction's FY 2021 available amounts are as follows:

Community Development Block Grant (CDBG)	\$391,548
Recovery Housing Program (RHP)	\$0
HOME Investment Partnerships (HOME)	\$0
Housing Opportunities for Persons With AIDS (HOPWA)	\$0
Emergency Solutions Grant (ESG)	\$0

Individuals and families across the country are struggling in the face of four converging crises: the COVID-19 pandemic, the resulting economic crisis, climate change, and racial inequity. Through these bedrock programs, CPD seeks to develop strong communities by promoting integrated approaches that provide decent housing and suitable living environments while expanding economic opportunities for low- and moderate-income and special needs populations, including people living with HIV/AIDS. We urge grantees to strategically plan the disbursement of grant funds to provide relief for those affected by these converging crises and help move our country toward a robust recovery.

Based on your jurisdiction's CDBG allocation for this year, you also have \$1,957,740 in available Section 108 borrowing authority. Since Section 108 loans are federally guaranteed, this program can leverage your jurisdiction's existing CDBG funding to access low-interest, long-term financing to invest in Opportunity Zones or other target areas in your jurisdiction.

HUD continues to emphasize the importance of effective performance measurements in all its formula grant programs. Proper reporting in the Integrated Disbursement and Information System (IDIS) is critical to ensure grantees comply with program requirements and policies, provide demographic and income information about the persons that benefited from a community's activities, and participate in HUD-directed grantee monitoring. Your ongoing attention to ensuring

complete and accurate reporting of performance measurement data continues to be an invaluable resource with regard to the impact of these formula grant programs.

The Office of Community Planning and Development is looking forward to working with you to promote simple steps that will enhance the performance of these critical programs and successfully meet the challenges that our communities face. If you or any member of your staff have questions, please contact your local CPD Office Director.

Sincerely,

A handwritten signature in blue ink, appearing to read "James", with a stylized flourish extending to the right.

James Arthur Jemison II  
Principal Deputy Assistant Secretary  
for Community Planning and Development



## City Council

### Approval of Regional Fire Authority Planning Committee Appointments

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.J  
**File Number:** 21-0623

---

**Type:** decision **Version:** 1 **Status:** Consent Calendar

---

#### **Title**

Approval of Regional Fire Authority Planning Committee Appointments

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to appoint Councilmembers Jim Cooper, Lisa Parshley and Yến Huỳnh; Fire Chief Mark John and IAFF Union Representative Steven Busz to the Regional Fire Authority Planning Committee.

#### **Report**

##### **Issue:**

Whether to appoint Councilmembers Jim Cooper, Lisa Parshley and Yến Huỳnh; Fire Chief Mark John and IAFF Union Representative Steven Busz to the Regional Fire Authority Planning Committee.

##### **Staff Contact:**

Jay Burney, City Manager, 360.753.8740

##### **Presenter(s):**

None - Consent Calendar Item.

#### **Background and Analysis:**

In 2019, the City of Olympia participated with the City of Tumwater and other local Fire agencies in a study to evaluate options for a Regional Fire Authority (RFA). A copy of the Study is attached.

The study looked at opportunities to improve emergency services in the Olympia and Tumwater communities and explored partnership opportunities to provide these services regionally. Findings from this study, which were presented at an elected official's workshop in November 2019, recommended further exploration of a Regional Fire Authority as Olympia and Tumwater share similar risk profiles, histories, and organizational structures, there may be a potential to control costs and improve service delivery, it would level tax rates across the region, provide greater equity, and leverages individual agency strengths, and minimizes weaknesses.

On May 18, 2021, the City Council authorized an Interlocal Agreement between the City of Olympia and the City of Tumwater which provides the framework for a planning process that looks at the viability of a Regional Fire Authority between the cities of Olympia and Tumwater.

The Interlocal Agreement with the City of Tumwater provides:

*Pursuant to RCW 52.26.030, the Parties agree to form a Regional Fire Authority Planning Committee (hereafter " Committee"). The governing body of each Party shall appoint three (3) elected officials to the Committee as voting members. The Committee shall also include four (4) non -voting members. Each governing body shall appoint its Fire Chief (or their designee) and one member chosen by its associated IAFF Local from its membership."*

The Committee will develop a schedule and timeline, but the Agreement commits them to completion of a recommendation within 18 months.

Councilmembers Jim Cooper, Lisa Parshley and Yén Huỳnh have expressed interest in serving as the City Council representatives. Fire Chief Mark John would serve, and the IAFF has indicated Local President Steven Busz would be the Union's representative.

The City of Tumwater has appointed Councilmembers Leatta Dahlhoff, Michael Althaus, and Eileen Swarhout; Acting Fire Chief Hurley and James Osberg representing Tumwater IAFF, to serve as their representatives.

**Neighborhood/Community Interests (if known):**

A Regional Fire Authority may provide options to improve fire service delivery in the Olympia and Tumwater communities. An RFA planning process will engage both communities in this evaluation.

**Options:**

1. Appoint Councilmembers Jim Cooper, Lisa Parshley and Yén Huỳnh; Fire Chief Mark John and IAFF Union Representative Steven Busz to the Regional Fire Authority Planning Committee.
2. Modify the recommendation and appoint others to the Regional Fire Authority Planning Committee.
3. Do not appoint any members at this time, risking delay in the start of the process.

**Financial Impact:**

The cost of moving forward with a Regional Fire Authority planning process is estimated to cost \$150,000 (Olympia's share). Funding is available through 2020 Year End Savings.

**Attachments:**

2019 Fire Regionalization Study Agreement



**Tumwater Fire Department**  
Tumwater, WA

# Regional Fire & Emergency Services Study

August 2019



**Emergency Services  
Consulting International**

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## ACKNOWLEDGMENTS

Emergency Services Consulting International (ESCI) would like to acknowledge that without the active assistance and support of the leaders of each participating agency, including the fire chiefs and the staffs of Tumwater Fire Department, Olympia Fire Department, Lacey Fire District #3, East Olympia Fire District, McLane-Black Lake Fire District, and West Thurston Regional Fire Authority, this project could not have been completed. The city administrator for Tumwater was the lead client and actively engaged in the process throughout, communicating directly with the ESCI project manager and often with officials from the other participating agencies.

Elected and/or appointed officials for each jurisdiction made themselves available for interviews, providing valuable perspectives into the process. The fire chiefs made themselves and their staffs available to provide data, review drafts, and discuss context that was important to understand going forward. In short, this report reflects the efforts of many personnel from all six agencies who invested significant time and effort in the process. Key individuals are specifically acknowledged as follows:

**City of Tumwater**

John Doan, City Administrator

**Tumwater Fire Department**

Scott LaVielle, Fire Chief

**Olympia Fire Department**

Greg Wright, Fire Chief

**Lacey Fire District #3**

Steve Brooks, Fire Chief

**McLane-Black Lake Fire District**

Steve North, Fire Chief

**West Thurston Regional Fire Authority**

Russ Kaleiwahea, Fire Chief

Finally, ESCI would like to acknowledge and once again offer its condolences to the loved ones of John Ostergard, Battalion Chief (posthumously) of East Olympia Fire District, who died while serving his community. ESCI had the honor of meeting and interviewing Chief Ostergard two weeks before his passing and found him to be a man of integrity, honor, and dedication to his avocation. His passion for his fire district, the men and women he served with, and the fire service was obvious in the interview. He will be sorely missed.

## EXECUTIVE SUMMARY

The City of Tumwater engaged Emergency Services Consulting International (ESCI) on behalf of the Tumwater Fire Department (TFD), Olympia Fire Department (OFD), Lacey Fire District 3 (LFD3), East Olympia Fire District (EOFD), West Thurston Regional Fire Authority (WTRFA), and McLane-Black Lake Fire District (MBLFD) to conduct a Regional Fire & Emergency Services Study. After the departments gathered the information and data requested by ESCI in preparation for the study, the project team arrived in Thurston County to conduct a site visit to validate information and interview stakeholders. The site visit by four ESCI team members occurred alternately between November 11 and December 4, 2018. Two additional ESCI consultants conducted work remotely (GIS work and Fiscal Analysis).

### Purpose and Approach

The purpose of a Regional Fire & Emergency Services Study is to evaluate the agencies in relation to each other, the risk profile for each community, anticipated community growth (and therefore associated risk), and where there might be inefficient duplication of service (and therefore potential efficiencies through integration or partnership). In short, a Regional Fire & Emergency Services Study focuses on the potential for economies of scale, leveraging strengths, shoring up weaknesses, and generally identifying strong partnership opportunities. It identifies for the policy-makers of each agency which options and which partners are most advantageous as well.

The first phase of this study was to gather agency baseline data for each of the six agencies through an extensive data request, and conduct a lengthy site assessment to validate the data provided. The second phase was to conduct a baseline assessment of the current conditions and current service performance of each participating fire department or fire district (or regional fire authority). The purpose of this phase was to assess each agency's infrastructure, operations, and service delivery in comparison to each other and to industry standards and best practices where available, as well as to create a benchmark against which the options for integration can be measured. Areas reviewed for this phase included:

- Organization Overview
- Management Components
- Fiscal Analysis
- Capital Assets
- Service Delivery and Performance
- Training Program
- Fire Prevention & Risk Reduction
- Staffing & Personnel Management

The third phase was to assess the Future Opportunities for Cooperative Service between the various agencies, the Efficiencies & Risks available/posed by various approaches, and Finances and Governance Opportunities. It concludes with a Findings and Recommendations section based on all the previous analyses.

### Summary of Analysis

Each fire department, fire district, or fire authority provides the highest quality service available within their individually constrained means. There are numerous approaches to service delivery, which include staffing configurations, deployment of resources, and response performance.

## Staffing

All six agencies have career staff to provide at least a base level of response capability. Five of the six participating agencies also utilize volunteer personnel to varying degrees. Some are primarily career staffed with a volunteer support system (LFD<sub>3</sub> and TFD), while others rely much more heavily on volunteers to augment the career staffing (EOFD, WTRFA, and MBLFD). OFD is the lone agency that does not rely on volunteer personnel to augment its staffing. The following table reflects the relative staffing reliance upon volunteer personnel. It does not connote a qualitative assessment, but implies a level of financial commitment each community invests in its fire service. ESCI acknowledges that communities providing volunteer personnel are making a different type, but just as important of an investment in its fire service.

Operational Staff Positions	TFD	OFD	LFD <sub>3</sub>	EOFD*	WTRFA	MBLFD
Career Personnel (Firefighter thru Battalion Chief)	42	85	100	15	31	12
Volunteer Firefighters (Including Officers & Resident FFs)	11	0	20	26	47	50
<b>Total Operations Positions</b>	<b>53</b>	<b>85</b>	<b>120</b>	<b>41</b>	<b>78</b>	<b>62</b>
<b>% of Operational Volunteer Staff to Total Operational Staff</b>	<b>20.75%</b>	<b>0.00%</b>	<b>16.67%</b>	<b>63.41%</b>	<b>60.26%</b>	<b>80.65%</b>

\*EOFD is the only participating agency that uses part-time personnel (included in the career staffing numbers)

Opportunity for efficiency is often sought in the administrative and support positions in integrating fire agencies. It has been ESCI's experience that while there may be some, it is not a simple as eliminating five of the six fire chiefs, since a larger agency depends significantly on subordinate chief officers to focus on major portions of the department in support of the Fire Chief. The following table reflects the staffing levels by position in all six agencies.

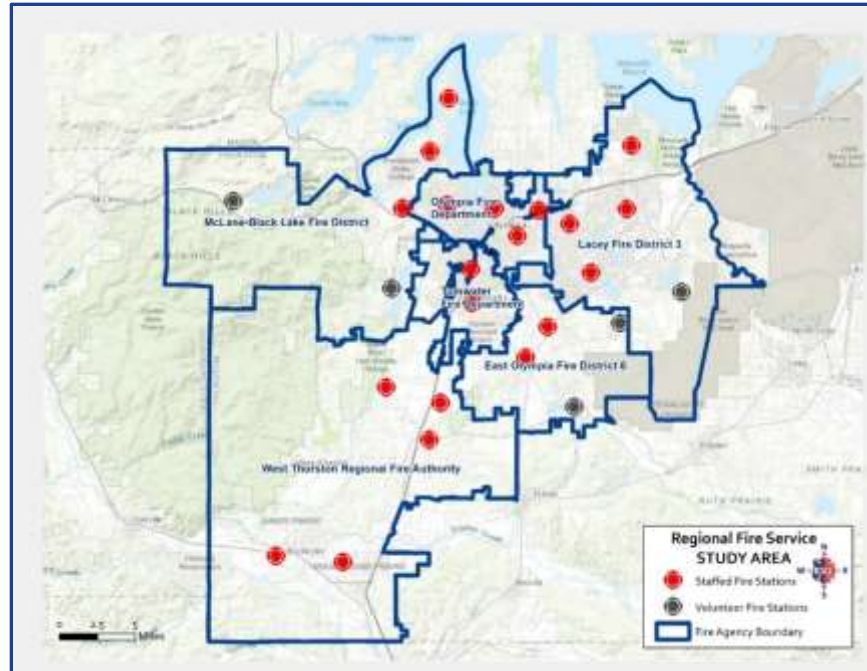
Staff Positions	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Fire Chief	1	1	1	1	1	1
Deputy Chiefs		1 Vacant	2			
Assistant Chiefs	1	2		1	1	1 Vacant
Administrative Battalion Chiefs		1				
Prevention & Public Education Positions <sup>1</sup>	1	4			1	
Training Officer (Capt. Or Lt.)	1	1	2			
EMS Officer	1	1	1			
Other: (Describe)		1 Project Captain				
<b>Total Uniformed Administrative/Staff positions</b>	<b>5</b>	<b>12</b>	<b>6</b>	<b>2</b>	<b>3</b>	<b>2</b>
<b>% of Admin staff to total FD personnel</b>	<b>10%</b>	<b>19%</b>	<b>10%</b>	<b>9%</b>	<b>6%</b>	<b>6%</b>

### Resource Deployment

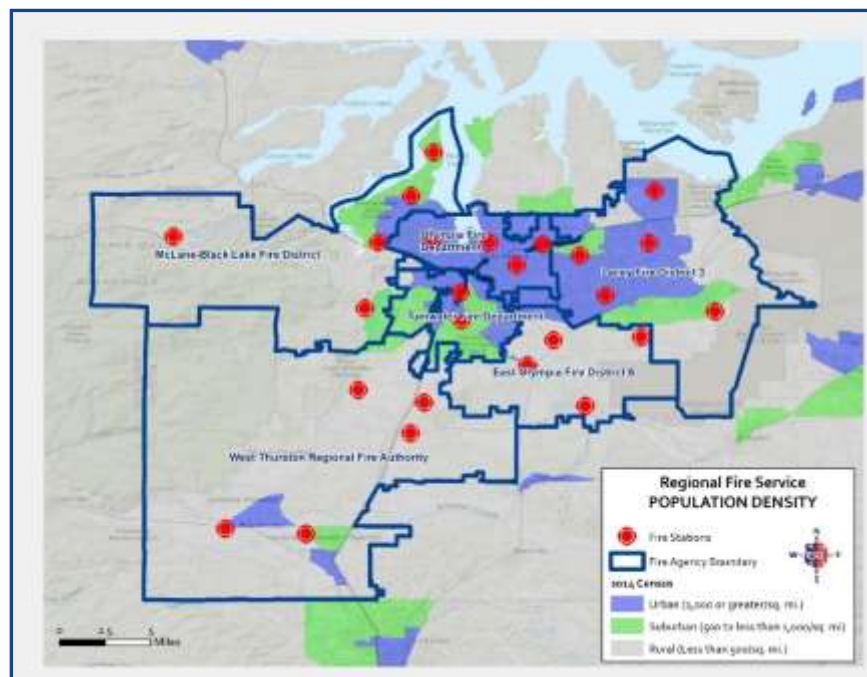
Resource deployment for each agency essentially reflects three elements: the response time standard the agency is trying to achieve; the areas with the highest level of risk the fire agency is trying to protect; and the areas of highest probable demand for services, which is predominantly driven by population density. The following map depicts the location of response stations and the population density for the region.

The spacing of fire stations in MBLFD and WTRFA reflects large swaths of their service areas with little or no demand (likely little population and/or geographically land-locked). The stations they do have are somewhat clustered where call volume is expected to be higher for their jurisdictions. This phenomenon is less pronounced in EOFD and even less so in LFD<sub>3</sub>. The following map reflects the response station spacing, and whether the station is career staffed or volunteer staffed (which typically reflect response time differences).

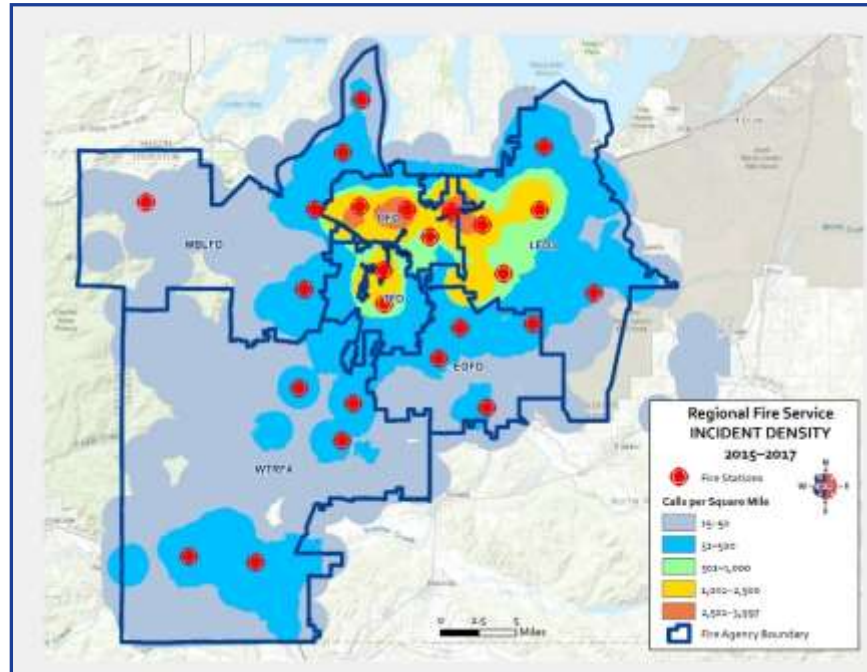




OFD, TFD, and the western half of LFD3 have their fire stations clustered more tightly in the predominantly urban areas. This reflects a more aggressive deployment strategy in an effort to meet the more frequent needs of the urban core and meet a more aggressive response time. Note that the eastern half of LFD3 is spaced further apart, designed to handle lower population density, which equates to lower response demand in these areas. It likely also reflects geographical barriers or lacking a transportation grid that facilitates a faster response. The following map overlays population density throughout the study area.



The following map depicts the location of the response stations for each agency and the number of calls for service per square mile for the period 2015-2017, according to the Computer-Aided Dispatch data from TCOMM. Note how closely the demand for service in the following map follows the population density in the previous map. Also note that there is a small spill-over of higher demand in the northern portion of EOFD and the far eastern edge of MBLFD. This likely reflects some population growth and expansion from the more urban core of the study area, which does not always respect jurisdictional boundaries.

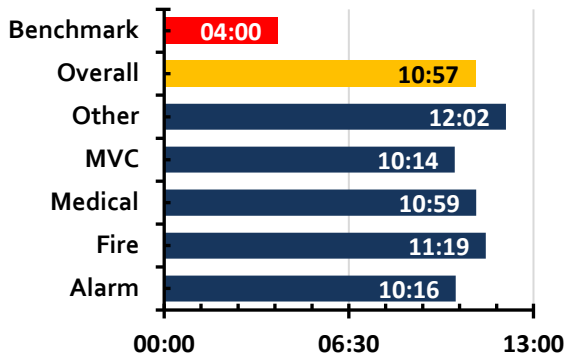


These differences can be indicators of partnership opportunities where organizations have similar deployment strategies and challenges. To state it inelegantly, the urban core obtains the water for firefighting once they get there (fire hydrants). Their more rural colleagues tend to bring their water with them (water tenders and pumper-tenders). The strategies and staffing levels needed to address the difference between the two approaches are widely disparate.

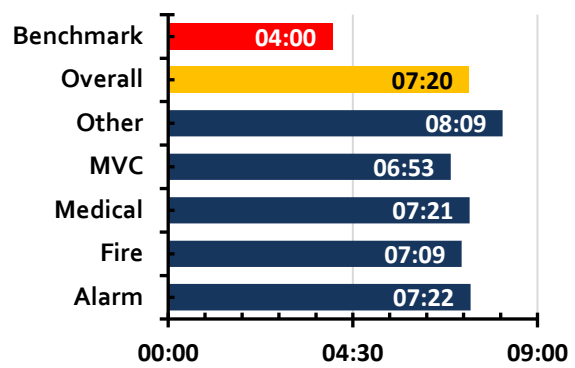
## Service Delivery

In the study area, there are two relevant national standards related to service delivery (specifically, response performance): NFPA 1710, which is applicable to organizations that are, "... substantially all career fire departments," and NFPA 1720, which applies to, "... volunteer and combination fire departments." Both of these are consensus standards, and are not mandated or codified. ESCI believes that NFPA 1710 currently applies to Olympia Fire Department, Lacey Fire District 3, and Tumwater Fire Department, while NFPA 1720 is applicable to East Olympia Fire District, West Thurston Fire Authority, and McLane Black Lake Fire District. Indeed, these agencies also cite these applicable standards to guide their response performance goals and efforts. NFPA 1710 calls for a more aggressive staffing level and a faster response time than does NFPA 1720, which accounts for the challenge of relying on volunteer personnel for initial response (if applicable), and to augment staffing levels for career personnel who provide initial response. These two standards are effective factors when considering integration partners. The following tables illustrate the difference in travel time performance.

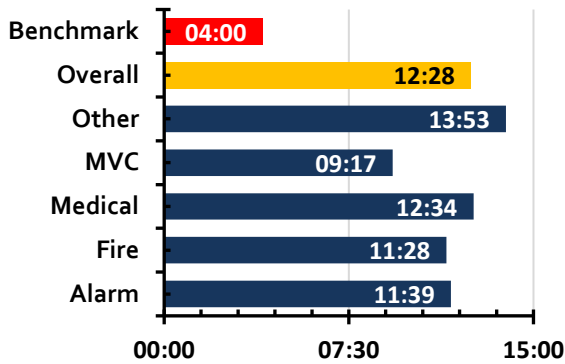
**WTRFA Travel Time Performance (NFPA 1720)**



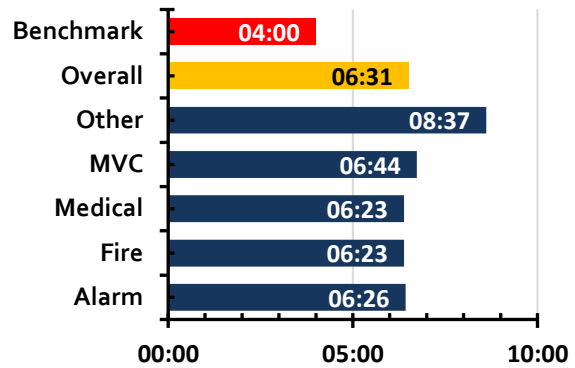
**TFD Travel Time Performance (NFPA 1710)**



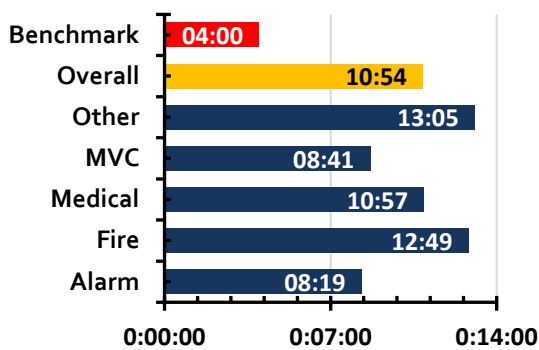
**EOFD Travel Time Performance (NFPA 1720)**



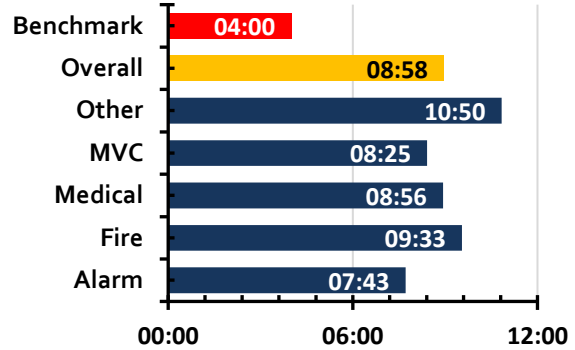
**OFD Travel Time Performance (NFPA 1710)**



**MBLFD Travel Time Performance (NFPA 1720)**



**LFD3 Travel Time Performance (NFPA 1710)**



## Findings

All of the participating agencies work well together and cooperate when mutually beneficial. Numerous strategic partnerships already exist between the agencies. These include:

- OFD—Vehicle Repair and Maintenance Services (serving all agencies)
- OFD—Training Services (serving TFD and LFD<sub>3</sub>)
- LFD<sub>3</sub>—Vehicle Repair Facility (leased to OFD)
- West Thurston Regional Fire Consortium (WTRFA, MBLFD, and EOFD)
- Special Operations Rescue Team (all agencies)
- Medic One (all agencies)
- Mutual Aid (all agencies)

Regardless of the path(s) chosen by the agencies as it pertains to this report, the participants should continue these and other regional efforts for cost effectiveness, efficiency, and for the benefit of their respective citizens. Other potential regional efforts could include:

- Regional Fire Investigation Team (FIT)
- Regional Recruit Academy
- Regional Volunteer Recruitment & Retention Program
- Regional Training Division
- Regional Dedicated Training Relief Engine Company
- Regional Peak Demand Response Unit (Dropped Boundary)
- Regional Logistics Division
  - Joint Purchasing & Supply Standardization
  - Warehousing of Replenishable Supplies
  - Just-in-Time Inventory Management & Delivery
- Regional Command Officer Response (Dropped Boundary)

## Recommendations

Five options were considered and analyzed for potential integration strategies. These include:

- Strategy A (Status Quo)
- Strategy B (Contract for Services)
- Strategy C (Annexation)
- Strategy D (Regional Fire Authority)
- Strategy E (Municipal Fire District)

Discussion for each of the strategies evaluated is included in this report. ESCI recommends two partnership configurations as follows:

1. TFD, OFD, LFD<sub>3</sub>, and EOFD should pursue Strategy D (RFA), starting with establishing an RFA Planning Committee and following the steps included in this report and within statute.
2. WTRFA and MBLFD should consider pursuing integration, but only after financial circumstances make it beneficial and balanced to do so. Joint planning sessions between elected officials to create a glide path for each agency to align finances over time will facilitate integration.

Detailed rationale is provided within this report for these two strategies.

## CURRENT CONDITIONS

This section of the report provides an overview of the current conditions within Tumwater Fire Department (TFD), Olympia Fire Department (OFD), Lacey Fire District 3 (LFD3), East Olympia Fire District (EOFD), West Thurston Regional Fire Authority (WTRFA), and McLane-Black Lake Fire District (MBLFD). The current conditions include a summary of each agency's organization; management structure; fiscal condition; staffing and personnel; service delivery and performance; support programs (training, fire prevention, and emergency communications); and finally, capital facilities and equipment.

### Organizational Overview

Data provided by the participating fire agencies was combined with information collected in the course of ESCI's field work and used to develop an overview of the organizations. The purpose of the following organizational overview is two-fold. First, it verifies the accuracy of the baseline information and ESCI's understanding of each agency's composition—the foundation from which the feasibility analysis is developed. Second, the overview serves as a reference for the reader who may not be familiar with the details of each agency's operations.

Thurston County Medic One is not a party to this study, but is a key stakeholder in that they provide advanced life support response and transportation services to the region and all of the agencies participating in this study. Some of the participating agencies in this study are contractors to Thurston County Medic One, providing paramedic firefighters to Medic One transport units. These units may be deployed within an employer's jurisdiction or elsewhere in the system, but are mostly or completely funded by Thurston County Medic One's EMS levy revenue.

These paramedics are employed by some of the fire departments and fire districts in this study (namely, Lacey Fire District #3, Tumwater, and Olympia) and are reflected in the staffing counts and the budgets for those agencies. They were not factored into the response times, effective response force or other response time elements included in this study unless they were first due units in the first due areas of their employer jurisdiction. From a budgetary standpoint, they are generally revenue – expense neutral (Medic One payments equal the costs of supplies, salaries and benefits) for each agency. Agencies receive between 80% and 100% of the total cost, depending on how they are staffed. Tumwater's Medic 14, which is deployed fully outside of Tumwater's service area in Rochester, is also funded at 100%. Please see the "Thurston County Medic One" section under the Current Financial Analysis for more detail.



## **Tumwater Fire Department**

TFD is a municipal fire department formed in 1893. The department's jurisdiction encompasses approximately 18 square miles in the city limits and is home to an estimated 23,830 people. The service area is predominantly characterized as suburban. The City of Tumwater is a non-charter code city with a Mayor-Council form of government (RCW 35A.12). The seven-member City Council has legislative and policy-making powers, while the administrative authority, including veto power, is vested in the Mayor. The City Administrator is appointed by the Mayor and performs tasks within the statutory authority of the Mayor. The City Administrator oversees the day-to-day operation of the City, including budget implementation and staff supervision.

The Fire Chief reports to the City Administrator. The Fire Chief administers the daily operations of the fire department. The Fire Chief's authority is outlined in the Tumwater Municipal Code (TMC) 2.10.050 and in an employment agreement, while subordinate personnel are hired pursuant to the civil service testing and promotional regulations. TFD responds to requests for assistance from the public from two fire stations, both career-staffed and augmented by a small core of volunteers. Additional information about the facilities and staffing are contained in this report. In any organization there is a path along which information and direction flows. This chain of command is the recognized conduit of communication for organizational business and authority. As is the case with most fire departments, TFD uses a hierarchy to ensure that necessary information transmission is orderly and timely. With a span of control of one-to-five, the ratio of supervisors to subordinates is within industry norms.

## **Olympia Fire Department**

Olympia Fire Department has evidence of volunteer fire companies in Olympia as early as 1859, but official records indicate the department was formed in 1882. The OFD responds to requests for assistance from the public from four fire stations, all of which are career-staffed. OFD is the only participating agency with no volunteer personnel. Olympia covers approximately 20 square miles with approximately 52,000 constituents. The city is urban in its make-up. Additional information about the facilities and staffing are contained in this report. As with the other participating agencies, OFD has a chain of command reflected in its organization chart. With a span of control of one-to-four, the ratio of supervisors to subordinates is well situated within industry norms.

The City is a Council-Manager form of government, with seven City Council members elected at large. The Mayor is elected as one of the seven Council members but is specifically elected as the Mayor by the citizens and presides over Council meetings. The Council adopts the City budget, sets City policy, and supervises the City Manager, who in turn supervises departments heads, including the Fire Chief.

As with fire districts and municipalities, the Fire Chief administers the organization by managing the budget, enforcing policy, and supervising subordinate personnel. The City Council adopts the budget, sets policy, and supervises the City Manager. The City Manager supervises the Fire Chief and all other department heads of the City.

### **Lacey Fire District 3**

LFD3 was formed in 1949 as a special purpose district as established by authority of Title 52 of the Revised Code of Washington (RCW). The district originally mostly surrounded the City of Lacey and provided contracted services for fire protection, but in 2010, the district annexed the City of Lacey into its service area. The district serves approximately 98,000 citizens in a 70 square mile area. It is led by a five-member board of fire commissioners who adopt the budget, set district policy, and supervise the Fire Chief. The Fire Chief operates within the budget approved by the board, manages the expenditures, enforces the policies of the district, and supervises subordinate personnel.

The district provides emergency services to its constituents from five fire stations, four with full-time career staffing supplemented by a volunteer force and one resident volunteer station. The district is the largest of the participating agencies in this study by population served and with number of employees. Additional information and discussion about the facilities and staffing are contained in this report. As with the other agencies participating in this study, the information and direction provided in the organization follows an organizational chart which reflects the chain of command. As is the case with most fire departments, LFD3 uses a hierarchy that reflects this communication and decision-making flow. The highest span of control is one-to-six, which is on the high side of industry norms.

### **East Olympia Fire District**

EOFD was formed first as a volunteer fire department in 1951, by the East Olympia community. On June 1, 1953, the citizens passed Resolution 1970, forming Thurston County Fire Protection District #6, also referred to as East Olympia Fire Department. The current service area is 30 square miles and is home to an estimated 11,750 people. The service area is predominantly characterized as rural. The district is governed by Title 52 RCW, Fire Protection Districts. The district is governed by three elected fire commissioners and the daily operations are managed by a full-time Fire Chief.

The district responds to requests for assistance from the public from four fire stations, two of which are staffed. One of the staffed stations has career and volunteer personnel assigned 24-hours per day, seven days per week. According to EOFD's fire chief, the other staffed station has assigned personnel approximately 90% of the time with a combination of career, part-time, and volunteers. Station 61 responds to all types of incidents with a priority to maintain EMS response at a minimum. The remaining stations do not have personnel assigned to them and essentially house fire apparatus. With a span of control is one-to-seven, the ratio of supervisors to subordinates is at the outer limit of industry norms.

### **West Thurston Regional Fire Authority**

WTRFA was formed in 2011 as a regional fire authority, integrating two separate fire districts, Thurston County Fire District #1 (formed in 1947) and Thurston County Fire District #11 (formed in 1957). Regional fire authorities are authorized by RCW 52.26; however, the two original fire districts continue to operate legally as fire districts, levying taxes and providing elected officials to the Governing Board of the RFA. The RFA is made up of six Governing Board members, which are the three Fire Commissioners from the two fire districts. An additional benefit of keeping the two fire districts intact is that they can set a Maintenance & Operations (M&O) levy for multiple years, whereas an RFA cannot. The current service area is approximately 158 square miles and is home to an estimated 22,980 people. The service area is rural in nature.

As with fire districts and municipalities, the Fire Chief administers the organization by managing the budget, enforcing policy, and supervising subordinate personnel. The governing board adopts the budget, sets policy, and supervises the Fire Chief.

WTRFA serves its citizens from six fire stations. One of the stations, Michigan Hill, is an old three bay station that stores apparatus and equipment. No personnel are assigned there. Some of the stations are staffed with career personnel and others with volunteers. Additional information and discussion about the facilities and staffing are contained in this report. As with most fire departments, the information and direction provided in the organization follows an organizational chart which reflects the chain of command. The highest span of control in the department is one-to-six, which is on the high side of the industry norms.

### **McLane-Black Lake Fire District**

MBLFD was formed in 1950. Two separate fire districts merged recently, combining McLane Fire District and Black Lake Fire District. A citizen approved ballot measure in August 2017 authorized a five-member Board. Like the other fire districts, McLane-Black Lake is a special purpose district as established by authority of Title 52 of the Revised Code of Washington (RCW). Also similar to the other fire districts participating in this study, the Fire Commissioners adopt the budget, set policy, and supervise the Fire Chief. The Fire Chief manages the budget, enforces the policies, and supervises subordinate personnel.

The district provides emergency services to its constituents from five stations. Two stations are career staffed and the others are staffed by the 52 volunteer personnel and live-in station Resident Firefighters. The district has a unique program that partners with the South Puget Sound Community College to administer the Fire and Emergency Services Technology (FEST) program. The college has had a fire science program since 1991, with students required to obtain fire-related experience, which McLane-Black Lake Fire District has utilized as part of its regular staffing for emergency responses. Unfortunately, this program has been cut, so the fire district has the difficult task of addressing the loss of FEST firefighters and address staffing issues with a smaller base from which to work.

The participating agencies to this study vary greatly in their internal structure, their statutory authority, their community make-up, and their approach to service delivery. Olympia Fire Department is the only fully career-staffed fire department among the study agencies, with three-person engine crews. On the other end of the spectrum, East Olympia Fire District is heavily reliant upon volunteer and part-time firefighters for their emergency responses. Demand for emergency responses also vary significantly, as reflected in the following figure.

**Figure 1: Response Data, 2017**

Type/Dept.	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
EMS/Rescue	3,310	8,262	10,645	875	2,247	1,157
Good Intent	325	687	950	219	327	477
Service	279	189	1,233	59	134	54
False	227	554	567	48	127	126
Fire	100	272	258	85	137	83
Other	84	1610	207	46	59	70
<b>Totals:</b>	<b>4,325</b>	<b>11,574</b>	<b>13,860</b>	<b>1,332</b>	<b>3,031</b>	<b>1,967</b>

The total number of responses for all types is an accurate reflection of the demand for services each agency faced in 2017. This is discussed in greater detail in the *Service Delivery & Performance* section of this report.

## Management Components

Effective fire department management is a common challenge for fire service leaders. Today's fire department must address management complexities that include an effective organizational structure, adequacy of response, maintenance of competencies, a qualified workforce, and financial sustainability for the future.

To be effective, the management of a fire department needs to be based on several components. In the following report section, ESCI examines the client agencies' current efforts to manage their organizations and identify measures and best practices recommended for the future.

## Strategic Planning & Regulatory Documents

There are three core elements to any fire department (or organization for that matter); a mission statement, a vision, and organizational values (or guiding principles). A *mission statement* expresses the core reason for an agency's existence. A *vision statement* expresses where the organization wants to go in the near-term future. The *values* express how the members of the organization are going to treat each other on the journey to achieve the vision. These three core elements are all contained in a strategic plan. All six agencies have a strategic plan, which is typically a five-year workplan for the organization with goals and objectives. All six agencies have contemporary strategic plans in place; however, EOFD's plan expires this year.

Regulatory documents are also in place for each of the six participating agencies of this study. Rules, regulations, standard operating procedures or guidelines, and department policies are all in place. Some are in various states of review and updating. OFD and TFD have contracted with Lexipol, a subscription service for these regulatory documents. The company customizes these documents to fit the agency and reviews them annually, updating them as necessary to reflect contemporary case law. The service provided is considered an industry best practice.

### Critical Issues

The Fire Chiefs from each of the six participating agencies were asked to identify the top three most critical issues facing their departments from their perspectives. All the participating agencies except Olympia Fire Department identified some form of funding concern as their top one or two critical issues. Olympia's concern regarding staffing for growing call volume can be construed to be funding-related as well. The following figure reflects feedback concerning critical issues.

**Figure 2: Critical Issues in Priority Order**

Priority	TFD	OFD	LFD <sub>3</sub>
1	Service demand—continual response increase.	Homelessness (number one City issue).	Rapid growth in population and service demand.
2	Funding sustainability for future.	Staffing for growing call volume.	Funding limitations based on state statutes.
3	Implementing a diverse workforce.	Recent turnover of senior staff.	Sustainable funding for tribal service delivery.

Priority	EOFD	WTRFA	MBLFD
1	Potential for lost revenue due to municipal annexation.	Insufficient funding to sustain response objectives (legislative solutions).	Loss of FEST program
2	Consistent staffing to minimize response times—geographical barriers.	Sustaining voter support for Maintenance & Operations Levy.	Funding for career personnel
3	Retention of volunteers—rapid success in career advancement.	Lack of EMS funding versus volume.	Volunteer recruitment and retention.

### Communication

Internal communication occurs frequently enough for each of the agencies, influenced by the size and complexity of the agency. Of course, content of the communication and whether the communication is one-way or two-way is not able to be determined by ESCI. Communication is frequently the most identified area cited as needing improvement within organizations. Anecdotal evidence gained by interviews indicate that communication is mostly effective in each of the organizations, with some expressing a desire for timelier or more forthcoming communication by the Fire Chief. Surprisingly, the line personnel in the larger agencies (OFD and LFD<sub>3</sub>) appear to have trustworthy, frequent two-way communication, whereas the smaller agencies (EOFD and WTRFA) tend to express a level of dissatisfaction with the amount of communication or a sense that not all of the pertinent information is shared.

Externally, OFD and TFD communicate with the community more passively than the other agencies, relying more upon the broader City mechanisms to convey fire service information pertinent to the community. This is a common trait for municipal fire departments. Often, broader City interests trump fire department communication needs when information is shared with the community through flyers, forums, or other communication efforts. Fire districts and fire authorities tend to communicate much more often with their constituents than their municipal counterparts as it relates to fire services. This is primarily due to the singular focus of a Fire District or Fire Authority, and the heavy reliance upon voters to approve funding measures that are more often relied upon than a municipal fire department.

### **Capital Expenditure Plans**

Capital expenditure planning often determines whether an agency must bond certain improvements or have set aside adequate funding to absorb the expense from a reserve fund. Often, the existence of capital expenditure planning reflects the philosophy of the agency, typically falling into one of two schools of thought.

- Regular tax revenues should pay for ongoing expenses, whereas capital expenses should be funded through a separate initiative.
- Regular tax revenues should pay for anticipatable expenditures and ongoing expenses, and most capital expenses can be planned for and funds set aside in reserve for that purpose.

All six agencies have a plan to cover capital expenses, whether by bond issue, voter approved levy, or by accumulation of reserves set-aside. Each of the agencies has a capital expense plan, addressing such things as major facilities repair or remodel, apparatus replacement, and high value equipment, such as breathing apparatus, defibrillators, and portable radios. Regardless of the funding mechanism, all six agencies have a plan, review and update the plan annually, and stay ahead of the anticipated expenditures. Additional information regarding this type of expenditure can be found in the *Current Financial Analysis* and the *Capital Assets* portions of this report.

## Capital Facilities

Three basic resources are required to successfully carry out the mission of a fire department—trained personnel, firefighting equipment, and fire stations. No matter how competent or numerous the firefighters, if appropriate capital equipment is not available for use by responders, it is impossible for a fire department to deliver services effectively. Among the most essential capital assets for use in emergency operations are fire stations and other facilities (e.g., training centers, apparatus maintenance facilities, etc.). Of course, each fire department's financing ability will determine the level of capital facilities it can acquire and make available for use by emergency personnel. This section of the report is an assessment of each of the capital facilities throughout the study area.

## Fire Stations & Facilities

Fire stations play an integral role in the delivery of emergency services for a number of reasons. A station's location will dictate, to a large degree, response times to emergencies. A poorly located station can mean the difference between confining a fire to a single room and losing the structure, or survival from sudden illness or injury. Fire stations also need to be designed to adequately house sufficient personnel, equipment, and apparatus; as well as meet other needs of the organization and its personnel. It is important to research needs based on service-demand, response times, types of emergencies, and projected growth prior to making a station placement commitment.

Consideration should be given to a fire station's ability to support each department's mission as it exists today, and into the future. The activities that take place within a fire station should be closely examined to ensure the structure is adequate in both size and function. Examples of these functions may include:

- The housing and cleaning of apparatus and equipment.
- Residential living space for on-duty personnel (male and female).
- Administrative and management offices with computer stations and office facilities for personnel.
- Training, classroom, and library areas.
- Firefighter fitness area.
- Public meeting space.

ESCI toured each of the stations operated by Tumwater Fire Department, Olympia Fire Department, Lacey Fire District 3, East Olympia Fire District, West Thurston Regional Fire Authority, and McLane-Black Lake Fire District. The following section and figures list and describe the results of the cursory observations made by ESCI. A more detailed inventory of each station is included in Appendix C.

The age and condition of the fire stations throughout the study area tend to vary widely—as do a number of other features (e.g., seismic protection; sprinklers and smoke detection; security; and mixed gender facilities).

The following figure lists the number of functional fire stations and their respective capacities by each of the fire departments participating in this study. The figure does not include other facilities such as training centers or maintenance facilities.



**Figure 3: Summary of Fire Station Capacities in the Study Area**

Fire Department	Fully Staffed Fire Stations	Maximum Staffing Capability	Maximum Apparatus Capacity (Bays)	Storage Only or Unstaffed Stations <sup>A</sup>
TFD	2	14	9	0
OFD	4	29	13–15	0
LFD <sub>3</sub>	4	37–39	18	1
EOFD	2	14	19	2
WTRFA	4	34	16	2
MBLFD	2	35–37	18	4
<b>Totals:</b>	<b>18</b>	<b>163–167</b>	<b>91–93</b>	<b>10</b>

<sup>A</sup>Refers to stations used for storage only, or stations staffed with resident firefighters.

The previous figure shows that, combined, there are a total of 18 currently staffed fire stations distributed throughout the study area, capable of housing approximately 163–167 personnel, and about 91–93 apparatus (depending on size and type). Another 10 stations are unstaffed, staffed with part-time residents, or used for storage and housing of reserve apparatus.

For those stations that may not be utilized for deployment of personnel and apparatus in the future, consideration should be given for possible use as reserve apparatus storage, training, and office facilities for administrative and other support staff.

**Apparatus Maintenance Facilities**

Several of the fire departments in this study maintain their own apparatus and equipment maintenance facilities. The East Olympia Fire Department maintains a storage and maintenance facility adjacent to Station 61, as shown in the following figure.

**Figure 4: East Olympia Storage & Maintenance Facility (adjacent to Station 61)**



Lacey Fire District 3 owns an apparatus maintenance facility adjacent to its Station 34, which OFD leases and does fire equipment maintenance for a bulk of the Thurston County Fire agencies and Thurston County Medic One.

**Figure 5: Lacey Fire District 3 Shared Maintenance Facility**



## **Apparatus & Vehicle Inventories**

Fire apparatus and medic units (ambulances) are unique and expensive pieces of equipment customized to operate for a specific community and defined mission. Other than its firefighters, officers, and support staff, emergency apparatus and vehicles are likely the next most important resource of a fire department.

Apparatus must be sufficiently reliable to transport firefighters and equipment rapidly and safely to an incident scene. Such vehicles must be properly equipped and function appropriately, so as to ensure that the delivery of emergency services is not compromised. For this reason, they are very expensive and offer little flexibility in use and reassignment to other missions.

Modern medic units are complex and sophisticated vehicles which not only must be sufficiently maintained to ensure firefighters and EMS providers arrive in a timely manner, but also must be in a condition to ensure patients are transported safely to the hospital or clinical facility.

## **Tumwater Apparatus & Vehicles**

The next two figures list the apparatus and vehicle assignments at each of the Tumwater fire stations. The following figure lists those units assigned to Tumwater Station T-1.

**Figure 6: Apparatus & Vehicle Assignments—Tumwater Station T-1**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine T-1	1	2012	Good	3	1500 gpm	640 gal.
Engine T-13	1	2000	Fair	Reserve	1500 gpm	750 gal.
Medic-5	Type III	2018	Excellent	2	N/A	N/A
Medic-8	Type III	2014	Good	Reserve	N/A	N/A
Battalion T-1	Command	2014	Excellent	1	N/A	N/A
UV Training T-1	Staff	2014	Excellent	1	N/A	N/A
Chief T-1	Staff	2018	Excellent	1	N/A	N/A
Chief T-2	Staff	2014	Excellent	1	N/A	N/A
MSO T-1	Staff	2011	Excellent	1	N/A	N/A
Inspector T-1	Staff	2000	Fair	1	N/A	N/A
Aid Unit T-1	Aid	1988	Fair	Events	N/A	N/A

The next figure lists those units assigned to Station T-2.

**Figure 7: Apparatus & Vehicle Assignments—Tumwater Station T-2**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine T-2	1	2018	Excellent	3	1500 gpm	500 gal.
Engine T-14	1	2000	Fair	Reserve	1500 gpm	750 gal.
Engine 26	N/A	1947	Fair	Events	N/A	N/A

Through a contractual arrangement with Thurston County Medic One, the Tumwater Fire Department also staffs a medic unit, with another in reserve, at West Thurston RFA Station 1-1 (will be shown in the West Thurston apparatus inventory).

## Olympia Apparatus & Vehicles

The next four figures list the apparatus and vehicle assignments at each of the Olympia Fire Department fire stations. The following figure lists those units assigned to Station 1.

**Figure 8: Apparatus & Vehicle Assignments—Olympia Station 1**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 1	Type 1	2016	Good	3	1500 gpm	500 gal.
Truck 1	Aerial (100')	2010	Good	3	N/A	N/A
Aid 1	Aid unit	2003	Fair	2	N/A	N/A
Engine 371	Type 1	1998	Good	Reserve	1500 gpm	500 gal.
Truck 4	Aerial (105')	1995	Good	CS	N/A	N/A
Battalion 1	Command	2018	New	1	N/A	N/A
Battalion 2	Command	2014	Good	Reserve	N/A	N/A
Rescue 3215	Rescue	2002	Fair	0	N/A	N/A
Rescue Boat 308	Boat/trailer	1992	Fair	0	N/A	N/A
Training BC	Command	2016	Good	1	N/A	N/A
MSO 331	Command	2018	New	1	N/A	N/A

The following figure lists those units assigned to Station 2.

**Figure 9: Apparatus & Vehicle Assignments—Olympia Station 2**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 2	Type 1	2010	Good	3	1500 gpm	500 gal.
Engine 372	Type 1	1998	Good	Reserve	1500 gpm	500 gal.
Medic 10	ALS Medic	2018	New	2	N/A	N/A
Medic 368	ALS Medic	2011	Fair	Reserve	N/A	N/A

The following figure lists those units assigned to Station 3.

**Figure 10: Apparatus & Vehicle Assignments—Olympia Station 3**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 3	Type 1	2008	Good	3	1500 gpm	500 gal.
Engine 370	Type 1	1995	Good	Reserve	1500 gpm	500 gal.

The following figure lists those units assigned to Station 4.

**Figure 11: Apparatus & Vehicle Assignments—Olympia Station 4**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 4	Type 1	2010	Good	3	1500 gpm	500 gal.
Engine 306	Type 1	1990	Fair	Reserve	1500 gpm	500 gal.
Medic 4	ALS Medic	2018	New	2	N/A	N/A
Medic 367	ALS Medic	2011	Fair	Reserve	N/A	N/A
Command Van 393	Support	2000	Fair	N/A	N/A	N/A

Then next figure lists various command and staff vehicles assigned to various individuals and located at either the Olympia Fire Department's Training Center or Fire Station 1.

**Figure 12: OFD Command & Staff Vehicles (Station 1 & Training Center)**

Unit Designation	Unit Type	Year	Condition
Training Lieutenant	Support	1999	Fair
Fire Marshal	Command	2016	Good
Operations Chief	Command	2016	Good
Fire Chief	Command	2018	New
Assistant Fire Marshal	Command	2018	New
Inspector (387)	Inspector	2004	Fair
Inspector (326)	Inspector	2018	New
Inspector (327)	Inspector	2018	New
Staff Car	Pool Car	2005	Good

In addition to the vehicles listed in the preceding figure, the Olympia Fire Department maintains two new service trucks and three staff cars at their apparatus maintenance facility.

## Lacey Apparatus & Vehicles

The next five figures list the apparatus and vehicle assignments at each of the Lacey Fire District 3 fire stations. The following figure lists those units assigned to Station 31.

**Figure 13: Apparatus & Vehicle Assignments—Lacey Station 31**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 31	Type 1	2016	Good	3	1500 gpm	500 gal.
Truck 31	Aerial (105')	2006	Good	3	N/A	N/A
Tender 31	Tender	2013	Excellent	2 (CS)	750 gpm	2500 gal.
Medic 3	Ambulance	2017	Excellent	2	N/A	N/A
Aid 31	Aid	2009	Good	Reserve	N/A	N/A
Battalion 31	Command	2015	Good	1	N/A	N/A
Engine 312	Type 1	2001	Average	Reserve	1500 gpm	500 gal.
Incident Support 31	Support	1994	Average	1 (on call)	N/A	N/A
Utility 31	Utility/Tow	2015	Good	2–3 (CS)	N/A	N/A
Boat & Watercraft	Varies	Varies	Good	2–3 (CS)	N/A	N/A
Support 31	Tech Rescue	2005	Average	2–3 (CS)	N/A	N/A
Battalion 39	Command	2007	Good	Reserve	N/A	N/A
Medic 12	Ambulance	2013	Good	Reserve	N/A	N/A

The following figure lists those units assigned to Station 32.

**Figure 14: Apparatus & Vehicle Assignments—Lacey Station 32**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 32	Type 1	2004	Good	2	1250 gpm	1000 gal.
	Type 1	1994	Average	Reserve	1500 gpm	500 gal.

The following figure lists those units assigned to Station 33.

**Figure 15: Apparatus & Vehicle Assignments—Lacey Station 33**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 33	Type 1	2012	Good	3	1500 gpm	500 gal.
Aid 33	BLS Transport	2018	New	2 <sup>A</sup>	N/A	N/A

<sup>A</sup>Staffed as a peak-demand unit

The following figure lists those units assigned to Station 34.

**Figure 16: Apparatus & Vehicle Assignments—Lacey Station 34**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 34	1	2012	Good	3	1500 gpm	500 gal.
Medic 6	ALS Ambulance	2017	Excellent	2	N/A	N/A
Brush 34	6	2018	Excellent	2 (CS)	80 CAFS	300 gal.
Tender 34	Tender	2012	Excellent	2 (CS)	750 gpm	2500 gal.

The following figure lists those units assigned to Station 35.

**Figure 17: Apparatus & Vehicle Assignments—Lacey Station 35**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 35	1	2001	Average	3	1500 gpm	500 gal.
Brush 35	6	2002	Average	2 (CS)	80 CAFS	300 gal.

**Figure 18: LFD3 Command & Staff Vehicles**

Unit Designation	Type	Year	Make and Model	Condition	Minimum Staffing
CH31	Command Staff	2012	Ford Interceptor	Good	1
BN32	Command Staff	2018	Ford Interceptor	Excellent	1
BN33	Command Staff	2017	Ford Interceptor	Excellent	1
BN34	Command Staff	2017	Ford Interceptor	Excellent	1
BN35	Command Staff	2018	Ford Interceptor	Excellent	1
Facilities	Staff	2015	Ford F150	Excellent	1
Staff 1	Staff Pool	2012	Ford Escape	Good	Pool
Staff 2	Staff Pool	2018	Ford Escape	Excellent	Pool



## East Olympia Apparatus & Vehicles

The next four figures list the apparatus and vehicle assignments at each of the East Olympia (District #6) fire stations. The following figure lists those units assigned to Station 61 (headquarters).

**Figure 19: Apparatus & Vehicle Assignments—East Olympia Station 61**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 61	Type 1	2007	Good	2 (CS)	1500 gpm	650 gal.
Tender 61	Tender	2005	Excellent	1 (CS)	500 gpm	2500 gal.
Aid 61	BLS Aid	2006	Good	2 (CS)	N/A	N/A
Brush 61	Wildland	2017	Excellent	2 (CS)	400 gpm	300 gal.
Incident Support 6	Other	2000	Good	1 (CS)	Cascade system	

CS = Cross staffed

The next figure lists those units assigned to Station 62 and Station 63. Both stations are unstaffed, and Station 63 has no apparatus assigned to it.

**Figure 20: Apparatus & Vehicle Assignments—East Olympia Stations 62**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
<b>Station 62</b>						
Engine 62	Type 1	1998	Good	Unstaffed	1250 gpm	750 gal.

The following figure lists those units assigned to Station 64.

**Figure 21: Apparatus & Vehicle Assignments—East Olympia Station 64**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 64	Type 1	1999	Fair	3	1250 gpm	750 gal.
Aid 64	BLS Aid	2006	Good	2 (CS)	N/A	N/A
Tender 64	Tender	2005	Very Good	1 (CS)	500 gpm	2500 gal.
Brush 64	Wildland	2018	New	2 (CS)		
Engine 64 (new)	Type 1	2018	New	3	1500 gpm	500 gal.

CS = Cross staffed

The following figure lists those units assigned to Station 65.

**Figure 22: Apparatus & Vehicle Assignments—East Olympia Station 65**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 642	Type 1	2005	Fair	Unstaffed	1250 gpm	750 gal.
Tender 65	Tender	2004	Very Good	Unstaffed	500 gpm	2500 gal.

CS =Cross staffed

East Olympia maintains three command vehicles; all in good condition. Two are due for replacement in 2022, and one in 2033. The district also maintains three other vehicles as staff “cars,” which consist of one each for the mechanic, training, and administration.

### West Thurston Apparatus & Vehicles

The next five figures list the apparatus and vehicle assignments at each of the West Thurston Regional Fire Authority fire stations. The following figure lists those units assigned to Station 1-1.

**Figure 23: Apparatus & Vehicle Assignments—West Thurston Station 1-1**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 1-7 (telesquirt)	Type 1	1995	Good	2	1500 gpm	500 gal.
Engine 1-1	Type 1	2007	Good	2	1500 gpm	750 gal.
Tender 1-1	Type 2	2002	Good	1	750 gpm	2800 gal.
Aid 1-1	Aid Unit	2015	Good	2	N/A	N/A
Brush 1-1	Type 6	2009	Good	1	50 gpm	250 gal.
Medic 14 <sup>A</sup>	Type III	2018	Excellent	2	N/A	N/A
Medic 11 <sup>A</sup>	Type III	2017	Good	Reserve	N/A	N/A

<sup>A</sup>Tumwater medic units assigned to this station by contract with Thurston County Medic One

The following figure lists those units assigned to Station 1-2.

**Figure 24: Apparatus & Vehicle Assignments—West Thurston Station 1-2**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 1-2	Type 1	2007	Good	2	1500 gpm	750 gal.
Tender 1-2	Type 2	2006	Good	1	750 gpm	2800 gal.
Aid 1-2	Aid Unit	2015	Good	2	N/A	N/A
Brush 1-2	Type 5	2010	Good	1	50 gpm	450 gal.
Support/Rehab 1-2	Converted Ambulance	1997	—	—	N/A	N/A

The following figure lists those units assigned to Station 1-3.

**Figure 25: Apparatus & Vehicle Assignments—West Thurston Station 1-3**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 1-3	Type 1	2016	Good	2	1500 gpm	500 gal.
Aid 1-3	Aid Unit	2010	Good	2	N/A	N/A
Brush 1-2	Type 6	2001	Good	1	50 gpm	300 gal.

The following figure lists those units assigned to Station 1-4.

**Figure 26: Apparatus & Vehicle Assignments—West Thurston Station 1-4**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 1-4	Type 1	1995	Good	2	1500 gpm	500 gal.
Aid 1-4	Aid Unit	2010	Good	2	N/A	N/A

The following figure lists those units assigned to Station 1-6.

**Figure 27: Apparatus & Vehicle Assignments—West Thurston Station 1-6**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 1-6	Type 1	1995	Good	2	1250 gpm	500 gal.
Aid 1-6	Aid Unit	2010	Good	2	N/A	N/A
Brush 1-6	Type 6	2002	Good	1	50 gpm	300 gal.

## McLane-Black Lake Apparatus & Vehicles

The following five figures list the apparatus and vehicle assignments at each of the McLane-Black Lake Fire Department (District #9) fire stations. The following figure lists those units assigned to Station 91.

**Figure 28: Apparatus & Vehicle Assignments—McLane Station 91**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 91	Type 1	2019	Excellent	2	1500 gpm	750 gal.
Engine 912	Type 1	2005	Fair	Reserve	2000 gpm	750 gal.
Aid 91	Ambulance	2009	Good	2	N/A	N/A
Tender 91	Tender	2005	Excellent	1	2000 gpm	2500 gal.
Brush 91	Type 6	2008	Good	2	120 gpm	300 gal.
Brush 912	Type 3	2016	Excellent	2	220 gpm	650 gal.
Rescue 91	Rescue	1996	Good	2	N/A	N/A
Battalion 91	Command	2004	Fair	1	N/A	N/A
Utility 91	Support	2005	Good	1	N/A	N/A
ORV 91	Off-Road	2006	Fair	2	N/A	N/A

The following figure lists those units assigned to Station 92.

**Figure 29: Apparatus & Vehicle Assignments—McLane Station 92**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 92	Type 2	2005	Excellent	2	750 gpm	550 gal.
Aid 92	Ambulance	2003	Good	2	N/A	N/A

The following figure lists those units assigned to Station 93.

**Figure 30: Apparatus & Vehicle Assignments—McLane Station 93**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 93	Type 1	1994	Good	2	1250 gpm	1000 gal.
Engine 932	Type 2	1991	Good	2	1000 gpm	750 gal.
Aid 93	Ambulance	2002	Fair	2	N/A	N/A

The following figure lists those units assigned to Station 94.

**Figure 31: Apparatus & Vehicle Assignments—McLane Station 94**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 94	Type 1	1994	Good	2	2000 gpm	750 gal.

The following figure lists those units assigned to Station 95.

**Figure 32: Apparatus & Vehicle Assignments—McLane Station 95**

Unit Designation	Unit Type	Year	Condition	Minimum Staffing	Pump Capacity	Tank Capacity
Engine 95	Type 1	2019	Excellent	2	1500 gpm	750 gal.
Engine 952	Type 1	2005	Fair	Reserve	2000 gpm	750 gal.
Aid Unit 95	Ambulance	1998	Fair	2	N/A	N/A
Tender 95	Type 2	2017	Excellent	1	2500 gpm	2500 gal.
Brush 95	Type 6	2012	Excellent	2	140 gpm	150 gal.
Boat 95	Watercraft	1982	Fair	2	N/A	N/A
ORV 95	Off-Road	2002	Fair	3	N/A	N/A

### Summary of Apparatus & Vehicles

The following figure is a combined inventory—as reported by each of the agencies—of the various frontline apparatus and vehicles among the fire departments participating in the regional feasibility study (reserve apparatus have been excluded).

**Figure 33: Inventory of Frontline Apparatus & Vehicles in the Study Area (2018)**

Unit Type	TFD	EOFD	LFD <sub>3</sub>	MBLFD	WTRFA	OFD	TOTALS
Engines	2	5	5	7	6	4	<b>29</b>
Aerials	0	0	1	0	0	1	<b>2</b>
Medic & Aid Units	1	3	3	4	6	3	<b>20</b>
Tender	0	3	2	2	2	0	<b>9</b>
Command Vehicles	3	3	1	1	4	1	<b>13</b>
Wildland (Brush)	0	2	2	3	4	0	<b>11</b>
Watercraft	0	0	3	1	0	1	<b>5</b>
Support/Rehab Units	0	1	1	1	1	1	<b>5</b>
Other Vehicles <sup>1</sup>	3	3	1	3	3	2	<b>15</b>

<sup>1</sup>Staff vehicles and other specialty vehicles

As shown in the preceding figure, the quantity and types of apparatus and vehicles tend to vary among each of the jurisdictions. This is to be expected, as the types of potential risks and incident-types within each service area tend to be different. For example, a fire district with large areas of wildland and limited water supplies may have a larger fleet of brush trucks and water tenders than a city fire department.

## Staffing & Personnel Management

Many emergency services organizations consider their employees as their most valuable asset. Managing personnel to achieve maximum efficiency, professionalism, and personal satisfaction is an art as much as science. Consistency, fairness, safety, and opportunities for personal and professional growth are key values in a healthy management culture. These values are even more important when the organization relies on the participation and support of a “volunteer” workforce. Volunteer personnel may leave if they do not feel valued and/or experience personal satisfaction from their participation.

Several national organizations recommend standards to address staffing issues. The Occupational Health & Safety Administration (OSHA) *Respiratory Protection Standard*, and the National Fire Protection Association (NFPA) Standard 1710 or 1720 (whichever is applicable), are frequently cited as authoritative documents.<sup>1,2,3</sup> In addition, the Center for Public Safety Excellence (CPSE) publishes benchmarks for the number of personnel recommended on the emergency scene for various levels of risk.

An appropriate balance of administration and support staff, compared to operational resources and service levels, is an important consideration to achieving organizational success. It is important to remember that key administrative and logistical support positions are critical in maintaining an efficient and effective fire department. With that said, comparing these positions across the five departments may reveal opportunities for sharing and/or combining positions to improve overall efficiencies for the departments.

ESCI evaluated the job descriptions, work schedules, compensation packages, and use of personnel to identify areas of excellence, areas for improved efficiency in personnel management, and opportunities to share resources among the six departments.

## Personnel Policies & Processes

The departments were surveyed to determine the administrative components used in managing their employees. All departments have contemporary personnel policy manuals, provide training on these policies to new employees, and archive copies of outdated policies. OFD and TFD use the Lexipol® web-based policy management service. All six departments maintain and securely archive personnel records, including injury and accident reports and medical/exposure records. TFD and OFD personnel records, including discipline, medical, and City administrative records are maintained within their Human Resource Departments.

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<sup>1</sup> Respiratory Protection Standard 29 CFR 1910.134; Occupational Health & Safety Administration.

<sup>2</sup> NFPA 1710: *Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, to the Public by Career Fire Departments*; National Fire Protection Association (NFPA).

<sup>3</sup> NFPA 1720: *Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Volunteer Fire Departments*; NFPA.

Ensuring the health and safety of employees should be a high priority in any business or government organization. Many fire service organizations offer proactive health wellness programs designed to promote and support healthy lifestyles in an attempt to ward off illness and injury. Many of these programs also support mental health wellness, which is even more important for those working in emergency services. The following figure summarizes health and wellness services.

**Figure 34: Health, Safety & Counseling Services**

Health, Safety & Counseling Services	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Medical Standards Established	Yes	IAFC/IAFF Wellness Program	Yes	Yes	NFPA 1582	DOT Exam for volunteers, IAFC/IAFF Wellness Program for career staff
Medical Exam Frequency	Semi-Annual	Annual	Annual	Semi-Annual	Annual	Annual
Safety Committee Established	City only	Yes	Yes	Yes	Yes	Yes
Critical Incident Stress Debriefing	Yes	Yes	Yes	Yes	Yes	Yes
Employee Assistance Program	Yes	Yes	Yes	Yes	Yes	Yes
Intervention Program	No	Yes	Yes	No	In progress	No

Ensuring firefighters are medically fit to meet the strenuous duties associated with emergency response and fireground tasks is paramount. In addition, state and federal law mandates respiratory medical assessment, clearance and fit testing for anyone required to wear a respirator. CFR 1910.134(e)(1) requires employees obtain a medical clearance from a physician or other licensed health care professional before they can wear a respirator (including N95, N100, P100, and HEPA respirators), and must be annually fit-tested.

**Career Firefighter Hiring and Selection Processes**

Recruiting, selecting, and retaining firefighters takes considerable investment of time, effort, and money to ensure high quality employees work in the organization. While becoming a firefighter is one of the most sought-after careers in the nation, selecting the best candidates that fit within the department and its culture requires deliberate and comprehensive evaluation. The following figure summarizes the hiring process components used by the six departments.



**Figure 35: Hiring Process Components**

Hiring Process Components	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Recruitment Program	Yes	Yes	Yes	Yes	Yes	Yes
Qualifications Check	Yes	Yes	Yes	Yes	Yes	Yes
Reference Check	Yes	Yes	Yes	Yes	Yes	Yes
Background Check	Yes	Yes	Yes	Yes	Yes	Yes
Physical Agility Standards Established	CPAT	CPAT	CPAT	CPAT	CPAT	CPAT
Knowledge Testing	Yes	Yes	Yes	Yes	Yes	Yes
Interview	Yes	Yes	Yes	Yes	Yes	Yes
Medical Exam Required	Yes	Yes	Yes	Yes	Yes	Yes
Psychological Exam Required	Yes	Yes	Yes	No	No	Yes, Career only

### Hiring Process Discussion

All six departments use a standardized and thorough hiring process for new full-time employees. All six departments—TFD, OFD, LFD<sub>3</sub>, EOFD, WTRFA, and MBLFD—use an outside vendor (either Public Safety Testing® or National Testing Network®) for some or all of the following services:

- Recruiting services
- Accepting and screening applications
- Background checks
- Administering the Candidate Physical Agility Test (CPAT)
- Administering a written examination
- Administering a psychological/suitability examination

EOFD accepts applicants who have a current (within a year) CPAT card. If an applicant does not have a current card, the department administers their own physical agility assessment that is very similar to the CPAT. Many fire departments in the Puget Sound area use PST or NTN for managing and administering initial fire department employee screening and testing. These services are an attractive option for departments, as they reduce the amount of staff time and resources necessary for initial testing, and reduce potential perception of bias. The service is also attractive for applicants, as their application and test results can be accessed by any or all of the participating departments, depending on the departments initially selected by the applicant.

Over the past few years, the hiring practices in fire departments across the country have been challenged by allegations of bias and discrimination. For example, the New York City and Los Angeles fire departments' new hire testing practices were questioned, resulting in the suspension of the hiring process and revocation of some conditional job offers. Outside experts were brought in to analyze historical hiring outcomes, current hiring administrative procedures, and make recommendations for improvement.<sup>4</sup> As a result, significant changes were made, at great expense to ensure fair and impartial hiring processes.

A 10-year review (1994–2004) of firefighter line of duty death statistics revealed that 45 percent were the result of heart disease.<sup>5</sup> In 2010, the National Institute for Occupational Safety and Health (NIOSH) conducted a study of the prevalence of cancer in 30,000 firefighters.<sup>6</sup> The study concluded firefighters have a 14 percent greater risk of contracting cancer compared to the general population. Lastly, the NFPA Standard 1582: *Standard on Comprehensive Occupational Medical Program for Fire Departments*, defines the necessary components of an occupational medical program to ensure the safety and health of firefighters.<sup>7</sup>

Ensuring employees are medically cleared to perform rigorous fireground tasks, along with identifying any pre-existing medical condition which may place an employee in jeopardy, is an important screening component in the hiring process and beyond. All six departments have established medical standards, and require a comprehensive medical examination after being conditionally hired. However, the frequency and exam parameters of these medical examinations varies between departments.

#### **RECOMMENDATIONS:**

- Consolidate new hire candidate processing and initial testing through either PST or NTN.
- Adopt the CPAT as the standard physical agility testing program.
- Require annual wellness physicals for all employees.
  - Adopt comprehensive screening parameters that evaluate cardiovascular health, cancer screening, behavioral health, and musculoskeletal fitness.

### **Volunteer & Part-Time Firefighter Selection Process**

In today's progressive fire departments, recruitment, selection and training of volunteer and part-time firefighters often mirrors career firefighter hiring practices, including written examinations, interviews, and physical agility testing. With the exception of OFD, all of the departments employ either volunteers and/or part-time employees. The following chart summarizes the vetting process for onboarding volunteer and part-time firefighters.

<sup>4</sup> *Recommendations for Improving the Recruiting and Hiring of Los Angeles Firefighters*, Rand Corporation, 2015, [https://www.rand.org/content/dam/rand/pubs/research\\_reports/RR600/RR687/RAND\\_RR687.pdf](https://www.rand.org/content/dam/rand/pubs/research_reports/RR600/RR687/RAND_RR687.pdf).

<sup>5</sup> *Emergency Duties and Deaths from Heart Disease among Firefighters in the United States*, New England Journal of Medicine, March 2007; 356:1207–1215.

<sup>6</sup> *Findings from a study of cancer among U.S. Firefighters*, National Institute of Occupational Safety & Health, July 2016. <https://www.cdc.gov/niosh/pgms/worknotify/pdfs/ff-cancer-factsheet-final.pdf>.

<sup>7</sup> NFPA 1582: *Standard on Comprehensive Occupational Medical Program for Fire Departments*; NFPA.

**Figure 36: Volunteer Selection Components**

Selection Process Elements	TFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Reference Check	No	Yes	Yes	Yes	Yes
Background Check	No	Yes	Yes	Yes	Yes
Physical Agility Standards Established	No	CPAT	CPAT or PAT	CPAT-like	CPAT
Knowledge Testing	No	Yes	Yes	Yes	Yes
Chief Interview	Yes	Yes	Yes	Yes	No
Medical Exam Required	Yes	Yes	Yes	Yes	Yes
Psychological Exam Required	No	Yes	No	No	No
Pre-Academy Class	Yes	Yes	Yes	Yes	Yes

ESCI noted a unique resource available to WTRFA, a SAFER Grant funded position responsible for recruiting and supporting volunteer firefighters. This outreach position is constantly communicating and educating the community about the need for volunteers, and implementing various public education programs and advertisement strategies to attract service from amongst the community.

**Volunteer Selection Discussion**

With the exception of OFD (which does not use volunteers or part-time personnel), the departments administer a basic written test, oral interview, and physical agility assessment to all prospective volunteer candidates. In addition, MBLFD, WTRFA, and EOFD require completion of several fire and EMS related knowledge and skills objectives prior to sending candidates through a formal recruit academy. This is done to ensure the prospective firefighters fully understand the tasks required of firefighters, the time commitment required, and demonstrate a strong desire to serve their community.

Nationally, volunteer fire departments comprised the majority of the fire service. With that said, today’s fire service is finding it more difficult to recruit, hire, and retain volunteer firefighters.

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*The number of volunteer firefighters in the U.S. reached a low in 2011. While there has been a slow increase since then, the growth isn’t enough to meet the steady increase in call volume, which has tripled in the last 30 years due in large part to the increase in emergency medical calls. Major factors contributing to recruitment challenges include increased time demands, more rigorous training requirements, and the proliferation of two-income families whose members do not have time to volunteer. Fire departments today are also expected to provide a wide range of services and multi-hazard response, creating further challenges for resource-constrained departments.*

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For the past 21 years, MBLFD has had an invaluable resource for volunteers through the South Puget Sound Community College's, Fire and Emergency Services Technology Program, which supplied a steady stream of motivated students who earn college credits for fire related experience gained by spending duty time in the District's fire stations. However, the college recently announced termination of the program, effective August 2019. MBLFD, who rely on these students to meet minimum staffing requirements on apparatus, is legitimately concerned about the sustainability of its deployment model given this pending change.

Departments who wish to continue to rely on volunteers/resident firefighters to meet minimum staffing levels will need to place renewed emphasis on recruiting new volunteers from their local communities, including increased public relations and involvement in local high schools and colleges. There are several resources and techniques available that can be leveraged to increase firefighting recruitment. The *National Volunteer Fire Council* (NVFC) has resources available to assist departments in recruiting and retaining volunteers. Most of these resources involve increased marketing of the department, including strategies to motivate and inspire prospective volunteers. Marketing strategies to consider include, but are not limited to:

- Creating or modifying the department website, providing detailed information on the job of a firefighter and the benefits of belonging to the organization. It should also be designed to allow those interested to easily express interest and submit their contact information.
- Leveraging social media tools, such as *Facebook*®, *Instagram*®, and *LinkedIn*®, keeping content fresh and relevant.
- Apply for SAFER grants that can be used for recruitment and retention programs, including hiring employees and/or services for marketing and recruitment.
- Set up a department Google account through their Non-Profit Program (if the department and/or firefighters association is eligible for 501(c)(3) status. Participation in this program may allow access to \$10,000 per month of in-kind advertising through Google, along with access to various Google tools and groups that can increase community interest and engagement.

Of course, consolidation of two or more of the departments who rely on volunteer/resident firefighters may be able to use their combined resources to maintain staffing levels, or hire part-time/full-time firefighters instead. Careful financial forecasting will be required to determine if this approach is financially feasible and sustainable.

**RECOMMENDATIONS:**

- Develop and engage in a comprehensive marketing strategy to recruit volunteer and resident firefighters.
- Continue use of third-party testing services for newly selected members.
- Adopt a CPAT-like physical agility testing program for all combat personnel.
- Require annual wellness physicals for all volunteers.
  - Adopt comprehensive screening parameters that evaluate cardiovascular health, cancer screening, behavioral health, and musculoskeletal fitness.

## Union Agreements

Operations personnel from the six departments are represented by *International Association of Firefighters (IAFF)* local bargaining units as summarized in the following figure, which also notes the effective dates of their respective bargaining agreements. All six locals are within the jurisdiction of IAFF District 7.

**Figure 37: Current IAFF Bargaining Unit Agreement Periods**

Department	Agreement Period
TFD/Local 2409	2017–2019
OFD/Local 468	2017–2019
LFD3/Local 2903	2016–2018 <sup>8</sup>
EOFD/Local 3825	2017–2018 <sup>9</sup>
WTRFA/Local 3825	2018–2019
MBLFD/Local 3825	2017–2019

## Union Agreement Discussion

The success of any type of consolidation of the six departments will hinge in large part on Union participation, compromise, and agreement. The variation in work schedules, benefits, and other conditions currently outlined in the bargaining unit agreements of the four local union affiliates will need to be carefully addressed and homogenized for an effective and efficient consolidation. This can take the form of one affiliate absorbing the membership and obligations of other affiliates, commonly called a “merger,” or by legally dissolving the current IAFF affiliates and forming an entirely new bargaining unit, commonly called an “amalgamation.”

Merger or amalgamation of local union affiliates is encouraged by the IAFF where it makes sense. In 2012, the *IAFF Legal Department* published a manual to guide union leaders in merger/amalgamation efforts. The manual reviews the applicable sections in the *IAFF Constitution and Bylaws* and defines the reporting requirements, legal requirements, and specific duties of merged and amalgamated affiliates. In the manual they state:

*The Executive Board recommends that when the consolidation, unification, or merger of two or more counties, cities, or townships is anticipated, all locals involved should merge as soon as possible. If a merger of locals is not immediately possible, a joint committee should be established to work with the department administration to negotiate the benefits for all members. Every effort should be made to conclude the bargaining prior to the merger.*

<sup>8</sup> A new collective bargaining agreement has been ratified.

<sup>9</sup> *Ibid.*

Given the number of significant labor implications related to an identified new consolidated fire agency, including internal union governance issues, the involved local affiliates would likely benefit from the participation of the IAFF District Vice President and other legal resources available through the IAFF. Also, given the complexity and variation of wages and benefits between the affiliates, if consolidation is actively pursued by two or more of the departments, they should engage in internal union planning as soon as practical to reach agreement on how the affiliates would be organized in the new fire agency organization.

### Administrative Support Staffing

Each of the six departments have varying levels of administrative support positions due primarily to their size, and because the city fire departments can rely on other city departments for administrative support services—Information Technology and Human Resource services, for example—which are typically not available to county fire districts. However, as the following figure shows, OFD has the largest number of administrative positions, compared to the other departments.

The following figure illustrates the various uniformed and non-uniformed administrative positions.

**Figure 38: Administrative & Support Uniformed Staff Positions**

Staff Positions	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Fire Chief	1	1	1	1	1	1
Deputy Chiefs		Currently Vacant	2			
Assistant Chiefs	1	2		1	1	1 Currently Vacant
Administrative Battalion Chiefs		1				
Prevention & Public Education Positions <sup>1</sup>	1	4			1	
Training Officer (Capt. Or Lt.)	1	1	2			
EMS Officer	1	1	1			
Other: (Describe)		1 Project Captain				
<b>Total Uniformed Administrative/Staff positions</b>	<b>5</b>	<b>12</b>	<b>6</b>	<b>2</b>	<b>3</b>	<b>2</b>
<b>% of Admin staff to total FD personnel</b>	<b>10%</b>	<b>19%</b>	<b>10%</b>	<b>9%</b>	<b>6%</b>	<b>6%</b>

<sup>1</sup> These members have 3 functions: Fire Investigation, Fire Inspections, and Education

OFD clearly has the most uniformed administrative support positions among the six agencies, especially as it relates to fire/life safety prevention and education functions. The following figure shows who provides administrative support functions among the six agencies.

**Figure 39: Non-Uniformed Administrative Positions**

Non-Uniformed Administrative Positions	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Management Analyst						
IT Technician			1			
Office Manager	1	1		1	1	1
Finance Director			1			
Human Resources Director			1			
Accounting Specialist			1			
Payroll Administrator			1			
Facilities/Technology Director			1			
Administrative Assistant	1	2	3	1	.75	1
Emergency Management		1				
Chief Mechanic		1				
Mechanic		3 <sup>1</sup>		1		
Other: (Describe)		1 Inventory Control Specialist II			1 – .75 FTE Volunteer Grant Coordinator 1 – .25 Admin. Asst. 3 – Share .6 FTE Position	
<b>Total Positions:</b>	<b>2</b>	<b>10</b>	<b>9</b>	<b>3</b>	<b>3.4</b>	<b>2</b>

<sup>1</sup>An additional Mechanic started 04/16/19.

**Administrative Staffing Discussion**

Analyzing the ratio of administrative and support positions to the total operational positions of the department facilitates an understanding of the relative number of resources committed to this important function. The ratios between administrative positions and total number of department positions in each department does not appear excessive. OFD appears to have the highest number of uniformed and civilian administrative support positions compared to the other five departments. However, it should be noted that OFD’s administrative head count includes five Apparatus Mechanic Positions, who provide apparatus repair services to eight local fire departments and Thurston County Medic One.

During the site visit, ESCI learned the OFD Fire Chief is planning on retiring in approximately one year, and at least two other Chiefs in other departments are also contemplating retirement. In addition, MBLFD is planning on not filling a vacant Assistant Chief position until after the findings and recommendations of this study are released, and potential consolidation planning steps identified. EOFD has a vacant battalion chief position, which they plan to fill (or underfill) this year.

**RECOMMENDATION (IF CONSOLIDATIONS OCCUR):**

- Leave current/planned administrative uniformed personnel vacancies unfilled until subsequent consolidation planning/implementation strategies are agreed upon.



## Emergency Operations Staffing

Next, we evaluated the type and number of operations staff positions. The following figure summarizes the number of operations positions in each department.

**Figure 40: Operations Staff Positions**

Staff Positions	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Battalion Chiefs	N/A	3	4	Vacant	1	N/A
Captains	3	N/A	2	N/A <sup>a</sup>	3	3
Lieutenants (Including Paramedic)	9	25	24	4	6	6
Firefighter/Paramedics	14	14	22	N/A	N/A	N/A
Firefighters-Full-time	16	43*	50	2	21	3
Firefighters-Part-time	N/A	N/A	N/A	9	N/A	N/A
Volunteer Firefighters (Including Officers & Resident FFs)	11	0	20	26	47	50
<b>Total Operations Positions</b>	<b>53</b>	<b>85</b>	<b>120</b>	<b>41</b>	<b>78</b>	<b>62</b>
<b>% of Operations Officers to Firefighters</b>	<b>20%</b>	<b>32%</b>	<b>16%</b>	<b>8%</b>	<b>11%</b>	<b>14%</b>

\*Includes six "project" funded positions. <sup>a</sup>Vacant B/C position may be underfilled as Captain this year

OFD's six "project" positions are Firefighter/EMTs who staff a BLS unit part-time to respond to incidents in the downtown area where there is a significant indigent/homeless population. These positions are temporarily funded through a SAFER Grant.

ESCI also calculated the theoretical total number of full-time employees required to meet the various average leave hours used by employees in 2017 in each department, and compared the results to the current minimum number of operations employees assigned to each shift. This calculation compared the average available scheduled weekly work hours per employee, subtracted the average various leave types—based on 2017 historical leave use data—and calculated sick and vacation relief factors. ESCI then multiplied the number of personnel needed to cover a single position at 24-hours per day with the relief factor to determine the total number of employees required to meet daily minimum staffing, without taking into account the use of volunteers or part-time employees to backfill vacancies. The following figure summarizes the results of these calculations:

**Figure 41: Theoretical Relief Factor Calculation (2017)**

Relief Factor	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Sick Leave	1.22	1.11	1.17	1.22	1.09	1.10
Vacation Leave	1.16	1.19	1.20	1.07	1.18	1.12
<b>Total Relief Factor:<sup>1</sup></b>	<b>1.27</b>	<b>1.21</b>	<b>1.27</b>	<b>1.27</b>	<b>1.18</b>	<b>1.15</b>

<sup>1</sup>Includes Holiday leave, Personal leave, FMLA, bereavement, short-term disability, military leaves, etc.

The total leave factors were multiplied by the number of personnel needed to cover one 24-hour position. The following figure compares the theoretical number of positions needed with the current number of employees assigned to the work schedules.

**Figure 42: Calculated Operational Staff Overage (Shortage)**

Department	Number of Positions Required 24/7	Total Number of Operations FTEs	Theoretical Number of FTEs	Overage (Shortage)
TFD	10	42	45	<b>(-3)</b>
OFD	20	85	82	<b>3</b>
LFD <sub>3</sub>	22	100	102	<b>(-2)</b>
EOFD	1.5	6	6	<b>0</b>
WTRFA	7	31	30	<b>3</b>
MBLFD <sup>1</sup>	4	12	12	<b>0</b>
<b>Total:</b>	<b>65</b>	<b>275</b>	<b>324</b>	<b>+1</b>

### Emergency Staffing Discussion

As shown in the preceding figure, each department's staffing levels are close to the theoretical number of personnel needed to cover scheduled and unscheduled leaves for each agency. Reconciling the results of this staffing resource analysis with current staffing levels and resource allocation strategies among the six departments should be approached carefully. In ESCI's experience, theoretical analysis does not necessarily take into account an organization's inherent flexibility and resources that can be potentially leveraged to reduce workload and personnel costs—nor does it take into account the ongoing costs of providing the various benefits to full-time employees. Full-time employee benefit expenses must be considered when analyzing the cost of adding full-time employees versus using overtime or part-time employees who do not receive benefits.

Lastly, as a result of collective bargaining, consolidation of two or more of the departments may result in changes to the employee average workweek hours, leave time, and work schedules. Each, or all of these factors, may have an impact on the total number of employees required to ensure minimum daily staffing levels.

## Effective Response Force Analysis

In addition to reviewing the total number of operations staff available, ESCI also reviewed daily staffing levels in each department, and compared them to national consensus standards related to providing sufficient personnel and resources to quickly mitigate emergency incidents—specifically, structure fires and critical EMS situations. Given there is a large number of paramedics among the three ALS career departments, including medics who provide medical first response (MFR), ESCI focused on each department’s ability to marshal an Effective Response Force (ERF) to mitigate structure fires or other complex and dynamic emergencies. Effective Response Force and Critical Task Analysis are both discussed in detail in the *Service Delivery & Performance* section of this report.

The fire service assesses the relative risk of properties and occurrences based on a number of factors. Properties with high fire risk often require greater numbers of personnel and apparatus to effectively mitigate the fire emergency. Staffing and deployment decisions should be made with consideration of the level of risk involved.

The level of risk categories used by CFAI relate as follows:

- **Low Risk:** Areas and properties used for agricultural purposes, open space, low-density residential and other low intensity uses.
- **Moderate Risk:** Areas and properties used for medium density single family residences, small commercial and offices uses, low intensity retail sales and equivalently-sized business activities.
- **High Risk:** Higher density business districts and structures, mixed-use areas, high density residential, industrial, warehousing, and large mercantile structures.

Each department’s minimal daily staffing resources, as noted in Figure 42: *Calculated Operational Staff Overage (Shortage)*, was compared to the NFPA and CFAI criteria previously noted. Not surprisingly, this comparison shows OFD and LFD3 are the only departments currently able to independently meet the staffing standard for up to a Moderate Risk incident. *It must also be noted that this comparison assumes all on-duty personnel and response units are available to respond to the incident in any one department.* Concurrent calls can severely impact any single department’s ability to safely and effectively mitigate a Moderate to High Risk incident.

## Wages & Benefits

Depending on the depth and breadth of future consolidation efforts, the wages and benefits paid to the employees of the six departments will need to be taken into consideration. ESCI analyzed the average wages of the various administrative and operational positions between the departments, and the various benefit packages to identify significant similarities and differences that would need to be incorporated into future consolidation planning efforts.

In evaluating the salary tables provided by each department and/or listed in the six bargaining unit agreements, ESCI noted variations in position titles and associated pays between departments. The following figure summarizes the various salary pays by position in each department.

**Figure 43: Operations Pay Classifications By Department**

Career Operations Positions	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Battalion Chief		X	X		X	
Fire Captain/EMT	X		X	X	X	X
Fire Captain/Paramedic		X	X			
Fire Lieutenant/Paramedic	X	X	X			
Fire Lieutenant/EMT	X	X	X	X	X	X
Firefighter/EMT	X	X	X	X	X	X
Firefighter/Paramedic	X	X	X			
Volunteer & Part-Time Positions	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Volunteer Deputy Chief					X	
Volunteer Battalion Chief	X			X <sup>1</sup>	X	X
Volunteer Fire Captain	X				X	
Volunteer Fire Lieutenant	X			X	X	X
Volunteer Firefighter			X	X	X	X
Volunteer EMT only				X	X	X
Resident Firefighter				X	X	X
Part-Time Fire Captain						
Part-Time Firefighter				X		

<sup>1</sup>The Volunteer Battalion Chief passed away during this report compilation and position will not be filled in the near term.

As noted in the preceding figure, the most common career positions across the six career departments were Fire Lieutenant/EMT and Firefighter/EMT, and Firefighter was the most common volunteer position. OFD is the only department that does not use volunteer firefighters. EOFD is the only department utilizing part-time firefighters.

The salary data submitted from the six departments revealed significant variations in pay among the various positions. Some departments submitted current salaries for personnel in the positions, and others provided data that included all pay steps. For comparison purposes, the top step pay was used in comparing to those departments that reported only one pay. The following figure summarizes the salary comparisons between the annual average salaries between the career departments for the basic full-time uniformed positions:

**Figure 44: Uniformed Staff Average Salary Comparisons, 2018<sup>1</sup>**

Operations Positions	Lowest Pay	Highest Pay	% Difference
Fire Chief	\$110,580	\$170,832	35%
Assistant Chief	\$101,142	\$142,662	29%
Deputy Chief	\$142,641	\$144,666	1.4%
Battalion Chief (Operations)	\$93,600	\$120,319	22%
Fire Captain/EMT	\$89,288	\$109,056	18%
Fire Lieutenant/EMT	\$75,563	\$107,158	29%
Firefighter/EMT	\$61,619	\$93,999	34%
Firefighter/Paramedic	\$96,744	\$103,399	6%

<sup>1</sup> EOFD and LFD3 ratified new CBAs after compilation of this report, which will change compensation rates.

None of the operations position salaries listed include regularly scheduled FLSA overtime pay. The pay disparity is greatest at the Fire Chief position (35%). With the exception of the Firefighter/Paramedic pay, the pay disparity in the remaining positions is significant.

With the exception of TFD and EOFD, the departments have various levels of longevity pay included in their bargaining unit agreements.

Next, we analyzed the various benefits provided by each of the career departments, which are summarized in the following figure:

**Figure 45: Employee Benefits Provided by Career Departments**

Benefits Provided	TFD	OFD	LFD3	EOFD	WTRFA	MBLFD
Uniform Allowance	Uniforms provided	\$500	\$450	Uniforms provided	\$250	No
Educational Incentives	Yes	Yes	Yes	Yes	No	No
Social Security	No	No	No	Yes	No	Yes
Workers Compensation	Yes	Yes	Yes	Yes	Yes	Yes
Pension	Yes	Yes	Yes	Yes	Yes	Yes
Deferred Compensation	Yes	Yes	Yes	Yes	Yes	Yes, no match
Medical	Yes	Yes	Yes	Yes	Yes	Yes
Dental	Yes	Yes	Yes	Yes	Yes	Yes
Short-term Disability	Yes	Yes, self pay	Yes	Yes	Yes	Yes
Vision	Yes	Yes	Yes	Yes	Yes	Yes
Life Insurance	Yes	Yes	Yes	Yes	Yes	Yes

Analysis of the benefits packages among the six departments revealed significant similarities, with all providing comprehensive medical, dental, vision, and life insurance packages. Additional life insurance is available to employees in all departments, and is paid for by the employees. There is significant variation in the uniform allowance pay. Educational incentive pay is included for all but WTRFA and MBLFD. All full-time firefighters are enrolled in the *Washington State Law Enforcement and Firefighters (LEOFF) Plan 2 Retirement System*. EOFD part-time firefighters are enrolled in the *Washington State Public Employees Retirement System (PERS)*.

### **Salary & Benefits Discussion**

The pay disparity is greatest in the Fire Chief and Battalion Chief positions, and the least disparity is in the Firefighter/EMT position. All of the other positions have pay differences in the 13–15 percent range. While the difference in the Fire Chief pay is significant, given the relatively small number of positions, and potential attrition, it seems reasonable to expect the financial impact and reconfiguration of these positions would be very feasible in an administrative consolidation, compared to the much larger impact of reconciling the different pays in the operations staff positions.

In the planning and negotiation process resulting from integration of two or more agencies, those issues effecting wages, hours and working conditions are required to be negotiated with the bargaining unit(s). Certain other changes may require impact bargaining. The Washington Public Employees Relations Commission (PERC) oversees collective bargaining between public agencies and employees, and assists in the resolution of contract disputes between the parties, including administering the Binding Interest Arbitration (BIA) process. Salary and benefits decisions in BIA cases involving fire departments and districts in Washington have typically been made considering the salary and benefits provided by other comparable fire departments or districts with similar assessed values and populations. If two or more departments functionally consolidate, merge, or otherwise integrate, it is likely that these comparable fire departments or fire districts will be used to guide the establishment of new salaries, benefits, and certain working conditions in the new agency.

### **Operations Work Schedules**

The six departments deploy three different shift schedules for full-time employees. The following figure summarizes the shift schedules, FLSA work periods, and average scheduled hours for full-time and part-time operations employees:

**Figure 46: Operations Staff Work Schedule**

Schedule Components	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
Shift Rotation	24-on, 48-off	24-on, 48-off	24-on, 48-off, 24-on, 96-off	24-on, 24-off, 24-on, 24-off, 24-on, 96-off	24-on, 48-off	24-on, 48-off
Average Workweek Hours	49.8	49.8	46.7	53 <sup>1</sup>	49.8	48
FLSA Work Period	27 days	27 days	24 days	27 days	27 days	28 days
Total Annual Hours	2590	2596	2526	2746 <sup>2</sup>	2596	2502
Shift Start Time	0730	0730	0730	0800	0730	0700
Kelly/Debit Days in work cycle?	Kelly	Kelly	Debit	Kelly	Kelly	Kelly

<sup>1</sup>EOFD modified its workweek in latest CBA to phase in a 49.8 workweek over three-year period.

<sup>2</sup>EOFD phasing in workweek reduction to 2596 over three years in latest CBA.

In addition, EOFD employs part-time firefighters, who are scheduled to one of three shifts and work approximately 33 hours per week. These firefighters work six 24-hour shifts and one 12-hour shift per month. Resident and volunteer firefighters in the departments that use volunteers are assigned to a shift for scheduling and continuity purposes.

### Work Schedule & Staffing Discussion

The average hours worked between the six departments is 49.5 hours per week, and with the exception of EOFD, the annual hours worked are comparable.<sup>10</sup>

The 24-hour shift remains the predominant schedule for fire departments, including the six departments studied. However, some departments have transitioned to a 48-hour shift. This is an especially attractive shift schedule if employees must commute from long distances due to high housing costs, low housing inventory, or other demographic factors. However, the 48-hour schedule has been questioned due to concerns about sleep deprivation and safety impacts during the latter portion of the 48-hour shift.

The federal government aggressively regulates and monitors commercial transportation workers, including commercial pilots, railroad workers, long-haul truck drivers, and ship workers due to fatigue concerns. With regard to long-haul truck and passenger carrying drivers, there are very restrictive rules in place to address potential driver fatigue. ESCI highlights these specific requirements because Fire/EMS employees routinely drive emergency vehicles in all types of weather conditions—often for extended periods (long-distance interfacility transfers, for example). The following figure is a summary of the rules for truck drivers. This is presented to provide context on the level of the federal government’s concern on driver fatigue.<sup>11</sup>

<sup>10</sup> EOFD’s new collective bargaining agreement brings EOFD into a comparable workweek as the other five agencies.

<sup>11</sup> 349 Code of Federal Register 395.1-5.



**Figure 47: Commercial Driver Rules for Work Hours**

Property Carrying Drivers	Passenger Carrying Drivers
<p><b>11-Hour Driving Limit</b> May drive a maximum of 11 hours after 10 consecutive hours off-duty.</p>	<p><b>10-Hour Driving Limit</b> May drive a maximum of 10 hours after 8 consecutive hours off-duty.</p>
<p><b>14-Hour Limit</b> May not drive beyond the 14th consecutive hour after coming on duty, following 10 consecutive hours off-duty. Off-duty time does not extend the 14-hour period.</p>	<p><b>15-Hour Limit</b> May not drive after having been on duty for 15 hours, following 8 consecutive hours off-duty. Off-duty time is not included in the 15-hour period.</p>
<p><b>Rest Breaks</b> May drive only if 8 hours or less have passed since end of the driver’s last off-duty or sleeper berth period of at least 30 minutes.</p>	<p><b>60/70-Hour Limit</b> May not drive after 60/70 hours on duty in 7/8 consecutive days.</p>

As noted in the preceding figure, the focus is not only on the length of the work periods, but also *the length of the off-duty/rest periods*. This is an important distinction relative to EOFD’s use of hourly employees—many of whom have other full-time jobs, including working for private ambulance companies. However, there is no policy requiring a minimum number of off-duty/rest hours between work shifts. This produces potential liability and safety issues, and may also increase the risk of injury on the fireground or patient-care errors.

In ESCI’s experience, a functional and operationally efficient consolidation will require a homogenized shift schedule. While each department has slightly different work schedules and annual hours for full-time operations personnel, they are likely close enough that it should not present a significant obstacle in operational consolidation efforts. However, as with any proposed change to working conditions, especially resulting from a planned consolidation, it likely would require focused collaboration between the various bargaining units and with department leadership to identify an acceptable and cost-effective enterprise-wide solution.

## Service Delivery and Response Performance

In this section of the Regional Feasibility Study, a review of current service delivery and performance within the study area was conducted. Observations were made concerning service delivery for the study area as a whole and for the individual departments where appropriate, depending on the available data. In the *Service Delivery and Response Performance* section, ESCI reviewed current and historical service demand by incident type and temporal variation for the study area and the participating jurisdictions. GIS software is used to provide a geographic display of demand within the overall study area.

### Data Sources

The data used in this section is derived from both CAD data provided by the Thurston County Communications Center (TCOMM) and National Fire Incident Reporting System (NFIRS) totals submitted by the departments.

The CAD data that was submitted included a total of 188,409 records from the period 2015 through 2017 and from all study departments the TCOMM dispatched. Specifically included were 2015 records totaling 59,558, 2016 included 62,412, and 66,439 from 2017. These total records included multiple records for each incident when more than one unit responded.

The first step in the analysis was to just pull the records for departments in the study area. At the completion of this step, 181,212 records remained. Next, when multiple records existed, these had to have the best performance calculated and duplicates removed.

The NFIRS data was provided by each department as part of ESCI's data request and was reported on the table provided. Each department provided total incidents for the 2017 calendar year.

Data is selected depending on which source is best suited for the analysis.

### NFPA 1710 and 1720 Standards

In the study area, there are two relevant national standards: NFPA 1710, which is applicable to organizations that are, "... substantially all career fire departments," and NFPA 1720, which applies to, "... volunteer and combination fire departments."<sup>12</sup> Both of these are consensus standards, and are not mandated or codified. ESCI believes that NFPA 1710 currently applies to Olympia Fire Department, Lacey Fire District 3, and Tumwater Fire Department, while NFPA 1720 is applicable to East Olympia Fire District, West Thurston Fire Authority, and McLane Black Lake Fire District.

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<sup>12</sup> NFPA 1710, *Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations & Special Operations to the Public by Career Fire Departments*; NFPA 1720, *Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations & Special Operations to the Public by Volunteer Fire Departments*.

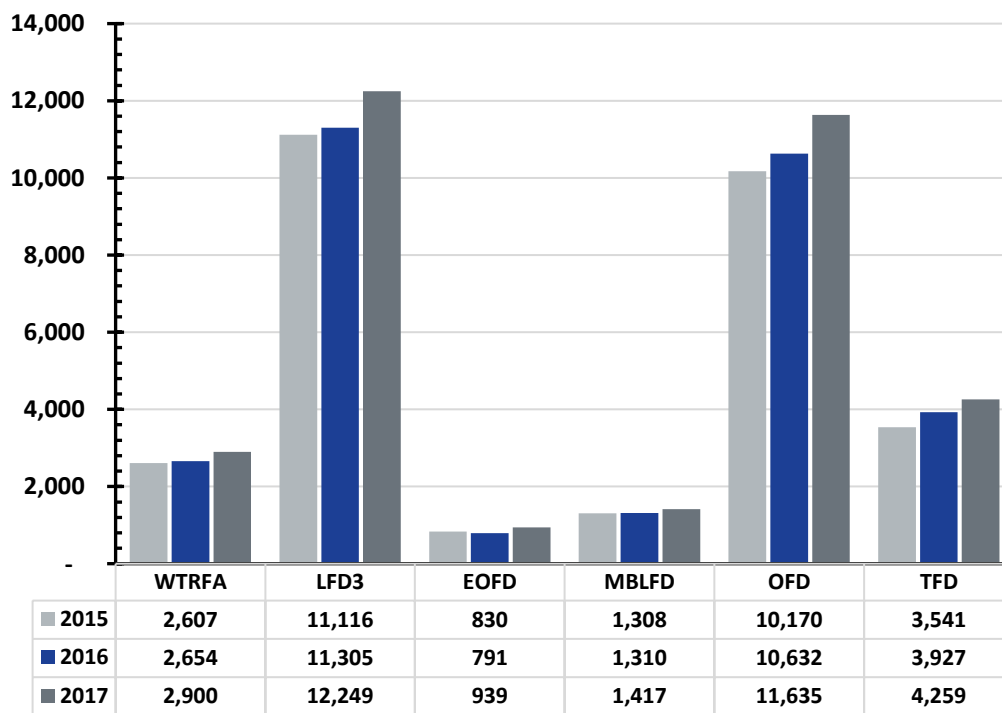
Wherever possible in this section, ESCI will distinguish which standard applies to those particular agencies. However, to conduct a direct comparison between agencies, all response performance elements codified in NFPA 1710 (the most rigorous of the two standards) will be listed for all agencies. Those agencies which NFPA 1720 currently applies to will also be discussed in the context of 1720 throughout this section. It is important to note that integration of fire departments and fire district that are defined by the application of 1710 and 1720 introduces a level of complexity that must be seriously weighed. It is not impossible but does require the agencies to consider how to integrate given the significantly different performance standards each agency independently applies to.

The specific and pertinent response performance elements in NFPA 1720 and 1710 are provided in this report in Appendix D and E respectively.

### Service Demand

The next figure shows historical service demand for the departments in the study area. These results are based on CAD data inclusive of the years 2015 through 2017.

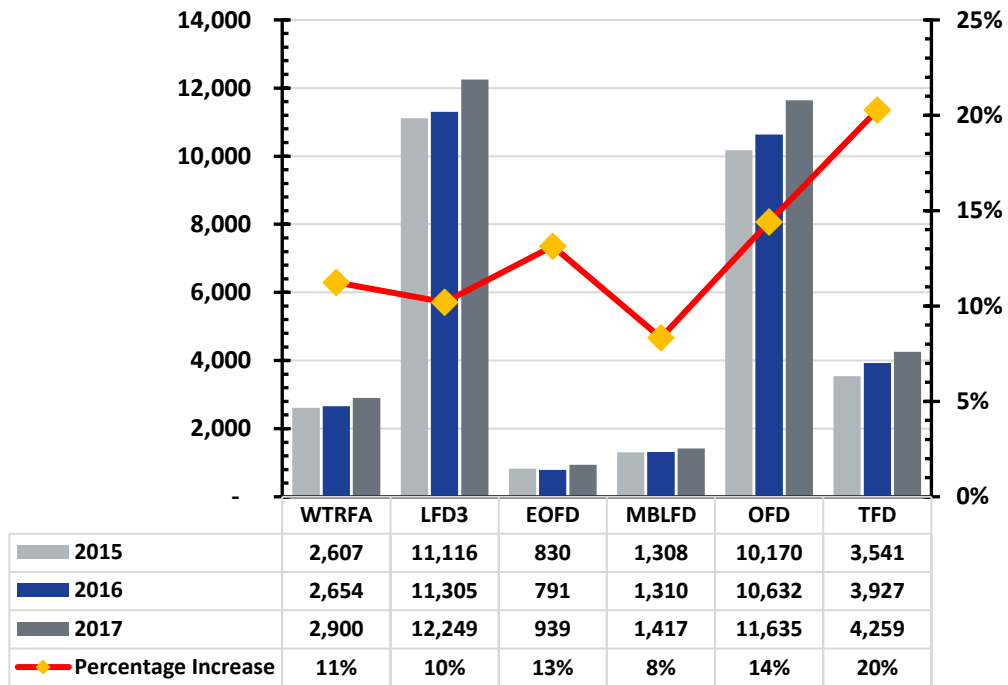
**Figure 48: Study Area Historical Service Demand CAD, 2015–2017**



Demand for fire department services varies throughout the study area. LFD3 experienced the greatest demand while EOFD experienced the least demand during the 36-month study period. Except for the EOFD in 2016—when they had a small decrease in demand—each department’s demand increased each year.

The next figure displays the change in service demand over the last three years, summarized by agency.

**Figure 49: Percent Change in Service Demand CAD, 2015–2017**

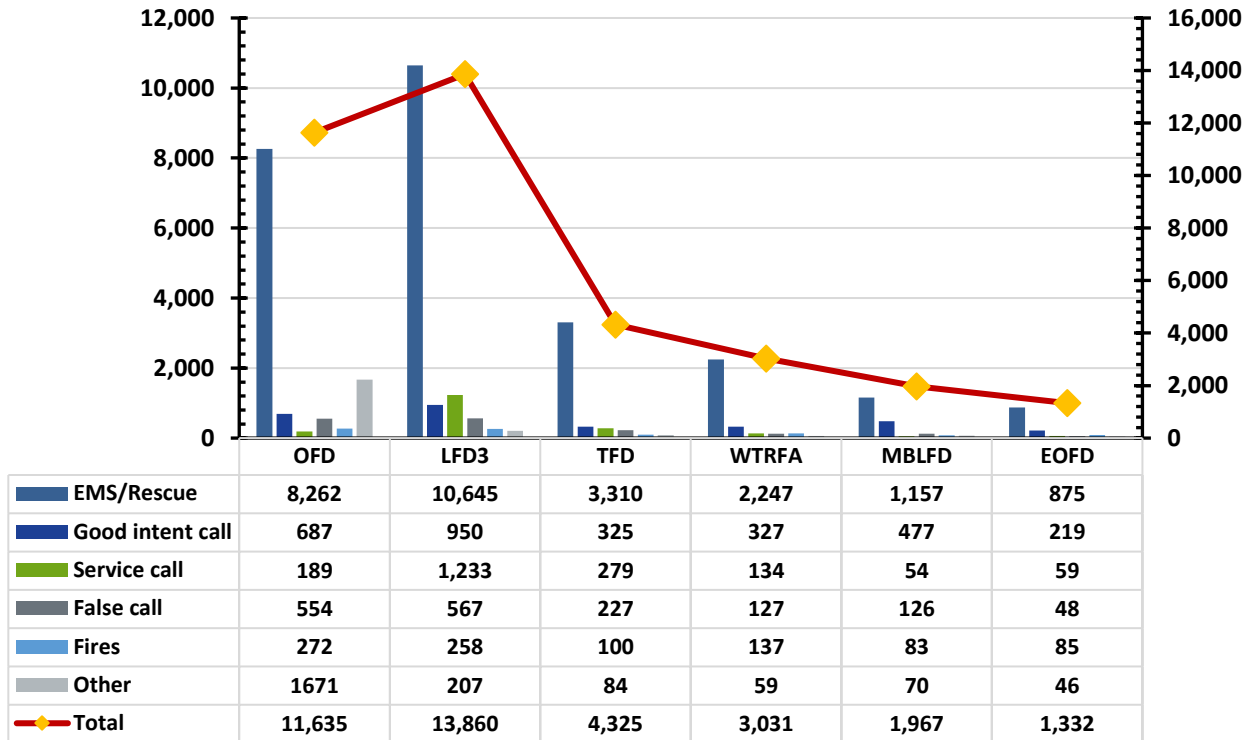


The previous figure demonstrates that all the departments in the study area had an increase in service demand from 2015 to 2017. Overall, the service demand increased by 13 percent within the study area. TFD experienced the greatest change—a 20 percent increase; while MBLFD experienced the smallest percentage increase at 8 percent.

### Incident Type and Frequency

The next figure illustrates the service demand by type of incident based on the NFIRS data.

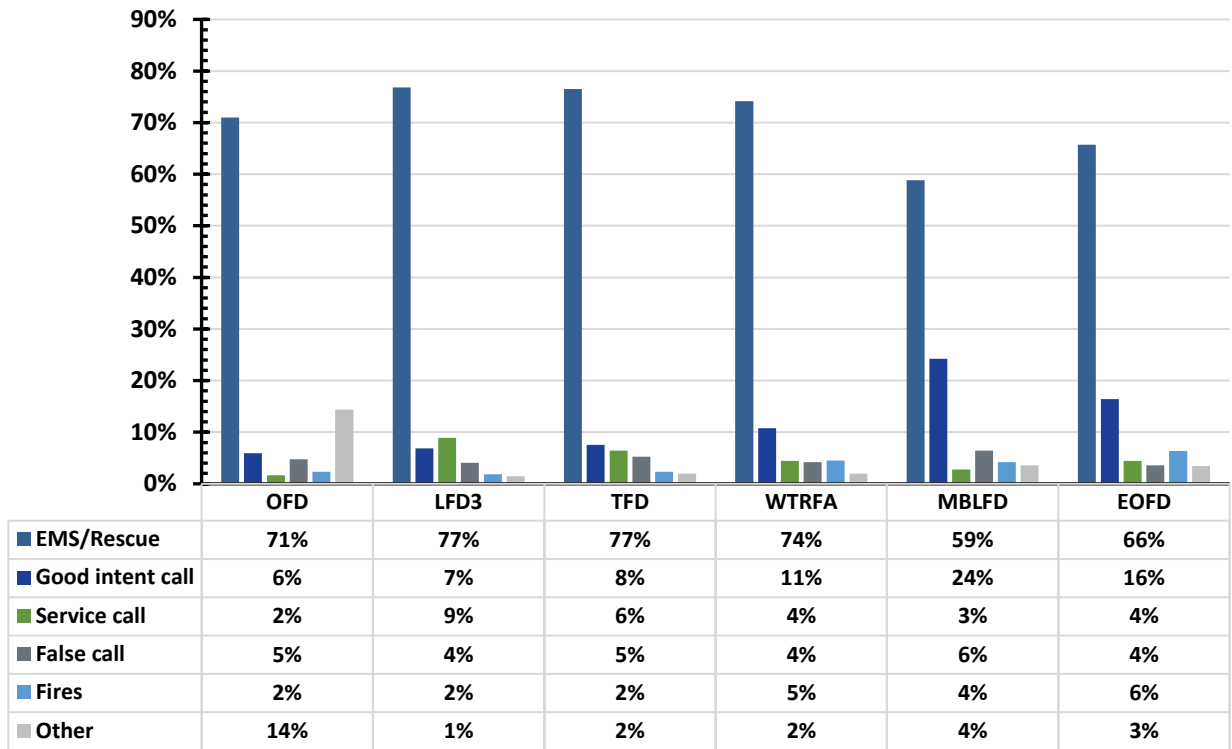
**Figure 50: Agency Service Demand by Incident Type NFIRS, 2017**



Although there is a variation in numbers of incidents throughout the study area, EMS incidents constitute the greatest workload for all the participating departments. The *EMS/Rescue* category includes all calls for medical service including motor vehicle accidents (MVAs) and rescue incidents. The *Good Intent* category includes cancelled calls and incidents in which an emergency was not found. The *Other* category not only includes those incidents coded as other but also includes incidents such as hazardous conditions, explosions, and weather-related incidents. The category of service calls are public service calls such as lockouts or assisting the police. *Fire Alarms* include manual and automatic fire alarms and the final category—*Fires* refer to all types of fires (structure, wildland, vehicle, etc.).

The percentages displayed in the next figure are comparable to similar fire jurisdictions that provide EMS services.

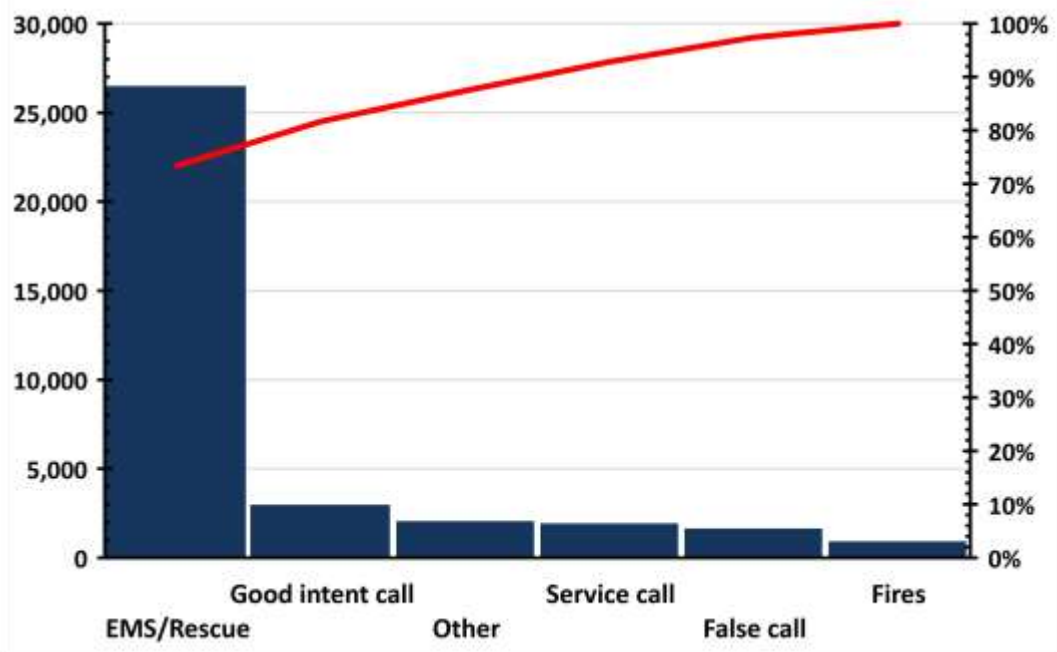
**Figure 51: Agency Service Demand by Incident Type Percentages NFIRS, 2017**



The highest service demand of EMS incidents ranges from a low of 59 percent at the MBLFD, to a high of 77 percent in Lacey and Tumwater. For departments that provide EMS, it is generally expected that EMS incidents result in 70 to 80 percent of a department’s service demand. While four of the study area departments are within this range, two—MBLFD and EOFD—fall below the percentage that might be expected.

The next figure displays service demand by type of incident for the entire study area.

**Figure 52: Aggregate Service Demand by Incident Type in the Study Area NFIRS, 2017**

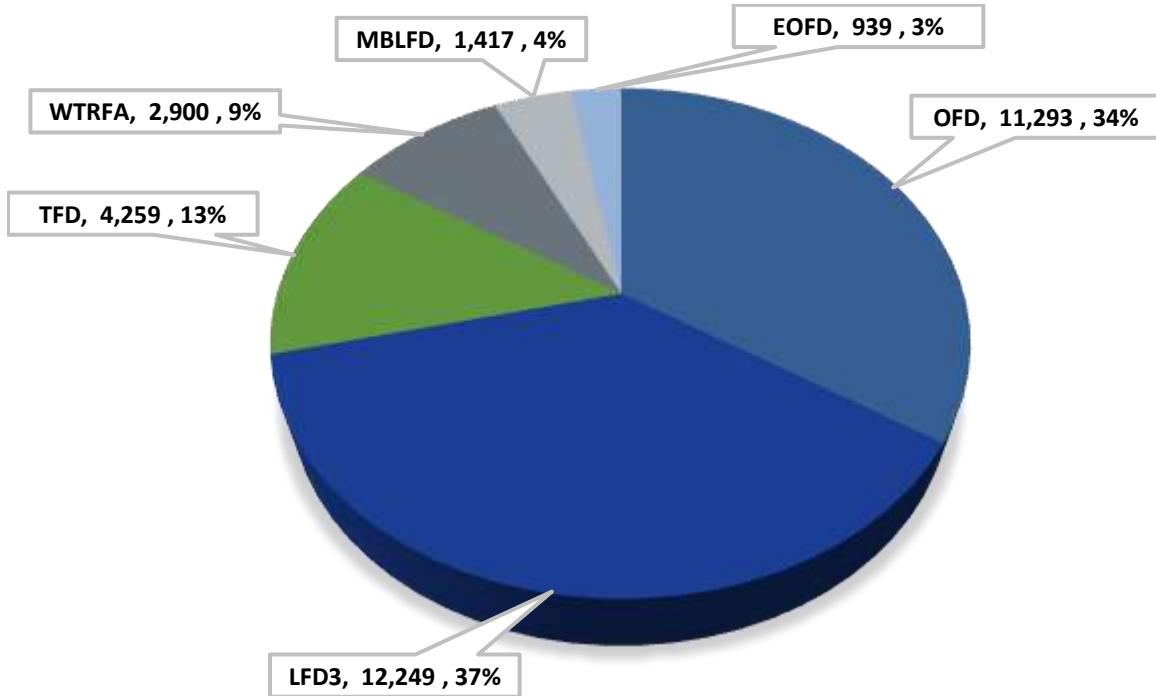


As shown in the previous figure, 73 percent of the incidents throughout the study area were for EMS/Rescue incidents. Fires accounted for three percent of total incidents followed by good intent and other incidents at eight and six percent respectively. Service calls and false alarms at four percent were the lowest in demand.

The next figure provides the proportion of incidents from each agency into the total 33,057 incidents from the CAD records.



**Figure 53: Proportion of Total Service Demand in the Study Area from Each Department CAD, 2017**

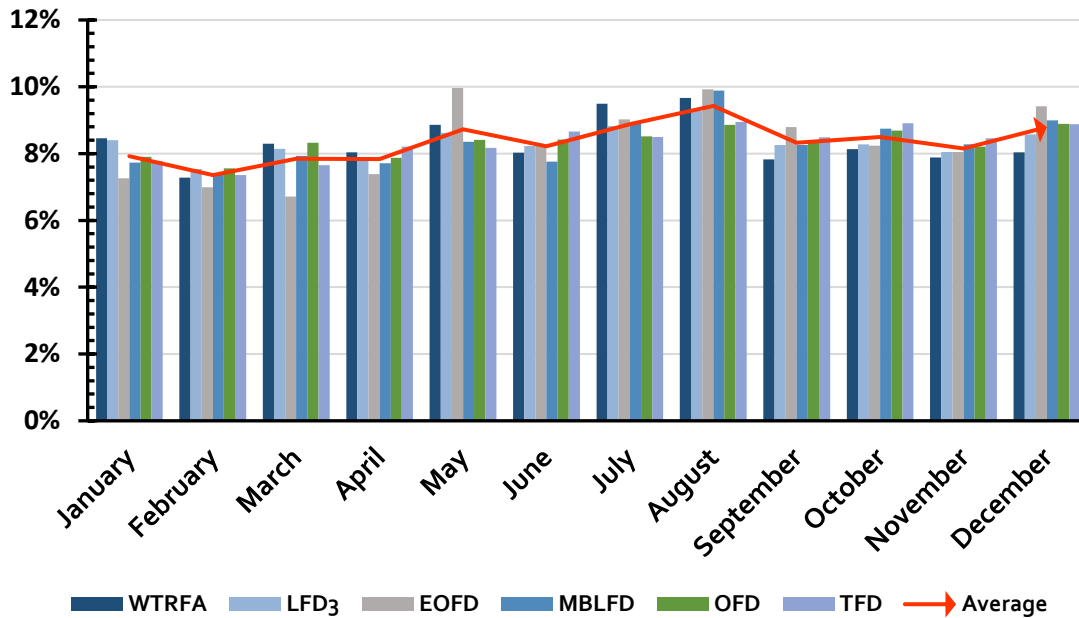


According to CAD data, the LFD3 and OFD account for over 70 percent of the incidents in the study area. Adding TFD to LFD3 and OFD’s total shows that nearly 85 percent of the incidents are handled by three departments. As will be shown in this section these departments cover the most populated sections of the study area.

### Temporal Variation

A temporal analysis of incidents reveals when the greatest response demand occurs. The following figures illustrate how activity and demand changed for the study area and individual fire departments based on various time measurements. The data used is 2015 through 2017 CAD data for each participating agency.

**Figure 54: Study Area Service Demand by Month CAD, 2015–2017**



Service demand across the study area is fairly consistent throughout the year. One exception is the EOFD during the month of May in which the EOFD has nearly 1.25 percent higher demand than the average for May. On average the busiest month in the study area is August at almost 9.5 percent. The slowest month on average is February—the shortest month—with 7.3 percent of the incidents occurring. If February as a short month is not considered, then March and April are the slowest months with 7.8 percent of the demand. Overall, average service demand varies. The range between the average busiest month and slowest month is 2 percent. The next figure is a summary of the demand by month for each department.

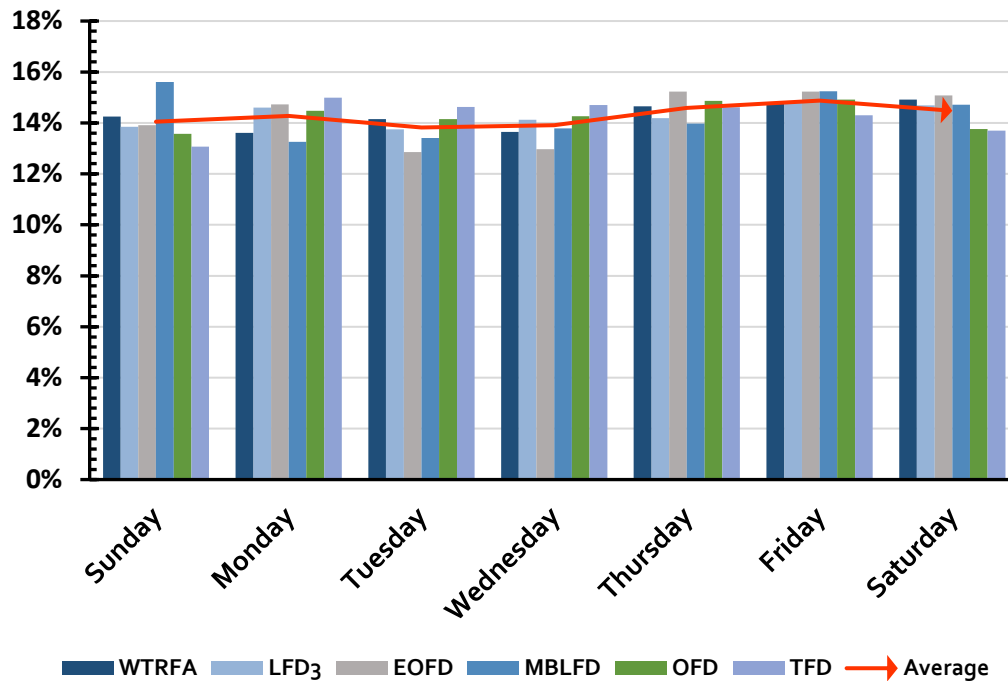
**Figure 55: Study Area Service Demand by Month Summary CAD, 2015–2017**

Fire Department/District	Busiest Month	Slowest Month	Slowest Month <sup>1</sup>
Tumwater Fire Department	August (9.0%)	February (7.4%)	March (7.7%)
Olympia Fire Department	December (8.9%)	February (7.6%)	April (7.9%)
Lacey Fire District	August (9.03%)	February (7.5%)	November (8.0%)
East Olympia District	May (10.0%)	March (6.7%)	March (6.7%)
West Thurston Regional Fire Authority	August (9.7%)	February (7.3%)	September (7.8%)
McLane/Black Lake District	August (9.9%)	February (7.4%)	April (7.7%)

<sup>1</sup> Excluding February

The next figure analyzes service demand by day of the week.

**Figure 56: Study Area Service Demand by Day of the Week CAD, 2015–2017**



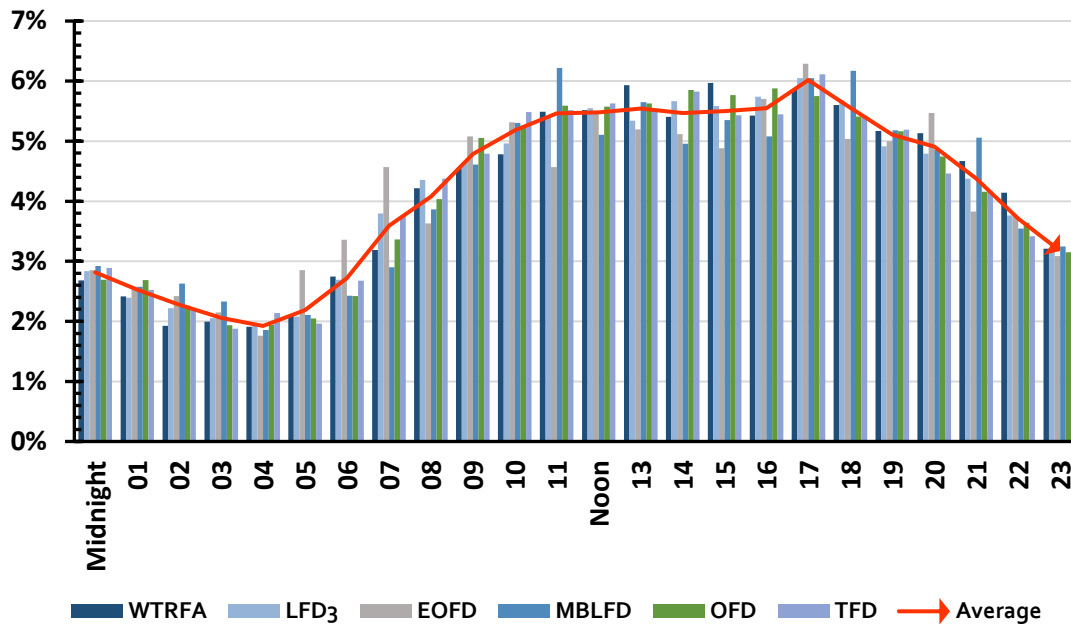
Service demand by day of the week does not vary much across the study area. The MBLFD demand on Sundays is above average. The average busiest day in the study area is Fridays with nearly 15 percent of the weekly demand. Overall, the average service demand throughout the week varies within a range of approximately 1 percent between the lowest and the highest average demand. The next figure is a summary of daily demand for each department.

**Figure 57: Study Area Service Demand by Day of Week Summary CAD, 2015–2017**

Fire Department/District	Busiest Day	Slowest Day
Tumwater Fire Department	Monday (15.0%)	Sunday (13.1%)
Olympia Fire Department	Friday (15%)	Sunday (13.6%)
Lacey Fire District	Friday (14.8%)	Tuesday (13.7%)
East Olympia District	Friday (14.9%)	Sunday (13.6%)
West Thurston Regional Fire Authority	Saturday (15.0%)	Monday (13.6%)
McLane/Black Lake District	Sunday (15.6%)	Monday (13.3%)

The final temporal analysis of service demand examines demand summarized by hour of the day and is illustrated in the next figure.

**Figure 58: Study Area Service Demand by Hour of the Day, CAD 2016–2017**



The previous figure demonstrates a distinct curve that closely follows typical population activity patterns. Incident activity begins to increase in the morning and continues to increase throughout the workday and into the early evening. The demand gradually decreases throughout the evening hours and into the early morning hours. In the study area—the six departments—demand remains high throughout the day until approximately 5 pm on average. The next figure summarizes the busiest and slowest hours by department.

**Figure 59: Study Area Service Demand by Day of Week Summary CAD, 2015–2017**

Fire Department/District	Busiest Hour	Slowest Hour
Tumwater Fire Department	5 pm (6.1%)	3 am (1.9%)
Olympia Fire Department	4 pm (5.9%)	3 am (1.9%)
Lacey Fire District	5 pm (6.0%)	4 am (1.9%)
East Olympia District	5 pm (6.3%)	4 am (1.8%)
West Thurston Regional Fire Authority	3 pm (6.0%)	4 am (1.9%)
McLane/Black Lake District	11 am (6.2%)	4 am (1.9%)

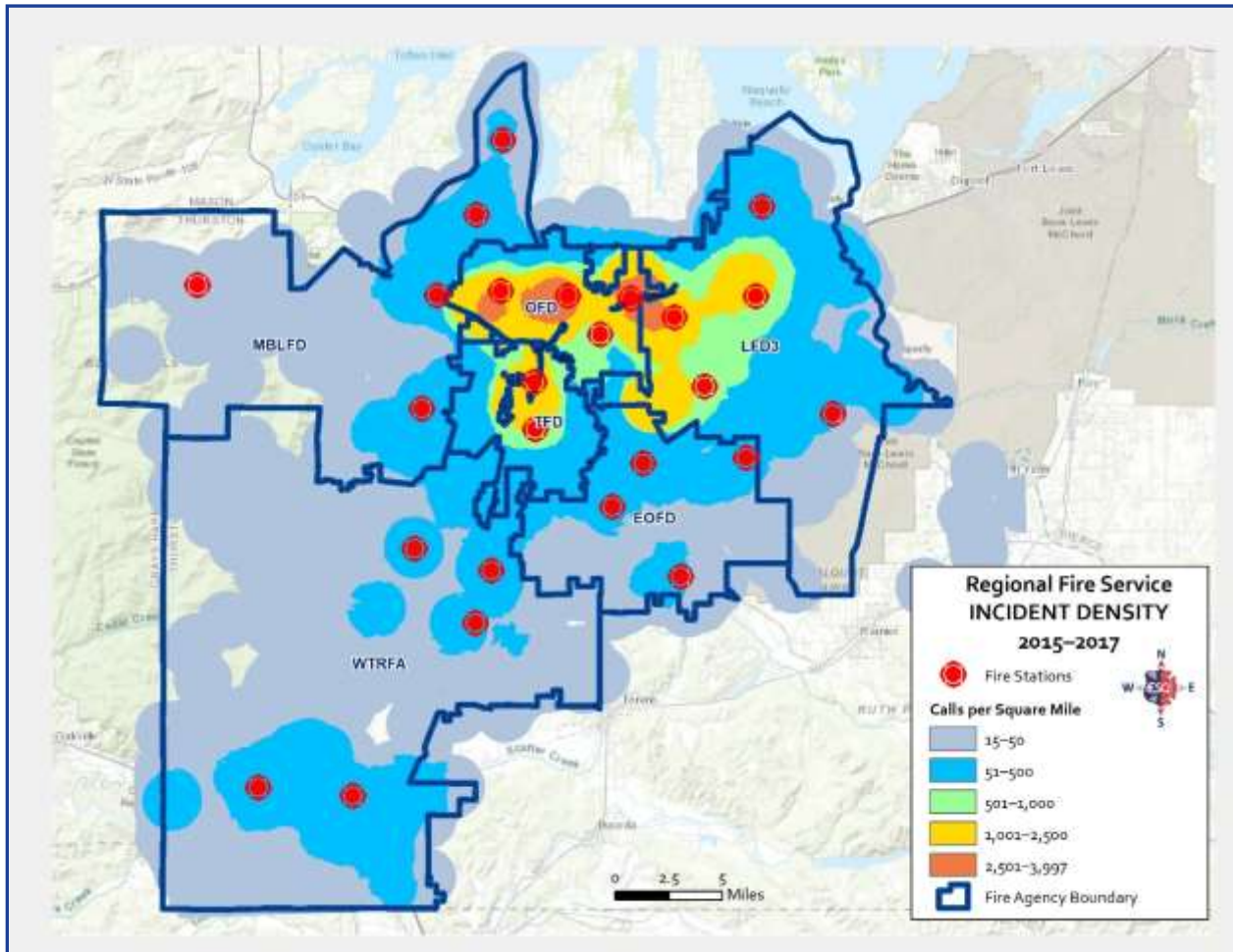
Of note is that while demand is lower in the early morning hours, residential fatal fires occur most frequently late at night or in the early morning. From 2009 to 2011, residential fatal fires were highest between 1:00 am to 2:00 am and 4:00 am to 5:00 am. The 8-hour peak period (11 pm to 7 am) accounted for 48 percent of residential fatal fires.<sup>13</sup>

<sup>13</sup> Fatal Fires in Residential Buildings (2009–2011), Topical Fire report Series Volume 14, Issue 3/May 2013, U.S. Department of Homeland Security, U.S. Fire Administration, National Fire Data Center.

### Geographic Distribution

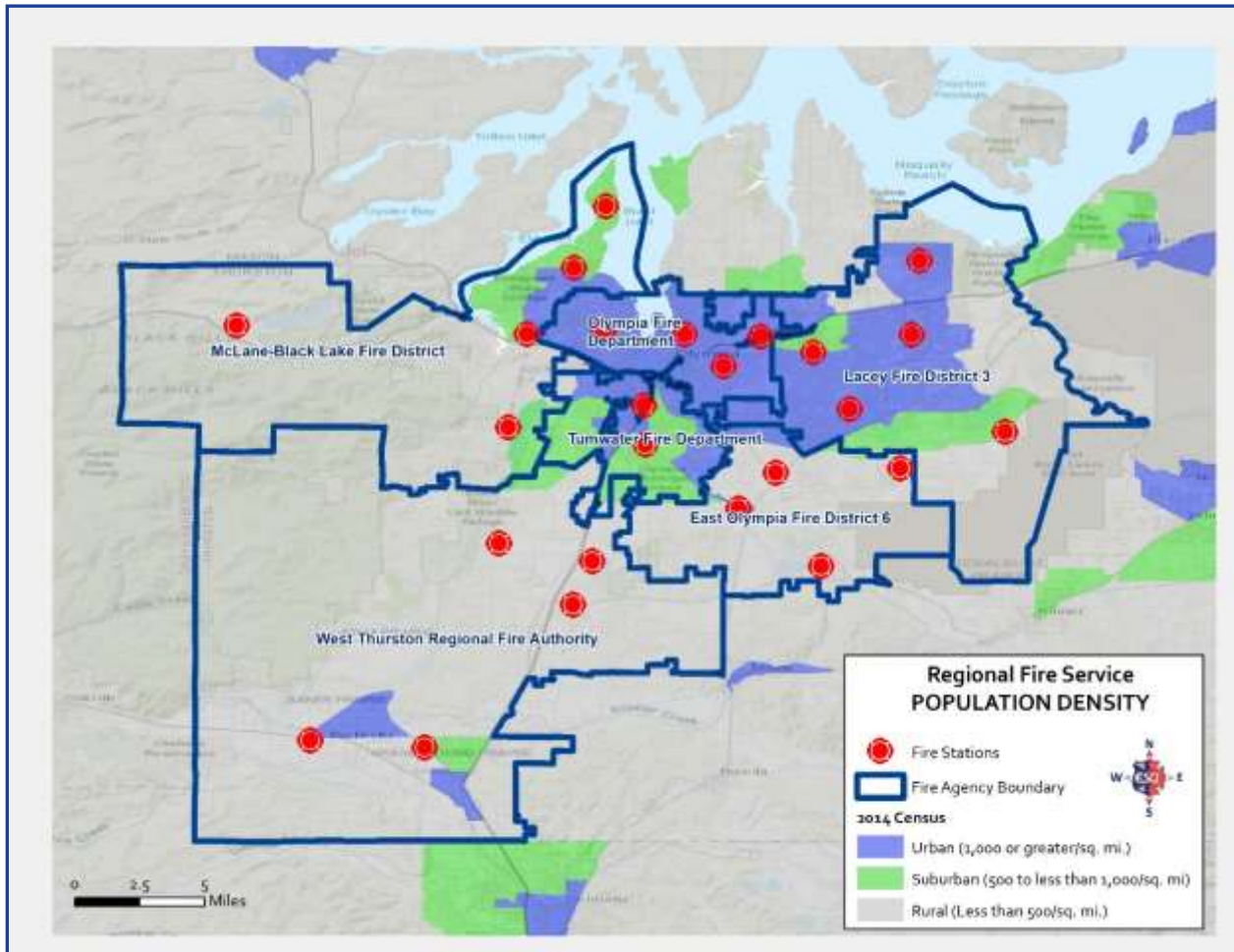
In addition to the temporal analysis of service demand, it is useful to examine the geographic distribution of service demand. Utilizing the CAD data, ESCI calculated the mathematical density of incidents from 2015 through 2017 throughout the study area. The next figure shows the result of this calculation.

**Figure 60: Incident Density CAD, 2015–2017**



In this analysis, the relative proximity of incident locations is compared using GIS software and a relative scale of incident rate per square mile calculated. Also referred to as a Hot Spot analysis, this figure displays where the highest density of incidents occurred relative to each other and provides areas of frequent activity. Service demand is spread throughout the study area. As expected, the high incident density areas tend to be in the areas of higher population.

**Figure 61: Census Estimate Population Density, 2014**



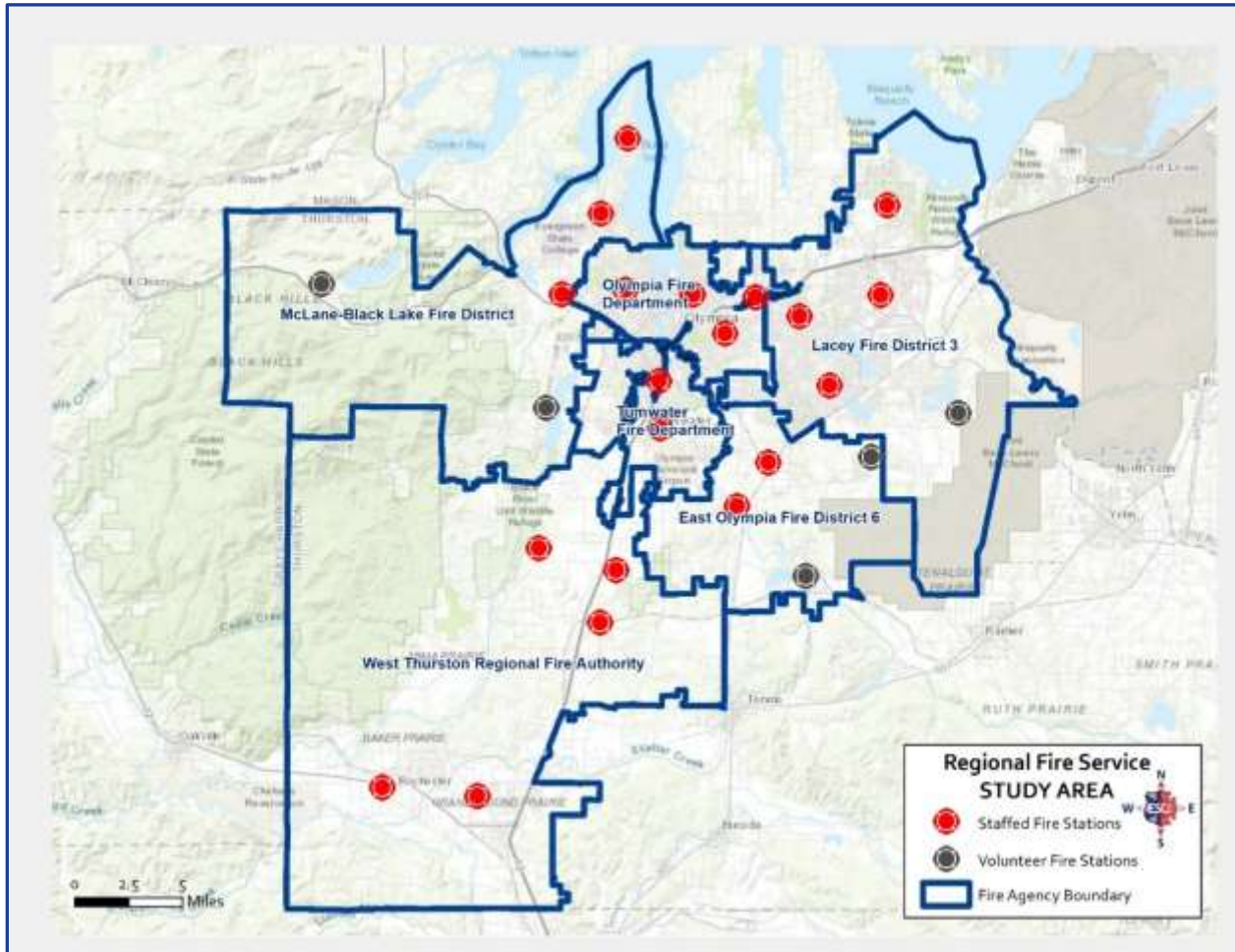
The previous figure displays the population density from the 2014 census estimation showing people per square mile. The highest population density is in the northeastern end of the study area. This is in the area of the Olympia Fire Department, Tumwater Fire Department, and Lacey Fire District 3; although there are very small pockets in WTRFA, EOFD, and MBLFD that have urban densities. Note that the areas with the highest population density correspond with the areas of highest incident density displayed in the demand analysis.



### Resource Distribution

In the distribution analysis, ESCI presents an overview of the current distribution of fire agency resources in the study area. The following figure displays the study area and the participating fire jurisdictions.

**Figure 62: Regional Fire Service Study Area**



The study area encompasses a total of approximately 384 square miles of Thurston County. The next figure illustrates a summary of resource distribution across the area.



**Figure 63: Resource Distribution in the Study Area**

Fire Department/District	Area in Sq. Mi.	No. of Stations
Tumwater Fire Department	18	2
Olympia Fire Department	20	4
Lacey Fire District	70	5
East Olympia District	30	4
West Thurston Regional Fire Authority	158	5
McLane/Black Lake District	84	5
<b>Total:</b>	<b>384</b>	<b>25</b>

### Washington Surveying and Rating Bureau Criteria

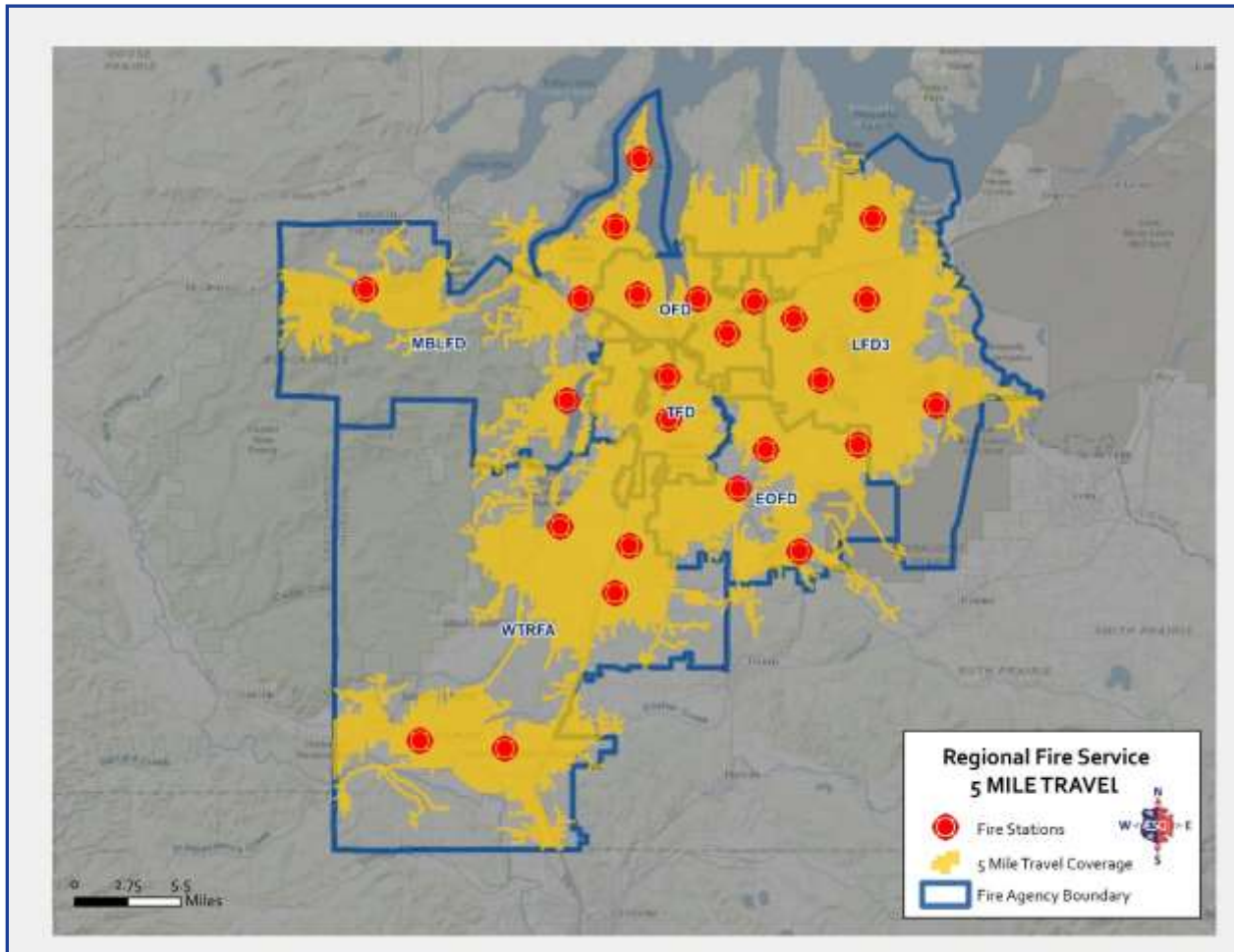
The Washington Surveying and Rating Bureau (WSRB) is a national insurance industry organization that evaluates fire protection for communities across the country. A jurisdiction's WSRB rating is an important factor when considering fire station and apparatus distribution as it can affect the cost of fire insurance for individuals and businesses. The rating is awarded by the WSRB based on a point scale after analysis of the various components contained in the Public Protection Classification (PPC). An agency receiving a PPC rating of one is considered to have exemplary fire protection capabilities, the highest score possible. A score of ten is considered to have insufficient capabilities to receive insurance credit. The following figure reflects the PPC ratings for each of the participating agencies.

**Figure 64: Washington Surveying & Rating Bureau Public Protection Classifications by Agency**

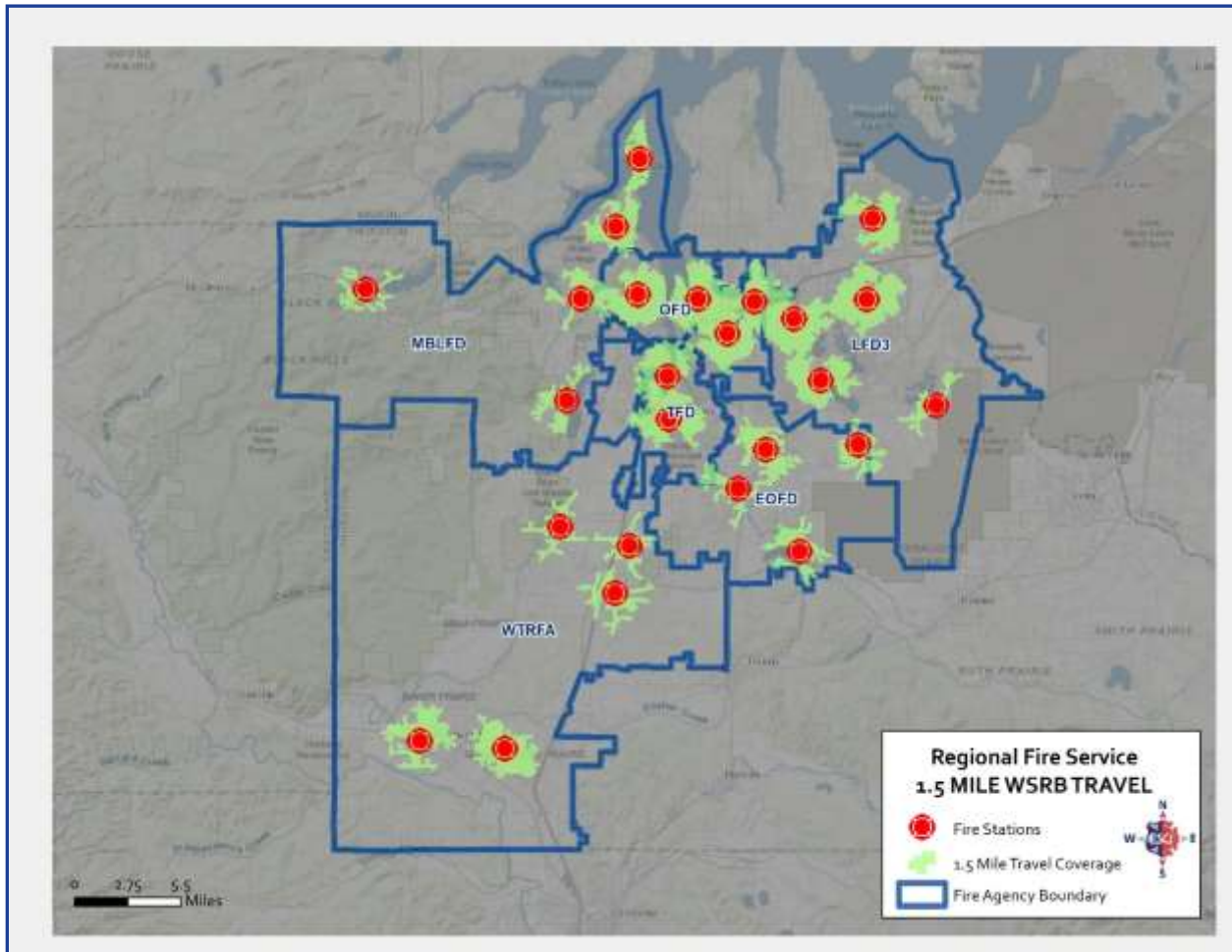
Fire Department/District	PPC Rating	Year Rated
Tumwater Fire Department	4	Rerate in process
Olympia Fire Department	2	2016
Lacey Fire District	3/5	Rerate in process
East Olympia District	5/9	2017
West Thurston Regional Fire Authority	4	2018
McLane/Black Lake District	4	2018

To receive maximum credit for station and apparatus distribution, WSRB recommends that all "built upon" areas in a community, be within 1.5 road miles of an engine company. Additionally, a structure should be within five miles of a fire station and have an adequate water supply to receive any fire protection rating for insurance purposes. In the following figures, ESCI examined fire facility distribution by distance over the existing road network.

**Figure 65: Study Area Station Distribution, 5 Mile Travel Service Area**



Depicted in the previous figure is the WSRB five-mile travel requirement to receive a fire protection rating. Overall most of the populated portions of the study area are within the five-mile requirement. The areas outside the five-mile travel areas are generally areas that have a population density of less than 500 people per square mile.

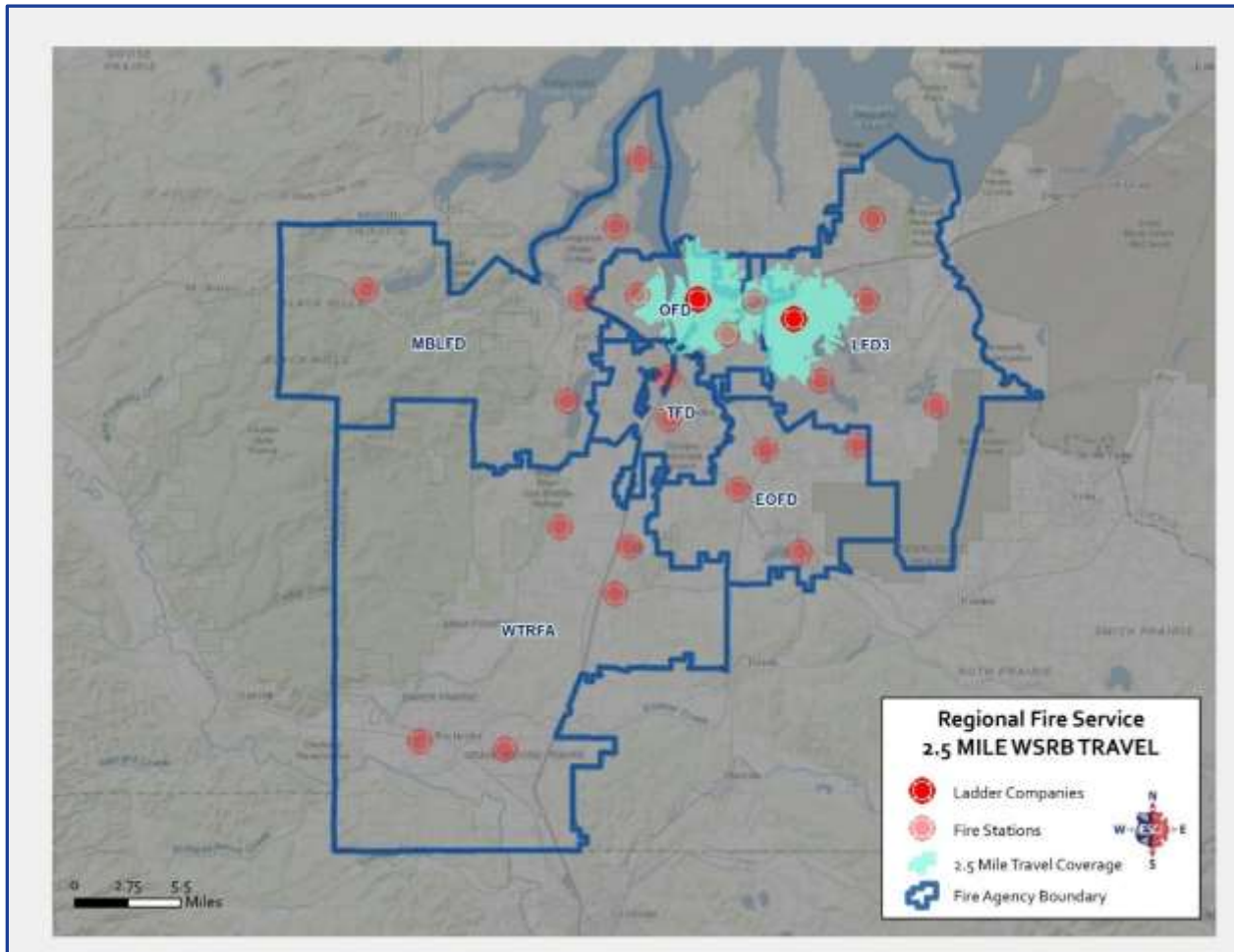
**Figure 66: Study Area Station Distribution, 1.5 Mile WSRB Criterion Engine Company**

The current fire station locations within the study area meet the WSRB requirements of 1.5 miles in the built-up and higher population density areas. The rural areas are outside the 1.5-mile travel distance.

Like the 1.5-mile engine company criteria, WSRB recommends that truck companies (aerial apparatus) be placed at 2.5-mile intervals in areas with at least five buildings over three stories in height.

The fire departments in the study area deploy ladder companies from two locations—Lacey District 3 Headquarters and Olympia Station 1. The next figure demonstrates the 2.5-mile service area for the aerial apparatus.

**Figure 67: Study Area Station Distribution, 2.5 Mile WSRB Criterion Ladder Company**



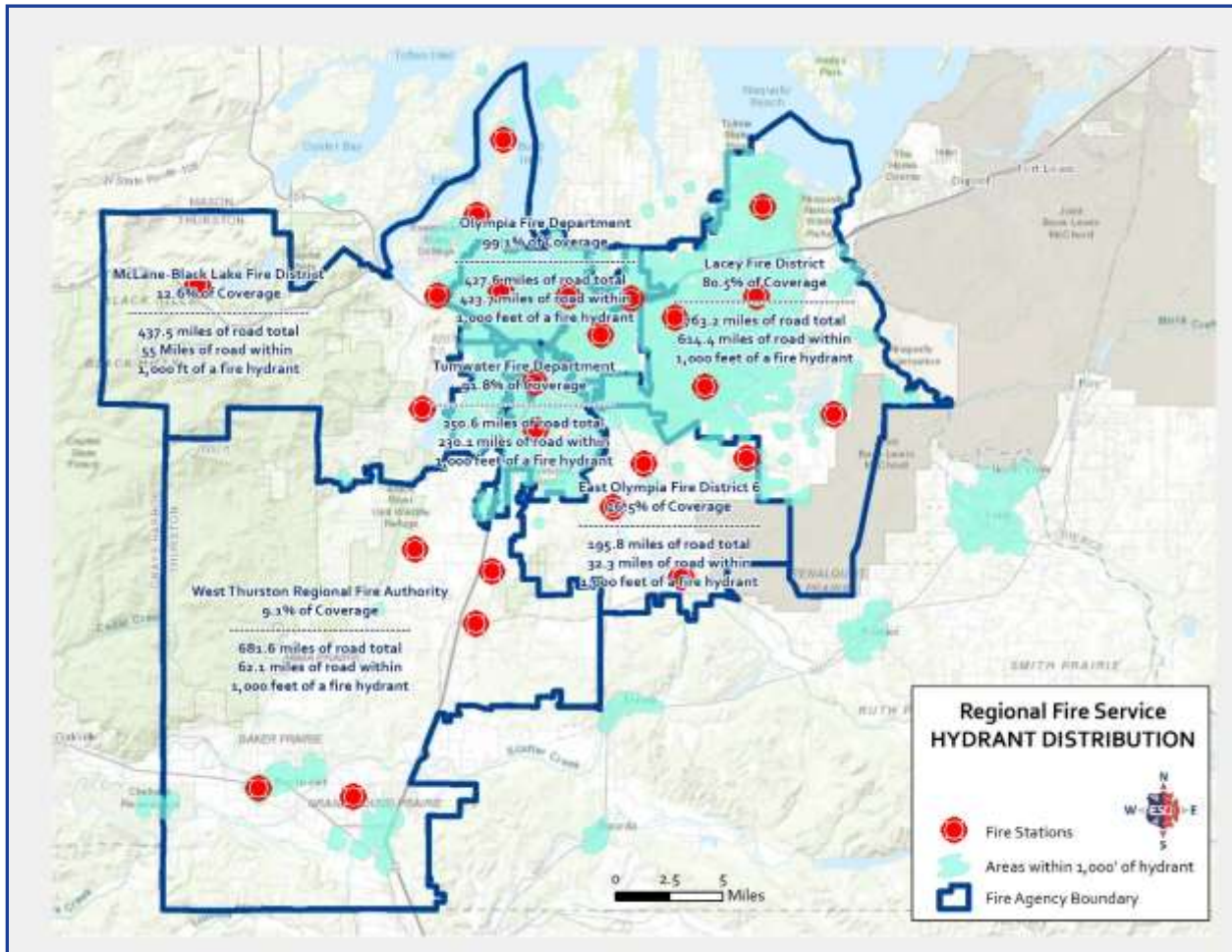
The aerial apparatus—as deployed—provides coverage in the urban areas. Departments within the study area should evaluate the location of buildings over three stories in relationship to the 2.5-mile travel distance

The ability of a fire department to arrive on scene of a fire within a given time or distance, represents only part of the WSRB classification. Other elements include the ability to assemble personnel, resources, and water sufficient to extinguish the fire.

The next figure illustrates the areas that are 1,000 feet from a fire hydrant.



**Figure 68: WSRB Hydrant Distribution**



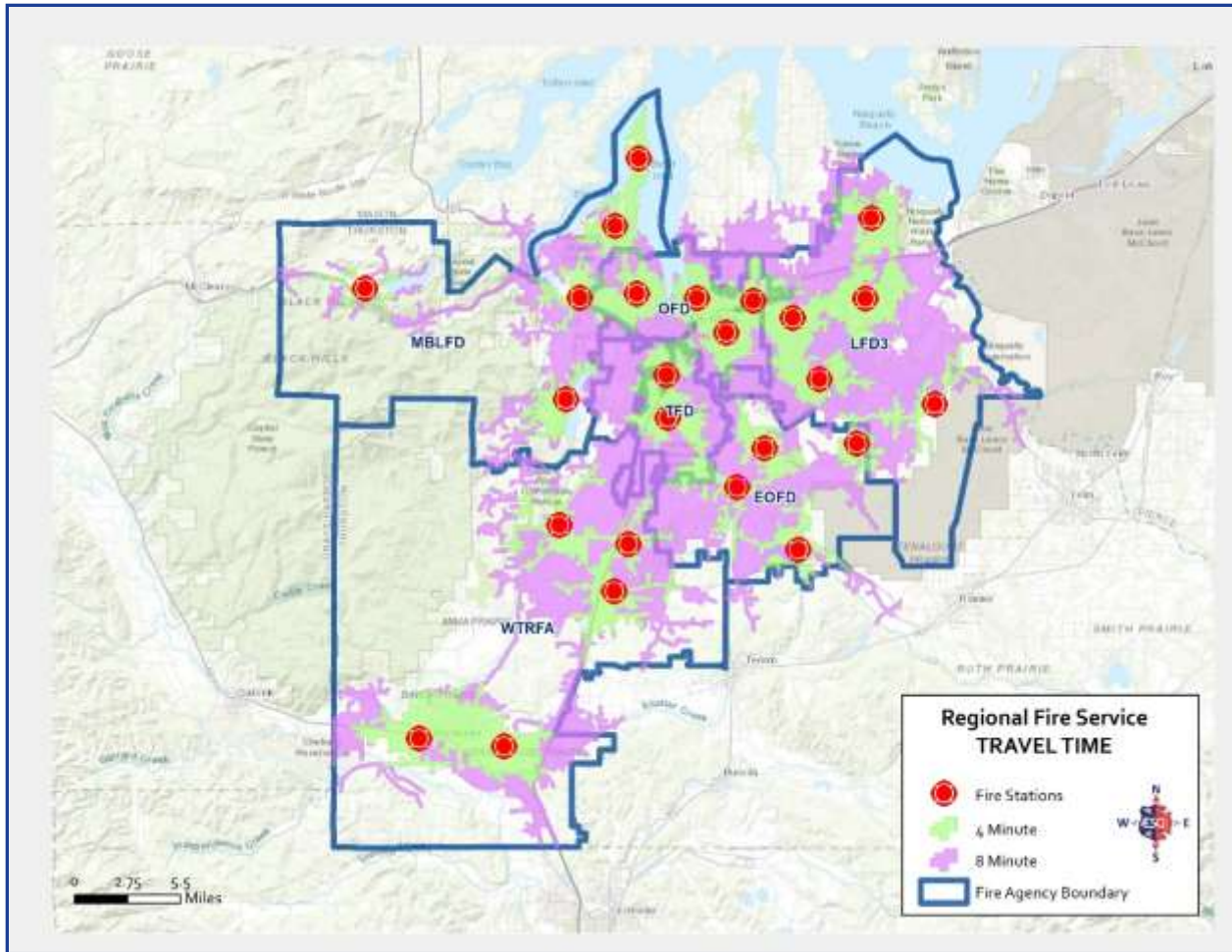
Those structures outside of the 1,000-foot radius are subject to receive an WSRB Class 10 rating, signifying that no fire protection capabilities exist, unless the fire department can demonstrate a suitable tender shuttle operation and transport a sufficient volume of water to a fire for suppression activities within a specified period. All of the participating agencies needing to rely on tender shuttle operations for inadequate hydrant distribution have received tender shuttle credit from WSRB.

Again, the urbanized areas are within the required distance for water supply. Departments also operate tenders for those areas where water supply is a challenge.

In closing, it bears mentioning that the addition of fire stations or changes to type of apparatus deployed can have negative impacts to the overall WSRB rating if personnel are insufficient to staff those locations based on WSRB minimum criteria. Prior to implementing new deployment strategies, the WSRB regional representative should be consulted to assess the potential impacts of changes to the deployment strategy. While WSRB criteria is focused on fire suppression activities exclusively, NFPA standards establish benchmarks for all areas of responsibility for a fire department.

Utilizing current GIS data, the figures on the following pages demonstrate potential travel times from the fire stations in the study area over the existing road network. Illustrated travel time is calculated using the posted speed limit and adjusted for negotiating one-way streets, turn delays, and intersection elevations. The following analysis demonstrates the predicted four and eight-minute travel time, which is a standard within NFPA 1710, specifically applicable to OFD, TFD, and LFD3.

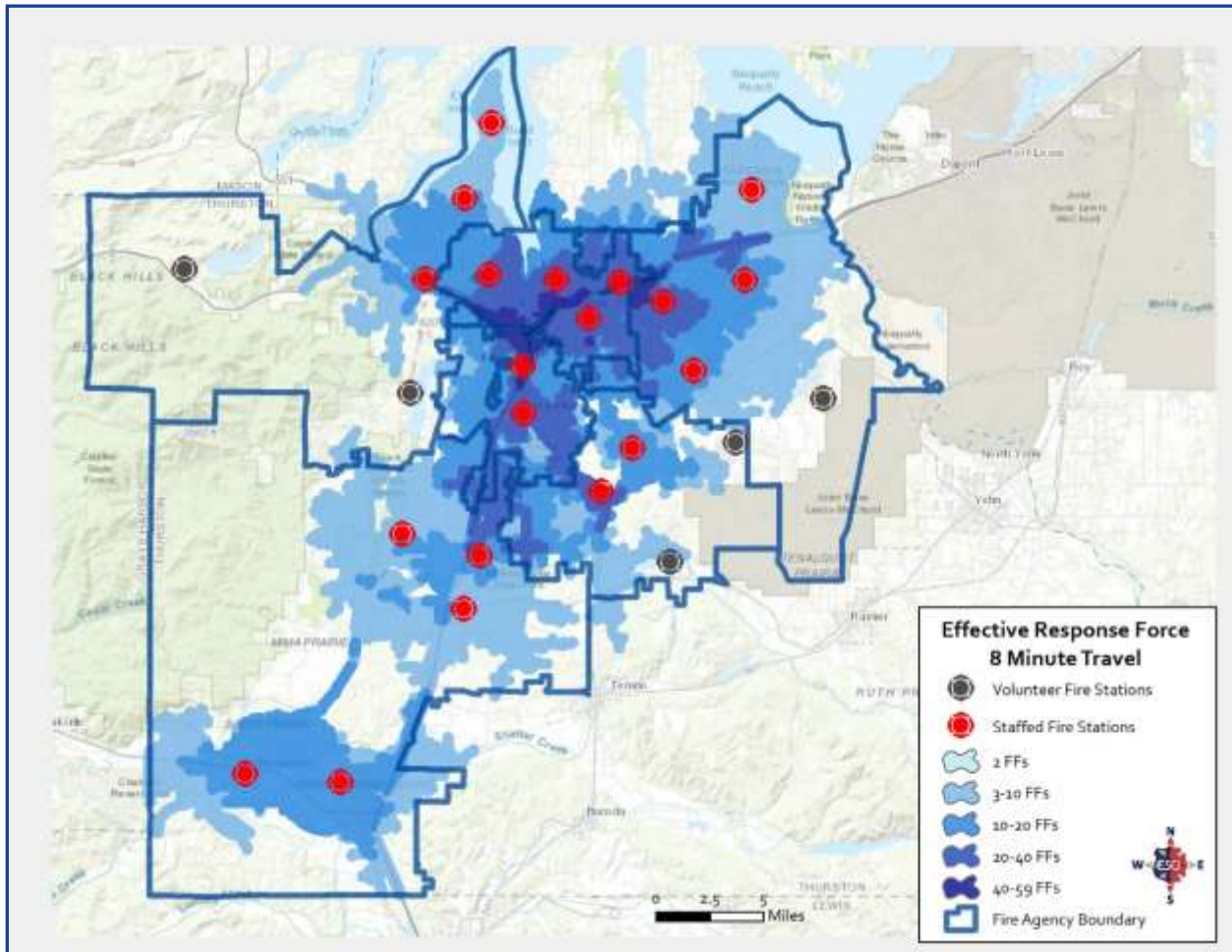
**Figure 69: 4- and 8-Minute Travel Time**



The geography and nature of the road network presents challenges to the fire jurisdictions within the study area. However, it is apparent in the figure above that the majority of the study area is within eight minutes of a fire station, with travel times over eight minutes in areas of low population density.

**Resource Concentration**

The ability for fire departments to assemble resources from multiple areas to initiate safe and effective fire suppression and rescue operations is critical to the overall success of the department. The following figure presents a resource concentration analysis using NFPA 1710 standards for the assembly of an Effective Response Force (ERF) for the study area. In the figure, fire resources within eight minutes of travel from their respective stations to the incident are displayed. Again, this is specifically applicable to OFD, TFD, and LFD3.

**Figure 70: Assembly of an Effective Response Force; 8-minute Travel**

The fire service assesses the relative risk of properties and occurrences based on several factors. Properties with high fire risk often require greater numbers of personnel and apparatus to effectively mitigate the fire emergency; properties with lower risk may require fewer people, apparatus, and equipment. Staffing and deployment decisions should be made with consideration of the level of risk involved. The Commission for Public Safety Excellence (CPSE) uses the following levels of risk categories:

- **Low Risk:** Areas and properties used for agricultural purposes, open space, low-density residential and other low intensity uses.
- **Moderate Risk:** Areas and properties used for medium density single family residences, small commercial and office uses, low intensity retail sales and equivalently-sized business activities.
- **High or maximum Risk:** Higher density businesses and structures, mixed-use areas, high density residential, industrial, warehousing, and large mercantile structures.

The following figure shows one example of critical task resource requirements and recommended number of personnel for fires, irrespective of volunteer or paid status. This is for illustration purposes only and does not necessarily reflect the critical tasks or number of personnel recommended for structure fires.



**Figure 71: Example of Critical Task Staffing Analysis Based on Risk<sup>14</sup>**

Firefighter Personnel Needed Based on Level of Risk				
	Structure Maximum Risk	Structure High Risk	Structure Moderate Risk	Non-Structure Low Risk
Attack Line	4	4	2	2
Back-up Line		2	2	(2)
Support for Hose Lines/Water Supply		3	2#	
Ventilation	4	2	2	
Search and Rescue	4	2	2	
Forcible Entry/Support		2	2	
Standby/Rapid Intervention Team	4	2	2	
Driver/Pump Operator	1	1	1	1
2nd Apparatus/Ladder Operator		1		
Command	2	1	1	1#
Communications/Safety	1	1	1	
Accountability		1		
Salvage				
Rehabilitation	2			
Building Fire Pump Monitor	(1)			
Attack Line – Floor Above the Fire	2			
Evacuation Management Teams	4			
Elevator Operations Manager	1			
Lobby Operations	1			
Transport Equipment to Staging	2			
EMS Crews	4			
Division/Group Supervisors	4			
<b>Total</b>	<b>40–41</b>	<b>28</b>	<b>16–17</b>	<b>3–6</b>

( ) indicates tasks may not be required at all incidents. # indicates task may be completed concurrently with others.

This methodology may be used to determine the number and type of resources required for any incident type. Four scenarios of commonly encountered emergencies are a non-structural fire, hazardous materials incident, a traffic collision with trapped victim, and a medical emergency. These critical tasks specifically relate to NFPA 1710 applicable agencies (OFD, TFD, and LFD<sub>3</sub>). While NFPA 1720 is silent on these types of risks, it is an industry best practice to identify critical tasks by risk type.

The next figures illustrate an example for each.

<sup>14</sup> Adapted from "Community Risk Assessment and Standards of Cover," 6th edition; Center for Public Safety Excellence.

**Figure 72: Sample Non-Structure Fire Critical Tasking**

Task	Personnel
Command	1
Pump Operator	1
Primary Attack Line	2
<b>Total</b>	<b>4</b>

**Figure 73: Sample EMS Incident Critical Tasking**

Task	Personnel
Command	1
Patient Care	2
<b>Total</b>	<b>3</b>

**Figure 74: Sample Motor Vehicle Collision with Entrapment Critical Tasking**

Task	Personnel
Command	1
Pump Operator	1
Primary Attack Line	2
Extrication	3
Patient Care	2
<b>Total</b>	<b>9</b>

**Figure 75: Sample Hazardous Materials Incident Critical Tasking**

Task	Personnel
Command	1
Pump Operator	1
Primary Attack Line	2
Back-Up Line	2
Support Personnel	7
<b>Total</b>	<b>13</b>

The previous figures are provided as an example for these types of incidents, although ESCI recommends the departments conduct their own field validation exercises with their crews, including automatic aid resources, to verify the critical tasking analysis provided. After field validation is complete, the departments may find that the critical tasking can be adjusted appropriately upward or downward for each incident type. However, critical tasks are specifically identified for 2,000 square foot single family homes, garden-style apartments, strip malls, and high rises within NFPA 1710.

The previously mentioned minimum staffing criteria can be used as a planning tool in setting specific service level objectives for each of the incident types.

In summary, critical tasks are those activities that must be conducted in a timely manner by firefighters at emergency incidents to control the situation, stop loss, and to perform necessary tasks required for a medical emergency. The six departments in the study area are responsible for assuring that responding companies can perform all the described tasks in a prompt, efficient, and safe manner.

## Resource Reliability

The workload of emergency response units can be a factor in response time performance. Concurrent incidents and the amount of time individual units are committed to an incident can affect a jurisdiction's ability to muster enough resources to respond to additional emergencies.

In the following figure, ESCI examined 2015 through 2017 incidents for each agency and the overall study area to find the frequency that the jurisdictions are handling multiple calls. This is important because, the more calls occurring at one time, the more stretched available resources become leading to extended response times from more distant responding available apparatus.

**Figure 76: Study Area Concurrent Incidents CAD, 2015–2017**

District	Single Incident	2 Incidents	3 Incidents	4 Incidents	5 Incidents	6 or More Incidents
TFD	75%	22%	3%	< 1%	< 1%	-
OFD	49%	34%	13%	3%	1%	< 1%
LFD3	41%	35%	16%	5%	1%	< 1%
EOFD	90%	9%	< 1%	< 1%	< 1%	-
WTRFA	72%	23%	4%	1%	< 1%	-
MBLFD	86%	12%	1%	< 1%	< 1%	-
<b>Overall</b>	<b>11%</b>	<b>21%</b>	<b>23%</b>	<b>19%</b>	<b>12%</b>	<b>13%</b>

In the study area overall, three concurrent incidents occurred 23 percent of the time—the most frequent. Single incidents occurred 70 or more percent of the time in EOFD, MBLFD, WTRFA, and TFD. Concurrent incidents were most likely to occur in OFD (51% of the time) and LFD3 (59% if the time). When considering the study area overall—three or less incidents are occurring concurrently 56 percent of the time. On May 4, 2017, a storm effected the study area causing a high number of concurrent calls—many for storm related issues. This influenced the percentage of six or more incidents.

Unit hour utilization (UHU) describes the amount of time that a unit is not available for response because it is already committed to another incident. The larger the number, the greater its utilization and the less available it is for assignment to subsequent calls for service. UHU rates are expressed as a percentage of the total hours in a year. The following figures display the amount of time response units were committed to an incident in 2015 through 2017 according to the CAD records provided. While all units were analyzed, only those with a UHU of greater than one percent are included in the following figure.

Figure 77: UHU Rates by Department CAD, 2015–2017

Department	Unit	Total Incidents	Total Time	Average Time	UHU
WTRFA	A11	2,927	2635:27:32	0:54:01	10.03%
	A12	2,467	2539:28:06	1:01:46	9.66%
	A13	2,513	2497:37:15	0:59:38	9.50%
	A16	689	678:03:13	0:59:03	2.58%
	B12	189	302:34:48	1:36:03	1.15%
	BN16	1,959	1789:12:26	0:54:48	6.81%
	CH11	291	460:25:15	1:34:56	1.75%
	E11	1,710	1520:02:13	0:53:20	5.78%
	E12	1,177	1142:17:56	0:58:14	4.35%
	E13	1,053	1028:49:59	0:58:37	3.91%
	E16	523	575:52:01	1:06:04	2.19%
	SU18	104	316:07:37	3:02:23	1.20%
	T11	305	469:14:06	1:32:19	1.79%
	T12	326	650:24:35	1:59:42	2.47%
Averages of WTRFA Units:				<b>1:19:21</b>	<b>4.51%</b>
LFD <sub>3</sub>	A33 <sup>1</sup>	989	746:44:45	0:45:18	17.95%
	BN31	3,130	2438:38:09	0:46:45	9.28%
	E31	11,460	6979:36:57	0:36:33	26.56%
	E33	10,157	7278:50:42	0:43:00	27.70%
	E34	9,561	6539:26:26	0:41:02	24.88%
	E35	3,465	2653:07:14	0:45:56	10.10%
	M3	5,987	5262:14:28	0:52:44	20.02%
	M6	4,704	4295:27:20	0:54:47	16.34%
	TK31	6,055	4847:53:52	0:48:02	18.45%
Averages of LFD <sub>3</sub> Units:				<b>0:46:01</b>	<b>19.03%</b>
EOFD	A61	1,120	1091:26:50	0:58:28	4.15%
	A64	1,362	1194:02:04	0:52:36	4.54%
	E61	1,396	1268:25:43	0:54:31	4.83%
	E64	1,977	1765:03:34	0:53:34	6.72%
	ISU6	76	366:21:38	4:49:14	1.39%
	T61	186	325:51:38	1:45:07	1.24%
	T64	242	489:53:15	2:01:28	1.86%
Averages of EOFD Units:				<b>1:45:00</b>	<b>3.53%</b>

Department	Unit	Total Incidents	Total Time	Average Time	UHU
MBLFD	A91	2,620	2073:25:18	0:47:29	7.89%
	A93	418	369:07:27	0:52:59	1.40%
	B91	105	261:35:38	2:29:29	1.00%
	CH91	112	277:00:03	2:28:24	1.05%
	E91	3,898	2955:17:51	0:45:29	11.25%
	E95	1,947	1628:33:02	0:50:11	6.20%
	T91	291	567:24:00	1:56:59	2.16%
	T95	206	467:16:51	2:16:06	1.78%
	WTB	416	675:41:41	1:37:27	2.57%
Averages of MBLFD Units:				<b>1:33:50</b>	<b>3.92%</b>
OFD	AO1	1,081	578:21:09	0:32:06	2.20%
	BNO1	3,811	2122:50:42	0:33:25	8.08%
	EO1	9,773	5291:54:31	0:32:29	20.14%
	EO2	10,606	6135:39:32	0:34:43	23.35%
	EO3	5,277	3372:53:26	0:38:21	12.83%
	EO4	7,903	4697:26:09	0:35:40	17.87%
	M10	6,084	4621:39:11	0:45:35	17.59%
	M4	6,295	4945:54:51	0:47:08	18.82%
	TKO1	4,701	3066:11:41	0:39:08	11.67%
Averages of OFD Units:				<b>0:37:37</b>	<b>14.73%</b>
TFD	BNT1	2,802	1521:44:39	0:32:35	5.79%
	ET1	8,762	5257:37:59	0:36:00	20.0%
	ET13	467	328:18:12	0:42:11	1.25%
	ET2	3,779	2430:09:19	0:38:35	9.25%
	M14	1,741	2048:26:57	1:10:36	7.79%
	M5	4,306	4066:02:45	0:56:39	15.47%
	PGRT2	597	366:50:23	0:36:52	1.40%
Averages of TFD Units:				<b>0:44:47</b>	<b>8.71%</b>
<b>Averages of all Units Combined:</b>				<b>1:08:18</b>	<b>8.87%</b>

<sup>1</sup> A33-Peaktime Unit operating 40 hours per week in 2017–2018

The UHU varies among the departments and the units in each department. The lowest average is found in the EOFD—3.53 percent—while the highest average is in the OFD at 14.73 percent. Overall for the entire study area the average UHU is 8.36 percent.

Further, ESCI has found that fire-based EMS transport services typically try to keep UHU for their units at or below 30 percent. UHU rates higher than 30 percent tend to cause system failure in other areas, such as response time performance and fire effective response force (ERF) delivery degradation. When UHUs approach and exceed 30 percent, that implies that units are not available at least 70 percent of the time in their first due areas.

In May 2016, Henrico County (VA) Division of Fire published an article after they studied their department’s EMS workload.<sup>15</sup> The commitment factors discussed were calculated as ESCI has calculated UHU for the study agencies.

As a result of the study, they developed a general commitment factor scale for their department. The next figure is a summary of those findings as they relate to commitment factors.

**Figure 78: Commitment Factors as Developed by Henrico County (VA) Division, 2016**

Factor	Indication	Description
0.16–0.24	Ideal Commitment Range	Personnel can maintain training requirements and physical fitness and can consistently achieve response time benchmarks. Units are available to the community more than 75 percent of the day.
0.25	System Stress	Community availability and unit sustainability are not questioned. First-due units are responding to their assigned community 75 percent of the time, and response benchmarks are rarely missed.
0.26–0.29	Evaluation Range	The community served will experience delayed incident responses. Just under 30 percent of the day, first-due ambulances are unavailable; thus, neighboring responders will likely exceed goals.
0.30	“Line in the Sand”	Not Sustainable: Commitment Threshold—community has less than a 70 percent chance of timely emergency service and immediate relief is vital. Personnel assigned to units at or exceeding 0.3 may show signs of fatigue and burnout and may be at increased risk of errors. Required training and physical fitness sessions are not consistently completed.

Units in the study area departments that are at or approaching 25 percent utilization should be monitored and evaluated for consequences of the workload and the potential need for additional resources. These include LFD3 E31 and 33 (currently exceed 25%), while LFD3 E34 and OFD EO2 are close to that threshold.

The next figure examines the frequency of multiple unit utilization for incidents occurring in 2015 through 2017. Only included are units that had an on-scene timestamp.

<sup>15</sup> How Busy Is Busy?; Retrieved from <https://www.fireengineering.com/articles/print/volume-169/issue-5/departments/fireems/how-busy-is-busy.html>

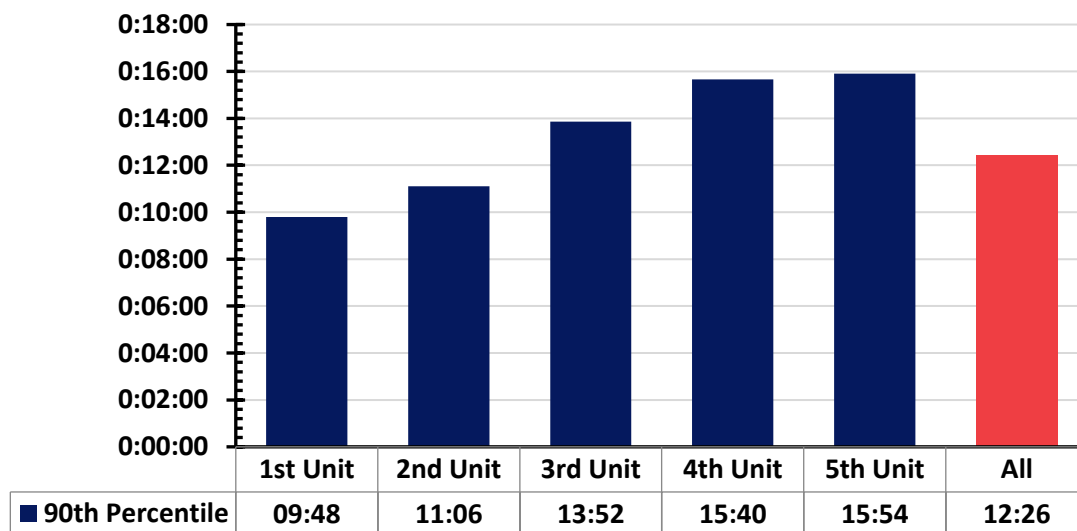
**Figure 79: Percentage of Incidents by Number of Units Utilized CAD, 2015–2017**

Number of Units	WTRFA	LFD <sub>3</sub>	EOFD	MBLFD	OFD	TFD	Overall
1	48.4%	60.3%	23.3%	41.0%	62.1%	61.0%	<b>57.4%</b>
2	22.0%	25.9%	43.5%	32.3%	26.4%	27.7%	<b>26.8%</b>
3	13.1%	7.4%	20.0%	16.2%	6.6%	6.7%	<b>8.6%</b>
4	7.4%	2.8%	7.2%	6.3%	2.2%	2.2%	<b>3.3%</b>
5	3.1%	1.2%	3.0%	2.1%	0.8%	0.8%	<b>1.3%</b>
6 or more	5.9%	2.3%	3.0%	2.2%	2.0%	1.7%	<b>2.5%</b>

Based on the data provided—over the entire study area—over ninety percent of the incidents were handled with three or less units. Across the departments, the need for multiple units was varied. Over 60 percent of the time incidents in the LFD<sub>3</sub>, OFD, and TFD area were handled by one unit. While incidents in WTRFA, EOFD, and MBLFD used one unit under 50 percent of the time.

Finally, response performance for order of arrival for the first five units arriving to structure fires was analyzed for incidents occurring in 2015 through 2017. For this analysis, only residential and commercial structure fires as listed in the CAD data and only using Engines, Trucks, Medic and Aid units; command officers were not included. To be measured, the unit had to have an on-scene timestamp in CAD. Response time, a combination of turnout time and travel time, was used as the measurement. The analysis was performed on all calls within the study area regardless of jurisdiction or the agency responding. This is an NFPA 1710 element. While NFPA 1720 has an arrival time element for structure fires, the criteria is different, and will be discussed separately later in this section.

**Figure 80: Response Performance at 90th Percentile for Structure Fires by Order on Scene CAD, 2015–2017**



The performance illustrated in this figure was calculated at the 90<sup>th</sup> percentile as recommended in NFPA 1710. In this case, the first unit arrived in just under 10 minutes. Followed by units at 11:06, 13:52, 15:40, and 15:54. The overall performance for structural fires in the study area was 12 minutes, 26 seconds.



## Performance Summary

In the performance summary, ESCI examined emergency incident response time performance for the study area and for the individual departments. The data for this analysis is the 2015 through 2017 CAD data provided by TCOMM. Mutual aid incidents outside the study area, data outliers, and invalid data were removed from the data set whenever possible. Response performance is measured from when fire apparatus are dispatched to when the first fire department unit arrives on scene.

### NFPA 1710 Criteria

In this section of the analysis, a four- and eight-minute travel time will be applied to each fire station. A four-minute standard (NFPA 1710 – 4.1.2.1(3), 4.1.2.4, 4.1.2.1(6)) was used for travel times for arrival of the 1<sup>st</sup> Engine Company of 1<sup>st</sup> responder unit. The eight-minute standard (NFPA 1710 – 4.1.2.1(4), 4.1.2.4, 5.2.4.1, 5.2.4.2, 5.2.4.3, 5.2.4.4, and 4.1.2.1(7)) was used for travel times for arrival of an ALS unit supporting a fire-based BLS unit, and the travel times for deployment of an initial full alarm for a residential fire, an open-air strip mall, a garden-style apartment building, and a high-rise building fire. Use of NFPA 1710 helps determine the service delivery potential should all agencies apply themselves to NFPA 1710 as a result of integration. Agencies currently applying themselves to NFPA 1720 will also be discussed in that context within this section of the report.

Percentile measurements are an industry best practice and has been incorporated into NFPA 1710 and 1720. It is a higher standard of performance since it shows that the vast majority of the data set has achieved a particular level of performance. The 90<sup>th</sup> percentile means that 10 percent of the values are greater than the value stated, and all other data is at or below this level. This can be compared to the desired performance objective to determine the degree of success in achieving the goal. Tracking the individual components of total response time helps identify discrete deficiencies and areas for improvement.

As this report progresses through the performance analysis, it is important to keep in mind that each component of response performance is not cumulative. Each is analyzed as an individual component and the fractile is data point unto itself.

The response time continuum, the time between when the caller dials 911 and when assistance arrives, is comprised of several components:

- *Call Processing Time*—The amount of time between when a dispatcher answers the 911 call and resources are dispatched.
- *Turnout Time*—The amount of time between when units are notified of the incident and when they are responding.
- *Travel Time*—The amount of time the responding unit spends on the road to the incident.
- *Response Time*—A combination of turnout time and travel time and the most commonly used measure of fire department response performance.
- *Total Response Time*—The time from when the 911 call is answered until the dispatched unit arrives on the scene and initiates mitigating action.

Total response time is the amount of time a resident or business waits for resources to arrive at the scene of an emergency and begins mitigating action once their 911 call is answered. The NFPA standard for call processing is derived from NFPA 1221: *Standard for the Installation, Maintenance, and Use of Emergency Services Communications Systems (referenced by NFPA 1710)*, and provides for communication centers to have alarm time processing of not more than 60 seconds, 90 percent of the time for high acuity incidents

Similarly, NFPA 1710 requires the alarm handling (call processing) time to be 60 seconds or less 90 percent of the time.

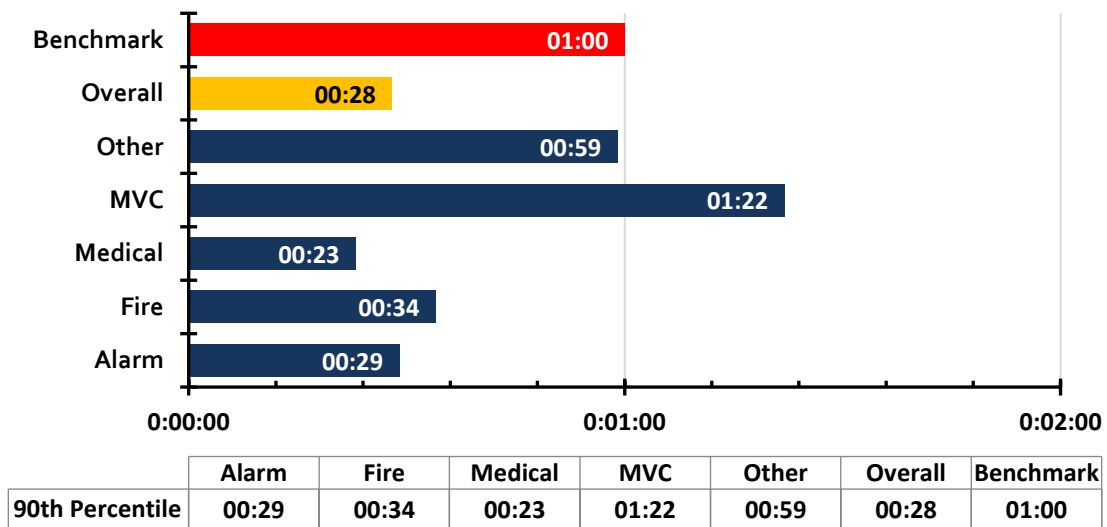
**Figure 81: NFPA 1710 Standards for Fire/EMS Responses**

Response Interval	NFPA Standard
Alarm Processing (NFPA 1221)	60 seconds or less at 90% for High Acuity Calls
Turnout Time	60 seconds or less at 90% for EMS 80 Seconds or less at 90% for Fire and Special Operations
Travel Time	240 seconds for the first arriving unit

**Call Processing**

As described previously—in the study area—emergency call taking, and dispatch is handled by TCOMM. Therefore, the fire departments have little control (but some influence) over the performance of the alarm handling time. The analysis is provided here primarily to allow for a comparison between the current performance and best practices. As all of the departments use TCOMM, the analysis below includes overall performance regardless of department. The benchmark reflects NFPA 1710 standards. NFPA 1720 is silent on alarm processing time.

**Figure 82: Study Area Alarm Handling Performance CAD, 2015–2017**



As seen in the previous figure, call processing times are less than those recommended in the standards except for those for motor vehicle crashes (MVCs). ESCI has seen lengthened call processing times as they relate to MVCs when the dispatch center does both law enforcement and fire rescue as TCOMM does. There are times when law enforcement is dispatched to an MVC and later into the incident a request for EMS resources is made. The original incident creation time does not change resulting in an artificially increased call processing time for MVCs as related to EMS resources.

Additionally, the CAD software does not record the response mode to incidents. Therefore, the performance described in this section includes both emergency and non-emergency incidents.

**RECOMMENDATION:**

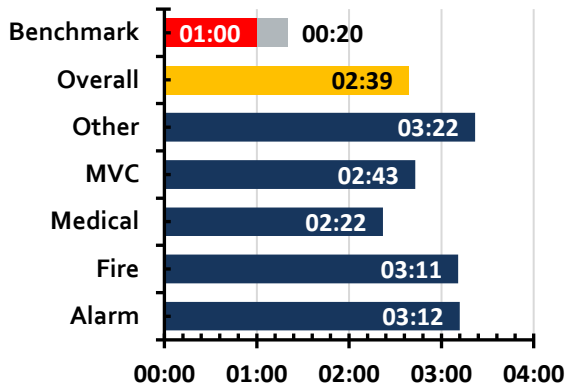
- If possible, with the existing CAD software—add a field in the CAD to track response mode emergency versus non-emergency.

It should be noted that many of the incidents included in the category of *other* are likely incidents that would have a non-emergency response.

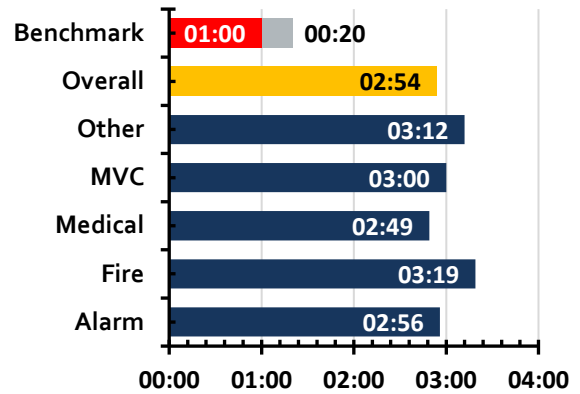
### Turnout

Turnout time is the period that begins when emergency personnel are notified to respond and ends when an apparatus begins to respond. Turnout time is an important piece of total response performance and can be influenced by factors such as station design, apparatus staffing and the performance of the assigned personnel. The following figure looks at turnout time performance for each agency in the study area. This element of response performance is specifically defined in NFPA 1710. Although 1720 also addresses turnout time, it is only for staffed stations (which is defined by the authority having jurisdiction). However, NFPA 1720 defines turnout time as ten seconds slower for fires and special operations responses than is called for in NFPA 1710. EMS turnout time is the same for both 1710 and 1720 (60 seconds, 90% of the time).

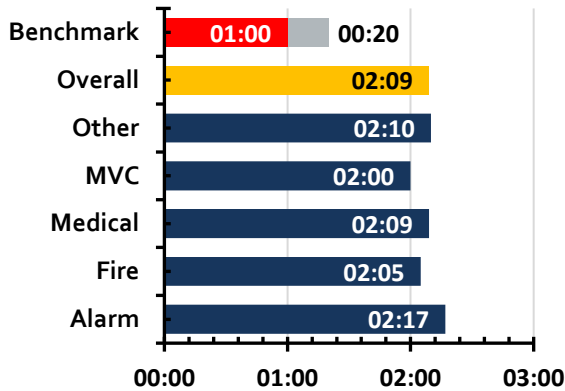
**Figure 83: WTRFA Turnout Time Performance CAD, 2015–2017**



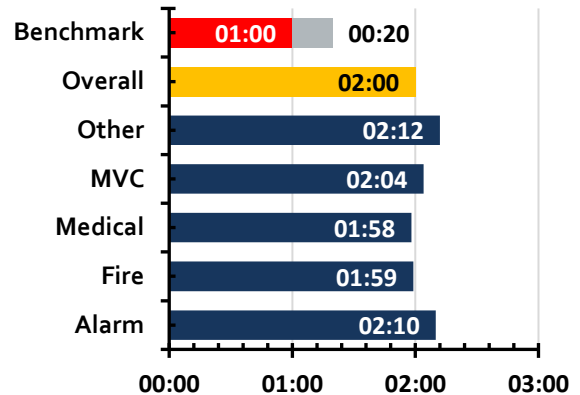
**Figure 84: EOFD Turnout Time Performance CAD, 2015–2017**



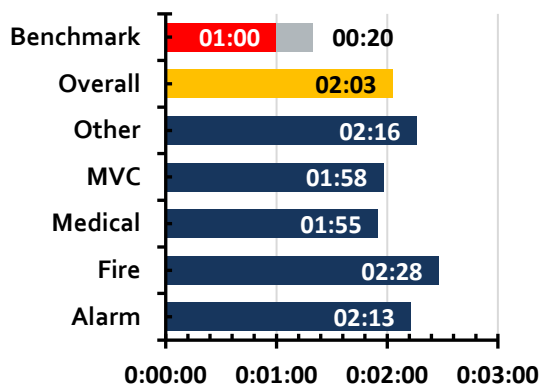
**Figure 85: TFD Turnout Time Performance CAD, 2015–2017**



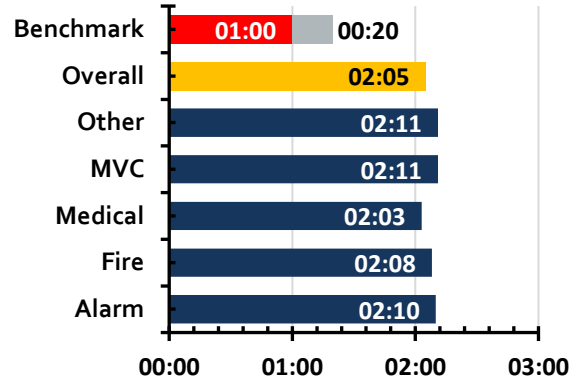
**Figure 86: OFD Turnout Time Performance CAD, 2015–2017**



**Figure 87: MBLFD Turnout Time Performance CAD, 2015–2017**

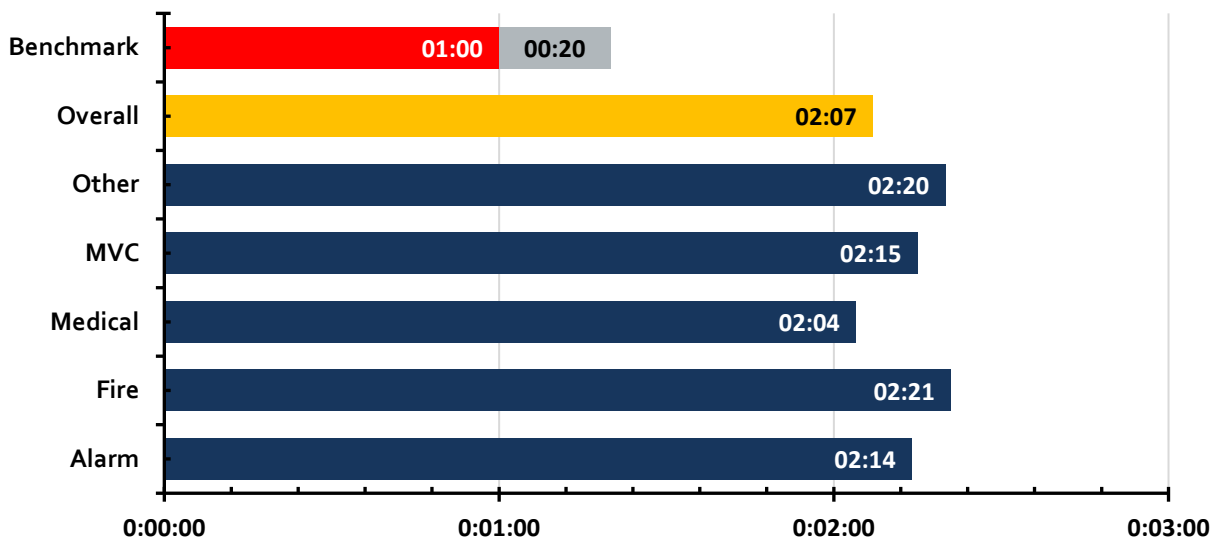


**Figure 88: LFD3 Turnout Time Performance CAD, 2015–2017**



The next figure is the turnout time performance for all departments combined. As illustrated, for each type of incidents and overall, the performance is over twice the benchmark of 60 seconds required in NFPA 1710. EOFD and WTRFA likely skew the turnout time performance since they have numerous unstaffed stations that necessitate slower turnout times. MBLFD performs surprisingly consistent with the NFPA 1710 applied agencies (OFD, TFD, and LFD<sub>3</sub>).

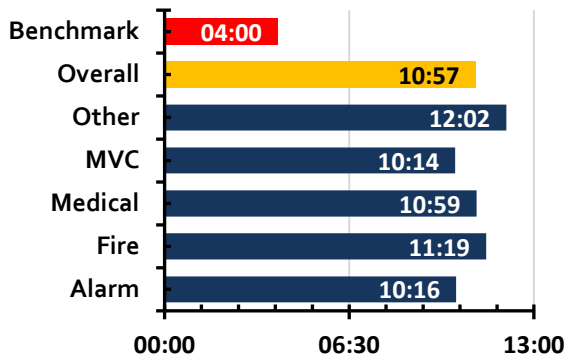
**Figure 89: Study Area Departments Turnout Time Performance CAD, 2015–2017**



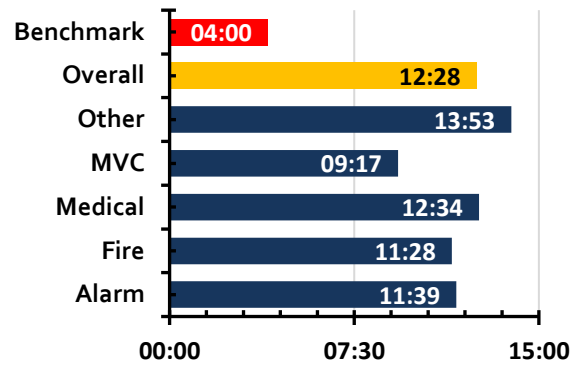
**Travel Time**

Travel time is the time from when an apparatus leaves the station to when the apparatus reaches the scene of the emergency. The existing road network, traffic congestion, geographic barriers, and the size of the service area all affect travel time performance. The following figure examines travel time performance for each agency in the study area. Travel time is a uniquely NFPA 1710 data point.

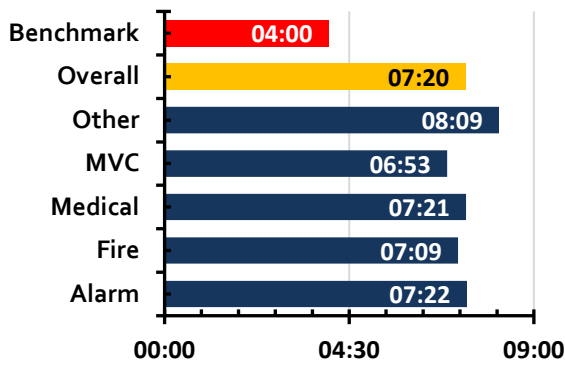
**Figure 90: WTRFA Travel Time Performance CAD, 2015–2017**



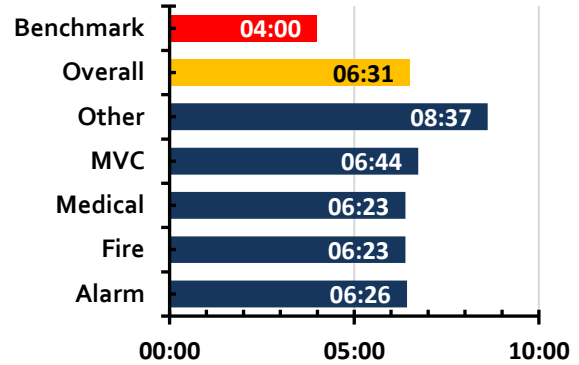
**Figure 91: EOFD Travel Time Performance CAD, 2015–2017**



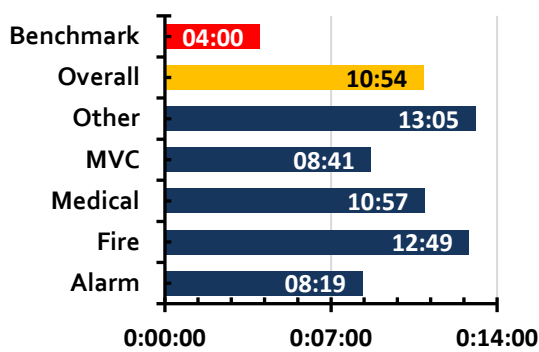
**Figure 92: TFD Travel Time Performance CAD, 2015–2017**



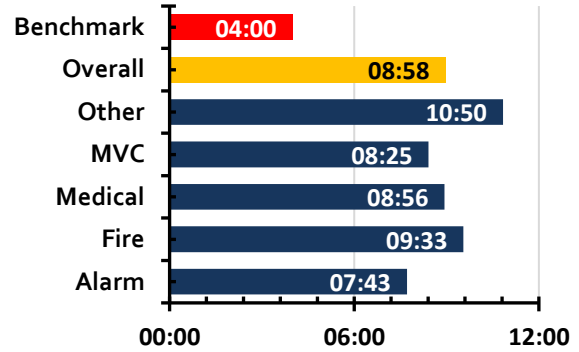
**Figure 93: OFD Travel Time Performance CAD, 2015–2017**



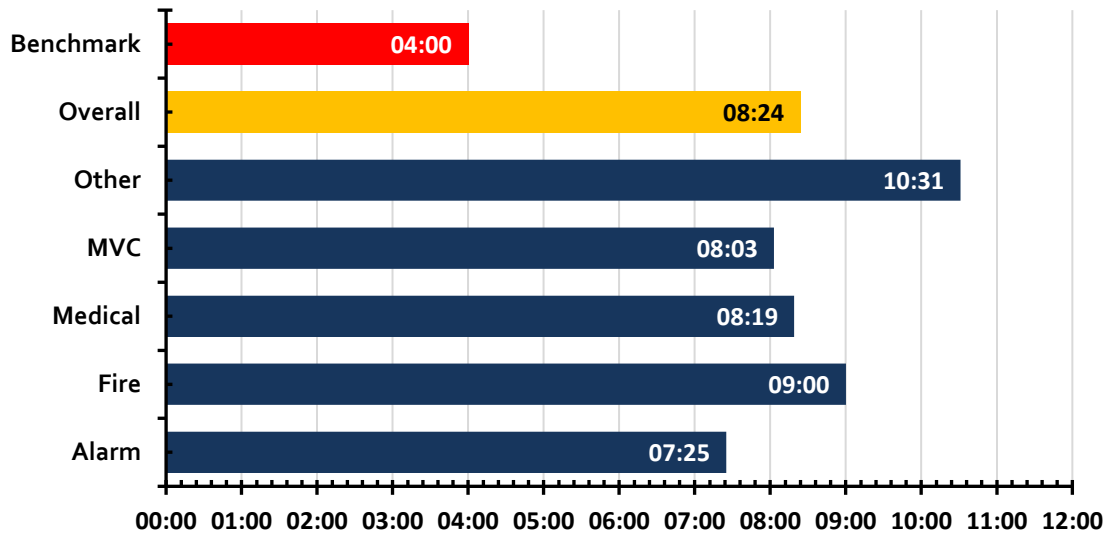
**Figure 94: MBLFD Travel Time Performance CAD, 2015–2017**



**Figure 95: LFD3 Travel Time Performance CAD, 2015–2017**



**Figure 96: Study Area Departments Travel Time Performance CAD, 2015–2017**



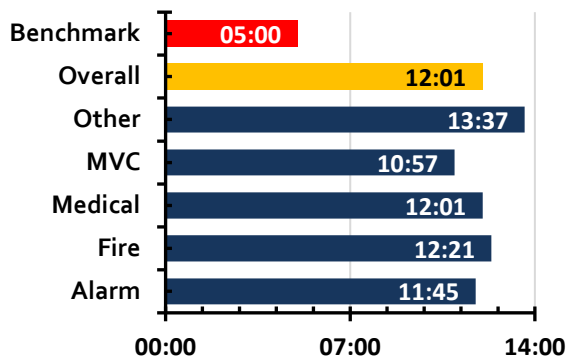
The previous figure illustrates the travel time performance for the study area overall using the NFPA 1710 benchmark. All the departments individually and collectively exceed the NFPA 1710 recommendation of four minutes.

**Response Time**

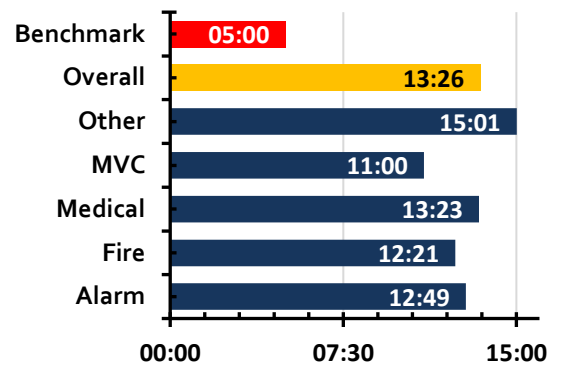
The most commonly used measure of fire department response performance is a combination of turnout time and travel time. That is, the time from when fire personnel are notified of an emergency to when the first apparatus arrives on scene. The following figure illustrates emergency response performance for the departments in the study area from 2015 through 2017. While the benchmark is shown at 5 minutes and additional 20 seconds is permitted for fire and special operations incidents.



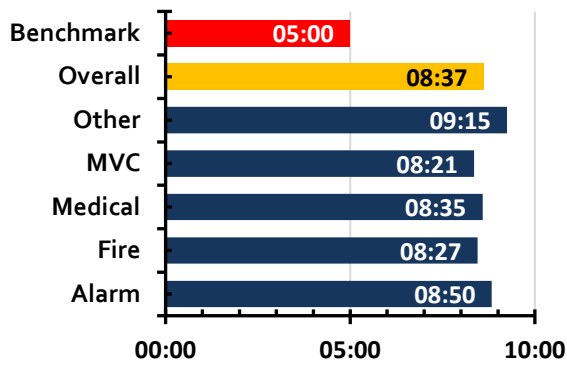
**Figure 97: WTRFA Response Time Performance CAD, 2015–2017**



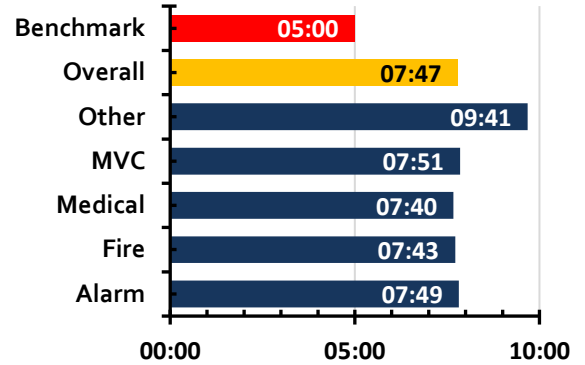
**Figure 98: EOFD Response Time Performance CAD, 2015–2017**



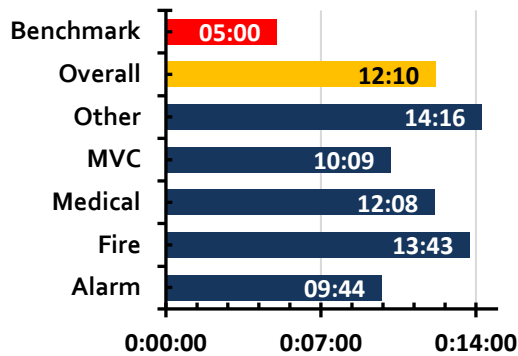
**Figure 99: TFD Response Time Performance CAD, 2015–2017**



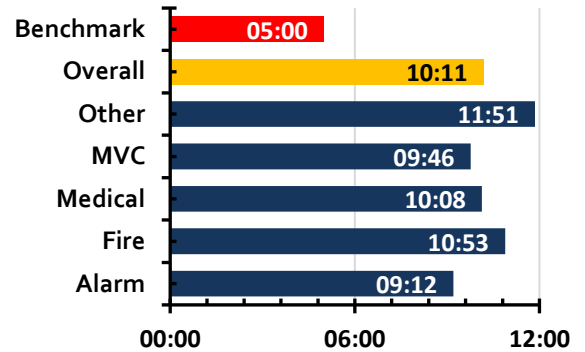
**Figure 100: OFD Response Time Performance CAD, 2015–2017**



**Figure 101: MBLFD Response Time Performance CAD, 2015–2017**

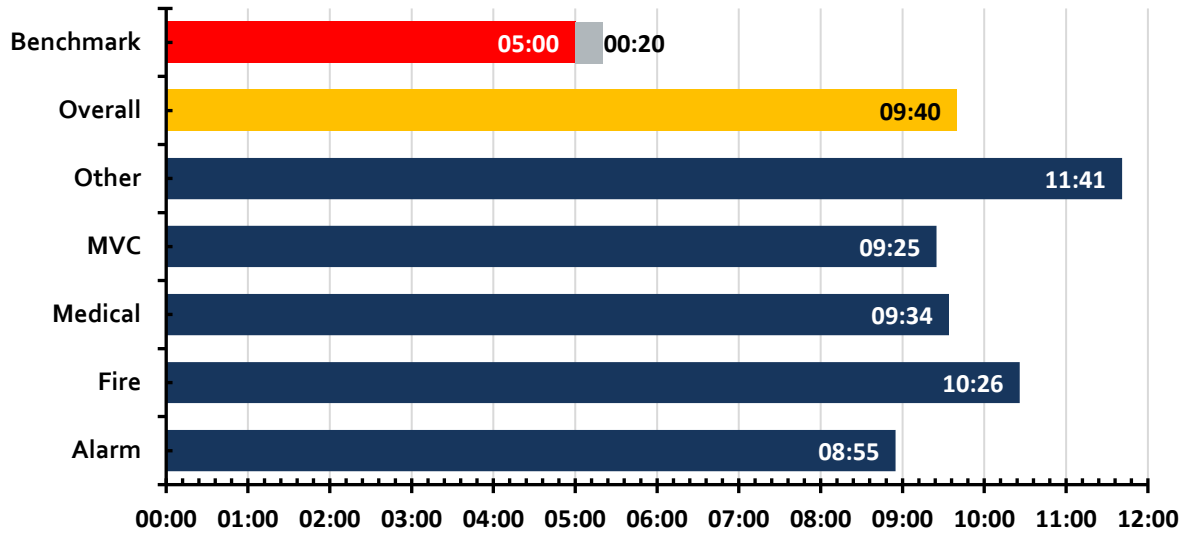


**Figure 102: LFD3 Response Time Performance CAD, 2015–2017**



The next figure is the response time performance for all departments.

**Figure 103: Study Area Departments Response Time (Turnout + Travel Time) Performance CAD, 2015–2017**



The NFPA recommendation of 60 seconds turnout (for EMS incidents) or 80 seconds turnout (for fire and special operations) plus four minutes response time equals five minutes (EMS) or 5 minutes, 20 seconds (Fire & Special Operations) for response time. Again, each department exceeds the recommended time by various amounts.

NFPA 1720 does not define or measure travel time as a separate data point. Rather, it combines turnout time and travel time based on population density characteristics, which the following figure illustrates.

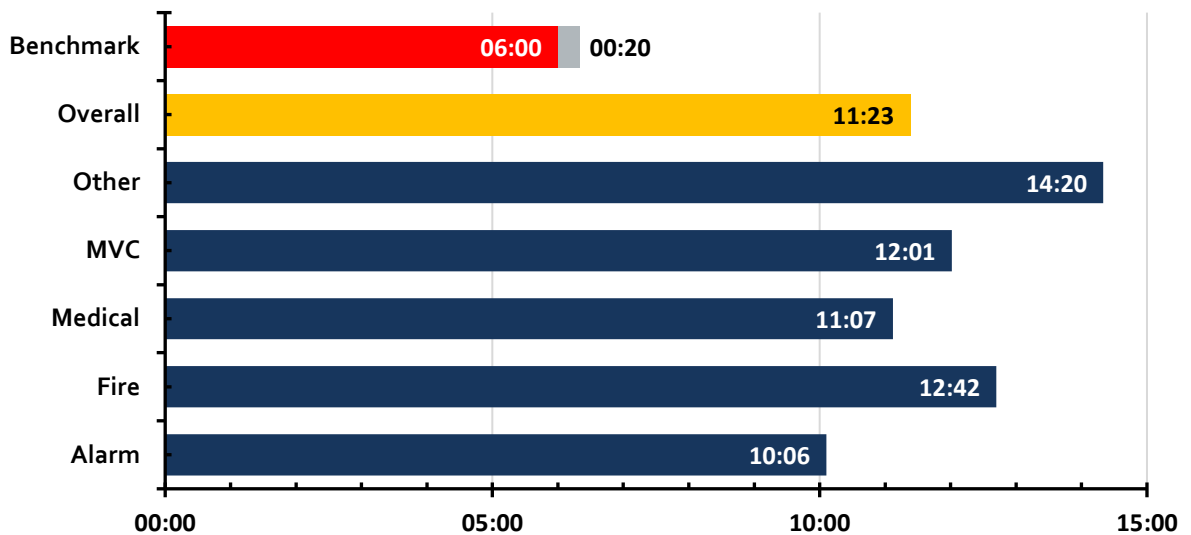
**Figure 104: NFPA 1720 Response Time (Turnout + Travel Time) Standard by Population Density**

Population Density	Standard
Urban (> 1,000 people/mi <sup>2</sup> )	15 FFs delivered within 9 min/90%
Suburban (500–1,000 people/mi <sup>2</sup> )	10 FFs delivered within 10 min/80%
Rural (< 500 people/mi <sup>2</sup> )	6 FFs within 14 min/80%
Remote (travel distance ≥ 8 miles)	4 FFs within timeframe dependent on travel distance/90%
Special Risk (determined by AHJ)	Number of FFs and response time determined by AHJ

### Total Response Time

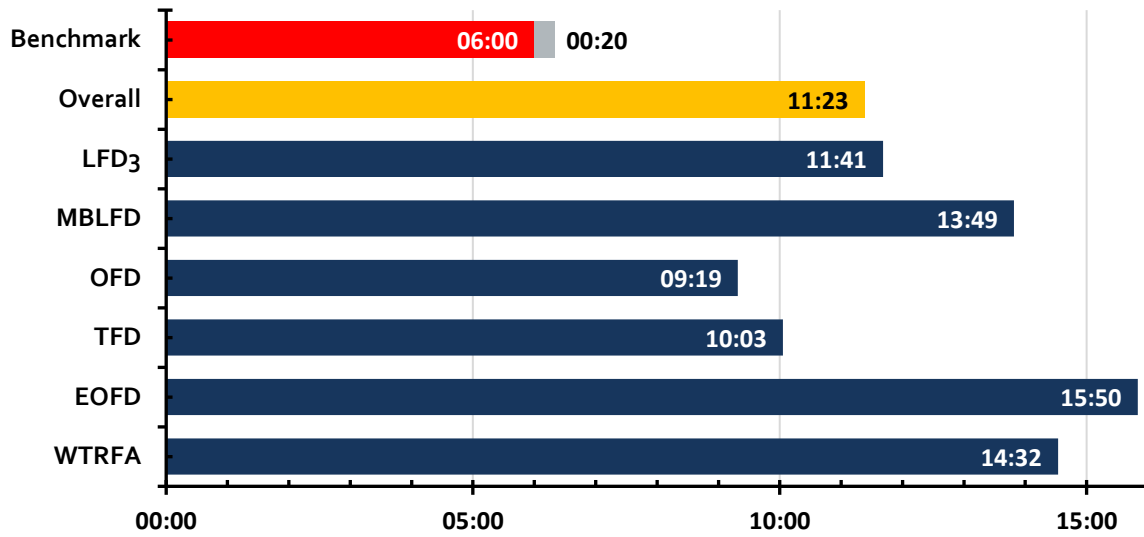
Although not completely consistent with the NFPA definition of total response time—since initiating action is not timestamped—the next figures show the total response time defined in this report as the time from when the 911 call is answered until the dispatched unit arrives on the scene. Using the total response time continuum from NFPA 1710, the recommendation for total response time at the 90th percentile is 6 minutes for EMS (or 6 minutes, 20 seconds for fires and special operations). Each district’s performance, as well as the performance overall, exceeds this benchmark.

**Figure 105: Study Area Departments Total Response Time Performance by Incident Type CAD, 2015–2017**



The next figure illustrates the total response time for all incident types by department. While by varied amounts, each departments performance is greater than the NFPA 1710 requirement of six minutes.

**Figure 106: Study Area Departments Total Response Time Performance by Department CAD, 2015–2017**



Monitoring and reporting performance for each of the components of the response continuum allows fire department leaders to identify and correct deficiencies. ESCI encourages all the study area departments to develop a report on response performance and utilize response time goals that match the needs of the constituents and the capabilities of the jurisdictions.

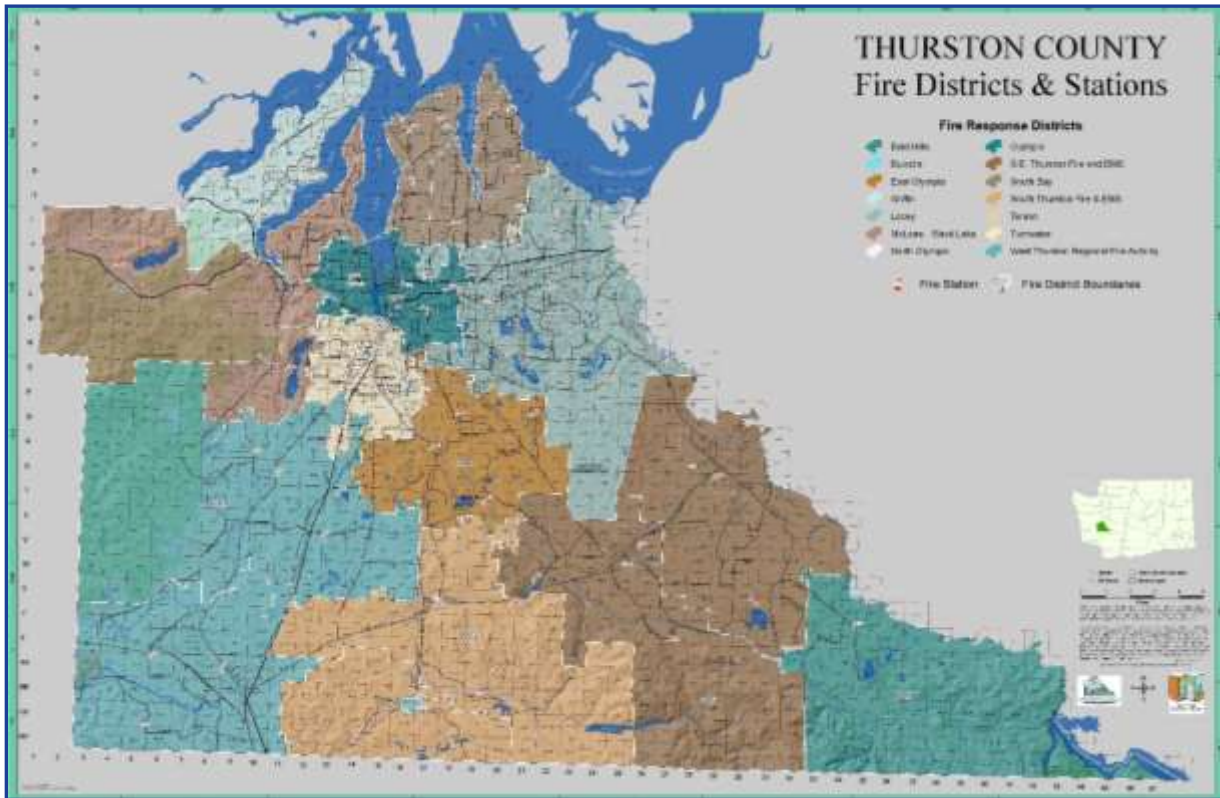
**Mutual/Automatic Aid Systems**

There are mutual and automatic aid agreements in place between the six departments. The agencies frequently assist each other, and other Thurston County fire jurisdictions.

Mutual aid is typically employed on an as needed basis where units are called for and specified through an Incident Commander. Automatic aid differs from mutual aid in that under certain mutually agreed upon criteria, resources from the assisting agency are automatically dispatched as part of the initial response. These agreements facilitate the necessary number of personnel and the right number of appropriate apparatus responding to specific incidents. Automatic aid response resources are defined in the dispatch runcards for all the participating departments.

The following figure shows the other fire departments in the county which are all potential requesters or providers of mutual aid.

**Figure 107: Thurston County Fire Departments**



For this analysis, ESCI focused on mutual and automatic aid between the six jurisdictions in the study area. The following figure illustrates the number of times a department in the study area responded under mutual or automatic aid to a grid belonging to another department.

**Figure 108: Study Area Agency’s Response to Another’s Jurisdiction, 2017**

Type of Aid	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
<b>Given</b>	39	235	154	205	119	527
<b>Received</b>	77	72	65	19	26	83

Mutual and automatic aid operations are an integral part of emergency operations within the study area. The study area jurisdictions effectively incorporate mutual or automatic aid between each other and with the surrounding fire jurisdiction. This increases the concentration of resources available to mitigate incidents throughout the study area.

The best use of mutual and automatic aid is dependent on the departments working well together. To be most effective, the following should be considered:

- Fireground operations must be conducted in a similar manner and should be based on common Standard Operating Guidelines.
- Firefighters must know how to work in concert with personnel for another agency, based on common training programs and procedures.
- Dispatch procedures should be in place that clearly define which response types and locations are to receive Automatic Aid response.
- Procedures for the request of and provision of mutual aid should be clearly established in the Mutual Aid Agreement.
- Personnel should be fully trained on mutual and automatic aid practices and remain informed on changes.

## Fire Prevention Programs

An aggressive risk management program, through proactive fire and life safety services, is a fire department’s best opportunity to minimize the losses and human trauma associated with fires and other community risks.

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*The National Fire Protection Association recommends a multifaceted, coordinated risk reduction process at the community level to address local risks. This requires engaging all segments of the community, identifying the highest priority risks, and then developing and implementing strategies designed to mitigate the risks.<sup>16</sup>*

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A fire department needs to review and understand the importance of fire prevention and public education, appreciating their role in the planning process of a community with diversified zoning including residential, commercial, and industrial properties. This is particularly important in Thurston County, given its robust commercial and residential urban growth. The fundamental components of an effective fire prevention program are listed in the following figure, accompanied by the elements needed to address each component.

**Figure 109: Fire Prevention Program Components**

Fire Prevention Program Components	Elements Needed to Address Program Components
Fire Code Enforcement	Proposed construction and plans review New construction inspections Existing structure/occupancy inspections Internal protection systems design review Storage and handling of hazardous materials
Public Fire and Life Safety Education	Public education Specialized education Juvenile fire setter intervention Prevention information dissemination
Fire Cause Investigation	Fire cause and origin determination Fire death investigation Arson investigation and prosecution

### Fire and Life Safety Code Enforcement

The most effective way to combat fires is to prevent them. A strong fire prevention program, based on locally identified risks and relevant codes and ordinances, reduces loss of property, life, and the often-crippling impact on a community’s economy. With the exception of TFD, OFD, and LFD3, all fire code inspections and new construction fire code plan reviews are the responsibility of the Thurston County Fire Marshal’s Office (TCFMO). The following figure summarizes the new construction and fire protection system plan review programs, and ancillary programs among the six departments.

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<sup>16</sup> NFPA Standard 1730: *Organizing and Deployment of Fire Prevention Inspection and Code Enforcement, Plan Review, Investigation, and Public Education Operations*, 2019 Edition.



**Figure 110: New Construction Plan Review and Inspection**

Code Enforcement	TFD	OFD	LFD <sub>3</sub>	EOFD	WTRFA	MBLFD
<b>New Construction Inspections &amp; Involvement</b>						
FD consulted in proposed new construction?	Yes	Yes, City	Yes	Yes	Yes	Yes
FD consulted on proposed occupancy changes/tenant improvements?	Yes	Yes	Yes	Yes	Yes	Yes
Perform fire & life-safety plan reviews?	Performed by City Building Official	City & OFD performs	City and County performs	County performs	County performs	County performs
Charges for inspections or reviews?	Yes, City	Yes, City	Yes, City and County	Yes, County	Yes, County	Yes, County
Special risk inspections?	Yes, City	Yes, City	Yes, City & County staff	County performs	County performs	County performs
Storage tank inspections?	Yes, City	Yes, City	Yes, City & County staff	County performs	County performs	County performs
Key-box entry program in place?	Yes	Yes	Yes	Yes	Yes	Yes
Hydrant flow records maintained?	Yes, FD&PW	Yes, PW	Yes, by water purveyor & county	Yes, by water purveyor & county	Yes, by water purveyor & county	Yes, FD, water purveyor & county

The following sections provide detail on the qualifications and resources dedicated to fire and life safety code enforcement provided by each of the departments and Thurston County.

**Thurston County Fire Marshal**

The TCFMO is part of the Thurston County Development Services Department, and is responsible for the inspection and fire code compliance of approximately 17,000 structures in the unincorporated areas of Thurston County. It uses the Washington State Building Code Chapter 51-54A2014, and the 2015 edition of the International Fire Code (IFC), with 2017 amendments enacted through the Thurston County Title 14 Building Code. All inspections, fire protection system acceptance testing, and new construction fire code plan reviews in the unincorporated county area are conducted by the TCFMO.

### **Tumwater Fire Department**

TFD employs one ICC certified Fire Inspector, who performs commercial building fire inspections. The Fire Inspector has a goal of inspecting all commercial structures within 18 months, with the exception of Washington State owned buildings, which are inspected annually. The Fire Chief is credentialed as a Fire Marshal through the Center for Public Safety Excellence and assists the Fire Inspector and the Tumwater Community Development with regard to access, water supply and built in fire protection evaluation and location. TFD uses the 2018 edition of the IFC, and OFD uses the 2015 version of the IFC and most recent NFPA standards. TFD previously had a very close working relationship with the Tumwater Building Department on new commercial construction plan reviews and fire protection systems. Due to recent leadership changes in the Building Department, TFD is working on improving their collaboration. New construction fire code and fire protection system plan reviews are conducted by the Tumwater Community Development Department.

TFD charges a fee for inspection of commercial occupancies. The minimum fee is \$40 per inspection, and increases from there based on a formula that factors square footage and inspection complexity.

### **Olympia Fire Department**

Fire Inspections and new construction fire code plan reviews are performed by OFD's Fire Prevention Division, which consists of five personnel, including an Assistant Chief/Fire Marshal, Fire Captain/Assistant Fire Marshal, and three Fire Prevention Officers. These positions are all tested promotions and members typically have a long tenure providing consistency and quality. All are IFC Fire Inspector I certified, and two are IFC Fire Inspector II certified. The department performs fire code plan reviews, but none of the reviewers are IFC or ICC certified. The department plans on having certified plan reviewers by the end of 2019. OFD has a contract with Washington State to inspect all State Capital campus buildings twice a year. All inspections, fire protection system acceptance testing, and new construction fire code plan reviews in the unincorporated county area are conducted by the OFD Fire Prevention Division.

OFD charges a fee for inspection of commercial occupancies and plan reviews and acceptance testing for installation of fire protection systems. The minimum inspection fee is \$43.48 per inspection, and increases from there based on a formula that factors square footage and inspection complexity. Fire code plan review fees are based on the estimated value of the project. The fee-based inspection program is 19 years old and may be the link to the low amount of commercial structure fires.

OFD includes public education and fire investigation within the role of the members assigned to Fire Prevention. This linkage allows the department to connect the data for most common issues found during inspections and fire cause investigation with education efforts.

### Lacey Fire District 3

Fire inspections and new construction fire code plan reviews within the Lacey city limits are performed primarily by the Fire Code Specialist (FCC), a civilian position supervised by the Building Official/Fire Marshal. Engine companies in the city perform bi-annual inspections of multi-family residential buildings. The FCC is ICC Fire Inspector certified, and is pursuing ICC Plans Reviewer certification. Fire code enforcement within the city limits is assigned to the Lacey Community and Economic Development Department.

LFD3 does not charge a fee for annual fire inspections, but the City of Lacey does charge for plan reviews and acceptance testing for installation of fire protection systems. Fire sprinkler fee amounts are based on the value of the system. Fire alarm fees are based on the square footage of the building and the 2017 Washington State Labor and Industries Electrical Fees Worksheet.

### *Discussion*

During the site visit, ESCI noted the City of Olympia's residential sprinkler ordinance, which mandates installation of fire sprinklers in new Group R occupancies, including single family homes. A similar ordinance has yet to be adopted by Thurston County.

Mandating installation of fire sprinkler systems in new and remodeled residential construction is a controversial issue in many jurisdictions. The 2009 *International Residential Code* (IRC) mandates the installation of fire sprinkler systems in all single and multi-family residential structures and dwellings. However, state and local jurisdictions regularly amend building codes to meet local needs. Developers, building industry associations, and lobbyists have strongly lobbied state and local governments against requiring residential fire sprinklers in new construction—asserting cost-prohibitive installation; ongoing maintenance costs; and an overall negative cost versus benefit. Conversely, life-safety advocates, fire service associations, and insurance groups continue to push for formal adoption of residential fire sprinkler installations. They cite scientific evidence; advances in cost-effective sprinkler system technology; and real-world experience in which fire-sprinkler activations saved lives and property.

Evidence-based research and experience has proven the effectiveness and speed of fixed fire-sprinkler systems in containing and/or extinguishing incipient fires in commercial and residential structures. As more residential systems are installed, the number of fire incidents involving residential sprinkler installations should bring clarity and consensus as to their cost-effectiveness and safety.

ESCI also noted that LFD3 uses on duty fire suppression personnel to conduct routine fire inspections, while the other agencies utilize Fire Inspectors in the municipalities, or the TCFMO in unincorporated areas, to ensure fire code and life safety compliance on an ongoing basis. Utilizing fire suppression personnel who are adequately trained in basic fire inspection practices can be an effective practice in some instances and doing so has the benefit of increasing inspection capabilities and frequency. Furthermore, it provides excellent opportunities for engine crew building familiarization and pre-incident planning, and affords opportunities to update pre-incident plans when new hazards are identified in the field.

### Community Risk Reduction Program

Lately, U.S. fire departments have begun to recognize the value of Community Risk Reduction (CRR) programs that go beyond traditional fire prevention activities. Some have gone so far as to re-name their “fire prevention” divisions to “Community Risk Reduction Divisions.”

Regardless of the name, fire departments should be able to accurately identify the various potential community risks before developing prevention programs. This is not meant to imply diminishing the focus and importance of addressing the fire problem in a community, rather it affords an opportunity to identify and mitigate additional community risks through targeted prevention activities.

**Figure 111: Six Steps of CRR Planning**



The first step in developing an effective CRR plan is identifying risks unique to a particular community by conducting a community risk assessment. A key component of the assessment process is the collection and analysis of incident data. However, firefighters, officers, and inspectors can also provide substantial anecdotal information on the various risks found within their respective response-areas.

As noted earlier, except for TFD, OFD, and LFD3’s formal fire code and life safety code compliance efforts within their respective municipal jurisdictions, there does not appear to have been any comprehensive community risk assessment and resulting formal CRR planning conducted for the unincorporated areas. The county and respective communities would likely benefit from adopting a CRR plan. The process does not have to be complex and could consist of simply identifying the most prevalent risks and developing strategies to mitigate those risks.

### Fire & Life Safety Public Education Program

Providing fire and life safety education to the public to minimize the number of emergencies while training the community to take appropriate actions when an emergency occurs is essential to a fire and life safety program. Life and fire safety education provides the best chance for minimizing the effects of fire, injury, and illness to the community.

Public education and outreach are conducted in various ways in each department. The following is a summary of the programs offered by each department.

**Figure 112: Life Safety & Public Education Services**

Life Safety & Public Education	TFD	OFD	LFD3	EOFD	WTRFA	MBLFD
PIO/Public Educator Assigned?	Fire Chief	Fire Chief	No	No	Yes	Yes
911 Education Program	Yes	Yes	Yes	Yes	Yes	Yes
Exit Drills In Home (EDITH)	Yes	Yes	Yes	Yes	Yes	Yes
Smoke Alarm Installation	Yes	Yes	Yes	Yes	Yes	Yes
Carbon Monoxide Alarm Installation	Yes	Yes	Yes	Yes, On request	Yes, On request	Yes
Bike Helmet Program	Yes	Yes	Yes	Yes	Yes	Yes
Elder Safety/Fall prevention/Safe Driving	Yes	Yes	No	No	Yes (Safe Driving)	Yes
Home Safety Inspections	Yes, Upon Request	Yes, Upon Request	No	Yes	Yes	No
Babysitting Classes	Yes	No	No	No	No	No
Address Sign Program	Yes	No	Yes	Yes	Yes	Yes
CPR/First Aid Classes	Yes	Yes	No	No	Yes	Yes
BP Checks	Yes	Yes	Yes	Yes	Yes	Yes
Car Seat Safety Inspections	Yes	No	Yes	No	Yes	Yes
Fire Extinguisher Classes	Yes	Yes	Yes, on request	Yes	Yes	Yes
Map Your Neighborhood Program	Yes, In coordination with County EM	Yes, In coordination with County EM	No	Yes	Yes, In coordination with County EM	No
K–12 Fire Prevention curriculum delivery in schools	Yes	Yes	Yes	Yes	Yes	Yes
Wildfire Defensible Space Education	Yes, upon request	Yes, upon request	No	No	Yes	Yes
Water Safety Program	Yes, upon request	Yes, upon request	Yes	No	No	Yes
Smart 911 Training	No	No	No	No	Yes	No
Safety Fairs	Yes	Yes	Yes	No	Yes	Yes

There were some additional specialty safety training programs delivered occasionally by various departments as well, and they are not reflected in the preceding figure.

**Discussion**

All six departments engage in similar public education activities and life safety programs, including; distributing bike helmets, blood pressure screening, car seat inspections, smoke alarm installations, and basic fire safety education. Coordination and delivery of these programs varies between the departments, with WTRFA, OFD, and MBLFD having dedicated Public Information Officers and/or Public Educators.

In today's fire service, public fire and injury prevention education is much more important than in the past. This is likely the result of evolving community expectations, coupled with the realization by fire departments that community engagement and safety education outreach can build tremendous community support.

If consolidation is pursued, consideration should be given to conducting a formal Community Risk Assessment, with the goal of coalescing and focusing public education efforts on the significant risks identified in the assessment process. The U.S. Fire Administration identified a five-step assessment process for improving public safety education:<sup>17</sup>

1. Conduct a community analysis.
2. Develop community partnerships.
3. Create an Implementation strategy.
4. Implement the strategy.
5. Evaluate the results.

They also emphasized the need for this pragmatic approach, noting:

*The temptation to "just get something implemented" is hard to resist. Unfortunately, this is a trap. Yes, it's easy to schedule some presentations at a school; pass out brochures, stickers, and plastic helmets; and do some media interviews. But do those presentations address the community's worst fire or injury problems? Do the solutions being promoted really work? Is the appropriate target audience even being reached? Are community groups working together? Is the program being implemented in the best way?*

*A "ready, fire, aim" approach will not hit the target. It can give the impression that the department is out there educating the public, but may achieve little else. Successfully reducing fires and preventable injuries involves effective community planning. Notable public education programs around the country always prove this to be true.*

### **Fire Cause & Origin Investigation**

Accurately determining the cause of a fire is an essential element of a fire prevention program. When fires are intentionally set, identification and/or prosecution of the responsible offender is critical in preventing additional fires, injuries and fatalities, and catastrophic economic impact. Further, identifying cause and potential trends enables the department to provide specific public information and fire prevention education to prevent reoccurrence.

All six departments have personnel trained in basic fire investigation techniques, and have established procedures and excellent partnerships with their respective law enforcement agencies, including maintaining evidence chain of custody. Trained personnel include line Firefighters and Officers, and Fire Inspectors. OFD has Fire Prevention Team members (above company officer) that conduct most investigations.

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<sup>17</sup> *Ibid.*

The results of professional and thorough fire investigations can be extremely powerful in:

- Prosecuting arsonists
- Identifying product safety issues
- Educating the public about the outcomes of unsafe behaviors and conditions
- Assisting insurance companies and property owners with insurance claims
- Providing solid evidence criminal and civil court proceedings
- Identifying necessary life safety code changes

The study agencies have established sound practices for the determination of fire cause and origin and investigation of suspicious fires. During the OFD site visit, ESCI learned that after a recent, large commercial fire with suspicious circumstances, outside agency fire investigation personnel were requested from the Region 4 Fire Investigation Council to assist in analyzing the scene and collect evidence. This Council is comprised of Fire Investigators from Snohomish, King, and Pierce counties. No such regional organization has been formed for Thurston, Mason, Grays Harbor, or Lewis Counties.

The six departments should consider creating a formal regional Fire Investigation Team, which could enhance sharing of information related to fire trends, improve the quality and efficiency in fire investigations, and provide back-up investigation capability for large scale/complex fire incidents.

## Training

Providing safe and effective fire protection, EMS, and other emergency services requires a well-trained workforce. Initial, ongoing, and high-quality training and education is critical for fire department effectiveness and the safety of its personnel. A comprehensive training program is necessary to achieve this goal; this is true in all-career or combination fire departments that provide a broad range of services throughout the community.

To ensure maximum effectiveness and safety in complex environments, firefighters and officers must acquire and maintain sufficient initial training, ongoing training, and continuing medical education (CME). Failure to provide necessary training endangers firefighters and citizens, and exposes fire departments to liability. In addition, a well-trained workforce substantially contributes to better emergency incident outcomes and community services.

Newly hired firefighters must participate in a structured recruit training and testing process. The *Washington State Fire Marshal's Office* (WSFMO) has adopted the *National Fire Protection Association's* NFPA 1001 (Firefighter I and II) standard—which identifies the minimum training requirements that serves as the basis for entry-level firefighters. The NFPA recommends other standards that address initial and ongoing training for firefighters and officers in a variety of specific topics. In addition, new recruits must complete, or previously completed, basic emergency medical training.



Following initial training, firefighters (i.e., all emergency services personnel) must actively participate in ongoing training that includes testing as well as ensuring practical skills and knowledge are maintained. In its *Fire & Emergency Service Self-Assessment Manual (8th edition)*, the Commission on Fire Accreditation International (CFAI) addresses “Training and Competency,” and lists a number of performance indicators under the headings of training and education program requirements, performance, and resources.

To accomplish this, fire departments must have access to qualified instructors and training resources—either within the organization, externally with regional partners, or both.

Training programs must go beyond simply fulfilling mandatory hours. Emergency services training administrators and instructors must ensure that firefighters, EMS personnel, and officers are not only competent, but also self-confident in the variety of skills necessary to perform effectively in high-stress situations. Industry standards outline specific areas that are considered integral to effective training programs. The program should include the following:

- Training administration
- Recordkeeping (records management systems)
- Training facilities and resources
- General training competencies
- Training methodologies

In the following section, ESCI has reviewed the various training practices and resources of each of the fire departments involved in this study.

## Training Administration

In this section, ESCI examines administrative and other resources devoted to fire, EMS, and other training topics among the fire departments. The following two figures list the various components for each department in the study.

**Figure 113: Training Administration & Budget (TFD, EOFD, LFD3)**

Survey Component	TFD	EOFD	LFD3
Director of training program	Lieutenant	Assistant Chief	Captain
Training goals & objectives identified	Yes	Yes	Yes
Certified instructors used	Instructor 1	Instructor 1	Instructor 1
Training manual developed/used	Task books	Task books	No
Annual training report produced	Yes	No	No
Priority by management toward training	Yes	Yes	Yes
Condition of training admin. facilities	Use MNRFTC <sup>1</sup>	Good; expanding	Use MNRFTC
Adequate office space, equip., supplies	Yes	Yes	Yes
Budget allocated to training	\$124,750 <sup>2</sup>	\$54,500 <sup>2</sup>	\$243,000 <sup>2</sup>
Clerical staff assigned to training	None	None	Shared

<sup>1</sup>Mark Noble Regional Fire Training Center; owned & operated by the Olympia Fire Department

<sup>2</sup>Excludes training staff wages and benefits

**Figure 114: Training Administration & Budget (WTRFA, OFD, MBLFD)**

Survey Component	WTRFA	OFD	MBLFD
Director of training program	Captain	Battalion Chief	Captain
Training goals & objectives identified	Yes	Yes	Yes
Certified instructors used	Instructor 1	Instructor 1 & 2	Instructor 1
Training manual developed/used	Task books	Multiple manuals	In process
Annual training report produced	Monthly	No	No
Priority by management toward training	Yes	Yes	Yes
Condition of training admin. facilities	Good	Excellent <sup>1</sup>	Good
Adequate office space, equip., supplies	Yes	Yes	Yes
Budget allocated to training	\$112,616 <sup>2</sup>	\$389,163 <sup>2</sup>	\$82,600 <sup>2</sup>
Clerical staff assigned to training	Shared	Shared	Shared

<sup>1</sup>Mark Noble Regional Fire Training Center

<sup>2</sup>Excludes training staff wages and benefits

Tumwater assigns a Lieutenant the responsibility for managing and delivering fire training, while Lacey Fire District 3, West Thurston, and McLane-Black Lake assigns a Captain. East Olympia has assigned an assistant chief to this task. A Battalion Chief is responsible for fire training at the Olympia Fire Department. None of the departments has administrative support staff specifically assigned to their training divisions. Most share support staff when necessary.

Each of the fire departments develops annual training goals and objectives. At a minimum, each utilizes instructors certified as an *Instructor I*. The Olympia Fire Department utilizes *Instructor IIs* when training Captains and Battalion Chiefs. When conducting live-fire training, OFD uses *Live Fire Instructors* certified by the *International Society of Fire Service Instructors* (ISFSI).

Most of the departments utilize training manuals and task books, with the exception of McLane-Black Lake (which is in progress). With the exception of Tumwater and West Thurston (who does a monthly report), none of the department publishes an annual training report.

### Training Priority by Management

It was evident during ESCI's site visit and interviews with the various Training Officers that the leadership among each of the fire departments participating in this study recognizes the importance and value of training, and has tended to devote the necessary time and resources to accomplish the necessary goals.

### Training Budgets

Each of the fire departments in this study is allocated funding specifically for training. The following figure shows the 2018 budgeted amounts among each of the fire departments. It is important to note that these figures do not include salaries, benefits, or overtime costs of personnel assigned to manage and/or conduct training sessions.

**Figure 115: Combined 2018 Training Budgets**

Fire Department	2018 Budget
Tumwater Fire Department	\$124,750
East Olympia Fire Department	\$54,500
Lacey Fire District 3	\$243,000
West Thurston Fire Department	\$112,616
Olympia Fire Department	\$389,163
McLane-Black Lake Fire Department	\$82,600
<b>Total of Training Budgets:</b>	<b>\$1,006,629</b>

As shown in the preceding figure, the combined funds allocated for training among all the study participants exceeds \$1.1 million annually. Excluding Olympia and McLane-Black Lake, who each maintain regional training centers, the average amount allocated to training among the other four departments was \$164,654.

### Thurston County Training Officers

Under the auspices of the *Thurston County Fire Chiefs Association*, Training Officers from the fire departments meet regularly to develop and share resources, as well as promote fire training locally.

### Training Facilities & Resources

The next section describes the various training facilities and resources among the fire departments participating in this study. The next two figures list these by individual organization.

**Figure 116: Training Facilities & Resources (TFD, EOFD, LFD3)**

Description	TFD	EOFD	LFD3
Adequate training ground space/equipment	Minimal	Yes	Yes
Live fire props	At MNRFTC	Vent, car, live fire, etc.	At MNRFTC
Fire & driving grounds	Yes	Yes	Yes
Training facility maintenance adequate	N/A	Yes	Yes
Classroom facilities adequate	Yes	Yes	Yes
Video & computer simulations available	Yes	Yes	Yes
Instructional materials available	Yes	Yes	Yes

**Figure 117: Training Facilities & Resources (WTRFA, OFD, MBLFD)**


Description	WTRFA	OFD	MBLFD
Adequate training ground space/equipment	Shared ownership with MBLFD	Yes	Yes
Live fire props	None on site	Numerous props	At MNRFTC
Fire & driving grounds	Yes	Yes	Yes
Training facility maintenance adequate	Remodel pending	Yes	Yes
Classroom facilities adequate	Yes	Yes	Yes
Video & computer simulations available	Yes	Yes	Yes
Instructional materials available	Yes	Yes	Yes

Each of the fire departments maintain, or have access to, adequate regional training facilities, as well as a broad range of props for roof ventilation, vehicle fires, LPG fires, towers, and much more. One of the features of Olympia's Mark Noble Regional Fire Training Center is a state-of-the-art Command Training Center.

### Training Facilities in Thurston County

The Olympia Fire Department has a separate state-of-the-art training center which is utilized by a number of departments in Thurston County. The training center is equipped with a wide variety of equipment, props, and other facilities, as shown in the next figure.

**Figure 118: Mark Noble Regional Training Center (OFD)**

<b>Address/Physical Location:</b>	1305 Fones Rd, Olympia, WA 98501
	<b>General Description:</b> The Olympia Fire Department owns and operates the Mark Noble Regional Training Center (MNRTC). The center consists of several buildings. Two towers with smoke and one with a burn room, classroom, computer lab, storage, and restrooms. They maintain numerous props and a standalone Command Training Center.
<b>Structure</b>	
Construction Type	Multiple facilities; mostly masonry
Date of Construction	2012
Seismic Protection	Yes
Auxiliary Power	Yes
General Condition	Excellent
Special considerations (ADA, etc.)	N/A
Square Footage	N/A
<b>Facilities Available</b>	
Exercise/Workout Facilities	No
Kitchen/Dormitory	Kitchenette for day staff
Shower Facilities	One
<b>Safety &amp; Security</b>	
Sprinklers and/or Smoke Detection	Yes/Yes (fire alarm)
Security	Yes
Apparatus Exhaust System	N/A

**Figure 120: Roof Props at the OFD Training Center**



**Figure 119: OFD Command Training Facility**



The McLane-Black Lake Fire Department maintains a training tower and drill yard, which is considered a shared training center with several other fire districts. The other participating departments contributed funds towards the construction of the facility, although the majority of costs were absorbed by MBLFD. The training center is located adjacent to its headquarters station.

**Figure 121: McLane-Black Lake Regional Training Center**



West Thurston maintains a three-story training tower with multiple props at Station 1-1. The East Olympia Fire Department has a small connect cluster which it uses for training, and are rebuilding a new drill complex of connection boxes that will include a Class A burn room and drill yard sometime in 2019. Funding for this project has already been allocated.

### **Washington State Fire Training Academy**

Another resource available to the fire departments is the *Washington State Fire Training Academy (FTA)* located in North Bend. The WSFTA has a substantial inventory of training props and facilities that include:

- Burn buildings
- ARFF building, field area, and prop
- Marine shipboard prop
- Forcible entry prop
- Hazmat building and outside props
- Flammable liquid pads
- Classrooms, dormitory, and dining facility
- Ventilation props

### Training Records Maintenance

The following two figures describe the methods by which each of the fire departments maintain and track individual and organizational training records.

**Figure 122: Training Records Maintenance (TFD, EOFD, LFD3)**

Description	TFD	EOFD	LFD3
Individual training files maintained	TargetSolutions	Yes	Yes
Records & files computerized	Yes	Yes	Yes
Daily training records kept	Yes	Yes	Yes
Annual training hours tracked	Yes	Yes	Yes
Company training records kept	Yes	Yes	Yes
Responsibility for records	Training Division	Assistant Chief	Training Division
Training equipment inventoried	No	No	No

**Figure 123: Training Records Maintenance (WTRFA, OFD, MBLFD)**

Description	WTRFA	OFD	MBLFD
Individual training files maintained	Yes	TargetSolutions	Yes
Records & files computerized	Yes	Yes	Yes
Daily training records kept	Yes	Yes	Yes
Annual training hours tracked	Yes	Yes	Yes
Company training records kept	Yes	Yes	Yes
Responsibility for records	TO & Admin. Staff	Training Division	Training Division
Training equipment inventoried	Annually	Annually	No

### General Training Competencies

For training to be fully effective, it should be based on established standards. The following two figures list the general training competencies regularly delivered to the members of each of the fire departments participating in the study. As will be shown, each of the departments has adequately addressed basic, general training competencies.



**Figure 124: General Training Competencies (TFD, EOFD, LFD3)**

Description	TFD	EOFD	LFD3
Incident command system	Yes	Yes	Yes
Accountability procedures in place	Yes	Yes	Yes
Policy & procedures on training	Yes	Yes	Yes
Safety procedures in place	Yes	Yes	Yes
Recruit academy	Bates <sup>1</sup> & County <sup>2</sup>	County <sup>2</sup>	Bates <sup>1</sup>
Special rescue	SORT training <sup>3</sup>	SORT training <sup>3</sup>	SORT training <sup>3</sup>
Hazmat certification	Operations level	Operations level	Operations level
Wildland firefighter	Wildland interface	50% Red Card	40% Red Card
Vehicle extrication	Yes	Yes	Yes
Defensive driving	EVIP	EVIP	EVIP
Use, safety, & care of small tools	Yes	Yes	Yes
Use & care of power equipment	Yes	Yes	Yes
Radio communications & dispatch	Yes	Yes	Yes
EMS skills & protocols	OTEP/TCMO	OTEP/TCMO	OTEP/TCMO

<sup>1</sup>Bates Technical College <sup>2</sup>Refers to Thurston County recruit academy <sup>3</sup>Special Operations Response Team

**Figure 125: General Training Competencies (WTRFA, OFD, MBLFD)**

Description	WTRFA	OFD	MBLFD
Incident command system	Yes (Policy 1.4000)	Yes	Yes
Accountability procedures in place	Yes (Policy 1.4003)	Yes	Yes
Policy & procedures on training	Yes	Yes	Yes
Safety procedures in place	Yes	Yes	Yes
Recruit academy	County; biannually <sup>2</sup>	Bates <sup>1</sup> & Internally	County <sup>2</sup>
Special rescue	SORT training <sup>3</sup>	SORT training <sup>3</sup>	SORT training <sup>3</sup>
Hazmat certification	Operations level	Operations level	Operations level
Wildland firefighter	90% Red Card+	No; developing	90% Red Card
Vehicle extrication	Yes	Yes	Yes
Defensive driving	EVIP	IAPD	Yes
Use, safety, & care of small tools	Yes	Yes	Yes
Use & care of power equipment	Yes	Yes	Yes
Radio communications & dispatch	Yes	With TCOMM	Yes
EMS skills & protocols	OTEP/TCMO	OTEP/TCMO	OTEP/TCMO

<sup>1</sup>Bates Technical College <sup>2</sup>Refers to Thurston County recruit academy <sup>3</sup>Special Operations Response Team

## EMS Training & Continuing Medical Education

All of the departments in this study rely on *Thurston County Medic One* (TCMO) for basic and advanced life support continuing medical education. Medic One utilizes an online platform called *24/7*; a state-approved *Ongoing Training & Evaluation Program* (OTEP) for basic life support providers; and locally produced skill-set videos. OTEP courses are scheduled monthly at various locations, and open to any Thurston County EMS providers.

## Training Methodologies

Certain resources are necessary to arm the instructor with the tools necessary to deliver adequate educational content to produce effective training to fire and EMS personnel. In addition to such tools, effective methodologies must be employed if training delivery is to be sufficient to meet the needs. Each of the fire departments in this study employs various methodologies to deliver training, as well as maintaining a focus on safety, and a culture of safe practices—both on the fireground and during training activities.

The following two figures list the various training methodologies and training operations utilized by each of the fire departments participating in this study.

**Figure 126: Training Methodologies & Operations (TFD, EOFD, LFD3)**

Description	TFD	EOFD	LFD <sub>3</sub>
Manipulative skills	Yes	Yes	Yes
Task performances/frequency	WAC quarterly	Per WAC	Per WAC+
Annual training hour requirements	None required	Exceeds WSRB	None required
Use of lesson plans	Yes	Yes	Yes
Produced in-house or commercially	Both	Both	Both
Night drills	Annually	Weekly	Annually
Multi-agency drills	Multiple time/year	Quarterly	Bi-Annually
Inter-station drills	Yes	Yes (varies)	Yes (varies)
Disaster drills conducted	Every few years	No	No
Pre-fire planning included in training	Yes	Yes (monthly)	Yes
Safety incorporated in training	Yes	Yes	Yes
Post-incident analysis conducted	Structure fires & multi-agency calls	After-action review; IRPG	First-alarm or greater incidents

**Figure 127: 2017 Training Methodologies & Operations (WTRFA, OFD, MBLFD)**

Description	WTRFA	OFD	MBLFD
Manipulative skills	Yes	Yes	Yes
Task performances/frequency	Varies	Weekly	Varies
Annual training hour requirements	Per WSRB & WAC	144 hours	Per WSRB & WAC
Use of lesson plans	Yes	Yes	Yes
Produced in-house or commercially	Both	Both	Both
Night drills	Bi-Annually	Annually	Bi-Annually
Multi-agency drills	Quarterly	Frequently	Bi-Annually
Inter-station drills	Yes (quarterly)	Yes (weekly)	Yes (quarterly)
Disaster drills conducted	Annually	City EM	Varies
Pre-fire planning included in training	Yes	Yes	Yes
Safety incorporated in training	Yes	Yes	Yes
Post-incident analysis conducted	Structure fires & multi-alarm calls	Most fires	First-alarm or greater incidents

All of the fire departments conduct training on a monthly and/or weekly basis, and meet their annual training requirements. Multi-agency, night, and inter-station drills are conducted regularly by each of the departments.

The following two figures list the most current training activities among the six departments.

**Figure 128: 2017 Fire Department Training Activities (TFD, EOFD, LFD3)**

Description	TFD	EOFD	LFD3
Number of personnel trained	50	45	115
Fire-related training hours	5,763	3,726	9,200
EMS-related training hours	1,661	446	3,300
Other training hours	—	200 (recruits)	—
<b>Total Training Hours Delivered:</b>	<b>7,424</b>	<b>4,372</b>	<b>12,500</b>

**Figure 129: 2017 Fire Department Training Activities (WTRFA, OFD, MBLFD)**

Description	WTRFA	OFD	MBLFD
Number of personnel trained	85	107	70
Fire-related training hours	4,873	9,454	5,960
EMS-related training hours	600	3,366	509
Other training hours	2,240 <sup>A</sup>	2,494	688
<b>Total Training Hours Delivered:</b>	<b>7,713</b>	<b>15,314</b>	<b>7,157</b>

<sup>A</sup>Represents 1,440 hours in recruit academy; 100 hours for technical rescue; and 900 hours for EMT training

The next figure represents the combined training activities of the six fire departments and fire districts participating in this study. As shown, fire-related training comprised approximately 72 percent of the total training hours; EMS-related training just over 18 percent; with all other training topics making up just over 10 percent of the total training hours.

**Figure 130: Combined Training Activities Summary**

Description	Totals
Number of personnel trained	472
Fire-related training hours	38,976
EMS-related training hours	9,882
Other training hours	5,622
<b>Total Training Hours Delivered:</b>	<b>54,480</b>

### Training Discussion

It was evident from ESCI's site visit that each of the fire departments in this study considers training as a high priority. If consolidated or even partially consolidated, they would have a large amount of resources and qualified personnel to provide ongoing fire-related and other training. Assuming Thurston County Medic One would continue the provision of continuing medical education and initial EMT-Basic training, EMS training should not be an issue in the event of consolidation. If not, it would be necessary for a consolidated department to assign and/or employ qualified instructors and management staff to deliver mandatory EMS continuing medical education.

#### **RECOMMENDATIONS:**

- As described earlier, fire training is a critical element of a successful fire department, and requires substantial skills, knowledge, and experience to manage effectively. Tumwater & Lacey should assign (or promote) their Training Lieutenants to manage and deliver fire training.
- Each department should consider publishing an annual training report—either independently or incorporated within their department's annual report. The reports should be shared with all members.
- Tumwater, Lacey, and McLane-Black Lake should annually inventory all of their training equipment and props, and maintain regular maintenance records.

## Current Financial Analysis

### Economic Setting

The national economy, which sets the stage for the local economy, continues its nine-year trend of modest growth. The current economic expansion is the second longest on record, and appears likely to break the record in July 2019 (the previous record was 120 months from 1991–2001). Even though there are concerns regarding the stock market and regarding the implications of certain national and international policies, the consensus is that the current growth trends can be expected to continue at least through 2019.

Washington's economy has been growing at a faster pace than the nation as a whole since 2012, in terms of GDP. Washington State's unemployment rate of 4.5 percent is at historic low, and job growth is expected to continue growing at 1.8 percent through 2020. The state's retail sales tax collections are up 33 percent between 2014 and 2018. These are both indicators of a strong economy and key drivers of government payrolls, which bodes well for Thurston County.

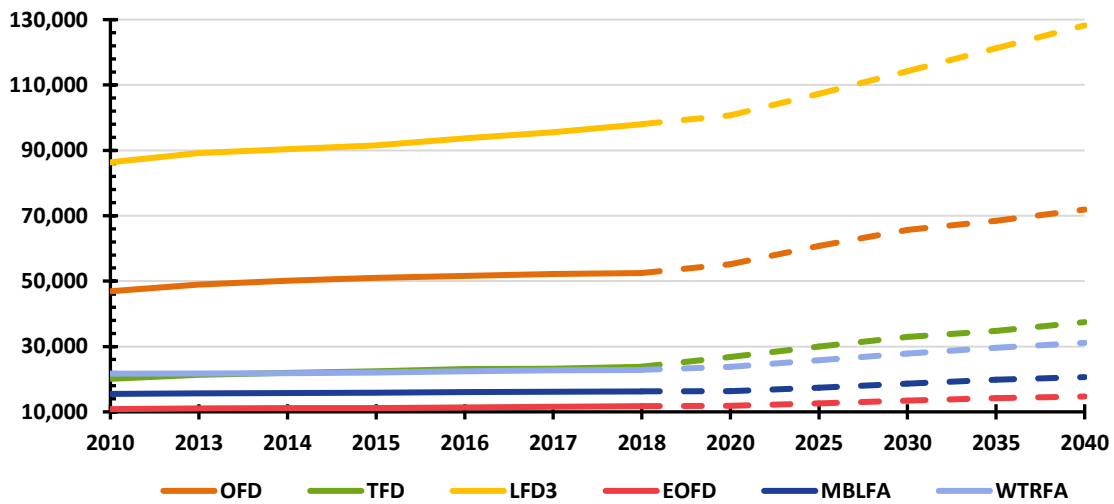
Dominated by the state capital in Olympia and state department offices in Tumwater, Thurston County is heavily dependent on government employment—Employment Security data shows 32.5 percent of all nonfarm employment in the county can be attributed to federal, state, and local government jobs. As of October 2018, the area enjoyed a low 4.2 percent unemployment rate on a civilian labor force of 139,037. The County's strong economic position is further indicated by its 7 percent growth in assessed value (AV), from \$30 billion in 2016 to \$32.2 billion in 2017, which included \$488 million in new construction (itself up 10.6% from 2016).

The six subject fire departments cover much of Thurston County, including the bulk of metropolitan areas (excluding the small cities of Yelm, Rainier and Tenino), with a population of 236,000 out of a county total of 277,000 (85% of total) and 381 square miles out of 774 square miles (49%). Their combined assessed value (AV) is \$25.7 billion out of \$32.2 billion (80%). Since the subject area accounts for a majority of the economic activity of the county, we can confidently assume that published County-wide trends closely match subject area trends.

The local economy is also augmented by large public construction projects (though the fire departments receive no direct tax benefit from them). Olympia, Tumwater, and North Thurston school districts continue to build and renovate schools thanks to recent voter-approved bonds. Olympia voters approved \$160 million in 2016. North Thurston, working off its 2014 bond package, has capital construction plans of over \$104 million between 2017 and 2023 (\$35 million was approved for the 2018/19 school year). Tumwater is completing projects from its 2014 bond package and is contemplating \$124 million in projects in its 2018–24 capital facilities plan.

The area is also growing in population (Figure 131). Thurston County has been one of the fastest growing counties in Washington for the last thirty years. In the last 10 years, the county has grown roughly 10 percent from about 249,000 in 2009, to 282,000 in 2018. Within the cities of Lacey, Olympia, and Tumwater, the average growth rate was 2.4 percent each year, and almost 21 percent over the 10-year period. From 2015 to 2018, the average was 2.9 percent per year, and 8.7 percent overall. Per a 2011 Thurston County Regional Planning Council study, Thurston County will need to add 55,000 new residential units between 2010 and 2030.

**Figure 131: Fire Agency Population Projections**



While the strong economy provides confidence for the six fire departments’ budgets, this confidence is somewhat offset by strong population growth; and with it, growing expenses. Most of the departments’ property tax revenue has recently grown faster than the population; over all they increased their levies by almost 26 percent from 2015 to 2018 (see Figure 132). WTRFA and the Medic 1 regular levies are the exceptions, with WTRFA regular levy shrinking by 11 percent over the four-year period (excluding its M&O levy), and Medic 1 only increasing by 8 percent. However, when WTRFA’s M&O levy is included its total levy increases are in line with those of other departments. Medic 1 remains a more concerning funding source.

Along with the economic setting described above, we note that one of the main challenges facing fire agencies (and other local government agencies) are various property tax constraints. The two that are most difficult are the 1 percent limit on growth and the \$5.90 limit on total property tax rates. The impact of the 1 percent limit is that it prohibits revenues from rising as quickly as inflation (which often exceeds 1%), unless voters approve larger increases. This leads to a structural imbalance in funding for all local governments in Washington State. The impact of the \$5.90 limit is that it restricts how much tax voters can approve. While a thorough explanation of these issues is beyond the scope of this document, an excellent overview can be found online.<sup>18</sup>

<sup>18</sup> See: <http://mrsc.org/Home/Explore-Topics/Finance/Revenues/The-Property-Tax-in-Washington-State.aspx>.

**Figure 132: Summary of Levies**

Taxing District	Levies				Increase from			
	2015	2016	2017	2018	15-16	16-17	17-18	15-18
Tumwater	\$ 7,477,416	\$ 7,806,532	\$ 9,267,533	\$ 9,493,468	4.4%	18.7%	2.4%	27.0%
Olympia	\$14,789,950	\$15,139,775	\$15,591,403	\$18,597,989	2.4%	3.0%	19.3%	25.7%
EOFD	\$ 2,004,648	\$ 2,090,533	\$ 2,297,825	\$ 2,457,039	4.3%	9.9%	6.9%	22.6%
LFD <sub>3</sub>	\$12,895,122	\$13,515,914	\$14,525,783	\$16,091,971	4.8%	7.5%	10.8%	24.8%
WTRFA	\$ 3,156,659	\$ 2,605,709	\$ 2,730,045	\$ 2,795,429	-17.5%	4.8%	2.4%	-11.4%
M&O	\$ -	\$ -	\$ 1,194,017	\$ 1,202,146	0.0%	0.0%	0.7%	0.7%
Total	\$ 3,156,659	\$ 2,605,709	\$ 3,924,062	\$ 3,997,575	-17.5%	50.6%	1.9%	26.6%
MBLFD	\$ 3,440,667	\$ 3,940,408	\$ 4,142,931	\$ 4,404,587	14.5%	5.1%	6.3%	28.0%
M&O	\$ -	\$ 373,650	\$ 404,524	\$ 430,906	0.0%	8.3%	6.5%	15.3%
Total	\$ 3,440,667	\$ 4,314,058	\$ 4,547,455	\$ 4,835,493	25.4%	5.4%	6.3%	12.1%
<b>Totals:</b>	<b>\$43,764,463</b>	<b>\$45,472,521</b>	<b>\$50,154,061</b>	<b>\$55,473,535</b>	<b>3.9%</b>	<b>10.3%</b>	<b>10.6%</b>	<b>26.8%</b>
Medic One	\$ 9,958,158	\$10,225,254	\$10,514,594	\$10,758,206	2.7%	2.8%	2.3%	8.0%

With a strong economy, solid financials, and significant levels of cross-connection, now is a good time to look at consolidation options. Making such transitions will be eased by the over-all strong financial position.

### Interconnectedness

The agencies all lie within Thurston County, which has a county-wide Medic One EMS levy of \$0.33 (2018) totaling \$10,758,206. We discuss the Medic One system as a separate issue below, but it is worth noting that the studied agencies already work together through it. TFD, OFD, and LFD<sub>3</sub> provide advanced life support and ambulance services through Medic One within their own areas and to the rest of the county. There is additionally a significant level of interconnectedness among the six departments in this study, with interlocal contracts for a variety of services. A summary of these contracts follows:

- OFD—Vehicle Repair and Maintenance Services (serving all agencies)
- OFD—Training Services (serving TFD and LFD<sub>3</sub>)
- LFD<sub>3</sub>—Vehicle Repair Facility (leased to OFD)
- West Thurston Regional Fire Consortium (WTRFA, MBLFD and EOFD)
- Special Operations Rescue Team (all agencies)
- Medic One (all agencies)
- Mutual Aid (all agencies)

Loss of any of these contracts due to a merger or other cooperative arrangement will have no net impact to the system. For instance, if LFD<sub>3</sub> and OFD were to merge, the resulting combined agency would lose the \$62,500 lease income from LFD<sub>3</sub>, but gain the \$62,500 savings from OFD.



## Thurston County Medic One

Authorized by voters in 1999 at a rate of \$0.50 per \$1,000 AV, the Medic One/EMS Levy's mission is to "Provide efficient and effective pre-hospital emergency medical services (EMS) throughout Thurston County (Washington State)." Services are coordinated through County staff with the support of the Thurston County Emergency Medical Services Council.

In 2018, the Medic One EMS Levy totaled \$10,758,206 at a rate of \$.33 per \$1,000 AV. Approximately 90 percent of the levy pays for Advanced Life Support and Basic Life Support, and about 5 percent is used for medic unit repair and replacement (units are owned by Medic One). The remainder covers administrative overhead, medical direction, financial, and technical support to the County's 14 fire agencies.

Advanced Life Support (ALS) response and transportation services are provided via contracts with the Olympia Fire Department (OFD); Tumwater Fire Department (TFD); and Lacey Fire District 3 (LFD3). The ALS funding from Medic One is intended to cover 100 percent of ALS costs including salaries, equipment, and supplies for a 7-medic unit. Funding is provided at 90 percent should an agency decide to staff its medic units with 8 medics, or 80 percent when staffed at 9 medics. Currently staffing is at 9 paramedics across the three contracted departments, and is expected to remain the same with the exception of Medic 14 which is located at the WTRFA Rochester Station. Medic 14 is staffed by 8 Tumwater paramedics and is funded at 100 percent. Medic One funding totaled \$9,194,602 in 2017, or about 17 percent of the total budgets of \$52,771,580 across all departments.

Basic Life Support (BLS) first response service, EMS training, and supplies are supported at each fire agency in the county with a \$27,025 pass-through from the levy (this amount falls short of actual BLS supply costs). Additional funding totaling \$719,459 in 2018 is divided among the 12 BLS agencies by call volume.

Beyond Medic One funding, agencies may charge a transportation fee for BLS. Currently MBLFD and WTRFA charge BLS transportation fees. WTRFA charges a single fee to all customers while MBLFD charges a separate, higher fee for nonresidents. WTRFA enjoyed \$339,780 in revenues in 2017 (6% of total revenues), while MBLFD brought in \$84,443 (about 1% of total revenue). They compete against private ambulance companies, AMR, and Olympic Ambulance, who charge higher rates for this service.

ESCI notes that largely because property tax increases in Washington State are limited to 1 percent growth, the Medic One levy rate has decreased from its original \$0.50 millage to its present \$0.32 millage. As in other agencies, this growth limitation leads to a structural deficit—with inflation growing at an average of about 2.5 percent, the revenue cannot keep pace. As noted above, the Medic One levy grew by 8 percent in the four-year period from 2015 to 2018, largely thanks to new construction (which is not limited by the 1% growth cap).

The structural deficit was made apparent in a 2013 study by the Thurston Regional Planning Council which found that expenditures were exceeding revenues as of 2011. The authors of the study recommended asking voters for a levy lid lift in 2017 to support Medic One programs. This project has not yet been attempted, however, and the current planning window for doing so is circa 2020. If/when they successfully complete this project, the levy rate would go from its current \$0.33 millage to \$0.50, or an annual increase of about \$5,350,000.

Regionalization will likely have modest impacts on the BLS side of the Medic One system. Without a change to the funding model, a newly formed fire authority would lose the \$27,025 pass-through for each consolidated fire department. The remainder of the BLS funding would remain the same since it is apportioned according to call volume. If all six agencies were to consolidate the loss would be \$135,125, about 0.35 percent of the consolidated revenues of \$38,365,672. There would be no financial impact to the ALS services or funding.

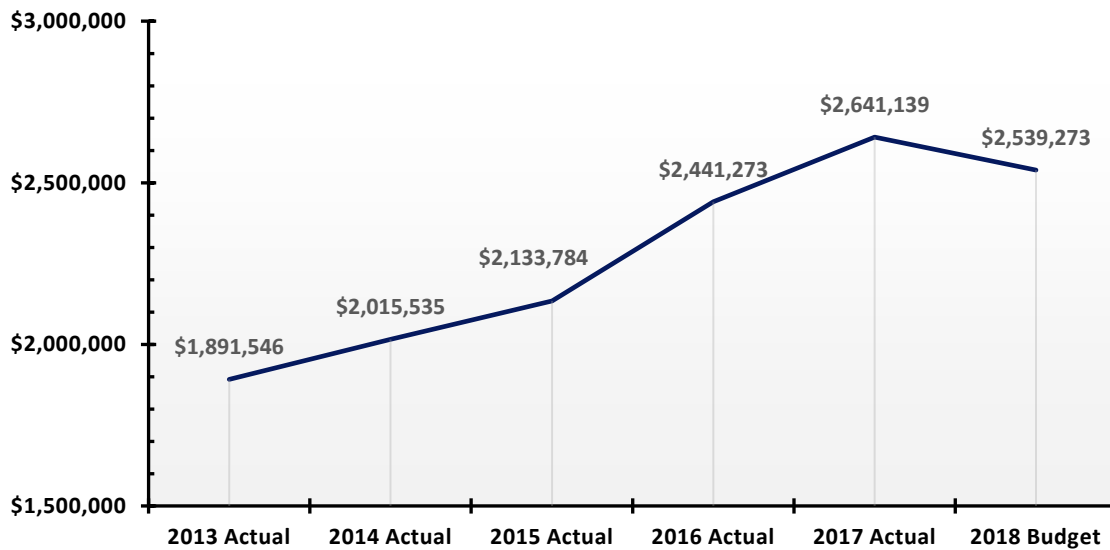
### **East Olympia Fire District**

East Olympia Fire District is the smallest of the six studied agencies, with a 2018 operating budget of just over \$2 million, a population of about 12,000 and a geographic area of 30 square miles (larger than the two cities, but smaller than the other three departments). Currently, the district is staffed by 20 career and 30 volunteer firefighters.

Like all of the agencies under study, EOFD is taking full advantage of its taxing authority, with a levy rate of \$1.50 per millage. It does not have an M&O levy. It has one outstanding voter-approved bond.

As a good initial assessment of the district's health, we note a growing End-of-Year General Fund balance (see Figure 1335). Fund Balances can vary day-by-day, but End-of-Year balances, which coincide with most budgets, provide a common measuring stick of financial health. While it may be acceptable to see an occasional decline in General Fund balance, a healthy financial situation will generally only show such drops due to one-time issues, such as a major capital expenditure or a temporary funding issue.

**Figure 133: EOFD General Fund Balances**



EOFD also maintains a healthy reserve account that totaled \$1,368,290 at the end of 2017—this represents over half a year’s operating expenses. As a rule, agencies need to maintain fund balances of at least three or four months of operating expenses. EOFD’s financial policy #86-04 requires a three-month financial reserve, as well as a two-month rainy-day reserve.

**Interlocal Agreements**

EOFD contracts with Southeast Thurston Fire Authority to share costs of a Training Officer, a Mechanic, and a Facilities Maintenance employee. They have an additional agreement with OFD to provide vehicle maintenance beyond that provided by their in-house staff.

**Capital Improvements and Debt**

As can be noted by the non-operating expenditure line in the following figure, EOFD is actively maintaining its capital assets, with \$351,007 in upgrades to its training facilities planned for 2019, and \$998,500 in purchases of two new engines, a command vehicle, and SCBA equipment planned for 2018. These and other current improvements are financed by a 2016 bond issuance of \$2 million. Bond payments are covered by a \$0.26 voter-approved levy, and the bond will be retired in 2022.

In addition to the bond, we note pension fund liabilities totaling \$249,913 (10.3% of 2018 budget) and compensated absences totaling \$76,235. Neither of these liabilities present a significant risk to the department.

**Budgetary Review**

EOFD maintains three budgetary funds—General, Capital Project, and Debt Service. The General Fund is used for regular operating activities, the Capital Project Fund is used for the acquisition or construction of capital assets, and the Debt Service Fund accounts for resources and expenditures related to long-term debt (which is used to finance the Capital Project Fund).

While all of the studied agencies are heavily dependent on property tax revenues, EOFD is the most reliant with property taxes covering 92 percent of operating expenses in 2017. Though property tax revenues are generally stable and reliable, there are a couple of consequences to be aware of. First, fire districts are secondary taxing authorities. This means that if the total property tax rate for an area exceeds the statutory maximum, as happened in 2008, fire district's levies may be reduced to bring levy rates down. Second, the majority of property tax revenues are received in May and November. If an agency has a low general fund cash balance, this can lead to difficulty making payments in the early spring and late summer. Through prudent financial stewardship, EOFD has an adequate cash balance.

While EOFD's fund balance trends (Figure 133) are positive, it is important to also make sure that operating (or recurring) revenues are regularly greater than operating expenditures, that capital expenditures are well planned and covered, and that debt payments have an adequate and consistent funding source. One should not over-focus on any single data point, but should instead take in the totality of the various aspects of an agency's financial condition.

Operating revenues and expenses are those that are generated through the agency's regular activities. Revenue examples include taxes, fees and charges, and interest, while example expenditures include debt payments, personnel costs, and equipment repair. Non-operating (or one-time) revenues and expenses are those that happen irregularly or are not guaranteed. Revenue examples include grants, property sales, donations, and fund balances, while expenditure examples include major capital purchases. Generally, operating revenues should not be used for non-operating expenses and non-operating revenues should not be used for operating expenses. For example, funding from bonds should be used for new apparatus rather than supporting on-going pay increases.

As seen in the next figure, EOFD's operating revenues generally line up with the operating expenditures as do its nonoperating revenues/expenditures (net over time).

**Figure 134: EOFD Net Revenues (Deficits)**

Net Revenues (Deficits)	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Budget
Operating Revenues	\$1,879,981	\$2,009,808	\$2,180,778	\$2,173,624	\$2,101,513	\$2,216,066
Operating Expenditures	\$1,749,853	\$1,885,134	\$1,863,799	\$1,922,414	\$1,971,475	\$2,234,806
Net Revenue (deficit)	\$130,128	\$124,674	\$316,979	\$251,210	\$130,038	\$(18,740)
Non-Operating Revenues	\$7,744	\$1,124	\$447	\$2,000,251	\$379,225	\$390,494
Non-Operating Expenditures	\$32,839	\$15,150	\$109,824	\$76,417	\$542,313	\$1,701,212
Net Revenue (deficit)	\$(25,095)	\$(14,026)	\$(109,377)	\$1,923,834	\$(163,088)	\$(1,310,718)

## Forecast

ESCI forecasted EOFD's expenditures using a linear formula based on the last four years, and its property tax revenues based on average increases over six years. Its property tax revenue forecast assumes 1 percent annual growth plus \$1.5 per \$1,000 AV on new construction (except 2020, where construction is held to \$0 in anticipation of a mild recession). Contract revenue was forecast on a simple 2.5 percent inflationary increase. Based on this fairly simple model, EOFD could see increasing deficits in the coming years.

Of course, with controls over EOFD's expenditure increases there is no reason why our forecasts will necessarily come to fruition. The forecasts do, however, point to a need for inflationary controls. They also reflect the continued problem of a structural imbalance in Washington State where revenue growth is more tightly controlled than inflationary pressures on expenses. The district intends to submit a levy lid lift to help alleviate inflationary pressures.

**Figure 135: EOFD Financial Forecast**

	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast	2023 Forecast	2024 Forecast
Operating Revenues	\$2,286,127	\$2,310,327	\$2,377,677	\$2,449,944	\$2,527,178	\$2,609,429
Operating Expenditures	\$2,288,644	\$2,404,852	\$2,521,060	\$2,637,269	\$2,753,477	\$2,869,685
Net Revenue (deficit)	\$(2,517)	\$(94,525)	\$(143,383)	\$(187,325)	\$(226,299)	\$(260,256)
Beginning Fund Balance	\$2,520,533	\$2,401,808	\$2,191,074	\$1,931,483	\$1,627,950	\$1,285,442

## City of Tumwater Fire Department

The City of Tumwater's Fire Department has an operating budget of \$6.7 million and serves a population of almost 24,000 people in an area of about 18 square miles. This makes TFD the smallest of the studied agencies in terms of land area, but mid-sized in terms of budget and population. Currently, the department is staffed by 49 career and 12 volunteers, including four new positions added in 2017 due to the east annexation of approximately 15 percent of EOFD and FD 15 in 2016.

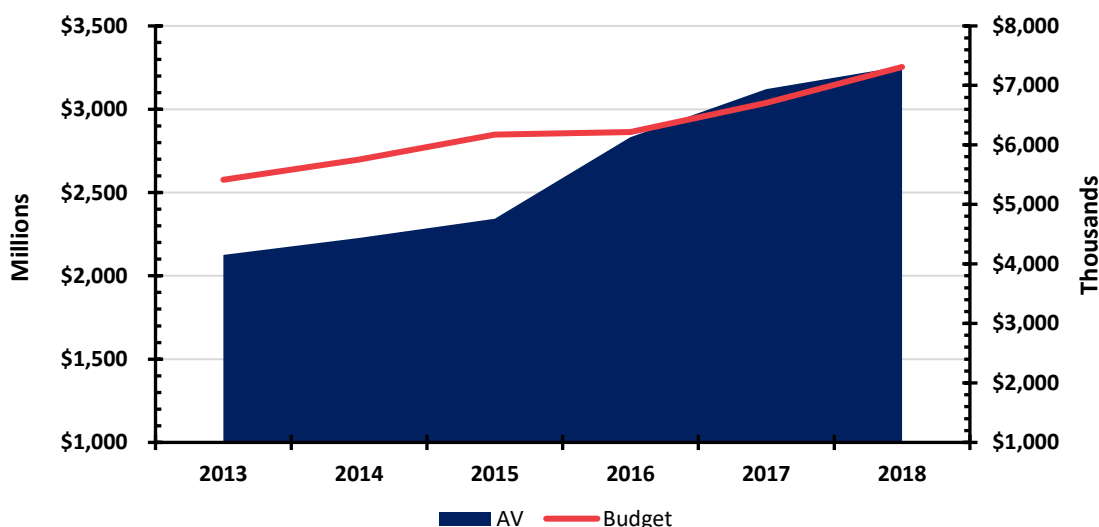
TFD provided fire and medic services through an intergovernmental contract with the Munn Lake Fire District 15 (FD15) until it was annexed into City boundaries in 2016 as previously mentioned. In addition to fire suppression and basic life support services, TFD is a contract provider within the Thurston County Medic One System through which it provides advanced life support services within the city and to the Rochester/Grand Mound areas. While the contract would pay 100 percent of costs for 7 paramedics per station, all 3 agencies have elected to staff their stations with 9 paramedics and receive 80 percent cost recovery from Medic One with the exception of Medic 14 located in Rochester. Medic 14 staffs 8 paramedics per contract at 100 percent. The remaining expenses are absorbed by the agencies. The department also provides fire suppression services to the Port of Olympia Regional Airport.

Since it is a city department, there is no direct connection between the property tax levy or other tax revenues and the fire department's services. That said, if a \$1.50 levy rate were applied to the City's assessed value, it would accrue \$4.886 million. With the additional \$2.372 million Medic One payments the department receives and \$17,000 in fire inspection fees, it would conceivably have a total revenue of about \$7.275 million.

The City does not allocate overhead expenses within its general fund, so the department’s 2018 budgeted operating costs of \$7.310 million appear lower than they would if it were a separate agency, making it more difficult to compare. There are a variety of valid ways to estimate how much of the overhead costs are attributable to the fire department, and each would likely produce a different result. A simple way is to simply take the total General Fund costs for the City that are administrative in nature (Legislative, Executive, Finance, HR, IT, Attorney) as a percent of the total General Fund expenses (about 10.45%) and apply that percentage to the fire department. This would add an estimated \$764,000 to the figure, for a total of \$8.074 million, resulting in an operating deficit of \$799,000. Even though the 2018 estimated expenses were somewhat less at \$7.134 million and the overhead figure is a very rough estimate, it is unlikely that a stand-alone agency would break even without changes to one or both sides of the revenue-expenditure equation.

Over the past 5 years, the department’s budget has increased on average 7 percent per year, and 35 percent overall (see Figure 136). Much of this growth can likely be attributed in part to the annexation of FD15 in 2016, and an average population growth of 6 percent per year (30% overall). The growth was at least partly enabled by the levy lid lift and by property taxes on new construction (which are not included in the 1% property tax limitation).

**Figure 136: Tumwater Budget Compared to AV Growth**



**Capital Improvements and Debt**

TFD is actively maintaining its capital assets via debt issuances. Having paid off a bond in 2018, the department is left with \$188,656 in debt on an engine that will be paid off in 2021 (payments are roughly \$67,700 per year). They plan to issue an additional \$750,000 in debt over the next 8 years for a new fire engine through the Washington Treasurer’s LOCAL program (essentially piggy-backing on state-issued bonds), paying for it with money provided by the levy lid lift (see below). Debt service is anticipated to be about \$109,740 for eight years beginning in 2019. The City has also recently completed facility improvement on its Fire Station T2 and Headquarters Fire Station, and continues to make repairs and improvements.

Additionally, the City has liabilities for compensated leave, pension liability, and other post-employment benefits—the amounts attributable to the fire department are unknown. Pension liability has increased on average 23 percent (\$306,489) each year over the past 9 years (2009–2017). While the rate of increase seems to be tapering off (22% over the last 5 years, and 15% in 2017), the numerical increase remains high (\$383,831 5-year average, and \$391,618 in 2017). Pension liabilities are a common issue among Washington State government agencies, though the Law Enforcement Officers' and Fire Fighters' pensions are adequately funded.

### Budgetary Review

The City of Tumwater operates under GAAP accounting rules (accrual versus cash) and budgets on a 2-year cycle, while the stand-alone districts are all operated on a cash basis and use one-year budget cycles. TFD is operated primarily as a department within the City's General Fund. Repair and replacement for all vehicles except fire engines are handled in a separate Equipment Rental and Reserve Fund. Debt repayments and capital projects are also handled under separate funds, as is typical.

The City passed a six-year permanent levy lid lift in 2011 for public safety purposes (fire and police) that expired in 2018. As a result, the City enjoyed more revenue growth between 2012 and 2018 than it would have under the I-747 1 percent property tax limitation. Since it was a "permanent" lift, the city will continue receiving the additional revenues in the future, thus protecting the FTEs that were enabled by this lift. Over time however, property tax increases will not keep up with inflationary pressures on salaries and expenses.

The money generated by the levy lid lift has been accounted for via a separate "Public Safety Reserve" fund, which receives the money and transfers it out to other fund departments (General Fund, Debt Service Fund, Capital Facilities Fund, and Equipment Rental and Replacement Fund) for expenditures. With this revenue, TFD has hired three firefighters, replaced SCBA gear, renovated two reserve engines, purchased small equipment, and purchased two new fire engines via the state LOCAL program.

The next figure shows a generally healthy operating surplus, though it must be noted again that overhead costs are not included in the operating expenditures.

**Figure 137: TFD Net Revenues (Deficits)**

Net Revenues (Deficits)	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Budget
Operating Revenues	\$5,629,004	\$6,211,091	\$6,096,905	\$6,512,165	\$7,090,866	\$7,276,116
Operating Expenditures	\$5,414,232	\$5,755,213	\$6,175,548	\$6,214,465	\$6,704,078	\$7,273,251
Net Revenue (deficit)	\$214,772	\$455,878	\$(78,643)	\$297,700	\$386,788	\$2,865
Non-Operating Revenues	N/A	N/A	N/A	N/A	N/A	N/A
Non-Op. Expenditures	N/A	N/A	N/A	N/A	N/A	\$37,000
Net Revenue (deficit)	N/A	N/A	N/A	N/A	N/A	N/A



Note that Operating Revenues in the above figure assume a \$1.50 levy and include SAFER grants, since associated expenses are included in operating expenses. Non-Operating Expenditures are limited to Capital Project Fund expenditures. Non-Operating Expenditures for 2018 are estimated.

**Forecast**

ESCI forecasted TFD’s wages, benefits, and professional services expenditures using a linear growth model, using six years of data on wages/benefits, and four years for professional services. Supplies, apparatus maintenance, and interfund expenses are forecast on simple 2.5 percent inflationary growth. Capital expenses are assumed to be zero, but we did include the \$109,740 debt payments for a new engine. On the revenue side, Medic One revenue forecasts use a linear formula based off the last six years of growth, while fire inspection fees are assumed to be the average of the past four years. Property tax revenues assume \$1.5 per \$1,000 AV with 1 percent annual growth plus new construction (except 2020, where construction is held to \$0 in anticipation of a mild recession). Based on this fairly simple model, TFD could see very moderate deficits in the coming years.

As mentioned, this forecast treats the department as if it were a stand-alone agency; we are making no forecasts about Tumwater’s actual general fund. The forecast deficits are modest enough to be relatively easy to manage, and indicate a fairly healthy department going forward. Dangers include capital expenses that are not forecast in this model, and the potential for inflationary pressures on wage and benefit growth.

**Figure 138: TFD Financial Forecast**

	2019 Projected	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 Projected
Operating Revenues	\$7,623,546	\$7,644,713	\$7,994,771	\$8,344,828	\$8,694,886	\$9,044,944
Operating Expenditures	\$7,537,564	\$7,865,066	\$8,192,775	\$8,520,698	\$8,848,840	\$9,177,205
Net Revenue (deficit)	\$85,982	\$(220,353)	\$(198,005)	\$(175,870)	\$(153,953)	\$(132,261)

**City of Olympia**

The City of Olympia’s Fire Department is more than twice the size of TFD, the other city department in our study, in terms of budget (\$16,945,712 in 2017), personnel (101 career), population served (52,170), and land area served (18.9 square miles). Like TFD, OFD provides fire inspection and ALS services in addition to those services provided by other agencies.

As indicated in the discussion about interconnections among the studied agencies, Olympia is perhaps the most connected with other agencies. It provides vehicle repair and maintenance services to all of the studied agencies via a facility it leases from LFD3, and provides training services to TFD and LFD3. It is additionally one of three agencies providing ALS via Medic One.

As a city department, OFD does not have a direct connection to its tax revenues. The agency is a department within the City's General Fund, as opposed to fire districts wherein the entire General Fund is devoted to the fire department. Nevertheless, if a \$1.50 levy rate were applied to the City's assessed value, it would accrue \$10.036 million. With the additional \$2.709 million Medic One payments the department receives and \$2.009 million in other revenues (mostly contract fees), it would conceivably have a total revenue of about \$14.754 million.

The City does not allocate overhead expenses within its General Fund, so the department's operating costs appear lower than they would if it were a separate agency, making it more difficult to compare. There are a variety of valid ways to estimate how much of the overhead costs are attributable to the fire department, and each would likely produce a different result. A simple way is to simply take the total General Fund costs for the City that are administrative in nature (Legislative, Executive, Finance, HR, IT, Attorney) as a percent of the total General Fund expenses (about 13.86%) and apply that percentage to the fire department actuals of \$16,945,712 in 2017. This would add an estimated \$2,348,000 to the figure, for a total of \$19.295 million, resulting in an operating deficit of \$4.5 million. While these are only very rough estimates, the numbers indicate that changes would need to be made in order for the department to break even as a stand-alone agency.

It is worth noting that while the overhead estimate is substantial, the amount and quality of financial planning in OFD is admirable. Also, OFD's benefits package is more generous than some other fire departments, including an education benefit (4% additional pay for Bachelor's degree), longevity (6% for over 25 years), uniform allowance, deferred compensation (3%), medical, vision, dental, EAP, VEBA, and life.

Over the past five years, the department's budget has increased on average 5.8 percent per year (32.6% overall). Some of this growth can be attributed to an average population growth of 1.4 percent per year (7% overall). The remainder of this growth can be attributed to normal inflationary pressures, particularly in compensation and benefits.

The City's fund balances have been growing over the past five years, from \$16.8 million in 2013, to \$21.1 million in 2017. The City also has a policy to maintain a 10 percent expenditure reserve. In all, the City seems to be in a robust financial position.

### **Capital Improvements and Debt**

The citizens of Olympia authorized the City to issue general obligation bonds in 2008, which were used to construct a fourth fire station, a fire training center, and the acquisition of two fully equipped fire engines and a ladder truck. Annual principal and interest payments are funded by voter approved property tax collections equal to the current year debt service obligation. Those bonds will expire in 2029, and the outstanding principal at the end of 2017 came to \$10,400,000. Other debt includes \$6,372,971 in other post-employment benefits, and \$2,061,048 in pension fund liabilities.

## Budgetary Review

The City of Olympia uses GAAP accounting procedures rather than cash-basis accounting like the fire districts. OFD is operated primarily as a department within the City's General Fund, but the City has a separate Fire Equipment Replacement Fund for its apparatuses. Debt repayments and capital projects are also handled under separate funds, as is typical. Insurance is also handled through a separate fund.

OFD covers about 28 percent of its expenses through contract revenue and other non-tax sources including grants and fire inspection fees. This is close to the average of all the studied departments (27%), despite its many interlocal contracts. This may indicate that the interlocal contracts are structured to cover expenses without generating significant additional revenue.

As noted previously, the next figure shows that as a stand-alone agency, OFD would need to make changes to operate within its probable resources.

**Figure 139: OFD Net Revenues (Deficits)**

Net Revenues (Deficits)	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Budget
Operating Revenues	\$10,755,165	\$11,482,646	\$12,293,803	\$12,693,304	\$14,261,152	\$14,891,359
Operating Expenditures	\$13,358,669	\$14,191,563	\$14,566,263	\$15,582,752	\$16,940,712	\$17,291,120
Net Revenue (deficit)	\$(2,603,504)	\$(2,708,917)	\$(2,272,460)	\$(2,889,448)	\$(2,679,560)	\$(2,399,761)
Non-Operating Revenues	N/A	N/A	N/A	N/A	N/A	N/A
Non-Op. Expenditures	\$126,040	\$74,508	\$689,166	\$162,502	\$5,000	\$590,016
Net Revenue (deficit)	N/A	N/A	N/A	N/A	N/A	N/A

Note that Operating Revenues in the figure assume a \$1.50 levy, and include grants since the bulk consists of SAFER grants, which are used for operating expenses. Non-Operating Expenditures are limited to General Fund expenditures.

## Forecast

ESCI forecasted OFD's compensation and benefits using a linear growth model, using six years of data. Supplies and professional services forecasts are based on six-year's average growth, while fleet costs and interfund services plus use simple inflation factors. Capital expenditures are maintained at the six-year average with no growth. On the revenue side, its Medic One forecast uses a linear forecast model while inspection fee revenue forecasts use six-year average growth (2.3%). Its property tax revenues assume \$1.5 per \$1,000 AV with 1 percent annual growth plus new construction (except 2020, where construction is held to \$0 in anticipation of a mild recession). Based on this fairly simple model, OFD could see large, but fairly stable deficits (as a percentage of expenses) in the coming years.

As mentioned, this forecast treats the department as if it were a stand-alone agency; we are making no forecasts about Olympia's actual General Fund. The forecasts highlight OFD's relatively high fire expenses compared to potential revenues, while also highlighting the fact that the effective deficit is not growing significantly as a percentage of the operating budget.

**Figure 140: OFD Financial Forecast**

	2019 Projected	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 Projected
Operating Revenues	\$14,776,512	\$14,942,455	\$15,520,511	\$16,211,140	\$16,909,119	\$17,614,758
Operating Expenditures	\$18,068,810	\$18,932,244	\$19,853,745	\$20,619,413	\$21,423,529	\$22,193,196
Net Revenue (deficit)	\$(3,292,298)	\$(3,989,789)	\$(4,333,234)	\$(4,408,273)	\$(4,514,410)	\$(4,578,438)

### Lacey Fire District 3

LFD<sub>3</sub> is the largest of the studied agencies in terms of population (98,040), assessed value (\$10 billion), and budget (\$17.7 million in 2017 actual expenditures), though WTRFA and MBLFD both serve larger geographic areas. As stated, LFD<sub>3</sub> is also slated to see the greatest population growth. Currently, the department is staffed by 115 career and 28 volunteer firefighters, making it the largest department in terms of staffing as well.

The district's \$1.50 regular levy provides 77 percent of its revenue (\$14 million in 2017), with the bulk of the remaining revenue coming from its Medic One contract. It does not have an M&O levy. A 2014 six-year permanent levy lid lift will allow the district to maintain its \$1.50 levy through 2021. After this time, we expect to see the levy rate slowly erode due to the state's 1 percent maximum levy growth rate. With on-going expected growth and construction, however, we can expect the district's property tax revenue to remain robust for the foreseeable future.

As a basic assessment of the department's health (see Figure 141), ESCI notes an increasing General Fund balance that keeps pace as a percent of operating expenses. While it may be acceptable to see an occasional decline in General Fund balance, a healthy financial situation will generally only show such drops due to one-time issues such as a major capital expenditure or a temporary funding issue. In this case, fund balance has generally been increasing. While the 2018 and 2019 budgets show a decrease as a percent of the operating budget, the level is nevertheless adequate and meets the department's policy goal to establish and maintain an adequate Fund Balance of at least 12 percent of the General Fund and supported operating funds.

**Figure 141: LFD3 General Fund Balances**

	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Budget	2019 Budget
Fund Balance	\$ 2,494,771	\$ 2,580,776	\$ 3,607,360	\$ 3,992,055	\$ 3,333,325	\$ 3,485,743
Balance as % of Expenses	16%	17%	22%	23%	17%	16%

The department has a history of taking advantage of a variety of grant opportunities, notably staffing for adequate fire and emergency response (SAFER) grants in past years, though it has no significant grant sources currently.

As seen in the following figure, the LFD<sub>3</sub>'s general fund costs have remained consistent over the past seven years, with the bulk of costs going toward operations.

**Figure 142: LFD3 Budget Ratios**

	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Budget	2019 Budget
Support Services	9%	8%	8%	8%	8%	10%	10%
Operations	86%	85%	85%	86%	86%	84%	85%
Facilities and Equipment	4%	3%	3%	3%	3%	3%	3%
Executive	1%	2%	1%	2%	2%	1%	2%

### Capital Improvements and Debt

LFD3 had four outstanding bonds totaling \$11,390,000 at the end of 2017. A \$0.119 bond levy supports about 92 percent of the principal and interest payments on this debt; the remainder must be transferred from General Fund sources. The district carried an additional \$1,314,805 in compensated absences (accumulated sick and vacation leave) and \$551,133 in pension liabilities at the end of 2017, with a total debt of \$13,255,938. At the end of 2017, the district's voters approved an additional \$19,115,000 bond for capital equipment and facilities.

While LFD3's debt is substantial, the majority is supported by dedicated property tax levies and therefore does not present a concern. Rather, the district's voters' willingness to pay for capital improvements is encouraging, as is the fact that the district is able to pursue its capital facilities plans.

### Budgetary Review

LFD3 operates primarily out of a general fund, but also maintains two bond funds, a donations fund, a reserve fund, and an equipment repair and replacement fund. The additional funds, while good accounting and budgeting practice, are inconsequential for our review.

As previously mentioned, the bulk of LFD3's non-tax revenue comes through its Medic One contract—in 2017, this amounted to \$3.7 million which was 20 percent of total revenues and 88 percent of non-tax revenues. While the trend line for this revenue source is distinctly positive (up 34% from 2013–2017), it is highly variable with 2015 and 2017 revenues lower than previous that of 2014 and 2016, respectively.

In reviewing the budget history, we noted no peculiarities or ballooning costs that would attract special attention. While most expense categories show significant increases, we recognize that the department has also grown.

The next figure indicates the district is budgeting within its means on both an operating and capital level.

**Figure 143: LFD3 Net Revenues (Deficits)**

Net Revenues (Deficits)	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Budget	2019 Budget
Operating Revenues	\$15,651,437	\$16,522,807	\$17,185,948	\$18,184,725	\$20,328,408	\$22,056,821
Op. Expenditures	\$15,114,849	\$15,503,767	\$16,490,151	\$ 7,655,453	\$20,062,762	\$22,002,695
Net Revenue (deficit)	\$ 536,587	\$ 1,019,040	\$ 695,797	\$ 529,273	\$ 265,646	\$54,126
Non-Operating Sources	\$ 1,394,884	\$ 1,421,756	\$ 1,297,516	\$ 916,481	\$11,434,928	\$ 8,804,781
Non-Operating Uses	\$ 1,076,255	\$ 1,035,520	\$ 1,165,525	\$ 779,452	\$ 4,136,913	\$ 8,169,898
Net Revenue (deficit)	\$ 318,629	\$ 386,236	\$ 131,991	\$ 137,029	\$ 7,298,015	\$ 634,883

Note that Operating Revenues in the above figure include grants since the bulk consists of SAFER grants, which are used for operating expenses.

### Forecast

ESCI forecasted LFD3's compensation, benefits, professional services, and fleet costs using a linear growth model, using seven years of data. Supplies were forecast using a three-year average in 2020, then a linear model. Capital and interfund transfers were forecast using a five-year average without growth. On the revenue side, its Medic One and other contract revenue forecasts use a linear growth formula based on five-years data (2013–2017). Its property tax revenues assume \$1.5 per \$1,000 AV with 1 percent annual growth plus new construction (except 2020, where construction is held to \$0 in anticipation of a mild recession). Based on this fairly simple model, LFD3 could see increasing and substantial deficits in the coming years.

It is important to note that the manner of the property tax forecasts is a key component, and that a linear growth model results in substantially higher tax revenues and much more moderate deficits in 2022, 2023, and 2024 (\$91,000, \$345,000, and \$445,000). ESCI chose the lower forecast to be conservative and consistent with other forecasts. The results highlight LFD3's dependence on property tax revenues and also reflect the continued problem of a structural imbalance in Washington State where revenue growth is more tightly controlled than inflationary pressures on expenses. They also point to a potential need to curtail the growth of expenditures.

**Figure 144: LFD3 Expenditure Forecast**

Net Revenues (Deficits)	2019 Budget	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 Projected
Operating Revenues	\$22,056,821	\$22,389,847	\$23,244,371	\$24,153,464	\$25,118,572	\$26,141,403
Operating Expenditures	\$22,002,695	\$22,419,591	\$23,976,985	\$25,675,109	\$27,270,080	\$28,716,756
Net Revenue (deficit)	\$54,126	\$(29,745)	\$(732,614)	\$(1,521,645)	\$(2,151,508)	\$(2,575,354)
Beginning Fund Balance	\$4,069,618	\$3,768,744	\$3,423,400	\$2,375,187	\$537,944	\$(1,929,163)

## West Thurston Regional Fire Authority

Incorporated in 2010 as a combination of two rural districts (#1 and #11), WTRFA is by far the largest of the studied agencies in terms of size—at 168 square miles it is twice the size of the next largest, MBLFD. At the same time, it is the second smallest in terms of population. Like MBLFD, the other regional agency in this study, WTRFA is dependent on volunteer firefighters to provide its services. Currently, the department is staffed by 42 career and 57 volunteer firefighters.

WTRFA suffered the Great Recession perhaps more than some of its fellow agencies in that its property tax revenues did not recover to their 2009 numerical levels until the voters approved a one-year M&O levy in 2015. As pointed out by the authority, during the 2013–2017 period the cost of goods and services rose sharply and the demand for services increased 16 percent.

Like other agencies, WTRFA operates primarily off property taxes, which totaled \$3.9 million and made up 73 percent of its 2017 revenues. The downturn in tax revenues was therefore particularly difficult for the authority. In 2016, the authority again asked for M&O levies, only this time for three years (2017–2019). This additional revenue has helped to bolster their finances, and has enabled them to hire additional firefighters. Still, if they are not able to renew their levies in 2020 as planned they will again face budget shortfalls. Alternatively, it is possible that they may succeed in passing a levy in one district, but not the other. This would also result in budget shortfalls, and most likely would result in lop-sided service. WTRFA has the ability to run three-year levies under the old districts, but only a one-year levy as a regional fire authority.

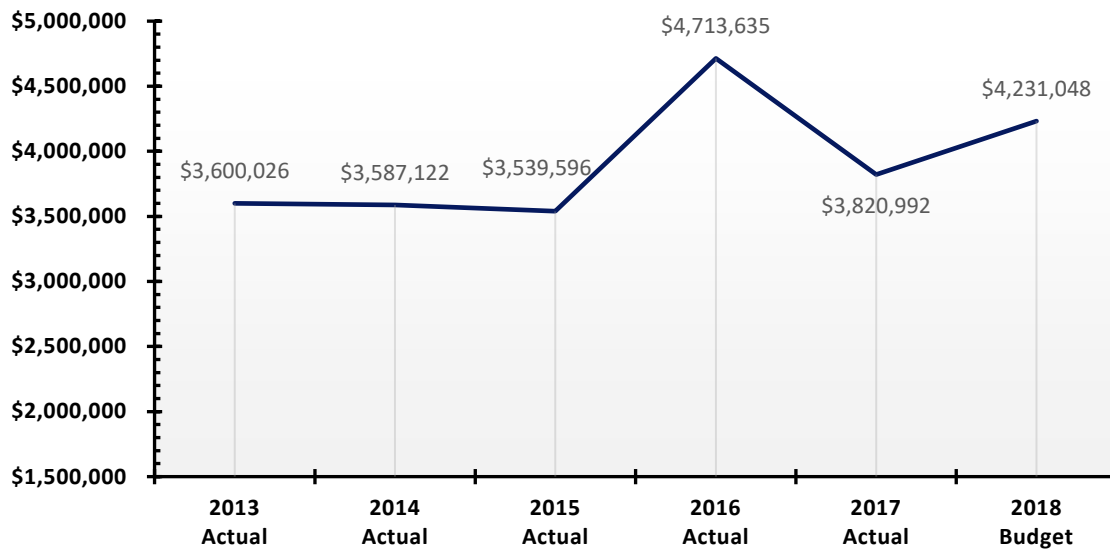
Together, the regular levy (\$1.50), M&O levies (combined about \$0.67), and bond levies (combined about \$0.39) made a total levy rate of about \$2.56 in 2017. This is a relatively high tax burden for a fire agency; it was 28 percent higher than that of MBLFD, which had the next highest rate among the studied agencies at \$2.00. While we focus on 2017 for the purposes of this study, it is worth noting that the 2018 combined levy rates have decreased to \$2.41 due to increasing property values.

These property tax challenges, especially the fact that they had no M&O levy in 2016, help explain the performance of the WTRFA's fund balances (see Figure 145). This figure shows large changes in fund balance—usually indicators of an institution facing serious financial challenges. In this case these concerns are resolved by the fact that the M&O levy will continue through 2019, likely continuing the positive trend in the fund balance. Given past voter support and continued operational successes, it seems likely that WTRFA will maintain a healthy financial situation for the foreseeable future.

In 2004, Fire Districts #1 and #11 (which today comprise WTRFA) and Fire Districts #5 and #9 (which today comprise MBLFD) formed the West Thurston Fire & Life Safety Consortium to “improve service, efficiency and economy by cooperating in the provision of emergency services in western Thurston County.” The consortium is an independent agency and charges WTRFA and MBLFD fees to cover its costs.



**Figure 145: WTRFA General Fund Balances**



**Capital Improvements and Debt**

The authority has two outstanding bonds (one each for Districts #1 and #11) totaling \$3,725,000. Both are supported by levies, which together support about 85 percent of the debt payments. The remainder of the payments (about \$128,000 in 2017) must be supported by the General Fund. The District #1 bond liability was \$1,450,000 at the end of 2017 and will expire at the end of 2020. The District #11 bond liability was \$2,275,000 at the end of 2017 and will expire at the end of 2025. Additionally, WTRFA had a pension fund liability of \$86,892 and compensated absences totaling \$122,513 (2016 figure). These debts are well within norms and do not present a concern. In 2016, the authority purchased capital equipment totaling \$348,078 using General Fund sources (this also helps explain the decrease in fund balance that year), and in 2017, WTRFA purchased an additional \$225,672 through the General Fund.

**Budgetary Review**

WTRFA maintains a General Fund, Bond Debt Service Fund, and a Capital Projects fund. Additionally, they have two management funds subsidiary to the General Fund: A Volunteer Recruitment and Retention Fund used to track FEMA grants, and an Emergency Reserve Fund. The Capital Projects fund has recently been dormant as they have made their capital purchases through the General Fund. The existence of the Emergency Reserve Fund is a particularly good financial strategy.

As previously discussed, the bulk of WTRFA’s funding is based on property tax revenue. The authority actively seeks to bolster its tax revenue with grants, contracts, BLS transportation services, and facility leases. WTRFA brought in roughly \$669,000 from tribal contracts for service and BLS transportation in 2017, or about 12 percent of their total revenue. They also recovered almost \$162,000 in mobilization fees in 2017, and in 2018 they expected a \$191,000 SAFER grant.

In reviewing the budget history, we noted no peculiarities or ballooning costs that would attract special attention. Aside from capital purchases, almost all of the expense growth can be attributed to compensation and benefits. This matches a planned increase in staffing that coincided with the passage of the O&M levies.

The next figure indicates the authority is budgeting within its means on both an operating and capital level.

**Figure 146: WTRFA Net Revenues (Deficits)**

Net Revenues (Deficits)	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Budget
Operating Revenues	\$3,221,953	\$3,538,467	\$4,250,493	\$4,054,935	\$5,532,020	\$5,309,383
Operating Expenditures	\$3,216,401	\$3,509,297	\$3,605,436	\$3,883,340	\$4,491,789	\$5,609,918
Net Revenue (deficit)	\$ 5,553	\$ 29,170	\$ 645,057	\$ 171,595	\$1,040,232	\$(300,535)
Non-Operating Sources	\$1,490,163	\$5,517,605	\$1,638,940	\$1,115,446	\$1,251,150	\$1,348,476
Non-Operating Expenditures	\$ 615,020	\$4,656,091	\$1,401,382	\$1,171,521	\$1,466,959	\$1,073,028
Net Revenue (deficit)	\$ 875,143	\$ 861,514	\$ 237,558	\$ (56,074)	\$(215,810)	\$ 275,449

Note that Operating Revenues in the figure include grants since the bulk consists of SAFER grants, which are used for operating expenses.

### Forecast

ESCI forecasted WTRFA's compensation, benefits, and supplies using six-year average growth, while professional services and fleet costs used a linear growth model on six years of data. Capital and interfund transfers were forecast using a six- and three-year averages, respectively, without growth. On the revenue side, its Medic One and other contract revenue forecasts use a linear growth formula based on six-years data. Its property tax revenues assume \$2.51 per \$1,000 AV (includes \$0.0569 combined M&O levies) with 1 percent annual growth plus new construction (except 2020, where construction is held to \$0 in anticipation of a mild recession). Based on this fairly simple model, WTRFA could see increasing and substantial deficits in the coming years.

It is important to note that the manner of the property tax forecasts is a key component, and that a linear growth model results substantially higher tax revenues and more moderate deficits (growing from \$745,000 in 2019, to \$2.6 million in 2024). ESCI chose the lower forecast to be conservative and consistent with other forecasts. The results highlight WTRFA's dependence on property tax revenues and also reflect the continued problem of a structural imbalance in Washington State where revenue growth is more tightly controlled than inflationary pressures on expenses. They also point to a potential need to curtail the growth of expenditures.

**Figure 147: WTFRA Financial Forecast**

	2019 Projected	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 Projected
Operating Revenues	\$5,235,828	\$5,261,602	\$5,369,702	\$5,463,268	\$5,597,793	\$5,750,370
Operating Expenditures	\$6,183,521	\$6,834,850	\$7,499,527	\$8,189,089	\$8,897,607	\$9,808,403
Net Revenue (deficit)	\$(947,693)	\$(1,573,248)	\$(2,129,825)	\$(2,725,821)	\$(3,299,815)	\$(4,058,033)
Beginning Balance	\$4,404,282	\$3,837,728	\$2,615,564	\$826,894	\$(1,537,679)	\$(4,486,365)

### McLane/Black Lake Fire District

In January 2008, McLane Fire and Life Safety (District #9) entered into a contractual consolidation with Black Lake Fire Department (District #5). The consolidation provided the opportunity to reduce administrative positions and enjoy economies of scale for purchasing.

While MBLFD covers about one-half the geographic area as WTRFA and has about 71 percent of the population (16,190 versus 22,710), the assessed value is slightly higher. This gives them more ability to raise funds if needed, though their total 2017 property tax was 12 percent less. Their 2017 General Fund budget of \$4.9 million is about 18 percent less than that of WTRFA. Currently, the department is staffed by 15 career and 52 volunteer firefighters.

MBLFD is the most dependent on volunteer firefighters to provide service of the studied agencies; 78 percent of its firefighters are volunteer, while 58 percent of those in WTRFA are volunteer, and 60 percent of those in EOFD are volunteer.

MBLFD is also among the most dependent on property taxes, which support 82 percent of its expenditures; only EOFD is higher, with property taxes supporting 86 percent of expenditures. As discussed elsewhere, property taxes are generally stable and reliable except in extreme situations such as the Great Recession. One major down-side to this situation is that it can be difficult to raise additional funds if needed since anything beyond the 1 percent annual increase requires a public vote.

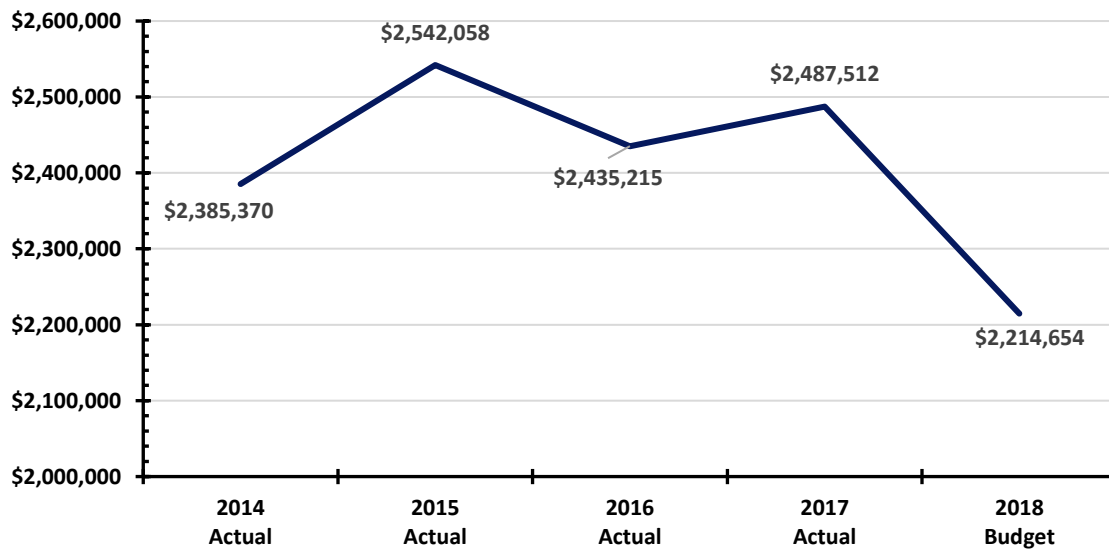
Perhaps to disprove the previous comment, in 2015 Fire Districts #5 and #9 each passed four-year M&O levies, effective from 2016 through 2019. The purpose of the levies is to "provide sufficient funds to maintain essential staffing from 2016–2019, to pay regular maintenance and operation costs and provide for future Capital equipment, maintenance, and operation needs." Together, in 2017, they added an additional \$404,524 to the consolidated district's revenue stream.

Another way they supplement their property tax income is through BLS transportation revenue. Both MBLFD and WTRFA use the company "Systems Design" for their billing services. This costs MBLFD on average 6.5 percent of their gross revenue. While there is wide variation in revenues on a given year from this service, as low as \$119,000 in 2016, and as high as \$217,000 in 2014, the 10-year and 5-year average revenue is almost the same at about \$183,000. This should hopefully increase in the future since the board raised the rate by 36 percent in 2018. These revenues are dedicated to the EMS and Apparatus Replacement Fund.

MBLFD also charges for public safety or emergency incidents via Resolution 16-492, defined as false alarms, hazmat incidents, illegal fires, rescue emergencies, utility line failures, motor vehicle accidents, and emergency medical responses. Billing via E&F Recovery, the district recovered \$16,374 in 2017.

As a basic measure of financial health, MBLFD has a somewhat erratic combined general fund and reserve balance (see Figure 148). While mildly concerning, this is bolstered by a policy of maintaining a cash reserve equal to 75 percent of its potential annual revenue. As with WTRFA, failure to renew its M&O levy could cause significant strain on the District’s budget.

**Figure 148: MBLFD General Fund and Reserve Balances**



The main concern for MBLFD is the loss of its South Puget Sound Community College Fire and Emergency Services Technology (FEST) program in late 2019. This program currently provides MBLFD with many of its volunteer staff, and its loss will result in staffing challenges. The district foresees the necessity of an increase in its M&O Levy to provide an additional eight career personnel. While there is room in their levy capacity (the current rate is \$0.20), there is no guarantee that the voters will approve the increase.

**Capital Improvements and Debt**

The consolidated district has four outstanding bonds, two voted and two non-voted, as follows (Figure 149).

**Figure 149: MBLFD Outstanding Bonds**

2017 Outstanding Bonds	Remaining Principal		Bond Levy Rates		Expiration	
	Voted	Non-Voted	Voted	Non-Voted	Voted	Non-Voted
District 9	\$3,745,000	\$1,170,000	0.305	0.097	2024	2026
District 5	\$1,000,000	\$190,000	0.265	0.029	2022	2026

Payments on this debt totaled \$914,151 in 2018, and the bond levies generated and general fund transfers totaled \$913,375. Of this, bond levies totaled \$728,141 and matched voted debt payments. In addition to the bonds, MBLFD has pension liabilities totaling \$86,892 and compensated leave totaling \$49,684.

The district's EMS and Apparatus Replacement Fund, which is supported primarily by BLS ambulance transport fees and General Fund contributions, used the bulk of its fund balance in 2018 to purchase new apparatuses.

### Budgetary Review

MBLFD operates four funds: General, M&O, Debt Service, and EMS and Apparatus Replacement. Additionally, they have managerial funds subsidiary to the General Fund for debt service, rainy day reserve, and maintenance and operations. The existence of the rainy-day reserve fund is a particularly good financial strategy.

As previously discussed, the bulk of MBLFD's funding is property tax revenue, which they supplement primarily with ambulance transport fees, mobilization fees, and grant revenue. Given their concerns for volunteer staffing, it is particularly noteworthy that they have received SAFER grants each year from 2014 through 2017.

In reviewing the budget history, we noted no peculiarities or ballooning costs that would attract special attention. Aside from capital purchases, almost all of the expense growth can be attributed to new hires along with the passage of the M&O levy.

The next figure indicates the district is budgeting within its means on both an operating and capital level (the operating deficit in the 2018 budget is minor and covered by cash balances).

**Figure 150: MBLFD Net Revenues (Deficits)**

Net Revenues (Deficits)	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Budget
Operating Revenues	\$4,080,499	\$3,565,473	\$3,752,577	\$4,401,912	\$3,857,731
Operating Expenditures	\$3,442,705	\$3,158,357	\$3,250,258	\$3,687,046	\$3,867,225
Net Revenue (deficit)	\$637,794	\$407,116	\$502,319	\$714,866	(\$9,494)
Non-Operating Sources	\$4,168,774	\$4,127,761	\$4,724,797	\$4,489,455	\$5,312,787
Non-Operating Expenditures	\$1,719,000	\$1,406,542	\$2,042,635	\$1,393,200	\$3,157,723
Net Revenue (deficit)	\$2,449,774	\$2,721,219	\$2,682,162	\$3,096,255	\$2,155,064

Note that Operating Revenues in the figure include grants since the bulk consists of SAFER and other grants that are used for operating expenses.

**Forecast**

We forecast MBLFD’s expenditures and tax revenues with a linear forecast model. For non-tax revenue (grants, contracts and miscellaneous revenue) which are highly variable from year to year, we used averages from previous years with no growth. Based on this fairly simple model MBLFD could see healthy revenue surpluses in the coming years, though they decrease over time.

It is important to note that the forecast is based solely off historical financial data and does not take into account potential impacts from the loss of the community college program. MBLFD’s response to this situation will likely impact their long-term financial situation. Nevertheless, the forecasts indicate that the district has some financial flexibility to work on these issues.

**Figure 151: MBLFD Financial Forecast**

	2019 Projected	2020 Projected	2021 Projected	2022 Projected	2023 Projected	2024 Projected
Operating Revenues	\$4,048,505	\$4,161,448	\$4,274,474	\$4,387,584	\$4,500,779	\$4,614,059
Operating Expenditures	\$3,894,437	\$4,032,210	\$4,169,983	\$4,307,756	\$4,445,529	\$4,583,301
Net revenue (deficit)	\$154,069	\$129,238	\$104,491	\$79,828	\$55,250	\$30,758
Beginning Fund Balance	\$925,223	\$1,054,461	\$1,158,952	\$1,238,781	\$1,294,031	\$1,324,789

**Relative Strengths/Weaknesses**

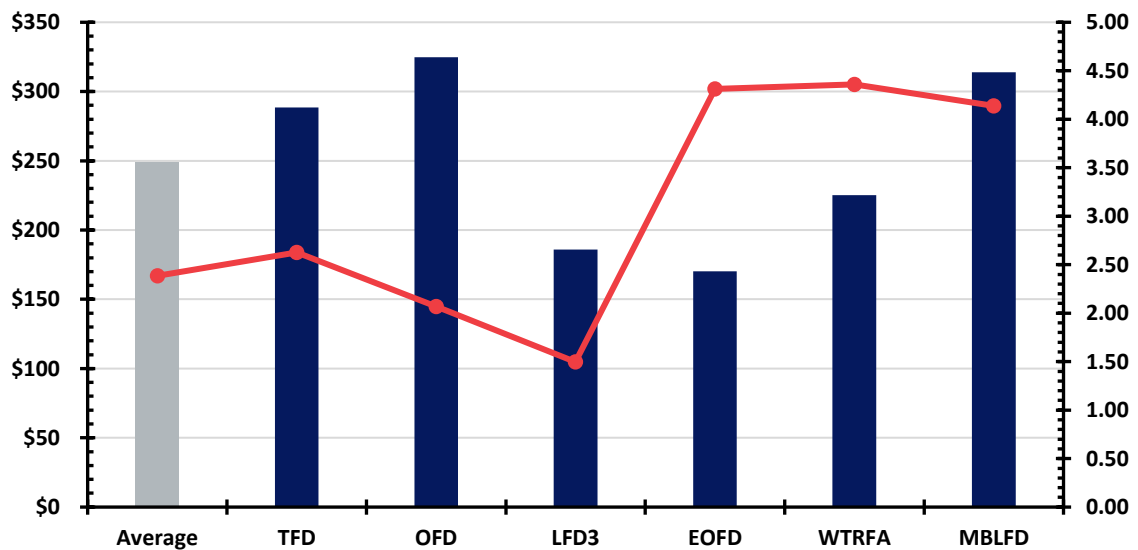
The six agencies are very diverse and difficult to compare: Two are city departments with no direct budgetary connection to their primary funding sources (sales, property, and utility taxes), two are consolidated agencies, one is a small rural district, and the last is a relatively large urban district. Their budgets range between almost \$2 and almost \$18 million, their populations range from 11,590 to 95,520, and their service areas range from 10 to 168 square miles. The rural agencies will see very modest growth in the foreseeable future while the urban agencies will see significant growth.

On the other hand, all of the agencies are taking full advantage of their regular levy authority, and all have shown the voter support to approve capital levies. The two cities operate similarly to each other, as do the two regional agencies. All agencies currently have acceptable funding levels and cash reserve balances, though there are future financial concerns for MBLFD, while WTRFA has had some recent instability.

Along with varied budgeting practices and the issues mentioned above, one of the difficulties in comparing agencies is that they do not all account for capital costs in the same way. To assist with this issue, we reviewed capital improvements and debt separately from operating expenses. In many cases this involved pulling capital-oriented account numbers (6X-series BARS object codes and 59X codes) out of operating expenses before analysis; in others the agency used separate funds (such as ER&R funds) or created divisions for capital endeavors. Note that we left equipment maintenance expenses in operating costs, as is common practice.

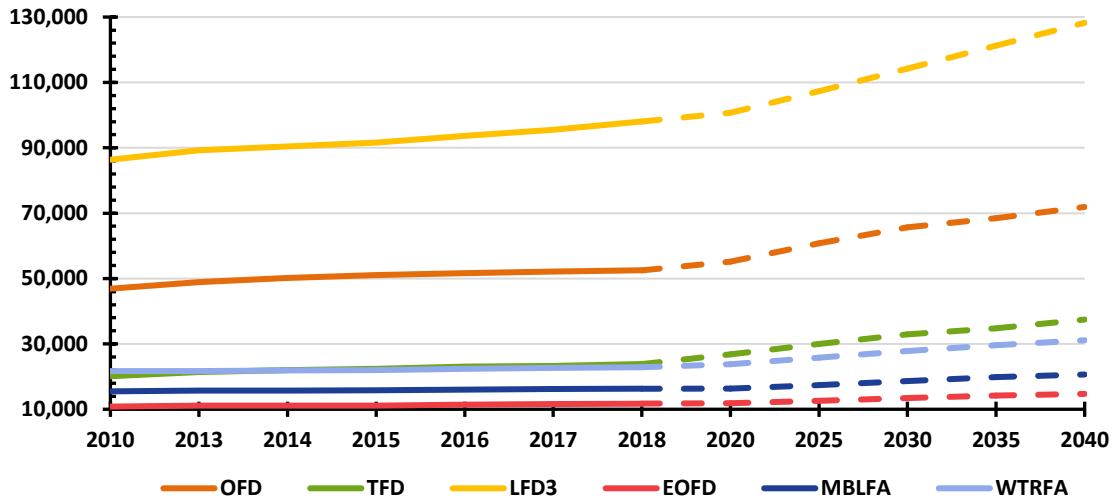
One of the more striking differences among the agencies is the prospect of growth (Figure 153). The Washington State Growth Management Act (GMA) works to concentrate development within urban areas – the Cities of Lacey, Olympia, and Tumwater. Of those cities, Lacey and Olympia have the most land capacity for residential growth and are projected to grow their employment base the most. Lacey in particular has seen significant residential growth over the past 30 years. Those two fire departments will likewise face the greatest growth pressures, with rising operational expenses and need for new capital facilities and equipment. Since property tax revenues generated by new construction generally keep pace with the associated increased operational expenses, this should not be a concern for combined departments. Conversely, capital costs usually exceed regular tax levy income and are instead normally funded through bonds. The issue with this is that bonds would be assessed across an enlarged agency and borne by all taxpayers, regardless of their proximity to the growth. The two figures which follow (Figure 152 and Figure 153) exemplify the commercial and population growth differences among the agencies.

**Figure 152: Cost per Person and Firefighters/1,000 Population**

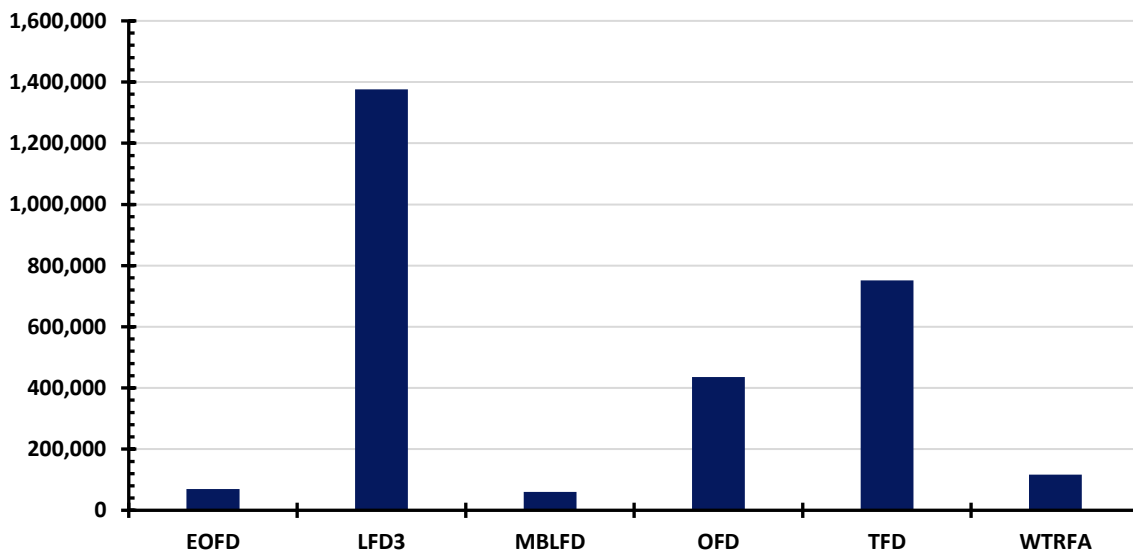




**Figure 153: Fire Agency Population Projections**



**Figure 154: Commercial Permits (Net Sq. Ft.), 2013–2017**

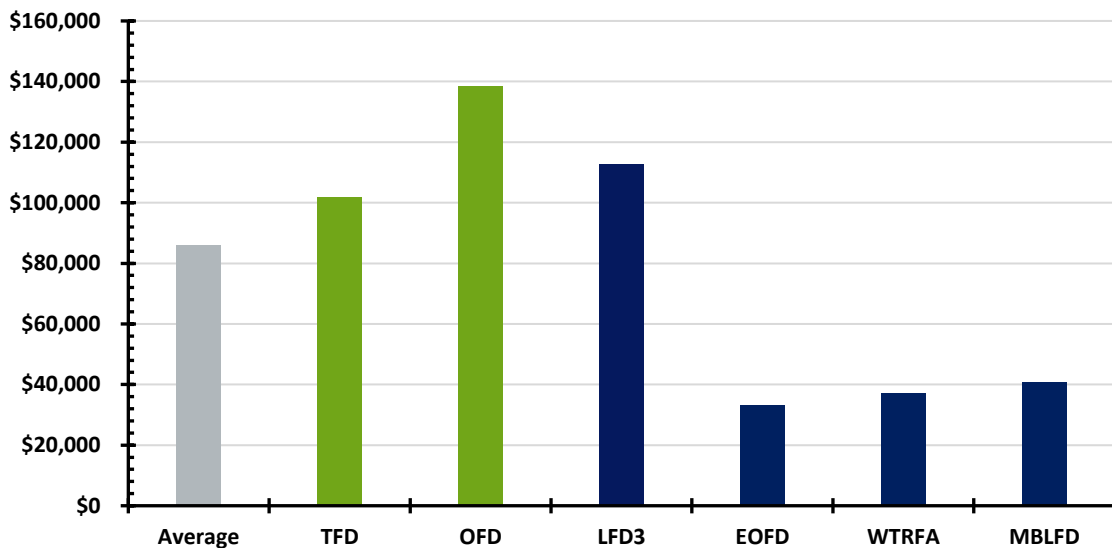


Another striking set of differences are cost comparisons against the size of populations (Figure 153). It is not surprising to see higher costs in the two cities, since cities are traditionally better funded. LFD3 has by far the lowest cost per person, but they also have by far the fewest firefighters per 1,000 residents. LFD3 is also more reliant on volunteers than the other two urban departments (TFD and OFD).

Average compensation and benefits (Figure 155) helps explain differences in the cost per person (Figure 152) and gives an indication of potential culture or budgets difficulties when agencies merge. For example, by looking at Figure 155, one might assume that firefighters in Olympia may be hesitant to transfer to another agency with lower compensation and benefit packages. The large differences among the agencies in average compensation and benefits is not surprising since half are staffed primarily by volunteers and half primarily by career firefighters. Note that this figure only shows gross averages and does not indicate whether the data swings on the pay and benefits of certain classes of employees.

A final figure that gives an indication of the department's relative ability to fund their services is tax revenue per person, since population has the greatest impact on a department's expenses. That said, other factors such as geographic size can have a significant impact as well, so this figure should not be over-emphasized. The two municipal departments are shaded green to highlight the fact that they are estimated as if they were independent districts levying a \$1.50 assessment.

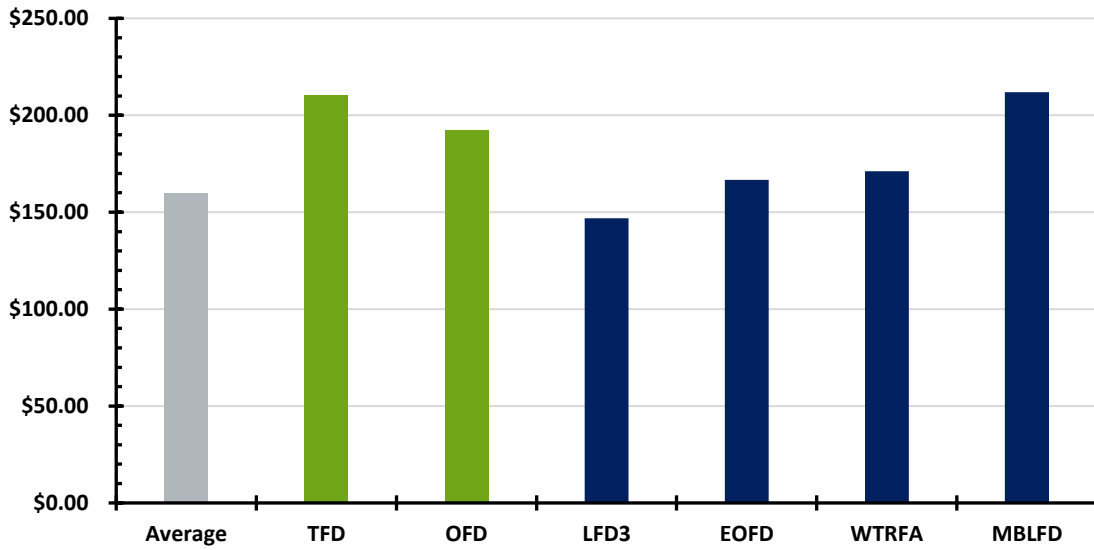
**Figure 155: Average Compensation and Benefits**



In recent years, each agency has successfully petitioned voters for several tax increases:

- WTRFA—Districts #1 and #11 passed a 3-year M&O levy in 2016.
- MBLFD—both Districts #5 and #9 passed 4-year M&O levies in 2015.
- LFD3—passed a \$20 million bond in 2017, and a permanent levy lid lift in 2014.
- TFD—the City of Tumwater passed a permanent levy lid lift in 2011.
- EOFD—passed a \$2 million bond in 2016.
- OFD—passed a \$10.4 million bond in 2008.

**Figure 156: Tax Revenue Per Person**



These successful initiatives indicate a broad level of voter support for the needs of local fire/EMS agencies. Such good will should make consolidations easier and should hopefully even be strengthened by administrations' continued efforts to find efficiencies and opportunities for service improvement.

## OVERVIEW OF COMMUNITY RISK FACTORS & DEMOGRAPHICS

### Community Risk Factors

This section analyzes risks that are present within the study area that potentially threaten people and property. These risks are identified to assist the study area agencies in planning where to locate response resources in the types and numbers necessary to effectively respond to likely emergencies. While not all hazards of individual occupancies can be considered—that is beyond the scope of the study—there are risks that seem to be relevant to the area. It is recommended that the departments be aware of and rate the hazard and risks in terms of frequency and severity within the jurisdiction.

The following figure is one sample method of identifying and analyzing risks within a community.

**Figure 157: Risk Identification and Analysis Process<sup>1</sup>**

Step	Action
<b>Hazard Identification</b>	Identify hazards.
	What is the probability this hazard will occur?
	Is this hazard a significant threat to your jurisdiction?
	Approximately how often does this hazard occur in your jurisdiction?
<b>Vulnerability Assessment</b>	For each hazard identified in the hazard identification process, consider each of the five factors. Factor 1: Danger/Destruction/Personal harm Factor 2: Economic Impacts Factor 3: Environmental impacts Factor 4: Social Impacts Factor 5: Political considerations
	Score the vulnerability from this hazard.
	Reconsider priority of each hazard based on vulnerability.
	<b>Risk Rating Score</b>

<sup>1</sup> Adapted from the Community Risk Reduction Model, United States Fire Administration, National Fire Academy

<sup>2</sup> Probability and Vulnerability are rated as 3 = High, 2 = Moderate, 1 = Low

The fire service assesses the relative risk of properties based on several factors: the service area population and population density, the demographics of the population, local land use and development, and the geography and natural risks present within the community. These factors affect the number and type of resources (both personnel and apparatus) necessary to mitigate an emergency. Properties with high fire and life risk often require greater numbers of personnel and apparatus. Therefore, staffing and deployment decisions should be made with consideration to the level of risk within geographic sub-areas of a community.

### Overall Geospatial Characteristics

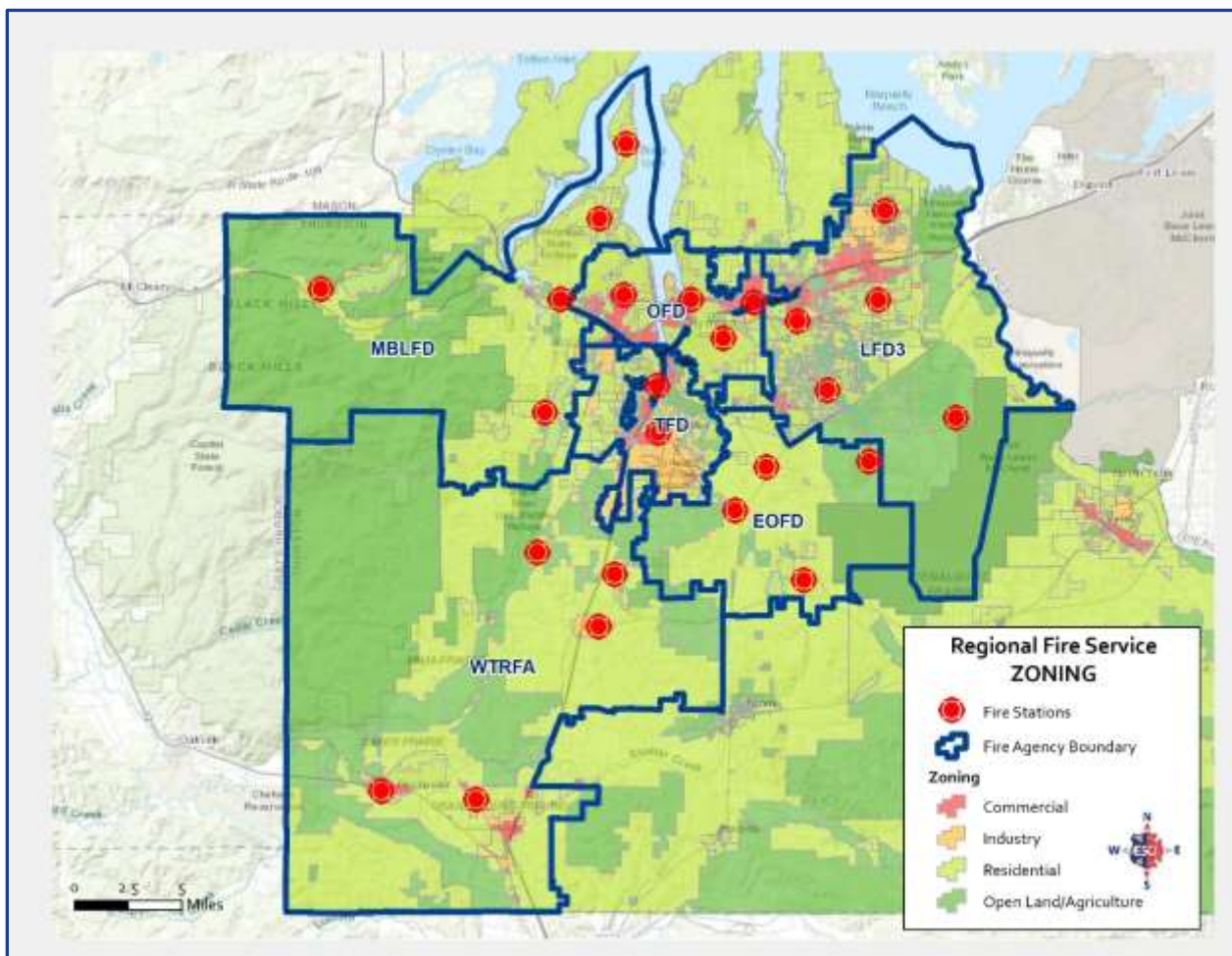
The following community risk assessment has been developed based on intended land uses as described in the zoning designations of the respective jurisdictions. The following figure translates zoning to categories of relative fire and life risk.

**Figure 158: Translation of Zoning to Relative Risk Categories**

Relative Risk Category	Zoning
<b>Low Risk</b>	Areas zoned and used for agricultural purposes, open space, and very low-density residential use.
<b>Moderate Risk</b>	Areas zoned for medium-density single family properties, small commercial and office uses, low-intensity retail sales, and equivalently sized business activities.
<b>High Risk</b>	Areas zoned for Higher-intensity business districts, mixed use areas, high-density residential, industrial, warehousing, and large mercantile centers.

The following figure illustrates the zoning for the departments in the study area.

**Figure 159: Fire and Life Safety Risk Based on Zoning, Study Area**



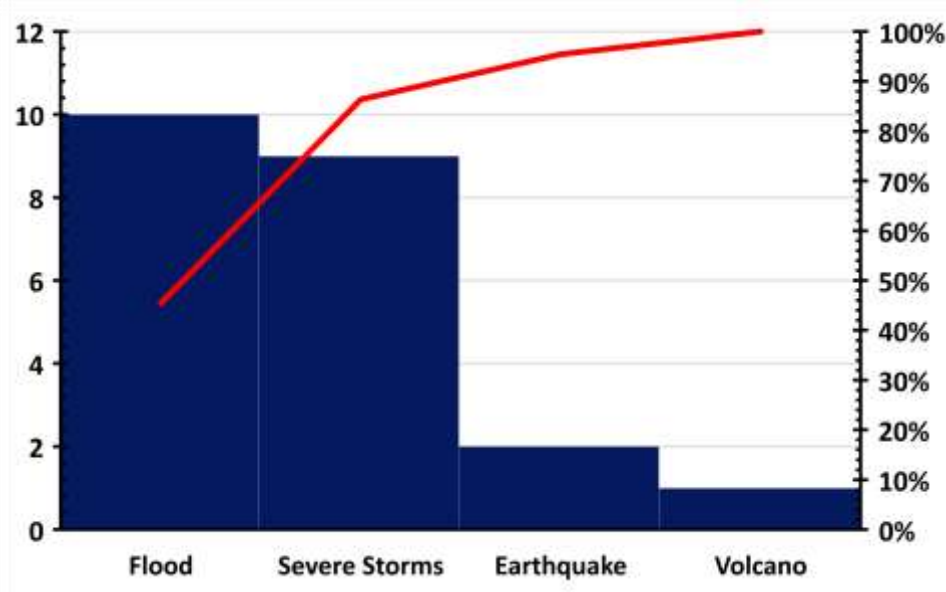
### Geographic and Weather-Related Risks

The number and frequency of federal disaster declarations affecting Thurston County paints a picture of the risks that natural hazards pose to the region. The following statistics highlight the frequency of major natural disaster in Thurston County:<sup>19</sup>

- Between 1965 and 2016, Thurston County has received 22 federal disaster declarations.
- Only 147 counties or U.S. Census designated places have received 20 or more federal disaster declarations; only four percent of counties or U.S. places share this distinction.
- As of 2016, eight counties in Washington State have experienced 20 or more disaster declarations. Thurston County and Wahkiakum County are tied for having the 5th highest rate of declarations in the state.

The next figure is a summary of federal disaster declarations.

**Figure 160: Summary of Federal Disaster Declarations in Thurston County by Type, 1965 to 2016**



From a planning perspective, there are several weather-related risks of concern to the study area as noted in the previous figure. Severe storms can include lightning strikes and tornadoes.

<sup>19</sup> Retrieved from [https://www.trpc.org/DocumentCenter/View/4170/HazMit\\_Ch-4\\_RiskAssessment?bidId=.](https://www.trpc.org/DocumentCenter/View/4170/HazMit_Ch-4_RiskAssessment?bidId=)

## Weather Risks

The climate for Thurston County is like that found across the state of Washington. Thurston County gets 49 inches of rain, on average, per year. The U.S. average is 39 inches of rain per year. Thurston County averages 9 inches of snow per year—the U.S. average is 26 inches of snow per year. The average annual temperatures range from a high of 76°F in July to a low of 35°F in January—with the average temperature being 71°F.<sup>20</sup>

## Flood Risk

There are various risks associated with flooding. It is essential therefore that the community in the area of flood zones and areas prone should be informed of the risks. Before the flood and as part of the planning process, the departments in the study area must consider station location and relocations as they relate to flood zones. Further this should be a part of the public education process to ensure that residents are aware of the risks associated with flooding and the actions they should take to ensure readiness.

During a flooding event, the fire department will be called upon to assist in evacuations and rescues. These evacuations may include facilities with large numbers of people requiring EMS resources. Rescue and emergency evacuations may involve moving water requiring the specialty trained technical rescue team to intervene.

After a flood as the residents begin recovery, EMS-related incidents will increase as injuries and medical conditions occur. Public education can help the community prepare for the recovery process.

The Thurston County hazards mitigation plan addresses four principal sources floods. These four sources are summarized and defined in the next figure.

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<sup>20</sup> Retrieved from <https://www.bestplaces.net/climate/county/washington/thurston>



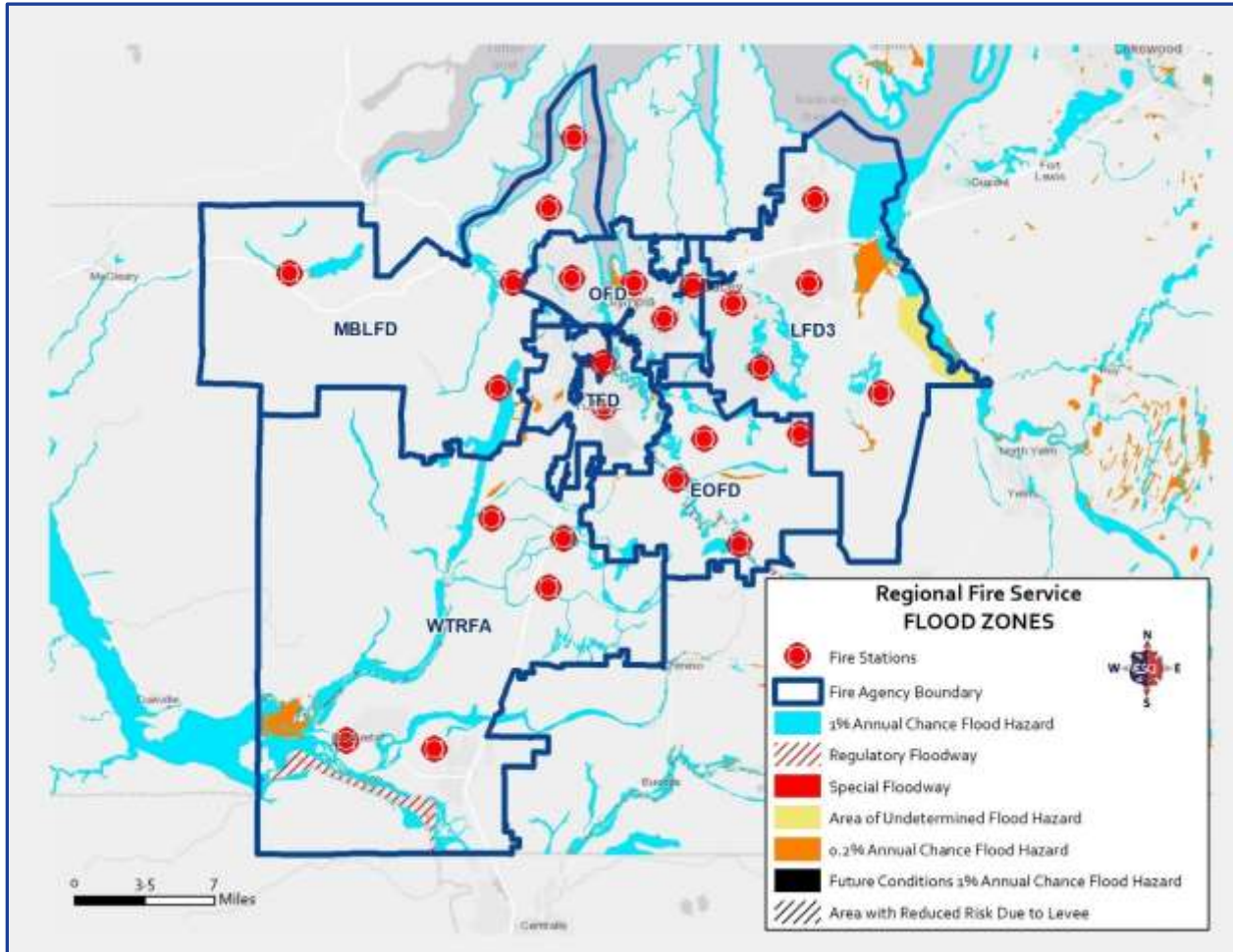
**Figure 161: Sources of Flooding Thurston County<sup>21</sup>**

Source of Flood	Description
<b>Riverine (river and stream)</b>	Riverine flooding occurs when excess flow and volume of water crests a river channel's normal capacity. Floodwaters consequently inundate areas within the river's floodway, flood plain, and other low-lying areas that may not be mapped as flood hazard areas.
<b>Groundwater</b>	Groundwater flooding occurs when there is a high-water table and persistent heavy rains in an area where an upper, thin layer of permeable soils overlays an impermeable layer of hard pan.
<b>Tidal</b>	Spring tides, the highest tides during any month, occur with each full and new moon. When these coincide with a northerly wind piling water in south Puget Sound, tidal flooding can occur. Tidal flooding can also occur without the effect of storm surge.
<b>Urban</b>	Urban flooding occurs when excess precipitation is not readily absorbed by the ground and stormwater runoff exceeds the ability of stormwater facilities' capacity to safely convey and divert water within suburban and urban environments. As a result, streets, parking lots, homes, and businesses may experience localized flooding.

The next figure illustrates the Flood Zones in Thurston County. There are areas with the risk of flooding in each district. For the most part, the areas that are flood prone have a one-percent increase of annual flooding. There are small portions of the study area that include a 0.2 percent annual chance of flooding.

<sup>21</sup> Retrieved from [https://www.trpc.org/DocumentCenter/View/4170/HazMit\\_Ch-4\\_RiskAssessment?bidId=](https://www.trpc.org/DocumentCenter/View/4170/HazMit_Ch-4_RiskAssessment?bidId=)

Figure 162: Flood Zones in The Study Area



The next figure is a summary of potential flooding risk within the study area.

**Figure 163: Flood Hazard Areas by Jurisdiction<sup>22</sup>**

Fire Department/District	Total Acres	1% Flood Chance in Hazard Area	0.2% Flood Chance in Hazard Area	High Ground Water in Hazard Area	Any Flood Hazard in Hazard Area
Olympia Fire Department <sup>1</sup>	15,976	7.8%	0.1%	7.5%	13.4%
Tumwater Fire Department <sup>1</sup>	14,229	7.5%	2.3%	16.8%	23.5%
West Thurston Regional Fire Authority	100,131	11.5%	1.1%	9.6%	20.0%
Lacey Fire District	36,820	12.5%	3.0%	6.1%	19.7%
McLane/Black Lake District	51,828	5.3 %	0.2%	1.6%	6.8%
East Olympia District	19,677	12.3%	0.8%	11.1%	20.6%

<sup>1</sup>Includes Urban Growth Area

### Tornados

Tornados can have winds of over 300 mph which—at the higher ranges—will cause a significant threat to life and damage to property. The intensity of tornados is measured on the Fujita Tornado Damage Scale. This scale has an intensity range for tornados from Fo to F5 including wind estimates. The next figure is a summary of the damage associated at the various levels.

<sup>22</sup> Retrieved from [https://www.trpc.org/DocumentCenter/View/4170/HazMit\\_Ch-4\\_RiskAssessment?bidId=.](https://www.trpc.org/DocumentCenter/View/4170/HazMit_Ch-4_RiskAssessment?bidId=)

**Figure 164: Tornado Intensity, Enhanced Fujita Scale**

Designation	Wind Speed, mph	Typical Damage <sup>23</sup>
EF-0	65–85	<b>Minor or no damage.</b> Peels surface off some roofs; some damage to gutters or siding; branches broken off trees; shallow-rooted trees pushed over. Confirmed tornadoes with no reported damage (i.e., those that remain in open fields) are always rated EF0.
EF-1	86–110	<b>Moderate damage.</b> Roofs severely stripped; mobile homes overturned or badly damaged; loss of exterior doors; windows and other glass broken.
EF-2	111–135	<b>Considerable damage.</b> Roofs torn off well-constructed houses; foundations of frame homes shifted; mobile homes completely destroyed; large trees snapped or uprooted; light-object missiles generated; cars lifted off ground.
EF-3	136–165	<b>Severe damage.</b> Entire stories of well-constructed houses destroyed; severe damage to large buildings such as shopping malls; trains overturned; trees debarked; heavy cars lifted off the ground and thrown; structures with weak foundations are badly damaged.
EF-4	166–200	<b>Devastating damage.</b> Well-constructed and whole frame houses completely leveled; cars and other large objects thrown and small missiles generated.
EF-5	> 200	<b>Extreme damage.</b> Strong-framed, well-built houses leveled off foundations are swept away; steel-reinforced concrete structures are critically damaged; tall buildings collapse or have severe structural deformations; some cars, trucks, and train cars can be thrown approximately 1 mile (1.6 km).

While ranges of winds are listed on the scale, the wind estimate is not exact—nor have they been verified in science or engineering. Different wind speeds may cause similar-looking damage from place to place—even from building to building.

While preventing tornadoes is not possible, being prepared for the potential of tornado should be considered as a high priority. Tornadoes can occur with little or no warning and can result in devastating damage, departments must consider that as part of their planning for disaster readiness.

### Additional Weather-Related Hazards

Severe weather hazards also pose a threat to the study area departments and the County. Aside from the weather-related the hazards described in the preceding section several other weather-related events have been analyzed as part of the hazard mitigation plan. The next figure—while applicable to the whole County—is a summary of these events including the definitions, severities and impacts.

<sup>23</sup> Wikipedia. Retrieved from: [https://en.wikipedia.org/wiki/Enhanced\\_Fujita\\_scale](https://en.wikipedia.org/wiki/Enhanced_Fujita_scale)

**Figure 165: Other Weather-Related Hazards in Thurston County<sup>24</sup>**

Event Description	Definition	Severity	Impacts
<b>High Winds</b>	The National Weather Service defines high winds as "sustained wind speeds of 40 mph or greater lasting for one hour or longer, or winds of 58 mph or greater for any duration."	The entire county is directly or indirectly susceptible to the effects of high-speed winds. Trees are susceptible to blowing over and causing damage to surrounding property. All communities can suffer extended power outages.	<p>Widespread power outages.</p> <p>Mass of downed debris on the transportation network impedes the response of emergency personnel and utility crews.</p> <p>Electrical blackouts force the closure of government offices, businesses, and schools.</p> <p>Power outages can disrupt transportation, generating traffic snarls resulting in thousands of motorists seeking few available alternate routes on local arterials and collectors, complicated by blocked roads.</p> <p>When power outages occur simultaneously with heavy stormwater flows, public works crews may struggle to provide auxiliary power to sewer lift stations to prevent backups or flooding in suburban and urbanized areas.</p>
<b>Heavy Rain</b>	Heavy rainfall is any amount of rain produced in a relatively short time period that exceeds the capacity of natural systems' or stormwater infrastructures' ability to effectively and safely convey the flow of stormwater.	Prolonged heavy rains directly or indirectly affect the entire region and typically occur from November through February. Properties at greater risk include those in flood plains, with high ground water, with stormwater drainage problems, or those closely adjacent to steep slopes. The region overall is moderately vulnerable to flood.	<p>Rivers to rise</p> <p>Flooding downstream</p> <p>Landslides</p> <p>Local rainfall also swells local creeks and streams, exacerbating local flood potential.</p>

<sup>24</sup> Retrieved from [https://www.trpc.org/DocumentCenter/View/4172/HazMit\\_Ch4-2\\_Storm?bidId=](https://www.trpc.org/DocumentCenter/View/4172/HazMit_Ch4-2_Storm?bidId=)

Event Description	Definition	Severity	Impacts
<p><b>Freezing Rain</b></p>	<p>Freezing rain occurs when rain descends through a cold air mass, cools, and then subsequently freezes on contact with cold surfaces.</p>	<p>Ice can accumulate on nearly every surface including tree branches, power lines, roof tops, motor vehicles, streets, sidewalks, and traffic signals and signs. Transportation networks are especially vulnerable to freezing rain as it coats nearly every exposed paved surface.</p>	<p>Thick ice accumulations can stress structures, causing trees tops and branches and power lines to snap.</p> <p>Downed live power lines.</p>
<p><b>Heavy Snow</b></p>	<p>The Washington State Hazard Mitigation Plan defines heavy snow as four inches of snowfall in 12 hours or six inches in 24 hours for non-mountainous areas.</p>	<p>Light snow, less than four inches deep, can temporarily disrupt normal traffic operations on roads and streets until public works departments clear priority routes.</p> <p>In general, snow hazards and road clearing abilities become more problematic with decreasing temperatures, increasing snow depth, and length of time that snow remains on the ground. Even when priority routes are clear, numerous neighborhood streets and local collectors can remain impassable for many motorists when snow depths exceed one foot.</p>	<p>Heavy snowfall and blizzard like conditions drastically reduce motorists' visibility, especially in the dark, increasing the risk for motor vehicle accidents</p> <p>Heavy snow affects all modes of transportation.</p> <p>Snow, even in windless conditions, presents serious hazards.</p> <p>Icy road conditions are a major cause of vehicle accidents resulting in property damage, traumatic injuries, and fatalities.</p> <p>Significant snowfall can disrupt surface transportation networks for several days and overwhelm the snow removal capabilities of public works departments, delay public transit services, as well as delay response times of emergency responders.</p> <p>Delayed freight distribution can also occur, with possible shortages of goods such as fuel. Deep snow and sustained freezing temperatures can force the suspension or closure of both public and private sector services for several days.</p> <p>Excessive snow loads on structures can cause roofs and utility lines to collapse. Structural collapses are more likely when snow loads gain additional weight.</p>

## Earthquakes

Areas of the Pacific Northwest can be impacted by earthquakes. Thurston County and the departments in the study area are no different. Thurston Regional Planning Council (TRPC) rates the hazard profile of earthquakes with a high probability, high vulnerability, and high risk. Earthquakes can cause widespread damage and disrupt many services across the area.

As described in the TRPC’s hazard mitigation plan there are four effects of earthquakes.<sup>25</sup> These effects are described in the next figure.

**Figure 166: Effects of Earthquakes**

Effect	Description
<b>Ground Motion</b>	When a fault ruptures, seismic waves radiate, causing the ground to vibrate. This wave movement causes the ground to shake during an earthquake.
<b>Ground Failures</b>	Earthquakes can cause surface faulting, landslides, subsidence, and uplifting. Surface faulting is the differential movement of two sides of a fracture.
<b>Liquefaction</b>	Liquefaction is the phenomenon that occurs when ground shaking causes loose soils to lose strength and act like viscous fluid. Liquefaction causes two types of ground failure: lateral spread and loss of bearing strength.
<b>Tsunamis</b>	Tsunamis are large ocean waves generated by sudden changes in the sea floor elevation which displace a significant volume of water.

The next figure is a summary of the estimated population residing in the liquefaction hazard area in 2015.

**Figure 167: Estimations in the Liquefaction Hazard Area by Jurisdiction, 2015**

Fire Department/District	Land Area		Population		Residential Dwellings	
	Total Acres	Percent in the Hazard Area	Total	Percent in the Hazard Area	Total	Percent in the Hazard Area
Olympia Fire Department <sup>1</sup>	15,976	53.4%	62,940	53.7%	29,020	53.2%
Tumwater Fire Department <sup>1</sup>	14,229	74.6%	25,640	72.8%	11,390	71.8%
West Thurston Regional Fire Authority	100,131	19.6%	22,010	21.3%	8,480	22.3%
Lacey Fire District	36,820	42.7%	91,660	43.1%	38,120	44.3%
McLane/Black Lake District	51,828	5.2%	15,890	12.3%	6,490	13.1%
East Olympia District	19,677	44.2%	11,140	47.5%	4,510	46.8

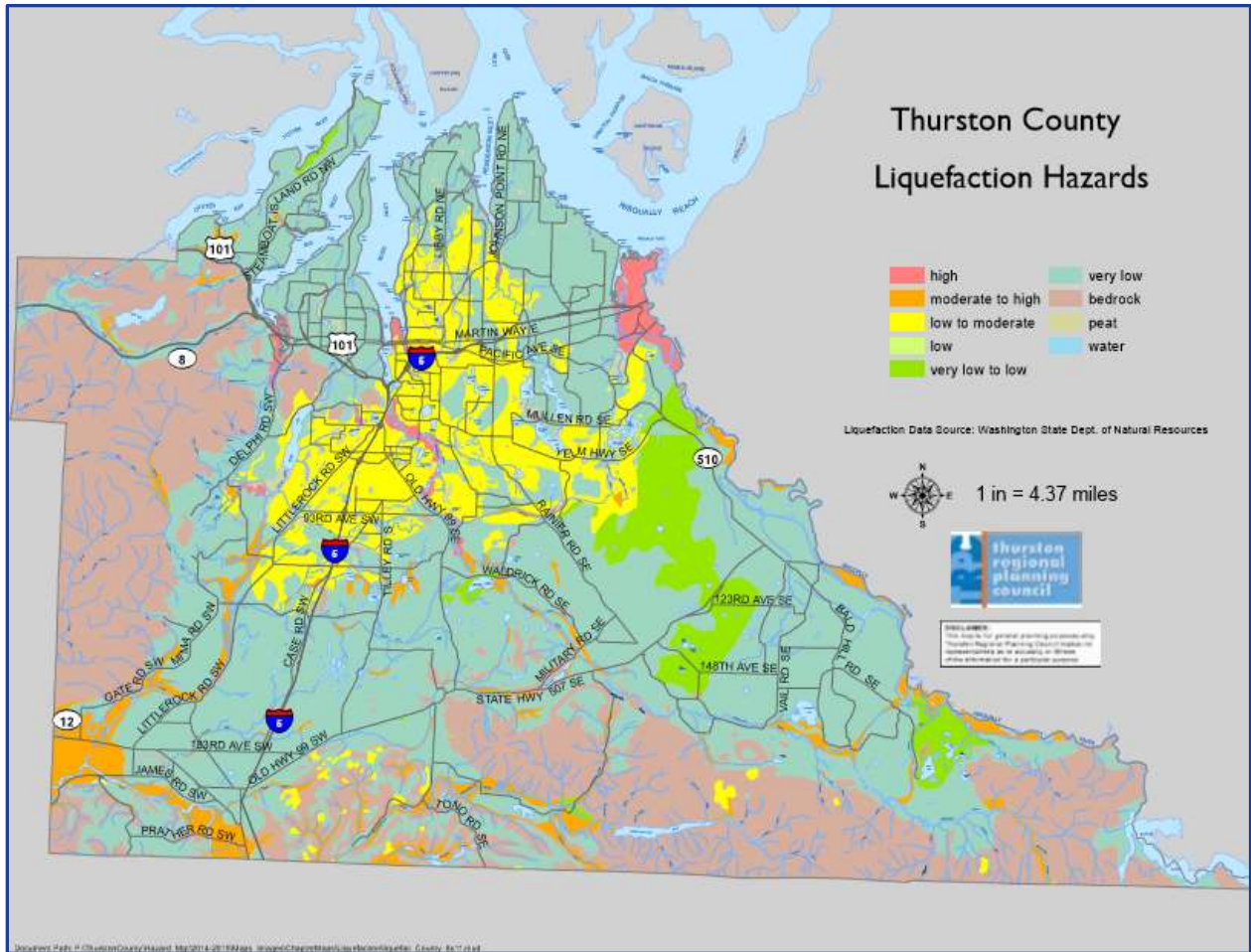
<sup>1</sup> Includes Urban Growth Area

<sup>25</sup> Retrieved from [https://www.trpc.org/DocumentCenter/View/4171/HazMit\\_Ch4-1\\_Earthquake?bidId=](https://www.trpc.org/DocumentCenter/View/4171/HazMit_Ch4-1_Earthquake?bidId=)



The next figure is a map of the liquefaction hazards in Thurston County including the study area.

**Figure 168: Liquefaction Hazards in Thurston County<sup>26</sup>**



<sup>26</sup> [https://www.trpc.org/DocumentCenter/View/4171/HazMit\\_Ch4-1\\_Earthquake?bidId=](https://www.trpc.org/DocumentCenter/View/4171/HazMit_Ch4-1_Earthquake?bidId=)

## Wildfire Risk

Like many areas of Thurston County there is a wildfire risk in the study area. The level of risk associated with wildfires in any given area of a community is dependent upon several factors including climate, vegetation, and topography. Also, a factor, the number of homes that are built within the Wildland Urban Interface.

According to Thurston County Hazards Mitigation Plan the summary assessment on wildfire reads:

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*Wildland fires have a high probability of occurrence. The vulnerability of the county to this hazard is also believed to be of a moderate level. Despite the relatively diminutive size of wildland fires in the county, they have great potential to destroy multiple homes or businesses. Past fires have threatened to damage or quite possibly destroy 10 to 20 or more homes in a single event. A moderate vulnerability rating is assigned because even small fires have the potential to impact multiple properties with devastating results in a very short time. Finally, the subjective estimate of the probability of occurrence and vulnerability threat are combined to classify the wildland fire hazard as a moderate risk.<sup>27</sup>*

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In the next figure a summary of the historical wildfire occurrences and impacts is illustrated.

**Figure 169: Study Area Historical Wildfire Occurrences and Impacts, 1972–2015<sup>28</sup>**

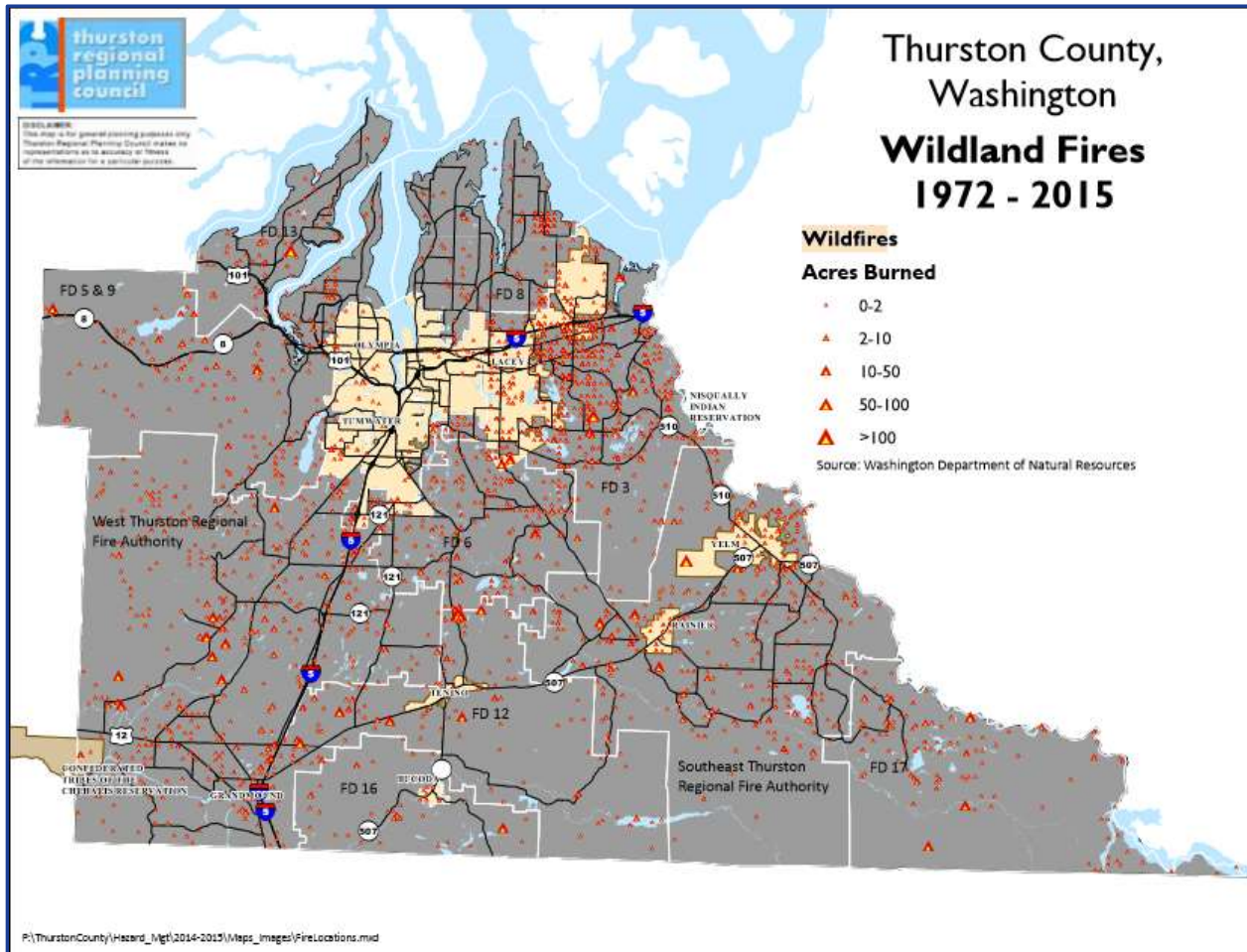
Fire Department/District	Total Fires	Fire/Year	Total Acres Burned	Max Size Acres	Average Acres
Tumwater Fire Department	54	1.3	35.5	4	0.7
Olympia Fire Department	26	0.6	8.3	0.5	0.3
Lacey Fire District 3	758	17.6 6	431.3	54	0.6
East Olympia District	209	4.9	147.1	13	0.7
West Thurston Regional Fire Authority	494	11.5	581.7	50	1.2
McLane/Black Lake District	204	4.7	128.3	14	0.6
<b>Total</b>	<b>1,745</b>	<b>23</b>	<b>1,332.2</b>	<b>135.5</b>	<b>4.1</b>

The next figure is a graphic representation of the historical wildfires in Thurston County.

<sup>27</sup> [https://www.trpc.org/DocumentCenter/View/4180/WEB\\_DRAFT\\_HazardsMitigationPlan\\_March2017\\_v2?bidId=](https://www.trpc.org/DocumentCenter/View/4180/WEB_DRAFT_HazardsMitigationPlan_March2017_v2?bidId=)

<sup>28</sup> [https://www.trpc.org/DocumentCenter/View/4180/WEB\\_DRAFT\\_HazardsMitigationPlan\\_March2017\\_v2?bidId=](https://www.trpc.org/DocumentCenter/View/4180/WEB_DRAFT_HazardsMitigationPlan_March2017_v2?bidId=)

Figure 170: Wildfires in Thurston County, 1972–2015<sup>29</sup>

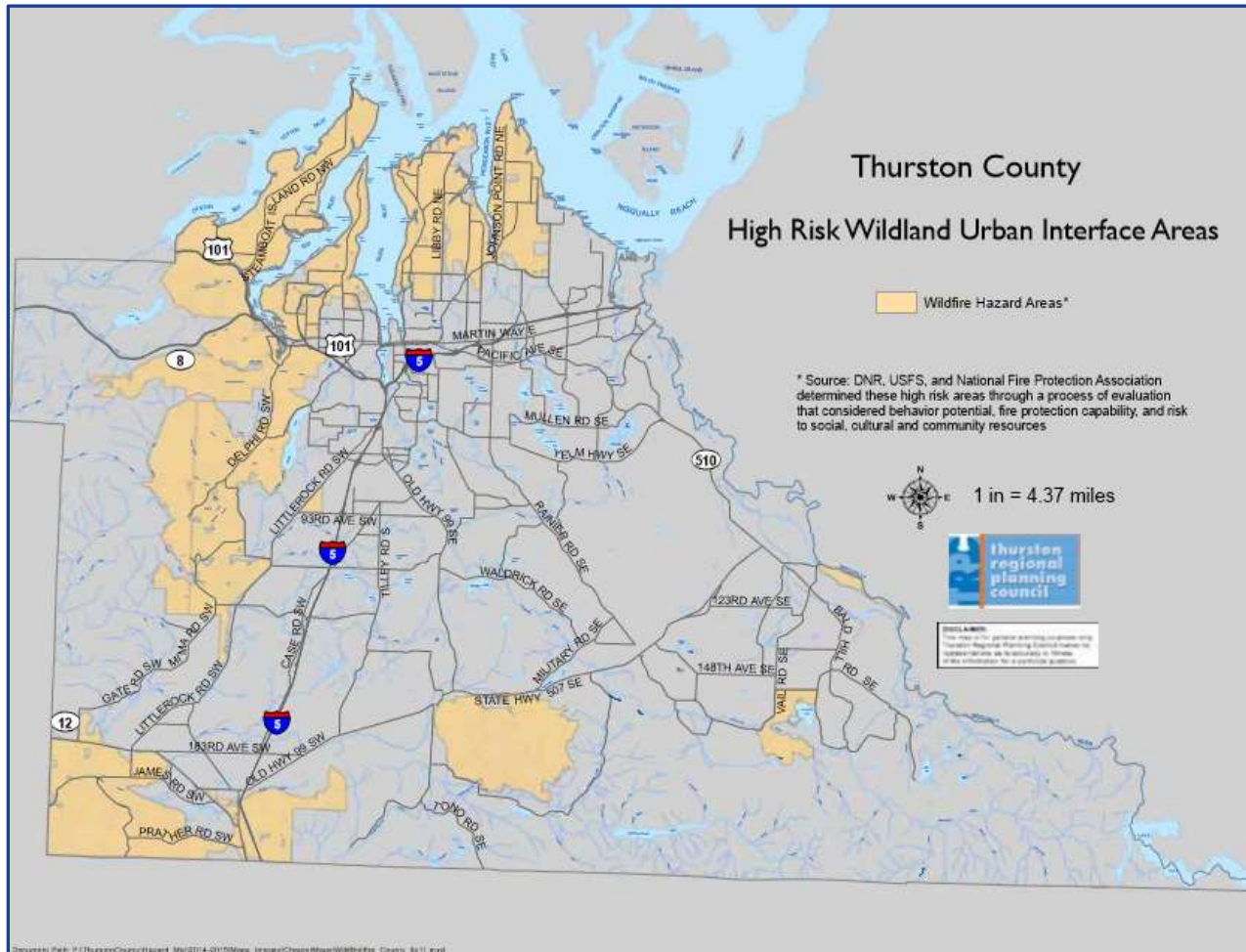


As noted, the number of homes in the Wildland Urban Interface is also a contributing factor in assessing the wildfire risk. The next figure illustrates the high-risk Wildland Urban Interface areas.

<sup>29</sup> [https://www.trpc.org/DocumentCenter/View/4180/WEB\\_DRAFT\\_HazardsMitigationPlan\\_March2017\\_v2?bidId=](https://www.trpc.org/DocumentCenter/View/4180/WEB_DRAFT_HazardsMitigationPlan_March2017_v2?bidId=); Retrieved 5-29-2019:



**Figure 171: High-Risk Wildland Urban Interface Areas in Thurston County<sup>30</sup>**



The next figure shows the estimated land area, population, and dwellings that are in the Wildland Urban Interface areas. These vary widely by fire district from a high for land area in the McLane/Black Lake District of over forty percent to a low of zero percent in the hazard area in East Olympia.

<sup>30</sup> [https://www.trpc.org/DocumentCenter/View/4180/WEB\\_DRAFT\\_HazardsMitigationPlan\\_March2017\\_v2?bidId=](https://www.trpc.org/DocumentCenter/View/4180/WEB_DRAFT_HazardsMitigationPlan_March2017_v2?bidId=); Retrieved 5-29-2019:

**Figure 172: Study Area Current Estimates as they relate to the Urban Interface 2015**

Fire Department/District	Land Area		Population		Residential Dwellings	
	Total Acres	Percent in the Hazard Area	Total	Percent in the Hazard Area	Total	Percent in the Hazard Area
Olympia Fire Department <sup>1</sup>	15,976	7.4%	52,490	4.9%	29,020	4.2%
Tumwater Fire Department <sup>1</sup>	14,229	0.2%	25,640	0.0%	11,390	0.0%
West Thurston Regional Fire Authority	100,131	26.2%	22,010	17.9%	8,480	18.0%
Lacey Fire District	36,820	0.0%	91,660	0.0%	38,120	0.0%
McLane/Black Lake District	51,828	41.2%	15,890	73.2%	6,490	71.8%
East Olympia District	19,677	0.0%	11,140	0.0%	4,510	0.0%

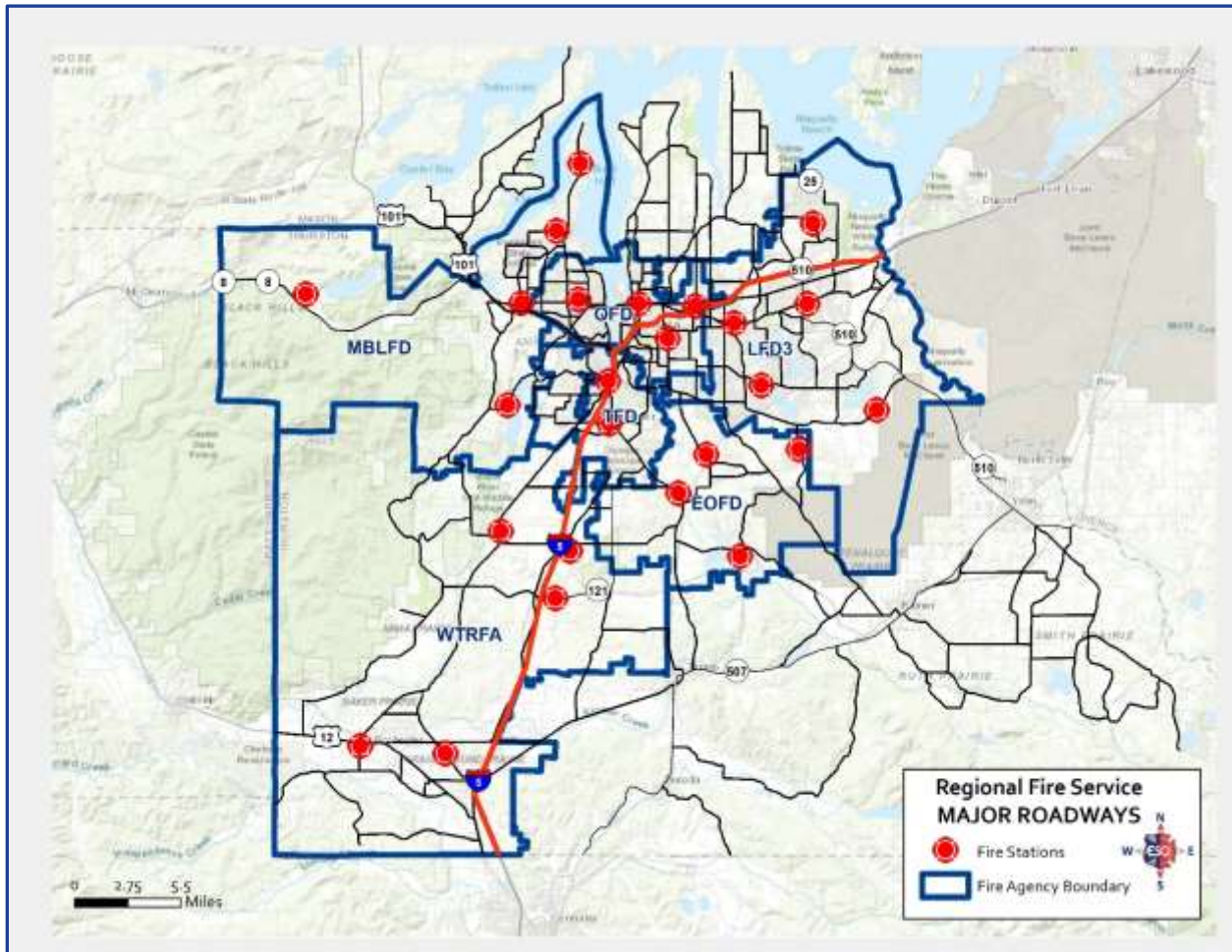
<sup>1</sup> Includes Urban Growth Area

## Transportation Risks

### Highways

There are several transportation corridors and various modes of transportation that fall within the study area for which the departments are responsible. Beginning with major roadways, Interstate 5 goes through the middle of Thurston County, including through four of the six districts in the study area. Additionally, there are several major local roads within the county. Regardless of the size of the roadway or the speed limit, any roadway has the potential for motor vehicle crashes, vehicle fires, medical emergencies, brush fires, or hazardous material spills/leaks. Each of these are not only a risk to the community but the responders are also at risk of being struck by vehicles while operating near moving traffic.

Figure 173: Major Highways in the Study Area

**RECOMMENDATION:**

- Ensure that when fire and EMS units respond to incidents along highways that an SOP is in place to protect scene from traffic flow.

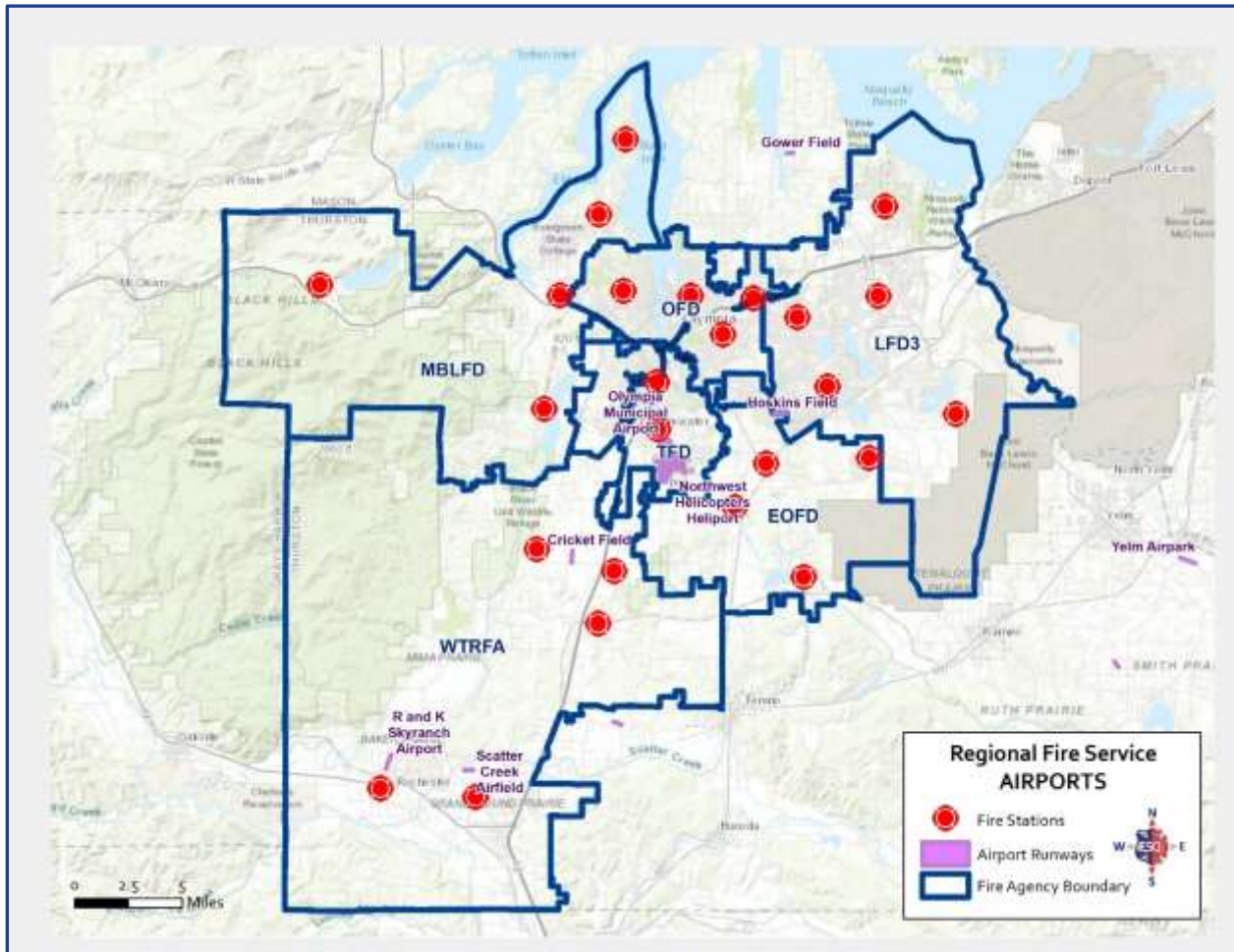
**Airports**

Olympia Regional Airport is a public use airport located four nautical miles south of the central business district of Olympia. It is owned by the Port of Olympia but is in the Tumwater Fire Department area. Additionally, there are smaller airfields and heliports in the study area. Regardless of type of airport, each pose the risks associated with aircraft landing and departing, as well as, aircraft and fuel storage at the airport itself.

The next figure shows the location of airports and heliports in the study area.



**Figure 174: Airports and Heliport Locations in the Study Area**



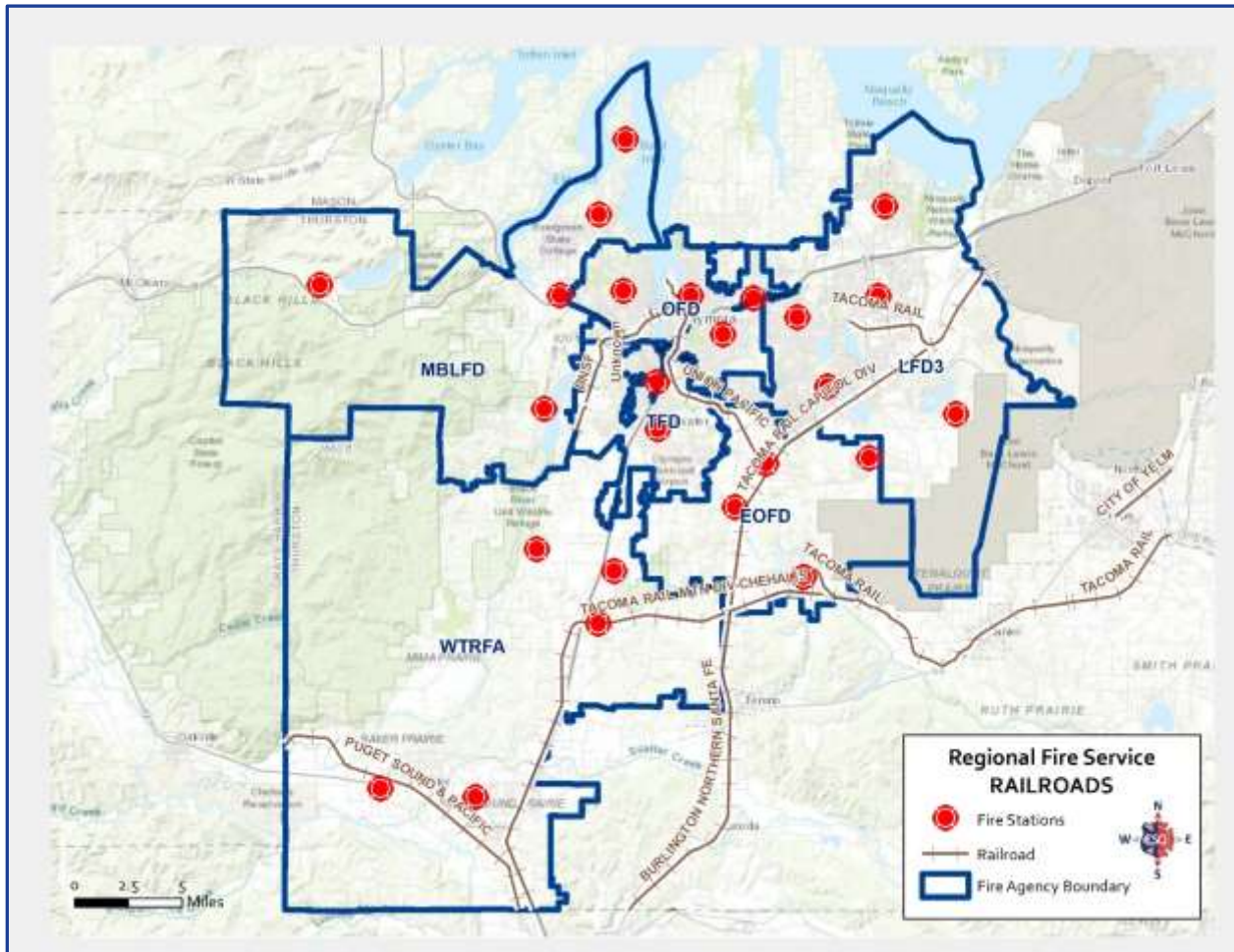
**Railroads**

The following figure shows several operating railway lines through the study area. Apart from the McLane/Black Lake Fire District, each of the study area departments have some railway tracks in their district. McLane/Black Lake has tracks just outside their eastern district line as well.

In EOFF, the Burlington Northern-Santa Fe (BNSF) north south mainline bisects the district with two at-grade crossings of major arterials necessitating staffing at Stations 61 and 64.



**Figure 175: Railway Tracks in the Study Area**



Although a comparatively safe mode of transport, railway operations do come with hazards. Some of the hazards associated with railway operations are described in the next figure.

**Figure 176: Potential Rail Incident Types and Effect**

Type of Incident	Description/Hazard
<b>Train Collisions</b>	Collisions can be between two or more trains or between trains and infrastructure.
<b>Derailments</b>	Derailments occur when one or more cars of a train leaves the tracks; generally involves just one train.
<b>Grade Crossings Crashes</b>	There are various scenarios in which accidents occur at railroad crossings.
<b>Railroad Staff Injuries</b>	Railroad staff may get injured while working on or near the tracks. In some cases, accessibility will be a problem.
<b>Dangerous Goods Release</b>	As the railroads carry dangerous goods, there is always the potential for product release.

The effects from these incidents can require large numbers of fire and EMS resources. In review of the previous figure, several of these incidents could require the response of a Haz-Mat team, Technical Rescue, and EMS. Many times, the complexity of the incidents will require multiple operational periods. Risk analysis and planning for these types of incidents must consider the need for higher than usual personnel and equipment resources. When incidents occur at grade crossing, fire and EMS personnel will have to operate near the tracks. Training in the proper precautions is essential.

### **Buildings**

Many buildings in the county are used for purposes that create more significant risk than others during an emergency. High occupancy buildings, facilities providing care to vulnerable populations, and others may require greater numbers of emergency response and resources during an emergency.

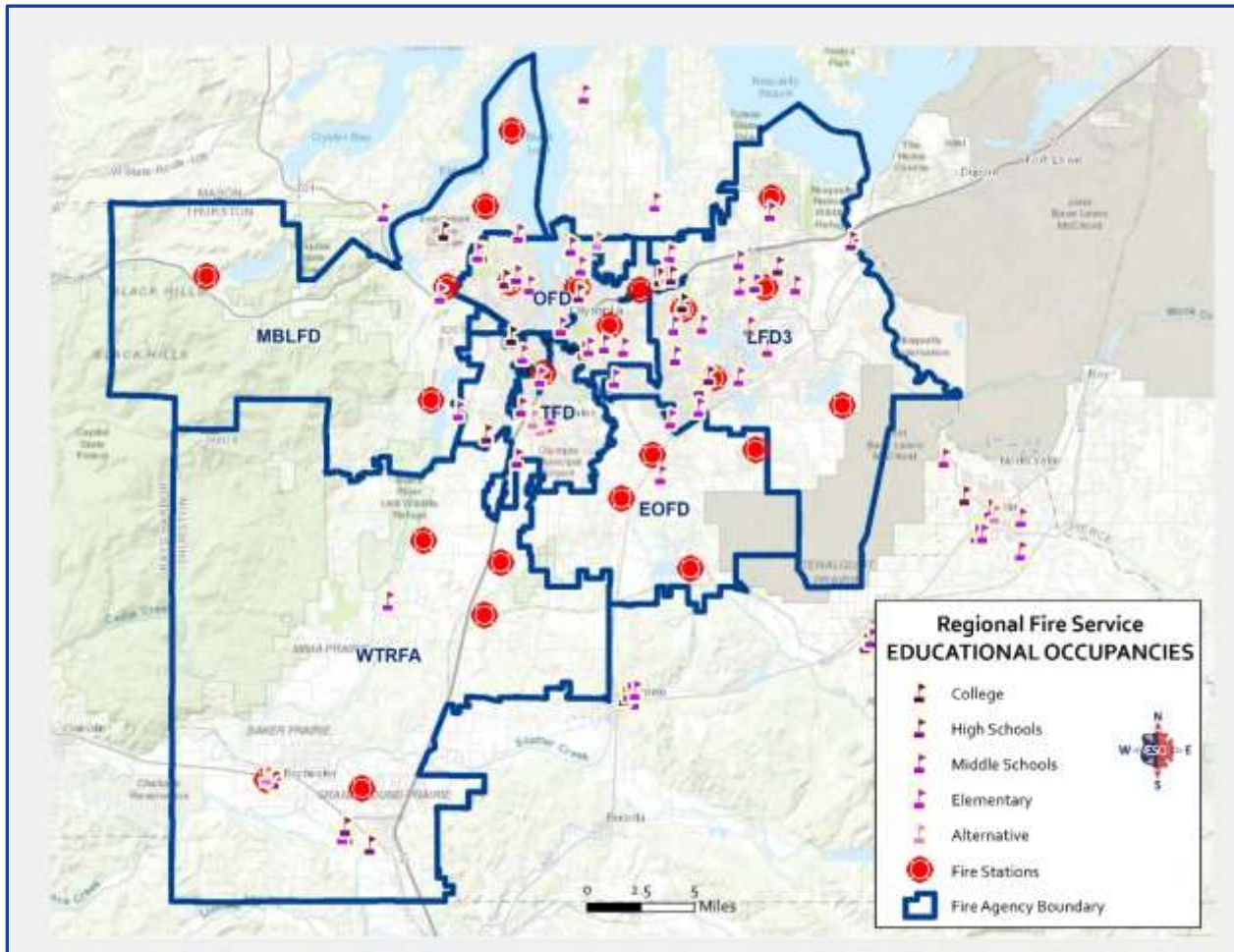
Numerous buildings lie within the study area in which large numbers of people gather for entertainment, worship, and other similar events. A variety of nightclubs, theaters, and other entertainment venues also exist.

Of course, as the capital city, Olympia is home to the State Capitol. These very large buildings drive a significant need for resources due to the special nature of the facilities, such as historical, political, and large areas of assembly.

### **Colleges and Schools**

The next figure shows the locations of the educational facilities within the study area. These facilities present additional risk, primarily for mass casualty incidents. Fire, criminal mischief, and potentially terrorism could cause a major medical emergency requiring significant emergency service resources.

**Figure 177: Colleges and Schools in the Study Area**



**Medical and Congregate Care Facilities**

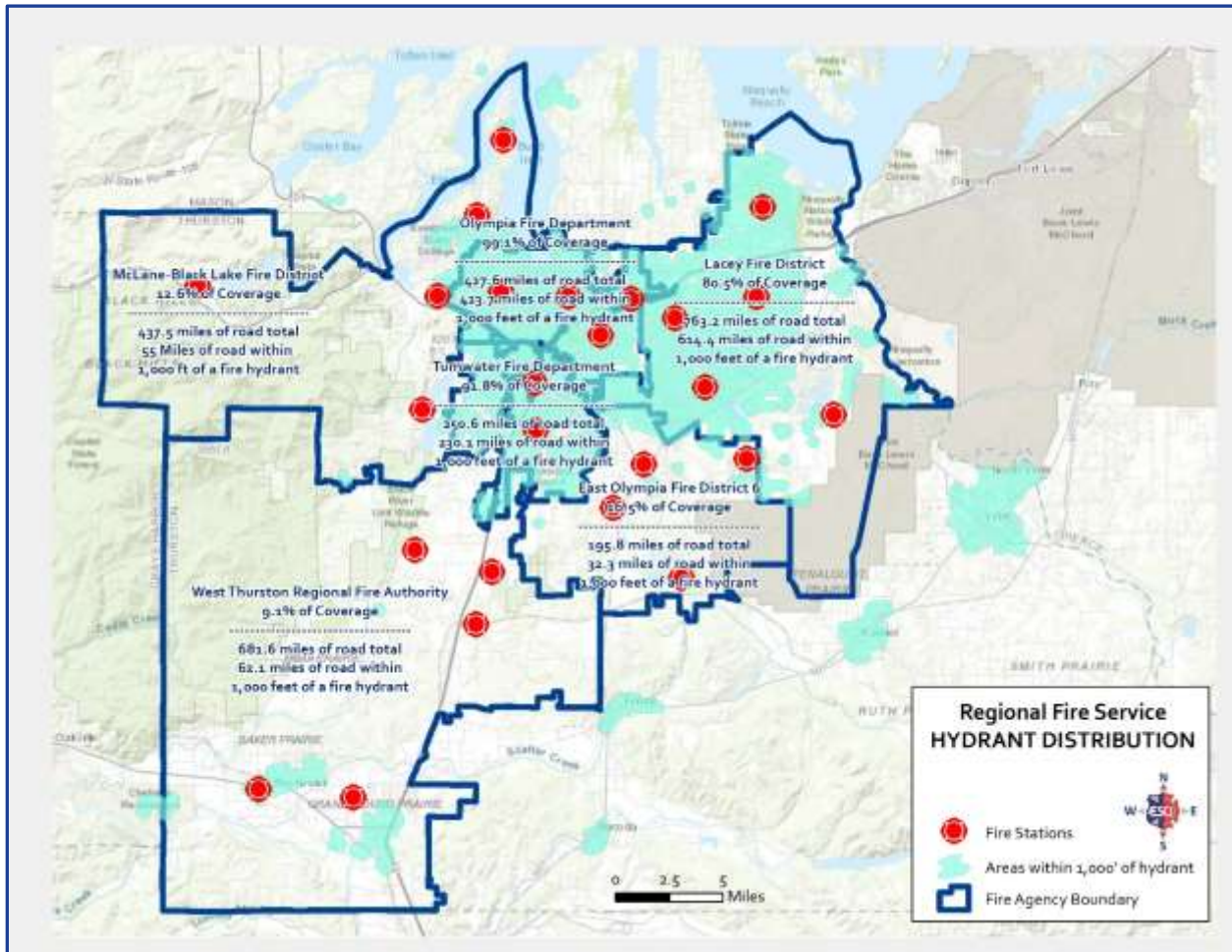
Medical and congregate care facilities, particularly hospitals and nursing homes, house vulnerable occupants. Although these facilities have regular fire safety inspections and are generally built of fire resistive construction with built-in fire suppression, emergencies still can occur that require the quick movement of patients away from the hazard. Incidents at these facilities will require high resources levels.

**Other Critical Infrastructure**

One concern to fire departments is the water and fire hydrant system. Providing enough storage, distribution, and access to this valuable firefighting resource is very important. The next figure illustrates the hydrant system in the study area. As expected, in the more populated urbanized areas, fire hydrants coverage is very good. The rural areas of the county depend on water delivered by tenders. From a risk assessment standpoint, planning consideration must be given to situations when the water system could fail.



**Figure 178: Fire Hydrant Distribution in the Study Area**



Emergency communication centers and the associated transmitting and receiving equipment are essential facilities for emergency response. The TCOMM dispatch center provides call receipt (PSAP) and dispatch service not only to the departments in the study area but to all fire, EMS, and law enforcement agencies in Thurston County. This center provides for the answering of 911 calls, dispatching of fire and other emergency responders, and important support to the on-scene incident management function. Back-up center or other process should be considered in case of a system failure or other emergency at TCOMM the could interrupt services.

There are other communication facilities and equipment that are equally important to the community and government operations within the study area. These are the telephone company central offices and the transmission lines of local telephone service providers. Internet service providers, along with wireless cellular communication providers, provide essential communication capabilities for the community as well as emergency personnel through their facilities and equipment. Failures in any of these systems can influence emergency services.

**Energy**

The loss of electrical power is also a risk to the community. Community services, from communications to traffic signals to normal operation of supermarkets, require the use of energy. Whether it is electricity generation and transmission systems, fuel distribution and storage tanks, or natural gas pipelines and regulator stations, the community is dependent upon energy sources. The loss of energy is a planning consideration for response and readiness.

**Structural Risks**

Certain buildings, contents, functions, and size present a greater firefighting challenge and require special equipment, operations, and training.

The Insurance Services Office calls for a ladder truck within 2.5 miles of developed areas containing buildings three or more stories in height. Accessing the upper floors and roofs of buildings this tall, typically requires ladder truck capability as ground ladders may not provide access.

Large buildings such as warehouses, malls, and large “box” stores require greater volumes of water for firefighting and require more firefighters to advance hose lines long distances into the building.

**Terrorism**

Thurston County—as is anywhere—a potential target for terrorism. Most of the previous categorized risks in the community are targets for such activity. The State Capital is located within the study area. In addition, the public gathering events during the year can also be targets. The fire rescue departments need to be vigilant in their training and preparedness in the event one or more coordinated acts of terror occur in the region. Coordination and unified command with law enforcement partners is critical.

## Demographics

### Current Population Information

The study area includes six departments across central Thurston County. The next figure is a summary of service area and population according to information provided by the fire departments and retrieved from the Thurston Regional Planning Council (TRPC).<sup>31</sup>

**Figure 179: Study Area Size and Population Estimates**

Fire Department/District	2018 Population Estimate	Area in Sq. Miles	Population Density
Tumwater Fire Department	23,830	18	1,324/mi <sup>2</sup>
Olympia Fire Department	52,490	20	2,625/mi <sup>2</sup>
Lacey Fire District 3	97,990	70	1,400/mi <sup>2</sup>
East Olympia District	11,750	30	392/mi <sup>2</sup>
West Thurston Regional Fire Authority	22,850	162	141/mi <sup>2</sup>
McLane/Black Lake District	16,280	84	194/mi <sup>2</sup>
<b>Total</b>	<b>225,190</b>	<b>384</b>	<b>586/mi<sup>2</sup></b>

An NFPA report has identified the groups that face a higher risk of being injured or killed in a fire as:<sup>32</sup>

- Children under 5 years of age;
- Older adults over 65 years of age;
- People with disabilities;
- Those with a language barrier; and
- People in low-income communities.

The following charts were created to provide an overview of the demographics related to these identified groups. Age and sex demographics are provided in the following figure to the extent that the data was available.

<sup>31</sup> Retrieved from <https://www.trpc.org/480/Population-Housing-Employment-Data>

<sup>32</sup> National Fire Protection Association, 2007; Urban Fire Safety Project, Emmitsburg, MD; retrieved from <http://www.nfpa.org/public-education/by-topic/people-at-risk/urban-fire-safety/reports-and-presentations>

**Figure 180: Age and Sex Percentage Comparisons<sup>1</sup>**

Age/Sex	Tumwater	Olympia	Lacey	East Olympia	West Thurston	McLane-Black Lake
Persons under 5 years	5.3%	4.9%	—	—	—	—
Persons under 18 years	21.6%	18.1%	—	—	—	—
Persons 65 years and over	14.3%	15.8%	—	—	—	—
Female persons	52.2%	52.3%	—	—	—	—

<sup>1</sup> U.S. Census Bureau

Based on the preceding figure, the percent of the population over 65 years of age ranges from just over 14 percent in Tumwater to nearly 16 percent in Olympia. Approximately five percent of the population is under five years of age. This places a total of approximately 20 percent of the populations in the two cities within the age groups that are at highest risk in residential fire incidents and account for some of the highest use of emergency medical services. Senior citizens can have difficulty escaping from fire due to physical limitations. Seniors also tend to use emergency medical services more frequently than younger persons. As the population ages, this will create an increase in service demand for emergency medical services.

As noted, the very young also represent a vulnerable population, both regarding their ability to escape a structure fire as well as their susceptibility to serious medical ailments such as asthma, traumatic events, choking, or injury from vehicular accidents.

**Figure 181: Other Demographic Comparisons<sup>1</sup>**

Subject	Tumwater	Olympia	Lacey	East Olympia	West Thurston	McLane-Black Lake
Persons without health insurance, under age 65 years	5.9%	9.5%	—	—	—	—
Person with a disability, under age 65 years	7.6%	9.3%	—	—	—	—
Owner Occupied Housing Rate, 2012–2016	55.2%	45.2%	—	—	—	—
Median household income (in 2017 dollars), 2012–2017	\$64,786	\$55,539	—	—	—	—
Persons in Poverty	9.7%	18.4%	—	—	—	—

<sup>1</sup> U.S. Census Bureau

The demographics displayed in Figure 181 are factors which indicate a population that is more likely to use fire department services than other populations. Individuals with no health insurance are more likely to use local EMS resources compared to individuals with health insurance and a personal physician. The percentage of people where data was available—Tumwater and Olympia—without health insurance is 5.9 percent and 9.5 percent respectively. The percentage of owner-occupied houses is 55 percent in Tumwater and 45 percent in Olympia. A high percentage of owner-occupied homes may indicate a more stable community and residents willing to invest in their community and community services.



## Population Density

Most communities contain areas with different population densities and property risk allowing the community's policy makers to specify different response performance objectives by geographic area. The classifications that are identified by the National Fire Protection Association (NFPA) in Standard 1720 and the percentage of the county in the classification is provided in the following figure.<sup>33</sup>

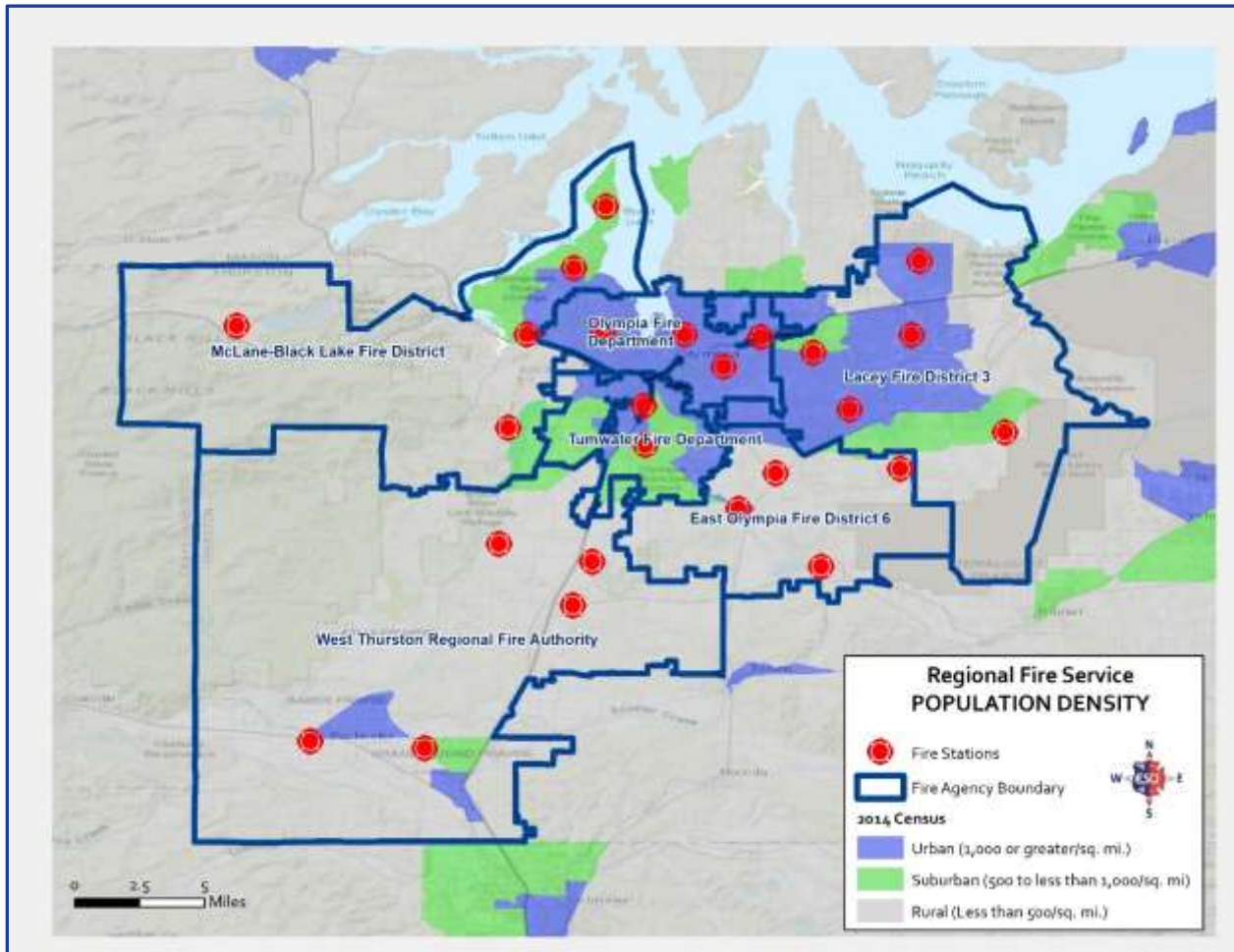
**Figure 182: Population Classifications**

Classification	Criteria
Urban	> 1,000 people/square mile
Suburban	500–1,000 people/square mile
Rural	< 500 people/square mile
Remote Area	Travel Distance ≥ 8 miles

The next figure illustrates population density. Higher densities are generally found closer to the city limits of Olympia and Tumwater as well as in the Lacey Fire District.

<sup>33</sup> NFPA 1720: *Standard for the Organization and Deployment of Fire Suppression Operations, Emergency Medical Operations, and Special Operations to the Public by Volunteer Fire Departments*, 2014 Edition.

**Figure 183: Study Area Population Density**



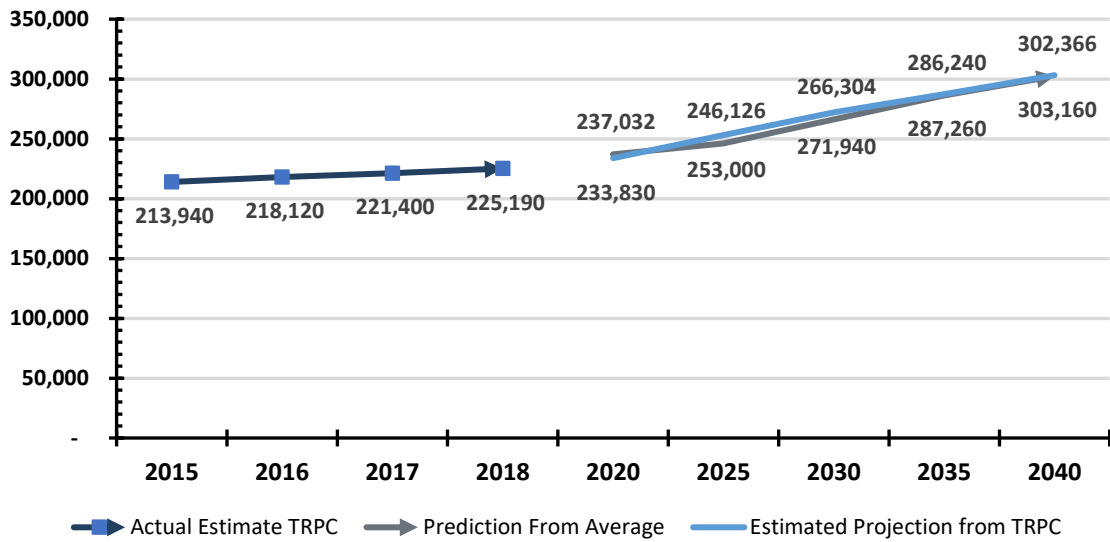
**Population Growth Projections**

The population in Thurston County has grown over the last 35 years. The population countywide in 1980 was 124,264—in 2015, the population had grown to 267,410.<sup>34</sup> This is an overall increase of 115 percent. For the fire departments in the study area, in 2015 the population was 213,940. The 2018 estimated total is 225,190—an increase of just over five percent.

The following figure illustrates the estimated population from the 2015 base year to 2018 as estimated by the TRPC. The figure also shows population projections through 2040—one using the TRPC estimates and a second an average based on the past values.

<sup>34</sup> Retrieved from <https://www.trpc.org/480/Population-Housing-Employment-Data>

**Figure 184: Population Growth Projections in the Study Area**



These results estimated by the TRPC predicts a population of 303,160 in the year 2040. Using the average based on past growth 302,366 persons is predicted.

With population growth there comes increases in service demand. More people mean not only more incidents generated it also means a need for expanded geographical coverage. Resource additions will need to be planned to provide service delivery and performance at acceptable levels.

Expansion and growth will not only effect delivery of fire rescue service but also other fire department functions, such as code enforcement and community risk reduction. The department must maintain awareness and be involved in monitoring the relationship between population and demand.

## FUTURE OPPORTUNITIES FOR COLLABORATION

Having completed the evaluation of current conditions process, ESCI is now armed with the information necessary to effectively evaluate the opportunities that exist in the region for shared service delivery opportunities between the study agencies. There are many ways that fire departments can work together, ranging from very fundamental sharing of resources and programs, up to and including legal assimilation of multiple agencies into one in the form of a merger or consolidation, where feasible.

ESCI identified the following alternatives as those that are most feasible for application to these study agencies:

- Maintain Status Quo
- Contract for Services
  - Administrative
  - Functional
  - Operational (Full Service)
- Merger
- Annexation
- Regional Fire Authority
- Formation of a Municipal Fire District

The balance of this report examines the multiple options that are available to the study agencies and provides insight and guidance where appropriate.

### General Partnering Options

It is often assumed that legal merger of agencies is the only alternative that is available. However, in general terms, a number of different strategies are available to the client agencies when considering consolidation of services. This begins with a do-nothing approach and ends with complete unification of the organizations into what is, essentially, a new emergency service provider. A summary of the available methodologies is found below, followed by identification of specific options that are considered feasible in these study agencies.

#### Status Quo

In some instances, changing nothing, or little, compared to current practice is the most desirable approach. The client fire organizations can decide to continue as separate entities and not undertake any further partnering opportunities. Remaining separate may be advantageous in that it provides each agency with the most organizational control because, under this strategy, the agencies continue to make decisions considering only unilateral issues. The strategy represents a perpetuation of the status quo, and it is useful as a comparison by which to measure the other strategies.

The disadvantages of this approach are that the current challenges facing the agencies are not changed, the opportunities for efficiency (either financial or service level) through greater collaboration are not realized, and some duplication and overlap continue. In today's environment, taxpayers typically hold their elected officials accountable for delivering a quality level of service at an affordable rate, and expect creative thinking to solve problems or achieve those ends. While "maintaining the status quo" is easy and involves the least amount of impact to the agencies, it may well be one of the riskier decisions to make politically.

### **Contract for Services**

There are three main types of contracts for service; administrative, functional, or operational consolidation. Each of these is discussed in greater detail in the following sections.

#### **Administrative Consolidation**

An administrative consolidation occurs when two or more agencies maintain their separate legal status and separate operational elements, but combine some or all of their administrative functions. Examples include combining clerical, HR, IT, and/or financial functions while maintaining separate operational activities, or even combining agency administration and management under one Fire Chief. An administrative consolidation is accomplished legally through an Interlocal Cooperation Agreement between the agencies.<sup>35</sup> There are no limitations regarding crossing city or county boundaries.

The advantages of such a model include reduced overhead costs by eliminating administrative duplication; a gradual alignment of otherwise separate operations under a single administrative head; less resistance to change by the rank and file in the operational elements than other consolidation options; and singularity of purpose, focus, and direction at the top of the participating organizations. This option lends itself well to a gradual move toward a single, consolidated agency where differences in attitude, culture, and/or operation are otherwise too great to overcome in a single move to combine.

The disadvantages include potential conflicts in policy direction from the various boards and councils; potentially untenable working conditions for the Fire Chief ("one person, multiple bosses"); and increased potential for personnel conflict as separate employee groups vie for dominance/supremacy.

#### **Functional Consolidation**

Functional consolidation, as the term is used here, would enable the client agencies to work together while remaining as separate organizations. Under the Washington statutes, governmental entities may elect to cooperate or contract for any lawful purpose, allowing individual organizations to share resources, improve service, and save money at the program level. Most commonly, fire departments enter partnering agreements for programs such as firefighter training, fire prevention, closest force response, and administrative/support services. As has been recommended throughout this report, ESCI has identified a number of program level activities that can, and should, be undertaken collaboratively between the client agencies, regardless of future decisions surrounding a higher level of integration.

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<sup>35</sup> RCW 39.34.030.

In many cases, functional consolidation is sufficient to accomplish the cooperative goals of the agencies without considering operational agreements or mergers. It is common in the industry to functionally join such activities as purchasing, firefighter training, fire prevention, public education, apparatus maintenance, and command response assistance. The keys to success of a functional consolidation strategy lie in a trusting relationship between partner agencies, the completeness of the agreement that sets up the program, and a cooperative approach to the management of the program.

For a functional consolidation, the advantages are greater opportunities for efficiency; an opportunity to reinvest redundant resources into those areas lacking in resources and a closer working relationship between members of the agencies in the consolidated function(s) that can spill over to other unrelated activities in the otherwise separate agencies. This type of collaboration may segue to greater levels of cooperation. Barriers can be broken down as members of each agency realize that the other agencies' members "aren't so different after all."

A disadvantage is that interaction by and between line personnel of different agencies increases the potential for friction. Numerous details must be worked out in advance of such a contract, including but not limited to: work rules, employee assignments, volunteer opportunities, office location, logos, asset allocation, authority, and even the name of the consolidated function. Further, independence and autonomy are lost in the consolidated areas, spilling into other seemingly unaffected areas.

### **Operational (Full Service) Consolidation**

This partnering option takes the next step in the continuum of closer collaboration. In this case, all operations are consolidated under a single organization that serves all participating agencies. The agencies remain independent organizations from a legal/political/taxing standpoint; but from a service level standpoint, the organization operates as one agency. Like other strategies listed, an operational consolidation is accomplished legally through an Interlocal Cooperation Agreement.<sup>36</sup>

Under an operational consolidation, governance of the client agencies would remain as it is at the City Council and Board level. However, this strategy largely joins the entities, operationally, through the execution of a more comprehensive interlocal cooperation agreement. The resulting organization features a single organizational structure and chain of command.

Depending on the form of the agreement(s) establishing the organization, employees and members of each organization may remain with the original agency or, alternatively, they may be transferred to one of the other agencies.

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<sup>36</sup> *Ibid.*

Operational consolidation means that, regardless of their overarching governance structure, the agencies become one in terms of how day to day operations are performed. One Fire Chief oversees a blended organization. This option requires a significant commitment toward a full consolidation and is usually done as a last sequential step toward full consolidation as the administrations and policy-making bodies work out the last details.

For an operational consolidation, the advantages are that the greatest opportunity for efficiency (not necessarily cost reduction) is typically in the operational element where service is delivered to the communities; and the level of trust and cooperation required to make implementation of this option successful implies a near-readiness to take the next step to full integration.

The disadvantage is that administrators and policymakers must share power and gain consensus where they once had unilateral authority to control and implement. If there are multiple bargaining unit agreements, they would have to be aligned. Further, it becomes difficult to determine which agency would be the contractor.

In all three versions of the foregoing types of interlocal agreement, the participating agencies can establish an oversight board made up of appointees of the governing bodies involved in the interlocal agreement. The joint board can be established with their scope of authority granted to them by the separate governing bodies involved in the interlocal agreement.<sup>37</sup>

## Merger

A merger is a complete combining of the participating fire districts (cities are not able to merge with districts) agencies into one agency. A city can be brought into a fire district through annexation or can form a fire district "with boundaries that are the same as the corporate boundaries of the city," which is described following the discussion of this option.<sup>38</sup> There are no limitations regarding crossing county lines. One or more fire districts may be absorbed into and become part of the surviving district. Fire districts merging into a surviving district are referred to as the merging agency(s) and the surviving district is referred to as the merger agency. The employees of the merging agency(s) are transferred to the merger agency, and the elected officials are brought into the merger district and are reduced over the next three regular elections until the board of fire commissioners is down to three or five depending on the structure of the merger district board. If a fire district has a \$10 million budget or more, a seven-member board can be created.<sup>39</sup> The merging fire districts must be located within a reasonable proximity to each other.

A merger would require a decision on which agency will be the merger district and which agency(s) will be the merging district(s). The merger is subject to review by the Boundary Review Board if jurisdiction is invoked by an affected governmental agency, if a petition is submitted by five percent of the affected population requesting review, or if three members of the Boundary Review Board request review.<sup>40</sup>

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<sup>37</sup> RCW 39.34

<sup>38</sup> RCW 52.02.160

<sup>39</sup> RCW 52.14.020

<sup>40</sup> RCW 36.93.100



Once a decision to merge is made by the merging district board(s), a merging district(s) must submit a petition to merge to the merger district. If the merger district accepts the petition and terms of the proposed merger, it adopts a resolution accordingly and sends the resolution, along with the original petition, back to the merging district board(s). The merging district board(s) then adopts a resolution requesting the county auditor to call a special election in the merging district(s). A simple majority determines the outcome of the election. If the majority vote yes, the respective district boards adopt concurrent resolutions declaring the districts merged under the name of the merger district.

The board of fire commissioners of the merged district shall consist of all of the fire commissioners of the merging district(s). The combined board will then be reduced by one whenever a fire commissioner resigns from office or a vacancy otherwise occurs on the board, or during regular elections until the board reaches three or five (or seven) members, whichever structure the merger district has. The election for merger may also establish commissioner districts if unanimously approved by the boards prior to the merger vote and is included in the ballot language for merger. In this case, the same process of board member reductions occurs as if no commissioner districts were formed until the merged board is reduced to the three or five members.<sup>41</sup> At that point, the commissioner districts shall be drawn and used for the election of the successor fire commissioners.

### **Annexation**

A city may be annexed into a fire district for the purposes of receiving fire protection services. An annexation into a fire district expands the boundaries of the fire district to include the current and future boundaries of the city. The city boundaries do not change as a result of annexation into a fire district. There is no reserved authority for a city to be represented on the governing board absent the formation of commissioner districts. However, once annexation occurs, city residents are eligible to run for office as a fire commissioner at large. Commissioner districts can also be created, guaranteeing representation from within the city if the district were created accordingly, as long as each commissioner district was approximately equal in population.

Annexation does not affect any other authority of the city. The city simply transfers its responsibility for fire protection and EMS services to the fire district. The city's maximum allowed tax levy rate is reduced by the actual tax levy rate of the fire district. Although the city's tax capacity may be reduced by the amount of the district's tax levy, depending on the city's tax rate, this may or may not decrease the city's actual tax levy. See the following generic example:

**Current Property Tax Levy Rates (Example):**

City \$1.89	Maximum allowed \$3.60
Fire District \$1.00	Maximum allowed \$1.50

**City Annexes into District (Example):**

Fire District Levy	\$1.00
City Tax Capacity	\$2.60 (\$3.60 - \$1.00)

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<sup>41</sup> RCW 52.14.017

There are no statutory requirements that a city being annexed by a fire district must transfer its fire department assets. The city may retain its fire stations, for example, and lease them to the district at a nominal rate. RCW 52.04.111 through .131 provide for the transfer of city firefighters to the district in the event of the annexation of the city by the district. The district is not obligated to transfer all employees, therefore, these statutory provisions should be reviewed in detail prior to the initiation of annexation proceedings to ensure that the interests of all parties will be addressed and ensure statutory compliance.

### **Regional Fire Authority**

Unique to Washington and only a few other states, an alternative to a merger is the formation of a Regional Fire Authority (RFA). An RFA is a new entity whereby fire agencies, whether districts, cities or a combination, fall under this new structure with a new tax base, a new operational plan, and a new legal framework.

If agencies contemplate forming an RFA, it is usually wise to begin meeting informally to discuss and address issues in advance of initiating the first formal step in the process. Most successful efforts start with establishing exploratory or steering committees composed of a wide variety of stakeholders to determine the feasibility of creating an RFA far in advance of forming the actual Planning Committee. This study may also serve that purpose. Should the decision be made to move forward with RFA formation, the first legal step is the formation of a Planning Committee, considered to be the most important component of the process. The Planning Committee is charged with establishing the RFA plan, which specifies how the RFA will be funded, operated, and governed. The RFA plan should be considered the “charter” or “constitution” of the new agency.

The Planning Committee is comprised of three elected officials appointed from each of the participating agencies, assuring an equal voice in the decision-making process for everyone involved. Moving forward with the formation of an RFA also requires approval by all of the affected governing bodies prior to the initiative being put before the voters.

### **Funding Mechanisms**

A key consideration of the RFA formation decision is funding. The RFA plan will identify funding sources that may include some or all of the following:

- Fire levies
- EMS levies
- Excess levies
- Benefit charges
- Bonds for capital purchases

### **Facilities and Equipment**

The ownership or transfer of ownership of capital assets is not prescribed by law and will be determined by the Planning Committee. Although ownership of facilities and equipment will most likely be transferred to the newly formed RFA, the responsibility for bonded indebtedness for capital assets will remain with the originating agency until the debt is satisfied.

### **Staffing and Personnel**

Under an RFA configuration, employees and members of the agencies joining forces in the RFA become employees and members of the new organization, including career and volunteer personnel. Unless an agreement for different terms of transfer is reached between the collective bargaining representatives of the transferring employees and the participating fire protection jurisdictions, employees will retain the rights, benefits, and privileges that they had under their pre-existing collective bargaining agreements.<sup>42</sup>

Roles and responsibilities assigned to agency personnel may change in a newly formed RFA when modifications are necessary in the interest of service delivery requirements. For this reason, involvement of labor and volunteer organization representatives from the onset of the process is essential.

### **Governance and Administration**

A Regional Fire Authority is governed by a single governance board. The number of board members and the length of their service terms are determined by the Planning Committee consistent with applicable statutes. The statute authorizing the formation of an RFA does not place limitations on the number of members serving on the board, leaving that decision to the Planning Committee and, ultimately, the voters. ESCI is familiar with one RFA in Washington State that initially had nine board members.

Administration of the new RFA, once established, becomes the responsibility of the newly established governing board. The Planning Committee, however, will include in its body of work identification of the composition of the RFA's administrative staff. The Fire Chief and his/her command staff, as agreed to by the Planning Committee, will subsequently report to the governing board.

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<sup>42</sup> RCW 52.26.100 (6)

## Legal Considerations

A number of important legal considerations must be taken into account in the formation of a Regional Fire Authority. They are summarized below:

- *Regional Fire Protection Service Authority Plan*—Planning committees are tasked with forming the RFA plan. The RFA plan outlines the plan for governance, financing, operations, asset transfers, and other considerations and is the plan that the voters are asked to approve when voting on the formation of the RFA.
- *Formation Procedures*—Like any other type of significant consolidation, the formation of RFA requires careful planning. Because the RFA creates a new entity, there is an added layer of complexity to the planning. The new entity will need to register with the Internal Revenue Service (IRS), establish new accounts with the County and vendors, contracts will need to be assigned and negotiated, labor agreements need to be negotiated, payroll systems may need to be established, and so on. In other words the formation of a new entity can be incredibly time intensive and attention to detail is critical. The formation of an RFA is not subject to review by a Boundary Review Board or a county legislative authority. The formation of an RFA is, however, likely subject to compliance with the State Environmental Policy Act (SEPA). Legal counsel familiar with RFAs should be obtained to guide policymakers in the process.

The advantages of this option are that it allows agencies to retain the strengths they bring to the new agency, minimizes the weaknesses of each agency, and may allow for establishing new “best practices” not currently provided by any of the participating agencies alone. It facilitates a contemporary look at services, resources, and costs, finding the right balance for the community. It retains (or has the potential to retain) the policymakers of the participating agencies in a governing board (including participating cities), thus utilizing the vision and commitment that initiated the implementation of this option. Finally, it creates an opportunity to “right-size” the revenue with the cost of operation, and it provides an active role for the citizens being served in setting their service level and costs.

The disadvantages of pursuing this option are the loss of autonomy for each participating agency; the loss of a familiar structure (although RFAs operate almost identically to a fire district); the investment of time and effort to develop an RFA plan can be rendered moot by the voters; and funding options are not significantly better for RFAs than they are for fire districts.

### Formation of a Municipal Fire District

Municipalities can form an independent fire district with the same boundaries as the city that initiated the formation. The process requires introducing a resolution by the City Council establishing the ballot measure proposing formation of the fire district and any other provisions determined by the council as authorized by the statute. The formation is voted upon by city voters and a simple majority authorizes the creation (unless the funding mechanism includes a benefit charge, in which case, a sixty percent favorable vote is required).

The City Council acts as ex officio board members until or unless the fire district elects its own, which can be provided for by City Council action in the formation of the initial resolution, or at any time after formation, by action of a majority of the City Council. In the latter case, the City Council can relinquish governance authority to an appointed board until such time as independently elected board members can be voted into office.

The amount of property tax levy rate to fund the fire district is intended to be deducted from the city's maximum statutory property tax levy rate. The assets of the municipality dedicated to provide fire and EMS services to the city must be transferred or credited to the fire district, including all employees. The intent of the statutory provisions is to provide transparency, prevent double taxation, avoid duplication of investment (i.e., asset transfers), and provide for a governance structure that focuses exclusively upon fire and EMS service delivery within the city separate and distinct from other municipal services.

The advantages of pursuing this option are that fire and EMS service delivery becomes a separate, independent governing structure with a separate, dedicated funding stream. It maximizes the use of already spent infrastructure in the city for this service by transferring those assets to the district. Employees are not put at risk and are kept whole in the transition.

The disadvantage of pursuing this option is that it is a brand-new statute and there is no track record of any community implementing it. In this case, the city pursuing this will find any flaws in the statute, which may not be beneficial to either entity. If the fire district does not levy its full statutorily authorized property tax levy rate initially, but does so at a later date, the city will be required to reduce its maximum authority for property taxes at that time, which may preclude planning for the economic impact.

## Strategies for Shared Services

In the following section, the strategies for shared services identified previously are further detailed and their feasibility is evaluated.

The decision to establish a single regional agency can be a daunting task. When those agencies include fire districts, cities, and a regional fire authority, the process becomes even more complex and challenging to accomplish. The following regional strategies presented are analyzed for their impact on sustainability and/or service delivery while identifying opportunities for increased efficiency wherever possible. ESCI recognizes that service delivery and its future sustainability must be viewed with equal importance.

### Strategy A: Status Quo

As described previously, this is essentially a do-nothing option. However, all participating agencies have likely made temporary decisions or deferred decisions awaiting the result of this study, such as delaying the filling of vacant administrative and support positions. If the agencies ultimately decide to maintain a status-quo approach, there will be future decisions that will have to be made to position the agencies to move forward effectively.

Given the amount of interaction and inter-agency collaboration that is already in place between the client organizations, a status-quo approach would most likely be configured in a manner that would continue that level of cooperation. However, the organizations could decide to lessen or withdraw from current shared practices. Doing so is viewed as a step backwards and would waste the valuable efforts that have been undertaken in recent years between the agencies.

Each agency will need to take a careful look at their future and where their organizations are headed if they continue operations as currently in place. In some cases, aspects of their operations may not be sustainable in the near future; therefore, the organizations are encouraged to closely scrutinize and evaluate current conditions in this context. Particular focus on financial projections, referencing the fiscal analysis in this report along with other sources, is recommended.

### *Level of Cooperation*

The level of cooperation currently in place is expected to continue, such as mutual and automatic aid agreements, as well as any current sharing of training and other resources.

### *Estimated Timeline for Completion*

Implementation is immediate, once the decision is made, since this is a status quo strategy. The issues identified in the introduction of this strategy will need to be addressed, but should not hinder maintenance of the status quo.

### *Affected Stakeholders*

All client agencies' members and their constituents will retain their current services at their current costs.

### ***Summary/Objective of Strategy***

With a decision to maintain status quo, the agencies will have made a decision to maintain the value derived from existing shared services. There may be small, specific enhancements to existing collaboration, but no major new shared services are anticipated under this approach.

### ***ESCI Guidance***

Elected officials and administrative staffs should ensure that discussions and decisions related to this strategy focus on the desired outcomes and best interests of the communities served. A decision to maintain status quo does not necessarily mean future collaborative efforts are off the table. Efficiency and enhancement of services should continue to drive decision-making.

### ***Special Considerations***

This strategy continues to afford the elected officials with a high level of control. However, as described in the previous section, key decisions must be made by each of the agencies if this strategy is adopted.

Needs identified in the current conditions section of this report list areas in which the study agencies can, and should, make improvements. Those areas should be carefully evaluated as a part of the process of determining future needs under a status-quo approach.

### ***Policy Actions***

Other than the issues identified previously under special considerations, no other policy decisions must be made related to implementation of this strategy.

### ***Fiscal Analysis***

The status quo represents no shift in cost or change in efficiency.

### ***Issues & Impacts***

The implementation of this strategy creates no additional issues or impacts other than those listed in special considerations.



## **Strategy B: Contract for Services**

### ***Level of Cooperation***

A contracted services approach is most often applicable when agencies want to work more closely together but are either not ready, or are unable to unify or merge entirely. This strategy may be applied to administrative functions as listed earlier and/or to exercise a functional consolidation for identified support services, while the participating agencies maintain autonomy with separate governance and separate taxing authority. Finally, it may be applied to a contract for full services. Depending on the selected application, a single fire chief may provide the administrative services for the contractually combined agencies as an example.

The district boards and city councils continue to govern the separate agencies independently, levying their own taxes at their own levy rates. This integration may be limited to the Fire Chief, or may include all administrative functions (and the personnel serving those functions) as well as support functions, such as facilities/fleet maintenance, fire prevention, and/or training.

At its highest level, contracted service approaches may be expanded to include operational service delivery. That is, one entity contracts for the entirety of its fire protection, EMS, and related services, delivered exclusively by the provider agency. The contracting agency places full responsibility for all services, based on identified performance measures, on the provider and retains no service delivery function of its own.

Success of an administrative, functional, or operational contract for services (interlocal cooperation agreement) strategy is built upon 1) an essential trust relationship between the partner agencies; 2) the thoroughness of the program agreement; 3) a collaborative approach to the management of the program(s); and 4) community understanding and support. Since the agencies already have a great deal of collaborative history, the foundation to build from has been created.

The approach requires in-depth, multi-level, and multi-functional planning, review, external and internal discussions, collaboration, and agreement among the city council, district boards, and the administrative staff members of all participating agencies. This strategy does not require public approval at the ballot box, but is negotiated between the agencies.

ESCI notes that existing governing bodies are preserved, although the level of unilateral control is decreased. Also, the management team of the contractually unified sections should report to the individual board and councils on the performance of these new agreements.

### ***Estimated Timeline for Completion***

This timeline can take six months to negotiate and be prepared to execute, or can take as long as a year, depending on the number of agencies participating, the level of complexity of the contract for services, and bargaining unit implications that require separate negotiation. New issues may arise from the planning process, so the planning should not be short-cut due to presumed familiarity with the other party(s).

### ***Affected Sections***

Depending on the type of contract for services, the affected sections may include administration, training, and operations.

### ***Affected Stakeholders***

While all agency members and the citizens served are affected in some manner, the commissioners, council members, and agency staff members within the affected sections will realize the most significant impacts.

### ***Summary/Objective of Strategy***

The objective should be seamless integration of the identified functions across the jurisdictions by means of an Interlocal Cooperation Agreement, as provided for under RCW 39.34.

### ***ESCI Guidance***

The client organizations face similar financial challenges given current conditions, some more severe than others, depending on tax base. While the listed areas for partnering are found to be duplicative in many instances, how those areas operate in each agency may vary significantly with the other agencies due to differing demographics, geography, and community culture.

In preparation for such a direction, the fire chiefs must establish and conduct regular joint meetings for the purpose of establishing the parameters of an administrative, functional, or full service contract. This includes workload analysis to ensure greatest effectiveness while maintaining proper balance. If this option is pursued, ESCI recommends that the fire chiefs convene an ad hoc steering committee for the purpose of developing proposed common policies, performance standards, and functional plans.

Should the concept of contracted services be expanded into operational areas, the degree of collaboration between the chiefs is escalated substantially. Operational guidelines, response procedures, and many additional factors will need to be compared and brought under a single, fully integrated operational strategy.

### ***Special Considerations***

Commissioners and council members should understand that pursuing any of the contractual options is complex, labor-intensive, and challenging; as such, it is often a precursor to a more formal consolidation.

The process of developing an administrative or functional contract can expose administrative rigidity resulting from political complexities of the arrangement. Given accountability to multiple political bodies, administrative leaders can be pulled in multiple directions; they may also be limited by contractual requirements in their ability to adjust to environmental changes. Consequently, conflicting policy directives may sometimes be troublesome. These challenges underscore the importance of the foundational political relationships, the contractual agreement and the skills of management to ensure success.

Internal staff in the affected sections will likely require some time to adjust to new processes and reporting relationships. The community may notice changes in who they deal with and different processes likely employed from this strategy.

### ***Policy Actions***

The boards of fire commissioners and city councils will need to develop, approve, and implement an interlocal cooperation agreement.

### ***Fiscal Analysis***

Depending on the selected approaches, the initiatives described above may result in actual cost reduction (economies of scale with volume purchasing, for example) or cost avoidance at the very least (eliminating the need to purchase what another participating agency already has, for example), allowing those funds to be redirected toward other agency needs. The same may apply if the needed number of support staff positions decreases.

The costs for the combined functions, to the extent they are equal across all agencies, should be split equally between the agencies. This includes any fiscal windfall and any net new costs. To the extent there are weighted distribution of costs (and benefits) due to disproportionate cost or benefit, such distribution should be based on weight factors directly tied to the function shared and should follow guidance provided in the cost allocation discussion, which follows.

### **Cost Allocation Options**

What follows is a listing of system variables that can be used (singly or in combination) to allocate cost between allied fire departments. Each option is summarized by the concept, its advantages and disadvantages, and other factors that should be considered. Regardless of the option(s) chosen to share the cost of service, the resulting interlocal cooperation agreement needs to address the formula chosen and the rationale behind it, as well as any exclusion, such as grant funded expenditures. In addition, service contracts often must reconcile the exchange of in-kind services between the participating agencies.

### **Area**

The cost of emergency service can be apportioned based on the geographic area served relative to the whole. For instance, the jurisdictional boundaries of the agencies represent about 384 square miles. The following figure displays the service areas in square miles and the percentage for each jurisdiction, which represents the percentage of total cost share.

**Figure 185: Cost Allocation by Service Area (2017)**

Jurisdiction	Service Area in Square Miles	% of Total
Olympia FD	20	5.2%
Tumwater FD	18	4.7%
West Thurston RFA	162	42.2%
Lacey Fire District 3	70	18.2%
McLane/Black Lake Fire District	84	21.9%
East Olympia Fire District	30	7.8%
<b>Total</b>	<b>384</b>	<b>100.00%</b>

Apportionment founded on service area alone may work best in areas that are geographically and developmentally homogeneous. The client agencies in this case are not considered homogenous.

**Pro:** Service area is easily calculable from a variety of sources. Size of service area generally remains constant with few if any changes.

**Con:** Service area does not necessarily equate to greater risk or to greater workload. Indeed, density is the greater driver of workload.

**Consider:** Service area may be combined with other variables (such as resources, assessed value, and number of emergencies) to express a compound variable.

### Assessed Value

The assessed value (AV) of agencies is established by tax assessors under laws of the state. Usually, higher-valued structures and complexes carry a greater risk to the community from loss by fire; consequently, assessed value also tends to approximate the property at risk within an area. Fire departments are charged with being sufficiently prepared to prevent property loss by fire. Therefore, the cost of contracted fire protection may be apportioned relative to the assessed value of the allied jurisdictions. In this case, high valued buildings may pose a low risk to the community or to the fire department due to built-in fire protection features. Typically, AV is used to apportion cost of shared service by applying the percentage of each partner's AV to the whole.<sup>43</sup> The following table illustrates the allocation of cost by the assessed value of the agencies, which represents the percentage of total cost share.

**Figure 186: Cost Allocation by Assessed Value (2017)**

Jurisdiction	Assessed Value	% of Total
Olympia FD	\$6,690,364,182	26%
Tumwater FD	\$3,257,477,653	13%
West Thurston RFA	\$1,993,328,765	8%
Lacey Fire District 3	\$10,200,777,243	40%
McLane/Black Lake Fire District	\$2,158,317,423	8%
East Olympia Fire District	\$1,396,487,595	5%
<b>Total</b>	<b>\$25,696,752,861.00</b>	<b>100.0%</b>

**Pro:** AV is updated regularly, helping to assure that adjustments for changes relative to new construction, annexation, and inflation are included. Because a third party (the assessor) establishes AV in accordance with state law, it is generally viewed as an impartial and fair measurement for cost apportionment. Fire protection is typically considered a property-related service; thus, allocation tied to property value has merit.

<sup>43</sup> AV used is the total assessed value of the service area.

**Con:** AV may not reflect the risk associated with certain properties. Some high value properties present low risk. Some comparatively lower value properties may not fully represent the life risk, such as nursing homes or places of assembly, which might dictate more significant use of resources. In addition, some large facilities may seek economic development incentives through AV exemptions or reductions. Adjustments may need to be made to AV if such large tracts of exempt property in one jurisdiction cause an imbalance in the calculation. Last, AV typically includes the value of land, which is not usually at risk of loss by fire.

**Consider:** Discount AV by factoring it into a multi-variable allocation formula. As an additional consideration, assessors usually establish the AV in accord with the property tax cycle, which can lag somewhat behind the budget cycle of local agencies and the time when service contracts are reviewed or negotiated.

### Deployment

The cost for service is based on the cost of meeting specific deployment goals. Deployment goals may be tied to the physical location of fire stations, equipment, and personnel (strategic deployment) or by stating the desired outcome of deployment (such as is contained in a standards of cover). A strategic (input) goal could specify the location of stations, engines, ladder trucks, and number of active volunteer firefighters on the roster, for example. A standards of cover might state the desired outcome (output) as three engine companies, one ladder company, a battalion chief, an aid unit, and fifteen emergency workers on the scene of all structure fire emergencies within 8 minutes, 90 percent of the time. While both strategic and outcome goals can be used effectively to assist in allocating cost, ESCI views outcome goals to be more specifically linked to the quality of service. This alternative however, is highly variable due to the independent desires of each community in regard to outcome goals.

This type of scoring system for each agency allows the ranking of each area based on the assigned apparatus and facilities required to deliver the staffing and required fire flow. The following illustrates the allocation of cost by the number of resources deployed to serve each jurisdiction, including fire stations, frontline engines, and ladder trucks (not including reserve apparatus).

**Figure 187: Cost Allocation by Resource Deployment (2017)**

Jurisdiction	Facilities	Engines & Aerials	Total	% of Total
Olympia FD	4	5	9	17.6%
Tumwater FD	2	2	4	7.8%
West Thurston RFA	5	6	11	21.6%
Lacey Fire District 3	5	6	11	21.6%
McLane/Black Lake Fire District	5	5	10	19.6%
East Olympia Fire District	4	2	6	11.8%
<b>Total</b>	<b>25</b>	<b>26</b>	<b>51</b>	<b>100.00%</b>

**Pro:** Deployment is intuitively linked to the level of service. The outcome of deployment based on a standards of cover can be monitored continuously to assure compliance. Such deployment can be adjusted if standards are not met. This assures the continuous quality of emergency response throughout the life of a service contract.

**Con:** Deployment may not equate to better service because such goals are prone to be used for political reasons and may not be used for quality of service reasons. Outcome goals require common reporting points and the automatic time capture of dispatch and response activities to assure accuracy. Record keeping needs to be meticulous to assure the accurate interpretation of emergency response outcomes.

**Consider:** Contracts for deployment-based fire protection should recognize that there is required infrastructure, such as administrative or overhead costs, as well as capital asset cost, depreciation, rent, and liability insurance. Thus, this allocation strategy is best used as part of a multi-variable allocation formula.

### Service Demand

Service demand may be used as an expression of the workload of a fire department or geographical area. Cost allocation based on emergencies would consider the total emergency response of the service area and apportion system cost relative to the percentage of emergencies occurring in the jurisdictions.

**Figure 188: Cost Allocation by Service Demand (2017)**

Jurisdiction	Service Demand	% of Total
Olympia FD	11,293	34.2%
Tumwater FD	4,259	12.8%
West Thurston RFA	2,900	8.8%
Lacey Fire District 3	12,249	37.1%
McLane/Black Lake Fire District	1,417	4.3%
East Olympia Fire District	939	2.8%
<b>Total</b>	<b>33,057</b>	<b>100.00%</b>

**Pro:** Easily expressed and understood. Changes in the workload over the long term tend to mirror the amount of human activity (such as commerce, transportation, and recreation) in the corresponding area.

**Con:** Emergency response fluctuates from year to year depending on environmental and other factors not directly related to risk, which can cause dependent allocation to fluctuate as well. Further, the number of alarms may not be representative of actual workload; for example, one large emergency event requiring many emergency workers and lasting many hours or days versus another response lasting only minutes and resulting in no actual work. Finally, emergency response is open to (intentional and/or unintentional) manipulation by selectively downgrading minor responses, by responding off the air, or by the use of mutual aid. Unintentional skewing of response is most often found in fire systems where dispatch and radio procedures are imprecisely followed.

**Consider:** Using a rolling average of alarms over several years can help to suppress the normal tendency for the year-to-year fluctuation of emergencies. Combining the number of emergencies with the number of emergency units and/or personnel required may help to align alarms with actual workload more closely; however, doing so adds to the complexity of documentation. In a similar manner (and if accurate documentation is maintained), the agencies could consider using the total time required on emergencies as an aid to establish the comparative workload represented by each jurisdictional area.

### Fixed Rate

The use of fixed fees or rates (such as a percentage) to calculate allocation of shared cost is more common between municipalities and independent fire districts. Occasionally, fixed-rate contracts involve the exchange of in-kind services.

**Pro:** The concept is simple and straightforward. A menu of service options and the fees corresponding to those alternatives can be developed by the contractor agency. The contracting agencies can tailor a desired level of service based on risk and community expectation by choosing from the various menu items.

**Con:** Partnering communities may change (i.e., population, jobs, commerce, structures, and risk) at divergent rates, causing a disconnect between the rationales used to establish the fee and the benefit received. A fixed-rate contract may be difficult to coherently link to the services provided and/or received, which can lead to a lack of support by officials and the community.

**Consider:** Partnering agencies need to assure that provision for rate adjustment is included in the agreement, including inflation. The inclusion of administrative and/or overhead cost also requires statement, as does the reconciliation of in-kind service exchange. The ownership and/or depreciation of capital assets should be addressed, as should rent, utilities, and liability insurance. In the case of a fixed fee, the agreement should establish how the participation of other public agencies in the partnership would affect cost.

### Population

Payment for service can be based on the proportion of residential population to a given service area. The following figure lists the population by jurisdiction and the percentage of the total number of individuals living in each service area.

**Figure 189: Cost Allocation by Population, (2018-TRPC)**

Jurisdiction	Population	% of Total
Olympia FD	52,000	23.2%
Tumwater FD	23,210	10.4%
West Thurston RFA	22,980	10.2%
Lacey Fire District 3	98,000	43.7%
McLane/Black Lake Fire District	16,280	7.3%
East Olympia Fire District	11,750	5.2%
<b>Total</b>	<b>224,220</b>	<b>100.00%</b>

**Pro:** Residential population is frequently used by governmental agencies to measure and evaluate programs. The U.S. Census Bureau maintains an easily accessible database of the population and demographics of cities, counties, and states. The Thurston Regional Planning Council provides annually updated population numbers by jurisdiction and population projections.



**Con:** Residential population does not include the daily and seasonal movement of a transient population caused by commerce, industry, transport, and recreation. Depending on the local situation, the transient populations coming in (or going out) of an area can vary significantly, which can tend to skew community risk. Residential population does not statistically link with emergency workload; rather, human activities tend to be the linchpin that connects people to requests for emergency assistance.

For example, if residential population actually determined emergency workload, emergencies would peak when population was highest within a geographic area. However, in many communities where the residential population is highest from about midnight to about 6:00 am (bedroom communities), that time is exactly when the demand for emergency response is lowest. It turns out that emergency demand is highest when people are involved in the activities of daily life—traveling, working, shopping, and recreating. Often, the persons involved in such activities do not reside in the same area. Additionally, simply relying on population will not account for the effects that socio-economic conditions have on emergency service response activity.

**Consider:** Transient populations can be estimated by referring to traffic counts, jobs data, hotel/motel occupancy rates, and, in some cases, park visitor statistics. Residential population plus transient population is referred to as functional population. Service agreements based on population should be adjusted to account for instances when functional population is significantly different from residential population.

### **Multiple-Variable Allocation**

Frequently, even though everyone may agree on the benefit of allied fire protection, officials find it difficult to reach an accord on the cost. The differences between community demographics and/or development, along with changes that occur within the system over the long term, can cause the perception of winners and losers. This can be especially prevalent when a single variable is used to apportion cost. A service contract based on more than one allocation determinate may help solve these problems.

For example, ESCI is familiar with a 911 dispatch center that serves more than 20 fire agencies of all sizes and types—large, small, metropolitan, and rural; on-duty career and on-call volunteer. Here, the service contract includes three determinates applied to each agency.

Base charge—10 percent of the dispatch center’s budget is divided equally between all agencies. This charge is based on the acknowledgement that each agency is equally responsible to maintain the dispatch center on continuous stand-by, irrespective of size of the agency or its use of the dispatch services.

Usage charge—45 percent of the dispatch center’s budget is divided between the agencies in accordance with the number of emergency dispatches made for each during the preceding year. The member agencies determined that this charge fairly assesses the overall use of the 911 dispatch system by each.

Risk charge—45 percent of the dispatch center’s budget is divided between the agencies in accordance with the relative percentage of each department’s AV. The member agencies determined that this charge is relational to each department’s community risk and that it is closely associated with the overall ability to pay.

By apportioning the dispatch center cost over three variables, the members of this alliance have been able to reach a long-term agreement that fits the diversity of the partnering agencies. Other partnerships in other geographical areas may require a different solution involving different combinations of variables. In summary, when choosing a cost-sharing strategy for partnered fire protection, it is important to keep any apportionment formula fair, simple, and intuitively logical to assure that the public accepts and supports the endeavor.

### Allocation Summary

The information provided previously serves as a detail of cost allocation factors. Given the lengthy discussion provided with each option, ESCI has compiled the information into a summary table illustrating the distribution of factors between the agencies. These examples are for illustrative purposes and may be used as part of a check for fairness of assigning the cost for service.

**Figure 190: Summary of Cost Allocation Factors by Percentage (2017)**

Jurisdiction	Area	Assessed Value	Resources	Service Demand	Population
Olympia FD	5.2%	26%	17.6%	34.2%	23.2%
Tumwater FD	4.7%	12.7%	7.8%	12.8%	10.4%
West Thurston RFA	42.2%	7.8%	21.6%	8.8%	10.2%
Lacey Fire District 3	18.2%	39.7%	21.6%	37.1%	43.7%
McLane/Black Lake Fire District	21.9%	8.4%	19.6%	4.3%	7.3%
East Olympia Fire District	7.8%	5.4%	11.8%	2.8%	5.2%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

ESCI extrapolated the cost of emergency services using the most recent fiscal year budgeted amounts for fire and EMS using a multiple variable formula. In addition to the individual funding alternatives, multiple-variable scenarios are also provided as examples of how this type of methodology can be modified and applied. The following figures show three multiple cost allocations by variable and the weighted apportionment by percentage. The first allocates costs on the basis of assessed value (50 percent) and service demand (50 percent).

**Figure 191: 50% Assessed Value and 50% Service Demand (2017)**

Jurisdiction	Assessed Value	Service Demand	Allocation
Olympia FD	26%	34.2%	30.1%
Tumwater FD	12.7%	12.8%	12.8%
West Thurston RFA	7.8%	8.8%	8.3%
Lacey Fire District 3	39.7%	37.1%	38.4%
McLane/Black Lake Fire District	8.4%	4.3%	6.4%
East Olympia Fire District	5.4%	2.8%	4.1%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

The second example allocates the cost based on service demand (50 percent), resources (25 percent), and assessed value (25 percent).

**Figure 192: 50% Service Demand, 25% Resources, 25% Assessed Value (2017)**

Jurisdiction	Service Demand	Resources	Assessed Value	Allocation
Olympia FD	34.2%	17.6%	26%	28.0%
Tumwater FD	12.8%	7.8%	12.7%	11.5%
West Thurston RFA	8.8%	21.6%	7.8%	11.7%
Lacey Fire District 3	37.1%	21.6%	39.7%	33.9%
McLane/Black Lake Fire District	4.3%	19.6%	8.4%	9.2%
East Olympia Fire District	2.8%	11.8%	5.4%	5.7%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Any or all of the variables can be used to develop the cost allocation formula, and the weights can be adjusted to emphasize or de-emphasize each variable. Figure 193 lists all of the variables as equally weighted and results in the following multiple variable formulas:

**Figure 193: All Variables at Equal Weights of 20% Each (2017)**

Jurisdiction	Area	Assessed Value	Resources	Service Demand	Population	Allocation
Olympia FD	5.2%	26%	17.6%	34.2%	23.2%	21.2%
Tumwater FD	4.7%	12.7%	7.8%	12.8%	10.4%	9.6%
West Thurston RFA	42.2%	7.8%	21.6%	8.8%	10.2%	18.0%
Lacey Fire District 3	18.2%	39.7%	21.6%	37.1%	43.7%	32.0%
McLane/Black Lake Fire District	21.9%	8.4%	19.6%	4.3%	7.3%	12.2%
East Olympia Fire District	7.8%	5.4%	11.8%	2.8%	5.2%	6.9%
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>

Whatever formula is used, care should be taken to avoid identifying a cost and then developing a formula to achieve the desired cost. While affordability is an important factor, the developed formula should reflect an appropriately balanced approach to addressing the service needs of participating agencies and allocating costs based on the factors driving service decisions.

**Issues & Impacts**

- No permanent organizational commitment is made since this is a contract.
- All final decision-making power remains with individual organizations.
- Requires a collaborative approach to the management of the program(s) between the participating administrations.
- Does not require public approval at the ballot box.
- Existing governing boards and council are preserved.
- Administrative leaders can be pulled in multiple directions serving multiple masters.
  - A joint powers board may be formed to minimize this effect
- Requires blending rules, regulations, and operating procedures.
- Efficiency in administration by eliminating duplication or reassigning duplicate resources.
- Efficiencies may be gained in fleet maintenance and training.

## Strategy C: Annexation

A city cannot merge with a fire district. It can, however, be annexed by a fire district. Thus, this option is aimed at absorbing a city for fire protection purposes through an annexation. Annexation must come from an adjacent fire district.

### *Level of Cooperation*

Annexation of a city by a fire district is essentially an integration between those agencies. However, a city annexed into a fire district may, after three years from the date of annexation, submit to their voters the option to withdraw from the fire district. From the time an annexation is approved, the fire district will have responsibility for the provision of fire and EMS services to the city. Annexation of the city requires separate but concurrent special elections in each jurisdiction with a simple majority required in each jurisdiction for approval.

By contrast, contractual consolidations, while providing a great deal of flexibility, can be terminated or reversed by the joint action of the parties, by the expiration of the term of the contract or by the unilateral action of one of the parties to the contract if the contract so provides.<sup>44</sup>

Annexation must be coordinated between the agencies and requires and begins with city council approval of an ordinance indicating the intent of the city to join the district. The issue then goes to the district board of fire commissioners for their concurrence. Upon approval by the board of fire commissioners, the issue is submitted to the boundary review board for approval.

Prior to annexation being submitted to the voters for approval, a contract may need to be negotiated between the fire district and the city that addresses payment to the district from the city for fire and EMS services until such time as the district is collecting taxes for fire protection in the city. The contract is intended to address the revenue gap, since immediately upon annexation approval by the voters, the district is obligated to provide services, but would not otherwise receive payment for those services from the city until the tax rolls are updated in the next revenue cycle. Once the tax rolls are changed, the fire district would receive taxes from within the city as it does for all other district taxpayers and the city has no further obligation for fire and EMS services or for financing these services.

### *Estimated Timeline for Completion*

The timeline for this process varies depending upon the initiation of the process in relation to special election cycles. However, this process can be completed in six months without difficulty. A contract to address the revenue gap can be accomplished in a very short period of time if the parties are motivated to execute said contract.

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<sup>44</sup> Snure, Brian K. *Fire Service Consolidations*. Snure Law Office: Des Moines, WA, 2011.

### ***Affected Stakeholders***

The citizens of each agency are affected by this strategy. City councils are impacted in that they no longer have direct control over their fire and EMS services, deferring to the elected board of fire commissioners of the merger district. Employees of the city fire department (used in this report to describe all personnel, whether compensated or volunteer) are impacted as their employer changes and their employment status may change depending on agreements between the city, the fire district, and employee representatives.

### ***Summary/Objective of Strategy***

This strategy combines a city and a fire district under fire district control and taxation. From an operational standpoint, the entire jurisdiction would be served by the merger district with all transferred resources from the city brought to bear on providing services to the expanded fire district. From a governance standpoint, the board make-up remains the same unless, concurrently, the ballot measure provides for expansion of its board membership to five members (or seven if the district budget is \$10 million or higher). The district may also decide to create commissioner districts as part of the annexation issue to provide the annexed city to have elected representation on the board.

### ***ESCI Guidance***

Informal discussion between the participating agencies is necessary to determine the level of willingness to consider implementation of this strategy. Assuming the parties agree to pursue this strategy, it would be wise to obtain legal counsel to develop an annexation checklist of actions and activities needed to bring the issue of annexation before the voters. It will also be necessary to communicate with existing constituencies, both internal and external, on the value and benefits of pursuing this option.

Transfer of personnel from a city to an annexing district is outlined in statute.<sup>45</sup> These statutory provisions should be reviewed in detail by the district prior to the initiation of annexation proceedings to ensure that the rights of all parties will be protected. Buy-off by employees (whether compensated or volunteer) regarding the transfers, wages, benefits, and working conditions are critical to a successful integration, whether statutorily required or not. This can be a key element to obtaining support by the larger communities in the case of annexation.

### ***Special Considerations***

RCW 52.04.101 allows a city, having been annexed into a fire district, to call for an election to withdraw from the fire district at least three years after annexation. This requires the city council to pass a resolution calling for a vote by the city voters on annexation withdrawal. If the voters of the city approve the withdrawal, the city will have withdrawn from the fire district without the consent or approval of the district. To date, no city in Washington State has withdrawn from a fire district it annexed into.

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<sup>45</sup> RCW 52.04.111 through .131

Issues of reconciling district investment into the city service area during the intervening period, as well as remedies for other unforeseen and perhaps unintended consequences of annexation withdrawal, are silent in the statute. It is also silent regarding the changing boundaries of the district and whether a special review committee appointed by the county commissioners must review such withdrawal. Legal counsel is recommended in these cases.

### ***Policy Actions***

Annexation of a city into a fire district is subject to limited State Environmental Policy Act (SEPA) compliance. This requires that either party designate itself as lead agency, prepare an environmental checklist, and issue a Determination of Non-significance (DNS). The Environmental Checklist form is provided in WAC 197-11-960.

ESCI's review and discussion of Washington State Law on this topic has been necessarily brief; only sufficient to ensure that basic provisions for annexation exist. As always, we emphasize that we are not qualified to give legal advice. We recommend that all of the participating agencies consult with legal counsel experienced in such matters before undertaking this strategy.

### ***Fiscal Analysis***

The purpose of this fiscal analysis is to provide a high-level assessment of the financial feasibility of Strategy C: Annexation. The estimates and analysis presented are dependent on the outlined assumptions and subject to change depending on actual factors that influence revenues and expenses. Key assumptions used in the assessment are followed by high level estimates of revenues over five years. Specific implications of the annexation strategy on the City of Tumwater's property tax levy and the tax rates in all jurisdictions are presented next. This section concludes with a summary of financial considerations associated with the annexation strategy.

### **Key Assumptions**

#### **Revenues**

Key assumptions used in developing the revenue estimates under the annexation are the same as the assumptions used in the *Fiscal Analysis* section presented earlier in the report. Property taxes represent the largest source of revenue for the combined operations. Property tax revenue assumptions specific to the annexation strategy include:

- An effective date of the annexation prior to August 1, 2019. Note that property annexed prior to August 1 is included in the property taxes levied for collection in the following year. Property annexed after August 1 is included in the property taxes levied in the second year following the year of the annexation. Note also that while the most recent reports of actual financial results for all agencies date to 2017, we made forecasts for each agency to 2020 to concur with the assumed annexation date.



- The county-wide EMS levy remains as it is. The current 2019 rate is \$0.32 and in 2017 it was \$0.35. While it is possible to put an additional EMS levy before voters up to the maximum of \$0.50 per \$1,000 AV, we do not recommend this approach. Such an additional levy would be at risk to any increases in the county levy, and in any case would not suffice to balance the budget.
- A levy lid lift to the statutory maximum levy rate of \$1.50 per \$1,000 assessed value is collected in all annexed areas beginning in 2020.
- Continuation of the existing bond levies collected from property owners in the appropriate areas where the bond levies were approved.
- Voter approval of a six-year excess levy in August 2019 for collection beginning in 2020 with amounts equal to the estimated amount needed to balance projected revenue with projected expenses.
  - The new excess levy overrides the existent excess levies in McLane Black Lake and West Thurston Regional Fire Authorities.

### Expenses

Expenses under the annexation strategy are assumed to be the same as the combined expenses of the predecessor organizations. Note that this assumes the fire district also provides the ambulance services currently provided by Tumwater. Actual expenses under an annexation approach are likely to be different than these combined expenses. However, in ESCI's evaluation of existing staffing, equipment, facility, and operational conditions, we did not find excess capacity that would suggest significant cost savings. While some expenses are likely to be higher others are likely to be lower. Using the combined expense projection is considered reasonable for purposes of this analysis.

### Forecast Results

The revenue forecast under the annexation strategy, using the assumptions identified above, results in annual revenue that is approximately equal to the consolidated revenue forecast presented earlier in this report. The forecasts are the same because both forecasts use the excess levy to balance revenues with expenses. A summary of the annexation strategy revenue projection is shown in the following figures (shown for annexations of Tumwater separately by EOFD, MLBFD, WTRFA, and LFD3).

**Figure 194: Annexation of Tumwater by East Olympia Fire District**

Assumed Revenue Sources	2020	2021	2022	2023	2024	2020–24 % Chg
Regular Property Tax Levy	\$ 7,356,971	\$ 7,559,270	\$ 7,772,948	\$ 7,998,120	\$ 8,234,900	11.9%
EMS Property Tax Levy	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Other Taxes (M&O Levy)	\$ 374,758	\$ 385,063	\$ 395,948	\$ 407,418	\$ 419,479	11.9%
Ambulance Fees	\$ 2,428,654	\$ 2,449,821	\$ 2,470,988	\$ 2,492,155	\$ 2,513,323	3.5%
Other Revenue	\$ 952	\$ 952	\$ 952	\$ 952	\$ 952	0.0%
<b>Subtotal Operations</b>	<b>\$ 10,161,335</b>	<b>\$ 10,395,106</b>	<b>\$ 10,640,836</b>	<b>\$ 10,898,645</b>	<b>\$ 11,168,653</b>	<b>9.9%</b>
Annual Percent Increase		2.3%	2.4%	2.4%	2.5%	
Bond Levy	\$ 354,252	\$ 350,224	\$ 346,196	\$ -	\$ -	
<b>Total Revenue</b>	<b>\$ 10,515,587</b>	<b>\$ 10,745,330</b>	<b>\$ 10,987,032</b>	<b>\$ 10,898,645</b>	<b>\$ 11,168,653</b>	

The regular and excess levies decrease 7.1 percent over the five-year forecast period (and the total operating levies decrease 8.6 percent) due to the 1 percent cap on increases during a time when assessed values are forecast to increase more quickly (20.4%). The resulting levy rates are shown in the following figure.

**Figure 195: Levy Rates for Annexation by East Olympia Fire District**

Assumed Levy Rates	2020	2021	2022	2023	2024
Total Assessed Value	\$4,904,647,089	\$5,155,328,930	\$5,406,010,771	\$5,656,692,612	\$5,907,374,453
Total Regular Levy	\$ 1.5000	\$ 1.4571	\$ 1.4207	\$ 1.3887	\$ 1.3604
Total EMS Levy	\$ 0.3105	\$ 0.2978	\$ 0.2850	\$ 0.2722	\$ 0.2594
Total Excess Levy	\$ 0.0764	\$ 0.0747	\$ 0.0732	\$ 0.0720	\$ 0.0710
<b>Total Operating Levy Rate</b>	<b>\$ 1.9533</b>	<b>\$ 1.8935</b>	<b>\$ 1.8409</b>	<b>\$ 1.7930</b>	<b>\$ 1.7493</b>

**Figure 196: Annexation of Tumwater by McLane Black Lake Fire Department**

Assumed Revenue Sources	2020	2021	2022	2023	2024	2020–24 % Chg
Regular Property Tax Levy	\$ 8,212,480	\$ 8,392,723	\$ 8,579,064	\$ 8,772,899	\$ 8,973,663	9.3%
EMS Property Tax Levy	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Other Taxes (M&O Levy)	\$ 1,336,088	\$ 1,365,412	\$ 1,395,728	\$ 1,427,263	\$ 1,459,925	9.3%
Ambulance Fees	\$ 2,552,868	\$ 2,574,035	\$ 2,595,202	\$ 2,616,369	\$ 2,637,536	3.3%
Other Revenue	\$ 528,910	\$ 528,910	\$ 528,910	\$ 528,910	\$ 528,910	0.0%
<b>Subtotal Operations</b>	<b>\$ 12,630,347</b>	<b>\$ 12,861,080</b>	<b>\$ 13,098,904</b>	<b>\$ 13,345,440</b>	<b>\$ 13,600,034</b>	<b>7.7%</b>
Annual Percent Increase		1.8%	1.8%	1.9%	1.9%	
Bond Levy	\$ 936,185	\$ 953,433	\$ 970,681	\$ 774,005	\$ 791,741	
<b>Total Revenue</b>	<b>\$ 13,566,531</b>	<b>\$ 13,814,513</b>	<b>\$ 14,069,584</b>	<b>\$ 14,119,446</b>	<b>\$ 14,391,775</b>	

The regular and excess levies decrease 10.9 percent over the five-year forecast period (and the total operating levies decrease 11.8 percent) due to the 1 percent cap on increases during a time when assessed values are forecast to increase more quickly (22.6%). The resulting levy rates are shown in the following figure.

**Figure 197: Levy Rates for Annexation by McLane-Black Lake Fire District**

Assumed Levy Rates	2020	2021	2022	2023	2024
Total Assessed Value	\$5,739,679,255	\$6,063,563,435	\$6,387,447,614	\$6,711,331,793	\$7,035,215,972
Total Regular Levy	\$1.4308	\$1.3841	\$1.3431	\$1.3072	\$1.2755
Total EMS Levy	\$0.3105	\$0.2978	\$0.2850	\$0.2722	\$0.2594
Total Excess Levy	\$0.1630	\$0.1577	\$0.1530	\$0.1489	\$0.1453
Total Operating Levy Rate	\$1.9044	\$1.8396	\$1.7811	\$1.7283	\$1.6802

**Figure 198: Annexation of Tumwater by West Thurston Regional Fire Authority**

Assumed Revenue Sources	2020	2021	2022	2023	2024	2020–24 % Chg
Regular Property Tax Levy	\$7,618,899	\$7,812,457	\$8,015,860	\$8,229,206	\$8,452,595	10.9%
EMS Property Tax Levy	\$-	\$-	\$-	\$-	\$-	N/A
Other Taxes (M&O Levy)	\$3,432,565	\$3,517,510	\$3,606,716	\$3,700,226	\$3,798,082	10.6%
Ambulance Fees	\$2,742,095	\$2,769,971	\$2,797,981	\$2,826,128	\$2,854,414	4.1%
Other Revenue	\$483,729	\$511,451	\$539,172	\$566,894	\$594,615	22.9%
Subtotal Operations	\$14,277,287	\$14,611,388	\$14,959,729	\$15,322,453	\$15,699,705	10.0%
Annual Percent Increase		2.3%	2.4%	2.4%	2.5%	
Bond Levy	\$831,658	\$300,807	\$307,147	\$313,487	\$319,826	
Total Revenue	\$15,108,945	\$14,912,196	\$15,266,876	\$15,635,939	\$16,019,531	

The regular and excess levies decrease 9.4 and 9.6 percent respectively over the five-year forecast period (and the total operating levies decrease 10.4 percent) due to the 1 percent cap on increases during a time when assessed values are forecast to increase more quickly (22.4%). The resulting levy rates are shown in the following figure.

**Figure 199: Levy Rates for Annexation by West Thurston Regional Fire Authority**

Assumed Levy Rates	2020	2021	2022	2023	2024
Total Assessed Value	\$5,562,430,813	\$5,874,055,209	\$6,185,679,604	\$6,497,303,999	\$6,808,928,394
Total Regular Levy	\$1.3697	\$1.3300	\$1.2959	\$1.2666	\$1.2414
Total EMS Levy	\$0.3105	\$0.2978	\$0.2850	\$0.2722	\$0.2594
Total Excess Levy	\$0.6171	\$0.5988	\$0.5831	\$0.5695	\$0.5578
Total Operating Levy Rate	\$2.2973	\$2.2266	\$2.1639	\$2.1082	\$2.0586

**Figure 200: Annexation of Tumwater by Lacey Fire District 3**

Assumed Revenue Sources	2020	2021	2022	2023	2024	2020–24 % Chg
Regular Property Tax Levy	\$ 21,433,887	\$ 22,168,982	\$ 22,962,120	\$ 23,813,881	\$ 24,724,852	15.4%
EMS Property Tax Levy	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Other Taxes (M&O Levy)	\$2,193,431	\$2,268,657	\$2,349,823	\$2,436,988	\$2,530,212	15.4%
Ambulance Fees	\$ 6,572,942	\$ 6,744,903	\$ 6,916,863	\$ 7,088,824	\$ 7,260,784	10.5%
Other Revenue	\$ 399,995	\$ 410,008	\$ 423,470	\$ 441,318	\$ 464,742	16.2%
<b>Subtotal Operations</b>	<b>\$30,600,256</b>	<b>\$31,592,550</b>	<b>\$32,652,277</b>	<b>\$33,781,011</b>	<b>\$34,980,590</b>	<b>14.3%</b>
Annual Percent Increase		3.2%	3.4%	3.5%	3.6%	
Bond Levy	\$832,796	\$841,192	\$849,623	\$858,090	\$866,592	
<b>Total Revenue</b>	<b>\$31,433,052</b>	<b>\$32,433,742</b>	<b>\$33,501,900</b>	<b>\$34,639,100</b>	<b>\$35,847,182</b>	

The regular and excess levies decrease 6.4 percent over the five-year forecast period (and the total operating levies decrease 8 percent) due to the 1 percent cap on increases during a time when assessed values are forecast to increase more quickly (23.3%). The resulting levy rates are shown in the following figure.

**Figure 201: Levy Rates for Annexation by Lacey Fire District 3**

Assumed Levy Rates	2020	2021	2022	2023	2024
Total Assessed Value	\$14,289,257,991	\$15,120,261,085	\$15,951,264,180	\$16,782,267,274	\$17,613,270,369
Total Regular Levy	\$ 1.5000	\$ 1.4662	\$ 1.4395	\$ 1.4190	\$ 1.4038
Total EMS Levy	\$ 0.3105	\$ 0.2978	\$ 0.2850	\$ 0.2722	\$ 0.2594
Total Excess Levy	\$ 0.1535	\$ 0.1500	\$ 0.1473	\$ 0.1452	\$ 0.1437
<b>Total Operating Levy Rate</b>	<b>\$ 1.9640</b>	<b>\$ 1.9140</b>	<b>\$ 1.8718</b>	<b>\$ 1.8364</b>	<b>\$ 1.8068</b>

### Impact on City of Tumwater Regular Property Tax Levy

Annexation of the City of Tumwater Fire Department by a fire district will impact the City's property tax levy by resulting in a net reduction in effective property tax.

- Statutory Maximum Property Tax Levy Rate.** If the city is annexed by a fire district its statutory maximum property tax levy rate will decrease from \$3.10 per \$1,000 of assessed value to \$1.60 per \$1,000 of assessed value. The decrease is due to subtracting the annexing fire district's statutory maximum levy rate of \$1.50 from the City's statutory maximum levy rate. The City's 2020 regular levy rate is estimated to be \$2.8917. After subtracting the general fund tax revenue allocated to fund the fire department (\$1.6806)—revenue that would no longer be needed to pay for fire department expenses—the City's 2020 levy rate would be \$1.2111 or \$0.3889 below the statutory maximum rate under the annexation strategy. Without any changes the City's 2020 estimated levy rate will be \$0.2083 below the City's current statutory maximum levy rate.

**Figure 202: Impact on City of Tumwater Regular Property Tax Levy**

Levy Rate: Annexation Strategy	Levy Rate
City Statutory Maximum Levy Rate	\$ 3.60
Less: Timberland Library District Levy*	\$ (0.50)
<b>Adjusted Maximum Levy Rate—Current</b>	<b>\$ 3.10</b>
Less: Municipal Fire District Levy*	\$ (1.50)
<b>Maximum Levy Rate—With Annexation</b>	<b>\$ 1.60</b>

\*Actual levy rate is less - maximum levy rate shown.

**Impact on Levy Rates in All Jurisdictions**

Under the annexation strategy the same regular, EMS, and excess levy rates will apply to all jurisdictions. The net impact on the tax rates—and taxes paid—in the predecessor jurisdictions will depend on the excess levy rates needed to fund services under the current structure. A comparison of the forecasted 2020 status quo levy rates and the 2020 levy rates under the various annexation scenarios are provided in the following figures.

**Figure 203: Tax Rate Changes Under East Olympia Fire District Annexation of Tumwater**

	2020 Levy Rate			Taxes Paid	
	Status Quo	Annexation	Difference	Difference	% of Total Taxes Paid
<b>Tumwater FD</b>					
Regular (2.8917 estimated)	\$1.5700	\$1.5000	\$(0.0700)		
EMS	\$0.3501	\$0.3501	\$ -		
Excess	\$ -	\$0.0764	\$0.0764		
<b>Total</b>	<b>\$1.9201</b>	<b>\$1.9265</b>	<b>\$0.0064</b>	<b>\$22,349</b>	<b>0.33%</b>
<b>East Olympia Fire District</b>					
Regular	\$1.5000	\$1.5000	\$ -		
EMS	\$0.3501	\$0.3501	\$ -		
Excess	\$ -	\$0.0764	\$0.0764		
<b>Total</b>	<b>\$1.8501</b>	<b>\$1.9265</b>	<b>\$0.0764</b>	<b>\$109,105</b>	<b>4.1%</b>

**Figure 204: Tax Rate Changes Under McLane-Black Lake Fire District Annexation of Tumwater**

	2020 Levy Rate			Taxes Paid	
	Status Quo	Annexation	Difference	Difference	% of Total Taxes Paid
<b>Tumwater FD</b>					
Regular (2.8917 estimated)	\$1.5700	\$1.5000	\$(0.0700)		
EMS	\$0.3501	\$0.3501	\$ -		
Excess	\$ -	\$0.1630	\$0.1630		
<b>Total</b>	<b>\$1.9201</b>	<b>\$2.0131</b>	<b>\$0.0930</b>	<b>\$323,436</b>	<b>4.8%</b>
<b>McLane/Black Lake Fire District</b>					
Regular (Dist. 5 & 9 combined)	\$1.4308	\$1.5000	\$0.0692		
EMS	\$0.3501	\$0.3501	\$ -		
Excess (Dist. 5 & 9 combined)	\$0.2089	\$0.1630	\$(0.0459)		
<b>Total</b>	<b>\$1.9898</b>	<b>\$2.0131</b>	<b>\$0.0233</b>	<b>\$52,657</b>	<b>1.2%</b>

**Figure 205: Tax Rate Changes Under West Thurston Regional Fire Authority Annexation of Tumwater**

	2020 Levy Rate			Taxes Paid	
	Status Quo	Annexation	Difference	Difference	% of Total Taxes Paid
<b>Tumwater FD</b>					
Regular (2.8917 estimated)	\$1.5700	\$1.5000	\$(0.0700)		
EMS	\$0.3501	\$0.3501	\$ -		
Excess	\$ -	\$0.6171	\$0.6171		
<b>Total</b>	<b>\$1.9201</b>	<b>\$2.4672</b>	<b>\$0.5471</b>	<b>\$1,902,184</b>	<b>28.5%</b>
<b>West Thurston RFA</b>					
Regular	\$1.3209	\$1.5000	\$0.1791		
EMS	\$0.3501	\$0.3501	\$ -		
Excess (Dist. 1 & 11 combined)	\$0.5069	\$0.6171	\$0.1102		
<b>Total</b>	<b>\$2.1779</b>	<b>\$2.4672</b>	<b>\$0.2893</b>	<b>\$603,320</b>	<b>13.3%</b>

**Figure 206: Tax Changes Under Lacey Fire District 3 Annexation of Tumwater**

	2020 Levy Rate			Taxes Paid	
	Status Quo	Annexation	Difference	Difference	% of Total Taxes Paid
<b>Tumwater FD</b>					
Regular (2.8917 estimated)	\$1.5700	\$1.5000	\$(0.0700)		
EMS	\$0.3501	\$0.3501	\$ -		
Excess	\$ -	\$0.1535	\$0.1535		
<b>Total</b>	<b>\$1.9201</b>	<b>\$2.0036</b>	<b>\$0.0835</b>	<b>\$290,382</b>	<b>4.3%</b>
<b>Lacey Fire District 3</b>					
Regular	\$1.5000	\$1.5000	\$ -		
EMS	\$0.3501	\$0.3501	\$ -		
Excess	\$ -	\$0.1535	\$0.1535		
<b>Total</b>	<b>\$1.8501</b>	<b>\$2.0036</b>	<b>\$0.1535</b>	<b>\$1,659,745</b>	<b>8.3%</b>

As shown, levy rates and property taxes are projected to increase for both Tumwater and the annexing district under each scenario. The net change for the entire area would be an increase in each scenario as well. An annexation of Tumwater by the East Olympia Fire District would come the closest to a cost-neutral scenario.

The expense forecast under the annexation strategy is the same expense forecast presented previously in the report for the consolidated operation of all six jurisdictions.

**Summary of Financial Considerations**

Implementation of the annexation strategy will have financial implications that the agencies will need to consider and potentially address. Those implications are summarized in the following:

- **Reserve Funding Requirement.** A newly constituted fire district would need to have adequate reserves to fund ongoing operations and support equipment replacement. The next figure shows that any annexation of Tumwater would likely require a transfer of some reserves from the City to the fire district. Further, additional reserves may be required for the replacement of apparatus or other equipment. To the extent additional reserves are needed, they will need to be factored into the excess levy rate submitted to voters for approval.

**Figure 207: Reserve Needs by Annexation Scenario**

	City Reserves	District Reserves	Joint Expenses	Needed Reserves
Annexation by EOFD	\$6,864,000	\$2,539,000	\$10,270,000	\$5,135,000
Annexation by WTRFA	\$6,864,000	\$4,231,000	\$15,002,000	\$7,501,000
Annexation by MBLFD	\$6,864,000	\$3,061,000	\$12,630,000	\$6,315,000
Annexation by LFD3	\$6,864,000	\$3,452,680	\$30,600,000	\$15,300,000



- City of Tumwater Revenue Capacity/Surplus.** Upon annexation the City of Tumwater will no longer be responsible for directly funding fire and EMS services. Using 2020 forecasted amounts, the City will allocate approximately \$7,865,000 in City General Fund revenue to pay for these services. These funds could be available for other City purposes. The City’s plan for any surplus—reduction in taxes, expansion of other services, investment in capital projects, etc.—is likely to be an important consideration when the City’s voters assess the merits of the ballot measure to approve the annexation. ESCI recommends that any savings from annexation be used to reduce taxes. Otherwise the change would increase total taxes to the residents of Tumwater.
- Levy Lid Lift Vote/Excess Levy Vote Amount and Timing.** This analysis assumes a regular property tax levy of \$1.50 per \$1,000 assessed value, a continuing EMS levy of \$0.3501 per \$1,000 of assessed value, and an additional excess levy in each scenario for the fully annexed and merged service area. These will require that voters approve a levy lid lift (50 percent approval required) and the imposition of a new excess levy, either in conjunction with an annexation vote or after the annexation and merger are finalized. Any delay or failure of the lid lift or excess levy by voters would result in a need for supplemental revenue or decreased expenditures. Having more revenue included in a regular levy is desired since voter approval is not required to continue the levy from year to year and a regular levy lid lift requires 50 percent approval.
- Tax Burden Shifts.** As outlined above, the annexation strategy shifts some of the tax burden for funding fire, EMS, and ambulance services away from the City and to the fire district. The City will need to consider whether this impact needs to be mitigated and, if so, the strategies to deal with it prior to the annexation. As stated above, ESCI recommends using City savings to reduce the tax burden as one strategy.
- Funding for Additional Expenses.** Elsewhere in this report ESCI identifies potential investments in personnel, equipment, and information systems. If the collective agencies desire to make those investments, any additional expenses will need to be factored into the revenue required from the excess levy.

**Issues & Impacts**

- The City of Tumwater will have no direct control over fire services.
- The expanded district’s tax levy would extend over Tumwater, reducing the City tax capacity (though actually increasing the capacity for a levy lid lift—see Figure 208).

**Figure 208: Tumwater Lid Lift Potential—Annexation Scenario**

City Levy Reduction Scenario	Levy Rate
City Projected 2020 Rate	\$ 2.8917
City Maximum Rate	\$ 3.1000
<b>Lid Lift Potential</b>	<b>\$ 0.2083</b>
City Projected Rate After Annexation	\$ 1.3217
City Maximum Rate After Annexation	\$ 1.6000
<b>Lid Lift Potential</b>	<b>\$ 0.2783</b>

- Outstanding bonds remain with originating properties.
- All personnel are transferred to the fire district.
- TFD asset transfers are not required by statute, but is usually negotiated and agreed upon prior to submission of the annexation initiative to the voters.
- Unresolved claims, litigation, or threatened actions in each separate agency must be identified and coordinated to safeguard against any gaps in insurance coverage inadvertently created.
- Debt capacity will expand for the fire district after annexing the City.
- Expansion of the board from three to five is a consideration, as is formation of commissioner districts to ensure city elected representation.
- Legal analysis and review prior to implementation are highly advised.

## Strategy D: Regional Fire Authority

As stated previously in this report, a city cannot merge with a fire district. Regional Fire Authorities (RFAs) are authorized by statute to create a relatively new governance model for the fire services of both cities and fire districts.<sup>46</sup> Essentially, an RFA operates in a very similar manner as a contract for services, but with shared governance, voter approval, and the creation of an independent municipal corporation with its own taxing authority and statutory framework.<sup>47</sup> All of the participating agencies to this study are eligible to be included in an RFA as they are all within “reasonable proximity” of each other.<sup>48</sup>

### *Level of Cooperation*

This strategy requires the highest degree of cooperation between agencies of any of the integration options. Statutorily, it starts with the formation of a Planning Committee.<sup>49</sup> The Planning Committee is required to have three elected representatives from each participating agency. The RFA plan serves as the charter for the newly formed entity and outlines the services, service level standards, budget, funding mechanism(s), governance, and any other considerations deemed appropriate by the committee. It becomes the plan voters are asked to approve when voting on the formation of the RFA.

### *Estimated Timeline for Completion*

While RFAs could technically be formed in as little as ninety days, it is more likely that the forming of an RFA Planning Committee, the forming of an RFA plan, educating the constituents of the affected agencies, holding an election, and transitioning from the current governance structure to the new governance structure can take up to two years or longer.

### *Affected Sections*

All sections of each fire department or fire district are affected in this strategy. Implementation of this strategy creates a single fire agency.

### *Affected Stakeholders*

Citizens currently served by the separate agencies will see their service provided by a new agency, and may see their services change as a result. Employees of currently separate agencies will have their employer change, and will need to engage in discussions with their current employers and the RFA planning committee to establish provisional employment agreements in the event an RFA is formed.

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<sup>46</sup> RCW 52.26

<sup>47</sup> Snure, Brian K. *Fire Service Consolidations*. Snure Law Office: Des Moines, WA, 2011.

<sup>48</sup> RCW 52.26.020 (5)

<sup>49</sup> RCW 52.26.030

The elected officials from participating cities, existing RFAs, and fire districts are also affected. Since the governing statutes do not require a specific number of governing board members to serve on an RFA, the RFA plan can call for as many or as few as the Planning Committee deems appropriate. The RFA can either select from their existing elected membership, or they can call for RFA commissioner districts, who will be elected from their respective districts by the RFA voters. This may impact the existing elected officials of each agency.

While conventional wisdom calls for an uneven number of governing board members to make up the governing board to avoid tie votes, ESCI is aware of two RFAs that were formed with an even number of members; one with six and one with twelve members.

Personnel from all participating agencies are likely impacted since the fire agency will be redesigned to take advantage of efficiencies, develop a more effective deployment model, and the pooled resources are likely to modify the dynamics of each of the separate agencies.

### ***Summary/Objective of Strategy***

As in the annexation and merger strategy, this strategy combines all participating agencies into one. The objectives should be the same:

- A smooth transition from multiple organizations into a single, cohesive organization;
- Obtaining balanced representation from the currently separate agencies; and
- To provide depth of resources, strength of service, financial sustainability, and resiliency.

This strategy combines all participating agencies into a single regional fire authority. Services would be provided by the existing resources of all participating agencies, pooled and reconfigured to provide optimum services, and governed by policymakers representing each participating agency. Once the RFA is formed, the policymakers come together from the currently separate agencies as determined by the RFA plan, or from commissioner districts to ensure balanced representation, again as determined by the RFA plan.

### ***ESCI Guidance***

If the parties agree to pursue this strategy, it requires the Planning Committee to form and adopt an RFA plan for action first by the elected officials of each participating agency, then by the voters served by those agencies as a homogenous group. It would also be prudent to obtain legal counsel as the Planning Committee formulates the RFA plan before submitting the finished product to the voters. It will also be necessary to communicate with existing constituencies, both internal and external, to educate them on the value and benefits of pursuing this option.

Transfer of personnel from a city to an RFA is outlined in RCW 52.26. Under an RFA configuration, personnel from the agencies joining forces become employees and members of the new organization (again, the term “employees” is used here to identify both compensated and volunteer personnel). Unless an agreement for different terms of transfer is reached between the collective bargaining representatives of the transferring employees and the participating fire protection jurisdictions, employees will retain the rights, benefits, and privileges that they had under their pre-existing collective bargaining agreements.<sup>50</sup> While silent in the same statute, this requirement likely also pertains to non-represented employees.

### ***Special Considerations***

It is a requirement of the statute to establish an RFA plan which addresses all of the various services, service levels, governance, funding mechanisms, asset transfers, debt liabilities, and structure. The RFA Planning Committee must determine whether all future changes to the plan are required to be submitted to the voters for approval, no changes require voter approval, or some sections require voter approval and some only require majority vote by the governing board. The difficulty is adopting a plan which makes clear the intent of the parties without tying the hands of future elected officials if circumstances change which necessitate modification. If those modifications are regarding the substance of the plan, it will require voter approval to make the changes. In no circumstance can the plan exceed statutory authority.

ESCI recommends that dynamic components of the plan, such as service levels and performance, be addressed in detail in a separate document by referral. In this way, the RFA plan addresses the specifics of service level by reference to the separate document, noting that it is periodically reviewed and modified as necessary by the governing board. Alternatively, the plan should state that these service levels and performance elements are able to be modified by majority vote of the then existing governing board.

### ***Policy Actions***

RFAs do not change the boundaries of the participating jurisdictions. The participating jurisdictions may continue to exist after the formation of the RFA (in the case of Tumwater and Olympia, they certainly continue to exist as cities, but without their own fire departments). The fire districts would continue to exist for the sole purpose of providing elected officials for the governing board. RCW 52.26.120 provides a mechanism for dissolving the fire districts if RFA commissioner districts are created to serve on the governing board. In the latter case, commissioners are directly elected by the voters within the RFA and may be one or all of the governing board positions.<sup>51</sup>

ESCI’s review and discussion of Washington State Law on this topic has been necessarily brief; only sufficient to ensure that basic provisions for RFA formation exist. As always, we emphasize that we are not qualified to give legal advice. We recommend the participating agencies consult with legal counsel experienced in such matters before undertaking this strategy.

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<sup>50</sup> RCW 52.26.100 (6)

<sup>51</sup> RCW 52.26.080 (3)

## ***Fiscal Analysis***

The purpose of this fiscal analysis is to provide a high-level assessment of the financial feasibility of the formation of an RFA. The estimates and analysis presented are dependent on the outlined assumptions and subject to change depending on actual factors that influence revenues and expenses. Key assumptions used in the assessment are followed by high level estimates of revenues over five years. Specific implications of the RFA strategy on the property tax levies for the Cities of Tumwater and Olympia, as well as the tax rates for each fire district and RFA are presented next. This section concludes with a summary of financial considerations associated with the RFA strategy.

## **Key Assumptions**

### **Revenues**

The revenue assumptions used in the analysis of *Strategy D: RFA* for each potential participating agency follow. Property taxes represent the largest source of revenue for the combined operations. Property tax revenue assumptions specific to the RFA strategy include:

- An effective date of the RFA formation prior to August 1, 2019. Note that property tax collections are fixed after August 1 each year. If the RFA is formed after August 1, property taxes would be allocated to the RFA in its second year, and arrangements would need to be made with prior jurisdictions to obtain revenues in the first year. Note also that while the most recent reports of actual financial results for all agencies date to 2017, we made forecasts for each agency to 2020 to concur with the assumed effective date.
- The county-wide EMS levy remains as it is. The current 2019 rate is \$0.32 and in 2017 it was \$0.35. While it is possible to put an additional EMS levy before voters up to the maximum of \$0.50 per \$1,000 AV, we do not recommend this approach. Such an additional levy would be at risk to any increases in the county levy, and in any case would not suffice to balance the budget.
- A levy lid lift to the statutory maximum levy rate of \$1.50 per \$1,000 assessed value is collected in all integrated areas beginning in 2020.
- Continuation of the existing bond levies collected from property owners in the appropriate areas where the bond levies were approved.
- Voter approval of a six-year excess levy in August 2019 for collection beginning in 2020 with amounts equal to the estimated amount needed to balance projected revenue with projected expenses.
  - The new excess levy overrides the existing excess levies in McLane Black Lake and Western Thurston Regional Fire Authorities if these agencies are included.

## Expenses

Expenses under the RFA strategy are assumed to be the same as the combined expenses of the predecessor organizations. Actual expenses under an RFA approach are likely to be different than these combined expenses. However, in ESCI's evaluation of existing staffing, equipment, facility and operational conditions, we did not find substantial excess capacity that would suggest significant cost savings. While some expenses are likely to be higher others are likely to be lower. Using the combined expense projection is considered reasonable for purposes of this analysis.

## Forecast Results

The revenue forecast under the RFA strategy, using the assumptions identified above, results in annual revenue that is approximately \$68,358,000 in 2020 if all agencies are included, or about \$52,429,000 if WTRFA and MBLFD are not included. A summary of the RFA strategy revenue projections is shown in the following figure.

**Figure 209: RFA Revenue Projections, All Agencies**

RFA Assumed Revenue Sources, All Agencies	2020	2021	2022	2023	2024	2020–24 % Chg
Regular Property Tax Levy	\$40,650,631	\$41,478,070	\$42,383,929	\$43,323,400	\$44,298,048	9.0%
EMS Property Tax Levy	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Other Taxes (M&O Levy)	\$12,305,353	\$12,555,827	\$12,830,040	\$13,114,428	\$13,409,463	9.0%
Ambulance Fees	\$9,850,902	\$10,085,602	\$10,318,751	\$10,551,901	\$10,785,050	9.5%
Other Revenue	\$1,405,618	\$1,423,029	\$1,468,229	\$1,513,499	\$1,558,841	10.9%
<b>Subtotal Operations</b>	<b>\$64,212,504</b>	<b>\$65,542,528</b>	<b>\$67,000,950</b>	<b>\$68,503,228</b>	<b>\$70,051,402</b>	<b>9.1%</b>
Annual Percent Increase		2.1%	2.2%	2.2%	2.3%	
Bond Levy	\$4,145,310	\$3,622,809	\$3,655,599	\$3,117,845	\$3,151,643	
<b>Total Revenue</b>	<b>\$68,357,814</b>	<b>\$69,165,337</b>	<b>\$70,656,548</b>	<b>\$71,621,073</b>	<b>\$73,203,045</b>	

**Figure 210: RFA Revenue Projections, OFD, TFD, LFD3, & EOFD**

RFA Assumed Revenue Sources without WTRFA and MBLFD	2020	2021	2022	2023	2024	2020–24 % Chg
Regular Property Tax Levy	\$34,127,680	\$35,176,106	\$36,296,712	\$37,490,221	\$38,757,361	13.6%
EMS Property Tax Levy	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Other Taxes (M&O Levy)	\$6,138,175	\$6,326,744	\$6,528,295	\$6,742,958	\$6,970,865	13.6%
Ambulance Fees	\$9,370,799	\$9,605,499	\$9,840,199	\$10,074,900	\$10,309,600	10.0%
Other Revenue	\$407,568	\$424,938	\$442,377	\$459,885	\$477,464	17.1%
<b>Subtotal Operations</b>	<b>\$50,044,221</b>	<b>\$51,533,287</b>	<b>\$53,107,583</b>	<b>\$54,767,964</b>	<b>\$56,515,291</b>	<b>12.9%</b>
Annual Percent Increase		3.0%	3.1%	3.1%	3.2%	
Bond Levy	\$2,384,700	\$2,402,237	\$2,401,457	\$2,419,064	\$2,056,046	
<b>Total Revenue</b>	<b>\$52,428,921</b>	<b>\$53,935,524</b>	<b>\$55,509,040</b>	<b>\$57,187,027</b>	<b>\$58,571,337</b>	



When all agencies are included, the regular and excess levies decrease 6.7 percent over the five-year forecast period (and the total operating levies decrease 8%) due to the 1 percent cap on increases during a time when assessed values are forecast to increase more quickly (20.7%). The resulting levy rates are shown in the following figure.

**Figure 211: RFA Levy Rate Projections, All Agencies**

RFA Assumed Levy Rates All Agencies	2020	2021	2022	2023	2024
Total Assessed Value	\$27,100,420,800	\$28,504,088,739	\$29,907,756,677	\$31,311,424,616	\$32,715,092,555
Total Regular Levy	\$1.5000	\$1.4671	\$1.4398	\$1.4175	\$1.3995
Total EMS Levy	\$0.3105	\$0.2978	\$0.2850	\$0.2722	\$0.2594
Total Excess Levy	\$0.4504	\$0.4406	\$0.4324	\$0.4257	\$0.4203
Total Operating Levy Rate	\$2.2610	\$2.2054	\$2.1572	\$2.1153	\$2.0791

When WTRFA and MBLFD are not included, the regular and excess levies decrease 6.3 percent over the five-year forecast period (and the total operating levies decrease 7.8%) due to the 1 percent cap on increases during a time when assessed values are forecast to increase more quickly (21.2%). The resulting levy rates are shown in the following figure.

**Figure 212: RFA Levy Rate Projections, OFD, TFD, LFD3, & EOFD**

RFA Assumed Levy Rates without WTRFA and MBLFD	2020	2021	2022	2023	2024
Total Assessed Value	\$22,751,786,910	\$23,958,467,147	\$25,165,147,383	\$26,371,827,620	\$27,578,507,857
Total Regular Levy	\$ 1.5000	\$ 1.4682	\$ 1.4423	\$ 1.4216	\$ 1.4053
Total EMS Levy	\$ 0.3105	\$ 0.2978	\$ 0.2850	\$ 0.2722	\$ 0.2594
Total Excess Levy	\$ 0.2698	\$ 0.2641	\$ 0.2594	\$ 0.2557	\$ 0.2528
Total Operating Levy Rate	\$ 2.0803	\$ 2.0300	\$ 1.9867	\$ 1.9495	\$ 1.9175

**Impact on City of Tumwater Regular Property Tax Levy**

Formation of an RFA will impact the City’s property tax levy by resulting in a net reduction in effective property tax.

- Statutory Maximum Property Tax Levy Rate.** If the City joins in the formation of an RFA its statutory maximum property tax levy rate will decrease from \$3.10 per \$1,000 of assessed value (after accounting for the library district) to \$1.60 per \$1,000 of assessed value (see following figure). The decrease is due to subtracting the annexing fire district’s statutory maximum levy rate of \$1.50 from the City’s statutory maximum levy rate. The City’s 2020 regular levy rate is estimated to be \$2.8917. After subtracting the General Fund tax revenue allocated to fund the fire department (\$1.6806)—revenue that would no longer be needed to pay for fire department expenses—the City’s 2020 levy rate would be \$1.2111 or \$0.3889 below the statutory maximum rate under the annexation strategy. Without any changes the City’s 2020 estimated levy rate will be \$0.2083 below the City’s current statutory maximum levy rate.

### Impact on Levy Rates in All Jurisdictions

Under the RFA strategy the same regular, EMS, and excess levy rates will apply to all jurisdictions. The net impact on the tax rates—and taxes paid—in the predecessor jurisdictions will depend on the excess levy rates needed to fund services under the current structure. A comparison of the forecasted 2020 status quo levy rates and the 2020 levy rates under the various RFA scenarios are provided in the following figures.

**Figure 213: Status Quo vs. RFA Levy Rates, All Agencies**

All Agencies Included	2020 Levy Rate			Taxes Paid	
	Status Quo	RFA	Difference	Difference	% of Total Taxes Paid
<b>Olympia FD</b>					
Regular – 2.5353 estimated*	\$2.1669	\$1.5000	\$(0.6669)		
EMS	\$0.3105	\$0.3105	\$ -		
Excess	\$ -	\$0.4504	\$0.4504		
<b>Total</b>	<b>\$2.4775</b>	<b>\$2.2610</b>	<b>\$(0.2165)</b>	<b>\$(1,522,888)</b>	<b>-8.7%</b>
<b>Tumwater FD</b>					
Regular – 2.8917 estimated*	\$1.5700	\$1.5000	\$(0.0700)		
EMS	\$0.3105	\$0.3105	\$ -		
Excess	\$ -	\$0.4504	\$0.4504		
<b>Total</b>	<b>\$1.8805</b>	<b>\$2.2610</b>	<b>\$0.3805</b>	<b>\$1,322,763</b>	<b>20.2%</b>
<b>West Thurston RFA</b>					
Regular	\$1.3209	\$1.5000	\$0.1791		
EMS	\$0.3105	\$0.3105	\$ -		
Excess (Dist. 1 & 11 combined)	\$0.5069	\$0.4504	\$(0.0565)		
<b>Total</b>	<b>\$2.1384</b>	<b>\$2.2610</b>	<b>\$0.1226</b>	<b>\$255,726</b>	<b>5.7%</b>
<b>Lacey Fire District 3</b>					
Regular	\$1.5000	\$1.5000	\$ -		
EMS	\$0.3105	\$0.3105	\$ -		
Excess	\$ -	\$0.4504	\$0.4504		
<b>Total</b>	<b>\$1.8105</b>	<b>\$2.2610</b>	<b>\$0.4504</b>	<b>\$4,870,408</b>	<b>24.9%</b>
<b>McLane/Black Lake Fire District</b>					
Regular (Dist. 5 & 9 combined)	\$1.4308	\$1.5000	\$0.0692		
EMS	\$0.3105	\$0.3105	\$ -		
Excess (Dist. 5 & 9 combined)	\$0.2089	\$0.4504	\$0.2415		
<b>Total</b>	<b>\$1.9503</b>	<b>\$2.2610</b>	<b>\$0.3107</b>	<b>\$703,099</b>	<b>15.9%</b>
<b>East Olympia Fire District</b>					
Regular	\$1.5000	\$1.5000	\$ -		
EMS	\$0.3105	\$0.3105	\$ -		
Excess	\$ -	\$0.4504	\$0.4504		
<b>Total</b>	<b>\$1.8105</b>	<b>\$2.2610</b>	<b>\$0.4504</b>	<b>\$643,189</b>	<b>24.9%</b>

\* These figures denote the total forecasted regular levy rate for the two cities. The figures used in the chart represents the effective levy rate of the forecasted cities' fire expenses.

As shown in the previous figure, when all agencies are included levy rates and property taxes are projected to decrease over all for Olympia, but increase for all the other jurisdictions. The net change for the entire area would be an increase in each scenario as well. The expense forecast under the RFA strategy is the same expense forecast presented earlier in the report for the consolidated operation of all six jurisdictions.

When WTRFA and MBLFD are not included (next figure), levy rates and property taxes are projected to act similarly to the above scenario, but the over-all increase is significantly smaller. The net change for the entire area would be an increase in each scenario as well.

**Figure 214: Status Quo vs. RFA Levy Rates, OFD, TFD, LFD3, & EOFD**

	2020 Levy Rate			Taxes Paid	
	Status Quo	RFA	Difference	Difference	% of Total Taxes Paid
<b>Olympia FD</b>					
Regular – 2.5353 estimated*	\$ 2.1669	\$ 1.5000	\$ (0.6669)		
EMS	\$ 0.3105	\$ 0.3105	\$ -		
Excess	\$ -	\$ 0.2698	\$ 0.2698		
<b>Total</b>	<b>\$ 2.4775</b>	<b>\$ 2.0803</b>	<b>\$ (0.3971)</b>	<b>\$ (2,793,711)</b>	<b>-16.0%</b>
<b>Tumwater FD</b>					
Regular – 2.8917 estimated*	\$ 1.5700	\$ 1.5000	\$ (0.0700)		
EMS	\$ 0.3105	\$ 0.3105	\$ -		
Excess	\$ -	\$ 0.2698	\$ 0.2698		
<b>Total</b>	<b>\$ 1.8805</b>	<b>\$ 2.0803</b>	<b>\$ 0.1998</b>	<b>\$ 694,680</b>	<b>10.6%</b>
<b>Lacey Fire District 3</b>					
Regular	\$ 1.5000	\$ 1.5000	\$ -		
EMS	\$ 0.3105	\$ 0.3105	\$ -		
Excess	\$ -	\$ 0.2698	\$ 0.2698		
<b>Total</b>	<b>\$ 1.8105</b>	<b>\$ 2.0803</b>	<b>\$ 0.2698</b>	<b>\$ 2,917,096</b>	<b>14.9%</b>
<b>East Olympia Fire District</b>					
Regular	\$ 1.5000	\$ 1.5000	\$ -		
EMS	\$ 0.3105	\$ 0.3105	\$ -		
Excess	\$ -	\$ 0.2698	\$ 0.2698		
<b>Total</b>	<b>\$ 1.8105</b>	<b>\$ 2.0803</b>	<b>\$ 0.2698</b>	<b>\$ 385,234</b>	<b>14.9%</b>

### Summary of Financial Considerations

Implementation of the RFA strategy will have financial implications that the agencies will need to consider and potentially address. Those implications are summarized as follows:

- **Reserve Funding Requirement.** The newly formed RFA will need to have adequate reserves to fund ongoing operations and support equipment replacement. The total unrestricted reserves of the agencies as of the end of 2017 was an estimated \$26,143,000 (the two cities account for \$15,645,000 of this—not earmarked specifically for fire). The amount of reserves transferred from each city to an RFA (if any) would need to be negotiated. The reserves of the fire districts would provide 35% of the 2017 consolidated operating costs—enough for a 4-month reserve fund, which could be minimally adequate (6 months would be preferable). In addition, further reserves may be required for the replacement of apparatus or other equipment. To the extent additional reserves are needed they will need to be factored into the excess levy rate developed in the RFA plan and submitted to voters for approval.
- **Revenue Capacity/Surplus for Cities.** Upon formation of an RFA the two Cities would no longer be responsible for directly funding fire and EMS services. Using 2020 forecasted amounts, the cities allocated approximately \$16,523,000 in city general tax fund revenue to pay for these services. ESCI recommends that savings from the formation of an RFA be used to reduce taxes. Otherwise the change would increase total taxes to the taxpayers in the cities.
- **Tax Burden Shifts.** As outlined above, the RFA strategy shifts some of the tax burden for funding fire, EMS, and ambulance services away from the cities and to the RFA.
- **Funding for Additional Expenses.** Elsewhere in this report ESCI identifies potential investments in personnel, equipment, and information systems. If the collective agencies desire to make those investments any additional expenses will need to be factored into the revenue required from the excess levy.

### Issues & Impacts

- The cities will share in the governance of fire services by the city councils appointing representatives to the RFA Governing Board as identified in the RFA plan, unless commissioner districts are formed. If districts are formed, council members would likely still be appointed until commission seats are elected and seated on the RFA Governing Board.
- The RFA's tax levy would extend over Tumwater, reducing the city tax capacity (though actually increasing the capacity for a levy lid lift—see following figure).

**Figure 215: Tumwater Lid Lift Potential, RFA Scenario**

City Levy Reduction Scenario	Levy Rate
City Projected 2020 Rate	\$ 2.8917
City Maximum Rate	\$ 3.1000
<b>Lid Lift Potential</b>	<b>\$ 0.2083</b>
City Projected Rate After RFA Formation	\$ 1.3217
City Maximum Rate After RFA Formation	\$ 1.6000
<b>Lid Lift Potential</b>	<b>\$ 0.2783</b>

- Outstanding voted bonds will continue to be paid from taxes on the original properties unless restructured as per the RFA plan.
- All personnel are transferred to the RFA.
- City asset transfers are not required by statute, but are usually addressed in the RFA plan.
- District assets are transferred to the RFA since there is no need for the assets to be retained by the district.
- Unresolved claims, litigation, or threatened actions in each separate agency must be identified and coordinated to safeguard against any inadvertently created gaps in insurance coverage.
- Make-up of the governing board should represent interests of the parties and ensure balance, such as formation of commissioner districts to ensure balanced representation.
- Legal analysis and review prior to implementation are highly advised.

**Strategy E: Formation of a Municipal Fire District**

New (2017) enabling legislation has created the opportunity for a city to form a new fire district that is identical to the existing boundaries of the city.<sup>52</sup> The city council may take action to establish a fire district by passing a resolution, which must at least contain the following:

- A financing plan for the fire district, including the imposition of revenue sources, such as property taxes or benefit charges, and
  - the dollar amount the fire protection district will levy in the first year in which the fire protection district imposes any regular property taxes;
  - the city's highest lawful levy, reduced by the fire district's levy amount, which is the city's new lawful levy limit since 1986;
  - the estimated aggregate net dollar amount impact on property owners within the city based on the changes;
- Set a date for a public hearing on the resolution.

<sup>52</sup> RCW 52.02.160

The plan must be approved by the voters of the city at a general election by simple majority, unless a benefit charge is imposed, which requires sixty percent approval by voters.

If a resolution forming a fire district provides that the Municipal Fire District will be governed by a board of fire commissioners, then the initial fire commissioners must be elected at the same election where the resolution is submitted to the voters authorizing the creation of the fire district.

### ***Level of Cooperation***

This strategy requires no cooperation with any neighboring agencies or other parties to this study. It does, however, require coordination with the county elections office and county assessor's office. The process ultimately requires assent by the voters for formation.

### ***Estimated Timeline for Completion***

ESCI predicts that the process could take less than one year from creation of the resolution, development of the financing plan, conducting of a public hearing, submission to the electorate, and effective date of formation.

### ***Affected Sections***

All sections of the fire department are affected in this strategy, but only marginally in that only the employer and form of government changes. Implementation of this strategy simply transfers the fire department to a new fire district with the same service area, same resources, same personnel, and a different governance structure (fire district commissioners instead of a city council).

### ***Affected Stakeholders***

Citizens currently served by the city fire department will see their service provided by a new agency. Employees of the city fire department will have their employer change, but are to be kept whole by statute unless a different negotiated agreement is made between the employer and the collective bargaining representatives currently in place.<sup>53</sup>

The elected officials from the city may also be affected. Since the governing statutes do not require a separate board of fire commissioners to be created, the current elected city council (or an appointed subset) serves in that capacity *ex officio*, or may relinquish governance authority of the fire district to an independently elected board of commissioners that is established within the resolution and election forming the fire district, or may relinquish governance authority of the fire district to an appointed board of three fire commissioners at any time after formation. Each appointed commissioner serves until successors are elected at the next qualified election.

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<sup>53</sup> RCW 52.02.180 (6)(a)

### ***Summary/Objective of Strategy***

The formation of a fire district with boundaries identical to the current boundaries of the city provides autonomy within the city while also detaching the fire protection services from the municipal government. The city lowers its maximum property taxing authority by the amount of property taxation the fire district assesses, making the tax implications potentially neutral to the taxpayers.

All resources and personnel currently employed by the city for the delivery of fire and emergency medical services are transferred or credited to the fire district. All funds, credits or other assets held by the city for fire and EMS services are transferred to the fire district.

### ***ESCI Guidance***

As a new statute, ESCI is unaware of any agencies in the State of Washington to implement this statute. New territory is being explored. Thus, it would be prudent to acquire legal counsel guidance as the resolution is drafted and the financing plan crafted. While this would be a first, the process is entirely within the control of the city forming the fire district. ESCI advises proceeding slowly and thoroughly if this option is pursued.

### ***Special Considerations***

Careful analysis of comingled equipment reserve funds set aside for fire apparatus replacement, along with other municipal equipment unrelated to fire apparatus will be an important consideration. So too are legacy costs, such as pension liabilities or other post-employment benefits (OPEB) provided for in statute or in current collective bargaining agreements, for example.

### ***Policy Actions***

A city contemplating the establishment of a municipal fire district must ensure the fire district starts off on the right foot. Establishing a weak fire district may ultimately cause a drain on municipal finances if, for example, the fire district starts off with a property tax levy below its maximum authority and insufficient to provide similar services to what the city fire department had provided historically. In this case, the fire district would have to levy its maximum property tax levy, requiring the city to reduce its maximum lawful tax rate to compensate.

In ESCI's opinion, establishing an independent board of fire commissioners, whether initially or not long after the district is formed, is key to the fire district's success. It avoids the appearance of conflicts of interest or the very real dilemma that may be faced by a city council member acting as an ex officio board member and having to decide between what is best for the city and what is best for the fire district if the issue is mutually exclusive.

ESCI's review and discussion of Washington State Law on this topic has been necessarily brief; only sufficient to ensure that basic provisions for RFA formation exist. As always, we emphasize that we are not qualified to give legal advice. We recommend the participating agencies consult with legal counsel experienced in such matters before undertaking this strategy.



## ***Fiscal Analysis***

When forming a municipal fire district, a city must reduce its general fund regular property tax levy by the total combined levy of the fire protection district as proposed by the district. The reduced levy amount of the city must occur in the first year in which the fire district imposes any of the property taxes authorized in RCW 52.16.130, 52.16.140, or 52.16.160. If the fire district does not impose all three levies under RCW 52.16.130, 52.16.140, and 52.16.160 when it begins operations, the city must further reduce its general fund regular property tax levy if the district initially imposes any of the levies in subsequent years, by the amount of such levy or levies initially imposed in a subsequent year.

## **Key Assumptions**

### **Revenues**

The following revenue assumptions used in the analysis of Strategy E: Formation of a Municipal Fire District are the same in as previous scenarios. Property taxes represent the largest source of revenue for the combined operations.

- An effective date of district formation prior to August 1, 2019. Note that this allows for properties to be included in the property taxes levied for collection in the following year. Formation after August 1 would result in property taxes levied in the second year following the year of district formation. Note also that while the most recent reports of actual financial results for all agencies date to 2017, we made forecasts for each agency to 2020 to concur with the assumed annexation date.
- The county-wide EMS levy remains as it is. In 2017 the rate was \$0.35 and the current 2019 rate is \$0.32—our forecast for 2020 is \$0.3105. While it is possible to put an additional EMS levy before voters up to the maximum of \$0.50 per \$1,000 AV, we do not recommend this approach. Such an additional levy would be at risk to any increases in the county levy.
- A levy of the statutory maximum levy rate of \$1.50 per \$1,000 assessed value is collected for the municipal district beginning in 2020.
- Assumption of all debt attributable to the Fire Department by the Municipal Fire District.
- Fire inspections and permitting (and associated revenues) remain within the city. These services could be performed via contract with the new Municipal Fire District, but they would nevertheless likely be contracted in a cost-neutral manner.
- Voter approval of a six-year excess levy in August 2019 for collection beginning in 2020 with amounts equal to the estimated amount needed to balance projected revenue with projected expenses.

### **Expenses**

Expenses under the Municipal District strategy are assumed to be the same as those of the city's department. Actual expenses under a Municipal District approach are likely to be different than these combined expenses. However, in ESCI's evaluation of existing staffing, equipment, facility and operational conditions, we did not find significant excess capacity that would suggest significant cost savings. While some expenses are likely to be higher others are likely to be lower. Using the combined expense projection is considered reasonable for purposes of this analysis.

### Forecast Results

The revenue forecast under the Municipal District strategy, using the assumptions identified above, results in annual revenue of \$8,171,670 in 2020. A summary of the Municipal District strategy revenue/expense projection is shown in the following figure. Since expenses are projected to grow more quickly than revenues, the excess levy is initially set to create a surplus. The sum of the resulting surpluses and deficits is set to equal out over the five-year forecast period.

**Figure 216: Tumwater Fire Department Revenue Sources, Municipal Fire District Scenario**

Municipal District Assumed Revenue Sources, TFD	2020	2021	2022	2023	2024	2020–24 % Chg
Regular Property Tax Levy	\$5,215,107	\$5,347,966	\$5,487,307	\$5,633,195	\$5,785,696	10.9%
EMS Property Tax Levy	\$ -	\$ -	\$ -	\$ -	\$ -	N/A
Other Taxes (M&O Levy)	\$526,957	\$540,381	\$554,461	\$569,202	\$584,611	10.9%
Ambulance Fees	\$2,406,654	\$2,427,821	\$2,448,988	\$2,470,155	\$2,491,323	3.5%
Other Revenue	\$22,952	\$22,952	\$22,952	\$22,952	\$22,952	0.0%
Subtotal Operations	\$8,171,670	\$8,339,120	\$8,513,708	\$8,695,504	\$8,884,582	8.7%
Annual Percent Increase		2.0%	2.1%	2.1%	2.2%	
Bond Levy	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue	\$8,171,670	\$8,339,120	\$8,513,708	\$8,695,504	\$8,884,582	
Total Expenses	\$7,865,066	\$8,192,775	\$8,520,698	\$8,848,840	\$9,177,205	
Net Revenue (Deficit)	\$306,604	\$146,345	\$(6,990)	\$(153,335)	\$(292,623)	

The excess levy increases 8.7 percent over the five-year forecast period with annual increases of about 2 percent from 2020 through 2024. The resulting levy rates are shown in the following figure.

**Figure 217: Tumwater Fire Department Levy Rate, Municipal Fire District Scenario**

Assumed Levy Rates TFD Municipal District	2020	2021	2022	2023	2024
Total Assessed Value	\$3,476,738,089	\$3,695,998,526	\$3,915,258,962	\$4,134,519,398	\$4,353,779,834
Total Regular Levy	\$ 1.5000	\$ 1.4470	\$ 1.4015	\$ 1.3625	\$ 1.3289
Total EMS Levy	\$ 0.3105	\$ 0.2978	\$ 0.2850	\$ 0.2722	\$ 0.2594
Total Excess Levy	\$ 0.1516	\$ 0.1462	\$ 0.1416	\$ 0.1377	\$ 0.1343
<b>Total Operating Levy Rate</b>	<b>\$ 1.9621</b>	<b>\$ 1.8909</b>	<b>\$ 1.8281</b>	<b>\$ 1.7723</b>	<b>\$ 1.7226</b>

With new construction and property valuations increasing faster than the 1 percent cap on levy growth, all levy rates are assumed to decrease over time. This may help enable levy lid lifts in the future, which will be necessary to help revenues keep pace with inflation.

### Impact on City of Tumwater Regular Property Tax Levy

Formation of a Municipal Fire District will impact the City of Tumwater's property tax levy in two ways. First, it will reduce the City's statutory maximum levy rate. Second, it will create "banked" levy capacity that the City can access to fund other services.

- Statutory Maximum Property Tax Levy Rate.** If the City forms a Municipal District, its statutory maximum property tax levy rate will decrease from \$3.10 per \$1,000 of assessed value (after accounting for the library district) to \$1.60 per \$1,000 of assessed value. The decrease is due to subtracting the District’s statutory maximum levy rate of \$1.50 from the City’s statutory maximum levy rate. The City’s 2020 estimated regular levy rate is \$2.8917, which is \$0.2083 below the statutory maximum rate. After subtracting the general fund tax revenue allocated to fund the fire department—revenue that would no longer be needed to pay for department expenses—the City’s 2020 levy rate would be \$1.3217 or \$0.2783 below the statutory maximum rate under the Municipal District strategy. Thus, the City’s levy lid lift capacity would grow \$0.07 from \$0.2083 to \$0.2783.
- Banked Levy Capacity.** As indicated above, under the Municipal Fire District strategy the City of Tumwater’s property tax levy would be limited to \$1.60 per \$1,000 assessed value. This would normally leave the City with a high banked capacity, however, the enabling legislation includes specific language that calls for a city to reduce its highest lawful levy—which is the basis for the 1 percent maximum annual increase.<sup>54</sup> The legislature took away the potential for a windfall and made a city exercising this option reduce its levy by the full amount of the fire district levy and made that new city levy its new cap or “highest lawful levy since 1986.”

**Impact on Levy Rates in All Jurisdictions**

Under the Municipal Fire District strategy the same regular, EMS, and excess levy rates will apply to all jurisdictions. The net impact on the tax rates—and taxes paid—in the predecessor jurisdictions will depend on the tax rates needed to fund services under the current structure. A comparison of the forecasted 2020 status quo levy rates and the 2020 levy rates under the Municipal Fire District strategy are provided in the following figure.

**Figure 218: Tumwater Fire Department, Status Quo vs. Municipal Fire District**

TFD Municipal Fire District Impact on Levies	2020 Levy Rate			Taxes Paid	
	Status Quo	Fire District Formed	Difference	Difference	% of Total Taxes Paid
<b>Tumwater FD</b>					
Regular (2.8917 estimated)	\$ 1.5700	\$ 1.5000	\$ (0.0700)		
EMS	\$ 0.3501	\$ 0.3501	\$ -		
Excess	\$ -	\$ 0.1516	\$ 0.1516		
<b>Total</b>	<b>\$ 1.9201</b>	<b>\$ 2.0016</b>	<b>\$ 0.0816</b>	<b>\$ 283,652</b>	<b>4.25%</b>

As shown, levy rates and property taxes are projected to increase modestly with a Municipal Fire District. This is due to the assumption that the excess levy rate would be set to provide sufficient revenues for the first 5 years. If it were set simply to cover 2020 expenses, there would be no difference in total levies. The expense forecast under the RFA strategy is the same expense forecast presented previously in this report for the consolidated operation of all six jurisdictions.

<sup>54</sup> RCW 52.02.160(1)(ii)

**Summary of Financial Considerations**

Implementation of the Municipal Fire District strategy will have financial implications that the agencies will need to consider and potentially address. Those implications are summarized as follows:

- **Reserve Funding Requirement.** The newly formed Municipal Fire District will need to have adequate reserves to fund ongoing operations and support equipment replacement. The total unrestricted reserves of the City as of the end of 2017 was \$6,864,000. A three-month minimal operating reserve would be \$1,676,020—this is considered minimally sufficient for an agency dependent on property tax revenue that it receives twice per year. Additional reserves may be required for the replacement of apparatus or other equipment. To the extent additional reserves are needed they will need to be factored into the excess levy rate developed in the District plan and submitted to voters for approval.
- **Tumwater Revenue Capacity/Surplus.** Upon formation of a Municipal Fire District the City of Tumwater will no longer be responsible for funding fire and EMS services. Using 2017 figures, the City allocated approximately \$4,296,000 in City General Fund tax revenue to pay for these services. ESCI recommends that savings from the formation of an RFA be used to reduce taxes. Otherwise the change would increase total taxes to the residents of Tumwater.
- **Tax Burden Shifts.** As outlined above, the formation of a Municipal Fire District shifts the tax burden for funding fire, EMS, and ambulance services away from the City to the new district.
- **Funding for Additional Expenses.** Elsewhere in this report ESCI identified potential investments in personnel, equipment, and information systems. If the collective agencies desire to make those investments any additional expenses will need to be factored into the revenue required from the excess levy.

**Issues & Impacts**

- The City of Tumwater will have no direct control over fire services.
- The new district’s tax levy would reduce the City’s tax capacity from \$3.10/\$1,000 to \$1.60/\$1,000 while simultaneously increasing the City’s capacity for a levy lid lift (see next figure).

**Figure 219: Tumwater Lid Lift Potential, Municipal Fire District Scenario**

City Levy Reduction Scenario	Levy Rate
City Projected 2020 Rate	\$ 2.8917
City Maximum Rate	\$ 3.1000
<b>Lid Lift Potential</b>	<b>\$ 0.2083</b>
City Projected Rate After District Formation	\$ 1.3217
City Maximum Rate After District Formation	\$ 1.6000
<b>Lid Lift Potential</b>	<b>\$ 0.2783</b>

- Outstanding bonds remain with originating properties.
- All personnel are transferred to the fire district.
- TFD asset transfers would need to be negotiated and agreed upon prior to submission of the district formation initiative to the voters.
- Unresolved claims, litigation, or threatened actions in each separate agency must be identified and coordinated to safeguard against any gaps in insurance coverage inadvertently created.
- Legal analysis and review prior to implementation are highly advised.

## Findings

ESCI found the six study agencies to be fully engaged and willing participants in this study. The amount of data requested by ESCI from the agencies was daunting, but all provided the data and made themselves available for interviews, draft reviews, and remained dedicated to the quality and accuracy of this report.

The six fire agencies participating in this study are of various sizes, complexities, and structures. However, they broadly fit into two general groups: Predominantly Urban—Olympia, Tumwater and Lacey Fire District 3; and Predominantly Rural—East Olympia, West Thurston and McLane-Black Lake.

Thurston County Medic One is not a party to this study, but plays a significant role in the service level and financial viability of the advanced life support transport services offered to the entire county. Whatever results from the agencies' deliberations of the integration options included in this report, Thurston County Medic One will be an important consideration.

Numerous strategic partnerships already exist between the agencies. These include:

- OFD—Vehicle Repair and Maintenance Services (serving all agencies)
- OFD—Training Services (serving TFD and LFD<sub>3</sub>)
- LFD<sub>3</sub>—Vehicle Repair Facility (leased to OFD)
- West Thurston Regional Fire Consortium (WTRFA, MBLFD, and EOFD)
- Special Operations Rescue Team (all agencies)
- Medic One (all agencies)
- Mutual Aid (all agencies)

Regardless of the path(s) chosen by the agencies as it pertains to this report, the participants should continue these and other regional efforts for cost effectiveness, efficiency, and for the benefit of their respective citizens. Other potential regional efforts could include:

- Regional Fire Investigation Team (FIT)
- Regional Recruit Academy
- Regional Volunteer Recruitment & Retention Program
- Regional Training Division
- Regional Dedicated Training Relief Engine Company
- Regional Peak Demand Response Unit (Dropped Boundary)
- Regional Logistics Division
  - Joint Purchasing & Supply Standardization
  - Warehousing of Replenishable Supplies
  - Just-in-Time Inventory Management & Delivery
- Regional Command Officer Response (Dropped Boundary)

Generally, integration between agencies should be between similarly situated agencies to avoid the expense and challenges associated with providing service to two different community characteristics and risk profiles (e.g., urban versus rural). Specific circumstances may make inclusion of some predominantly rural agencies into the urban grouping more advantageous. An example of this is East Olympia, which provides some benefit to Tumwater with its station in close proximity to Tumwater's southern border. EOFD also provides some benefit to Lacey Fire District 3 with its station in close proximity to Lacey Fire District 3's southwestern boundary.

## Recommendations

**Strategy A (Status Quo)** provides no net improvement as it represents no change over the current conditions, but it is always an option. It is not recommended. **Strategy B (Contract for Services)** may provide for streamlining organizations, but only in certain circumstances, such as administrative services or some support services. It also adds a level of complexity in that each organization retains its individual taxing authority but most often operates as a single entity as it relates to those service areas being contracted. Cost allocation becomes a complex challenge. Following the cost allocation formulas included in this report or using a variation of the approach can assist the agencies in determining the best option for each of the participants if this option is chosen. ESCI considers this a potential intermediate step toward a more permanent integration, but not the preferred strategy.

**Strategy C (Annexation)** is a simple process that allows for a city to be annexed into an existing fire district, reducing its taxing authority by the same amount as the fire district charges in taxes. This process does not automatically provide for direct representation from the city being annexed, and does allow for the city to withdraw from the annexation after three years; two distinct disadvantages. ESCI does not recommend this strategy.

**Strategy D (Regional Fire Authority)** provides the greatest flexibility among the so-called "permanent" integration strategies, and has the potential to control costs and enhance service to the participants. **Strategy E (Municipal Fire District)** is simply converting a city fire department into a fire district, transferring the fiscal burden from the city to the fire district. The city council can act as the board of fire commissioners (not recommended) or can temporarily fill those positions until fire commissioners are elected to fill the seats (preferred). While a relatively straightforward process, this is a new concept with new enabling legislation. It hasn't been tried in Washington State and therefore has the inherent risks associated with "going first." It also has the net effect of swapping governance structure with little else changed.

ESCI does not recommend that all six agencies fully integrate at this time. The agencies collectively have widely disparate financial circumstances, dissimilar community risk profiles, different approaches to staffing configurations, and different infrastructures. However, there are groupings that ESCI does recommend pursuing.



## Recommendation 1

ESCI recommends that TFD, OFD, LFD<sub>3</sub>, and EOFD pursue **Strategy D – RFA**. The first step is for the four agencies to read and understand this report, understand what an RFA is and does, and engage in initial joint discussions. If the parties agree to further consider formation of an RFA, ESCI recommends establishing an RFA Planning Committee. The makeup and purpose of the RFA Planning Committee is outlined in this report and is spelled out in statute. It is imperative that the elected officials have a deeper understanding of an RFA. Only then can they fully engage in possibilities thinking and develop what is effectively a new charter for fire services within the RFA service area.

Actual legwork occurs between RFA Planning Committee meetings, usually delegated to the staff of the participating agencies. Additional consideration should be given as follows:

- An ongoing, meaningful role for labor should be woven into the process.
- An ongoing, meaningful role for volunteer associations should be woven into the process.
- Thurston County Medic One should be brought into the process and discussion to examine overall operational efficiencies and funding options.
- Cultural differences between existing agencies should be addressed in a meaningful way. Outside expertise may be brought in to identify cultural distinctions and develop strategies to bridge any gaps or form a new, healthy and inclusive culture.

If any initially participating agency in the RFA Planning Committee ultimately decides to withdraw from the pursuit of an RFA, an intermediate step should be considered for that agency instead of complete withdrawal. This may include contracting or otherwise partnering with the eventual RFA until such time as circumstances evolve to the point where joining the RFA becomes a serious consideration.

## Recommendation 2

A second-tier regionalization option is consideration of WTRFA and MBLFD integrating, but only after financial circumstances make it beneficial and balanced to do so. That process could start as a contract for service, finding the efficiencies through that process while jointly planning for a glide path financially that makes full integration more feasible.

If an integration strategy is chosen between WTRFA and MBLFD, it should be done as the result of a joint planning process, addressing the restructuring of the agencies as they integrate at the policy level, as well as at the operational, administrative, and support levels. Greater efficiency can be achieved if the collaboration is permanent, with one methodology, one set of work rules, one standardized level of service to the community, and one organizational structure to administer it.

The process of considering and implementing any of these recommendations starts first with a shared vision by the policymakers of the participating agencies. From the vision, goals and objectives can be identified which, if accomplished, propel the agencies toward the vision. This process, in essence, is the framework of a strategic plan for integration.

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## APPENDIX B: FIRE STATIONS

### Tumwater Fire Stations

**Figure 220: Tumwater Headquarters Station (T-1)**


<b>Address/Physical Location:</b>	311 Israel Road SW Tumwater, WA 98501					
	<b>General Description:</b>					
	Built in 2000, this station serves as the Tumwater Fire Department's headquarters. It also functions as the Emergency Operations Center (EOC).					
<b>Structure</b>						
Construction Type	Type 5					
Date of Construction	2000					
Seismic Protection	No known seismic upgrades					
Auxiliary Power	Yes; automatic					
General Condition	Good					
Apparatus Bays	0	Drive-through bays	5	back-in bays (4 are 2 deep)		
Special considerations (ADA, etc.)	None					
Square Footage	19,135					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	9	Bedrooms	9	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability	9					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Yes					
Training/Meeting Rooms	Yes					
Washer/Dryer	Yes (commercial for turnout gear)					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes					
Decontamination/Biohazard Disposal	Yes					
Security	Electronic locks on some exterior doors					
Apparatus Exhaust System	Negative pressure system (scheduled to be replaced)					

**Figure 221: Tumwater North End Station (T-2)**


<b>Address/Physical Location:</b>		405 Linwood Avenue SW, Tumwater, WA 98502					
	<b>General Description:</b>						
	Tumwater’s other station, which is somewhat smaller than its other station. It has two apparatus bays that are two-deep. Exercise equipment located in one of the apparatus bays.						
<b>Structure</b>							
Construction Type		V-N					
Date of Construction		1993					
Seismic Protection		No					
Auxiliary Power		Yes					
General Condition		Good					
Apparatus Bays		0	Drive-through bays		2	back-in bays (2 deep)	
Special considerations (ADA, etc.)		None					
Square Footage		4,000					
<b>Facilities Available</b>							
Separate Rooms/Dormitory/Other		2	Bedrooms	2	Beds	2	Beds in dormitory
Maximum Station Staffing Capability		5					
Exercise/Workout Facilities		Yes					
Kitchen/Dormitory		Yes					
Individual Lockers/Storage Assigned		Yes					
Shower Facilities		2 male showers and 1 female shower					
Training/Meeting Rooms		No					
Washer/Dryer		Standard (not usable for turnout gear)					
<b>Safety &amp; Security</b>							
Sprinklers and/or Smoke Detection		Yes					
Decontamination/Biohazard Disposal		Yes					
Security		No					
Apparatus Exhaust System		Pending upgrade					

### East Olympia Fire Stations


**Figure 222: East Olympia Station 61 (Headquarters)**

<b>Address/Physical Location:</b>		8047 Normandy St SE, Olympia, WA 98501					
	<b>General Description:</b>						
	Headquarters campus; administration offices, crew quarters, separate two-bay mechanic shop, separate three-bay storage annex.						
<b>Structure</b>							
Construction Type		Wood Frame Type V					
Date of Construction		1996					
Seismic Protection		Met seismic standards at time of construction; not upgraded					
Auxiliary Power		Yes					
General Condition		Excellent					
Apparatus Bays		0	Drive-through bays			4	back-in bays
Special considerations (ADA, etc.)		None					
Square Footage		9,668					
<b>Facilities Available</b>							
Separate Rooms/Dormitory/Other		5	Bedrooms	6	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability		6					
Exercise/Workout Facilities		Yes					
Kitchen/Dormitory		Yes (two)					
Individual Lockers/Storage Assigned		Three locations					
Shower Facilities		Yes					
Training/Meeting Rooms		Large meeting room					
Washer/Dryer		Regular & large commercial extractor					
<b>Safety &amp; Security</b>							
Sprinklers and/or Smoke Detection		Yes					
Decontamination/Biohazard Disposal		Yes, deep sink, floor drain, diked area in truck bay					
Security		No					
Apparatus Exhaust System		Yes					

**Figure 223: East Olympia Station 62**


<b>Address/Physical Location:</b>		5944 Offut Lake Rd SE, Tenino, WA 98589				
	<b>General Description:</b>					
	Unstaffed station. Just truck bays, office, and bathroom. Very old facility built in 1954.					
<b>Structure</b>						
Construction Type	Wood Frame Type V					
Date of Construction	1954					
Seismic Protection	No					
Auxiliary Power	No					
General Condition	Fair					
Apparatus Bays	<input type="radio"/>	Drive-through bays	<input checked="" type="radio"/>	4	back-in bays	
Special considerations (ADA, etc.)	None; Property not owned by District					
Square Footage	2,340					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	<input type="radio"/>	Bedrooms	<input type="radio"/>	Beds	<input type="radio"/>	Beds in dormitory
Maximum Station Staffing Capability	Unstaffed (no facilities)					
Exercise/Workout Facilities	No					
Kitchen/Dormitory	No					
Individual Lockers/Storage Assigned	No					
Shower Facilities	No					
Training/Meeting Rooms	No					
Washer/Dryer	No					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	No/No					
Decontamination/Biohazard Disposal	No					
Security	Yes					
Apparatus Exhaust System	No					

**Figure 224: East Olympia Station 64**

<b>Address/Physical Location:</b>		9530 Old Highway 99 SE, Olympia, WA 98501					
	<b>General Description:</b>						
	Fire department training site. Approved, funded, and permitted to expand training area to include a Connex Class A combustible training prop on a large concrete pad.						
<b>Structure</b>							
Construction Type		Wood Frame Type V					
Date of Construction		1986					
Seismic Protection		Yes					
Auxiliary Power		Yes					
General Condition		Excellent					
Apparatus Bays		0	Drive-through bays	4	back-in bays		
Special considerations (ADA, etc.)		None					
Square Footage		6,894					
<b>Facilities Available</b>							
Separate Rooms/Dormitory/Other		7	Bedrooms	8	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability		8 (1 bedroom has double-bunks; 3 are for residents)					
Exercise/Workout Facilities		Limited					
Kitchen/Dormitory		Yes					
Individual Lockers/Storage Assigned		Yes					
Shower Facilities		Yes					
Training/Meeting Rooms		Yes					
Washer/Dryer		Yes					
<b>Safety &amp; Security</b>							
Sprinklers and/or Smoke Detection		No/Yes					
Decontamination/Biohazard Disposal		Deep sink					
Security		No					
Apparatus Exhaust System		Yes					




**Figure 225: East Olympia Station 65**

<b>Address/Physical Location:</b>		8212 80th Ave SE, Olympia, WA 98513					
	<b>General Description:</b>						
	Unstaffed fire station. Property size is very limited. Apparatus stored here, but no personnel assigned.						
<b>Structure</b>							
Construction Type		Wood Frame Type V					
Date of Construction		1997					
Seismic Protection		Possibly					
Auxiliary Power		No					
General Condition		Excellent					
Apparatus Bays		0	Drive-through bays	3	back-in bays		
Special considerations (ADA, etc.)		None					
Square Footage		2,300					
<b>Facilities Available</b>							
Separate Rooms/Dormitory/Other		0	Bedrooms	0	Beds	0	Beds in dormitory
Maximum Station Staffing Capability		None					
Exercise/Workout Facilities		No					
Kitchen/Dormitory		No					
Individual Lockers/Storage Assigned		Gear Lockers					
Shower Facilities		No					
Training/Meeting Rooms		No					
Washer/Dryer		No					
<b>Safety &amp; Security</b>							
Sprinklers and/or Smoke Detection		No/No					
Decontamination/Biohazard Disposal		No					
Security		Yes					
Apparatus Exhaust System		No					

### Lacey Fire District 3 Stations


**Figure 226: Lacey Station 31 (Headquarters)**

<b>Address/Physical Location:</b>	1231 Franz Street SE, Lacey, WA 98503-2412					
	<b>General Description:</b>					
	Large, modern fire station containing both administration and operations personnel. Substantial office facilities on first and second floors of the administration area. Significant capacity for apparatus and operations personnel. There are eight bays varying in size and depth.					
<b>Structure</b>						
Construction Type	Type 5					
Date of Construction	2004					
Seismic Protection	None; Building code					
Auxiliary Power	Yes					
General Condition	Good					
Apparatus Bays	0	Drive-through bays	8	back-in bays		
Special considerations (ADA, etc.)	Accessible including elevator & mixed gender appropriate					
Square Footage	32,000					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	14	Bedrooms	14	Beds	0	Beds in dormitory
Maximum Station Staffing Capability	14					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes (14 separate bedrooms)					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Six private shower & bath combinations					
Training/Meeting Rooms	Large training room (40); 3 conference rooms for 6–8					
Washer/Dryer	2 each & 1 commercial extractor & dryer					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes (central alarm)					
Decontamination/Biohazard Disposal	Yes					
Security	Perimeter Pass access control system					
Apparatus Exhaust System	Air turnover system					


**Figure 227: Lacey Station 32**

<b>Address/Physical Location:</b>		10910 Yelm Hwy SE, Olympia, WA 98513				
	<b>General Description:</b>					
	Rural fire station that is staffed with resident volunteers. Crew quarters are relatively new, and were added in 2012. The apparatus bays were built in the late 1970s. Little room available for expansion. Currently houses a Type 1 engine and a reserve engine.					
<b>Structure</b>						
Construction Type	Type 5 (crew quarters) & Type 3 block (apparatus bays)					
Date of Construction	Crew quarters 2012; apparatus bay late 1970s					
Seismic Protection	High-efficiency rated manufactured for quarters					
Auxiliary Power	Crew quarters; None for apparatus bay					
General Condition	Good					
Apparatus Bays	0	Drive-through bays	2	back-in bays		
Special considerations (ADA, etc.)	One accessible restroom					
Square Footage	1,800 (quarters); 1,000 (apparatus bay)					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	4	Bedrooms	5	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability	5					
Exercise/Workout Facilities	Limited					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Two					
Training/Meeting Rooms	None					
Washer/Dryer	One each					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	No sprinkler system/smoke alarms present in resident areas					
Decontamination/Biohazard Disposal	No					
Security	Punch keypad into bay and residence					
Apparatus Exhaust System	None					


**Figure 228: Lacey Station 33**

<b>Address/Physical Location:</b>		6500 Mullen Road SE, Olympia, WA 98513					
	<b>General Description:</b>						
	Station is located on a large lot with room for expansion. Substantial office space and computer resources. Houses an engine and BLS aid unit. Moderate supply & equipment storage capacity.						
<b>Structure</b>							
Construction Type		Type 5					
Date of Construction		2003					
Seismic Protection		None; building code					
Auxiliary Power		Yes					
General Condition		Good					
Apparatus Bays		0	Drive-through bays			2	back-in bays
Special considerations (ADA, etc.)		Fully accessible; mixed-gender appropriate					
Square Footage		8,100					
<b>Facilities Available</b>							
Separate Rooms/Dormitory/Other		6	Bedrooms	6	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability		6					
Exercise/Workout Facilities		Yes					
Kitchen/Dormitory		Yes					
Individual Lockers/Storage Assigned		Yes					
Shower Facilities		Shower & bathroom combinations (4)					
Training/Meeting Rooms		Training room for up to 30 persons					
Washer/Dryer		One each					
<b>Safety &amp; Security</b>							
Sprinklers and/or Smoke Detection		Yes/Yes; central alarm					
Decontamination/Biohazard Disposal		Yes					
Security		Perimeter Pass access control system					
Apparatus Exhaust System		Air turnover system					

**Figure 229: Lacey Station 34**


<b>Address/Physical Location:</b>	8407 Steilacoom Road SE, Olympia, WA 98513					
	<b>General Description:</b>					
	Large office space. Small kitchen. Locker room. Moderate supply and equipment storage. Dormitory at opposite end of apparatus bays. This station houses an engine, ALS medic unit, a brush unit, and a tender. Station is located adjacent to Medic One maintenance facility. Due to be replaced and renovated as a training facility in 2019–2020.					
<b>Structure</b>						
Construction Type	Type 2					
Date of Construction	1990					
Seismic Protection	Building Code/None					
Auxiliary Power	Yes					
General Condition	Average (planned for replacement as training facility)					
Apparatus Bays	4	Drive-through bays	0	back-in bays		
Special considerations (ADA, etc.)	None					
Square Footage	11,300					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	2	Bedrooms	2	Beds	6	Beds in dormitory
Maximum Station Staffing Capability	8–10					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	One bathroom/shower combination; two separate showers					
Training/Meeting Rooms	One for up to 30 persons					
Washer/Dryer	Two each					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes; central alarm					
Decontamination/Biohazard Disposal	Yes					
Security	Perimeter Pass access control system					
Apparatus Exhaust System	No					

**Figure 230: Lacey Station 35**

<b>Address/Physical Location:</b>		3701 Willamette Drive, Lacey, WA 98516				
	<b>General Description:</b>					
	Relatively new station in good condition, located in a suburban area. The station is designed for the addition of one apparatus bay and two dorms if needed. Also have adjacent 5 acre parcel that could be used for expansion if needed although no current plans exist. Substantial office space and computer access.					
<b>Structure</b>						
Construction Type	Type 5					
Date of Construction	2005					
Seismic Protection	Building Code					
Auxiliary Power	Yes					
General Condition	Good					
Apparatus Bays	0	Drive-through bays	2	back-in bays		
Special considerations (ADA, etc.)	Fully accessible; mixed-gender appropriate					
Square Footage	8,100					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	6	Bedrooms	6	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability	6					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Four shower & bathroom combinations					
Training/Meeting Rooms	Small classroom					
Washer/Dryer	One each					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Central alarm					
Decontamination/Biohazard Disposal	Yes					
Security	Perimeter Pass access control system					
Apparatus Exhaust System	Air turnover system					


### McLane-Black Lake Fire District Stations

**Figure 231: McLane-Black Lake Station 91 (Headquarters)**


<b>Address/Physical Location:</b>	125 Delphi Rd., NW, Olympia, WA 98502					
	<b>General Description:</b>					
	A large, modern, well-designed facility capable of housing ten personnel. The external design of the fire station presents a positive image to the community. The four drive-through bays are each two-deep. The department's regional training center is adjacent to this station.					
<b>Structure</b>						
Construction Type	Wood Frame					
Date of Construction	2008					
Seismic Protection	Yes					
Auxiliary Power	Yes					
General Condition	Excellent					
Apparatus Bays	4	Drive-through bays (double-deep bays)				
Special considerations (ADA, etc.)	ADA compliant					
Square Footage	17,800					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	8	Bedrooms	8	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability	10					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Yes					
Training/Meeting Rooms	Yes					
Washer/Dryer	Yes					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes					
Decontamination/Biohazard Disposal	Yes					
Security	No					
Apparatus Exhaust System	Whole house system; pressurized louvered bay doors					



**Figure 232: McLane-Black Lake Station 92**

<b>Address/Physical Location:</b>		3204 36th Ave. NW, Olympia, WA 98502				
	<b>General Description:</b>					
	Old station originally built in 1964 and remodeled in 1977. Station is in fair condition, and likely should be replaced in the near future. Staffed with residents. Small kitchen. Houses a single engine and BLS aid unit.					
<b>Structure</b>						
Construction Type	Non-combustible; Metal building on slab					
Date of Construction	1964; Remodeled in 1977					
Seismic Protection	No					
Auxiliary Power	Yes					
General Condition	Fair					
Apparatus Bays	0	Drive-through bays	2	back-in bays		
Special considerations (ADA, etc.)	None					
Square Footage	2,396					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	3	Bedrooms	3	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability	3					
Exercise/Workout Facilities	No					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Two full-baths with a shower in each					
Training/Meeting Rooms	No					
Washer/Dryer	Yes					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	No/Yes					
Decontamination/Biohazard Disposal	No (done at headquarters station)					
Security	No					
Apparatus Exhaust System	Yes					


**Figure 233: McLane-Black Lake Station 93**

<b>Address/Physical Location:</b>		2815 Summit Lake Shore Rd, Olympia, WA 98502				
	<b>General Description:</b>					
	Modern, well-designed fire station staffed with residents only. Includes a watch office, and weight room and storage on the second floor. Contains an engine, BLS aid unit, and reserve engine.					
<b>Structure</b>						
Construction Type	Wood Frame					
Date of Construction	2012					
Seismic Protection	Yes					
Auxiliary Power	Yes					
General Condition	Excellent					
Apparatus Bays	0	Drive-through bays	4	back-in bays (1 deep)		
Special considerations (ADA, etc.)	Yes					
Square Footage	6,800					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	6	Bedrooms	6	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability	6					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Yes					
Training/Meeting Rooms	No					
Washer/Dryer	Commercial washer & dryer					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes					
Decontamination/Biohazard Disposal	Yes					
Security	No					
Apparatus Exhaust System	Yes					

**Figure 234: McLane-Black Lake Station 94**


<b>Address/Physical Location:</b>		6005 Cooper Point Rd. NW, Olympia, WA 98502					
	<b>General Description:</b>						
	An older station built in 1974 and remodeled in 1986. This station is very small and unstaffed. The single bay has room for only one engine.						
<b>Structure</b>							
Construction Type	Masonry						
Date of Construction	1974; remodeled in 1986						
Seismic Protection	No						
Auxiliary Power	Yes						
General Condition	Good						
Apparatus Bays	0	Drive-through bays	1	back-in bays			
Special considerations (ADA, etc.)	None						
Square Footage	2,132						
<b>Facilities Available</b>							
Separate Rooms/Dormitory/Other	2	Bedrooms	2	Beds	N/A	Beds in dormitory	
Maximum Station Staffing Capability	2-4						
Exercise/Workout Facilities	No						
Kitchen/Dormitory	Yes						
Individual Lockers/Storage Assigned	Yes						
Shower Facilities	Yes. Half-bath behind bay; one full-bath with shower						
Training/Meeting Rooms	No						
Washer/Dryer	Yes						
<b>Safety &amp; Security</b>							
Sprinklers and/or Smoke Detection	No/Yes						
Decontamination/Biohazard Disposal	Yes						
Security	No						
Apparatus Exhaust System	Yes						

**Figure 235: McLane-Black Lake Station 95**

<b>Address/Physical Location:</b>		5911 Black Lake Blvd SW, Olympia, WA 98512				
	<b>General Description:</b>					
	This is a very large and modern fire station. There is substantial capacity for apparatus, personnel, and office/computer facilities. Station has a conference room and very large classroom. McLane-Black Lake provides office space for the Western Regional EMS & Trauma Care Council.					
<b>Structure</b>						
Construction Type	Wood Frame					
Date of Construction	2005					
Seismic Protection	Yes					
Auxiliary Power	Yes					
General Condition	Very good					
Apparatus Bays	3	Drive-through bays	0	back-in bays		
Special considerations (ADA, etc.)	ADA Compliant					
Square Footage	15,983					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	7	Bedrooms	10	Beds	6	Beds in dormitory
Maximum Station Staffing Capability	14					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Yes					
Training/Meeting Rooms	Yes					
Washer/Dryer	Yes					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes					
Decontamination/Biohazard Disposal	Yes					
Security	No					
Apparatus Exhaust System	Yes					

**West Thurston Fire Stations**


**Figure 236: West Thurston RFA Station 1-1**

<b>Address/Physical Location:</b>	10828 Littlerock Rd. SW, Olympia, WA 98512					
	<b>General Description:</b>					
	This is relatively large and modern fire station capable of housing up to 14 personnel. There are five drive-through bays capable of housing a number of apparatus. Storage is limited. Mixed gender facilities.					
<b>Structure</b>						
Construction Type	Type 3					
Date of Construction	1997					
Seismic Protection	Yes (per code)					
Auxiliary Power	Yes					
General Condition	Good					
Apparatus Bays	5	Drive-through bays	0	back-in bays		
Special considerations (ADA, etc.)	ADA compliant; mixed-gender appropriate					
Square Footage	11,995					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	12	Bedrooms	14	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability	14					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	One male & one female locker rooms					
Shower Facilities	Two male & two female showers					
Training/Meeting Rooms	One large; one small					
Washer/Dryer	One commercial washer/extractor; one standard washer					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes					
Decontamination/Biohazard Disposal	Yes					
Security	Yes (limited access; video surveillance)					
Apparatus Exhaust System	Plymovent system					

**Figure 237: West Thurston RFA Station 1-2**


<b>Address/Physical Location:</b>	18720 Sargent Rd. SW Rochester, WA 98579			
	<b>General Description:</b>			
	Another relatively large and modern fire station with three drive-through bays capable of housing a number of apparatus. The station has ample room to house at least 12 personnel, and has ample mixed-gender facilities.			
<b>Structure</b>				
Construction Type	Type 5			
Date of Construction	2007			
Seismic Protection	Yes (per code)			
Auxiliary Power	Yes			
General Condition	Good			
Apparatus Bays	3	Drive-through bays	0	back-in bays
Special considerations (ADA, etc.)	ADA compliant; mixed-gender appropriate			
Square Footage	15,000			
<b>Facilities Available</b>				
Separate Rooms/Dormitory/Other	7	Bedrooms	9	Beds Bunks in two rooms
Maximum Station Staffing Capability	12			
Exercise/Workout Facilities	Yes			
Kitchen/Dormitory	Two kitchens			
Individual Lockers/Storage Assigned	One male & one female locker rooms			
Shower Facilities	Two male & two female showers			
Training/Meeting Rooms	One large; one small			
Washer/Dryer	One commercial washer/extractor; one standard washer			
<b>Safety &amp; Security</b>				
Sprinklers and/or Smoke Detection	Yes/Yes			
Decontamination/Biohazard Disposal	Yes; includes shower			
Security	Video surveillance			
Apparatus Exhaust System	Yes			

**Figure 238: West Thurston RFA Station 1-3**

<b>Address/Physical Location:</b>		18346 Albany SW, Rochester, WA 98579					
	<b>General Description:</b>						
	This is an older station built in 1976, but remodeled in 2012. It is located in a relatively rural area in Rochester. It has the capacity to house at least four personnel.						
<b>Structure</b>							
Construction Type	Type 3						
Date of Construction	1976 (remodeled 2012)						
Seismic Protection	Per code/Yes						
Auxiliary Power	Yes						
General Condition	Good						
Apparatus Bays	0	Drive-through bays	4	back-in bays			
Special considerations (ADA, etc.)	ADA compliant; mixed-gender appropriate						
Square Footage	5,060						
<b>Facilities Available</b>							
Separate Rooms/Dormitory/Other	4	Bedrooms	4	Beds	N/A	Beds in dormitory	
Maximum Station Staffing Capability	4						
Exercise/Workout Facilities	Yes						
Kitchen/Dormitory	Yes						
Individual Lockers/Storage Assigned	None						
Shower Facilities	Two bathroom/shower combinations						
Training/Meeting Rooms	No						
Washer/Dryer	Standard type						
<b>Safety &amp; Security</b>							
Sprinklers and/or Smoke Detection	Yes/Yes						
Decontamination/Biohazard Disposal	Sink only						
Security	Video surveillance						
Apparatus Exhaust System	Yes						



**Figure 239: West Thurston RFA Station 1-4**


<b>Address/Physical Location:</b>	3131 Maytown Rd. SW, Olympia, WA 98512					
	<b>General Description:</b>					
	This is a smaller station capable of housing a maximum of two personnel. The on-duty Battalion Chief is deployed from this location.					
<b>Structure</b>						
Construction Type	5					
Date of Construction	2009					
Seismic Protection	No					
Auxiliary Power	Yes					
General Condition	Good					
Apparatus Bays	0	Drive-through bays	2	back-in bays		
Special considerations (ADA, etc.)	ADA compliant; mixed-gender appropriate					
Square Footage	8,747					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	2	Bedrooms	2	Beds	0	Beds in dormitory
Maximum Station Staffing Capability	2					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Three bathroom/shower combinations; one bathroom-only					
Training/Meeting Rooms	One training & one watch office meeting space					
Washer/Dryer	Standard type					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes					
Decontamination/Biohazard Disposal	Yes					
Security	Video surveillance					
Apparatus Exhaust System	Yes					

**Figure 240: West Thurston RFA Station 1-6 (Scott Lake)**

<b>Address/Physical Location:</b>		2640 Trevue Ave. SW, Olympia, WA 98512						
	<b>General Description:</b>							
	A small, modern fire station capable of housing two personnel. The station has two back-in bays. The engine and aid unit are cross-staffed as necessary.							
<b>Structure</b>								
Construction Type		Type 1						
Date of Construction		2015						
Seismic Protection		Per code						
Auxiliary Power		Yes						
General Condition		Good						
Apparatus Bays		0	Drive-through bays			2	back-in bays	
Special considerations (ADA, etc.)		ADA compliant; mixed-gender appropriate						
Square Footage		2,300						
<b>Facilities Available</b>								
Separate Rooms/Dormitory/Other		2	Bedrooms		2	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability		2						
Exercise/Workout Facilities		No						
Kitchen/Dormitory		Yes						
Individual Lockers/Storage Assigned		No						
Shower Facilities		Two showers						
Training/Meeting Rooms		None						
Washer/Dryer		Standard type						
<b>Safety &amp; Security</b>								
Sprinklers and/or Smoke Detection		Yes/Yes						
Decontamination/Biohazard Disposal		Yes						
Security		Video surveillance						
Apparatus Exhaust System		Yes						


## Olympia Fire Stations

**Figure 241: Olympia Station 1 (Headquarters)**


<b>Address/Physical Location:</b>	100 Eastside Street NE, Olympia, WA 98506					
	<b>General Description:</b>					
	Large-capacity facility housing the fire department administration along with multiple apparatus and fire crews. Ample room for personnel with excellent kitchen facility and dayroom. All bays are back-in and two-deep, depending on the apparatus.					
<b>Structure</b>						
Construction Type	Ordinary, brick facade, steel studs					
Date of Construction	1992					
Seismic Protection	Energy audits by City of Olympia					
Auxiliary Power	Yes					
General Condition	Good					
Apparatus Bays	0	Drive-through bays	6	back-in bays		
Special considerations (ADA, etc.)	Mixed-gender appropriate; male & female restrooms					
Square Footage	22,525					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	10	Bedrooms	10	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability	10					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Two					
Training/Meeting Rooms	Three rooms					
Washer/Dryer	Standard and commercial for turnout gear					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes (fire alarm)					
Decontamination/Biohazard Disposal	Yes					
Security	Video cameras					
Apparatus Exhaust System	Nederman exhaust system					




**Figure 242: Olympia Station 2**

<b>Address/Physical Location:</b>		330 Kenyon Street NW, Olympia, WA 98502				
	<b>General Description:</b>					
	Olympia Fire Station 2 houses the busiest engine company in the City. It has double back-in bays that are two-deep. An ALS medic unit is deployed from this station.					
<b>Structure</b>						
Construction Type	Brick					
Date of Construction	1992					
Seismic Protection	Energy audits by City hall					
Auxiliary Power	Yes					
General Condition	Fair					
Apparatus Bays	0	Drive-through bays	2	back-in bays (2 deep)		
Special considerations (ADA, etc.)	Mixed-gender appropriate; male & female restrooms					
Square Footage	6,070					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	5	Bedrooms	5	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability	6					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Two					
Training/Meeting Rooms	One					
Washer/Dryer	Standard and commercial for turnout gear					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes (fire alarm)					
Decontamination/Biohazard Disposal	Yes					
Security	Video cameras					
Apparatus Exhaust System	Nederman exhaust system					

**Figure 243: Olympia Station 3**

<b>Address/Physical Location:</b>		2525 22nd Avenue SE, Olympia, WA 98501					
	<b>General Description:</b>						
	Olympia Station 3 is a two-story facility located in a predominantly residential area. The crew quarters are located on second floor, making access to the apparatus bays down a stairway.						
<b>Structure</b>							
Construction Type		Ordinary/residential wood					
Date of Construction		1993 with later add-on exercise room					
Seismic Protection		Energy by City hall					
Auxiliary Power		Yes					
General Condition		Good					
Apparatus Bays		0	Drive-through bays		2	back-in bays	
Special considerations (ADA, etc.)		Mixed-gender appropriate					
Square Footage		4,750					
<b>Facilities Available</b>							
Separate Rooms/Dormitory/Other		4	Bedrooms	4	Beds	0	Beds in dormitory
Maximum Station Staffing Capability		5 (if fifth bed added)					
Exercise/Workout Facilities		Yes					
Kitchen/Dormitory		Yes					
Individual Lockers/Storage Assigned		Yes					
Shower Facilities		Yes					
Training/Meeting Rooms		Yes					
Washer/Dryer		Standard and commercial for turnout gear					
<b>Safety &amp; Security</b>							
Sprinklers and/or Smoke Detection		No/Yes (fire alarm)					
Decontamination/Biohazard Disposal		Yes					
Security		No					
Apparatus Exhaust System		Nederman exhaust system					

**Figure 244: Olympia Station 4**

<b>Address/Physical Location:</b>		3525 Stoll Rd SE, Olympia, WA 98501				
	<b>General Description:</b>					
	Station 4 is a large, modern and well-designed and equipped station. Substantial capacity for apparatus and personnel. Attractive exterior that presents a positive community image.					
<b>Structure</b>						
Construction Type	Ordinary, wood stud, metal siding and roof					
Date of Construction	2010					
Seismic Protection	Yes and audits by City					
Auxiliary Power	Yes					
General Condition	Excellent					
Apparatus Bays	0	Drive-through bays	3	back-in bays (1-2 deep)		
Special considerations (ADA, etc.)	Separate dorms & individual restrooms					
Square Footage	13,000					
<b>Facilities Available</b>						
Separate Rooms/Dormitory/Other	6	Bedrooms	6	Beds	N/A	Beds in dormitory
Maximum Station Staffing Capability	8					
Exercise/Workout Facilities	Yes					
Kitchen/Dormitory	Yes					
Individual Lockers/Storage Assigned	Yes					
Shower Facilities	Yes					
Training/Meeting Rooms	Yes, and small library room					
Washer/Dryer	Standard and commercial for turnout gear					
<b>Safety &amp; Security</b>						
Sprinklers and/or Smoke Detection	Yes/Yes (fire alarm)					
Decontamination/Biohazard Disposal	Yes; extractor					
Security	No					
Apparatus Exhaust System	Nederman exhaust system					



### Apparatus Maintenance Facilities

Several of the fire departments in this study maintain their own apparatus and equipment maintenance facilities. The East Olympia Fire Department maintains a storage and maintenance facility adjacent to Station 61, as shown in the following figure.

**Figure 245: East Olympia Storage & Maintenance Facility (adjacent to Station 61)**



Lacey Fire District 3 has an apparatus maintenance facility adjacent to its Station 34, which is shared by the Olympia Fire Department and other agencies, including Thurston County Medic One.

**Figure 246: Lacey Fire District 3 Shared Maintenance Facility**





**Figure 247: Details of Lacey District #3 Shared Apparatus Maintenance Facility**

<b>Address/Physical Location:</b>	8407 Steilacoom Rd SE, Lacey, WA (leased)
<b>Structure</b>	
Construction Type	Metal frame
Date of Construction	2004
Seismic Protection	Unknown
Auxiliary Power	No
General Condition	Good
Special considerations (ADA, etc.)	N/A
Square Footage	7,676
<b>Facilities Available</b>	
Exercise/Workout Facilities	No
Kitchen/Dormitory	Refrigerator and sink
Shower Facilities	No
<b>Safety &amp; Security</b>	
Sprinklers and/or Smoke Detection	Yes/Yes
Security	Yes
Apparatus Exhaust System	Yes

## APPENDIX C: NFPA 1720 RESPONSE PERFORMANCE ELEMENTS

Term	Ref. #	Definition	Performance Standard
Alarm Answering Time	4.1.2.3.1	9-1-1 call time from first ring to answer.	Not defined or measured in this standard
Alarm Transfer Time	4.1.2.3.2	Time from receipt of emergency alarm at PSAP until alarm receipt at communication center.	Not defined or measured in this standard
Alarm Processing Time	4.1.2.3.3	Call process time from acknowledged at the dispatch center until notification of response units.	Not defined or measured in this standard
Alarm Processing Time – Exceptions	4.1.2.3.3.1	1. Calls requiring EMD questioning & pre-arrival medical instructions	Not defined or measured in this standard
		2. Calls requiring language translation	
		3. Calls requiring the use of a TTY/TDD device or audio/video relay services	
		4. Calls of criminal activity that require information vital to emergency responder safety prior to dispatching units	
		5. Hazardous material incidents	
		6. Technical rescue	
		7. Calls that require determining the location of the alarm due to insufficient information	
		8. Calls received by text message	
Turnout Time	4.1.2.1(2) 4.1.2.4	Time from notification of response personnel until the initiation of movement towards the incident.	Where staffed stations are provided as defined by the AHJ: Within 90 seconds for fire & special operations, 90% of the time Within 60 seconds for EMS, 90% of the time
Travel Time – Fire	4.1.2.1(3) 4.1.2.4	Time that begins when an engine company is en route to the emergency incident and ends when the unit arrives at the scene.	Not defined or measured in this standard
Travel Time – EMS	4.1.2.1(6) 4.1.2.4	Time that begins when unit with 1 <sup>st</sup> responder AED or higher level capability at an EMS Incident and ends when the unit arrives at the scene.	Not defined or measured in this standard
Travel Time – ALS (when FD based)	4.1.2.1(7) 4.1.2.4	Time that begins when unit with advanced life support capability at an EMS Incident and ends when the unit arrives at the scene.	Not defined or measured in this standard
Travel Time – Full Alarm Assignment (Residential Fire)	4.1.2.1(4) 4.1.2.4 5.2.4.1	The initial full alarm assignment to a structure fire in a typical 2000 ft <sup>2</sup> (186 m <sup>2</sup> ), two-story single-family dwelling without basement and with no exposures	Not defined or measured in this standard

Term	Ref. #	Definition	Performance Standard
Travel Time – Full Alarm Assignment (Open Air Strip Mall Fire)	4.1.2.1(4) 4.1.2.4 5.2.4.2	The initial full alarm assignment to a structure fire in an Open-Air Strip Shopping Center ranging from 13,000 ft <sup>2</sup> to 196,000 ft <sup>2</sup> (1,203 m <sup>2</sup> to 18,209 m <sup>2</sup> ) in size	Not defined or measured in this standard
Travel Time – Full Alarm Assignment (Apartment Fire)	4.1.2.1(4) 4.1.2.4 5.2.4.3	The initial full alarm assignment to a structure fire in a typical 1,200 ft <sup>2</sup> (111 m <sup>2</sup> ) apartment within a three-story, garden style apartment building	Not defined or measured in this standard
Travel Time – Full Alarm Assignment (High-rise Fire)	4.1.2.1(4) 4.1.2.4 5.2.4.4	The Initial full alarm assignment to a fire in a building with the highest floor greater than 75 ft (23 m) above the lowest level of fire department vehicle access	Not defined or measured in this standard
Response Time – Fire & Special Operations (Effective Response Force)	Table 4.3.2 (footnote c) Accumulation of Turnout Time and Travel Time	Fire and special operations incidents	Urban area > 1,000 people/mi <sup>2</sup> 15 FFs are delivered within 9 minutes, 90% of the time
			Suburban area 500–1,000 people/mi <sup>2</sup> 10 FFs are delivered within 10 minutes, 80% of the time
			Rural area < 500 people/mi <sup>2</sup> 6 FFs within 14 minutes, 80% of the time
			Remote area Travel distance ≥ 8 miles, 4 FFs within timeframe dependent on travel distance, 90% of the time
			Special risks determined by AHJ, Minimum FFs determined by AHJ based on risk, Response time determined by AHJ, 90% of the time
Response Time – EMS	Accumulation of Turnout Time and Travel Time	Emergency medical incidents	EMS operations shall be organized to ensure the fire department’s emergency medical capability includes personnel, equipment, and resources to deploy the initial arriving company and additional alarm assignments. (no specific standard)
Initiation of Fire Attack	4.3.4	Upon assembling the necessary resources at the emergency scene, the fire department shall have the capability to safely commence an initial attack (determined by population density, or AHJ for special risks)	Within 2 minutes, 90% of the time.

## APPENDIX D: NFPA 1710 RESPONSE PERFORMANCE ELEMENTS

Term	Ref. #	Definition	Performance Standard	Min Staff
Alarm Answering Time	4.1.2.3.1	9-1-1 call time from first ring to answer.	Within 15 seconds, 95% of the time Within 40 seconds, 99% of the time	N/A
Alarm Transfer Time	4.1.2.3.2	Time from receipt of emergency alarm at PSAP until alarm receipt at communication center.	Within 30 seconds, 95% of the time	N/A
Alarm Processing Time	4.1.2.3.3	Call process time from acknowledged at the dispatch center until notification of response units.	Within 64 seconds, 90% of the alarms and within 106 seconds, 95% of the alarms	N/A
Alarm Processing Time – Exceptions	4.1.2.3.3.1	1. Calls requiring EMD questioning & pre-arrival medical instructions 2. Calls requiring language translation 3. Calls requiring use of a TTY/TDD device or audio/video relay services 4. Calls of criminal activity that require information vital to emergency responder safety prior to dispatching units 5. Hazardous material incidents 6. Technical rescue 7. Calls that require determining location of alarm due to insufficient information 8. Calls received by text message	Within 90 seconds, 90% of the time Within 120 seconds 99% of the time	N/A
Turnout Time	4.1.2.1(2) 4.1.2.4	Time from notification of response personnel until the initiation of movement towards the incident.	Within 80 seconds for fire & special operations response, 90% of the time Within 60 seconds for EMS response, 90% of the time	N/A
Travel Time – Fire	4.1.2.1(3) 4.1.2.4	Time that begins when an engine company is en route to the emergency incident and ends when the unit arrives at the scene.	Within 4 minutes travel time for the arrival of the first arriving engine company, 90% of the time	N/A

Term	Ref. #	Definition	Performance Standard	Min Staff
Travel Time – EMS	4.1.2.1(6) 4.1.2.4	Time that begins when unit with 1 <sup>st</sup> responder with AED or higher level capability at an EMS Incident and ends when the unit arrives at the scene.	Within 4 minutes travel time for arrival of a unit with 1 <sup>st</sup> responder with AED or higher level capability at an EMS Incident, 90% of the time	N/A
Travel Time – ALS (when FD based)	4.1.2.1(7) 4.1.2.4	Time that begins when unit with advanced life support capability at an emergency medical Incident and ends when the unit arrives at the scene.	Within 8 minutes travel time for arrival of an advanced life support (ALS) unit at an EMS incident, provided a first responder with AED or basic life support (BLS) unit arrived in 4 minutes or less travel time, 90% of the time	N/A
Travel Time – Full Alarm Assignment (Residential Fire)	4.1.2.1(4) 4.1.2.4 5.2.4.1	The initial full alarm assignment to a structure fire in a typical 2,000 ft <sup>2</sup> (186 m <sup>2</sup> ), two-story single-family dwelling without basement and with no exposures	Within 8 minutes travel time for the deployment of an initial full alarm assignment at a fire suppression incident, 90% of the time	14 FFs, or 15 w/aerial (5.2.4.1.1)
Travel Time – Full Alarm Assignment (Open Air Strip Mall Fire)	4.1.2.1(4) 4.1.2.4 5.2.4.2	The initial full alarm assignment to a structure fire in an Open-Air Strip Shopping Center ranging from 13,000 ft <sup>2</sup> to 196,000 ft <sup>2</sup> (1203 m <sup>2</sup> to 18,209 m <sup>2</sup> ) in size	Within 8 minutes travel time for the deployment of an initial full alarm assignment at a fire suppression incident, 90% of the time	27 FFs, or 28 w/aerial (5.2.4.2.1)
Travel Time – Full Alarm Assignment (Apartment Fire)	4.1.2.1(4) 4.1.2.4 5.2.4.3	The initial full alarm assignment to a structure fire in a typical 1,200 ft <sup>2</sup> (111 m <sup>2</sup> ) apartment within a three-story, garden style apartment building	Within 8 minutes travel time for the deployment of an initial full alarm assignment at a fire suppression incident, 90% of the time	27 FFs, or 28 w/aerial (5.2.4.3.1)
Travel Time – Full Alarm Assignment (High-rise Fire)	4.1.2.1(4) 4.1.2.4 5.2.4.4	The Initial full alarm assignment to a fire in a building with the highest floor greater than 75 ft (23 m) above the lowest level of fire department vehicle access	Within 8 minutes travel time for the deployment of an initial full alarm assignment at a fire suppression incident, 90% of the time	46 FFs (5.2.4.4.1)
Total Response Time	3.3.53.6	Time from receipt of alarm at the primary PSAP to first emergency response unit is initiating action or intervening to control incident.	Too many variables—depends on call type—no standard for initiation action or intervening to control incident	Depends on call type
Response Time – Fire & Special Operations (Effective Response Force)	Accumulation of Turnout Time and Travel Time	The initial full alarm assignment arrives	Within 9 minutes, 20 seconds, 90% of the time	Depends on call type
1 <sup>st</sup> Unit Response Time – Fire & Special Operations	Accumulation of Turnout Time and Travel Time	Fire and special operations incidents	Within 5 minutes, 20 seconds, 90% of the time	4 FFs (5.2.3.1.1)

Term	Ref. #	Definition	Performance Standard	Min Staff
1 <sup>st</sup> Unit Response Time – BLS EMS	Accumulation of Turnout Time and Travel Time	Emergency medical incidents	Within 5 minutes, 90% of the time	Typically 2 BLS certified personnel 5.3.3.2.1
ALS Unit Response Time – ALS EMS	Accumulation of Turnout Time and Travel Time	Advanced life support emergency medical incidents where FD provides BLS 1 <sup>st</sup> response	Within 9 minutes, 90% of the time (provided a first responder with AED or basic life support unit arrived in 4 minutes or less travel time)	Typically 2 5.3.3.2.1

## **INTERLOCAL AGREEMENT REGARDING THE STUDY OF A REGIONAL FIRE AUTHORITY BY THE CITIES OF OLYMPIA AND TUMWATER**

**WHEREAS**, pursuant to RCW Chapter 39.34, local governmental units may enter into agreements on a basis of mutual advantage for the purpose of cooperating to provide services and facilities in a manner and pursuant to forms of governmental organization that will accord best with geographic, economic, population and other factors influencing the needs and development of local communities; and

**WHEREAS**, this Interlocal Agreement (hereafter Agreement) is made and entered into between and among the City of Olympia, hereafter referred to as “Olympia,” and the City of Tumwater, hereafter referred to as “Tumwater,” and collectively hereafter referred to as "Parties" or "the Parties;” and

**WHEREAS**, the service demands and costs of providing fire and emergency medical services have increased dramatically and disproportionately to other municipal services; and

**WHEREAS**, that cost escalation continues to put pressure on the limited resources of the Parties; and

**WHEREAS**, regionalization of fire and emergency medical services has been shown to deliver services effectively and efficiently to the community; and

**WHEREAS**, in 2019, a study of fire and emergency medical regionalization options in Thurston County was released; and

**WHEREAS**, Washington state law, RCW Chapter 52.26, provides an option for Regional Fire Authorities to be formed between cities for the purpose of providing regional fire and emergency medical services; and

**WHEREAS**, the Parties desire to explore the creation of a Regional Fire Authority to provide fire and emergency services within the boundaries of the two cities and to share the costs of the study of such Authority; and

**WHEREAS**, the Parties agree that a planning process that looks at the viability of an Authority will require input from affected groups, including represented employees, unrepresented employees, residents and businesses, other city departments, Medic One, and community partners;



**NOW, THEREFORE,** in consideration of the mutual promises contained herein, the Parties desire to enter into this Agreement as follows:

1. Pursuant to RCW 52.26.030, the Parties agree to form a Regional Fire Authority Planning Committee (hereafter “Committee”). The governing body of each Party shall appoint three (3) elected officials to the Committee as voting members. The Committee shall also include four (4) non-voting members. Each governing body shall appoint its Fire Chief (or their designee) and one member chosen by its associated IAFF Local from its membership. Committee members shall serve without compensation.
2. The Committee shall:
  - A. Conduct its affairs and formulate a regional fire protection service authority plan as provided under RCW 52.26.040.
  - B. Comply with the Open Public Meetings Act.
  - C. Elect a Chair and Vice-Chair to preside at meetings and a Secretary to record/post agendas, minutes, etc.
  - D. Develop/approve rules and procedures for meetings (quorum, motions, Roberts Rules of Order, etc.)
  - E. Develop and notice a meeting schedule.
  - F. Create subcommittees to make recommendations.
  - G. Select a consultant to facilitate and provide expertise in support of the Committee’s work.
  - H. Provide public information and conduct public outreach.
  - I. Formulate recommendations on the formation of a Regional Fire Authority to the governing bodies of the Parties.
3. The Committee shall select a consultant (or consultants) to facilitate and provide expertise (financial, organizational, legal) in support of the Committee’s work. The consultant shall be selected by mutual agreement of the Committee members. Tumwater, on behalf of the Parties, will administer the contract with the consultant. The Parties agree to evenly share the costs of the consultant(s) and any additional expenses. Tumwater will invoice Olympia for recovery of Olympia’s share of expenses and Olympia will pay Tumwater said invoices within sixty (60) days.
4. The Committee must complete its work and formulate a recommendation to the governing bodies of the Parties within eighteen (18) months of the effective date of this Agreement.

5. This Agreement shall be effective when the last signatory executes this Agreement, and shall remain in effect until December 31, 2022, unless terminated sooner pursuant to Section 6.
6. The Committee may dissolve itself at any time by a majority vote of the total membership of the Committee. Any Party may withdraw upon thirty (30) calendar days' written notice to the other Party. Notice shall be sent to:

**CITY OF OLYMPIA**

Steven J. Burney, City Manager  
 City of Olympia  
 601 4<sup>th</sup> Ave E.  
 P.O. Box 1967  
 Olympia WA 98507-1967

**CITY OF TUMWATER**

Pete Kmet, Mayor  
 555 Israel Road SW  
 Tumwater WA 98501

7. No real or personal property is anticipated to be acquired by reason of entering into this Agreement. Should real or personal property be acquired during the term of this Agreement, the Parties shall work in good faith to determine the disposition of such property upon termination of this Agreement.
8. This Agreement shall be recorded with the Thurston County Auditor's Office or posted on the Parties' web site prior to being effective.
9. This Agreement may only be changed, modified, or amended by written agreement executed by both Parties.
10. By signing this Agreement, each signatory is certifying that they have authority to sign and that the necessary approval has been obtained from the legislative body of the entity represented by that signatory.

**IN WITNESS WHEREOF**, the Parties hereto have caused this Agreement to be executed according to the terms written above.

**CITY OF OLYMPIA**

Steven J. Burney  
 Steven J. Burney, City Manager  
 Date: 05/19/2021

APPROVED AS TO FORM:

Annaliese Harksen  
 Annaliese Harksen, Deputy City Attorney

**CITY OF TUMWATER**

Pete Kmet  
 Pete Kmet, Mayor  
 Date: 05/19/2021

APPROVED AS TO FORM:

Karen Kirkpatrick  
 Karen Kirkpatrick, City Attorney



## City Council

### Approval of an Ordinance Relating to Controlled Substances and Amending Olympia Municipal Code Section 9.28.010 by Adopting RCW 69.50.4013, as Amended by Engrossed Senate Bill 5476, Chapter 311, Addressing the State v. Black Decision - First and Final Reading

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.K  
**File Number:**21-0614

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**Type:** ordinance **Version:** 1 **Status:** 2d Reading-Consent

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#### **Title**

Approval of an Ordinance Relating to Controlled Substances and Amending Olympia Municipal Code Section 9.28.010 by Adopting RCW 69.50.4013, as Amended by Engrossed Senate Bill 5476, Chapter 311, Addressing the State v. Black Decision - First and Final Reading

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to approve on first and final reading the Ordinance relating to controlled substances and amending Olympia Municipal Code Section 9.28.010 by adopting RCW 69.50.4013, as amended by ESB 5476, Chapter 311, Laws of 2021 addressing the State v. Black Decision on first and final reading.

#### **Report**

##### **Issue:**

Whether to adopt RCW 69.50.4013 relating to controlled substances, as amended by ESB 5476, Chapter 311, Laws of 2021 Addressing the State v. Black Decision on first and final reading.

##### **Staff Contact:**

R. Tye Graham, Chief Prosecutor, 360.753.8449

#### **Background and Analysis:**

From the 2016 US Surgeon General Executive Summary:

*"In 2015, over 27 million people in the United States reported current use of illicit drugs or misuse of prescription drugs, and over 66 million people (nearly a quarter of the adult and adolescent population) reported binge drinking in the past month. Alcohol and drug misuse and related disorders*

*are major public health challenges that are taking an enormous toll on individuals, families, and society. Neighborhoods and communities as a whole are also suffering as a result of alcohol- and drug-related crime and violence, abuse and neglect of children, and the increased costs of health care associated with substance misuse. It is estimated that the yearly economic impact of substance misuse is \$249 billion for alcohol misuse and \$193 billion for illicit drug use.”*

The Washington Supreme Court ruled in *State v. Blake*, 197 Wn.2d 170, in February of 2021 that the state statute against possession of a controlled substance, RCW 69.50.4013 was unconstitutional. The reasoning of the court was that the felony penalties on top of the strict liability of the crime, allowing unknowing possessors to be convicted of unlawful possession of a controlled substance, was unconstitutional.

As a result of that ruling, possession of a controlled substance was no longer unlawful on a state level, even if it remained a federal crime. The legislature responded by amending RCW 69.50.4013 in Engrossed Senate Bill (ESB) 5476. The new bill added that possession of the controlled substance required the possessor to know or reasonably should know that they are in possession of the controlled substance. They also changed the crime from a Class C felony to a simple misdemeanor. They went further to require law enforcement to refer a person in possession of a controlled substance to chemical dependency treatment twice before that person could be charged. The bill also allowed prosecution to refer a person in possession of a controlled substance to chemical dependency instead of prosecution. ESB 5476 became effective May 13, 2021.

Adoption of RCW 69.50.4013 authorizes the prosecution of possession of a controlled substance. Conviction of a violation of RCW 69.50.4013 allows the Olympia Municipal Court to order a person into chemical dependency treatment when they might be unwilling to pursue treatment on their own or just with a referral from law enforcement.

RCW 35A.11.090 provides that ordinances necessary for immediate preservation of public peace, health, and safety or for the support of city government and its existing public institutions, and which contain a statement of urgency and are passed by unanimous vote of the council shall take immediate effect as provided by law.

**Neighborhood/Community Interests (if known):**

There is an inherent interest in protecting the public’s health.

**Options:**

1. Approve the Ordinance amending OMC 9.28.010 by adopting RCW 69.50.4013 on first and final reading. The legislative amendments in ESB 5476, Chapter 311, Laws of 2021, will be incorporated into the Olympia Municipal Code immediately.
2. Do not approve the Ordinance. The state legislative amendments to RCW 69.50.4013 in ESB 5476, Chapter 311, Laws of 2021, will not be incorporated into the Olympia Municipal Code.
3. Consider the Ordinance at another time. The state legislative amendments to RCW 69.50.4013 in ESB 5476, Chapter 311, Laws of 2021, will not be incorporated into the Olympia Municipal Code.

**Financial Impact:**

Unknown at this time.

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**Type:** ordinance **Version:** 1 **Status:** 2d Reading-Consent

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**Attachments:**  
Ordinance

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO CONTROLLED SUBSTANCES AND AMENDING OLYMPIA MUNICIPAL CODE SECTION 9.28.010 BY ADOPTING RCW 69.50.4013, AS AMENDED BY ESB 5476, CHAPTER 311, LAWS OF 2021**

**WHEREAS**, in February 2021, the Washington State Supreme Court ruled in *State of Washington v. Blake* that Washington’s simple possession of a controlled substance statute, RCW 69.50.4013, was unconstitutional, making possession of a controlled substance no longer unlawful on a state level; and

**WHEREAS**, the *Blake* ruling led the Washington State Legislature to pass Engrossed Senate Bill (ESB) 5476, which amended RCW 69.50.4013 to add a mens rea to the act and changed violation of the statute from a felony to a misdemeanor; and

**WHEREAS**, abuse of controlled substances is a disease and those afflicted with substance use disorder have need of help; and

**WHEREAS**, drug and alcohol misuse and related disorders are major public health challenges that are taking an enormous toll on individuals, families, and society; and

**WHEREAS**, adopting RCW 69.50.4013 will enable Olympia law enforcement to incentivize those in need to make use of substance abuse assistance; and

**WHEREAS**, the Olympia City Council desires to protect the health, safety, and welfare of Olympia residents and finds it to be in the best interest of the City of Olympia to adopt the legislative amendments to RCW 69.50.4013 in Section 9 of ESB 5476, Chapter 311, Laws of 2021, which was effective as of May 13, 2021; and

**WHEREAS**, this Ordinance is adopted pursuant to Article 11, Section 11, of the Washington State Constitution and any other applicable authority;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 9.28.010.** Olympia Municipal Code Section 9.28.010 is hereby amended to read as follows:

**Chapter 9.28  
DRUGS**

9.28.010 State statutes adopted by reference

The following sections of the Revised Code of Washington, as they appear now or are hereafter amended, are hereby adopted by reference as though fully set forth in this chapter:

RCW 69.41.010 – Definitions

RCW 69.41.030 - Sale/Possession of Legend Drug without a Prescription

RCW 69.41.050 - Labeling Requirements – Penalties

RCW 69.50.101 – Definitions

RCW 69.50.102 - Drug Paraphernalia – Definitions

RCW 69.50.4013 – Possession of Controlled Substance – Penalty – Possession of Useable Marijuana, Marijuana Concentrates, or Marijuana-Infused Products – Delivery

RCW 69.50.4014 - Possession 40 grams or less of Marijuana

RCW 69.50.412 - Prohibited Acts – Use of Drug Paraphernalia - Penalties

RCW 69.50.4121 - Civil Infraction – Selling/Giving Drug Paraphernalia

RCW 69.50.425 - Misdemeanor Violations – Minimum Penalties

RCW 69.50.445 - Civil Infraction - Opening or Consuming Marijuana in Public

RCW 69.50.505 - Seizure and Forfeiture

RCW 69.50.506 - Burden of Proof; Liabilities

RCW 69.50.509 - Search and Seizure of Controlled Substances

**Section 2. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 3. Severability.** If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

**Section 4. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 5. Effective Date.** This Ordinance is for the preservation of public peace, health, safety, and welfare and shall take immediate effect upon adoption, as provided by law.

\_\_\_\_\_  
MAYOR

**ATTEST:**

\_\_\_\_\_  
CITY CLERK

**APPROVED AS TO FORM:**

Mark Barber  
CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**





## City Council

### Approval of an Ordinance Amending Olympia Municipal Code Section 12.16.090 Relating to Street Vacations

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.L  
**File Number:**21-0625

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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#### **Title**

Approval of an Ordinance Amending Olympia Municipal Code Section 12.16.090 Relating to Street Vacations

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee.

##### **City Manager Recommendation:**

Move to approve on first reading and forward to second reading the Ordinance Amending Olympia Municipal Code Section 12.16.090 Relating to Street Vacations

#### **Report**

##### **Issue:**

Whether to amend Olympia Municipal Code Section 12.16.090 to provide for an alternative method of property valuation for petition of a street vacation if an appraisal is infeasible.

##### **Staff Contact:**

Michael Young, Deputy City Attorney, 360.753.8223

##### **Presenter(s):**

None - Consent Calendar Item.

#### **Background and Analysis:**

Olympia Municipal Code (OMC) Chapter 12.16 applies to petitions to vacate public rights-of-way within the City and is intended to assure that the vacating of City streets and alleys, or portions thereof, will not be detrimental to private properties or the general welfare of the City.

Currently, OMC Section 12.16.090 provides that any compensation due to the City for vacated rights-of-way must be based upon the appraised value of the affected property and requires an appraisal "acceptable to the City Attorney." There are times when the property at issue is so small or unique that the petitioner of a street vacation cannot find an appraiser to do the appraisal work because there are no comparables available.

Staff recommends that OMC Section 12.16.090 be amended to state that another method of property valuation acceptable to the City Attorney may be used in instances where an appraisal is infeasible.

**Neighborhood/Community Interests (if known):**

The ordinance ensures that vacating of City streets and alleys, or portions thereof, will not be detrimental to private properties or the general welfare of the City.

**Options:**

1. Approve the Ordinance Relating to Street Vacations and Amending OMC Section 12.16.090 on first reading and forward to second reading.
2. Direct staff to modify the Ordinance based on Council feedback.
3. Do not approve the ordinance. In this case, some otherwise appropriate vacations of unused right-of-way will not be able to be completed, where the petitioning property owner is unable to obtain an appraisal.

**Financial Impact:**

None is expected.

**Attachments:**

Ordinance

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO STREET VACATIONS AND AMENDING OLYMPIA MUNICIPAL CODE SECTION 12.16.090**

**WHEREAS**, Olympia Municipal Code (OMC) Chapter 12.16 applies to petitions to vacate public rights-of-way within the City and is intended to assure that the vacating of City streets and alleys, or portions thereof, will not be detrimental to private properties or the general welfare of the City; and

**WHEREAS**, currently, OMC Section 12.16.090 provides that any compensation due to the City for vacated rights-of-way must be based upon the appraised value of the affected property and requires an appraisal "acceptable to the City Attorney;" and

**WHEREAS**, there are times when the property at issue is so small or unique that the petitioner of a street vacation cannot find an appraiser to do the appraisal work because there are no comparables available; and

**WHEREAS**, staff has recommended that OMC Section 12.16.090 be amended to provide that another method of property valuation acceptable to the City may be used in instances where an appraisal is infeasible;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Amendment of OMC 12.16.090.** Olympia Municipal Code Section 12.16.090 is hereby amended to read as follows:

**Chapter 12.16  
STREET VACATIONS**

12.16.090 Appraisal

Compensation ~~shall~~must be based upon the appraised value of the affected rights-of-way, or, where circumstances make obtaining an appraisal infeasible, based on another determination of fair market value. An appraisal of the affected rights-of-way shall be made by an appraiser acceptable to the ~~city attorney~~City Attorney, or if the City Attorney determines that obtaining an appraisal is infeasible under the circumstances, the City Attorney may approve an alternative method for determining the fair market value of the affected rights-of-way. The cost of the appraisal ~~shall be~~or other determination of fair market value is the responsibility of the petitioner(s).

**Section 2. Corrections.** The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

**Section 3. Severability.** If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

**Section 4. Ratification.** Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

**Section 5. Effective Date.** This Ordinance shall take effect thirty (30) days after publication, as provided by law.

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MAYOR

**ATTEST:**

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CITY CLERK

**APPROVED AS TO FORM:**

*Michael M. Young*  

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DEPUTY CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**



## City Council

### Approval of an Ordinance Authorizing Acceptance of a Donation of Seven Sculptures for the Installation “A Story Place” as a Gift of Art from Artist Nancy Thorne-Chambers

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.M  
**File Number:**21-0615

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**Type:** ordinance **Version:** 1 **Status:** 1st Reading-Consent

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#### Title

Approval of an Ordinance Authorizing Acceptance of a Donation of Seven Sculptures for the Installation “A Story Place” as a Gift of Art from Artist Nancy Thorne-Chambers

#### Recommended Action

##### Committee Recommendation:

The Olympia Arts Commission recommends the City Council accept the donation of the seven bronze sculptures: *Rabbit, Bear, Toad, Fox, Fawn and Skunk*, and a stack of *Storybooks*.

##### City Manager Recommendation:

Move to approve an Ordinance accepting the donation of the seven bronze sculptures *Rabbit, Bear, Toad, Fox, Fawn and Skunk*, and a stack of *Storybooks* as a gift of art from artist Nancy Thorne-Chambers.

#### Report

##### Issue:

Whether to approve an Ordinance Authorizing Acceptance of a Donation of Seven Sculptures for the Installation “A Story Place” as a Gift of Art from Artist Nancy Thorne-Chambers on first reading and forward to second reading.

##### Staff Contact:

Stephanie Johnson, Program Manager, Olympia Parks, Arts and Recreation, 360.709.2678

##### Presenter(s):

Stephanie Johnson, Arts Program Manager, Olympia Parks, Arts and Recreation

##### Background and Analysis:

Olympia Parks, Arts and Recreation Department (OPARD) received a donation offer from artist Nancy Thorne-Chambers for the gift of art of seven bronze sculptures, *Rabbit, Bear, Toad, Fox, Fawn and Skunk*, and a stack of *storybooks*. These seven sculptures will join three already owned by the City: *Girl Reading in a Story Place, Pig Listening in a Story Place, and Mole Listening in a Story*

*Place* to create the installation, A Story Place.

The Olympia Arts Commission reviewed the proposed gift of art and unanimously recommended the gift and donation for approval by the City Council.

There is a condition attached to this donation: That the sculptures be sited in a location close to a children's play area. City staff and the artist have agreed on a location at LBA Park.

**Neighborhood/Community Interests (if known):**

The art pieces will be enjoyed by the public once installed at the LBA Park.

**Options:**

1. Approve on first reading and forward to second reading, the ordinance accepting the Nancy Thorne-Chambers donation of the bronze sculptures *Rabbit, Bear, Toad, Fox, Fawn and Skunk*, and a stack of *storybooks*.
2. Do not approve the ordinance and do not accept the gift of art donation.

**Financial Impact:**

Although the sculpture will be donated, there may be future costs associated with maintenance and the ownership of the sculpture, including legal liabilities. If the gift of art donation is approved by Council, the City of Olympia would receive the donation by agreement, transferring ownership to the City without terms, conditions or restrictions other than noted above in the final paragraph of the Background and Analysis.

**Attachments:**

Ordinance  
Agreement

**Ordinance No. \_\_\_\_\_**

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, ACCEPTING A DONATION OF SEVEN BRONZE SCULPTURES "A STORY PLACE" AS A GIFT OF ART BY ARTIST NANCY THORNE CHAMBERS WITHOUT TERMS, CONDITIONS, OR RESTRICTIONS.**

**WHEREAS**, artist Nancy Thorne Chambers has offered to donate and convey to the City of Olympia seven limited-edition bronze sculptures (Fox, Fawn, Bear, Rabbit, Toad, Skunk, and a stack of storybooks) to create an art installation called "A Story Place"; and

**WHEREAS**, the Olympia Arts Commission reviewed the proposed gift of art and unanimously recommended the gift and donation of "A Story Place" for approval and acceptance by the Olympia City Council; and

**WHEREAS**, pursuant to RCW 35.21.100, every city and town by ordinance may accept any property donated if within its powers granted by law; and

**WHEREAS**, the Olympia City Council has considered the recommendation of the Olympia Arts Commission (OAC), in addition to the recommendation of the Olympia Parks Arts and Recreation Department (OPARD), to accept the donation of "A Story Place" from Nancy Thorne Chambers; and

**WHEREAS**, the Olympia City Council finds this gift and donation of the bronze sculptures that compose "A Story Place" is in the public interest and serves the public welfare;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:**

**Section 1. Acceptance of Donation.** As recommended by the OAC and OPARD and under the terms and conditions contained in the Agreement attached hereto as Exhibit "A," the Olympia City Council, pursuant to RCW 35.21.100, hereby accepts the gift and donation from Nancy Thorne Chambers of "A Story Place" as described in the Agreement.

**Section 2. Authorization.** The City Manager is authorized to execute all documents necessary to effect the transfer of the gift and donation of "A Story Place" to the City of Olympia, and to make any modifications or to correct any scrivener's errors in said documents that are consistent with the acceptance of the gift and donation by Nancy Thorne Chambers to the City of Olympia.

**Section 3. Terms, Conditions, and Restrictions.** The gift and donation of "A Story Place" is without terms, conditions, or restrictions attached to it, and the City of Olympia may expend or use said gift and donation for any municipal purpose as stated in RCW



35.21.100, and may elect to display "A Story Place" in any location it chooses, or to not display "A Story Place."

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MAYOR

**ATTEST:**

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CITY CLERK

**APPROVED AS TO FORM:**

*Michael M. Young*  

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DEPUTY CITY ATTORNEY

**PASSED:**

**APPROVED:**

**PUBLISHED:**

**CITY OF OLYMPIA ART PROGRAM**  
*Gift of Artwork Agreement*

**THIS AGREEMENT**, effective as of the last signature below, is between the **CITY OF OLYMPIA**, a municipal corporation with an address of 601 4<sup>th</sup> Ave E, Olympia, WA 98501("CITY") and **NANCY THORNE CHAMBERS**, an individual with an address of 1625 Delphi Rd. SW, Olympia, WA 98512, ("ARTIST").

**WHEREAS**, the ARTIST has designed a collection of bronze sculptures, called "A Story Place," which includes a girl reading a story (Girl) and number of woodland creatures, who may be positioned around Girl as if listening to Girl tell a story, along with sculptures of other items that can be used to complete the scene. The collection consists of 30 sculptures, including Girl, the various woodland creatures, and other items. ARTIST intends to cast up to 10 limited-edition sets of "A Story Place," each set consisting of Girl, and a combination of some number of the woodland creatures and other items, to make up an art installation depicting the scene of Girl reading to a group of the woodland creatures; and

**WHEREAS**, the CITY previously purchased from ARTIST three sculptures from the A Story Place Collection: Girl, Pig, and Mole; and

**WHEREAS**, the ARTIST proposed to donate to the CITY seven additional bronze sculptures from the A Story Place collection, Fox, Fawn, Bear, Rabbit, Toad, Skunk, and a stack of Storybooks to join three sculptures already owned by the City (Girl, Pig, and Mole) to create a unique installation of "A Story Place," a concept of which is attached as **Exhibit "A,"** ("the ARTWORK"); and

**WHEREAS**, ARTIST's donation proposal has been approved through the Olympia Arts Commission gift policy; and

**WHEREAS**, CITY wishes to accept the ARTIST'S donation, pursuant to the terms and conditions of this Agreement, for inclusion in the CITY's public art collection; and

**WHEREAS**, all parties understand and acknowledge that ARTIST may create up to nine additional sets of sculptures from the A Story Place collection, which ARTIST may sell or donate to other persons or entities.

**NOW, THEREFORE**, the CITY and the ARTIST, for sufficient, good, and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, agree as follows:

1. ARTIST hereby donates to City, and City hereby accepts from ARTIST the ARTWORK, subject to the terms of this Agreement.
2. The ARTIST represents and warrants to the CITY that the ARTIST is free to enter into this Agreement and that the ARTWORK is a unique and original work (provided that ARTIST may create additional sets of A Story Place as provided herein) that is clear of any claims or encumbrances and does not infringe on the rights, including but not limited to the copyright of any third parties. The ARTIST shall defend, indemnify, and hold the CITY, its officers, directors, agents, and employees, harmless against all costs, expenses, and losses (including

reasonable attorney fees and costs) incurred through claims of third parties against the CITY based on a breach by the ARTIST of any representation and warranty made in this Agreement. The ARTIST agrees to fully cooperate with the CITY in the prosecution of any such suit.

3. ARTIST may create up to nine additional sets of sculptures from the A Story Place collection, which ARTIST may sell or donate to other persons or entities. ARTIST may graphically reproduce the ARTWORK, as arranged and displayed by the CITY, for the limited purposes of inclusion in the ARTIST's portfolio of works solely for the purposes of documenting the ARTIST's work in a factual manner. The CITY also agrees that the ARTIST has a limited, revocable license to reproduce the ARTWORK, as arranged and displayed by the CITY, for the ARTIST's own commercial purposes so long as such uses do not compete with the CITY's efforts or use of the ARTWORK. The ARTIST shall use the Artist's best effort to provide a credit to the CITY in any reproduction of the ARTWORK, as arranged and displayed by the CITY, with such credit reading "The subject of this photograph [or other graphic or electronic reproduction] is an installation of art owned by the City of Olympia, Washington."

4. The CITY agrees to use its best effort to provide proper credit including the ARTIST'S name, the title of the ARTWORK, and the date acquired by the CITY in any of the CITY's graphic reproductions.

5. The CITY has the right to display or not display the ARTWORK and to move or rearrange individual pieces of multiple piece ARTWORK, at its sole discretion.

6. Should the ARTWORK be intentionally or accidentally destroyed, altered, modified, or changed after to its transfer to the CITY, the CITY is only obligated to make reasonable efforts to restore the artwork to its original form.

7. This Agreement is binding upon the parties, their heirs, successors, assigns, and personal representatives. Its terms can be modified only by an instrument in writing signed by both parties. A waiver or a breach of any provisions of this Agreement may not be construed as a continuing waiver of other breaches of the same or other provisions. If any provision in this Agreement is found to be illegal, invalid, or unenforceable in any jurisdiction for any reason, then, to the full extent permitted by law all other provisions remain in full force and effect and must be liberally construed in order to carry out the intent of the parties. A party is not liable to the other should its performance or display of the ARTWORK be prevented, restricted, or interfered with by circumstances or events beyond its reasonable control ("Force Majeure Event").

8. Any notice or demand to be given under this Agreement must be in writing and is effective upon receipt if delivered in person or if sent by electronic mail, or one day after deposit prepaid with a national overnight express delivery service, or three days after deposit in the United States mail (registered or certified mail, postage prepaid, return receipt requested), if sent to the parties at the addresses noted above. Either party may change its address for receipt of notices by written notice to the other party.

9. This Agreement is governed by the laws of the State of Washington and the superior court for Thurston County, Washington is the exclusive jurisdiction and venue for any lawsuit arising out of or related to this Agreement. The parties shall negotiate in good faith to resolve expeditiously on a mutually acceptable negotiated basis between appropriate management

personnel for each party any dispute between them that may arise. The parties may, by mutual consent, retain a mediator to aid in their attempt to informally negotiate resolution of any dispute, although any opinion expressed by a mediator will be strictly advisory and will not be binding on the parties, nor will any opinion, statement or proposed resolution expressed by the mediator or the parties be admissible in any proceeding. Costs of the mediation will be borne equally by the parties, except that each party will be responsible for its own expenses. Should any dispute not be resolved pursuant to this paragraph of this Agreement, the parties hereby irrevocably submit themselves to the non-exclusive jurisdiction of the Thurston County Superior Court and the federal court sitting in Tacoma, Washington.

10. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and all prior or contemporaneous oral or written communications, understanding, or agreements between the parties with respect to such subject matter are hereby superseded in their entirety. This Agreement may not be amended, supplemented, or modified except by a written agreement which identifies this Agreement and is signed by an authorized representative of each party.

11. This Agreement may be executed by the parties in any number of separate counterparts, each of which counterparts, when executed and delivered, must be deemed to be an original, and all of which taken together constitute a single instrument.

**IN WITNESS** thereof, the parties hereto executed this Agreement on the day and year first written above.

**ARTIST**

**CITY OF OLYMPIA**

Nancy Thorne Chambers  
Nancy Thorne Chambers  
1625 Delphi Rd. SW  
Olympia, WA 98512  
Telephone: 360 951 4463  
Email: nancyteethorne@gmail.com

\_\_\_\_\_  
Steven Jay Burney, City  
Manager 601 – 4<sup>th</sup> Avenue E.  
PO Box 1967  
Olympia WA 98507-1967  
Telephone: 360.753.8447

Date: 06/14/2021

Date: \_\_\_\_\_

APPROVED AS TO FORM:

Michael M. Young  
Deputy City Attorney

# Exhibit A



At top is the artists’s layout proposal. The seven donated sculptures will join three (Girl, Pig and Mole) that the City already owns. The image at right includes the majority of sculptures to be included in “A Story Place,” missing only Fawn, Skunk and Mole.







## City Council

### Thurston County Opioid Task Force Update

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 6.A  
**File Number:**21-0626

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**Type:** report **Version:** 1 **Status:** Other Business

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**Title**

Thurston County Opioid Task Force Update

**Recommended Action**

**Committee Recommendation:**

Not referred to a committee.

**City Manager Recommendation:**

Receive an update on the Thurston County Opioid Task Force

**Report**

**Issue:**

Whether to receive a briefing from Thurston County Public Health staff about opioid issues in Thurston County and an update on the implementation of the Thurston County Opioid Response Plan.

**Staff Contact:**

Keith Stahley, Assistant City Manager, 360.753.8227.

**Presenter(s):**

Katie Strozyk, Opioid Response Coordinator, Thurston County Public Health & Social Services

**Background and Analysis:**

The Thurston County Opioid Response Task Force was convened to address the opioid epidemic. The Task Force consists of a wide range of local partners.

In June 2019, the Thurston County Board of Health formally adopted a Thurston County Opioid Response Plan that is now being implemented by the Task Force and communities across Thurston County.

Thurston County Public Health staff will update the Council on the work of the Task Force and the implementation of the Thurston County Opioid Response Plan.

**Attachments:**

[Link to Thurston County Opioid Response Plan](#)

# **THURSTON COUNTY OPIOID RESPONSE PLAN 2019-2020**

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**Thurston County Board of Health  
Adopted June 11, 2019**

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## PURPOSE

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In June 2018, the Thurston County Board of Health unanimously passed Resolution H-1-2018 declaring the opioid epidemic a public health crisis in Thurston County. The resolution required the development of a response plan addressing the following goals at minimum:

**Goal 1.**

Preventing opioid misuse, abuse and dependency by improving prescribing practices.

**Goal 2.**

Treating opioid abuse and dependence through expanded access to treatment.

**Goals 3.**

Preventing deaths from overdose by working to educate and expand the distribution of naloxone to individuals who use drugs and educating individuals about the signs of an overdose.

**Goal 4.**

Using existing data and enhancing data collection efforts to detect opioid and other illicit drug misuse/abuse and scientific evidence to inform the selection of strategies.

**Goal 5.**

Identifying and implementing innovative strategies that reduce the risk of overdose to individuals and diverse communities that are disproportionately impacted by the opioid epidemic and reduce stigma.

The resolution directed that a Thurston County Opioid Response Task Force be convened to develop and implement a community-driven Opioid Response Plan. The plan is to be submitted to the Thurston County Board of Health for approval.

- See Appendix A, for the Thurston County Board of Health resolution.

## OVERSIGHT STRUCTURE

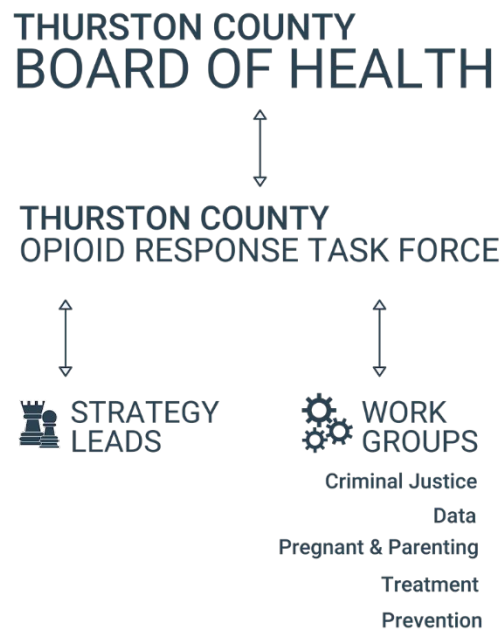
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The Thurston County Opioid Response Plan was developed through a series of Thurston County Opioid Response Task Force meetings held between July 2018 and May 2019. Thirty-eight organizations and ninety-one individuals, representing a diverse cross section of community stakeholders, participated in the plan's formation and finalization.

- See Appendix B, for the list of organizations and individuals who participated in the Thurston County Opioid Response Task Force and plan development.

Implementation of the overall Thurston County Opioid Response Plan will be overseen by the Thurston County Opioid Response Task Force.

- Implementation of the strategies in the plan will be facilitated by organizations that have committed to serve as a Strategy Lead. A Strategy Lead will provide support in differing forms, with the most common being: convening stakeholders, engaging new partners and serving as a point of contact. When possible, a Memorandum of Understanding will be developed with lead organizations to ensure clarity and alignment of activities.
- Additionally, five work groups will focus on accelerating cross-strategy efforts in the following areas: Criminal Justice, Data, Pregnant & Parenting, Treatment and Prevention.



The Thurston County Opioid Response Task Force will meet every other month after the plan is approved, continuing through the 2019 and 2020 calendar years. Strategy leads and work groups will meet according to a self-determined schedule. The Thurston County Board of Health will be apprised of progress on the plan, no less than every six months.

# RESPONSE PLAN SUMMARY

The Thurston County Opioid Response Plan emphasizes a community approach that values:

- ❖ Reducing stigma
- ❖ Eliminating barriers
- ❖ Creating opportunities

The plan includes the five required goals, outlined by the Thurston County Board of Health resolution, in addition to one goal identified by the Thurston County Opioid Response Task Force. A total of twenty-five strategies are included in the plan.

## GOAL 1.

Prevent opioid misuse, abuse and dependency by improving prescribing practices.

STRATEGIES	ACTION STEPS
<p>A. Coordinate with state agencies and local partners to promote safe opioid prescribing practices among county medical and dental care providers.</p> <p>Leads</p> <ul style="list-style-type: none"> <li>○ Thurston County Local Impact Network</li> <li>○ Washington State Health Care Authority</li> </ul>	<ol style="list-style-type: none"> <li>1) Convene stakeholder meeting to determine options.</li> <li>2) Implement option identified with stakeholders.</li> </ol>
<p>B. Increase the number of county medical and dental care providers using the state Prescription Monitoring Program (PMP).</p> <p>Leads</p> <ul style="list-style-type: none"> <li>○ Thurston County Local Impact Network</li> <li>○ Thurston County Public Health and Social Services Department</li> </ul>	<ol style="list-style-type: none"> <li>1) Identify organizations with existing relationships and opportunities to interact with providers.</li> <li>2) Promote benefits of PMP participation through these organizations.</li> </ol>

## GOAL 2.

Treat opioid abuse and dependence through expanded access to treatment.

STRATEGIES	ACTION STEPS
<p>A. Improve coordination among county Medication Assisted Treatment (MAT) / Opioid Treatment Medication (OTM) providers.</p> <p>Leads</p> <ul style="list-style-type: none"><li>○ Thurston Thrives, Clinical Care Action Team</li><li>○ Washington State Health Care Authority</li></ul>	<ol style="list-style-type: none"><li>1) Develop list of MAT providers located in Thurston County.</li><li>2) Convene MAT provider meeting to determine coordination priorities.</li></ol>
<p>B. Promote availability of existing community-based Medication Assisted Treatment (MAT) / Opioid Treatment Medication (OTM) providers and continuum of care services.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Capital Recovery Center, Olympia Bupe Clinic</li></ul>	<ol style="list-style-type: none"><li>1) Obtain information about provider-referral and self-referral options to existing MAT providers.</li><li>2) Share information with individuals and service providers who reach eligible populations.</li></ol>
<p>C. Expand the number of Medication Assisted Treatment (MAT) / Opioid Treatment Medication (OTM) providers available in the county.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ CHOICE Regional Health Network/Cascade Pacific Action Alliance</li></ul>	<ol style="list-style-type: none"><li>1) Increase MAT waiver training opportunities.</li><li>2) Support and foster mentorship opportunities for providers interested in offering MAT.</li></ol>
<p>D. Improve understanding of Medication Assisted Treatment (MAT) / Opioid Treatment Medication (OTM) among referral partners and the community.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ CHOICE Regional Health Network/Cascade Pacific Action Alliance</li></ul>	<ol style="list-style-type: none"><li>1) Identify resource material available for use with a general public audience.</li><li>2) Share material with referral partners.</li><li>3) Share material through social media and other communication channels.</li></ol>

## GOAL 2. continued

Treat opioid abuse and dependence through expanded access to treatment.

STRATEGIES	ACTION STEPS
<p>E. Expand access to opioid use disorder treatment, including Medication Assisted Treatment (MAT) / Opioid Treatment Medication (OTM), for justice-involved individuals.</p> <p>Leads</p> <ul style="list-style-type: none"><li>○ Thurston County Public Defense</li><li>○ Thurston County Public Health and Social Services Department, Treatment Sales Tax Program</li></ul>	<ol style="list-style-type: none"><li>1) Provide information about the benefits of treatment and science behind MAT to staff working with justice-involved individuals.</li><li>2) Identify treatment options for individuals incarcerated in county jail and county therapeutic courts.</li></ol>
<p>F. Implement a jail Medication Assisted Treatment (MAT) / Opioid Treatment Medication (OTM) program for individuals with opioid use disorder.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Sheriff's Office, Corrections Bureau</li></ul>	<ol style="list-style-type: none"><li>1) Convene group to examine options that address anticipated changes in publicly funded behavioral health services.</li><li>2) Identify treatment options to implement.</li><li>3) Determine how to connect individuals to community-based treatment programs upon release.</li></ol>
<p>G. Coordinate between juvenile and adult treatment courts to connect participants, who are not in-custody, to Medication Assisted Treatment (MAT) / Opioid Treatment Medication (OTM) and related supportive services.</p> <p>Leads</p> <ul style="list-style-type: none"><li>○ Thurston County Prosecuting Attorney's Office</li><li>○ Thurston County Public Defense</li><li>○ Thurston County Superior Court</li></ul>	<ol style="list-style-type: none"><li>1) Convene group to examine current treatment court practices and anticipated changes in publicly funded behavioral health services.</li><li>2) Determine how to ensure a comprehensive and consistent treatment approach.</li></ol>

### GOAL 3.

Prevent deaths from overdose by working to educate and expand the distribution of naloxone to individuals who use drugs and educating individuals about the signs of an overdose.

STRATEGIES	ACTION STEPS
<p>A. Expand access to naloxone through services and systems that have direct contact with individuals at risk for overdose.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Identify community-based providers of naloxone.</li><li>2) Determine gaps and options to expand access.</li><li>3) Implement expansion options.</li></ol>
<p>B. Improve understanding of overdose prevention through naloxone use among partners and the community.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Identify educational material available for use with a general public audience.</li><li>2) Share material with partners.</li><li>3) Share material through presentations and social media.</li></ol>
<p>C. Expand training to local health care providers on the use of naloxone for overdose prevention.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Identify organizations that offer or support training of local health care providers.</li><li>2) Identify training, including web-based and in-person, and options for continuing education credit.</li><li>3) Promote the availability of training.</li></ol>

## GOAL 4.

Use existing data and enhance data collection efforts to detect opioid and other illicit drug misuse/abuse and scientific evidence to inform the selection of strategies.

STRATEGIES	ACTION STEPS
<p>A. Coordinate with the state Prescription Monitoring Program (PMP) to access local data on opioid prescribing trends and level of participation among medical and dental providers.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Hold a discussion with PMP program to determine options.</li><li>2) Implement options to access data identified by the PMP program.</li></ol>
<p>B. Improve availability of naloxone distribution and use data.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Examine data being collected by community-based providers of naloxone.</li><li>2) Produce a summary of options to routinely report on distribution and use of naloxone.</li></ol>
<p>C. Improve understanding of opioid overdose data.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Examine data being collected by emergency responders, law enforcement hospital emergency departments and the coroner.</li><li>2) Produce a summary of definitions by source and limitations.</li></ol>



## GOAL 5.

Identify and implement innovative strategies that reduce the risk of overdose to individuals and diverse communities that are disproportionately impacted by the opioid epidemic and reduce stigma.

STRATEGIES	ACTION STEPS
<p>A. Expand resources to local communities at higher risk for substance use issues through the state Community Prevention and Wellness Initiative (CPWI) and other funding opportunities.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Identify CPWI eligible communities in Thurston County.</li><li>2) Fully implement CPWI an eligible Thurston County community.</li><li>3) Support proposals to similar sources of funding.</li></ol>
<p>B. Identify opioid use prevention and treatment strategies for youth age 12-25, considering the needs of those at-risk for justice involvement and those who are not.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Superior Court, Juvenile Services</li></ul>	<ol style="list-style-type: none"><li>1) Convene meeting of stakeholders with knowledge of population, systems and treatment.</li><li>2) Identify priority strategies for implementation.</li></ol>
<p>C. Improve understanding of the opioid epidemic and opioid use disorder among partners and the community with an emphasis on reducing stigma.</p> <p>Leads</p> <ul style="list-style-type: none"><li>○ Family Education and Support Services</li><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Identify educational material available for use with a general public audience.</li><li>2) Share material with partners.</li><li>3) Share material through presentations, social media and other communication channels that reach the audience.</li></ol>
<p>D. Examine innovative approaches to address prevention, intervention, treatment and aftercare for groups at higher risk for adverse outcomes of the opioid epidemic, including at-risk and justice-involved youth and adults.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Prosecuting Attorney's Office</li></ul>	<ol style="list-style-type: none"><li>1) Identify approaches to consider locally.</li><li>2) Evaluate feasibility of approaches and establish priorities.</li><li>3) Develop resources and partnership opportunities to implement.</li></ol>

## GOAL 5. continued

Identify and implement innovative strategies that reduce the risk of overdose to individuals and diverse communities that are disproportionately impacted by the opioid epidemic and reduce stigma.

STRATEGIES	ACTION STEPS
<p>E. Expand services that support identification of existing resources, connection to those resources and removal of barriers to utilize those resources to increase referrals and engagement in treatment, services that support recovery and services that prevent development of opioid use disorder.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Identify approaches to consider locally.</li><li>2) Evaluate feasibility of approaches and establish priorities.</li><li>3) Develop resources and partnership opportunities to implement.</li></ol>

## GOAL 6.

Reduce exposure and access to opioids among infants, children, youth and families.

STRATEGIES	ACTION STEPS
<p>A. Expand access to local family planning services to reduce neonatal abstinence syndrome (NAS) and neonatal opioid withdrawal syndrome (NOWS).</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Conduct a needs assessment of existing service capacity.</li><li>2) Identify options to integrate family planning education and contraception into existing services.</li></ol>
<p>B. Integrate breastfeeding best practices for women with opioid use disorder into services that have direct contact with pregnant and parenting women.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Identify breastfeeding best practices for implementation.</li><li>2) Work with area services and providers to implement best practices.</li></ol>
<p>C. Improve awareness of local safe medication return disposal options that accept prescription opioids among county residents.</p> <p>Leads</p> <ul style="list-style-type: none"><li>○ Family Education and Support Services</li><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Identify educational material available for use with a general public audience.</li><li>2) Share material with partners.</li><li>3) Share material through communication channels that reach the target audience.</li></ol>
<p>D. Improve awareness of safe opioid medication storage options among county residents, businesses and other organizations visited by the public.</p> <p>Leads</p> <ul style="list-style-type: none"><li>○ Family Education and Support Services</li><li>○ Thurston County Public Health and Social Services Department</li></ul>	<ol style="list-style-type: none"><li>1) Identify educational material available for use with a general public audience.</li><li>2) Share material with partners.</li><li>3) Share material through presentations, social media and other communication channels that reach the audience.</li></ol>

## GOAL 6. continued

Reduce exposure and access to opioids among infants, children, youth and families.

STRATEGIES	ACTION STEPS
<p>E. Improve access to screening for opioid use disorder among pregnant women, families with young children and reproductive age adults.</p> <p>Lead</p> <ul style="list-style-type: none"><li>○ Thurston Thrives, Clinical Care Action Team</li></ul>	<ol style="list-style-type: none"><li>1) Identify approaches to consider locally.</li><li>2) Evaluate feasibility of approaches and establish priorities.</li><li>3) Develop resources and partnership opportunities to implement.</li></ol>

## RESPONSE PLAN PARTNERS

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The following organizations have volunteered to serve as lead on one or more Thurston County Opioid Response Plan strategies.

- Capital Recovery Center
- CHOICE Regional Health Network/Cascade Pacific Action Alliance
- Family Education and Support Services
- Thurston County Local Impact Network
- Thurston County Prosecuting Attorney's Office
- Thurston County Public Defense
- Thurston County Public Health and Social Services Department
- Thurston County Sheriff's Office, Corrections Bureau
- Thurston County Superior Court
- Thurston Thrives
- Washington State Health Care Authority

Interested community organizations and individuals will be integrated into the plan implementation process using a range of opportunities, which include: task force meetings, strategy group meetings and other partnership opportunities.

## RESPONSE PLAN PROGRESS

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Progress of the Thurston County Opioid Response Plan will be measured using SMART objectives. SMART objectives provide a way to confirm whether ideas have turned into action. A SMART objective is one that has the following characteristics:

Specific	○ Provides a concrete, well defined description of the results.
Measurable	○ Describes the number or amount that will occur.
Achievable	○ Appears feasible and within reach based on resources, personnel, cost and time.
Relevant	○ Connects to the goal and strategy in a meaningful way.
Time-Bound	○ Includes a time frame by which the objective will be accomplished.

For each strategy in the plan, no less than one SMART objective will be established for the 2019-2020 timeframe. Progress updates on SMART objectives will be provided to the Thurston County Board of Health and Thurston County Opioid Response Task Force every six months.

# APPENDIX A

## Thurston County Board of Health Resolution H-1-2018

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### RESOLUTION NO. H-1-2018

A RESOLUTION declaring the opioid epidemic a public health crisis in Thurston County, and directing the Director of the Thurston Public Health and Social Services Department to convene a Thurston County Opioid Response Task Force that will create a response plan for approval by the Thurston County Board of Health.

WHEREAS, the Thurston County Board of Health under the authority of RCW 70.05.060 has supervision over all matters pertaining to the preservation of the life and health of the people within its jurisdiction; and

WHEREAS, Washington State and Thurston County are currently experiencing an opioid epidemic leading to preventable deaths involving prescription opioids and heroin; and

WHEREAS, opioids prescribed and taken in the United States, Washington State, and Thurston County have led to a nationwide epidemic of opioid misuse, abuse, dependency, overdoses, and opioid related deaths; and

WHEREAS, the opioid epidemic affects our communities, devastates families, and overwhelms our health care, social services, law enforcement, and judicial systems; and

WHEREAS, Thurston County ranks 15th of 39 counties in Washington State for the rate of opioid related hospitalizations and 29th of 39 counties for opioid related deaths in Washington State; and

WHEREAS, opioid use disorders are life threatening, chronic medical conditions that destroy lives; and

WHEREAS, there is a need to increase education about and improve access to medications that save lives by reversing overdoses and treatments that support recovery; and

WHEREAS, The Thurston County Board of Health seeks to address practices and conditions that cause a threat to the public's health and the safety and welfare of our community related to the opioid epidemic.

NOW, THEREFORE, the Board of Health of Thurston County, State of Washington, does resolve:

Section 1. The opioid epidemic is declared a public health crisis in Thurston County.

Section 2. The Director of Thurston County Public Health and Social Services is directed to prioritize deploying available resources and seeking new resources and strategies to address the opioid epidemic by working together with others to form and convene a Thurston County Opioid Response Task Force to develop and implement a community-driven Response Plan. The Response Plan shall address the opioid epidemic and shall include implementation strategies. The proposed Response Plan shall be submitted to the Board of Health for approval. Once the Response Plan is approved, the Director of Thurston County Public Health and Social Services will report to the Board of Health, on a biannual basis, the progress of implementing this plan.

# APPENDIX A continued

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Section 3. The Response Plan shall include but not be limited to the following goals:

- Goal 1. Preventing opioid misuse, abuse and dependency by improving prescribing practices.
- Goal 2. Treating opioid abuse and dependence through expanded access to treatment.
- Goal 3. Preventing deaths from overdose by working to educate and expand the distribution of naloxone to individuals who use heroin and educating individuals about the signs of an overdose.
- Goal 4. Using existing data and enhancing data collection efforts to detect opioid and other illicit drug misuse/abuse and scientific evidence to inform the selection of strategies
- Goal 5. Identifying and implementing innovative strategies that reduce the risk of overdose to individuals and diverse communities that are disproportionately impacted by the opioid epidemic and reduce stigma.

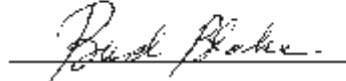
Section 4. That this Resolution shall take effect immediately upon adoption.

ADOPTED: June 14, 2018

ATTEST:

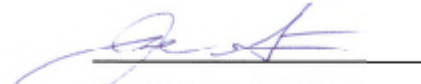
  
Clerk of the Board

BOARD OF HEALTH  
Thurston County, Washington

  
Chair

APPROVED AS TO FORM:

JON TUNHEIM  
PROSECUTING ATTORNEY

  
Deputy Prosecuting Attorney

  
Vice-Chair

  
Commissioner



## APPENDIX B

### Thurston County Opioid Response Task Force Participants

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#### ORGANIZATIONS

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Behavioral Health Resources	Thurston County Pretrial Services
Capital Medical Center	Thurston County Prosecuting Attorney's Office
Capital Recovery Center	Thurston County Public Defense
Cascade Pacific Action Alliance	Thurston County Public Health and Social Services
Chehalis Tribe	Thurston County Sheriff's Office
CHOICE Regional Health Network	Thurston County Superior Court
City of Lacey	Thurston-Mason Behavioral Health Organization
City of Olympia	TOGETHER!
City of Tumwater	Washington Defender Association
Educational Service District 113	Washington State Department of Health
Family Education and Support Services	Washington State Health Care Authority
Family Support Center of South Sound	Yelm Family Practice
Healthcare Delivery	
Lacey Fire Department	
Pacific Mountain Workforce Development Council	
Physicians of Southwest Washington	
Pioneer Family Practice	
Providence Community Care	
Providence St. Peter Hospital	
South Puget Sound Habitat for Humanity	
The Crisis Clinic of Thurston and Mason Counties	
The Evergreen State College	
Thurston County	
Thurston County Board of County Commissioners	
Thurston County Emergency Management	
Thurston County Medic One	

## INDIVIDUALS

Abplanalp, John	Harnish, Chris	O'Connor, Patrick
Akhavan, Laura	Harnish, Sofi	O'Garro, Mary Ann
Andrews, Arthur	Hartman-Beyer, Pam	Olson, Jessica
Amamilo, Sharonda	Haughton, Kevin	Papasian, Zoe
Baxter, Julie	Heinz, Tamara	Peters, Christy
Bean-Mortinson, Jason	Hennen, Carrie	Pierpoint, Dusty
Blake, Bud	Hogan, Meta	Rainer, Sara
Blose, Jessica	Hutchings, John	Ruiz, Lymari
Braniff, Tim	James, Michelle	Saffold, Megan
Brown, Jackie	Jelcick, Aaron	Schaufler, Casey
Byrne, Gabrielle	Jefferson, Larry	Shera, Kris
Carlson, Paul	Johnson, Keya	Slack, Shannon
Chavez, Ramiro	Judkins, Patrick	Slaughter, Schelli
Clear, Marianne	Katt, Erika	Snaza, John
Cox, Ryan	Kauanoë, Keoki	Stern, Marc
Craig, Sabrina	Knight, Jeanie	Taylor, Cynthia
Cumberland, Beth	Knudsen, Jessie	Terry, Priscilla
Dahlhoff, Leatta	Lamont, Malika	Thaller, Gretchen
Davis, Liz	Larocque, TJ	Thoma, Todd
Dixon, Jennifer	Larsen, Anne	Tunheim, Jon
Dominique, Bryan	Madden, Theresa E.	Turk, Rosalinda
Drewry, Anna Lee	Madrone, Dani	Unruh, Chelsea
Fenton, Mike	Marineau, Keylee	Upton, Ally
Freedman, Mark	McIntosh, Kelley	Walker, Denise
Gilal, Naimat	McWilliams, Lori	Weiks, Jon
Giuntini, Jennifer	Menser, Tye	Williams, Terrina
Graham, Wayne	Miller-Todd, Ben	Willis, Shelly
Grande, Cindy	Moore, Caitln	Wood, Rachel
Greenstein, Lenny	Moore, Megan	Wright, Sean
Hardin, Kurt	Morrison, Sarah	Yee, Jackie
	Multanen-Karr, Sara	



**Thurston County Public Health and Social Services Department**  
412 Lilly Road NE, Olympia, WA 98506  
Phone: 360-867-2500, Fax: 360-867-2601  
TTY/TDD 711 or 800-833-6388

**To request this document in an alternative format contact: 360-867-2500**



## City Council

# Approval of the Temporary Expansion of the Clean Team and Downtown Ambassador Programs

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 6.B  
**File Number:**21-0570

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**Type:** decision **Version:** 1 **Status:** Other Business

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### Title

Approval of the Temporary Expansion of the Clean Team and Downtown Ambassador Programs

### Recommended Action

#### Committee Recommendation:

Not referred to a committee.

#### City Manager Recommendation:

Move to approve the temporary expansion of the Clean Team and Downtown Ambassador Programs.

### Report

#### Issue:

Whether to approve the temporary expansion of the Clean Team and Downtown Ambassador Programs

#### Staff Contact:

Mike Reid, Economic Development Director, Executive, 360.753.8591  
Rich Hoey, Public Works Director, Public Works,

#### Presenter(s):

Mike Reid, Economic Development Director, Executive

### Background and Analysis:

In 2018 the City of Olympia officially brought the Clean Team and Downtown Ambassador program in house from the previous oversight and management by a local nonprofit. Since that time, the City has continually received praise and appreciation from downtown stakeholders for the work that the Clean Team and Ambassadors do. Additionally, the City continues to receive feedback from the community that there is a strong desire to see a cleaner and safer downtown. This need to see more interventions to make Downtown more welcoming have been heightened by the COVID pandemic.

In 2020, the City received additional Community Development Block Grant (CDBG) funds associated with federal funding packages associated with COVID impacts. The City has already committed \$100,000 to an expansion of the Downtown Ambassador program. This \$100,000 can fund two part-

time positions (24 hours per week) for one year.

The proposal for expansion would be to leverage the CDBG funding to turn these part-time positions into full-time positions and expand the clean team as well. One area of need that is routinely expressed by Downtown stakeholders is that they want to see additional City staffing focused on “clean and safe” work that extend past the standard 5:00 p.m. end of business day.

This proposal would have a five day a week two-person Clean Team and two-person Downtown Ambassador team focused on the afternoon and evening hours. Currently the Clean Team works from 7:00 - 3:00 p.m. and the Ambassadors work from 8:30 a.m. - 4:30 p.m. This expansion could have Clean Team and Ambassadors working until 8:00 pm.

The Clean Team expansion would cost \$90,000 and would be seasonal focused on the Summer and Fall months.

The Downtown Ambassador expansion will cost \$110,000. This would provide year-round funding to expand the additional CDBG funded Evening Ambassadors into full time, fully benefitted positions.

**Neighborhood/Community Interests (if known):**

The City has completed numerous surveys over the last three years to gauge interest, needs, and concerns about Downtown. Routinely the City hears about significant desire for more resources to make Downtown a cleaner and more welcoming space. The Clean Team and Downtown Ambassador programs are established programs to address these concerns, but they have not seen significant expansion since the city adopted these programs.

**Options:**

1. Approve the proposed temporary expansion of the Clean Team and Downtown Ambassador programs with direction to staff bring forward funding package as part of third quarter budget amendment.
2. Do not approve the proposed temporary expansion of the Clean Team and Downtown Ambassador Programs.
3. Modify the proposed temporary expansion of the Clean Team and Downtown Ambassador Programs.

**Financial Impact:**

Total funding for this one-year expansion is \$300,000 with \$100,000 coming from CDBG funds and the other \$200,000 is proposed to come from Economic Development Reserve funds. A third quarter budget amendment would be necessary to fully appropriate funds. These funds also include the necessary training and equipment budgets to successful operate the expanded program.

**Attachments:**

None



## City Council

### Approval of a Resolution Accepting the City of Olympia Housing Action Plan

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 6.C  
**File Number:**21-0605

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**Type:** resolution **Version:** 1 **Status:** Other Business

---

#### **Title**

Approval of a Resolution Accepting the City of Olympia Housing Action Plan

#### **Recommended Action**

##### **Committee Recommendation:**

The Land Use & Environment Committee will be considering their recommendation at the June 17, 2021, meeting - which is pending at the time of the publication of the June 22 City Council meeting packet.

##### **City Manager Recommendation:**

Move to approve a Resolution accepting the City of Olympia Housing Action Plan as proposed. (\*pending a recommendation by the Land Use & Environment Committee on June 17)

#### **Report**

##### **Issue:**

Whether to approve a Resolution accepting the City of Olympia Housing Action Plan (\*pending a recommendation by the Land Use & Environment Committee on June 17.) The Housing Action Plan includes strategies and actions that promote more housing; more diverse housing types; affordability and stability.

##### **Staff Contact:**

Amy Buckler, Strategic Projects Manager, Community Planning & Development, 360.280.8947

##### **Presenter(s):**

Amy Buckler, Strategic Projects Manager

Katrina Van Every, Senior Planner, Thurston Regional Planning Council

Michael Ambrogi, Senior GIS Specialist, Thurston Regional Planning Council

##### **Background and Analysis:**

In 2019, the Washington State Legislature made grant funds available to cities in order to develop housing action plans that promote more housing; more diverse housing types and affordability/stability of residents. In recognition of our shared housing market and the cross-jurisdictional need for affordable housing; the Cities of Olympia, Lacey and Tumwater jointly applied

for and received funds to collaborate on this effort.

With help from Thurston Regional Planning Council (TRPC), the cities completed several deliverables. These are available on the Engage Olympia page and include:

- A housing needs assessment, including a 25-year projection of housing affordable at different income levels.
- A landlord survey, to better understand what residents are paying for rent and how rents are changing.
- A draft regional housing action plan (menu of actions) cities can take to ensure housing stock adequate and affordable for current and future residents.

Subsequently, each city conducted their own public review process to develop city-specific housing action plans. Under contract with the Department of Commerce, Olympia's Housing Action Plan must be completed by June of 2021.

The plan identifies seven housing needs/gaps to be addressed:

- **Affordability** - Reduce the cost of housing for low-income and cost burdened households.
- **Supply** - Increase the inventory of housing for all households.
- **Variety** - Increase the variety of housing sizes and types.
- **Seniors** - Increase the stock of housing options needed for aging seniors.
- **Improvements** - Maintain the existing housing stock, including improving energy efficiency and air quality.
- **Stability** - Increase household wealth by providing safe, stable options for rental housing and pathways to homeownership.
- **Supportive Housing** - Increase permanent housing options for those at risk of or experiencing homelessness and people with disabilities.

The Plan includes over 70 actions the City can take to help meet these housing needs. The City of Olympia has already implemented approximately one third of these actions, at least partially. Additional housing actions are underway this year. Tables in the plan include the following for each action: implementation status, current approach, recommended approach, city resources needed, and a recommended timeframe for implementation.

The actions are organized around six strategies:

1. Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.
2. Make it easier for households to access housing and stay housed.



3. Expand overall housing supply by making it easier to build all types of housing projects.
4. Increase the variety of housing choices.
5. Continually build on resources, collaboration and public understanding to improve implementation of housing strategies.
6. Establish a permanent source of funding for low-income housing.

All of these strategies are important for meeting our community's housing needs and should be implemented concurrently.

#### NEXT STEPS

Implementation of housing actions will be ongoing. Most of the recommended actions will require further exploration and public process to determine if and how the City should carry out the action. For example, any changes to the development code will require a public hearing and recommendation by the Planning Commission.

The Housing Action Plan will also inform the next periodic update to the Housing Element of the Comprehensive Plan. This public process is expected to begin in 2021-22.

#### ACTIONS FOR LOW INCOME AND WORKFORCE HOUSING

The attached Actions for Low Income and Workforce Housing document can be a helpful tool for thinking about which actions in the plan can best support construction and maintenance of very low income or workforce housing. Very low income housing is defined as affordable to households that make at or below 60% area median income. Workforce housing is affordable to households that make between 60-120% of area median income.

#### **Neighborhood/Community Interests (if known):**

The Planning Commission was asked to hold a public hearing on the draft plan and provide a letter to the City Council summarizing public comments received. The letter is attached with all written comments received enclosed. Also attached is a summary of results from a housing survey posted to Engage Olympia during March 2021.

Housing affordability and development are major issues of importance to the community. Olympia's recently developed One Community (homeless response) Plan identified building more housing of all types for all incomes as a key priority moving forward.

#### **Options:**

1. Move to approve the resolution accepting Olympia's Housing Action Plan as proposed (\*pending a recommendation by the Land Use & Environment Committee on June 17)
2. Move to approve the resolution accepting Olympia's Housing Action Plan with modifications (\*pending a recommendation by the Land Use & Environment Committee on June 17)
3. Do not approve the resolution accepting the Olympia Housing Action Plan

**Financial Impact:**

The Washington State Department of Commerce awarded Olympia, Lacey and Tumwater grants totaling \$300,000 for development of housing action plans. Under an interlocal agreement, \$150,000 was directed to the Thurston Regional Planning Council for supportive tasks. Olympia used its remaining \$50,000 to support staff work on the effort. Following adoption of the Housing Action Plan, implementation actions may need additional financial resources to complete.

**Attachments:**

Resolution  
Olympia Housing Action Plan  
Commerce Letter  
Planning Commission Letter  
Survey Summary  
Actions for Low Income and Workforce Housing  
[Link to Engage Olympia Page](#)

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF OLYMPIA, WASHINGTON,  
ACCEPTING THE CITY OF OLYMPIA HOUSING ACTION PLAN**

**WHEREAS**, in 2019, the Washington State Legislature passed House Bill 1923, encouraging cities planning under the Washington State Growth Management Act to take actions to increase residential building capacity and subsequently making grant funds available to cities for the purpose of developing Housing Action Plans; and

**WHEREAS**, taking action to address local challenges with housing affordability and homelessness is a key priority of the City of Olympia; and

**WHEREAS**, the City of Olympia has taken significant actions in the past few years to address housing needs, including adopting a Home Fund to provide permanent supportive housing for individuals experiencing homelessness, adopting more flexible codes and pre-approved plan sets to encourage accessory dwelling units, and increasing allowed housing types in residential zones; and

**WHEREAS**, in recognition of our shared housing market, the cities of Olympia, Lacey, and Tumwater (the Cities) agreed to collaborate on the development of a draft Housing Action Plan to identify additional actions the cities can take to increase housing supply, diversity, and affordability; and

**WHEREAS**, with help from the Thurston Regional Planning Council, the Cities completed a Housing Needs and Gap Analysis to identify trends and data on demographics, housing, and income to better understand the amount and type of housing needed over the next 25 years to ensure residents will have access to adequate and affordable housing; and

**WHEREAS**, the Cities each carried out their own public review process to determine which actions to include in their city-specific Housing Action Plans; and

**WHEREAS**, Thurston County is one of the fastest growing counties in the State of Washington and is expected to grow in population from 294,000 to more than 380,000 by 2045, with 65% of the population living in the Cities and their urban growth areas; and

**WHEREAS**, increasing the overall supply of housing is important, as Olympia and its urban growth area are projected to need approximately 14,000 new housing units between 2020 and 2045 to keep pace with population growth; and

**WHEREAS**, increasing the diversity of housing types, including options for aging seniors, is important because Olympia's demographics and household characteristics are increasingly varied, and one quarter of the population is expected to be over the age of 65 by 2045; and

**WHEREAS**, increasing housing affordability is important because affordable rents and homeownership are increasingly out of reach for many households, and over 40% of Olympians spend more than 30% of their income on housing; and

**WHEREAS**, providing safe, stable options for rental housing and pathways to homeownership are important because only when residents have safe, stable, and affordable housing are they able to truly thrive and take advantage of other life opportunities; and

**WHEREAS**, maintaining the existing housing stock in our community, including improving energy efficiency and air quality, is important because it helps to preserve existing affordable housing and ensure safe habitation for residents; and

**WHEREAS**, increasing affordable and permanent supportive housing options for people experiencing homelessness is vital to address growing homelessness in our region; and

**WHEREAS**, increasing permanent housing options for people with disabilities is important to ensure fair and equal access to housing options; and

**WHEREAS**, increasing equity is an overarching theme of the City of Olympia Housing Action Plan, and taking action to address housing affordability is important for increasing racial equity by expanding housing choices and opportunities for people of color who are disproportionately of lower income, less likely to be homeowners, and more likely to be homeless than white, non-Hispanic people in Thurston County; and

**WHEREAS**, the City of Olympia Housing Action Plan (the Plan) identifies six strategies for addressing these housing needs, including: 1) increase the supply of permanently affordable housing for households that make 80% or less of the area median income; 2) make it easier for households to access housing and remain housed; 3) expand the overall housing supply by making it easier to build all types of housing projects; 4) increase the variety of housing choices; 5) continually build on resources, collaboration, and public understanding to improve implementation of housing strategies; and 6) establish a permanent source of funding for low-income housing; and

**WHEREAS**, the Plan identifies over 50 actions the City of Olympia can take to implement these strategies, including policies, regulations and incentives, investments, and partnerships, as well as public engagement and legislative advocacy; and

**WHEREAS**, the Olympia Planning Commission held a public hearing to gather feedback on the Plan on May 17, 2021, and submitted a letter to the City Council summarizing what they heard; and

**WHEREAS**, the Land Use and Environment Committee reviewed the Plan on May 27, 2021 and June 17, 2021, and recommended approval of the Plan; and

**WHEREAS**, the Plan is an extension of ongoing housing work by the City of Olympia that further defines Olympia's roadmap and performance measures for future implementation and collaboration with the Cities, as well as Thurston County and the Regional Housing Council; and

**WHEREAS**, the Plan will also inform the next periodic update to Olympia's Comprehensive Plan Housing Element;

**NOW, THEREFORE, THE OLYMPIA CITY COUNCIL DOES HEREBY RESOLVE** as follows:

**Section 1.** The City of Olympia Housing Action Plan, a copy of which is attached hereto and made a part hereof, is accepted by the Olympia City Council.

**Section 2.** The City of Olympia Housing Action Plan is not binding on future Comprehensive Plan or development regulation amendments, but rather, provides general guidance on the drafting of future proposals. The City Council will consider such future actions based on public participation and records created at that time.

**PASSED BY THE OLYMPIA CITY COUNCIL** this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

\_\_\_\_\_  
MAYOR

ATTEST:

\_\_\_\_\_  
CITY CLERK

APPROVED AS TO FORM:

**Mark Barber**  
\_\_\_\_\_  
CITY ATTORNEY





# Olympia Housing Action Plan

June 2021



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This plan was funded by the cities of Olympia, Lacey, and Tumwater through grants from the Washington State Department of Commerce.



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# Executive Summary

The City of Olympia Housing Action Plan began as a collaborative effort between the Cities of Olympia, Lacey and Tumwater. Together with help from Thurston Regional Planning Council the cities developed a Regional Housing Needs Assessment and Housing Gap Analysis, a Landlord Survey, and a draft set of actions to address identified housing gaps.

Grounded in data and strategies common across all three cities, Olympia's Housing Action Plan identifies specific actions the City of Olympia will take to address housing needs. This plan is also intended to inform the City's Comprehensive Plan policies and guide implementation of actions that help the City meet its housing needs and strategic objectives.

## What's in the Housing Gap?

Seven housing gaps were identified through the Housing Needs Assessment, including the need to:

1. Reduce housing costs for low-income and cost-burdened households.
2. Increase the overall housing supply.
3. Increase the variety of housing sizes and types.
4. Increase senior housing options.
5. Maintain in good condition and improve the existing housing stock.
6. Provide safe, stable options for both renters and homeowners.
7. Increase permanent housing options for people with disabilities and those at risk of or experiencing homelessness.

### ***COVID-19 Pandemic and the Housing Action Plan***

*In response to the outbreak of the COVID-19 pandemic, Governor Inslee issued a series of proclamations and declarations aimed at reducing the spread of the virus in Washington state, including requiring all non-essential workers to stay home and stay healthy and extending a moratorium on evictions to protect renters. As a result, significant changes in the Lacey, Olympia, and Tumwater area occurred, affecting businesses and residents alike.*

*The cities will continue to monitor the impact of the pandemic on housing and develop plans for implementing appropriate actions whether included in this plan or not.*

## How to Create an Equitable Housing Market?

Increasing housing equity is not a single action but an overarching theme in this plan. Each strategy in this report includes a discussion of how it — and the actions associated with it — will reduce inequity in Olympia. Within the context of this work equity means that all community members have access to adequate and affordable housing and the opportunities in life that result from that.

About one in four Thurston County residents is a person of color — those who are Hispanic or Latino of any race and those who are any race other than white alone. In our community, people of color generally have more people in their household, are less likely to own their own home, have a smaller household income, and are more likely to experience homelessness than white, non-Hispanic people.

Regardless of race or ethnicity, lower income households are generally disadvantaged in terms of where and what they can afford. They tend to spend more on their housing, leaving less income to spend on other life pursuits, such as education, retirement or health care. For many in Olympia, the high cost of housing inhibits opportunity in every other aspect of life.

Improving affordability is important for both renters and buyers. Programs that expand homeownership are especially important for addressing inequities stemming from a long history of discriminatory policies aimed at people of color and particularly black households. Homeownership can significantly improve a household's ability to build wealth and generational wealth.

Where new housing gets built can increase access and opportunity. By focusing growth in the urban areas, particularly along the corridors with frequent transit service, we can reduce household transportation costs and improve access to employment, services and amenities. By allowing a diversity of housing types in our existing neighborhoods we improve available choices for everyone in our community.

## Taking Action Locally

While the City of Olympia cannot control the housing market, it can have influence through its policies, regulations, investments and partnerships. The City also has a role to engage the public and stakeholders, as well as advocate for federal and state policies that advance its goals.

The City of Olympia has been working on a number of actions to reduce homelessness, increase affordable housing, and collaborate with other jurisdictions and agencies to explore regional solutions to these issues. Examples include a voter-approved Home Fund to create permanent supportive housing, more flexible codes and preapproved plan sets to encourage accessory dwelling units, and championing the formation of an interjurisdictional Regional Housing Council that sets policy and funding priorities to advance equitable access to safe and affordable housing in Thurston County.

The Housing Action Plan builds on the affordable housing work the City has completed to date or that is underway. The Housing Action Plan is the next step in the process of identifying actions to increase the supply, diversity and affordability of housing. This Plan consolidates housing action items into one document the City will use going forward to guide implementation of its housing programs. The City will also be open to new opportunities and actions that will address the needs and strategies identified herein. Many of the actions in this Plan will require further analysis and public input before carrying out.

The City is actively implementing actions that remove barriers and encourage appropriate housing development. Of the actions considered in developing this plan, the City has already implemented 34 actions to some degree, including donating land and providing funding for low income housing development, increasing the types of housing allowed in low density neighborhoods, reducing setbacks and allowing deferral of impact fees. Some of these actions are ongoing, while others can be strengthened or extended to new areas.

In addition to the work the City has already implemented, this plan identifies a menu of over 45 actions the City can take to address housing gaps, needs, and equity. Actions that help:

- Increase the supply of permanent, income-restricted affordable housing.
- Make it easier for households to access housing and stay housed.
- Expand the overall housing supply.
- Increase housing variety.
- Maintain forward momentum in implementing housing strategies.
- Establish a permanent source of funding for low-income housing.

Actions that were reviewed by the three cities as part of an developing an early draft but were not included in the final list of actions, may be found in Appendix B Considered Actions.

### Setting a Legislative Agenda

While this plan outlines actions the City can take to address housing gaps, barriers also exist at the state and federal levels. By far, the largest barrier is a lack of funding for low-income and income-restricted housing – whether it is construction, improvement, rehabilitation, or rental subsidies. Other barriers include tariffs on construction materials imported to the United States, funding for homeownership programs and the impact of prevailing wage requirements tied to federal funding for small, non-profit housing developers. Chapter 4 Legislative Needs addresses this in more detail.

# Chapter 1.

## Introduction

Thurston County is one of the fastest growing counties in Washington State. Today, Thurston County is home to more than 294,000 people. By 2045, Thurston Regional Planning Council (TRPC) expects this number will grow to more than 380,000 people. Sixty-four percent will live in Lacey, Olympia, and Tumwater or their respective unincorporated urban growth areas.

TRPC also projects over 34,000 new units will need to be built in Olympia, Lacey, Tumwater and their urban growth areas (UGAs) between now and 2045 to accommodate the growing population. Just over 14,000 of these new units are likely to be built in Olympia and its UGA, indicating a 46% increase in our housing stock over the next 25 years.

The pressure to ensure all households have affordable access to housing is also growing and represents a significant challenge for all stakeholders. Many area residents work full time and cannot find affordable housing. In Olympia, 46% of households are housing cost burdened – meaning they spend more than 30% of their income on housing costs, including rent/mortgage, utilities and insurance. Figure 1-1 shows cost burdened, including severely cost burdened, which means the household spends more than 50% of their income on housing costs.

Olympia Cost Burdened Households, 2013-2016 Average



The challenge to provide sufficient affordable housing is complicated by insufficient inventory, rising construction costs, wages not keeping pace with housing costs, and a greater need for coordinated responses between jurisdictions.

In 2019, the Washington State Legislature passed HB 1923 encouraging cities planning under the state Growth Management Act to take actions to increase residential building capacity. These actions include developing a housing action plan “...to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market” ([RCW 36.70A.600](#)).

In recognition of the cross-jurisdiction need for affordable housing, the Cities of Olympia, Lacey, and Tumwater chose to collaborate with Thurston Regional Planning Council on this project. Funding was provided by the Washington State Department of Commerce. The project included four components:

- A regional housing needs assessment and gap analysis.
- A household income forecast to identify future housing needs over the next 25 years.
- A survey of landlords and rental property owners to better understand housing costs.
- A draft housing action plan identifying shared strategies and a menu of actions the cities could take to encourage development of a housing stock adequate and affordable for current and future residents.

Olympia’s Housing Action Plan builds off of this initial work and identifies actions for the City to consider in order to help increase housing supply, diversity and affordability/stability. This information will also be used by the City to update the Housing Element of the Comprehensive Plan and the Joint Plan with Thurston County covering the urban growth areas, as well as the implementing regulations.

Appendix A provides more detailed information on each action while Appendix B lists all actions considered by the three cities in developing the initial draft. Where appropriate, explanations as to why an action was not included is provided.

## Sources of Actions

This plan combines data and action ideas from a range of sources. Key sources include:

- **Washington State Department of Commerce.** Actions identified in Commerce’s “Guidance for Developing a Housing Action Plan (public review draft)” were used as a starting point for the action list.
- **Comprehensive Plans.** Project staff reviewed housing elements in the City’s Comprehensive Plans for actions to include.
- **Development Codes.** Staff reviewed the City’s development code for actions to include.
- **Stakeholder Committee.** A stakeholder committee that included the Housing Authority of Thurston County, other low-income housing providers, real estate professionals, housing developers (low-income and market rate), and representatives of the Thurston Thrives Housing Action Team added to, and reviewed, the action list.
- **Staff from the Cities of Lacey, Olympia, and Tumwater.** City staff provided feedback on actions that have already been completed or are underway, added actions that were local priorities, and removed actions that were outside of the cities’ authority.



- **Previous City Work on Affordable Housing.** City staff incorporated actions completed and underway.
- **City Elected and Advisory Bodies.** The Land Use and Environment Committee and Planning Commission reviewed, discussed, and proposed amendments to the Housing Action Plan before adoption.
- **Public Hearing and Feedback.** An online storymap, survey and two online events with question and answer periods to engage and gather feedback about local housing needs and actions under consideration were provided. The Planning Commission held a public hearing on May 17, 2021, and a written comment period was open between April 7-May 17, 2021.
- **Other Sources.** Outreach was done to additional stakeholders, including Habitat for Humanity, the Low-Income Housing Institute, Northwest Cooperative Development Center, the Thurston Housing Land Trust, and others.

### Addressing Housing Gaps and Needs

This Housing Action Plan was preceded by a regional Housing Needs Assessment. The Housing Needs Assessment reviewed data available on the region’s housing needs and the available housing stock to identify gaps. The most pressing needs identified were:



**Affordability.** Reduce the cost of housing for low-income and cost-burdened households.



**Supply.** Increase the inventory of housing for all households.



**Variety.** Increase the variety of housing sizes and types



**Seniors.** Increase the stock of housing options needed for aging seniors.



**Improvements.** Maintain the existing housing stock, including improving energy efficiency and air quality.



**Stability.** Increase household wealth by providing safe, stable options for rental housing and pathways to homeownership.



**Supportive Housing.** Increase permanent housing options for people with disabilities and those at risk of or experiencing homelessness.

Many actions included in this plan address multiple housing gaps/needs, and each action in this plan identifies which area of need it addresses.

## Equity in Housing Affordability

Not all households have access to affordable housing. In particular, across Thurston County, people of color — those identifying as Hispanic or a race other than white alone — have lower incomes, are less likely to own their own home, are more likely to be housing cost-burdened, and are more likely to experience homelessness (Table 1-1).

Table 1-1. Metrics for equity in housing

Metric	Person of Color	White, Non-Hispanic
Cost Burdened Households	37%	31%
Homeowners	52%	66%
People Experiencing Homelessness	~ 4.4 per 1,000	~2.4 per 1,000
Household with an Income Less than \$50,000	41%	33%

Across the United States – including Thurston County and its communities – policies have led to and reinforce housing inequities faced by people of color:

- Redlining.** Neighborhoods with a large number of people of color were denied access to financing for home improvement and construction. This made it harder for people of color to build financial equity and stay or move out of poverty. While redlining is now illegal, people of color are still more likely to have mortgage applications denied or pay higher interest rates.
- Zoning.** Zoning regulations explicitly barred racial and ethnic minorities. While this, too, is illegal, zoning regulations today may implicitly bar people of color by placing restrictions on the sizes and types of housing that are affordable and accessible to disadvantaged populations. Zoning that exclusively allows single-family neighborhoods — an estimated 75 percent of all residential-zoned land across major U.S. cities — perpetuates this legacy of barring racial and ethnic minorities.
- Covenants.** Privately enforced housing covenants used to exclude racial and ethnic minorities from predominantly white neighborhoods. Racial covenants became more common after racial zoning ordinances were deemed unconstitutional by the U.S. Supreme Court.

Local Examples of Housing Discrimination

Olympia has not been exempt from acts of racial housing discrimination. As one example, the 1950 plat for the Stratford Park subdivision in southeast Olympia includes the following covenant:

(E) NO RACE OR NATIONALITY OTHER THAN THE CAUCASIAN RACE SHALL USE OR OCCUPY ANY BUILDING ON ANY LOT, EXCEPT THAT THIS COVENANT SHALL NOT PREVENT OCCUPANCY BY DOMESTIC SERVANTS, OF A DIFFERENT RACE OR NATIONALITY, EMPLOYED BY AN OWNER OR TENANT.

Vol. II, Pg. 104

## STRATFORD PARK

IN R.M. WALKER DONATION LAND CLAIM  
TOWNSHIP 18 NORTH, R 2 W.W.M.  
OLYMPIA, WASHINGTON

SCALE: 1" = 100'

**LEGEND**  
— IRON PIPE SET

**DESCRIPTION**

THAT PART OF THE R.M. WALKER DONATION LAND CLAIM NO. 28 IN TOWNSHIP 18 NORTH RANGE 2 WEST W.M. DESCRIBED AS FOLLOWS: BEGINNING AT A POINT S 1°23'00"E 80.00 FEET FROM THE SE CORNER OF STRATFORD PLACE ANNEX NO. 2; THENCE S 1°23'00"E 89.91 FEET; THENCE S 88°57'43"W 103.13 FEET; THENCE S 76°35'00"W 585.85 FEET; THENCE N 1°40'03"W 60.00 FEET; THENCE N 89°17'21"E 70.15 FEET; THENCE N 89°44'51"E 181.48 FEET; THENCE BY REVERSE COURSE TO THE POINT OF BEGINNING.

**DEDICATION**

KNOW ALL MEN BY THESE PRESENTS THAT I THE UNDERSIGNED, THEODORE FRANK SCHMIDT, DO HEREBY DECLARE THIS PLAT, AND DEDICATE TO THE USE OF THE PUBLIC FOREVER THE STREETS SHOWN ON SAID PLAT AND THE USE THEREOF FOR ANY AND ALL PUBLIC PURPOSES NOT INCONSISTENT WITH THE USE THEREOF FOR PUBLIC HIGHWAY PURPOSES, ALSO THE RIGHT TO MAKE ALL NECESSARY SLOPES FOR CUTS AND FILLS UPON THE LOTS SHOWN ON SAID PLAT, IN THE REASONABLE ORIGINAL GRADINGS OF THE STREETS SHOWN HEREOF.

THE FOLLOWING RESTRICTIONS AND LIMITATIONS ARE HEREBY IMPOSED UPON THE ENTIRE TRACT OF LAND PLATED HEREIN:

- (A) NO STRUCTURE SHALL BE ERECTED ON ANY BUILDING LOT OTHER THAN ONE DETACHED SINGLE FAMILY DWELLING AND SUITABLE GARAGE.
- (B) NO BUILDING SHALL BE ERECTED ON ANY LOT NEARER THAN 40 FEET NOR FURTHER THAN 70 FEET FROM FRONT LOT LINE, NOR NEARER THAN 6 FEET TO ANY SIDE LOT LINE. THE SIDE LOT LINE RESTRICTION SHALL APPLY TO A GARAGE LOCATED AT LEAST 40 FEET IN THE REAR OF A DWELLING, EXCEPT THAT ON CORNER LOTS NO STRUCTURE SHALL BE ERECTED NEARER THAN 10 FEET TO SIDE STREET LINE.
- (C) NO NOXIOUS OR OFFENSIVE TRADE SHALL BE CARRIED ON UPON ANY LOT NOR SHALL ANYTHING BE DONE THEREON WHICH MAY BE OR BECOME AN ANNOYANCE OR NUISANCE TO THE NEIGHBORHOOD, NOR SHALL ANY RETAIL OR WHOLESALE SHOP OR MANUFACTURING PLANT OR STORE BE PERMITTED.
- (E) NO RACE OR NATIONALITY OTHER THAN THE CAUCASIAN RACE SHALL USE OR OCCUPY ANY BUILDING ON ANY LOT, EXCEPT THAT THIS COVENANT SHALL NOT PREVENT OCCUPANCY BY DOMESTIC SERVANTS, OF A DIFFERENT RACE OR NATIONALITY, EMPLOYED BY AN OWNER OR TENANT.
- (F) NO TRAILER, TENT, BASEMENT, SWAGE, GARAGE, BARN, OR OTHER OUT-BUILDINGS SHALL BE ERECTED IN THE TRACT, SHALL AT ANY TIME BE USED AS A RESIDENCE TEMPORARILY OR PERMANENTLY, NOR SHALL ANY RESIDENCE OF A TEMPORARY CHARACTER BE PERMITTED.
- (G) NO STRUCTURE SHALL BE MOVED ONTO ANY LOT UNLESS IT MEETS WITH THE APPROVAL OF THE COMMITTEE HEREINAFTER REFERRED TO, OR IF THERE IS NO COMMITTEE, IT SHALL CONFORM TO AND BE IN HARMONY WITH THE STRUCTURES IN THE TRACT.
- (H) NO BUILDING SHALL BE ERECTED ON ANY LOT UNTIL THE DESIGN AND LOCATION THEREOF HAVE BEEN APPROVED IN WRITING BY A COMMITTEE APPOINTED BY THE SUBDIVIDER OR ELECTED BY A MAJORITY OF ALL THE LOTS IN SAID SUBDIVISION AND AN INSTRUMENT SHOWING THE ESTABLISHMENT OF ANY SUCH COMMITTEE, EITHER BY APPOINTMENT OR ELECTION, INCLUDING THE NAMES OF THE MEMBERS AND THE PERIOD FOR WHICH THEY ARE APPOINTED OR ELECTED SHALL BE RECORDED AND ANY SUBSTITUTION IN OR ADDITION TO SUCH COMMITTEE SHALL BE RECORDED. HOWEVER, IF SUCH A COMMITTEE IS NOT IN EXISTENCE OR FAILS TO APPROVE OR DISAPPROVE SUCH DESIGN OR LOCATION WITHIN 30 DAYS, THE SUCH APPROVAL WILL NOT BE REQUIRED PROVIDED THE DESIGN AND LOCATION ON THE LOT CONFORM TO AND ARE IN HARMONY WITH EXISTING STRUCTURES IN THE TRACT. IN ANY CASE WITH OR WITHOUT THE APPROVAL OF THE COMMITTEE, NO DWELLING WILL BE PERMITTED ON ANY LOT IN THE TRACT WITH A GROUND FLOOR AREA OF LESS THAN 150 SQ. FT. IN THE CASE OF A 1-STORY STRUCTURE, EXCLUSIVE OF A GARAGE, OR LESS THAN 600 SQ. FT. IN THE CASE OF A 1 1/2 OR 2-STORY STRUCTURE, EXCLUSIVE OF A GARAGE.
- (I) UNTIL SUCH TIME AS PUBLIC MAINS FOR SEWAGE DISPOSAL ARE AVAILABLE, SEWAGE DISPOSAL SHALL BE BY MEANS OF INDIVIDUAL SEPTIC TANKS OF SUCH TYPE CONSTRUCTION, LOCATION ON THE LOT, AND TILE DISPOSAL FIELD AS TO BE IN ACCORDANCE WITH THE REGULATIONS OF THE STATE OF WASHINGTON DEPARTMENT OF HEALTH AND RECOMMENDATIONS OF THE U.S. PUBLIC HEALTH SERVICE, TREASURY DEPARTMENT, AS OUTLINED IN THEIR BULLETIN NO. 100-B AND THE U.S. DEPARTMENT OF AGRICULTURE, AS OUTLINED IN THEIR FARM BULLETIN NO. 1227 AND WITH SECTION 831, FEDERAL HOUSING ADMINISTRATION CIRCULAR NO. 2, PROPERTY STANDARDS, ENTITLED, MINIMUM REQUIREMENTS FOR STATE OF WASHINGTON, SEATTLE, WASHINGTON, REVISED JUNE 1, 1930, AND NO CESS-POOLS OR OUTSIDE TOILETS SHALL BE PERMITTED AND IF WHEN PUBLIC MAINS FOR SEWAGE DISPOSAL ARE AVAILABLE, ALL DWELLINGS ERECTED SUBSEQUENT TO THAT DATE SHALL BE CONNECTED THERETO.
- (J) THE COVENANTS AND RESTRICTIONS ARE TO RUN WITH THE LAND AND SHALL BE BINDING ON ALL THE PARTIES AND ALL PERSONS CLAIMING UNDER THEM UNTIL JANUARY 1, 1971 AT WHICH TIME SAID COVENANTS AND RESTRICTIONS HEREIN CONTAINED, OR ANY PORTION THEREOF, MAY BE EXTENDED FOR A TEN YEAR PERIOD AND SUCCESSIVE TEN YEAR PERIODS THEREAFTER UPON THE APPROVING VOTE OF TWO-THIRDS OF THE PROPERTY OWNERS IN THE PLATS OF STRATFORD PLACE, STRATFORD PLACE ANNEX, STRATFORD PLACE ANNEX NO. 2 AND STRATFORD PARK.

IN WITNESS WHEREOF, I HAVE SET MY HAND AND SEAL THIS 25<sup>th</sup> DAY OF December, A.D. 1950.

SIGNED IN THE PRESENCE OF:  
Theodore Frank Schmidt  
Theodore F. Schmidt  
A. J. Hansen

FILED FOR RECORD AT THE REQUEST OF THEODORE F. SCHMIDT THIS 1<sup>st</sup> DAY OF December, A.D. 1950, AT 10:20 MINUTES P.M. IN OLYMPIA, AND RECORDED IN VOL. II, PAGE 104, RECORDS OF THURSTON COUNTY.

53189;  
COUNTY AUDITOR  
DEPUTY

**ENGINEER'S CERTIFICATE**

I HEREBY CERTIFY THAT THIS PLAT OF STRATFORD PARK IS BASED UPON AN ACTUAL SURVEY, THAT THE COURSES AND DISTANCES SHOWN ARE CORRECT, THAT THE MONUMENTS HAVE BEEN SET, AND ALL LOT AND BLOCK CORNERS STAKED ON THE GROUND.

**ACKNOWLEDGEMENT**

STATE OF WASHINGTON  
COUNTY OF THURSTON

THIS IS TO CERTIFY THAT ON THIS 25<sup>th</sup> DAY OF December, A.D. 1950, BEFORE ME, THE UNDERSIGNED A NOTARY PUBLIC, PERSONALLY APPEARED THEODORE FRANK SCHMIDT, TO ME KNOWN TO BE THE PERSON WHO EXECUTED THE FOREGOING DEDICATION AND ACKNOWLEDGED TO ME THAT HE SIGNED AND SEALED THE SAME AS HIS FREE AND VOLUNTARY ACT AND DEED FOR USES AND PURPOSES THEREIN MENTIONED.

WITNESS MY HAND AND OFFICIAL SEAL THE DAY AND YEAR FIRST ABOVE WRITTEN.

*Theodore F. Schmidt*  
NOTARY PUBLIC IN AND FOR THE STATE OF WASHINGTON  
RESIDING IN OLYMPIA

EXAMINED AND APPROVED THIS 15<sup>th</sup> DAY OF A.D. 1951  
CHAIRMAN BOARD OF COUNTY COMMISSIONERS

EXAMINED AND APPROVED THIS 22<sup>nd</sup> DAY OF A.D. 1950  
COUNTY ENGINEER

I HEREBY CERTIFY THAT ALL TAXES AGAINST PROPERTY SHOWN HEREON HAVE BEEN PAID.

EXAMINED AND APPROVED THIS 26<sup>th</sup> DAY OF A.D. 1950  
SMITHMAN, PLANNING COUNCIL, CITY OF OLYMPIA

In 2019, the Thurston County Auditor’s Office identified five additional plats from around Thurston County that still include similar language (*Racially Restrictive Covenants*, n.d.). While these covenants are not valid or enforceable, the Auditor's Office is encouraging residents to have this racially restrictive language stricken from their titles at no cost. See the Auditor’s [website for more information](#).

Historian Thelma Jackson discusses Olympia’s history with housing discrimination in a local podcast interview (O’Connell and Madrone, 2021, 28:38). Dr. Jackson describes an oral history project that she and others have undertaken in recent years to chronicle the experiences of black residents of Thurston County between 1950 and 1975. She states,

“We’ve been trying to chronicle what we’ve learned from those people in that particular time period. One of the things that kept coming up in the interviews was the whole issue of housing discrimination and how much difficulty blacks found housing – either to buy or to rent, to lease or whatever. It became apparent to me, it connected a dot for me, because I used to ask myself or others why is it most of us blacks who live in Thurston County are out here in the northeast section of the County? Very few of us in Tumwater, very few of us in Olympia, and certainly hardly any of us in south county ... What we have found in the interviews is that black people were herded toward the northeast section of Thurston County by realtors, by housing opportunities. And so when we look now, and we see where most of us live, we were herded in this direction. We did not have an opportunity to be shown homes ... in other parts.”

In a speech at the Rotary Club for Olympia, former Washington Secretary of State Ralph Monroe (2020) puts a finer point on it as he explains that in the 1960’s,

“The southern states were the focus of the headlines and the [civil rights] movement...but there were also activities here that played out in a much different way. Racial barriers were high and hard to break down. Forgotten terms like ‘red lining’ were prevalent in almost every community. Lines drawn on the map where Negroes could live and where they could not live. The red line in Olympia was basically the city limits.”

Housing discrimination based on race, color, religion, sex or national origin was outlawed with passage of the Fair Housing Act in 1968. But this did not automatically provide people of color equal access to housing in Thurston County. The 2017 Thurston County Assessment of Fair Housing found that people of color in Thurston County who are disproportionately of lower income than whites have less housing options (Thurston County et al., 2017).

#### Fair Housing Report

Here are some of the findings from the 2017 Thurston County Assessment of Fair Housing (Thurston County et al., 2017):

- In Washington State, African American, Hispanic and other minority borrowers had higher denial rates in 2013 than Caucasian and Asian borrowers. However, no local data regarding lending discrimination was found (p. 36).

- All communities of color in the region, except for Native Hawaiian/Other Pacific Islander population, have a poverty rate that exceeds the county average. These ethnic and racial minorities, on average, have lower incomes than their white counterparts - a factor that would appear to affect available housing choices. However, the income gap is not manifesting itself in the form of geographic and economic segregation as defined by the federal Department of Housing and Urban Development (HUD) (p. 41).
- Olympia has a moderate level of segregation between African American and Caucasians, having gone slightly down between 1990 and 2010 (p. 26).
- Although still a low level, segregation between white and Hispanic households and white and Asian households has risen since 1990 (p. 26).
- While Olympia does not have racially or ethnically concentrated areas of poverty as defined by HUD, the areas with the highest concentrations of poverty are also the areas where we have the highest densities of racial and ethnic minorities (pgs. 24-28).
- Neighborhoods with the highest poverty rates are concentrated amid the urban core (p. 31)
- Two key urban corridors: 1) the east-west corridor that stretches from Harrison Avenue in West Olympia to the Martin Way-15 interchange in west Lacey, and 2) the north-south Capitol Boulevard corridor that connects the city centers of Tumwater and Olympia pass through the block groups with some of the County's highest rates of poverty (note some large rural tracks in the County also contain high concentrations of poverty). These corridors also feature convenient access to buses, parks, medical services, grocery stores, schools and other amenities (p.55).
- There is a strong correlation between Fair Housing choice and lack of availability of affordable housing in our region.
- Protected classes who are disproportionately low income have less options.

The likely reason why the urban core has the highest densities of racial and ethnic minorities today is that this is where the historically more affordable apartments and other rental opportunities exist. Downzoning in the 1980's and 1990's limited most of Olympia's residential areas to single family homes and townhomes – typical homeownership options. Whether intentional or not, this had the effect of excluding most renters - disproportionately people of lower income and people of color – from finding residency in these neighborhoods.

At the same time, the corridors where the highest concentrations of poverty as well as highest densities of racial and ethnic minorities are found also have some of the best access to transit, services and amenities within the County. Preserving affordability in these areas will be important moving forward, as will be expanding housing opportunities and choice for people of all incomes, races and ethnicities within Olympia.

#### How is Equity Addressed in the Plan?

The City can help reverse the disparities caused by past discrimination by creating more opportunities for affordable housing. The City is also responsible for ensuring new policies – in all areas including housing – do not exacerbate inequities.

Increasing equity is not a single action, but an overarching theme in this plan. Each strategy in this plan includes a discussion of how it — and the actions associated with it — work to reduce inequity in our community.

Lower income households — who are disproportionately headed by people of color — are generally disadvantaged in terms of where and what they can afford. They tend to spend more on their housing, leaving less income to spend on other life pursuits, such as education, retirement or health care. For many in Olympia, the high cost of housing inhibits opportunity in every other aspect of life.

Improving affordability is important for both renters and buyers. Programs that expand homeownership are especially important for addressing inequities stemming from a long history of discriminatory policies aimed at people of color and particularly black households. Homeownership can significantly improve a household's ability to build wealth and generational wealth.

Where new housing gets built can increase access and opportunity. By focusing growth in the urban areas, particularly along the corridors with frequent transit service, we can reduce household transportation costs and improve access to employment, services and amenities. Also, by allowing a diversity of housing types in our existing neighborhoods we expand choices available to everyone in our community.

Additional steps are being taken by the City of Olympia to address racism and racist structures inherent in our organization and community. The City's first Equity and Inclusion Coordinator was hired in 2020, and a second was hired in 2021. Also, currently underway is the formation of a Social Justice & Equity Commission to advise the City Council on matters of policy, representation and engagement with underrepresented groups. The Commission's work will be critical as we move forward with planning and implementation of housing actions.

### Defining Terms Used

The following terms are used in this plan.

**Affordable Housing.** Housing for which the household pays no more than 30 percent of its gross income for housing costs, including utilities.

**Income Restricted Housing.** Housing for which the occupancy of the units is restricted to households making 80 percent or less of the area median family income, as defined by the U.S. Department of Housing and Urban Development.

**Low-Income Housing.** Housing that is affordable for households making 80 percent or less of the area median family income, as defined by the U.S. Department of Housing and Urban Development. Low-income housing can take the form of income-restricted housing units or subsidized housing — whether the unit itself is subsidized or the household receives a housing voucher to subsidize market-rate rent conditions.



**Manufactured Home Park.** A site under single ownership where ground space is made available for mobile homes, manufactured homes, or a combination of the two. Mobile homes and manufactured homes are both factory-built and considered dwellings for habitation rather than vehicles (such as an RV). Mobile homes refer to those units factory-constructed prior to June 15, 1976, while manufactured homes are units factory-constructed after that date.

**Permanent Supportive Housing.** Permanent housing intended specifically for chronically homeless and permanently disabled individuals and families. Supportive services (medical, mental health, enrichment programs, etc.) and case management are available on site or closely coordinated to reduce barriers that inhibit households from accessing such services.

### Assumptions

Three primary assumptions guided development of this plan:

**Analysis before implementation.** Most of the identified actions will require further analysis to determine how well it will respond to the specific need or gap a city attempts to fill. In some cases, including any updates to the development code, a public hearing will be required before the City Council can consider adoption.

**Addressing emergency homeless response.** This action plan addresses permanent housing solutions; it does not address emergency homeless response. The Thurston County Homeless Crisis Response Plan guides the region's emergency response to homelessness, which is bolstered by Olympia's One Community: Healthy, Housed and Safe plan.

Although there will be some overlap, this plan is limited to actions that result in or support the creation/preservation of affordable and low-income housing. This includes permanent housing which is a fundamental part of solving the homelessness crisis in our region. Despite having a coordinated entry system designed to quickly connect people experiencing homelessness to housing, this is hampered by high housing costs and a lack of housing units.

The Cities of Olympia, Lacey and Tumwater also participate in the newly formed Regional Housing Council, created to leverage resources and partnerships to promote equitable access to safe and affordable housing in Thurston County. The Regional Housing Council looks at funding issues for responding to homelessness and housing affordability in the region.

**Addressing household income.** This plan does not address the income side of the housing equation. Attracting living wage jobs, increasing the minimum wage, and other actions impacting a household's income could help make housing more affordable. Local economic development plans and the Thurston Economic Development Council guide the region's response to economic development, which has a direct impact on household incomes. Although there will be some overlap, this plan is limited to actions that result in or support the creation/preservation of affordable and low-income housing units.



# Chapter 2.

## Actions

### **Local Actions**

This chapter discusses the specific local actions that the City of Olympia will implement or further consider as part of its Housing Action Plan.

The Cities of Olympia, Lacey and Tumwater identified six shared strategies for addressing housing needs within their communities:

1. Increase the supply of permanent, income-restricted affordable housing.
2. Make it easier for households to access housing and stay housed.
3. Expand the overall housing supply by making it easier to build all types of housing projects.
4. Increase the variety of housing choices.
5. Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.
6. Establish a permanent source of funding for low-income housing.

Each city has developed a city-specific housing action plan outlining what actions they will take to carry out the strategies.

It is important to implement all of the six strategies in order to meet the housing needs of our growing and changing population.

The actions outlined for Olympia on the following tables are organized within each of the six strategies. Each action also fills one or more of the seven gaps identified in the Housing Needs Assessment:



**Affordability.** Reduce the cost of housing for low-income and cost-burdened households.



**Supply.** Increase the inventory of housing for all households.



**Variety.** Increase the variety of housing sizes and types



**Seniors.** Increase the stock of housing options needed for aging seniors.



**Improvements.** Maintain the existing housing stock, including improving energy efficiency and air quality.







**Stability.** Increase household wealth by providing safe, stable options for rental housing and pathways to homeownership.



**Supportive Housing.** Increase permanent housing options for people with disabilities and those at risk of or experiencing homelessness.

The table of actions associated with each strategy includes key information:

- Gaps or needs addressed by the action (as indicated by the above icons).
- Current approach in the City of Olympia
- Recommended approach for the City of Olympia
- City resources needed to implement the action
- Recommended timeframe for implementation
  - **Short Term:** consider/implement within 1-3 years from adoption of the plan
  - **Mid Term:** consider/implement within 6 years from adoption of the plan
  - **Long Term:** consider/implement within 10 years from adoption of the plan

- Implementation status in the city, as represented by the following symbols:
  -  **The action is implemented** – the City has completed the work necessary to implement the action.
  -  **The action is in progress** – The City has begun the work necessary to implement the action, but it is not yet fully implemented, or its use could be expanded.
  -  **The action will be considered** – the City will consider the work necessary to implement the action, but the work has not been scheduled.
  -  **The action is not recommended to be implemented** – the City will not implement the action for the reason specified in the table of action below.

More detailed information on each action is provided in Appendix A.

Neither the strategies nor the actions associated with them are in any kind of priority order.

Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.

Strategy 1 includes actions that increase the supply of permanently affordable housing for low-income households (those making 80 percent or less of the area median family income) and actions that support the providers of low-income housing.

### Why is this strategy important?

Demand for housing is straining the limited supply of affordable options. For households with the lowest incomes – such as those headed by a retail clerk, a home health aide, or a childcare provider – market rate housing is unlikely to be an affordable option. For these households, even home maintenance costs – let alone rent or mortgage payment costs – can be unaffordable.

In addition, Thurston County faces a growing homelessness crisis. The 2021 Point in Time census counted 1,145 people experiencing homelessness, including 639 who were unsheltered, meaning they spent the night before in a place not meant for human habitation. While this plan does not address emergency homeless response actions, it does recognize that housing is the solution to homelessness. Thus, creating permanent housing options for these members of our community is a priority.

### How do these actions reduce housing costs?

These actions increase the supply of housing where costs are kept permanently affordable to those earning the lowest incomes in our community. The need is great: according to the Housing Needs Assessment, about 20,200 households in Olympia, Lacey and Tumwater have an income of 80 percent or less of the median family income (Table 2-1). Another 13,800 households in the same category are anticipated over the next 25 years.

Table 2-1. Households making 80 percent or less of the area median income by jurisdiction, 2012-2016 estimate and 2045 projection

	Households with an Income* of:			TOTAL HOUSEHOLDS
	<= 30% of area median	30% to 50% of area median	50% to 80% of area median	
<b>2012-2016 Estimate</b>				
Lacey	1,800	1,900	3,600	<b>7,200</b>
Olympia	3,300	2,700	3,500	<b>9,500</b>
Tumwater	1,200	900	1,400	<b>3,500</b>
<b>Cities Combined</b>	<b>6,200</b>	<b>5,500</b>	<b>8,500</b>	<b>20,200</b>
<b>2045 Projection</b>				
Lacey	2,200	3,000	5,500	<b>10,700</b>
Olympia	5,200	5,200	6,500	<b>16,900</b>
Tumwater	1,900	1,700	2,800	<b>6,400</b>
<b>Cities Combined</b>	<b>9,300</b>	<b>9,900</b>	<b>14,800</b>	<b>34,000</b>

\*Household income as a percent of the area median family income. Excludes people experiencing homelessness and other group quarters populations. Estimates are only for current city limits and do not include unincorporated UGAs.

Source: Thurston Regional Planning Council

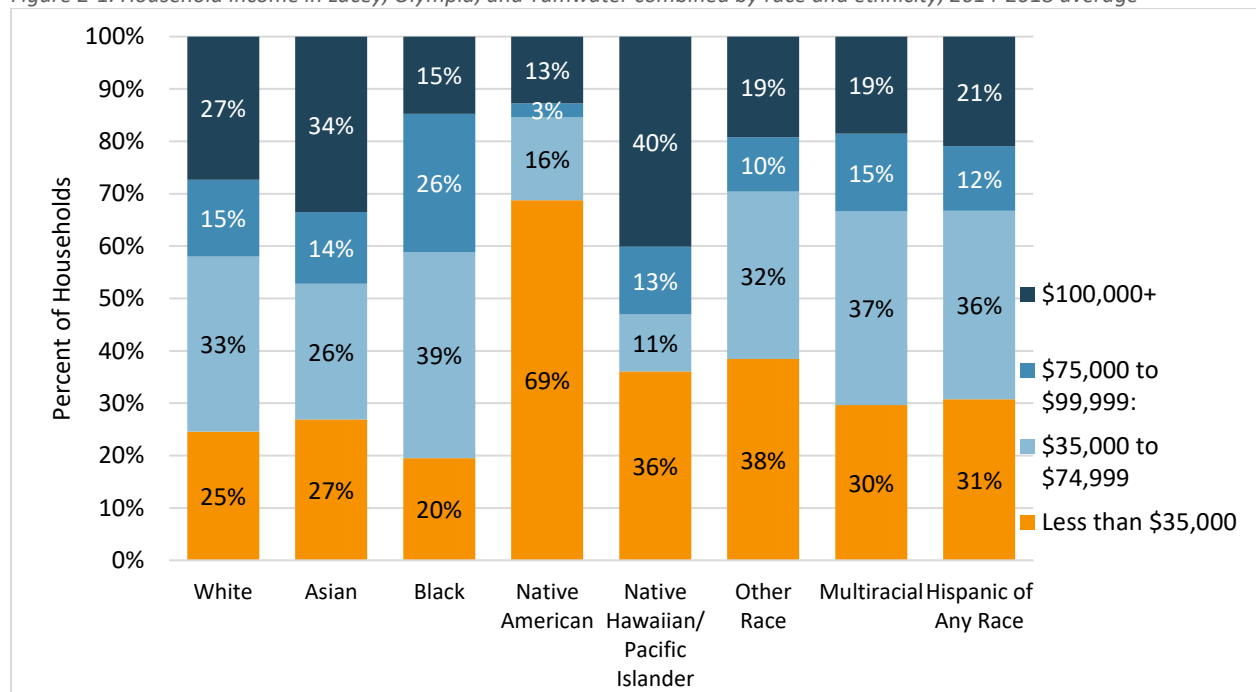
Reducing the cost of renting and owning a home are both part of the solution. For households looking toward homeownership, the up-front costs associated with purchasing a home can put this option out of reach. Low-income households, however, can benefit from the stabilization in housing costs owning a home offers – in general, monthly mortgage payments stay the same over 30 years while monthly rent payments increase.

These actions also address the need for permanent supportive housing. For people moving out of emergency housing situations – such as a homeless shelter – permanent supportive housing provides not only affordable housing but also access to health and social services. These services build stability and decrease the likelihood residents will experience homelessness again.

**How do these actions address equity?**

People of color (Figure 2-1) disproportionately head the lowest income households in Thurston County. They are also more likely to experience homelessness than people who are white and non-Hispanic. Permanent, income restricted housing directly benefits both these populations by providing affordable, stable housing options. Housing affordable to households with the lowest incomes can be rental or owner units, both of which help stabilize households. Programs that expand homeownership opportunities can significantly improve a household’s wealth; this is especially important to addressing inequities for households of color stemming from historical policies like redlining and restrictive zoning.




Figure 2-1. Household income in Lacey, Olympia, and Tumwater combined by race and ethnicity, 2014-2018 average





Note: In the figure above, householders who are Latino or Hispanic are only represented in “Hispanic of Any Race.”

Source: U.S. Census Bureau American Community Survey.

Table 2-2. Actions that increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.

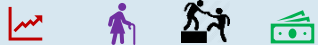

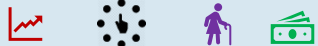

Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.		Implementation Status	Current approach	Recommended Approach	City Resources Needed	Recommended Timing
1.a.	<p>Donate or lease surplus or underutilized jurisdiction-owned land to developers that provide low-income housing.</p> <p><i>Gaps/Needs Addressed:</i></p>  		<p>City has donated land for permanent low income housing projects, including Billie Frank Jr Place and 2828 Martin Way, as well as for emergency homeless response facilities.</p>	<p>Siting and land acquisition along with donating land for low income housing projects is impactful. Continue to assess city-owned properties for low-income housing opportunities, including when developing property for other strategic objectives, such as a parking structure or art facility. As resources allow, be proactive in purchasing land for partnerships with low income housing providers.</p> <p>Consider options for public ownership of land to lease.</p>	<ul style="list-style-type: none"> <li>• Time for staff to identify and assess properties for potential use &amp; purchase, and to negotiate with partner(s)</li> <li>• Time for City Council to consider purchase &amp; sale</li> <li>• Funding allocation for land purchase</li> <li>•</li> </ul>	<b>Ongoing</b>

 = Affordability  
  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing





Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.	Implementation Status	Current approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>1.b. Fund development projects that increase low-income housing through grants or loans.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City makes an annual Home Fund award (e.g., donated \$1.1m for 2828 Martin Way and \$1m for a Family Support Center housing project.) The focus of the Home Fund is on permanent supportive housing, a specific intervention for people who are homeless.</p> <p>The City also has 1406 funds (about \$330k annually) that may be used to rehab or construct affordable housing among other things. 1406 funds are pooled w/ Lacey and Tumwater under an interlocal agreement, with funding priorities determined by the Regional Housing Council.</p>	<p>The Land Use Committee has asked staff to explore additional sources of capital, making the distinction between funding/projects that directly address homelessness vs. the needs of other low to mid-range income households. Staff will respond with more information and an approach for Council consideration. (Related to 6.d)</p> <p>Meanwhile, continue to provide an annual Home Fund award, with priority for permanent supportive housing (PSH). Keep working toward target to help build 300 units between 2020-2025. The trigger for reassessing funding priority is when it becomes difficult for new PSH facilities to find subsidies for operating costs. And continue to pool 1406 funds with regional partners for annual dispersal.</p>	<ul style="list-style-type: none"> <li>• Time for staff to identify additional capital funding source(s)</li> <li>• Time for Council to explore options and develop priorities</li> <li>• May require consultant assistance</li> <li>• May require additional staff resources to manage if a new program is developed</li> </ul> <p><b>Home Fund</b></p> <ul style="list-style-type: none"> <li>• Ongoing time for the Home Fund Advisory Board to review, and the City Council to review and approve annual awards</li> <li>• Ongoing time for staff to manage the program</li> <li>• Annual funding through the Home Fund sales tax</li> </ul>	<p><b>Explore Funding Sources = Short Term</b></p> <p><b>Home Fund = Ongoing</b></p>

 = Affordability  
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  = Improvements  
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Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.		Implementation Status	Current approach	Recommended Approach	City Resources Needed	Recommended Timing
1.c.	<p>Offer and/or expand fee waivers for low-income housing developments.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>City Council may grant an 80% impact fee exemption for projects that are 100% low income. E.g., Merritt Manor used this incentive. (<a href="#">15.04.060D</a>, <a href="#">RCW 82.02.060</a>)</p>	<p>Continue offering this incentive for low income housing.</p> <p>The City should consider allowing this to be administratively approved when specific criteria is met; purpose would be to reduce time and uncertainty in the development process.</p>	<ul style="list-style-type: none"> <li>• Time for staff to review and City Council to review and approve amendment to ordinance</li> <li>• Ongoing time for staff to review applications and manage the program</li> </ul>	<p><b>Ongoing</b></p> <p><b>Amend = Mid Term</b></p>
1.d.	<p>Offer density bonuses for low-income housing.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City allows 1 additional residential unit for each low income unit provided, up to a 20% bonus (<a href="#">18.04.080A.4.d</a>).</p>	<p>This action has been implemented.</p>	<ul style="list-style-type: none"> <li>• No further action needed</li> </ul>	<p><b>Done</b></p>

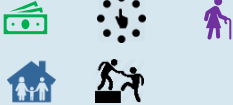

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Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.		Implementation Status	Current approach	Recommended Approach	City Resources Needed	Recommended Timing
1.e.	<p>Define income-restricted housing as a different use from other forms of housing in the zoning code.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City Code defines “affordable housing” in <a href="#">18.02</a>, and includes thresholds for what is considered affordable and low income housing for multifamily tax exemption (<a href="#">5.86.10</a>) and impact fee exemption programs (<a href="#">15.04.060D</a>).</p>	<p>Re-examine definitions and consider new definition of “affordable housing” provided in the Growth Management Act (<a href="#">36.70A.030</a>). The City may want to have a specific definition of housing restricted for low income households so that it can establish development regulations/ incentives specific to these, particularly as we plan for the high density neighborhood areas.</p>	<ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance updating development code</li> <li>• Time for the Planning Commission to review and the City Council to review and approve and ordinance</li> <li>• Included in dept’s annual base budget</li> </ul>	<b>Short-Mid Term</b>
1.f.	<p>Encourage the LOTT Clean Water Alliance to discuss lower hook-up fees and other incentives for low income affordable housing as part of their cost of service study.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The single largest per unit fee charged for new development is the LOTT capacity development charge (\$6,417 in 2021). LOTT’s scope for the study includes discussion of measures the organization could take to further partners’ interests in affordable housing.</p>	<p>LOTT will be engaging local jurisdictions in this work. The regional housing needs assessment and actions plans of each jurisdiction support measures to encourage development of and decrease costs for low income affordable housing.</p>	<ul style="list-style-type: none"> <li>• Time for staff to engage with LOTT during the cost of service study</li> <li>• City Council members can encourage this</li> </ul>	<b>Short Term</b>

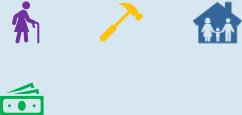

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Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.		Implementation Status	Current approach	Recommended Approach	City Resources Needed	Recommended Timing
1.g.	<p>Partner with low-income housing developers to expand homeownership opportunities.</p> <p><i>Gaps/Needs Addressed:</i></p>  		The City has worked with partners to develop low income and market rate apartment complexes, but hasn't focused as much on projects involving home ownership.	<p>Regional approach would be best (Regional Housing Council).</p> <p>Consider where this fits within priority for regional funding as part of comprehensive funding strategy (#6.d.)</p> <p>As resources allow, the City should also seek a partnership opportunity for a low income housing project that includes homeownership.</p>	<ul style="list-style-type: none"> <li>• Time for staff and Councilmember to participate in Regional Housing Council</li> <li>• Time for staff to identify and assess partnership opportunities</li> <li>• Time for City Council to consider approval</li> <li>• Regional or City funding allocation for project(s)</li> </ul>	Ongoing
1.h.	<p>Provide funding for non-profit organizations to buy income-restricted units proposed to be converted to market rate housing.</p> <p><i>Gaps/Needs Addressed:</i></p>  		Various government subsidies have affordability time limits, such as the City's multi-family tax exemption (8 or 12 years), State low income housing tax credits (30 years), etc.	<p>Regional approach would be best (Regional Housing Council).</p> <p>Consider where this fits within priority for regional funding as part of comprehensive funding strategy (#6.d)</p>	<ul style="list-style-type: none"> <li>• Time for staff and Councilmember to participate in Regional Housing Council</li> <li>• Time for staff to identify and assess partnership opportunities</li> <li>• Regional funding allocation for project(s)</li> </ul>	Ongoing



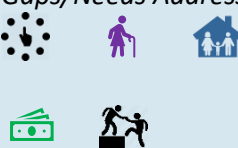

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<p>1.i. Provide funding for low-income and special needs residents to purchase housing through community land trusts.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City has not yet been involved in activities related to housing land trusts.</p>	<p>Regional approach would be best (Regional Housing Council).</p> <p>Consider where this fits within priority for regional funding as part of comprehensive funding strategy (#6.d).</p>	<ul style="list-style-type: none"> <li>• Time for staff and Councilmember to participate in Regional Housing Council</li> <li>• Time for staff to identify and assess partnership opportunities</li> <li>• Regional funding allocation for project(s)</li> </ul>	<p><b>Ongoing</b></p>







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Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.	Implementation Status	Current approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>1.j. Provide funding for renovating and maintaining existing housing that serves low-income households or residents with disabilities.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City has used Community Development Block Grant funds for this in the past.</p>	<p>In 2021, use a portion of the City’s annual allocation of federal Community Development Block Grant (CDBG) funds to reinstate a home renovation revolving loan program for low income properties. Ongoing the program will be funded from payback of previous CDBG loans. The City will partner with various nonprofits who serve low income renter and owner households to diversify the type of rehab projects and assist with recruitment, screening and program administration.</p> <p>Also, in future years CDBG funds could be used to directly fund small safety and accessibility maintenance projects for low to moderate income households with compounding barriers.</p>	<ul style="list-style-type: none"> <li>• Council must consider reinstating the loan program as part of the annual CDBG allocation process, which includes a public hearing and recommendation from the General Government Committee</li> <li>• Time for staff to administer loan program contracts.</li> <li>• Any future allocations would be considered by City Council following a public hearing and recommendation by the General Government Committee.</li> </ul>	<p><b>Short term = Start Up</b></p> <p><b>Ongoing</b></p>

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  = Supportive Housing



Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.	Implementation Status	Current approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>1.k. As part of comprehensive plan and development code changes, include an evaluation of the impact such changes will have on housing affordability, especially for low-income households.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City does not currently have a formal approach to such evaluation.</p> <p>Development regulations, impact fees, certain climate mitigation actions and other provisions that regularly come before the City Council may impact the cost of housing.</p>	<p>The City should proactively evaluate the impacts of comprehensive plan, policies and development code changes on housing affordability. Consider including this analysis as part of relevant staff recommendations/reports.</p>	<ul style="list-style-type: none"> <li>• Time for staff to include such reviews during the preparation of amendments to the Comp Plan and development code – part of base budget</li> <li>• Potentially could require assistance from an on-call consultant to assess cost impacts – which would require additional funding allocation</li> </ul>	<p><b>Short Term</b></p> <p><b>Then Ongoing</b></p>
<p>1.l. Require low-income housing units as part of new developments.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Not currently addressed. We've learned from other cities that if not properly applied this tool can have the unintended consequence of suppressing both low income and market rate housing development.</p>	<p>The first step is to analyze whether incentives are sufficient enough to offset the affordability requirements. Start with an analysis and restructuring of the 12-year multifamily tax exemption to determine if that incentive alongside others are sufficient enough to encourage affordable units.</p>	<ul style="list-style-type: none"> <li>• Time for staff to develop an RFQ and contract for consultant services</li> <li>• Time for staff to manage contract, review results</li> <li>• Time for City Council to review the results</li> <li>• Funding allocation (Council set aside \$50k for a feasibility analysis in 2021)</li> </ul>	<p><b>Analysis = Short Term</b></p>

 = Affordability  
  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing


Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.		Implementation Status	Current approach	Recommended Approach	City Resources Needed	Recommended Timing
1.m.	<p>Adopt a “Notice of Intent to Sell” ordinance for multifamily developments.</p> <p><i>Gaps/Needs Addressed:</i></p> 		Not currently addressed	At a minimum, the City should require this in contracts when developments receive City subsidies for low income housing. Such contract action does not require an ordinance. Such an ordinance is unlikely to produce wide results. This could be considered alongside tenant option to purchase (#2.d)	<ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance updating development code</li> <li>• Time for the Planning Commission to review and the City Council to review and approve and ordinance</li> <li>• Included in dept’s annual base budget</li> </ul>	Mid Term
1.n.	<p>Allow mobile or manufactured home parks (MHP’S) in multifamily and commercial areas.</p> <p><i>Gaps/Needs Addressed:</i></p>   		New parks are already allowed in multifamily zones (MR10-18, RM18, RM24, MHP.) Existing parks are allowed in some commercial (GC, PO/RM, MS, HCD-1.)	City could consider allowing new MHP’s in some commercial zones. However, this is unlikely to result in new MHP’s so it is a low priority. Given land prices and return on investment is highly unlikely property owners will seek to develop new MHP’s in urban commercial areas.	<ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance updating development code</li> <li>• Time for the Planning Commission to review and the City Council to review and approve and ordinance</li> <li>• Included in dept’s annual base budget</li> </ul>	Mid Term

 = Affordability  
  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing



Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.		Implementation Status	Current approach	Recommended Approach	City Resources Needed	Recommended Timing
1.o.	<p>Require Planned Residential Developments (PRDs)/Planned Unit Developments (PUDs) for low-density development and include standards for including low-income housing.</p> <p><i>Gaps/Needs Addressed:</i></p> 	<b>X</b>	Not currently addressed	Not recommended - PRD's/PUD's create even more complexity and thus are unlikely to result in significant low income housing development	Not recommended	N/A
1.p.	<p>Establish a program to preserve and maintain healthy and viable manufactured home parks.</p> <p><i>Gaps/Needs Addressed:</i></p> 	<b>X</b>	The City of Olympia has a manufactured home park zone, but not all of the approximately 8 manufactured home communities in Olympia are zoned as such.	Not recommended at this time. Instead, consider a tenant opportunity to purchase ordinance (2.d) which is a tool that has been used in other cities to help preserve MHP's. Tumwater may do something more expansive, which may provide additional ideas for Olympia.	Not recommended	N/A

 = Affordability  
  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing

Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.		Implementation Status	Current approach	Recommended Approach	City Resources Needed	Recommended Timing
1.q.	<p>Enhance enforcement of property maintenance codes to keep housing in good repair.</p> <p><i>Gaps/Needs Addressed:</i></p> 	X	Olympia responds to code enforcement issues on a complaint basis.	Not recommended at this time. This action would require additional resources that are competing for higher priorities. Rather than code compliance, consider contracting with a local organization to assist low income housing owners with maintaining their units.	Not recommended	N/A

 = Affordability  
  = Supply  
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  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing

## Strategy 2: Make it easier for households to access housing and stay housed.

Strategy 2 actions address housing stability by preventing evictions and displacement and creating opportunities to build financial equity through homeownership.

### Why is this important?

Housing stability is an important component of housing affordability. When households face housing insecurity due to income or other issues, there can be a fine line between being housed and being homeless. Evictions and foreclosures are both destabilizing and can lead to long-term poverty. These events also make it more likely a household will experience homelessness.

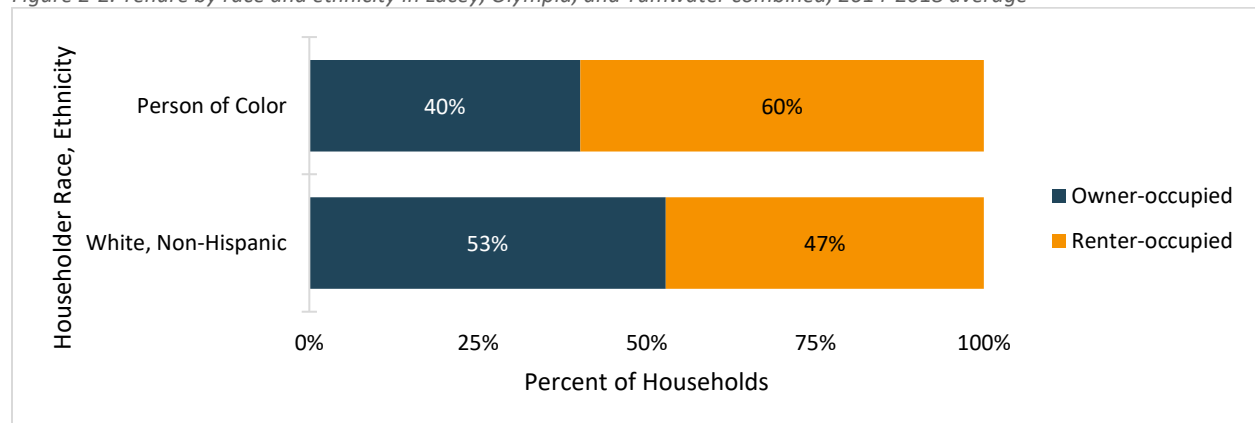
### How do these actions reduce housing costs?

For housing service providers, preventing homelessness in the first place is more cost-effective than housing someone already experiencing homelessness. Households that can avoid evictions and foreclosures also avoid likely increases in their monthly housing costs – if they are even able to find a new home to live in. For renters, this can also include application fees, deposits, and other costs often associated with finding new rental housing.

### How do these actions address equity?

People of color are more likely to rent (Figure 2-2) and more likely to have lower incomes than their white, non-Hispanic counterparts. This makes them particularly vulnerable to eviction when rent increases exceed their ability to pay. This concern is reflected in the population experiencing homelessness, which is also disproportionately people of color.





Figure 2-2. Tenure by race and ethnicity in Lacey, Olympia, and Tumwater combined, 2014-2018 average






Source: U.S. Census Bureau American Community Survey.

Homeownership is an important way for a household to build financial equity, move people out of poverty, and create generational wealth. Creating these opportunities for people of color – who were historically denied access to mortgages and loans – is particularly important.



Table 2-3. Actions that make it easier for households to access housing and stay housed.

Strategy 2: Make it easier for households to access housing and stay housed.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
2.a. Identify and implement appropriate tenant protections that improve household stability. <i>Gaps/Needs Addressed:</i>   		This is underway. The process began in 2020 and was put on hold due to COVID. Engagement with renters and landlords will resume in summer/fall 2021.  HB 1236 recently passed the WA State legislature and was sent to the Governor for signature. The bill specifies exclusive causes for eviction, refusal to renew, and ending a tenancy under the Residential Landlord-Tenant Act and makes other changes to rights and remedies.	Stay the course and complete the process.	<ul style="list-style-type: none"> <li>• Time for staff to carry out the process and develop a recommended ordinance.</li> <li>• Time for the Land Use Committee to make a recommendation and City Council to review and approve the ordinance.</li> <li>• Funding for consultant to assist with public process (previously allocated)</li> </ul>	Short Term  Underway



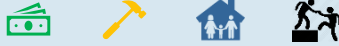

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  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing

Strategy 2: Make it easier for households to access housing and stay housed.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
2.b. Adopt short-term rental regulations to minimize impacts on long-term housing availability. <i>Gaps/Needs Addressed:</i>  		Process is underway and expected to wrap up in 2021. Staff recommendation includes the following limits: <ul style="list-style-type: none"> <li>- Only 2 short term rentals per property owner</li> <li>- No ADU can be a short term rental</li> <li>- Each multifamily building can have 1 unit or up to 3%, whichever is greater</li> <li>- Tracking thru permitting process</li> </ul>	Stay the course and complete the process.	<ul style="list-style-type: none"> <li>• Time for staff to review and develop an ordinance updating the development code</li> <li>• Time for the Planning Commission and Land Use Committee to make a recommendation and City Council to review and approve the ordinance</li> <li>• Included in dept’s base budget</li> </ul>	<b>Short Term</b>  <b>Under-way</b>

 = Affordability   
  = Supply   
  = Variety   
  = Seniors   
  = Improvements   
  = Stability   
  = Supportive Housing





Strategy 2: Make it easier for households to access housing and stay housed.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>2.c. Provide displaced tenants with relocation assistance.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>No formal policy or program has been established.</p> <p>However, in the past the City has used CDBG funds (Angelus Apartments, 2019) and a development agreement (Union Ave, 2000) to secure financial assistance for displaced tenants.</p>	<p>An established tenant relocation assistance program with clear parameters would be a better approach than trying to address displacement concerns on an ad hoc basis. City should consider how such a program could be used, under what circumstances, and with what funding.</p> <p>The City should also consider developing a method for assessing and understanding risk of displacement, especially with regard to the High Density Neighborhood areas where it wants to encourage significant residential development.</p> <p>Could potentially be explored as a regional effort with Tumwater, Lacey and Thurston County - may be more financing and management options.</p>	<ul style="list-style-type: none"> <li>• Time for staff to review and develop a recommendation (it will take some time to formulate and work through this kind of major new program before putting in place.)</li> <li>• Time for the Land Use Committee to review and the City Council to review and approve an ordinance</li> <li>• Ongoing time for staff to develop and manage such a program</li> <li>• Funding allocation to support the program</li> </ul>	<p><b>Short-Term = start background work</b></p>

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  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing







Strategy 2: Make it easier for households to access housing and stay housed.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>2.d. Consider a Tenant Opportunity to Purchase (TOPO) Ordinance</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Not currently addressed.</p>	<p>Consider TOPO as a tool for preservation of manufactured home parks and multifamily uses. Not recommended for application to single family rentals.</p>	<ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance updating development code</li> <li>• Time for the Planning Commission to review and the City Council to review and approve and ordinance</li> <li>• Included in dept’s annual base budget</li> </ul>	<p><b>Mid Term</b></p>
<p>2.e. Partner with local trade schools to provide renovation and retrofit services for low-income households as part of on-the-job-training.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City has partnered with local trade schools in the past. Recently, microhomes for the individuals experiencing homelessness at the Mitigation Site were built by Earth Homes and by the Community Youth Service’s YouthBuild program at New Market Skills Center.</p>	<p>Regional approach would be best (Economic Development Activity).</p>	<p>This action would best be addressed as a regional effort involving jurisdictions and economic development partners.</p>	<p><b>Mid-Term</b></p>

 = Affordability  
  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing



Strategy 2: Make it easier for households to access housing and stay housed.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>2.f. Explore barriers and policies that can increase access to housing for formally incarcerated individuals.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Not currently addressed.</p>	<p>Regional approach would be best.</p> <p>A next step for Olympia would be to explore what other cities have done to mitigate this issue and what might be the right approach for Olympia.</p>	<p><b>Best as a regional effort.</b></p> <ul style="list-style-type: none"> <li>• Time for staff to review and develop a recommendation</li> <li>• Time for the Land Use Committee to review and the City Council to review and approve an approach.</li> <li>• Included as part of dept’s base budget</li> </ul>	<p><b>Long Term</b></p>
<p>2.g. Establish a down payment assistance program.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Not currently addressed by the City.</p> <p>The Washington State Finance Commission has a down payment assistance program which partners with counties and cities. Participants must use an approved mortgage lender.</p>	<p>Regional approach would be best (Regional Housing Council.) County or Cities could consider partnering with the WA State Housing Finance Commission’s program, which would expand individual awards and reach. Counties or cities can target specific incomes and receive assistance with managing the program. Consider where this fits within priority for regional funding as part of comprehensive funding strategy (#6.d)</p>	<ul style="list-style-type: none"> <li>• Time for staff and Councilmember to participate in Regional Housing Council</li> <li>• Time for staff to identify and assess program</li> <li>• Regional funding allocation for project(s).</li> </ul>	<p><b>Start = TBD</b></p> <p><b>On-going</b></p>

 = Affordability  
  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing

Strategy 2: Make it easier for households to access housing and stay housed.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
2.h. Adopt a “right to return” policy. <i>Gaps/Needs Addressed:</i>  		Not addressed.	If the City establishes a down payment assistance program (2.g), then it may want to subsequently consider this policy, which prioritizes down payment assistance to households displaced from an area due to government actions.		Long Term
2.i. Rezone manufactured home parks to a manufactured home park zone to promote their preservation. <i>Gaps/Needs Addressed:</i>  		The City has a Manufactured Home Park Zone, but not all of our existing manufactured home parks are zoned as such.	This action is not recommended because rezoning is not likely to result in increased preservation. It is more likely to increase disinvestment in these properties. Alternatively, the City should consider tenant opportunity to purchase (#2.d)	Not recommended	N/A

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  = Stability  
  = Supportive Housing

Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.

Strategy 3 includes actions that streamline the development and construction of market rate housing — both owner and renter-occupied homes.

### **Why is this important?**

Between 2020 and 2045, the population of Olympia, Lacey and Tumwater and their urban growth areas is projected to increase by over 60,000 people. This growth will require nearly 30,000 new housing units. When demand for housing is high – as it is now – but supply remains low, housing costs increase, reducing affordability. The increase in costs affects both renters and potential buyers.

### **How do these actions reduce housing costs?**

The Housing Needs Assessment showed that we will likely see a growth of households in all income categories, from the lowest earning ones to those earning well above the median income. This will require the construction of housing affordable to a wide range of incomes.

Expanding the housing supply also means people can find housing better suited their needs. For example: high prices for condos and rentals means empty nesters who want to downsize are more likely to stay in their single-family home. A young family looking to buy their first home may continue to rent or pay more than 30 percent of their household income on a mortgage if home sale prices are too high.





### **How do these actions address equity?**

When demand for housing is high but supply remains low, housing costs rise across the board, which decreases affordability. Those with the lowest incomes, who are disproportionately people of color, are most affected.



Rising rents are correlated with increased evictions and homelessness. Rising home prices mean homeownership – a way for disadvantaged households to build equity – becomes more difficult. Increasing costs can also lead to cultural displacement as people move to new neighborhoods that lack the businesses and institutions important to their community. While this process may be voluntary, it can be destabilizing for communities of color. When higher income households – those that can afford to rent or purchase at market rates – find housing that better meets their needs and budgets, more units are freed up that lower income households can afford. Expanding the overall housing stock also slows the rent/housing price increases that disproportionately affect people of color.

Increasing the supply of market rate housing is part of the affordability solution, but it alone will not address the needs of the most disadvantaged populations. That is why Strategy 1 includes actions to increase the supply of housing for the lowest-income households while Strategy 2 includes actions to make it easier for households to access housing and stay housed.





Table 2-4. Actions that expand the overall housing supply by making it easier to build all types of housing projects.

Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>3.a Lower transportation impact fees for multifamily developments near frequent transit service routes.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Previous impact fee study has shown less impact on main corridors so as a result the City has established lower impact fees within downtown.</p>	<p>Maintain lower impact fees in downtown. Lowering transportation impact fees in other high density neighborhoods not recommended at this time due to importance of these funds for creating multimodal opportunities which positively influence the vision for active mixed use and multimodal urban neighborhoods.</p>	<ul style="list-style-type: none"> <li>• No further action needed</li> <li>• Ongoing time for staff to manage the impact fee program</li> </ul>	<p><b>Done</b></p>
<p>3.b Allow deferral of impact fee payments for desired unit types.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>In Olympia impact fees can be deferred to final inspection.</p>	<p>Stay the course.</p>	<ul style="list-style-type: none"> <li>• No further action needed</li> </ul>	<p><b>Done</b></p>






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  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing

Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.		Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
3.c	Reduce setbacks & increase lot coverage/impervious area standards  <i>Gaps/Needs Addressed:</i> 	✓	Olympia has pushed this about as far as we can, and recently made adjustments in relation to impervious surface area requirements.	Stay the course.	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	<b>Done</b>
3.d	Reduce minimum lot sizes.  <i>Gaps/Needs Addressed:</i> 	✓	Recent Housing Options Code Amendments resulted in only one minimum lot size for each residential zone (except RLI) where you can build any allowed housing type in the zone as long as you meet underlying code requirements (setbacks, lot coverage, design review, etc.)	Stay the course.	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	<b>Done</b>

 = Affordability  
  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing



Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.		Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
3.e	Relax ground floor retail requirements to allow residential uses  <i>Gaps/Needs Addressed:</i>  	✓	Olympia has implemented this action. The Pedestrian Overlay in Downtown includes certain streets in the core where ground floor retail is required to help activate the street. These requirements were relaxed with the recent Design Review Code update.	Stay the course in downtown.  When establishing any new design standards in the other two high density neighborhoods be mindful not to over supply ground floor retail or excessively limit residential uses on the ground floor.	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	<b>Done</b>
3.f	Require minimum residential densities  <i>Gaps/Needs Addressed:</i>  	⊙	Olympia has implemented this action in residential zones.	Consider establishing a minimum residential density for new residential construction in the high density neighborhood overlay (the Comprehensive Plan calls for at least 25 units per acre for new residential construction in these areas).  Assess as part of scope for Capital Mall HDN subarea plan (#3r).	<ul style="list-style-type: none"> <li>Time for staff to review and develop ordinance updating development code</li> <li>Time for the Planning Commission to review and the City Council to review and approve and ordinance</li> <li>Included in dept’s annual base budget, or larger budget for subarea plan</li> </ul>	<b>Mid Term</b>

 = Affordability  
  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing


Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.		Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
3.g	<p>Allow third-party review of building permits for development projects</p> <p><i>Gaps/Needs Addressed:</i></p> 		Olympia has implemented this action.	Stay the course.	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	<b>Done</b>
3.h	<p>Simplify land use designation maps in the comprehensive plan to help streamline the permitting process.</p> <p><i>Gaps/Needs Addressed:</i></p>  		Olympia has implemented this action. The land use map was simplified with the 2014 Comprehensive Plan periodic update.	Stay the course.	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	<b>Done</b>

 = Affordability  
  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing





Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>3.i Reduce parking requirements for residential uses, including for multifamily developments near frequent transit routes.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The recent Housing Code options code changes removed the requirement for an additional parking spot for ADU's. Currently underway is consideration to expand the downtown parking exemption area and a code change for consistency with HB1923 which requires cities to relax parking minimums for low income and special needs housing within a certain distance from transit. (RCW 36.70A.620)</p>	<p>Reducing parking requirements is one of the most impactful things the City can do to increase achievable density and reduce construction costs.</p> <p>Following the current changes under consideration, the City should prioritize reviewing parking requirements along corridors and in the High Density Neighborhood areas.</p> <p>Include as part of the Capital Mall HDN subarea plan (#3r)</p>	<ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance updating development code</li> <li>• Time for the Planning Commission to review and the City Council to review and approve and ordinance</li> <li>• Included in dept's annual base budget</li> </ul>	<p><b>Short Term</b></p> <p><b>Initial steps underway</b></p>


 = Affordability  
  = Supply  
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  = Seniors  
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  = Supportive Housing

Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>3.j Expand the multifamily tax exemption to make it available in all transit corridors.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Currently underway on the staff and Land Use Committee work plan is consideration of expanding the 12-year multifamily tax exemption, which includes an affordability requirement.</p> <p>The 2021 State Legislative Session just passed SB 5287, which would authorize a 12-year extension of existing 8-year and 12-year Multi-Family Property Tax Exemptions (MFTEs) that are set to expire if they meet certain affordability requirements. The bill would also establish a new 20-year property tax exemption for the creation of permanently affordable homes. At the time of this report the bill is headed to the Governor for his signature.</p>	<p>As a first step to restructuring the program, conduct a feasibility analysis to determine how to maximize use of this program to encourage more affordable units and overall residential development in the high density neighborhood areas.</p>	<ul style="list-style-type: none"> <li>• Time for staff to develop a recommended ordinance.</li> <li>• Funding for consultant to assist with feasibility analysis (Council has set aside \$50k for a feasibility analysis in 2021)</li> </ul>	<p><b>Short Term Underway</b></p>

 = Affordability  
  = Supply  
  = Variety  
  = Seniors  
  = Improvements  
  = Stability  
  = Supportive Housing

Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>3.k Review fees/regulations to identify housing cost reductions.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Phase 1 currently underway as a staff and Land Use Committee work plan item.</p> <p>Phase 1: street connectivity, frontage improvement thresholds, downtown sidewalk standards, private streets in manufactured home parks.</p> <p>Phase 2: Increase flexibility in the permit process; street classification standards; definitions of change of use or density.</p> <p>Phase 3: regional stormwater approaches and retrofit requirements.</p>	<p>Stay the course.</p> <p>Continue to identify and review areas of the development code that may be creating a barrier to housing construction.</p>	<ul style="list-style-type: none"> <li>• Time for staff to develop recommended ordinances.</li> <li>• Time for the Planning Commission (in some cases) and the Land Use Committee to make a recommendation and City Council to review and approve the ordinance.</li> </ul>	<p><b>Phase 1 Underway</b></p> <p><b>2 = Short Term</b></p> <p><b>3 = Mid to Long Term</b></p>

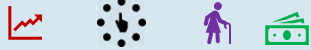



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  = Supportive Housing

Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>3.1 Consult with Washington State Department of Transportation (DOT) as part of the SEPA review process to reduce appeals based on impacts to the transportation element for residential, multifamily, or mixed-use projects.</p> <p><i>Gaps/Needs Addressed:</i></p> 	<p>X</p>	<p>HB 1923 – passed into law in 2019 – recognized that SEPA appeals add cost to infill and affordable housing projects while having minimal impact on transportation systems. The law provides an option to protect SEPA decisions from appeal based on impacts to the transportation element of the environment when certain criteria are met.</p>	<p>No longer recommended as an action to implement the Housing Action Plan. Since the public hearing, staff has talked to DOT to confirm how this would work, and determined this statute requires no action on the part of the City, it will not change our permitting process, nor is this a useful means to advance housing strategies.</p> <p>The City will continue to require transportation impacts to be analyzed at time of SEPA, and send the determination to Dept. of Transportation for comment. To be clear, this provision is in state statute, and it is unknown how it would play out in a legal appeals process.</p>	<ul style="list-style-type: none"> <li>• Time for staff to coordinate with DOT</li> </ul>	<p>N/A</p>



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Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.		Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
3.m	<p>Explore allowing medium density zoning around Neighborhood Centers.</p> <p><i>Gaps/Needs Addressed:</i></p> 		Currently on the Planning Commission’s work plan. Underway in 2021	Stay the course. Consider use of ‘Transfer of Development Rights’ as a means to increase density in neighborhood center areas.	<ul style="list-style-type: none"> <li>• Time for staff and the Planning Commission to review and develop an ordinance updating the development code</li> <li>• Time for City Council to review and approve and ordinance</li> <li>• Included in dept’s annual base budget, including assistance from a consultant</li> </ul>	<b>Short Term</b>
3.n	<p>Process short plat administratively</p> <p><i>Gaps/Needs Addressed:</i></p> 		The City processes short plats up to 9 lots administratively.	This action has been implemented.	<ul style="list-style-type: none"> <li>• No further action needed</li> </ul>	<b>Done</b>

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Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>3.o Offer developers density and/or height incentives for desired unit types.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Olympia offers a residential height bonus in the downtown and in the HDC-4 zone. There is also a density bonus in residential zones for cottage (20%), townhouses (15% in zones R4-8, R6-12), and low income (up to a 20% bonus). There is no maximum density in commercial zones.</p>	<p>Examine height requirements and the height bonus as part of the Capital Mall subarea plan. It is not clear at this time whether that would be appropriate or impactful. Heights in that area vary from 35'-75' depending on conditions.</p> <p>Include as part of Capital Mall HDN subarea plan (#3r)</p>	<ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance updating development code</li> <li>• Time for the Planning Commission to review and the City Council to review and approve and ordinance</li> <li>• Included in dept's annual base budget</li> </ul>	<p><b>Mid Term</b></p>
<p>3.p Fix development code so that Transfer of Development Rights (TDR) bonus in R4-8 is a bonus and not a restriction.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Underway</p>	<p>Stay the course</p>	<ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance updating development code</li> <li>• Time for the Planning Commission to review and the City Council to review and approve and ordinance</li> <li>• Included in dept's annual base budget</li> </ul>	<p><b>Short Term</b></p> <p><b>Underway</b></p>

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Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>3.q Make use of SEPA threshold exemptions for residential and infill development.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City passed a SEPA Infill Exemption Area for downtown in 2016.</p> <p>The City has not raised SEPA flexible threshold exemptions since the Legislature made changes in 2012-15.</p>	<p>A. Consider raising SEPA flexible threshold exemptions in accordance with allowance under SEPA</p> <p>B. Complete a SEPA planned action/subarea plan for the Capital Mall HDN (#3.r)</p>	<p>See #3.r for resources needed for a planned action. To raise thresholds:</p> <ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance, which includes a rigorous analysis and documentation of impacts and mitigating factors in place as required under SEPA.</li> <li>• Time for the Land Use and Environment Committee to review and make a recommendation.</li> <li>• Time for the Planning Commission to review and the City Council to review and approve an ordinance.</li> <li>• Included in dept’s annual base budget.</li> </ul>	<p><b>Sub Area Plan = Short Term</b></p> <p><b>Threshold Exemptions = Mid Term</b></p>

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Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>3.r Complete a subarea plan for the Capital Mall High Density Neighborhood area.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The Comprehensive Plan identifies 3 areas for higher density residential development (referred to as High Density Neighborhood Areas). This includes: Downtown, The Capital Mall area, and the Pacific/Martin Way Triangle area. The City has taken initial steps to implement this vision by completing a Downtown Strategy. Further work is needed in the other two areas.</p>	<p>Scope this process in 2022, and begin the process in 2023.</p> <p>Several of the potential actions in the Housing Action Plan should be considered as part of this process, including:</p> <ul style="list-style-type: none"> <li>- Revising regulations and incentives to encourage housing that is affordable for a range of incomes, including low income households (various)</li> <li>- Strategic infrastructure investments (#3.u)</li> <li>- A SEPA planned action (#3q)</li> <li>- Plan for adaptive reuse of commercial space (#3s)</li> <li>- Reduced parking requirements (#3.1)</li> <li>- Form based code (#4.i)</li> </ul>	<ul style="list-style-type: none"> <li>• Time for staff to carry out a public process, research and develop recommendations.</li> <li>• Involves staff from several departments over 1-1.5 years.</li> <li>• Involves advisory boards, and possibly a special stakeholder committee</li> <li>• Time for the Land Use Committee and City Council to periodically review progress, for LUEC to make a recommendation, and for Council to approve a final planned action.</li> <li>• Funding allocation for consultant contract.</li> </ul>	<p><b>Short Term</b></p>




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Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>3.s Develop a plan for adapting vacant commercial space into housing.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Almost all commercial zoning districts in Olympia allow apartments and other housing types. Vacant office and some retail spaces may be permitted to convert into residential units. In fact, a recent project converting an office building to residential units was completed near downtown (Campus Lofts on 12th Ave.)</p>	<p>Explore what we can do to support such conversions along the corridors, and especially in the High Density Neighborhoods identified in our Comprehensive Plan.</p> <p>Include as part of Capital Mall HDN subarea plan (#3r).</p>	<p>Include as part of scope for Capital Mall HDN subarea plan (see 3#r)</p>	<p><b>Short-Mid Term</b></p>
<p>3.t Expand allowance of residential tenant improvements without triggering land use requirements.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Single family to multifamily uses with 5 units or more trigger full land use review.</p>	<p>Explore this item further.</p>	<ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance</li> <li>• Time for the Planning Commission to review and the City Council to review and approve ordinance</li> <li>• Included in dept’s annual base budget</li> </ul>	<p><b>Mid Term</b></p>

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Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>3.u Identify strategically placed but underdeveloped properties and determine what barriers exist to developing desired housing types.</p> <p><i>Gaps/Needs Addressed:</i></p>  		<p>The City does not have a proactive program of making infrastructure investments to spur housing development.</p> <p>While the City’s long-standing approach has been that growth pays for growth, we are finding that certain areas are unlikely to be developed without upfront public investment in required sewer and transportation infrastructure.</p>	<p>Identify areas where infrastructure investment is needed to spur housing development.</p> <p>To fully embrace this approach, the City should develop a master plan identifying where and what type of investments are needed to achieve planned residential growth, along with a method for prioritization. Subsequently, there should also be a separate chapter of the Capital Facilities Plan devoted to such investments. However, the City might start with a pilot project or two as part of developing this approach.</p>	<ul style="list-style-type: none"> <li>• Time for staff to identify areas where such investment is needed</li> <li>• Time for staff to develop a pilot project proposal and for City Council to review and approve it</li> <li>• Eventually staff time to develop a master plan and subsequent program</li> <li>• Time for City Council to review and approve a master plan</li> <li>• Funding needs to be identified (would not be utility or transportation funds)</li> </ul>	<p><b>Short-Term = Pilot</b></p> <p><b>Mid-Term = master plan</b></p>

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Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.		Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
3.v	Increase minimum residential densities.  <i>Gaps/Needs Addressed:</i> 	<b>X</b>	Residential zones have established minimum densities.	This action is not recommended in residential zones because this is the not currently a barrier to housing development in Olympia.	Not recommended.	N/A
3.w	Integrate or adjust floor area ratio standards.  <i>Gaps/Needs Addressed:</i>    	<b>X</b>	Floor area ratio standards are only applied in one small zoning district in Olympia.	This action is not recommended because it is not currently an issue in Olympia.	Not recommended	N/A

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## Strategy 4: Increase the variety of housing choices.

Strategy 4 actions address ways to increase the variety of housing options, including duplexes, triplexes, accessory dwellings, and other housing forms that are not as common the Cities of Olympia, Lacey and Tumwater.

### **Why is this important?**

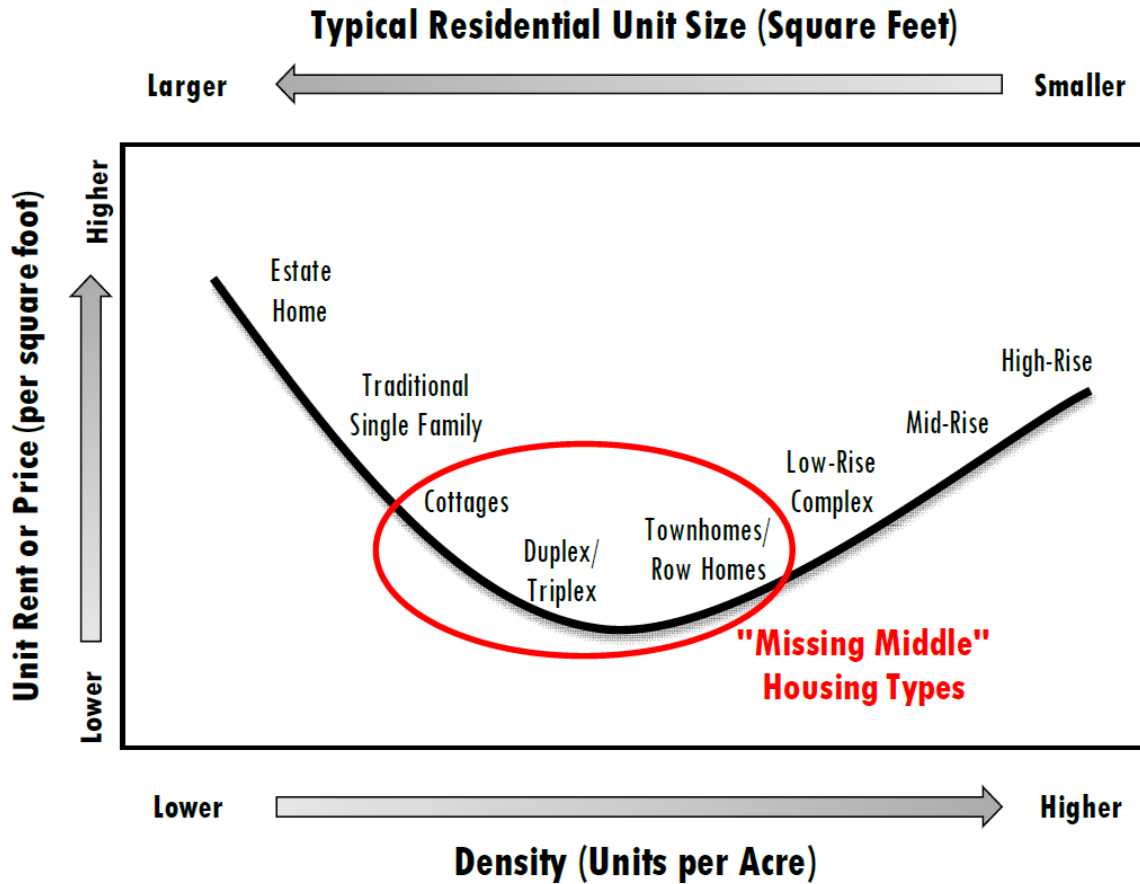
Household sizes in Thurston County have gotten smaller – reaching an average of 2.5 people per household today. Average household size is even smaller in Olympia at 2.2 people per household. There are more single-parent families, householders living alone and households consisting on non-family members. As household formation and composition have changed over time, so have housing needs. Increasing the variety of housing types allows more choices for households and creates a dynamic housing market better able to meet the needs of people living in our area.

### **How do these actions reduce housing costs?**

“Middle density” housing – a small part of our region’s current housing stock – is an important part of an affordable housing strategy. Middle density housing includes small multifamily housing (duplexes and triplexes), attached townhomes, cottage housing, and accessory dwellings. Per-unit costs tend to be lower than single family homes because the homes are smaller, and developers can benefit from economies of scale. Per-unit costs are also less than high-density multifamily because they are stick built (they don’t require structured parking or other concrete and steel structures) and are typically in neighborhoods with existing infrastructure. This leads to lower costs both for homeowners and renters (Figure 3-3).

Diversifying the housing stock also recognizes that households are unique and have a wide range of housing needs. This is particularly true as our population ages. Middle density housing provides seniors a way to downsize while remaining in the neighborhoods they love.

Figure 3-3. Relationship between Housing Types, Price and Rent, Unit Size, and Residential Density









Source: Washington State Department of Commerce, *Housing Memorandum: Issues Affecting Housing Availability and Affordability* (2019), p. 85. <https://deptofcommerce.app.box.com/s/npwem3s3rvcsya15nylbroj18e794yk7>.

**How do these actions address equity?**

Increasing the variety of housing options provides more affordable housing options for low-income households, who are disproportionately people of color. Middle density housing can be both rental and owner-occupied. Affordable owner-occupied units would be a potential way to build financial equity.















Middle density housing also expands the housing options available in predominantly single-family neighborhoods, leading to a mix of household incomes. This allows low-income households to access some of the resources – such as better school districts or healthier neighborhoods – available to higher-income households.

Table 2-5. Actions that increase the variety of housing choices







Strategy 4: Increase the variety of housing choices.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>4.a Allow accessory dwelling units (ADU's) in all residential zones</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>City has implemented this action.</p>	<p>Stay the course.</p>	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	<p>Done</p>
<p>4.b Simplify ADU requirements</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>City recently implemented this action through the Housing Code Options update: increased max size and height, relaxed sprinkler rules and no longer require additional parking space or for the owner to live onsite.</p>	<p>Stay the course.</p>	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	<p>Done</p>
<p>4.c Provide pre-approved plan sets for ADU's</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>City now has preapproved plan sets at the front counter.</p>	<p>Stay the course.</p>	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	<p>Done</p>

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  = Stability  
  = Supportive Housing










Strategy 4: Increase the variety of housing choices.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
4.d Allow group homes in all residential zones and commercial zones that allow residential units  <i>Gaps/Needs Addressed:</i>    	✓	City has implemented this action. Group homes with less than 6 people are a permitted use, and more than 6 people a conditional use (requires a public hearing by the Hearing Examiner.)	Stay the course.	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	Done
4.e Recognize modular/manufactured housing as a viable form of housing construction  <i>Gaps/Needs Addressed:</i>    	✓	City has implemented this action.	Stay the course.	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	Done
4.f. Increase the types of housing allowed in low-density residential zones (duplexes, triplexes, etc.).  <i>Gaps/Needs Addressed:</i>      	✓	City recently implemented this action through the Housing Code Options update - Providing more flexibility for duplexes, triplexes, fourplexes, sixplexes and courtyard apartments in residential zones.	Stay the course.	<ul style="list-style-type: none"> <li>No further action needed</li> </ul>	Done

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  = Stability  
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Strategy 4: Increase the variety of housing choices.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
4.g. Allow more housing types in commercial zones.  <i>Gaps/Needs Addressed:</i>  		City currently allows single family, townhomes, duplexes and apartments in commercial zones.	Include as part of Capital Mall HDN subarea plan (#3.r)  Consider allowing uses such as triplex, fourplex, courtyard apartments, and single room occupancy.	<ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance updating development code</li> <li>• Time for the Planning Commission to review and the City Council to review and approve and ordinance</li> <li>• Included in dept’s annual base budget</li> </ul>	<p><b>Mid Term</b></p>
4.h. Allow single-room occupancy (SRO) housing in all multifamily zones.  <i>Gaps/Needs Addressed:</i>  		Currently allowed in a few commercial zones, but code isn’t clear about residential.	Make it clear that single room occupancy is an allowed use in multifamily zones.	<ul style="list-style-type: none"> <li>• Time for staff to review and develop ordinance updating development code</li> <li>• Time for the Planning Commission to review and the City Council to review and approve and ordinance</li> <li>• Included in dept’s annual base budget</li> </ul>	<p><b>Mid Term</b></p>

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Strategy 4: Increase the variety of housing choices.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>4.i. Adopt a form-based code for mixed-use zones to allow more housing types and protect the integrity of existing residential neighborhoods.</p> <p><i>Gaps/Needs Addressed:</i></p>   		<p>City’s current design standards incorporate some elements of a form based code, where the focus is on building forms and relationships between buildings and the street.</p>	<p>Include as part of Capital Mall HDN subarea plan (#3r)</p>	<p>Include as part of scope for Capital Mall HDN subarea plan (see 3#r)</p>	<p><b>Mid Term</b></p>
<p>4.j. Strategically allow live/work units in nonresidential zones.</p> <p><i>Gaps/Needs Addressed:</i></p>   	<p><b>X</b></p>	<p>The City allows home occupations in residential zones. Most zoning districts within the High Density Neighborhoods allow a mix of commercial and residential uses.</p>	<p>This action is not recommended at this time. If public interest grows in allowing slightly more intensive nonresidential components (size, traffic generation, employees on site) than current home occupation rules allow then the City may consider this in the future.</p>	<p>Not recommended</p>	<p><b>N/A</b></p>

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Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.

Strategy 5 actions recognize the need for the City of Olympia to engage with the community and establish strong partnerships with affordable housing providers to address housing affordability.

#### **Why is this important?**

While the City does not alone build or manage low-income housing, the policies it enacts can affect how much housing can be built and at what cost.

#### **How do these actions reduce housing costs?**

By establishing partnerships and collaborations with organizations who serve low-income households, the City can ensure it is directing its resources and enacting policies that best serve low-income households.

For some community members, changes brought on by growth and new development in their established neighborhoods can be threatening. As a result, residents may voice support for more affordable housing while at the same time seek to prevent actions needed to increase affordable options. By engaging with the community, the City can also build a shared understanding of the challenges faced by low-income households and develop informed consent around the strategies needed to increase housing affordability.

#### **How do these actions address equity?**

Building public understanding around the challenges faced by low-income households includes recognizing the historical reasons why they are disproportionately people of color.



The people who typically engage in public review processes – especially land use processes – are often white and of higher income. Developing relationships with people of color as well as organizations that work with or represent communities of color and disadvantaged groups can help the City better:

- Identify who benefits or is burdened by an action.
- Examine potential unintended consequences of taking an action.
- Mitigate unintended negative consequences of taking an action.
- Build in strategies to advance racial equity.



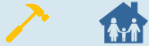

Proactive efforts to ensure engagement in decision-making processes are broadly inclusive and grounded in achieving equity are necessary. With broader input representative of the whole community, decisions are better balanced and actions the cities take can be more successfully implemented in an equitable fashion.

Inviting and bringing in people of all walks of life into the community conversation provides the most direct way to get feedback. Collaborating with community leaders and trusted representatives among disadvantaged populations can help make this happen and ensure government action does not increase inequities faced by people of color.

Table 2-6. Actions that improve implementation of housing strategies through collaboration, public understanding, and continually building on resources

Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>5.a. Identify and develop partnerships with organizations that provide or support low-income, workforce, and senior housing as well as other populations with unique housing needs.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City has begun this work, and staff regularly meet with partners and potential partners – both local and beyond. Examples include partnerships with the Low Income Housing Institute and Interfaith Works to develop housing and shelter for people experiencing homelessness at 2828 Martin Way, and contracting with the local food bank and senior center to provide food and meals during COVID.</p>	<p>Providing support to partner organizations that provide housing and related services is one of the best ways the City can make a difference. Constrained resources are a challenge, but continuing to work with the Regional Housing Council to identify new funding and set priorities is the right path. In addition, the City itself should continue to seek new resources and opportunities and engage potential partners – both local and from outside – that can help meet our housing objectives.</p>	<ul style="list-style-type: none"> <li>• Staff time to regularly coordinate and support the Regional Housing Council, and connect with partners and potential new partners.</li> <li>• Funding for various contracts.</li> <li>• Staff time to manage contracts</li> </ul>	<p><b>Ongoing</b></p>

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Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.		Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
5.b.	<p>Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.</p> <p><i>Gaps/Needs Addressed:</i></p> 		The City funded housing navigators from Homes First to assist with the Merritt Manor project.	Continue to fund navigators as needed through the Regional Housing Council and City Housing Program.	<ul style="list-style-type: none"> <li>• Staff time to regularly coordinate and support the Regional Housing Council, and connect with partners and potential new partners.</li> <li>• Funding for various contracts.</li> <li>• Staff time to manage contracts</li> </ul>	Ongoing
5.c.	<p>Establish a rental registration program to improve access to data and share information with landlords.</p> <p><i>Gaps/Needs Addressed:</i></p> 		This action is included in the scope for Tenant Protections, currently underway (#2a)	Complete the process to identify and adopt tenant protections.	See #2.a	Short Term Underway

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Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.		Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
5.d	<p>Conduct education and outreach around city programs that support affordable housing.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The Housing Action Plan process engaged the public and stakeholders about the City’s current programs and anticipated actions. Staff from the housing program have started conducting outreach to low income housing developers about available programs.</p>	<p>Adoption of a Housing Action Plan and the upcoming process to update the Comprehensive Plan Housing Element provide a great opportunity to continue sharing the City’s programs and approach with the community. Moving forward, as the City further develops its toolbox of affordable housing strategies, a specific campaign to ensure prospective partners know about Olympia’s goals, programs and incentives will help.</p>	<ul style="list-style-type: none"> <li>• Time for staff to conduct public outreach and connect with prospective partners</li> <li>• Time for Communications Team to develop content that tells our story</li> </ul>	<b>Ongoing</b>

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## Strategy 6: Establish a permanent source of funding for low-income housing.

Strategy 6 actions address the need to increase funding for low-income housing and to provide a regional strategy for distributing funds.

### Why is this important?

While the private sector will build most of the housing needed to meet demand in the Olympia, Lacey and Tumwater area, a significant portion of households earn less than 80 percent of the median area income. Paying market rate rents or mortgages may not be affordable for them (Table 2-7).

Table 2-7. Maximum affordable housing costs at various income levels, 2020

HUD Income Limit* for a:	Yearly Income	Hourly Wage (Full Time)**	Maximum Monthly Affordable Rent or Mortgage Payment
<i>2-Person Family</i>			
Extremely Low Income (30%)	\$20,800	\$10.00	\$500
Very Low Income (50%)	\$34,700	\$16.70	\$900
Low Income (80%)	\$55,500	\$26.70	\$1,400
<i>4-Person Family</i>			
Extremely Low Income (30%)	\$26,200	\$12.60	\$700
Very Low Income (50%)	\$43,350	\$20.80	\$1,100
Low Income (80%)	\$69,350	\$33.30	\$1,700

\*For 2020, Housing and Economic Development (HUD) income limits are based on a median family income of \$86,700 for Thurston County.

\*\*Assumes one household member works full time at 40 hours per week.

Source: Thurston Regional Planning Council.

Whether the developer is a nonprofit or a for-profit organization, there are real costs to consider in making a development project feasible. Table 2-8 provides an example of the monthly costs associated with developing a 100-unit apartment complex. This example is intended to give readers an idea of the costs associated with multifamily development; actual numbers for a real project will vary based on a variety of factors.

In this example, each apartment unit costs \$250,000 to develop, a total that includes acquiring land, engineering and architectural fees, environmental review, appraisals, city fees, construction costs, etc. Most developers do not have the cash to develop a project without financing. Some may not have funds for even a down payment to qualify for a development loan. Developers must also consider the ongoing costs once the development is up and running – such as costs for managing the property, taxes and insurance, and reserving funds for basic and more extensive repairs. In this example, monthly costs per unit would need to be \$1,695 just to cover the financing and ongoing operating costs; this does not take into account any profit – only the cost to break even on the project and ensure the developer does not lose any money.



Table 2-8. Example of costs associated with developing an apartment complex

	Per Unit Cost – Not Grant Funded	Per Unit Cost – 25% Grant Funded	Per Unit Cost – 100% Grant Funded
<b>Total Cost of Development</b> <i>Covers the total cost of development including land acquisition, engineering and architectural fees, environmental reports, appraisals, city fees, construction, etc.</i>	\$250,000	\$250,000	\$250,000
<b>Monthly Cost for Down Payment Financing</b> <i>approximately 25% of overall development cost. Assumes 5.8% return on investment.</i>	\$300	\$0	\$0
<b>Monthly Cost for Loan Payment</b> <i>approximately 75% of overall development cost. Assumes 4% interest rate.</i>	\$895	\$895	\$0
<b>Monthly Cost for Ongoing Operating Costs and Reserves*</b> <i>Covers property taxes and insurance; utilities; landscaping and general maintenance; basic repairs; property management; and maintenance reserves for painting, new roofs, appliance replacements, etc.</i>	\$500	\$500	\$500
<b>TOTAL Cost per month over 30-year loan term</b>	<b>\$1,695</b>	<b>\$1,395</b>	<b>\$500</b>

\*Per the Housing Authority of Thurston County, \$500 per unit is likely a modest amount for well-maintained properties.

Note: This example is intended to give readers an idea of the costs associated with development; actual numbers for a real project will vary.

Source: Housing Authority of Thurston County.

If a non-profit developer has the down payment covered through grant funding (about 25 percent of the total project cost), the cost per unit can be reduced to \$1,395 per month. If the non-profit developer is able to obtain grant funding for the total cost of development, the developer would still need about \$500 per unit per month to cover maintenance and operation costs. For households with extremely low incomes - making less than \$21,000 per year – this may still be a hard ask.

### How do these actions reduce housing costs?

Providing affordable housing for the lowest income households and those experiencing homelessness requires significant resources. Right now, those resources are scarce, leaving many households unable to afford a decent and affordable place to live. Many of the actions identified in this plan will not be possible without more funding. The Cities of Olympia, Lacey and Tumwater can play a significant role in leveraging local, state, and federal dollars for low-income housing. The cities also recognize the need to collaborate regionally on a funding strategy so that funds are used efficiently and distributed to the



areas of greatest need. With more funding, housing units become more affordable for households when costs for developing and maintaining units are reduced.

While the cities have some capacity to increase funding, Chapter 4 recognizes the need for action at the state and federal level to increase funding for affordable housing.



**How do these actions address equity?**

People of color are disproportionately low-income, at risk of experiencing homelessness, or homeless. However, many of the actions in this plan to address these issues will be impossible to implement without additional funding.



Table 2-8. Actions that establish a permanent source of funding for low-income housing

Strategy 6: Establish a permanent source of funding for low-income housing.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>6.a. Establish an affordable housing sales tax.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City adopted a Home Fund in 2018. The fund provides approximately \$2.3m annually to support local housing needs.</p>	<p>Stay the course.</p> <p>Support establishment of a countywide home fund, ultimately to provide more resources to meet the objectives and priorities of the Regional Housing Council.</p>	<ul style="list-style-type: none"> <li>• Time for the Home Fund Advisory Board to review, and the City Council to review and approve the award</li> <li>• Time for staff to manage the program</li> <li>• Funding through the Home Fund sales tax</li> <li>• City Councilmembers can encourage the County Commissioners to enact a countywide home fund.</li> </ul>	<p>Ongoing</p>



 = Affordability   
  = Supply   
  = Variety   
  = Seniors   
  = Improvements   
  = Stability   
  = Supportive Housing

Strategy 6: Establish a permanent source of funding for low-income housing.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>6.b. Take advantage of the local revenue sharing program established by HB1406 (portion of State sales tax that can be used for affordable housing.)</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City has implemented this action. The fund provides approximately \$325,000 annually, which is pooled with Lacey and Tumwater’s 1406 dollars and directed by the Regional Housing Council.</p>	<p>Stay the course.</p>	<ul style="list-style-type: none"> <li>Staff and Councilmember time to regularly coordinate and support the Regional Housing Council</li> </ul>	<p>Ongoing</p>












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  = Supportive Housing

Strategy 6: Establish a permanent source of funding for low-income housing.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>6.c. Use Community Development Block Grant (CDBG), Section 108 loans and other federal resources for affordable housing.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The City receives annual CDBG funds from the Dept. of Housing and Urban Development, which it can direct to housing, economic development or social services that support low income households.</p> <p>Prior to COVID, the City started prioritizing CDBG for housing related projects, but in 2020 funds were directed to address various needs related to the COVID emergency.</p> <p>City also used to provide Section 108 loans for maintenance of low income housing, but isn't doing so currently.</p> <p>Both the County and City will receive funding from the federal American Recovery Plan, some of which will be directed to housing programs.</p>	<p>Use CDBG funds to reinstate revolving loan program to support rehabilitation and maintenance of low income housing (see 1.j)</p> <p>Prioritize housing programs and projects when allocating CDBG funding. In the short term, focus on rehab of low-income housing stock and partnering with housing agencies to build capacity.</p> <p>In the future, consider reinstating the Section 108 loan program – this is a complicated program to manage and it ultimately reduces the City's annual CDBG allocation, so requires careful thought.</p>	<ul style="list-style-type: none"> <li>• Staff time to develop and manage contracts, and administer the program</li> <li>• Time for staff to prepare and City Council to review and approve annual allocations</li> </ul>	<p>Ongoing</p> <p>Section 108 = Mid Term</p>

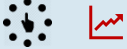


 = Affordability  
  = Supply  
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Strategy 6: Establish a permanent source of funding for low-income housing.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>6.d. Develop a (regional) comprehensive funding strategy for affordable housing that addresses both sources of funding and how the funds should be spent.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>The newly formed Regional Housing Council (RHC) will consider issues specifically related to funding a regional response to homelessness and affordable housing, and how to better coordinate existing funding programs. Unfortunately, needs for responding to both homelessness and lack of affordable housing far outweigh resources. Work is needed through the RHC and other regional forums to determine overall allocation goals for permanent low income housing and emergency homeless response efforts. In the short term, the focus of the RHC is to direct American Recovery Plan Act funds to expand the goals of the 5-yr Homeless Crisis Response Plan and construction of permanent supportive housing. The RHC has stated this immediate focus does not diminish the need to develop a range of affordable housing options, including for those in the 50-80% area median income or higher income range.</p>	<p>After each of the jurisdictions have adopted their housing action plans and RHC indicates they are ready, staff can support this work.</p>	<ul style="list-style-type: none"> <li>Staff and Councilmember time to participate in the Regional Housing Council</li> </ul>	<p><b>Short Term</b></p>

 = Affordability  
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Strategy 6: Establish a permanent source of funding for low-income housing.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>6.e. Use value capture (e.g. consider tax increment financing) to capture the value of city investments that increase private investment in neighborhoods, especially in areas with planned or existing transit.</p> <p><i>Gaps/Needs Addressed:</i></p>  		<p>Up until recently local governments have not had the authority to use tax increment financing (TIF) in Washington. However, HB 1189 – signed into law in 2021 - authorizes TIF’s for local governments.</p>	<p>When exploring TIF, consider whether this is a good tool for Olympia to use to finance affordable housing or infrastructure improvements that stimulate housing development.</p>	<ul style="list-style-type: none"> <li>• Time for City Council to consider whether and how they many want to use TIF</li> <li>• Time for staff to review and prepare a TIF program for Olympia</li> <li>• Time for City Council to review and approve program</li> <li>• Time for staff to develop and manage such a program</li> </ul>	<p><b>Short-Mid term</b></p>
<p>6.f. Establish an affordable housing loan program.</p> <p><i>Gaps/Needs Addressed:</i></p>       		<p>Not currently addressed.</p>	<p>Consider in the future. More research is needed on what would be involved.</p>	<ul style="list-style-type: none"> <li>• Time for staff to review and develop an ordinance establishing such a program</li> <li>• Time for City Council to review and approve the ordinance</li> <li>• Staff time to manage such a program</li> <li>• A dedicated source of funding</li> </ul>	<p><b>Long Term</b></p>

 = Affordability  
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  = Improvements  
  = Stability  
  = Supportive Housing

Strategy 6: Establish a permanent source of funding for low-income housing.	Implementation Status	Current Approach	Recommended Approach	City Resources Needed	Recommended Timing
<p>6.g. Establish a regional housing trust fund to provide dedicated funding for low-income housing.</p> <p><i>Gaps/Needs Addressed:</i></p> 		<p>Not currently addressed.</p>	<p><b>Best if approached regionally.</b></p> <p>While this action is not recommended to be implemented by the City, the City should consider supporting any regional effort.</p>	<p>Not recommended</p>	<p>N/A</p>
<p>6.h. Establish an affordable housing property tax levy to finance affordable housing for very low-income households.</p> <p><i>Gaps/Needs Addressed:</i></p> 	<p>X</p>	<p>Not currently addressed for housing. In 2019 the City passed a property tax levy for public safety.</p>	<p>This action is not recommended since we adopted a property tax levy for public safety and a sales tax levy for affordable housing in 2018</p>	<p>Not recommended</p>	<p>N/A</p>

 = Affordability  
  = Supply  
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# Chapter 3.

## Legislative Needs

The regional Housing Action Plan identified a number of barriers to affordable housing that need to be addressed at the state or federal level. Cities the size of Lacey, Olympia, and Tumwater are not the best suited to leverage sufficient funding to meet the needs identified in this plan. They need state and federal government relief to fill the gap. Loss of funding at either the state or federal level can have severe impacts at the local level. A joint legislative agenda developed by the Cities of Lacey, Olympia, and Tumwater will be necessary to address these issues.

Many of the actions in this plan require funding — especially actions to create affordable housing for the lowest income households and people moving out of emergency and temporary housing situations. Therefore, an important part of this legislative agenda is the need for funding for the construction and maintenance of low-income housing and permanent supportive housing.

### State Legislative Agenda

- Increase funding for low-income housing construction.
- Increase funding for permanent supportive housing for those recently experiencing homelessness and moving out of emergency/transitional housing.
- Increase funding for renovating low-income housing to address accessibility upgrades, energy efficiency retrofits, and indoor health (e.g. lead and mold).
- Reform Washington’s condo liability laws.
- Amend the Manufactured/Mobile Home Landlord-Tenant Act — such as in [HB2610](#) — to provide protections for tenants in the event of a sale.

- Allow tax increment financing.
- Require a portion of the Washington State Housing Trust Fund to be used for affordable homeownership projects.
- Update the multifamily tax exemption program to include projects that support homeownership opportunities.
- Enact policies that can increase access to housing for formally incarcerated individuals.
- Increase funding for the Washington State Finance Commission’s down payment assistance program and expand amount of assistance low income homebuyers can receive to better match rising home costs.

### **Federal Legislative Agenda**

- Reduce tariffs that raise housing construction costs, making it more expensive to build housing. Example: the cost of softwoods (heavily used in construction) from Canada are up by about 25 percent.
- Increase federal Housing and Urban Development (HUD) funding for affordable housing, including housing vouchers and funding for the Community Development Block Grant (CDBG) program, the Self-Help Homeownership Opportunity Program (SHOP), and the Home Investment Partnerships Program (HOME).
- Examine the effect of Davis-Bacon Act prevailing wage requirements on small, non-profit housing developers.
- Increase funding for down payment assistance. This could include providing tax credits for first-time home buyers with low-income, targeted down payment assistance for disadvantaged populations and communities of color, and increased funding for homeownership savings programs like Assets for Independence and the Family Self-Sufficiency initiative.
- Support the Neighborhood Homes Improvement Act tax credit, which would make it economically feasible to rehabilitate distressed homes for homeownership and expand affordable homeownership opportunities for local residents.

# Appendix A.

## Action Details

This appendix includes a fuller description of what each action included in this plan entails. Where appropriate, the appendix includes applicable information on what the Cities of Lacey, Olympia, and Tumwater can or have done as well as resources with more information. The actions are grouped into their strategy categories:

1. Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.
2. Make it easier for households to access housing and stay housed.
3. Expand the overall housing supply by making it easier to build all types of housing projects.
4. Increase the variety of housing choices.
5. Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.
6. Establish a permanent source of funding for low-income housing.

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Strategy 1: Increase the supply of permanently affordable housing for households that make 80 percent or less of the area median income.

1.a. Donate or lease surplus or underutilized jurisdiction-owned land to developers that provide low-income housing.

In areas with high land costs, acquiring suitable land can add significant expense to an affordable housing project. Public lands can be donated or leased to affordable housing developers, thereby reducing the cost of development. In this case, affordable housing means housing for households with incomes 80 percent or less of the area median income.

When a jurisdiction does not own land appropriate for housing development, purchasing such land may be an appropriate measure. The land can then be donated or leased to developers that provide low-income housing.

For more information on donating public lands, see [RCW 39.33.015](#).

1.b. Fund development projects that increase low-income housing through grants or loans.

Cities can provide funding directly to low-income and permanent supportive housing providers through grants or loans. This recognizes the need for public funding to build low-income housing beyond what market-driven incentives can provide. This action can be best implemented for projects located close to transit and with good access to organizations and agencies that serve low-income households.

1.c. Offer and/or expand fee waivers for low-income housing developments.

Impact fees, utility connection fees, project review fees, and other fees increase the cost of housing construction. Reducing or waiving fees for low-income housing developments reduces their development costs and acknowledges that providing low-income housing has a positive impact on a community by:

- Ensuring vulnerable households can afford a home.
- Preventing individuals and families from becoming homeless.
- Reducing the cost of providing social services for households in crisis.

In most cases, the costs for such offsets must be made up elsewhere. According to the Washington State Department of Commerce, reducing or waiving impact fees are most effective when paired with other housing affordability incentives.

The Washington State Legislature has authorized municipalities to grant an exemption of eighty percent (80%) of the impact fees for qualified low-income housing developments. The City of Olympia offers this program to multifamily developments with over 4 units and when all the units will be affordable to those with incomes of 80% or less of area median family income for 20 years or longer. The Legislature allows this with no requirement to identify public funds to pay the exempted portion of the fees. In these cases, no money is collected from these projects to pay for the impacts to roads, schools and streets, in lieu of the provision of low-income affordable housing.

For more information on fee waivers for low-income housing, see:

- [RCW 82.02.060](#) for exempting impact fees for low-income housing.
- [RCW 35.92.380](#) and [RCW 35.92.020](#) for waiving utility connection and other utility fees for low-income persons.
- [RCW 36.70A.540](#) for waiving or exempting fees for affordable housing.

See also Action 3.b regarding deferral of impact fee payments, and 1.f regarding LOTT's hook up fees

#### 1.d. Offer density bonuses for low-income housing.

Density bonuses allow developers to build more housing units than typically allowed if a certain percentage of units are low-income or income restricted. This policy is best implemented in coordination with low-income housing providers. Density bonuses are viable in areas where there is market demand for higher-density housing but do not pencil out where the demand is weak.

#### 1.e. Define income-restricted housing as a different use from other forms of housing in the zoning code.

Defining income-restricted housing as a specific use allows cities to explicitly identify income-restricted housing as a permitted use in residential zones. It also allows cities to establish development regulations specific to low-income housing to streamline its design and permitting, making it a more attractive type of development for developers.

#### 1.f. Support LOTT's discussion about lower hook-up fees for affordable housing.

The LOTT Clean Water Alliance provides wastewater management services for the urban area of north Thurston County, Washington. LOTT is a non-profit corporation, formed by four government partners – Lacey, Olympia, Tumwater, and Thurston County. Beginning in 2021, LOTT is conducting a cost of service study, and the scope includes discussion of measures the organization could take to further partners' interests in affordable housing.

Currently LOTT offers a rebate of 50% to 75% off the LOTT connection fee for property owners that are converting from an on-site septic system to the public sewer system. Property owners converting from septic to sewer are eligible for a rebate of 50% of the LOTT connection fee. Owners who meet criteria for hardship status, as defined by the city that will provide utility service, may qualify for an additional rebate of 25% of the LOTT connection fee. This program is in effect from 2019-2024, and is subject to available funds.

#### 1.g. Partner with low-income housing developers to expand homeownership opportunities.

Affordable homeownership opportunities allow low-income households to build stability and wealth. Local jurisdictions can go beyond their own capabilities to encourage affordable homeownership opportunities by partnering with local housing groups and non-profit developers. This may include

providing funding, gifting publicly owned property, supporting grant applications, providing assistance to property owners, and other programs that increase affordable homeownership opportunities.

See also Action 1.a. regarding donation of land.

1.h. Provide funding for non-profit organizations to buy income-restricted units proposed to be converted to market rate housing.

Income-restricted housing units developed or rehabilitated with federal money may in the future be converted to market-rate units as affordability requirements expire. Partnering with The Housing Authority of Thurston County (HATC) and other nonprofit organizations to purchase such units can help preserve long-term housing options for low-income households.

See also 1.m requiring a notice of intent to sell, and 2.d regarding tenant opportunity to purchase.

1.i. Provide funding for low-income and special needs residents to purchase housing through community land trusts.

Community land trusts provide permanently affordable housing opportunities by holding land on behalf of a place-based community. A non-profit organization, housing land trusts help make homeownership both possible and affordable for low-income households. Locally, the Thurston Housing Land Trust serves all of Thurston County.

See also action 1.g regarding partnerships with low income housing developers.

1.j. Provide funding for renovating and maintaining existing housing that serves low-income households or residents with disabilities.

Low-income households and landlords that serve such households may not be able to afford costs for improving housing units that require renovation or rehabilitation. Need-based assistance to make home repairs, weatherization improvements, energy efficiency upgrades, and safety upgrades can ensure existing housing affordable to low-income households remains healthy for inhabitants, affordable, and in good repair.

The City receives an annual allocation of Community Development Block Grant (CDBG) funds, which is allowed to be used to help renovate homes rented or owned by low to moderate income residents. Under review at the time of this report is a proposal to use approximately \$200,000 from the nearly \$400,000 2021 annual allocation to reinstate a revolving loan program. The program would provide low-interest loans for various maintenance activities in either rental or owned properties.

The initial \$200,000 would help build capacity of a variety of non-profit agencies whom the City hopes to partner with on this program moving forward, including:

- Rebuilding Together which offers low-barrier services focusing on homeowners with disabilities and the elderly.
- The Thurston County Housing Authority which owns several low income rental properties.

- Homes First which also owns rental properties, and may be able to help the City with recruitment, screening and administration of the loan program.

Moving forward, the revolving loan program will be funded from prior loan payoffs received throughout the year (in prior years the City used CDBG for a similar loan program.) It is not known how much money will be generated for the program each year since sometimes loans are paid back in full before the deadline. However, each year in the fall City staff will share results of the program with the public and Council, including how many projects, how much money, how many people benefitted, etc.

See also Action 2.e regarding partnering with local trade schools.

1.k. As part of comprehensive plan and development code changes, include an evaluation of the impact such changes will have on housing affordability, especially for low-income households. Changes to comprehensive plans and development codes should include an evaluation of how they would affect the amount of housing, the types of housing allowed, and the cost to permit, construct, and renovate housing. Evaluating the potential for displacement when affordable units are likely to be lost to redevelopment (such as a mobile home park that is redeveloped) is also appropriate.

1.l. Require low-income housing units as part of new developments.

Future Thurston County households will have a range of incomes, and a portion of residential development will need to be affordable to low-income households. Requiring low-income housing units – whether for rent or ownership – ensures such units will be built as part of development. Consideration should be given to the number of low-income units required, how they are integrated with market-rate units, and whether thresholds should be enacted that exempt smaller developments from this requirement.

Washington State law allows cities to impose affordability requirements in areas where residential capacity is being increased. This is sometimes referred to as inclusionary zoning and typical elements include:

- Minimum quantity of required affordable units within the development (ex., 10-20%)
- A targeted income range (ex., less than 80% area median income)
- Time period (ex., 50 years)
- Geographic scope
- A fee in lieu option

As learned from other cities, establishing an affordability requirement requires the right conditions. Studies show that in communities with strong, sustained housing markets, and a program that is flexible and structured with sufficient incentives to offset the affordability requirements, this can be an effective tool. But there can be unintended consequences. Added costs and complexity can discourage development. If the affordability requirements are not sufficiently offset, developers may need to raise the cost of the market rate units to make up the difference, also impacting affordability. They also may opt not to build the project at all, and neither market rate nor affordable housing units will be built. A proforma analysis can help determine if the right conditions exist to make this tool viable. Viability may vary from neighborhood to neighborhood.

See [RCW 36.70A.540](#) and [WAC 365.196.870.2](#) for more information.

1.m. Adopt a “Notice of Intent to Sell” ordinance for multifamily developments.

Requiring notice to the city, housing officials, and tenants when the owner of a multifamily development intends to sell gives the city the opportunity to preserve low-income units for the same purpose and tenants ample additional time to prepare for a potential move. Not every multifamily development is appropriate for purchase to preserve affordability, but the notice allows jurisdiction staff the time to consider it. Cities may consider developing a list of criteria to determine the types of multifamily developments they want to preserve, including units currently required to be dedicated for low-income households but which may be converted to market-rate units in the future.

### Resources

- National Housing Preservation Database. Provides information on developments that have received housing subsidies. As of December 2020, more than 3,000 multifamily units (two or more units in a building) in Thurston County have active subsidies.

1.n. Allow manufactured home parks in multifamily and commercial areas.

Manufactured home parks serve as one of the most affordable housing options for households in the region. If a city has not adopted a dedicated zone for manufactured home parks, it should consider allowing such developments in commercial areas and all multifamily zones.

See also Actions 1.p regarding a preservation program, 2.i regarding rezones, 2.d regarding tenant opportunity to purchase, and 4.e regarding manufactured homes.

1.o. Require Planned Residential Developments (PRDs)/Planned Unit Developments (PUDs) for low-density development and include standards for including low-income housing.

Planned Residential Developments (PRDs) and Planned Unit Developments (PUDs) and are intended to provide a developer flexibility when designing very large subdivisions. Generally, flexibility is provided in terms of lot size and housing types. Requiring low-income housing as part of low-density PUDs/PRD can introduce a greater variety of housing of low-density housing types (duplexes, small apartment buildings, cottage housing, etc.) into a new neighborhood and ensure the neighborhood is affordable for a wider range of households. This may also encourage the private sector to partner with non-profits such as Habitat for Humanity to develop detached single-family homes for low-income households.

Low-density developments are more likely to consist only of detached single-family homes. Requiring PRDs/PUDs for low-density development can encourage more housing types in such developments. Requiring low-income housing in PRD/PUD proposals is a type of inclusionary zoning (income-restricted affordable housing must be included as part of new developments).



1.p. Establish a program to preserve and maintain healthy and viable manufactured home parks. Manufactured home parks can be prime locations for higher density redevelopment in communities with strong demand for new housing. However, they also serve as one of the most affordable housing options for households in the region. A program that seeks to preserve and maintain healthy and viable manufactured home parks may consider ways to assist:

- Unit owners to purchase the park outright.
- Unit owners to maintain and repair individual manufactured homes.
- Unit owners with funding to replace units that would be better replaced than repaired.
- Unit owners with funding for relocation when a park cannot be preserved.
- Park owners with making service and utility upgrades.
- Park owners with converting from septic to sewer service.

See also Actions 1.n regarding allowing, 2.i regarding rezoning, 2.d regarding tenant opportunity to purchase, and 4.e regarding manufactured homes

1.q. Enhance enforcement of property maintenance codes to keep housing in good repair. Property maintenance codes are intended to ensure the health, safety, and welfare of the public is adequately protected. Improved enforcement can help ensure pest infestations, lack of sanitary conditions, presence of mold, and structural issues are addressed in a timely fashion, thereby protecting homeowners, tenants, and the public at large. Enforcing adopted property maintenance codes is difficult due to the time, staffing, and funding needed to identify and address issues as they arise.

This strategy could have a negative impact on low-income households if resources are not also made available to such households (or their landlords) to make required repairs (see Action 1.j regarding funding).

## Strategy 2: Make it easier for households to access housing and stay housed.

### 2.a. Identify and implement appropriate tenant protections that improve household stability.

Tenant protections help avoid or slow the process of displacement for households by preserving housing units, a household's tenancy, or access to information and assistance. Examples of tenant protections include but are not limited to:

- Adopting a just cause eviction ordinance that requires landlords to provide tenants with a legally justifiable reason for the eviction.
- Adopting a preservation ordinance, requiring developers to replace affordable housing units demolished as part of redevelopment.
- Adopting an eviction mitigation ordinance to find ways to mutually end a rental agreement rather than evicting tenants.
- Adopting an opportunity to purchase policy that better involves tenants in the decision-making process when a dwelling unit is to be sold.
- Developing a program to incentivize landlords to accept tenants with poor credit or criminal history.
- Improving enforcement of landlord/tenant laws.
- Increasing a tenant's access to legal assistance for landlord/tenant issues.
- Limiting or regulating fees associated with rental housing applications.
- Requiring landlords to establish payment plans for tenants that get behind on rent.

Each tenant protection has positive and negative aspects that should be reviewed and considered before implementing, and both tenants and landlords should be involved in the review process. For more information on protections offered by the Residential Landlord Tenant Act, see [Chapter 59.18 RCW](#).

### 2.b. Adopt short-term rental regulations to minimize impacts on long-term housing availability.

When a property owner rents out an entire living unit on a short-term basis (generally a period of time less than 30 days), that housing unit cannot be used for the community's long-term housing needs. Regulating short-term rentals can reduce negative impacts to the housing market as well as the neighborhood where the short-term unit is located. While this action is most effective in communities that attract a robust tourism base, establishing regulations/registration for this use ensures the city can track the impact short-term rentals have on long-term rentals.

### 2.c. Provide displaced tenants with relocation assistance.

Displacement can happen for a variety of reasons through no fault of the tenant. As redevelopment becomes a more attractive option than keeping a development as is, households – especially low-income households – can be displaced. Moving costs money, and low-income households may not have the funds available for making a required move. State law authorizes local governments to adopt an ordinance requiring developers to provide displaced tenants with relocation assistance to households that have an income of 50 percent or less of the area median income. Cities and counties can also

dedicate public funds or use a combination of public and private funds for relocation assistance. When public action results in tenant displacement, relocation assistance is required.

For more information on relocation assistance, see [RCW 59.18.440](#) (developer action) and [RCW 8.26](#) (public action).

#### 2.d. Consider a Tenant Opportunity to Purchase Ordinance (TOPO)

Tenant Opportunity to Purchase Ordinances (TOPOs) aim to provide long-term protection of already existing affordable housing by allowing tenant groups the first opportunity to negotiate and bid on rental properties when they come up for sale. In other cities these are typically mandatory and have been applied to manufactured home parks only.

Manufactured homes provide some of the most affordable forms of housing in the county, particularly for seniors. While in some of the lowest cost housing available, residents in manufactured home parks are particularly vulnerable because they usually own their home but not the underlying land.

Following implementation of a TOPO for manufactured home parks, the City could work with local organizations such as a land trust or cooperative development center to help residents purchase the property and place it in trust for long term affordability, perhaps in a cooperative model.

See also Actions 1.n regarding allowing manufactured home parks (MHP's), 1.p regarding a preservation program for MHP's, 2.i regarding rezoning MHP's, 2.d regarding tenant opportunity to purchase, and 4.e regarding manufactured homes.

#### 2.e. Partner with local trade schools to provide renovation and retrofit services for low-income households as part of on-the-job-training.

According to a 2019 housing memorandum prepared by PNW Economics, LLC and LDC, Inc. for the Washington State Department of Commerce, the majority of general contracting firms struggle to find skilled tradespeople (Issues Affecting Housing Availability and Affordability, p. 71.) Trade schools, apprenticeship programs, and other professionals that provide repair, retrofit, and renovation services to homeowners can scale up training with the help of homeowners who are in need of services at reduced rates.

This action may require additional assistance to the household to accomplish (see Action 1.j regarding funding).

#### 2.f. Explore barriers and policies that can increase access to housing for formally incarcerated individuals

A criminal conviction can be a lifelong barrier to accessing services housing and other services. Landlords often use criminal background checks to narrow the applicant pool for their housing. Also, public and supportive housing options are in short supply and often people reentering from jails or prisons are ineligible or screened out from these programs. Having a criminal record while competing for low income units in short supply puts people with criminal records at a severe disadvantage. These

individuals are highly likely to become homeless, which also increases the likelihood of recidivism. These housing practices and policies disproportionately impact people of color and people with disabilities, as these persons are over-represented in the U.S. criminal justice system.

More exploration is needed to determine what other cities have done to mitigate this issue and what might be the right approach for Olympia.

2.g. Establish a down payment assistance program.

Down payment assistance typically takes the form of a low- or no-interest loan to the home buyer, which can be paid back as part of the mortgage or at the time the mortgage is paid off, the home is sold/transferred to a new owner, or the property is refinanced.

The Washington State Housing Finance Commission (WSHFC) has programs that provide down payment assistance to first time and low-income home buyers. Establishing a down payment assistance program at the local level can assist more households in the Thurston County community towards the goal of homeownership. One option would be for the City to partner under a contract with the WSHFC to increase the amount assistance available, more narrowly define eligibility, as well as receive program management assistance from WSHFC.

For more information on state down payment assistance programs, see the [Washington State Housing Finance Commission](#).

2.h. Adopt a “right to return” policy.

A “right to return” policy prioritizes down payment assistance for first-time home buyers that have been displaced due to direct government action. Establishing a right to return policy should only occur if the city has also established a down payment assistance program (see Action 2.g.).

2.i. Rezone manufactured home parks to a manufactured home park zone to promote their preservation.

Manufactured home parks provide some of the most affordable, non-subsidized forms of housing in Thurston County. Occupants of manufactured and mobile homes who own their unit lease the land under the unit. As property values rise, pressure to redevelop manufactured home parks increases, putting unit owners at risk of having to move (which can be costly) and being unable to find a new place to establish their home. Rezoning such developments to a manufactured home park zone can limit the types of development allowed in the zone and result in a more thorough public review process if rezoning is proposed.

See also Actions 1.n regarding allowing manufactured home parks (MHP’s), 1.p regarding a preservation program for MHP’s, 2.d regarding tenant opportunity to purchase, and 4e regarding manufactured homes.

Strategy 3: Expand the overall housing supply by making it easier to build all types of housing projects.

3.a. Lower transportation impact fees for multifamily developments near frequent transit service routes.

Transportation impact fees are one-time charges assessed by a local government on a new development project to help pay for establishing new or improving existing public streets and roads. The streets and roads must be included in a community's Comprehensive Plan. The fee must directly address the increased demand on that road created by the development. For multifamily developments near frequent transit service routes, the idea is that many residents and visitors are able to utilize the public transit system, thereby reducing the impact of the development on public streets and roads.

Currently the City of Olympia collects Transportation, Park and School Impact Fees, but does not collect Fire Impact Fees. The Olympia School District establishes the School Impact Fee, which are collected by the City at the time of permit and then directed to the District.

#### January 2021 Transportation Impact Fees (rounded to the nearest dollar)

- **Lacey:** \$610-\$3,989 per dwelling unit. Varies according to unit type with detached single-family dwellings having the highest fees.
- **Olympia:** \$728-\$3,219 per dwelling unit. Varies according to unit type with detached single-family dwellings having the highest fees.
- **Tumwater:** \$497-\$3,919 per dwelling unit. Varies according to unit type with detached single-family dwellings having the highest fees. Assisted living facilities have a fee of \$439 per bed.

3.b. Allow deferral of impact fee payments for desired unit types.

New development impacts existing municipal and community investments, and impact fees are a way to ensure new development pays their fair share. Impact fees may be delayed, but they must be paid before the impact is realized. Delaying payment of such fees allows a developer building desired unit types to spread the costs of a development over a longer period of time. State law already requires the Cities of Lacey, Olympia, and Tumwater to establish a system for deferring impact fee payments for small, single-family residential developments. This action would expand the deferral program to developments with desired unit types.

Desired unit types depend on the neighborhood or policy context and could include defining the type of building (courtyard apartment or manufactured home, for example), the need for income-restricted units, units of a certain size, or units containing a certain number of bedrooms.

See also Action 1.c. regarding fee waivers.

### 3.c. Reduce setbacks and increase lot coverage/impervious area standards.

Modest reductions in front setback standards can help to expand possible building footprint area. In dense urban environments, the opportunity to build a firewall up to the side property line allows greater flexibility and expansion of the possible building envelope. Overly ambitious impervious area standards can also be detrimental to desired infill housing development and limit achievement of maximum allowed units.

### 3.d. Reduce minimum lot sizes.

Like increasing minimum residential densities, reducing minimum lot sizes allows more dwelling units to be built per acre of land, can reduce the cost of each housing unit, increases the likelihood of public transit ridership, improves a neighborhood's walkability, and reduces the per housing unit cost of providing urban services (water, sewer, garbage, etc.). For low-density developments like single-family neighborhoods, it also allows for smaller and low-maintenance yards.

### 3.e. Relax ground floor retail.

While a mix of uses can be useful for neighborhoods, especially along main streets, many municipalities require retail uses in the ground floors of all new multifamily residential projects. This may oversupply the local retail and office market, reducing the financial feasibility of projects with space that is less profitable to developers. Strategically applying ground-floor retail requirements to essential streets or blocks can limit the barrier to housing development.

### 3.f. Require minimum residential densities

Washington's Growth Management Act (GMA) requires that communities within designated urban growth areas allow for urban densities. While a specific density isn't specified by GMA, veteran Washington planners often mention four dwelling units per acre as the minimum urban density, though closer to seven units has been shown to support transit service. Nevertheless, growing municipalities recognize higher densities reduce the per-household cost of providing urban service. While the real estate development market will in many cases render minimum residential densities unnecessary, setting a minimum density can be critical to achieving growth and community development goals and policies.

The purpose of establishing minimum densities in zoning is to ensure that a sufficient level of development occurs to support transit use, walkability, infrastructure investments, local retail or other goals. Applying minimum density standards around high-capacity transit stations and other well-served transit nodes or corridors has gained traction over the past decade.

### 3.g. Allow third-party review of building permits for development projects.

While retaining control of issuing building permits, a city may find third-party reviews helpful for maintaining good customer service and ensuring reviews are timely as demand for reviews increase or the permit counter is short-staffed. Third-party reviews may also be employed if expedited review policies are established.

3.h. Simplify land use designation maps in the comprehensive plan to help streamline the rezoning process.

Development must be consistent with a community's comprehensive plan; broad land use categories in the comprehensive plan provide the vision while more precise land use zones provide the implementation framework. Land use designations that are too specific in a comprehensive plan may require a developer to apply for a comprehensive plan amendment in addition to a zone change. Because comprehensive plan amendments are typically considered only once a year, this can slow the permitting process down substantially.

- **Lacey:** 33 land use designations in the Comprehensive Plan implemented by 33 land use zones.
- **Olympia:** 15 future land use designations in the Comprehensive Plan implemented by 33 land use zones.
- **Tumwater:** 19 future land use designations in the Comprehensive Plan implemented by 19 land use zones.

3.i. Reduce parking requirements for residential uses, including for multifamily developments near frequent transit routes.

Because parking can be expensive to install or take up valuable site area, reducing parking associated with new development or redevelopment can lower overall development costs. Reducing parking requirements can result in increased density and be an appropriate trade-off when the development is near transit routes that receive frequent service. Additionally, fewer residents may be likely to own multiple vehicles in areas within walking distance of frequent bus service or neighborhood centers.

3.j. Expand the multifamily tax exemption to make it available in all transit corridors.

The Multifamily Tax Exemption (MFTE) program is authorized by state law to stimulate residential construction within targeted areas. The Cities of Lacey, Olympia, and Tumwater have each established a multifamily tax exemption (MFTE) program and utilize the program for specific areas of their respective communities where they desire a more urban residential or mixed-use pattern of development. The target areas as of January 2021 are:

- **Lacey:** Applies to the Woodland District.
- **Olympia:** Generally applies to downtown Olympia and portions of Harrison Avenue and State/Fourth Avenues.
- **Tumwater:** Generally applies to the Brewery District, Capitol Boulevard Corridor, Tumwater Town Center, and the Littlerock Road Subarea.

Opening the program to transit corridors can lead to more units being constructed in areas with low transportation costs and more units – at least for a time – affordable to low-income households.

Upon approval of qualified projects, Olympia may exempt the value of the new residential portion of the assessed property value from taxation for a specified period of time. There is an 8-year exemption, and a 12-year exemption for projects where at least 20 percent of the units are rented or sold to low or moderate income families, defined as having an income less than 115% of area median income. The

Thurston County Assessor determines the amount to exempt based on the improvement created through new residential construction or rehabilitation.

Most of the MFTE projects in the City have occurred in downtown and have used the 8-year MFTE. The MFTE program has been available downtown for over 20 years as the City has long tried to stimulate residential construction there to meet urban density, transit and other goals. The 8-year MFTE began to be used in 2014 as the pace of multifamily construction picked up following the recession. The City's first 12-year MFTE project, Merritt Manor on Martin Way, was completed in 2020.

The MFTE doesn't give a developer any money directly; it merely exempts a portion of the increase in assessed value of the property from taxation for a specified time period.

For more information, see [RCW 84.14](#).

### 3.k. Review fees/regulations to identify housing cost reductions

According to a 2019 housing memorandum prepared by PNW Economics, LLC and LDC, Inc. for the Washington State Department of Commerce, one of the factors leading to underproduction of housing throughout the State are complex, layered regulations that make development more costly and prone to risk (Issues Affecting Housing Availability and Affordability). When demand for housing is high but supply remains low – as our region is experiencing – housing costs increase for renters and potential buyers across the board. Thus, increasing the supply of housing for all income levels will play a role in stabilizing home prices across the board.

The issue of regulatory barriers to housing is consistently identified by local housing producers – both in the private and non-profit sectors - to stifle development. On August 12, 2019, the City of Olympia Land Use & Environment Committee held two study sessions with local producers of housing to better understand which potential City actions might effectively stimulate additional housing construction. The two study sessions focused on low-income housing (below 80 percent AMI) and moderate-income housing (80-120 percent AMI), respectively. Following the study sessions, the Committee held additional discussion at its September 19, 2019, meeting and directed staff to recommend specific tools that the City can focus on to address housing costs.

At this time the staff are working through an approved of regulations and fees that have the highest potential to address the costs of producing housing for moderate-income households:

- Phase 1: street connectivity, frontage improvement thresholds, downtown sidewalk standards, private streets in manufactured home parks.
- Phase 2: Increase flexibility in the permit process; street classification standards; definitions of change of use or density.
- Phase 3: regional stormwater approaches and retrofit requirements.

In the future, the Land Use Committee will also consider potential specific, direct incentives for housing production.



3.l. Consult with Washington State Department of Transportation as part of the SEPA review process to reduce appeals based on impacts to the transportation element for residential, multifamily, or mixed-use projects.

The State Environmental Policy Act (SEPA) provides citizens with a process for challenge decisions made by jurisdictions and government agencies. While an important tool for holding government accountable, SEPA appeals can slow down projects, adding time and costs to the approval process.

HB 1923 – passed into law in 2019 – recognized that SEPA appeals add cost to infill and affordable housing projects while having minimal impact on transportation systems. The law provides cities with an option to protect SEPA decisions from appeal based on impacts to the transportation element of the environment when:

- The approved residential, multifamily, or mixed-use project is consistent with the adopted transportation plan or transportation element of the comprehensive plan.
- The required impact fees and/or traffic and parking impacts are clearly mitigated under another ordinance.
- Washington State Department of Transportation (WSDOT) determines the project would not present significant adverse impacts to the state-owned transportation system.

Consultation with WSDOT as part of the SEPA review process can help streamline the development process. For residential, multifamily, and mixed-use projects that do not meet the criteria above, the right to appeal the SEPA decision is maintained.

For more information, See [RCW 43.21C.500](#).

3.m. Explore allowing medium density housing around Neighborhood Centers.

Olympia’s Comprehensive Plan identifies locations throughout the City for Neighborhood Centers. These are small walk and transit-friendly activity clusters within neighborhoods that serve the day-to-day retail and service needs of local residents and foster community interaction.

Olympia’s neighborhood centers are in various stages, from booming to completely undeveloped. In 2015, the Olympia Planning Commission conducted a study and found one of the key barriers to fulfillment of this vision is not enough customers living within a ½ mile to support business activity. (As a rule of thumb, a small convenience food store needs 1,000 households within a ½ mile to be sustained.)

A policy in the Comprehensive Plan provides that medium-density housing types may be located in or near neighborhood centers. Making this change would require further analysis, a public process and Council decision to change zoning regulations. The Planning Commission plans to take this up later in 2021-22.

3.n. Process short plats administratively

Short subdivisions, also called “short plats,” are defined in [RCW 58.17.020\(6\)](#). “Short subdivision” is the division or redivision of land into four or fewer lots, tracts, parcels, sites or divisions for the purpose of sale, lease or transfer of ownership. Cities, towns and Growth Management counties may increase the number of lots to a maximum of nine within urban growth areas. This means that these developments may be administratively approved instead of needing to go through a more lengthy subdivision process.

Consistent with established legal requirements, administrative approvals can improve the clarity, speed and consistency of the review process, which in turn encourages new housing construction by reducing potential confusion or perception of risk among developers as well as lowering their administrative carrying costs.

### 3.o. Offer developers density and/or height incentives for desired unit types.

Increasing height limits or the number of dwelling units per acre can provide an incentive for developers to include desired unit types. Desired unit types depend on the neighborhood or policy context and could include defining the type of building (courtyard apartment or manufactured home, for example), the need for income-restricted units, units of a certain size, or units containing a certain number of bedrooms.

3.p. Fix code so that Transfer of Development (TDR) bonus in R4-8 is a bonus not a restriction. Olympia's code is written in such a way that to achieve the maximum allowed density in the R4-8 zone (8 units per acre) the developer must purchase a development right from the county's TDR program. The TDR program is meant to provide a bonus for the purpose of focusing growth in the urban areas while preserving land in the rural areas of the county. It is not meant to establish a restriction on allowed density. This provision is also confusing in regard to maximum density allowed in R4-8.

### 3.q. Make use of SEPA exemptions for residential and infill development.

The State Environmental Policy Act (SEPA) review process is intended to ensure government actions have fully taken into consideration the environment before a decision is made. A SEPA review is required at all levels of planning, including at the time of any changes to the Comprehensive Plan and Development Code, or during the permit stage for a specific construction project. Actions that will likely result in an adverse environmental impact must go through a more rigorous review (an environmental impact statement or EIS). In lieu of preparing an EIS, an agency may issue a mitigated Determination of Non-Significance when there is assurance that specific enforceable mitigation will successfully reduce impacts to a nonsignificant level.

At the time the SEPA law was enacted in 1971 there were fewer environmental protections written into Olympia's development code than there are today. For example, Olympia has adopted stormwater and critical area codes as well as a Shoreline Master Program. For this reason, many of the provisions once required by SEPA at the permit stage are now written into the code. There is an advantage to this because the regulations are clear to all stakeholders – developers, public, Council, etc. – upfront rather than being identified near the end of the permit process.

### **Threshold Exemptions**

Some projects are statutorily exempt from the SEPA review process because their impact on the environment is generally considered to be minimal and not adverse, however developments must still meet environmental standards. Under the SEPA statute, single-family and multifamily developments with four or fewer units are automatically exempt from review. State law also allows cities to adopt more flexible exemptions for certain things and maximum thresholds are provided. For example, cities

may exempt single-family developments with up to 30 units and multifamily developments with up to 60 units from SEPA review.

Table A-1. Adopted SEPA Exemptions as of January 2021

Exemptions	Development Type	
	Single-Family	Multifamily
Allowed per SEPA	30 units	60 units
Lacey	4 units	60 units
Olympia	9 units	No exemption
Tumwater	9 units	60 units

Several years ago, the State Legislature raised the maximum thresholds, and Olympia has yet to explore whether it makes sense to raise our thresholds accordingly. The City would look at each option and ultimately City Council may decide to stick with status quo, lower or raise the threshold. If raising the threshold, the City may decide not to do so to the maximum allowed.

Several criteria must be met for a city to adopt flexible thresholds. The city must show sufficient documentation showing that impacts to all elements of the environment have been adequately addressed, including how much regulations reduce impacts on each element of the environment for each project types, sizes and location. There also must be a disclosure of any loss of notice and comment opportunities for future permitting decisions that will be exempt from SEPA. The city would also need to document how specific adopted development regulations and applicable state and federal laws provide adequate protections for cultural and historic resources when exemption levels are raised.

The SEPA rules allow cities to raise the exemption limit for minor new construction to better accommodate the needs in their jurisdiction. The advantage is to reduce process where it is not necessary in order to protect the environment because adequate code provisions are in place upfront in the code. This in turn can encourage private sector development because it removes time, cost and risk from the project.

### **Infill Exemptions**

In order to accommodate infill development, cities may adopt SEPA exemptions for infill development to help fill in urban growth areas.

To qualify for the infill exemption:

- An EIS must already be issued for the comprehensive plan or the city must prepare an EIS that considers the proposal's use or density/intensity in the exempted area.
- The density of the area to be infilled must be roughly equal to or lower than what the adopted comprehensive plan calls for.
- The development must be residential, mixed-use, or non-retail commercial development. Commercial development that exceeds 65,000 square feet does not qualify for the exemption.
- Impacts to the environment from the proposed development must be adequately addressed by existing regulations.

If a city takes action to adopt an infill exemption before April 1, 2023, the city's action cannot be appealed through SEPA or the courts.

## Planned Actions

Up front review and analysis of impacts to the environment can help streamline the process for developments. Individual developments projects associated with an adopted plan (subarea plan or master planned development, for example) can be exempted from further SEPA review when a threshold determination or EIS has been issued for the adopted plan. The threshold determination or EIS for the adopted plan must detail the project-level impacts of the proposed development, thereby forgoing the need for review when the specific project applies for permitting.

For more information, see:

- [RCW.21C](#) (SEPA)
- [WAC 197.11.800](#) (SEPA rule exemptions, flexible thresholds)
- [RCW 43.21C.229](#) (infill exemptions).
- [RCW 43.21C.440](#) (planned actions).

### 3.r. Complete a subarea plan for the Capital Mall High Density Neighborhood area

Olympia's Comprehensive Plan establishes a vision for three High Density Neighborhoods: Downtown, the Pacific/Martin/Lilly triangle and the Capital Mall area. A significant amount of Olympia's new housing growth will be concentrated into these areas, mixed in with new and existing commercial. These are to be highly active neighborhoods where people can meet their needs without traveling too far or needing a car.

The City has taken steps to bring downtown closer to this vision. In 2017 the City adopted a Downtown Strategy outlining actions the city and partners can take to move the community's vision for downtown forward. Helped along by a package of development incentives over 700 new housing units have been created in downtown since 2015, with hundreds more in the predevelopment phase. Additional work needs to be done in the other two high density neighborhood areas to make the vision a reality.

The Capital Mall area is a regional shopping center, which also includes one of the area's best balances of jobs within walking distance of medium-density housing. While still economically viable, the area currently has many vacant storefronts within the surrounding strip malls as well as many surface parking lots that rarely fill to capacity. Although the area has a land use pattern that is more auto-oriented than pedestrian or transit oriented, it does have transit service frequencies of 15 minutes or better and one of the highest board counts along the entire network of urban corridors. Sidewalks and mature landscaping also make walking here more pleasant than most auto-oriented commercial areas.

The vision is for the Capital Mall HDN is to evolve into a complete urban neighborhood with a mix of jobs, housing and services. Elements of the subarea plan may include:

- Revising regulations and incentives to encourage housing that is affordable for a range of incomes, including low income households
- Transportation-efficient land use development strategies that maximize housing choices, job access and travel options
- Focus on improving equity through greater access to opportunity for low income residents, who are disproportionately people of color
- Advancement of climate change adaptation strategies

- Focus on local sense of place and district character with appropriate design, district branding, and engagement
- Strategic infrastructure investments (#3.u)
- A SEPA planned action (#3q)
- Plan for adaptive reuse of commercial space (#3s)
- Reduced parking requirements (#3.1)
- Form based code (#4.i)

### 3.s. Develop a plan for adapting vacant commercial space into housing.

New technology – and the current COVID-19 pandemic – are changing how people work and shop. The increase in telework decreases the need for office space. More online shopping increases the need for warehouses but decreases the need for brick-and-mortar retail space.

Planning for converting vacant commercial office and retail space with low market value into residential use can meet the needs of property owners losing rents and households needing housing. A streamlined permitting process can help transition vacant commercial space into needed residential units.

### 3.t. Expand allowance of residential tenant improvements without triggering land use requirements.

For improvement projects that add housing but have minimal neighborhood impacts – such as accessory dwelling units (ADUs) or conversions from single-family to a duplex or triplex, – waiving building, engineering, and land use requirements can reduce the cost to the property owner or developer. Before implementing, cities should consider the impact of waiving requirements for parking, frontage improvements, landscaping improvements, etc. as waving some standards may not be appropriate given the context of the neighborhood.

### 3.u. Identify strategically placed but underdeveloped properties and determine what barriers exist to developing desired housing types.

It is not always clear why a property especially suitable for residential development is underutilized. Identifying existing barriers can lead to a better understanding of how existing codes, infrastructure, and market conditions affect the viability of development projects that contain desired unit types. Desired unit types depend on the neighborhood or policy context and could include defining the type of building (four-story building or courtyard apartments, for example), the need for income-restricted units, units of a certain size, or units containing a certain number of bedrooms. Identifying barriers may lead to the city making investments in roads or utilities and present an opportunity to capture the value of city investments that spur private development (see Action 6.e). Barrier identification may also lead to changes to improve/streamline city codes, policies, and processes.

3.v. Increase minimum residential densities.

Increasing minimum residential densities allows more dwelling units to be built per acre of land, can reduce the cost of each housing unit, increases the likelihood of public transit ridership, improves a neighborhood's walkability, and reduces the per housing unit cost of providing urban services (water, sewer, garbage, etc.).

3.w. Integrate or adjust floor area ratio standards.

Floor area ratio (FAR) is the ratio of a building's total floor area to the size of the property it sits on. Using FAR in place of density limits provides flexibility for developers to utilize more units and unit types. FAR can be used in place of density limits and when larger buildings are desired but using both standards (FAR and density limits) can result in limiting the number of units developed as well as the size of buildings constructed. FAR standards can also be paired with design guidelines to ensure the building form is consistent with existing or desired development.

## Strategy 4: Increase the variety of housing choices.

### 4.a. Allow accessory dwelling units (ADU's) in all residential zones

Accessory dwelling units (ADUs) are small dwelling units that are either attached to the primary dwelling or in a detached structure (DADU) that is typically placed to the side or rear of the primary dwelling. ADUs have long been an important option for communities to add variety and housing choice in single-family neighborhoods.

ADUs can provide low-cost housing in established neighborhoods. They provide dwelling opportunities for extended family members and small households that prefer a neighborhood setting over apartment living. ADUs can also offer a critical source of monthly income for home owners when rented out.

Cities and towns with a population greater than 20,000 are required to allow ADUs in single family zones ([RCW 43.63A.215](#)).

See 4.b and 4.c below.

### 4.b. Simplify ADU requirements

By simplifying ADU standards cities can make it easier for community residents to include an ADU on their lot. ADU's are more likely to be built if:

- Attached or detached units are allowed
- They do not require an additional parking space.
- Owner occupancy on the property is not required.
- Detached units are allowed adequate height and floor area for design flexibility.
- ADU and main house share utility connection.

Since adoption of the Housing Code Options ordinance in 2020, all of these elements have been implemented in Olympia.

See 4.a and 4.c.

### 4.c. Adopt pre-approved plan sets for ADU's

See 4.a and 4.b above. Plan sets are pre-approved to meet the City's building code. This help expedite the review process and eliminates design costs for the user. This is one thing cities can do to make it easier to build ADU's.

See 4.a and 4.b.

### 4.d. Allow group homes in all residential zones and commercial zones that allow residential units

Generally, a group is a residence shared by multiple unrelated persons with common needs. Group homes are a source of housing for people with disabilities, seniors, those undergoing treatment for a variety of medical concerns, children in foster care, partially released offenders reintegrating into society, etc.

The increase in the numbers of group homes desiring to locate in residential areas has been controversial, as have municipal attempts to regulate their location. As a result, federal and state laws have attempted to address the discrimination these homes have experienced, primarily in urban settings. In Washington, adult family homes must be a permitted use in all areas zoned for residential or commercial purposes, including areas zoned for single-family dwellings ([RCW 70.128.140.2](#)).

#### 4.e. Recognize modular/ manufactured housing as a viable form of housing construction

Manufactured homes provide some of the most affordable, no subsidized forms of housing in the county, particularly for seniors. These homes are prefabricated in a factory and brought to a lot where they are attached to a foundation or otherwise anchored down in an approved fashion. In Olympia, manufactured homes can be found on individual lots in a neighborhood or in a manufactured home park.

See also Actions 1.n regarding allowing manufactured home parks (MHP's), 1.p regarding a preservation program for MHP's, 2.d regarding tenant opportunity to purchase, and 2.i regarding rezones.

#### 4.f. Increase the types of housing allowed in low-density residential zones (duplexes, triplexes, etc.)

As previously discussed, zoning regulations may unintentionally bar disadvantaged populations, including people of color, from neighborhoods due to restrictions on the size and types of housing that are affordable and accessible such to them. When housing in low-density residential zones is generally limited to single-family homes, the zone does not meet community needs for ensuring affordable housing options are available to a wider array of households. Examples of housing types that may be appropriate for low-density zones include but are not limited to:

- Duplexes, triplexes, and quadplexes.
- Townhouses.
- Accessory dwelling units.
- Courtyard apartments.

Not every low-density zone is the same, and some types of housing are more appropriate than others. Cities need to determine the most appropriate housing types for low-density residential zones.

#### 4.g. Allow more housing types in commercial zones.

Like low-density residential zones, commercial zones may benefit from more diversity in housing types, especially as changes in consumer shopping habits and employer work policies (telework, for example) open opportunities to convert commercial space into housing. Examples of housing types that may be appropriate for commercial zones include but are not limited to:

- Live/work units.
- Multifamily units.
- Townhouses.
- Courtyard apartments.



Not all housing types are appropriate in commercial zones, and analysis will need to be done to determine the most appropriate housing types for a commercial zone.

#### 4.h. Allow single-room occupancy (SRO) housing in all multifamily zones.

Single room occupancy housing are rentals units consisting of small rooms intended for a single person to occupy. Kitchen and bathroom facilities are typically shared, as are other amenities offered by the housing facility. SROs and other types of micro housing (dormitories, small efficiency dwelling units, etc.) offer affordable options at both subsidized and market rates. Such uses are appropriate for and can integrate well in multifamily zones.

#### 4.i. Adopt a form-based code to allow more housing types and protect the integrity of existing residential neighborhoods.

In simplest terms, a form-based approach to regulating development emphasizes predictable built results and a high-quality public realm by using physical form and design rather than separation of uses and density limits. This approach uses prescriptive standards for building massing, layout, orientation and design to help achieve a community's specific vision. It places a big emphasis on the design of streetscapes and how private development looks from the street.

Form-based codes (FBCs) were created in response to regulations that placed more of a concern with controlling land use than shaping the physical form of communities. Whereas a strict form-based code has little or no land use restrictions, many zoning codes for urban Washington communities now function as a hybrid of strict FBC and traditional zoning code by integrating stronger form-based design regulations with some use based regulations. FBCs can help add housing by letting the market determine how many units of what size are feasible.

Form-based codes are most useful in mixed use zones where the widest variety of uses are already allowed and encouraged.

#### 4.j. Strategically allow live/work units in nonresidential zones.

A live/work unit is a single dwelling unit consisting of both a commercial/office space and a residential component that is occupied by the same resident who has the unit as their primary dwelling. The intent is to provide both affordable living and business space for a resident/business owner. The configuration of the live/work unit can vary:

- Live-within. The workplace and living space completely overlap.
- Live-above. The workplace is below the living space with complete separation between the two.
- Live-behind. The workplace is in front of the living space with complete separation between the two possible.
- Live-in-front. The workplace is behind the living space (typically a single-family dwelling) with some overlap between the two possible.

Although home occupations are a type of live/work unit, the emphasis here is on a more intensive nonresidential component (size, traffic generation, employees on site, etc.) that may not be appropriate

to classify as a home occupation. Live/work units may also be appropriate in residential zones. In either case, cities will need to conduct additional analysis to determine the locations and types of uses appropriate for live/work units.

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Strategy 5: Continually build on resources, collaboration, and public understanding to improve implementation of housing strategies.

5.a. Identify and develop partnerships with organizations that provide or support low-income, workforce, and senior housing as well as other populations with unique housing needs.

Both for-profit and non-profit agencies provide or support low-income, workforce, and senior households. They often have expertise to deliver programs and housing the Cities of Lacey, Olympia, and Tumwater do not have, as well as access to funding streams unavailable to the cities. Identifying shared vision and goals can help each organization leverage funding and improve household access to assistance.

5.b. Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.

Housing issues are complex, and so are the resources available to households and landlords. When problems arise or a party needs to find information, having a designated resource to navigate issues and identify resources (development funding, tax assistance, housing opportunities, legal aid, weatherization programs, etc.) gives people more tools to reach their goals.

5.c. Establish a rental registration program to improve access to data and share information with landlords.

Understanding how many dwelling units are being rented, the types of units being rented, and the cost of rent is important information needed to understand the impacts on landlords and tenants of many of the actions in this plan. It also provides the Cities of Lacey, Olympia, and Tumwater with an easy way to reach out to landlords and tenants, who are both important stakeholders when enacting many of the actions in this plan. This action is particularly suited to being implemented at the regional level and may be appropriate for the cities to develop through the regional Housing Council. Doing so would ensure the same data is collected across the jurisdictions effectively and economically.

5.d. Conduct education and outreach around city programs that support affordable housing.

Providing the public and developers information about affordable housing programs can help households in need find assistance and developers identify resources for building desired unit types. Desired unit types depend on the neighborhood or policy context and could include defining the type of building (triplex or single-room occupancy building, for example), the need for income-restricted units, units of a certain size, or units containing a certain number of bedrooms. Education and outreach can also invite community dialogue on the need for diverse housing options in the community.

## Strategy 6: Establish a permanent source of funding for low-income housing.

### 6.a. Establish an affordable housing sales tax.

Beginning in 2020, cities may establish a 0.1 percent affordable housing sales tax by legislative authority or by voter approval. At least 60 percent of the revenue must be used for one or more of the following:

- Constructing affordable housing (new construction or retrofitting an existing building).
- Constructing facilities providing housing-related services.
- Constructing mental and behavioral health-related facilities.
- Funding the operations and maintenance costs of the above three projects.

#### Current Status:

- **Olympia:** established an affordable housing sales tax in 2018, referred to as the “Home Fund.” Approximately 65 percent of funds are dedicated to construction projects and 35 percent to housing program operations. Must be re-authorized by voters in 2028.
- **Lacey:** has not established an affordable housing sales tax.
- **Tumwater:** has not established a sales tax.
- **Thurston County:** has not established an affordable housing sales tax.

Olympia’s Home Fund Levy that was passed in 2018 will provide more than \$2 million in new revenue each year to develop and sustain supportive housing and affordable housing in our community. 65 percent of Home Fund dollars (around 1.3 million in 2019) are dedicated to construction of affordable housing and shelter. The other 35 percent will go to operations of homeless and housing programs.

So far, the City of Olympia has invested in two significant projects to address this need. At 2828 Martin Way the Low Income Housing Institute has a 64 unit supportive housing facility under construction. It also contains a 60-bed shelter on the ground floor. On the west side of town, the City partnered with the Family Support Center to help finance a 65-unit facility targeting homeless families and victims of domestic violence. This facility is in the planning and permitting process. The City will make a third Home Fund award this year, with more in the future.

#### Potential:

If the Cities of Lacey and Tumwater had enacted an affordable housing sales tax in 2019, the total available to serve low-income households, including Olympia’s enacted tax would be close to \$5 million (Table A-2). Thurston County can also establish the affordable housing sales tax.

Table A-2. Potential affordable housing funding from maximum affordable housing sales tax in 2019

Jurisdiction	2019 Taxable Retail Sales	Potential Affordable Housing Funds
Lacey	\$1.5 billion	\$1.5 million
Olympia	\$2.4 billion	\$2.4 million
Tumwater	\$0.9 billion	\$0.9 million
<b>TOTAL (cities only)</b>	<b>\$4.8 billion</b>	<b>\$4.8 million</b>
<b>TOTAL (countywide)</b>	<b>\$6.2 billion</b>	<b>\$6.2 million</b>

*Note: Taxable retail sales are rounded.*

*Source: Washington State Department of Revenue, [Taxable Retail Sales](#).*

For more information, see [RCW 82.14.530](#).

6.b. Take advantage of local revenue sharing program established by HB1406 (portion of State sales tax for affordable housing).

HB 1406 allows cities to receive a portion of the State's existing sales and use tax to fund affordable housing programs and services. The Cities of Olympia, Lacey and Tumwater have all taken advantage of this and as of 2021 pool the funds, which are then directed by the Regional Housing Council.

The [Regional Housing Council \(RHC\)](#) was created by interlocal agreement in 2020 with the primary purpose to leverage resources and partnerships through policies and projects promoting equitable access to safe and affordable housing in Thurston County. The RHC will consider issues specifically related to funding a regional response to homelessness and affordable housing and how to better coordinate existing funding programs to implement the county's [Five-Year Homeless Crisis Response Plan](#) and increase affordable housing options.

6.c. Use Community Development Block Grant (CDBG), Section 108 loans and other federal resources for affordable housing.

The City of Olympia receives federal Community Development Block Grant (CDBG) funds from the Department of Housing and Urban Development (HUD). According to the HUD website, the CDBG Program provides federal funds to "develop viable communities by providing decent housing, a suitable living environment and opportunities to expand economic opportunities, principally for low- and moderate-income persons."

The City maintains a five-year strategic housing plan that outlines the priorities for CDBG grant funding. Each year, the City re-evaluates the plan to reflect the needs of the community. The Annual Action Plan serves as the blueprint for how Olympia will invest CDBG funds to address high-priority local needs. The Consolidated Annual Performance and Evaluation Report (CAPER) provides information on the activities funded within a program year.

The City has identified the following strategies for the five-year Consolidated Plan:

- Affordable Housing
- Economic Development
- Public Facilities and Improvements
- Social Services
- Land Acquisition

For Program Year 2021-22, the following goals have been identified:

- Focus on rehabilitation and maintenance of current low-income housing stock
- Partner with housing agencies to build capacity

- Assign all previous year's funding to a current project
- Establish and operate a Revolving Loan Fund to support housing rehabilitation and maintenance

The Section 108 Loan Guarantee Program (Section 108) provides Community Development Block Grant (CDBG) recipients with the ability to leverage their annual grant allocation to access low-cost, flexible financing for economic development, housing, public facility, and infrastructure projects. This can be a source of low-cost, long-term financing for economic and community development projects. However, using Section 108 does reduce the city's annual CDBG allotment and it's complicated to manage, so careful consideration needs to be made before making use of this program.

6.d. Develop a comprehensive funding strategy for affordable housing that addresses both sources of funding and how the funds should be spent.

Without a comprehensive funding strategy, it will be difficult to ensure dollars earmarked for developing affordable housing in the community are used to their full effect and meet the greatest need. A comprehensive funding strategy takes into consideration how the funds can be used, whether they can be leveraged to obtain other funding (grants, loans, etc.), and the types of projects the funding can support. This action is particularly suited to being implemented at the regional level and may be appropriate for the cities to develop through the Regional Housing Council.

6.e. Use value capture (e.g., consider tax increment financing) to generate and reinvest in neighborhoods experiencing increased private investment (with a focus on areas with planned or existing transit).

Value capture is a type of public financing that recovers some or all the value public infrastructure generates for private landowners. When roads are improved, water and sewer lines extended, or new parks or public amenities developed, property values tend to increase. Value capture is best planned for from the outset of a project and can include developer contributions and special taxes and fees.

Specifically, tax increment financing (TIF), is a tool used by municipal governments to stimulate economic development in a targeted geographical area. TIFs are used to finance redevelopment projects or other investments using the anticipation of future tax revenue resulting from new development. At the time a TIF district is established, the base amount of property tax revenue is recorded using the status quo before improvements. The assumption is that property values will then rise due to the redevelopment and lead to an increase in actual property tax receipts above the base. While the base amount of property tax revenue continues to fund government services, the increase in tax revenue is used to pay bonds and reimburse investors and is often captured as city revenue and allocated toward other projects.

TIF's can be used to stimulate affordable housing. In some cities, TIFs are created for the sole purpose of funding development of affordable housing. In these cases, affordable housing is the capital investment intended to fuel community revitalization. In other cities, affordable housing is funded as a secondary activity using the revenues generated from the primary capital improvements (or bond proceeds raised in anticipation of those revenues).

A recent bill (HB1189) passed during the 2021 Legislative Session allows TIF's to be used by local governments in Washington. Local governments may use revenues from the increment area to finance long-term affordable housing (including retrofitting for energy efficiency); acquiring real and personal property, maintenance and restoration for historic preservation purposes; streets and sidewalks, parking facilities, parks and recreation areas, stormwater and drainage management systems and other purposes set forth in HB 1189.

A local government can only have two increment areas at any given time, and they cannot physically overlap. At the time of their creation, the Increment Areas may not have an aggregate assessed valuation of greater than \$200 million or 20 percent of the jurisdiction's total assessed value, whichever is less. This limitation is meant to prevent abuses seen in some other states where municipalities have sometimes created increment areas that covered nearly their entire jurisdiction, to the disadvantage of overlapping taxing districts. The increment areas are required to sunset after 25 years from the first year in which tax allocation revenues are collected from the increment area.

More work is needed to assess the usefulness of this legislation to Olympia.

#### 6.f. Establish an affordable housing loan program.

One method for supporting non-profit and low income housing developers would be for the City to provide bridge loans for purchasing or developing property. These could be used when the organization needs a short-term loan to meet current obligations by providing immediate cash flow.

Typically bridge loans provided by banks have relatively high interest rates, and are usually backed by some form of collateral, such as real estate or inventory. The City could offer the loans at a low interest rate. The purpose would be to help ensure low income affordable housing projects remain viable. There are many considerations to be made, and more research is needed to determine if and how such a program could be used in Olympia.

#### 6.g. Establish a regional housing trust fund to provide dedicated funding for affordable housing.

Housing trust funds are distinct funds established by local governments to receive funding to support housing affordability. It is not an endowment that operates from earnings but acts as a repository, preventing funds from being coopted for other purposes. Establishing a housing trust fund is particularly suited to being implemented at the regional level and may be appropriate for the cities to develop through the Regional Housing Council.

#### 6.h. Establish an affordable housing property tax levy to finance affordable housing for very low-income households.

The Cities of Lacey, Olympia, and Tumwater may impose a property tax levy up to \$0.50 per \$1,000 of a property's assessed value to fund affordable housing. The levy must be used for low-income households.

The levy, which lasts for up to 10 years, can only be enacted if:

- The city declares an emergency exists concerning the availability of affordable housing for households served by the levy.
- A majority of voters approve it.
- The city adopts a financial plan for spending the money.

If a property tax levy were enacted at the maximum rate of \$0.50 per \$1,000 of assessed value, homeowners can expect their property taxes to go up. This amounts to \$175 per year for a home valued at \$350,000 (Table A-3). Households that rent can expect their monthly rent to increase on average between \$6.71 and \$11.91 each month, depending on the type of unit rented.

Table A-3. Additional costs to households with a \$0.50 per \$1,000 property tax levy

Owner-Occupied*		Renter-Occupied	
Assessed Value	Additional Property Taxes (annual)	Building Size	Additional Monthly Rent (average) per unit
\$350,000	\$175	Single-Family Dwelling	\$11.91
\$450,000	\$225	2-, 3-, and 4-plex units	\$9.04
\$550,000	\$275	5+ unit apartments	\$6.71

Note: Rates for owners only apply to detached single-family homes. Costs – which are rounded – are based on the 2017 total assessed value of all taxable non-exempt properties and are adjusted for inflation to 2020 dollars.

Source: Thurston County Assessor.

Thurston County also has the ability to establish a property tax levy. If both cities and Thurston County impose the levy, the last jurisdiction to receive voter approval for the levies must be reduced or eliminated so that the combined rate does not exceed the \$0.50 per \$1,00 of assessed property value.

If the Cities of Lacey, Olympia, and Tumwater each enact the levy, nearly \$9.7 million could be collected for affordable housing in 2021 (Table A-4). If the tax levy were adopted countywide, more than \$30 million would be available to serve low-income households in 2021. This includes developing new housing, enabling affordable homeownership, and making home repairs.

Table A-4. Potential affordable housing funding from maximum property tax levy

Jurisdiction	2020 Assessed Property Values	Potential Affordable Housing Funds
Lacey	\$7.4 billion	\$3.7 million
Olympia	\$8.2 billion	\$4.1 million
Tumwater	\$3.9 billion	\$1.9 million
<b>TOTAL (cities only)</b>	<b>\$19.5 billion</b>	<b>\$9.7 million</b>
<b>TOTAL (Countywide)</b>	<b>\$31.5 billion</b>	<b>\$31.5 million</b>

Note: Values – which are rounded – are based on the 2020 total assessed value of taxable non-exempt properties. Potential affordable housing funds are based on the total assessment of all properties combined.

Source: Thurston County Assessor.



### Property Tax Levies

- **Lacey:** has not established a property tax levy.
- **Olympia:** has not established a property tax levy.
- **Tumwater:** has not established a property tax levy.
- **Thurston County:** has not established a property tax levy.

For more information, see [RCW 84.52.105](#).

# Appendix B.

## Considered Actions

In developing this plan, many actions were considered, though not all were included. This appendix provides a full list of the actions considered in the plan’s development. Where appropriate, explanations for why an action was excluded are included. Actions were developed and refined over six months and the wording may not match previous versions.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (1.a)	Donate or lease surplus or underutilized jurisdiction-owned land to developers that provide low-income housing.	
Excluded	Create shovel-ready housing developments that can be handed off to a developer to construct.	Action is out of scale with what our region can reasonably accomplish. Cities do not have the budgets or expertise to perform this action.
Excluded	Purchase property with the intent to donate or lease to developers that provide income-restricted affordable housing.	Combined with Action 1.a.
Included (3.a)	Offer developers density and/or height incentives for desired unit types.	

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (1.b)	Require PRDs/PUDs for low-density development and include standards for including low-income housing.	
Excluded	Make regulations and permit processing more predictable, to remove some uncertainty for both builders and lenders.	Action not specific enough. Other actions more specifically address the need to improve predictability of regulations and permit processing.
Excluded	Allow third-party review and approval of development projects (anytime OR when cities are backlogged).	See Action 3.b.
Included (3.b)	Allow third-party review of building permits for development projects.	
Excluded	Adopt a single development code for Lacey, Olympia, Tumwater, and the UGAs to make regulations and permit processing more predictable.	Each community has a different identity with a desire for different standards.
Excluded	Waive reviews for energy code compliance when a project receives a green building certification.	It does not appear that a green building certification actually makes housing more affordable vs. complying with energy code. In the right market conditions, may be an incentive to buy.
Excluded	Require shot clocks for permit processing.	State law already requires timelines for review, and each city is able to accomplish their reviews in a timely manner.
Included (1.c)	Adopt a "Notice of Intent to Sell" ordinance for multifamily developments.	
Included (1.d)	Provide funding for the Housing Authority of Thurston County and other non-profit organizations to income-restricted units proposed to be converted to market rate housing.	
Included (2.a)	Provide displaced tenants with relocation assistance.	
Implemented	With major comprehensive plan updates, confirm land is suitably zoned for development of all housing types.	
Excluded	On a regular basis, hold a series of community meetings to discuss how housing and zoning regulations affect equity goals.	See Action 5.a.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (4.a)	Increase the types of housing allowed in low-density residential zones (duplexes, triplexes, etc.)	
Excluded	Allow more housing types in commercial and industrial zones.	See Action 4.c.
Included (4.b)	Allow more housing types in commercial zones.	
Included (4.c)	Adopt a form-based code for mixed-use zones to allow more housing types and protect the integrity of existing residential neighborhoods.	
Included (3.c)	Develop a plan for adapting vacant commercial space into housing.	
Included (3.d)	Expand allowance of residential tenant improvements without triggering land use requirements.	
Excluded	Prior to finalizing a draft for public review, vet comprehensive plans and development code changes with the development community to ensure desired housing types and locations are supported by market conditions.	See Action 1.e.
Included (1.e)	As part of comprehensive plan and development code changes, include an evaluation of the impact such changes will have on housing affordability, especially for low-income households.	
Implemented	Recognize modular/manufactured housing as a viable form of housing construction.	
Excluded	Provide for a dynamic mix of residential land uses and zones in order to create a diverse mix of sites available for different housing types	This action is already implemented. .
Implemented	Simplify requirements for accessory dwelling units (ex: title notification, owner living on site, etc.).	

Action Status (Plan Reference)	Action	Explanation for Exclusion
Implemented	Allow accessory dwelling units in all residential zones.	
Excluded	Allow accessory dwelling units in commercial zones.	Not an issue that's ever been raised to staff; need to focus on actions that have real and lasting impacts.
Included (3.e)	Reduce parking requirements for residential uses, including for multifamily developments near frequent transit routes.	
Included (3.f)	Identify strategically placed but underdeveloped properties and determine what barriers exist to developing desired housing types.	
Excluded	Identify strategically placed properties where up zoning is appropriate.	see Action 3.f.
Implemented	Require minimum residential densities.	
Included (3.g)	Increase minimum residential densities.	
Included (3.h)	Reduce minimum lot sizes.	
Excluded	Support and plan for assisted housing opportunities using federal, state, or local aid.	Action not clear/specific enough
Excluded	Support diverse housing alternatives and ways for older adults and people with disabilities to remain in their homes and community as their housing needs change.	Action not specific enough. Other actions more specifically address the need to support diverse housing alternatives for seniors.
Excluded	Retain existing subsidized housing.	None of the cities have subsidized units at this time, so it is not an action they would pursue. Other actions can support other entities in retaining existing subsidized housing.
Excluded	Encourage new housing on transportation arterials and in areas near public transportation hubs.	Action not specific enough. See Actions 3.i and 3.e for actions that more specifically address the issue of housing near transportation facilities.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (3.i)	Lower transportation impact fees for multifamily developments near frequent transit service routes.	
Excluded	Reduce parking requirements for multifamily developments near frequent transit routes.	Combined with Action 3.e.
Implemented	Allow group homes in all residential zones and commercial zones that allow residential uses.	
Excluded	Limit the density of group homes in residential areas to prevent concentration of such housing in any one area.	May create a hindrance to ensuring there is enough housing opportunities for seniors. There are nearly 150 adult family homes in Thurston County now; their concentration in any one area is not known to be an issue.
Included (1.f)	Provide funding for renovating and maintaining existing housing that serves low-income households or residents with disabilities.	
Excluded	Support programs to improve energy efficiency, health conditions and public recognition of improvements in low-income rental housing	Statewide need - not just a local need. Combined with Action 1.f.
Excluded	Fund programs that improve the energy efficiency and health conditions in low-income rental housing.	Combined with Action 1.f.
Excluded	Encourage self-help housing efforts and promote programs in which people gain home equity in exchange for work performed in renovation or construction.	Action not specific enough. See Action 1.p.
Included (1.p)	Partner with local trade schools to provide renovation and retrofit services for low-income households as part of on-the-job-training.	
Excluded	Establish a manufactured home park zone to promote their preservation.	See Action 2.c.
Included (2.c)	Rezone manufactured home parks to a manufactured home park zone to promote their preservation.	
Included (1.g)	Allow manufactured home parks in multifamily and commercial areas.	

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (1.h)	Provide funding for low-income and special needs residents to purchase housing through community land trusts.	
Excluded	Fund programs that prevent homelessness for persons returning to the community from institutional or other sheltered settings (including foster care).	Action better suited to the Thurston County Homeless Response Plan.
Excluded	Fund self-sufficiency and transitional housing programs that help break the cycle of homelessness.	Deals with a temporary/emergency housing situation better addressed through the Regional Housing Council and other, more targeted efforts to address homelessness.
Excluded	Provide funding to the Regional Housing Council for temporary emergency housing programs.	Deals with a temporary/emergency housing situation better addressed through the Regional Housing Council and other, more targeted efforts to address homelessness.
Implemented	Adopt design standards that assist new forms or high-density housing and promote infill.	
Included (4.d)	Allow single-room occupancy (SRO) housing in all multifamily zones.	
Included (4.e)	Strategically allow live/work units in nonresidential zones.	
Excluded	Promote PUD/PRD and cluster subdivisions.	See Action 5.a.
Implemented	Establish a multifamily tax exemption.	
Included (6.a)	Develop a comprehensive funding strategy for affordable housing that addresses both sources of funding and how the funds should be spent.	
Excluded	On a regular basis, evaluate the effectiveness of how the multifamily tax exemption is being used to further affordable housing goals.	
Included (6.b)	Establish an affordable housing property tax levy to finance affordable housing for very low-income households.	
Included (6.c)	Establish an affordable housing sales tax.	

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (3.j)	Expand the multifamily tax exemption to make it available in all transit corridors.	
Included (1.i)	Offer density bonuses for low-income housing.	
Excluded	Require developers to provide income-restricted units as part of low-density developments.	The Thurston Region does not have the market to implement this action. Requires a market evaluation before implementing.
Excluded	Require property owners to provide an affordable housing fee when building homes over a certain size.	The Thurston Region does not have the market to implement this action. Requires a market evaluation before implementing.
Excluded	Establish alternative development standards for affordable housing. (standards in the zoning code to support affordable housing)	Action not specific enough. See Action 1.j.
Included (1.j)	Define income-restricted housing as a different use from other forms of housing in the zoning code.	
Included (1.k)	Offer and/or expand fee waivers for low-income housing developments.	
Excluded	Expand fee waivers for affordable housing developments.	Combined w/ Action 1.k.
Included (3.k)	Allow deferral of impact fee payments for desired unit types.	
Included (1.l)	Require low-income housing units as part of new developments.	
Included (1.m)	Fund development projects that increase low-income housing through grants or loans.	
Included (6.d)	Establish a regional housing trust fund to provide dedicated funding for affordable housing.	
Excluded	Establish a local housing trust fund to provide dedicated funding for low-income housing.	Coordination at the regional scale will have more of an impact than developing individual plans.
Excluded	Create partnerships with local housing groups to increase affordable housing options for seniors and other populations with unique needs.	Combined w/ Action 5.c.



Action Status (Plan Reference)	Action	Explanation for Exclusion
Implemented	Make strategic investments in infrastructure expansion to reduce development costs.	
Included (3.l)	Simplify land use designation maps in the comprehensive plan to help streamline the permitting process.	
Excluded	Inventory housing units dedicated for seniors, low-income households, and ADA-accessible units.	Data should support the actions that result in change.
Excluded	Inventory substandard housing units (units with poor energy efficiency, indoor air quality/mold issues, etc.).	Data should support the actions that result in change.
Included (5.d)	Establish a rental registration program to improve access to data and share information with landlords.	
Excluded	Require the owners of rental properties to obtain a business license.	Data should support the actions that result in change.
Excluded	On a regular basis, inventory rental housing.	Data should support the actions that result in change.
Included (3.m)	Integrate or adjust floor area ratio standards.	
Implemented	Relax ground floor retail requirements to allow residential units.	
Implemented	Reduce setbacks and increase lot coverage/impervious area standards.	
Excluded	Maximize SEPA threshold exemptions for single-family and multifamily development proposals.	See Action 3.n.
Included (3.n)	Maximize use of SEPA threshold exemptions for residential and infill development.	
Excluded	Utilize SEPA exemptions to encourage infill development in urban growth areas	See Action 3.n.
Excluded	Create subarea plans with non-project environmental impact statements.	See Action 3.n.
Excluded	Develop SEPA-authorized "planned actions" to streamline permitting process in designated areas.	See Action 3.n.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Included (3.o)	Consult with Washington State Department of Transportation as part of the SEPA review process to reduce appeals based on impacts to the transportation element for residential, multifamily, or mixed-use projects.	
Implemented	Process short plat applications administratively.	
Excluded	Process preliminary long plat applications that meet specific requirements administratively.	Can implement this but if even one person requests a public hearing, a public hearing must be held. May not be worth implementing if a public hearing is always anticipated and it has different noticing requirements from the norm (administrative headaches).
Excluded	Market available housing incentives.	See Action 5.a.
Excluded	Establish a foreclosure intervention counseling program.	Already existing programs that fill this need.
Included (1.n)	Establish a program to preserve and maintain healthy and viable manufactured home parks.	
Excluded	Require developers to provide relocation assistance when a manufactured home park cannot be preserved.	
Excluded	Help residents convert manufactured home parks into cooperatives.	See Action #63
Excluded	Adopt a just cause eviction ordinance.	See Action 2.g.
Included (2.d)	Adopt a “right to return” policy.	
Included (2.e)	Adopt short-term rental regulations to minimize impacts on long-term housing availability.	
Included (2.f)	Establish a down payment assistance program.	
Excluded	Establish a property tax assistance program for low-income homeowners.	This may not be in the cities’ purview.
Excluded	Establish a property tax assistance program for homeowners with disabilities.	This may not be in the cities’ purview.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Excluded	Require an impact analysis for new housing and land use proposals.	This action will lead to an increase in housing costs. Transportation impact analyses are already required where needed.
Excluded	Require subsidized housing be integrated with unsubsidized housing.	See Action 1.I.
Excluded	Develop and implement an education and outreach plan for affordable housing options	See Action 5.a.
Included (5.a)	Conduct education and outreach around city programs that support affordable housing.	
Included (5.b)	Fund Housing Navigators to assist households, renters, homeowners, and landlords with housing issues.	
Excluded	Review and, if necessary, update property maintenance codes (including standards for mold/moisture) to keep housing in good repair.	Enforcement of property maintenance codes is really the issue. See Action #76a
Included (1.o.)	Enhance enforcement of property maintenance codes to keep housing in good repair.	
Excluded	Co-locate emergency, transitional, and permanent affordable housing.	This is an action that is taken by the developer; may not be appropriate for the city to require.
Excluded	Working through the Regional Housing Council, identify appropriate locations for emergency housing within each jurisdiction.	This action deals with a temporary/emergency housing situation better addressed through the Regional Housing Council and other, more targeted efforts to address homelessness.
Included (5.c)	Identify and develop partnerships with organizations that provide or support for low-income, workforce, and senior housing as well as other populations with unique housing needs.	
Excluded	Look at options for creating workforce housing.	Action is not specific enough. Need to define what exactly should the cities be doing.

Action Status (Plan Reference)	Action	Explanation for Exclusion
Excluded	Explore creating dormitory-style housing, similar to what colleges have, with common bathrooms and communal kitchens for transitional housing.	See Action 4.d.
Excluded	Identify underutilized properties ripe for redevelopment.	See Action 3.f.
Excluded	Review the recommendations in the Urban Corridors Task Force Report (TRPC, 2012).	Data should support the actions that result in change.
Excluded	Adopt a preservation ordinance.	Combined with Action 2.g.
Included (1.p)	Partner with low-income housing developers (such as Habitat for Humanity) to expand homeownership opportunities.	
Excluded	Identify and remove code and fee impediments/disincentives to affordable housing.	Like equity, need to review all actions through an affordable housing lens. See Action 1.e.
Included (6.e)	Use value capture to generate and reinvest in neighborhoods experiencing increased private investment (with a focus on areas with planned or existing transit).	
Excluded	Limit or regulate fees associated with rental housing applications.	See Action 2.g.
Excluded	Require landlords to establish payment plans for tenants that get behind on rent.	See Action 2.g.
Excluded	Eviction mitigation to find mutual termination of rental agreement instead of evicting tenants.	See Action 2.g.
Excluded	Improve access to enforcement landlord/tenant laws (court enforcement is a barrier).	See Action 2.g.
Excluded	Increase access to legal assistance for landlord/tenant issues (free or sliding scale).	See Action 2.g.
Excluded	Program to incentivize LLs to accept tenants with poor credit or criminal history.	See Action 2.g.
Included (2.g)	Identify and implement appropriate tenant protections that improve household stability.	

# Appendix C.

## References

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June 2, 2021

Olympia City Council  
c/o Amy Buckler, Strategic Projects Manager  
City of Olympia  
601 4th Ave E  
Olympia, Washington 98507

Sent Via Electronic Mail

RE: Draft Housing Action Plan

Dear council members:

Thank you for the opportunity to comment on your proposed draft housing action plan (HAP). We appreciate your coordination with our agency as you work to fulfill the HB 1923 grant contract to develop this plan.

City staff and Thurston Regional Planning Council (TRPC) have done an excellent job at completing all of the required elements of a HAP outlined in RCW 36.70A.600 (2). The HAP if implemented as designed should help the city meet its housing needs by accommodating the future population demand with a greater diversity of housing options and greater affordability, while addressing equity, displacement and improving affordable housing options.

We especially like the following:

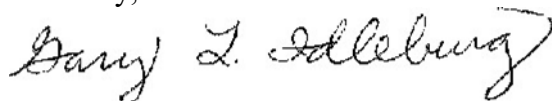
- The regional approach between Lacey, Olympia and Tumwater. A regional approach to housing allowed a comprehensive analysis of regional housing needs and supported coordination of strategies among jurisdictions.
- The housing needs assessment and landlord/rental survey they conducted was very good.
- The housing strategy descriptions, which note the actions that should be taken by the city(ies) and evaluates the importance of the strategy toward meeting the housing goals. This provides a strong basis for the HAP strategy recommendations.
- The direct commitment to equity in housing affordability. The analysis of which should allow the city to carefully evaluate and implement specific development regulation and policy changes in the future with an understanding of how to reduce inequity and increase the availability of affordable housing.

- The breadth of the housing strategies and action recommendations that not only address the goals and objectives of the HAP, including addressing equity, reducing housing costs and establishing a permanent funding source for low income-housing, but also includes the implementation status.

We recommend the city make a plan for monitoring the achievement of goals within the HAP as it looks to adoption and continual implementation of this strong set of housing strategies. A monitoring plan would allow the city to measure its progress and evaluate which changes have been effective at meeting the goals, and which might need modifications to meet the intended purpose.

Congratulations to city of Olympia and TRPC staff for the great work the draft housing action plan represents. If you have any questions or need technical assistance, please feel free to contact me at [gary.idleburg@commerce.wa.gov](mailto:gary.idleburg@commerce.wa.gov) or (360) 481.1398. We extend our continued support to the City of Olympia as you review this draft plan for adoption as intended direction for housing policy.

Sincerely,



Gary Idleburg  
Senior Planner  
Growth Management Services

cc: Amy Buckler, Senior Projects Manager, City of Olympia  
Leonard Bauer, Deputy Director-Community Planning, City of Olympia  
David Andersen, AICP, Managing Director, Growth Management Services  
Steve Roberge, Deputy Managing Director, Growth Management Services  
Anne Fritzel, AICP, Senior Housing Planner, Growth Management Services  
Laura Hodgson, Associate Housing Planner, Growth Management Services



# Olympia Planning Commission

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June 7, 2021

Olympia City Council  
PO Box 1967  
Olympia, WA 98507

Dear Mayor Selby and City Councilmembers:

The Olympia Planning Commission (OPC) is pleased to provide a summary of public feedback from our hearing on Olympia's Housing Action Plan.

The Housing Action Plan was funded by a grant from the Washington State Department of Commerce and required a public hearing prior to City Council consideration. The OPC was asked to hold the hearing and provide a summary of what was heard to City Council. We were not asked to make a formal recommendation, however we have included some of our own comments.

The OPC heard briefings on the Housing Action Plan on February 22 and May 3, 2021. We conducted a public hearing on May 17, 2021 to solicit feedback about the draft plan. Fourteen people testified and we also received several pages of written public comments. Following is a summary of what we heard:

1. Questions about how the City of Olympia is working with other local services to house the homeless and provide housing affordable for working households, including younger people. How do we make housing accessible when prices are going through the roof?
2. It's a good idea to plan regionally, such as through the Regional Housing Council, but Olympia should not give up finding funding and building housing on its own. Need to do both. Also urges the City to require new developments to include affordable housing, otherwise we won't get it.
3. Support for the Housing First model and low barrier service centers. It's wrong to say that mental health and substance use issues need to be addressed before people are housed. We need supportive housing.
4. The hole in the housing action plan is the funding. A key funding mechanism the City is not taking advantage of are Linkage Fees, which are fees applied to new market rate housing to help provide affordable housing. New market rate development causes impacts in that residents there create more demand for low paying service jobs and the employees in those service jobs will need low-income affordable housing.
5. Excited the plan was developed with regional partners and is comprehensive. Favorite things: Requiring planned unit developments, partnering with local trade schools, relocation assistance, rezoning multifamily home parks to promote their preservation, reducing parking requirements, reducing minimum lot sizes, allowing single room occupancy units and increasing allowed housing types in commercial zones.
6. Housing is a human right and housing first is the only working model that has been successful across the world.

7. All or most of the housing actions sounds great in theory, but it's hard to see what the City is actually doing to help the average working person who is barely making it, scraping by week to week.
8. Opposed to maximizing SEPA exemptions or working with Department of Transportation to reduce SEPA appeals on transportation grounds. The SEPA review process intends to ensure government considers environmental impacts, which are defined broadly and include displacement. Excluding SEPA transportation appeals is especially worrisome as transportation has been an issue in several recent projects.
9. In Rhode Island they used an old mall to make affordable housing. Removing the onsite owner requirement [for ADU's] puts homes at risk of being bought up by out of town investors, which happened in Tennessee and resulted in rent increases and absentee landlords who don't perform maintenance. When we design housing policies we need to look at income trends. Mobile home park residents are especially vulnerable and people experiencing homelessness need care.
10. Support for land trusts as one of the solutions for affordable housing, and shared an introductory video.
11. Support for the Housing First model, land trusts and linkage fees. We need public housing. Otherwise not excited by most of the proposals. Opposed to proposed SEPA changes. Our SEPA rules are already weak but we need them to protect our quality of life, air, lands and waters and potential negative impacts of development.
12. Most important thing about the regional plan is that it contains no recommendations; its just a list of possible actions. Actions have not been thoroughly evaluated and should be approached cautiously. Options dealing with subsidized housing are reliable; we need lots more money. Actions about increasing supply of market rate housing are unreliable; city doesn't provide that, only private sector can. Some actions are based on false assumption that reducing cost of housing will make housing more affordable. This includes the multifamily tax exemption and tax increment financing, which should not be included in the plan.
13. Urges the City to relax rules around tiny homes on wheels, which can also be a solution to a housing shortage. These have reasonable costs, aesthetic appeal, affordability and sustainable features.
14. Concern about how affordable housing is defined. Affordable housing is \$500/month, not \$1,400. Opposes proposed SEPA changes Due to the SEPA threshold exemption downtown, information about environmental remediation as to when the old Griswold's building is redeveloped will not be disclosed.

*Summary of written comments (see attached for written comments received):*

1. The Housing Action Plan has some good ideas but does not go far enough. City must be bold in reducing barriers to housing production. There should be no parking minimums, period. Design Review should be eliminated. Lease rather than give away land; land should be retained for future needs and tax revenue. Allow more commercial activity in residential areas.
2. The multifamily tax exemption is a failed program because it is based on local [Thurston County] median income, but Olympia income is worse than that.
3. Housing affordability has been a problem in Olympia for decades. There are many examples of city policies creating more poverty. Don't adopt the Housing Action Plan. Instead, recommends: publicly owned Kampground of America style housing, support long-term life planning in

schools, retrofit hotels and purchase foreclosed homes for subsidized housing, stop giving tax breaks to developers, promote and educate on how to tenant cooperatives, tenant/landlord education and relationships, investigate how to stop purchase of multiple properties by one person.

4. Concerns about the “anti-landlord” sentiment in City Hall has made this couple no longer want to rent their home in Olympia. Two proposals in the draft plan fuel that sentiment: 1) right of first refusal (tenant opportunity to purchase) and short term rental regulations. These actions will result in less rental housing. Legislation that makes it harder to evict has not resulted in cheaper rent, rather the opposite because landlords will make it harder to qualify and raise rents to offset costs. Helping the landlords would be the better approach.
5. The multifamily tax exemption does not increase density, rather exempts developers and raises the tax burden on everyone else. Objects to its use, expect for housing dedicated to affordable housing for lower income families. Also objects to strategic infrastructure investments – growth should pay for growth. Urges city to work with non-profit agencies to build low income housing.
6. Opposes expanding SEPA exemptions and reducing SEPA appeals regarding transportation. SEPA helps ensure government actions take environmental impacts into consideration and provides citizens a chance to challenge decisions. Especially worried about excluding transportation appeals as transportation has been an issue on several recent local projects.
7. Efforts to get needed housing to address homelessness are failing. The multifamily tax exemption also fails to increase affordable housing due to flaws in the language/definition and lack of enforcement and accountability. For example, using median area income rather than local median income and not ensuring units are actually being rented to low income people. Opposes tax breaks for developers.
8. Support for helping those in need of affordable housing, but not in a way that restricts developers and property owners. If you want more of something, make it easier. Removing barriers is the best way to create a healthy ecosystem of housing options. Less regulation means more options and ability for the market to deliver creative solutions. Well intentioned policies can have unintended consequences. If a landlord wants to complete tenant improvements, expensive city requirements is a disincentive. Right of first refusal for tenants on sales will make it more difficult to sell a house. Penalizing landlords and developers, rather than leveraging them as part of the solution, will make matters worse.
9. Fails to see the logic that appeals add cost to projects and maximizing use of SEPA exemptions. Does not agree that increasing density creates affordable housing. The Puget Sound Lowlands Ecoregion is unique and if we want to protect it we need to do a better job managing urban watersheds. Placing species at risk because of an unsupported notion that removing protections will make property more affordable would be unfortunate.
10. (x4 similar comments) - Homeownership is a wealth building tool that allows low income families to exit cycles of poverty, creating lasting generational change, and requiring less public assistance in the future. But homeownership is increasingly unattainable for many across all age, racial and ethnic groups - especially young people and marginalized communities. The City must act to reverse past discrimination and wrong doings by developing policies that create opportunity for a rich and inclusive community for all. Habitat for Humanity encourages the City to partner with low income housing developers to expand homeownership and to establish a down payment assistance program (often the biggest barrier for first time homebuyers).
11. Support for Community Land Trusts. Link to a video introduction: [Homebuyer's Orientation Presentation - Google Slides](#).

12. Tenant Opportunity to Purchase raises a lot of questions and potential problems. Home sellers shouldn't be told they can bid but then someone else has "right of first refusal."
13. House Bill 1236 has been passed by the Legislature and severely restricts a landlords ability to end a lease. The Housing Action Plan indicates the City is developing a tenant protection ordinance. Please do not incorporate wording that would go beyond the scope of House Bill 1236.
14. Save existing affordable housing by giving tax breaks to owners of such property. Every tax increase gets passed onto tenants. Every action that makes it harder on small scale property owners nudges them closer to selling, most likely to large entities that are not as flexible or affordable. Olympia should not give tax breaks to those with substantial wealth. It's making things worse. Read the Reuters U.S. Legal News "[Special Report – Giant U.S. landlords pursue evictions despite CDC ban.](#)"
15. The options in the regional plan have not been evaluated for likely effectiveness, cost-shifting or other criteria, so approach them with caution. The options dealing with subsidized housing are the most reliable and our greatest need; we need a lot more money for this. The most unreliable section deals with increasing the supply of market rate housing. The City can do very little in this area.
  - It's not true that reducing the cost of producing housing will decrease cost of housing. We should avoid unnecessary costs, but do not sacrifice quality of life or fiscal fairness.
  - The logical way to protect mobile home parks is to rezone them.
  - Do not expand the multifamily tax exemption. A couple of years ago, legislative performance staff found there is no evidence the multifamily tax exemption helps produce more housing, it only subsidizes land owners and housing developers.
  - Do not make strategic infrastructure investments to spur housing. This is unjustified and only amounts to a public subsidy to land owners. Growth should pay for growth.
  - Do not start using Tax Increment Financing (TIF). TIF is a scam that diverts taxes meant for general costs to pay for infrastructure, thus increasing taxes.
16. Housing is the number one social concern of the Thurston County Real Estate Board of Realtors.
17. Homelessness is increasing in our area. The solution to homelessness is permanent housing. It's not correct that things like mental health and substance use be addressed first – it's the opposite. Provided powerpoint slides.
18. Insist on mixed income development, requirements for wheelchair accessible spaces and use the Housing Land Trust model to extend affordability.
19. If you want to encourage small builders to develop affordable housing, reduce impact and permit fees, and remove the sprinkler requirement. An average of \$40,000 in permit fees to build one house is too high.
20. Concern that City provides property tax exemptions for large downtown developments, while small scale local property owners who rent, and often have more affordable rents, do not receive the same benefits. Property taxes are passed onto tenants.
21. It is difficult to understand how Olympia is impacted by giant landlords who operate across the nation. Nowhere in all the mountains of housing documents does the city even mention who owns what in Olympia.
22. Concern that too much is being spent on homeless response without results, and this "plan" does not address housing, substance rehab, & mental illness for the homeless.

23. Concerns that Olympia favors market-rate projects over low-income projects. Rich developers can take care of themselves & don't need my taxes to build projects that are meant to bring more rich people from Seattle and Tacoma to gentrify the Olympia area.
24. Olympia has stepped up, and there is so much more to do. This is an issue that takes courage and tenacity. Instead of being overwhelmed by the immensity of the problem, the staff and the council keep moving forward.
25. There is "a big economic grey area" with an uneven scale of justice regarding housing. A personal story from someone with a long work history who is now houseless following an eviction and unable to find affordable housing. It is difficult to get a response from or assistance from local homeless service agencies.
26. Impact fees are very important for City finances and for fair treatment of residents, and don't even begin to cover the costs of the impacts.
27. Concern about the gigantic size of the problem and the solutions, for the significant part, are expensive. Desires a regional approach, and concerned by the lack of engagement and meaningful commitment from the other Thurston cities and the county.
28. Concerns about displacement, and that the City is doing nothing about it. A personal story about being displaced from downtown when her landlord decided to renovate and raise costs and how painful it is to be removed from the neighborhood one calls home.

**Commissioners also make the following comments:**

- We are glad to see the action to use Community Development Block Grant (CDBG) for a revolving loan fund to help renovate and maintain low income housing.
- The City should talk to local banks to find out more about how loans are assessed for first time home buyers, low income projects and infill projects by small developers. What red flags are there during risk assessment and do these create barriers to loans that might be addressed by the City and partners? Are there any programs the City can be involved in to help lift these barriers? Oly Fed is a good candidate because they fund a lot of nontraditional projects locally.
- The City should use its authority to buy undeveloped land to site small homes, particularly large parcels (10+ acres) that can be leased to the Thurston Land Trust for "small-home villages." These villages could be used for manufactured homes, tiny homes, cottages, and/or RVs, and/or any type of small house (i.e., under 500 sf). The purpose of this proposed action is to provide space and economies of scale for housing that is currently difficult to site, while giving households that are currently priced out of the housing market an opportunity to own a home in a well-designed community and build equity. Costs could be further contained by using a collaborative approach to village development that includes city, non-profit, and voluntary resources.
- Don't forget about helping the small landlords and finding ways to incentive them to provide housing. For example, is there a tax exemption available to small landlords?
- Consider providing information to developers at an early stage (before they make application or plat property) about higher density types of housing allowed and any available incentives. For example, have an outreach program and materials at the counter.
- Look at more than just the Capital Mall area for planned actions. This is a valuable tool that frames for a developer upfront what they have to do to meet the planned action. There are other areas of the city where planned actions could be used.

OPC Letter - Housing Action Plan

June 7, 2021

Page 6

The Commission would like to thank the City Council for this opportunity. We are pleased with the City's commitment to taking action to address housing needs in our community. And we are excited to be part of upcoming implementation, including providing our recommendations about any land use or zoning changes and the update to Olympia's Comprehensive Plan housing element.

Sincerely,

A handwritten signature in cursive script that reads "Candi Millar". The signature is written in black ink on a light-colored background.

Candi Millar, CHAIR  
Olympia Planning Commission

cc: Leonard Bauer, FAICP, Director of Community Planning and Development  
Cari Hornbein, AICP, Senior Planner, Staff Liaison to the Planning Commission, Olympia CPD  
Amy Buckler, Strategic Projects Manager, Staff Lead, Olympia CPD  
CPD file #21-1702

Encl: Written Public Comments

### **Public Comments on the draft Housing Action Plan From Engage Olympia- through May 25**

There is a crisis in housing and the city's leadership should act accordingly. You must take bold, transformational action. The Housing Action Plan is a meek and timid step in the right direction.

The city should remove barriers and disincentives to the production of more housing. Eliminating parking mandates, which the plan flirts with by suggesting it for multifamily housing, is one important step. But that is not all that can be done on this matter. There should be no parking mandates, period. Parking mandates, in all their forms, reduce the supply of land upon which housing can be constructed, and encourages a socially, physically, and environmentally destructive lifestyle. You need to take seemingly radical steps like this because of the shameful under-provision of housing in the city. You need to take steps that are up to the scale of the problem.

Design review is another barrier that should be eliminated. This is not a socially-beneficial process. Instead, it is cynically abused as a veto point by housing cartelists and exclusionists. Or perhaps this is its purpose - the city website suggests so by tasking it with preserving property values. Either way, it needs to go.

The plan considers leasing or giving away city-owned land for the construction of housing. I plead with you to not give away land, and to lease instead. It is fine to lease land for a trivial cost, like \$1 per year, especially for something as worthwhile as low-income housing. But it would be a gross mistake to forfeit the land forever.

It is important that the city maintain possession of such land for two reasons. First, we do not know what the needs of the community will be in 40 years or so; the land should be retained to help meet those needs. Second, so long as the state has the second-worst land taxing regime in the country, it is crucial that the city retain its only other plausible route to collect revenues from land in the future. The value of land is almost entirely social - it is valuable because it is proximate to other people or things, or because the government has built a means of access to it. So it is only appropriate that the value of that land inures to the public. In the absence of a defensible land taxing regime, and handcuffed by one that delivers publicly-produced value to privately-held titles, the city must jealously clutch its only other means of collecting the value of land it helped create.

The plan considers an Affordable Housing sales tax. I have my doubts about the wisdom of that. But I want to emphasize here that the city only needs to consider such a policy because of how poorly land is taxed.

The city should allow more commercial activity in residential areas. In my neighborhood, the San Francisco Street Bakery and Puget Pantry are just as much of a hub of the area as Bigelow Springs Park is. Opponents of this idea will say that this would increase traffic. I find that it does the opposite. I patronize those businesses several times a week, and they eliminate the need for me to get into a car to get bread or beer elsewhere.

Public Comments – Public Hearing Draft  
Housing Action Plan  
May 25, 2021

The ultimate purpose of the plan is to provide technocratic cover for political actions you take. The Housing Actions Plan has many good ideas that are unfortunately too meek in the scope they are suggested in. The plan gives you an inch; please, take a mile. This is a big problem to solve. You can't fix it. But you can stop making it worse with things like design review, parking mandates, and grossly overbearing land use restrictions.

CSHancock 7 days ago

MFTE is a failed program and needs to be revised. It needs to be based on LOCAL Median Income. Olympia income is significantly less than AREA income. The higher rates could be argued as making affordability worse in Olympia not better.

can212 8 days ago

May 17, 2021

Dear Olympia Planning Commission and Olympia City Council:

As a resident of the City of Olympia for 26 years and a resident of Thurston County for 31 years and a member of a family who adopted "simple living" principles such as bus riding and sharing one car with an entire family, I can personally attest that affordable housing was a problem in 1990 for families who tried to live simply on a modest income. There are a variety of factors that have created the lack of affordable housing and the dire poverty facing Thurston county residents.

Having worked as a volunteer with the houseless for over 30 years and formerly been a volunteer watchdog at Olympia City Council meetings, I witnessed the utter lack of regard for citizen testimony with regards to the housing of poor people when they had problems with mold infestation while the council at the time pursued and spent half a million dollars on a proposed conference center where the City of Olympia would receive the costs and the private partners would receive the profits.

So here we are in 2021 and these public/private partnerships continue with millions of tax exemptions to luxury apartment developers and large mobile home developments have disappeared and been replaced by expensive new apartments the last few decades displacing more residents and/or some mobile home parks are owned now by private equity firms who have raised the rent 30 percent recently when they purchased Friendly Village Mobile Home Park on Olympia's westside.

What does the so-called "Housing Options" have to offer us in 2021? One of the amendment codes is that the owner does not have to live onsite. According to the news in 2020 in my hometown of Nashville TN, Wall Street has purchased thousands of single family homes and



turned them into high priced houses. Here is the link and a woman of color was priced out. The first time home buyers are being priced out.

Here is the link:

<https://www.bing.com/videos/search?pc=CBHS&ptag=N3102D090918A9DFA1A1FF2&conlogo=CT3210127&q=wall+street+buying+single+family+homes+in+Nashville+Tn&ru=%2fsearch%3fpc%3dCBHS%26ptag%3dN3102D090918A9DFA1A1FF2%26form%3dCONBDF%26conlogo%3dCT3210127%26q%3dwall%2bstreet%2bbuying%2bsingle%2bfamily%2bhomes%2bin%2bNashville%2bTn&view=detail&mmscn=vwrc&mid=AFE629F975236E1A2BFFAFE629F975236E1A2BFF&FORM=WRVORC>(External link)

Your policies are actually creating more poverty as over the decades previous councils did nothing to protect mobile home parks and due to the stagnation of wages and jobs being transferred to cheaper labor markets overseas and other factors, there is a crisis in affordable housing.

Housing Options does not take into account the fact that newly built housing is more expensive to build and will not solve the problem.

Please do not pass this Housing Options plan as it will price out more people and cause our area to have the crowded, unsanitary look of Seattle Washington.

Take into consideration these ideas to provide housing:

1. Publicly owned Kampground of America style housing as so many people are workers in the "gig" economy and need a few months of housing that is inexpensive. This style of housing would also be a great place for RV living.
2. Purchase hotels or the YMCA downtown, the Tumwater Brewery and other commercial vacant buildings and renovate these buildings into housing. Rhode Island actually turned an older mall into cheaper apartments.
3. Support through educational efforts at area schools, long term life planning of residents. So many people marry and divorce and set up two households and that causes a housing shortage.
4. Purchase foreclosed single family homes and turn them into subsidized housing.
5. Create community land trusts to promote affordable housing.
6. Stop giving tax breaks to developers of high priced housing. Demand the building of affordable housing with inclusionary zoning requirements.
7. Promote and educate residents how to purchase tenant owned cooperative housing.
8. Educate residents renters and owners on how to have a good tenant/landlord relationship that could include bartering as part of housing payments.
9. Investigate how to stop the purchase of so many properties by one owner in areas where the housing is so limited. I actually met a landlord here who owned 128 properties when I doorbelled in 2019.

Phyllis Booth

Public Comments – Public Hearing Draft  
Housing Action Plan  
May 25, 2021

Olympia Resident of 26 years and Thurston County resident 31 years  
2509 Caitlin Ct SE  
Olympia WA 98501

Phyllis Booth 8 days ago

It's nice to see this work being done and thank you for your efforts. However, the housing situation is clearly not being addressed in a way that has helped, especially regarding the homeless situation. Housing is needed but the homeless situation also requires services. Those services include local, available mental & substance abuse centers which then transition to readily available housing. Currently, there are waiting lists x3 for that type of housing. So clearly past efforts have not gone to resolving the issue. Another example of failed efforts - by way of attempts to encourage "affordable housing": The local MFTE plan that offers developers/builders tax credits in exchange for providing a percentage of units as low cost/affordable housing. Instead, through flaws in the language or definitions and a lack of enforcement & accountability the program fails to provide "affordable" housing, while instead, may have created inflated local rates. For example: using Area Median Income rather than Local Median Income to determine rental rates. Olympia Median Income is almost half the Area Median Income. The result is not lower rental rates in Olympia but actual market rates for "low cost" housing. This may have also driven typical market rates higher by setting higher low cost rates. It most certainly did not establish "affordable" or "low cost" housing. It may also be possible that the flawed formula and allowances created further homelessness, driving local people out of unaffordable housing when they're unable to afford the inflated rates. Another flaw in the plan: NO accountability/enforcement that the prescribed number of units are being rented, at reduced rates, for low income/affordable housing candidates. Those being allowed to take millions \$\$ in tax credits can surely provide proof of compliance, yet there appears to be no requirement. Or there's a lack of enforcement, since there's clearly a lack of the "affordable" rent rates. Creating what could be seen as another government feeding trough, creating harm upon harm. All of this is leaves taxpayers witness to one of the most visible, anxiety-inducing (because nothing seems to work) failures in public policy over the last decade(s).

can212 5 days ago

When discussing affordable housing with a friend, she summed it up, "When you want more of something, make it easier." Removing barriers, in my opinion, is the best way to create a healthy ecosystem of housing options. A people centered approach that allows the market to deliver creative solutions, while being supported by thoughtful government support for those who need it, will yield better housing options for all.

When any one particular group starts determining what is best for the whole, there are many left with less options. If tenants and landlords determine they do not need additional parking to make a project work, the City does not need to create an additional requirement. If additional density, smaller lots sizes, or taking another look at zoning allows people to use their property as they see fit, this allows them to create more optionality.

Public Comments – Public Hearing Draft  
Housing Action Plan  
May 25, 2021

The opposite of this is barriers for landlords and tenants. If there is demand for short term rentals, we should not create a barrier to those seeking them. If a landlord wants to complete tenant improvements on their property, and doing so triggers City of Olympia required, expensive, significant improvements, we disincentive improving properties and encourage rental properties to be in disrepair. If we put a First Right of Refusal for tenants on sales, in a market that already does not have enough houses to buy or sell, we have just made it more difficult to sell a house. If you want more of something, make it easier.

If you want more housing affordability, we need more housing, and we should let the diverse fabric of Olympia determine how best to create that. City Councils and Planning Commissions do a great job of gathering public input, but if we remove artificial barriers, it's amazing what creativity and ingenuity our community is capable of. From that diverse group, we will find the best solutions. In law school we said, bad facts make bad law. When something really upsetting happens, we want to make it right. The lack of affordable housing, our growing houseless community, and everything that goes along with that is something that leaves us wanting a quick "policy change" to solve it. I would caution you that some very well intentioned policies, may not have the intended impact. I hope you will seek input from those creating housing to learn about the impact these policies will have on affordability.

Those having difficulty accessing housing need our support. This is a place where government must play a role. If the City of Olympia focused on how to support the individuals who need help, rather than restricting developers and property owners, we would create more housing and access to housing. Disincentivizing developers and landlords will hurt those currently houseless or teetering. I urge you to escape the binary idea that the only way to help those struggling to find affordable housing is by penalizing landlords and developers. If thoughtfully crafted, you will be able to leverage those property owners and developers and provide more access to housing for all, which is a goal we can all agree on.

Thank you. Amy Evans

Flavorfull 7 days ago

The massive Impact and Permit fees and unreasonable sprinkler system requirements prevent the average property owner from building in the City. You put up financial barriers to building and then ask what can we do to have more homes built? I own 4 lots I would love to build duplex's on. @ 40k a unit plus the extra expense of the sprinkler system makes the Cities financial impact more expensive than the cost of the property. If the City really cared about affordable housing they would make it easier for small builders to build. Cut your fee's and eliminate the sprinkler system requirement.

Mark Ingersoll 14 days ago

All those big new fancy apartments downtown got property tax exemptions but they increase the need for schools, roads, LOTT, fire, police, and all the other infrastructure. The rest of us pay more so a few developers can pay less. Every action that makes it harder on small scale

Public Comments – Public Hearing Draft  
Housing Action Plan  
May 25, 2021

property owners nudges us further towards selling, likely to bigger entities who won't be as flexible, nor as affordable, nor as local. Notice how the rent moratorium did not include a tax moratorium; rather, my rental property taxes have doubled in the last five years, which I pass along to my tenants. Remember, renters pay property taxes too, or, more accurately, tenants pay all the rental property taxes.

LindaD 21 days ago

Giant U.S. landlords are cornering the housing markets nationwide, forcing rents and purchase prices beyond anything reasonable, and sucking up the primary means of wealth acquisition for all of us, regardless of race or other factors. Fighting amongst ourselves over crumbs empowers them.

Read the Reuters U.S. Legal News "Special Report - Giant U.S. landlords pursue evictions despite CDC ban".

How are we impacted in Olympia? We have no idea. We are too busy fighting amongst ourselves over the crumbs. Nowhere in all the mountains of housing documents does the city even mention who owns what in Olympia.

LindaD 14 days ago

This is not a plan for the homeless which is the most immediate crisis in Olympia, WA state & the country. Taxpayers do not want to support a "plan" that does not address housing, substance rehab, & mental illness for the homeless. Millions have been spent with ZERO results & a problem that gets worse. No more tax money without A Plan and results! Where's the Plan for homeless?

can212 22 days ago

## Amy Buckler

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**From:** Esther Grace Kronenberg <wekrone@gmail.com>  
**Sent:** Tuesday, May 25, 2021 11:05 AM  
**To:** Amy Buckler; CityCouncil  
**Subject:** Housing Action Plan

**External Email Alert!**

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Dear Ms. Buckler,

We write with concerns about an item in the Housing Plan that allows the City to "maximize use of SEPA threshold exemptions for residential and infill development."

Although we realize that going through SEPA adds some cost and time to projects, we feel it is absolutely essential that the intent of SEPA be strictly adhered to.

The City needs to have a full and complete picture of the possible effects of any project, including those on the environment, traffic and neighborhood BEFORE it approves it.

Exempting multi-family developments up to 60 units and single family developments to 30 units without adequate review may bring changes to our City that will not be for the greater good.

We are confronting a shortage of water, deteriorating water quality and stream flows for wildlife continue to drop. The City must consider this critical need as well as others.

The City has already used the SEPA review process for an entire area, such as for downtown and the Capitol Mall. We encourage the City to use this type of review process for other areas as well, instead of allowing un-reviewed development throughout the City.

Thank you.

Warren and Esther Kronenberg  
Olympia, WA

## Amy Buckler

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**From:** hwbranch@aol.com  
**Sent:** Sunday, May 16, 2021 9:27 PM  
**To:** Amy Buckler  
**Subject:** City of Olympia's Housing Action Plan (HAP)

### External Email Alert!

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Dear Amy Buckler,

Here are my draft comments to the Planning Commission for tomorrow evening. Please provide them to the Commission.

Thank you, Harry Branch

Re: City of Olympia's Housing Action Plan (HAP)

The two sections of the plan that most concern me are section 3.i. which points out that "appeals add cost to infill and affordable housing projects", later clarified to be "residential, multifamily, or mixed-use projects" and section 3.q. which hopes to maximize the use of SEPA exemptions for residential and infill development. I fail to understand the logic.

The idea of concentrating growth into urban areas as a way of protecting rural areas would make some sense if there was any direct correlation between density and growth boundaries. We can limit growth boundaries regardless of density.

Does increasing density really create affordable housing? Compare Manhattan or San Francisco to the Ritzville Washington. There is, if anything, an inverse correlation between density and affordability.

The Puget Sound Lowlands Ecoregion is unique, being characterized historically by large evergreens, deciduous forests and grasslands. The region connects directly to Puget Sound via numerous streams and rivers, it has a direct impact on the health of Puget Sound and it's highly urbanized. If we care about Puget Sound we need to do a better job of managing our urban watersheds. Science tells us we can do this by such simple actions as removing streams from culverts

Current housing affordability won't even exist in history books in a hundred years. Species extinction is forever. That should be our primary concern. Placing species at risk because of some unsupported notion that removing protections will make property more affordable would be unfortunate.

I'm pasting an article below from today's Seattle Times. This is the way Olympia should be heading.

Harry Branch  
(360) 943-8508  
hwbranch@aol.com

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It doesn't look like much, this ditch by the side of the road. But to King County's culvert hunters, this isn't a throwaway landscape.

Kat Krohn, an engineer and fish passage specialist for King County, chopped right into a fierce bramble of blackberries and got into the ditch as traffic roared by on a busy thoroughfare in Lake Forest Park. Here, Lyon Creek flows through Lake Forest Park before draining into the northwest corner of Lake Washington, crossing in culverts under roads and even private driveways all along the way.

That's where Krohn and her teammates at King County come in. They are working in the field to compile an inventory of culverts on country roads, bridges and properties — the good, the bad, and the truly ugly in terms of whether a salmon can get through them to spawn or journey to the sea.

Urban creeks are the arteries and veins of the region carrying the lifeblood that animates the region's ecology: salmon. Food for more than 123 species of animals — including endangered southern resident killer whales that frequent Puget Sound.

It's no desk job, being a culvert hunter. These are the field medics looking for the blockages impairing the health of the region's signature fish in their home waters.

As Krohn cut back the brambles, Ben Gregory, another engineer and fish passage specialist on the county's culvert survey crew, bushwhacked into the muddy ditch and into thickets of roadside weeds.

It's a landscape most would never notice — let alone think is important to salmon. Garbage cans lined the road where Krohn helped Gregory trace the ditch to a tiny, crushed culvert under a driveway, where it then crossed under the road to the other side.

The driveway culvert was way undersized for managing high flows, creating a fire hose that would slam back a salmon trying to get upstream. It also would probably flood, creating a risk for the roadway infrastructure.

On the other side of the road, where the culvert exited, they looked for more problems, a slope too steep for a salmon to manage, or an opening of the culvert perched too far above the stream bed for a salmon to leap into.

"It is helpful to think like a fish," Gregory said, eyeing the pipe.

The team uploaded their field notes into handheld devices to feed their day's reconnaissance into a growing inventory of blockages.

For this stream is typical in this largely developed watershed, thickening with houses and driveways and cars since at least the 1970s. The creek is routed through dozens of culverts crossing under the road in just a few miles — challenging the coho and steelhead traveling this creek to and from Lake Washington, on their way to Puget Sound.

Both the orcas and Puget Sound Chinook are threatened with extinction. To help them survive, the county is committed to spending \$9 billion over the next decade on a Clean Water Healthy Habitat strategy, said Abby Hook, environmental affairs officer for King County's Department of Natural Resources and Parks.

The goal, Hook said, is to guide investments to boost salmon populations and water quality, and conserve essential habitat for the good of orcas, salmon and future generations of county residents — even as the climate changes and county population grows.

The initiative also is intended to unify efforts across programs and jurisdictional boundaries to achieve watershed level results, from the Cascades to Puget Sound. The work includes everything from storm water and wastewater projects to road repairs and land conservation and ecological restoration. The cross-disciplinary approach is intended to align and deliver projects to achieve the most improvement the fastest.

That's the big picture. Getting there is in the hands of people doing the day-to-day, on-the-ground work. This is combat biology, in environments mostly built to benefit and transport humans, not salmon.

"We are so unaware when we drive a road like this, we don't realize fish are under the road, we don't even know we are crossing a stream," Krohn said. Everything matters in their streambed world: how wide the banks are, how deeply cut the channel, how steep the slope.

Her work has taught her to see landscapes differently. "I notice culverts everywhere I go now," Krohn said.

Standing on the roadside amid the whizzing traffic, Gregory said the work can be daunting.

But then, there was the thrill last year of watching chum salmon barrel into Mary Olson Creek under Green River Road near Kent. County roads crews replaced a culvert carrying the creek that blocked most salmon from making it upstream. A deep, wide box culvert fixed the problem — and opened 2,000 feet of habitat for salmon and steelhead.

It was completed in August at a cost of \$900,000, and the chum moved right in. Prime orca chow, spawning right there in South King County.

## Amy Buckler

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**From:** Bob Bredensteiner <bob@bobbredensteiner.com>  
**Sent:** Friday, May 14, 2021 11:21 AM  
**To:** Amy Buckler  
**Subject:** Housing Action Plan

**External Email Alert!**

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Amy,

As a board member of South Puget Sound Habitat for Humanity, I want to comment regarding Olympia's Housing Action Plan.

I have seen firsthand the struggle of hardworking people in our community who want nothing more than a safe and affordable place to call their own. Unfortunately, homeownership is increasingly unattainable for many across all age, racial and ethnic groups. In part, this is due to public underfunding of affordable homeownership opportunities for low- and moderate-income families.

Habitat for Humanity is asking that you please support affordable homeownership as a means to create lasting change in our community.

Specifically, we encourage the city to:

- partner with low-income housing developers to expand homeownership opportunities because homeownership is a wealth building tool that allows low-income families to exit cycles of poverty, create lasting generational change, and require less public assistance in the future.
- establish a down payment assistance program because a down payment is very often the biggest barrier for first time homebuyer. Down payment assistance as a regional approach would allow for greater access to homeownership in today's market.

Habitat for Humanity believes that homeownership can help alleviate part of the ongoing housing crisis, and restore racial, ethnic, and economic justice by promoting a break in a cycle of generational poverty.

We believe the City of Olympia can foster a richer and more inclusive community for all by incorporating these initiatives in its Action Plan.

Sincerely,

Bob Bredensteiner

Treasurer

South Puget Sound Habitat for Humanity





We build strength, stability, and self-reliance through shelter.

May 14, 2021

Olympia Planning Commission,

Homeownership, even as a concept, has increasingly become unattainable for many in our community, especially for the growing share of young buyers and historically and currently marginalized communities. The racial wealth gap, which is the legacy of historic practices of housing discrimination including redlining and predatory lending, as well as contemporary forms of discrimination are compounded by public underfunding of affordable homeownership for low- and moderate-income households and underproduction in for-profit “missing middle” for-sale homes.

The City of Olympia must act to reverse these historical wrong doings and develop policies that create an opportunity rich and inclusive community for all. Habitat for Humanity recognizes that a focus on homeownership can help alleviate parts of the ongoing housing crisis and restore racial, ethnic, and economic justice by promoting a break in a cycle of generational poverty for many, in addition to a further equitable distribution of wealth opportunities.

Specifically, we encourage the city to:

- partner with low-income housing developers to expand homeownership opportunities (1.g). Homeownership is a wealth building tool that allows low-income families to exit cycles of poverty, create lasting generational change, and require less public assistance in the future.
- establish a down payment assistance program (2.g), down payment assistance is the biggest barrier for first time homebuyers, this is especially true for people of color. Down payment assistance as a regional approach would allow for greater access to homeownership in today’s market.

Habitat for Humanity is asking that you please support affordable homeownership as a means to create lasting change in our community.

Sincerely,

A handwritten signature in black ink, appearing to read "Carly Colgan".

Carly Colgan  
Chief Executive Officer

## Amy Buckler

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**From:** Davenport Moore <sdavenportmoore@gmail.com>  
**Sent:** Saturday, May 8, 2021 9:28 AM  
**To:** Amy Buckler  
**Subject:** participation in virtual hearing 5/17

### External Email Alert!

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Ms. Buckler,

I would like to reserve time in the virtual hearing for Thurston Housing Land Trust. What is the time allowance per each picture?

Would it be possible to include a 1:38 min. duration video clip on slide 3 of the following:

[Homebuyer's Orientation Presentation - Google Slides](#) for an introduction to Community Land Trusts? Is screen sharing by the facilitator something available for this purpose? There is also an online link to this video through Grounded Solutions -the national association of CLTs.

Thurston Housing Land Trust is working to be seen as a viable and primary solution for affordable housing in our municipality and county.

See: [ThurstonHousingLandTrust.org](http://ThurstonHousingLandTrust.org)

Thank you for any assistance you can provide.

Susan Davenport

VP BOT - THLT

360-970-6302

## Amy Buckler

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**From:** Cora Davidson <cora@coradavidsonconsulting.com>  
**Sent:** Saturday, May 15, 2021 7:00 AM  
**To:** Amy Buckler  
**Subject:** City of Olympia - Notice of Public Hearing - 21-1702 Olympia Housing Action Plan

### External Email Alert!

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Dear Ms. Buckler - thank you for your service to the city of Olympia.

As a resident of Olympia, and a supporter of Habitat for Humanity, I want to share my concern about affordable housing in our community and provide public comment regarding the Housing Action Plan.

As a supporter of South Puget Sound Habitat for Humanity, I see firsthand the struggle of hardworking people in Olympia who want nothing more than a safe and affordable place to call their own.

Homeownership, even as a concept, has increasingly become unattainable for many in our community, especially for the growing share of young buyers and historically and currently marginalized communities. The racial wealth gap, which is the legacy of historic practices of housing discrimination including redlining and predatory lending, as well as contemporary forms of discrimination is compounded by public underfunding of affordable homeownership for low- and moderate-income households and underproduction in for-profit "missing middle" for-sale homes.

The City of Olympia must act to reverse these historical wrongdoings and develop policies that create an opportunity-rich and inclusive community for all. Habitat for Humanity recognizes that a focus on homeownership can help alleviate parts of the ongoing housing crisis and restore racial, ethnic, and economic justice by promoting a break in a cycle of generational poverty for many, in addition to a further equitable distribution of wealth opportunities.

Specifically, we encourage the city to:

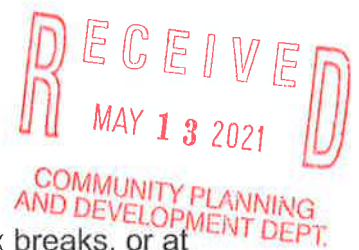
- partner with low-income housing developers to expand homeownership opportunities (1.g). Homeownership is a wealth-building tool that allows low-income families to exit cycles of poverty, create lasting generational change, and require less public assistance in the future.
- establish a down payment assistance program (2.g), down payment assistance is the biggest barrier for first-time homebuyers, this is especially true for people of color. Down payment assistance as a regional approach would allow for greater access to homeownership in today's market.

Habitat for Humanity is asking that you please support affordable homeownership as a means to create lasting change in our community.

Sincerely,

Cora Davidson, MPA  
1008 Lybarger St NE, Olympia, WA 98506  
Cora Davidson Consulting  
*She/her pronouns*  
[cora@coradavidsonconsulting.com](mailto:cora@coradavidsonconsulting.com)  
[coradavidsonconsulting.com](http://coradavidsonconsulting.com)  
[linkedin.com/in/coradavidson](https://www.linkedin.com/in/coradavidson)  
(360) 999-8014

*The best compliment you can pay us is your referral.*



## STATEMENT TO THE CITY OF OLYMPIA HOUSING ACTION PLAN

Save existing affordable housing by giving owners of such properties tax breaks, or at least protection from tax increases, if we provide affordable units. Every tax increase on existing affordable housing gets passed along to the tenants, thus increasing rents and reducing affordable housing.

Property taxes on my one small affordable duplex have doubled over the last five years, while giving developers \$1.4M in property tax savings in roughly the same time. My tenants are the real people paying my increased property taxes.

Every action that makes it harder on small scale property owners nudges us further towards selling, likely to large entities that won't be as flexible, nor as affordable, nor as local.

All those big new fancy apartments downtown got property tax exemptions, but they increase the need for schools, roads, LOTT, fire, police, and all the other infrastructure. They also increase the value, property taxes, and the rents, on existing downtown affordable housing. The rest of us must pay for the increased infrastructure needs caused by the very developers who benefit but pay pennies on the dollar.

My rental property taxes have doubled in the last five years, which I pass along to my tenants. Remember, renters pay property taxes too, or, more accurately, tenants pay all the rental property taxes.

We are creating a permanent underclass of renters who will never have access to the primary means to build wealth. Wages are stagnant, health insurance and retirement plans have and continue to diminish, sucking out more wealth. Olympia, by giving tax breaks to those with substantial wealth, and increasing taxes on the rest of us, is actively furthering this sad decline.

When developers gain at the expense of the taxpayers, such as property tax exemptions and sweet deals like the Griswold building, they are no longer "private sector", they are government subsidized. Please let's refer to them as such.

Giant U.S. landlords are cornering the housing markets nationwide, forcing rents and purchase prices beyond anything reasonable, and sucking up the primary means of wealth acquisition for all of us, regardless of race or other factors. Fighting amongst ourselves over crumbs only weakens us. Read the Reuters U.S. Legal News "Special Report - Giant U.S. landlords pursue evictions despite CDC ban".

Linda DuPertuis  
lmdupertuis@hotmail.com

## Amy Buckler

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**From:** prbill110@comcast.net  
**Sent:** Monday, May 17, 2021 12:21 PM  
**To:** Amy Buckler; Cary Retlin  
**Subject:** Regional Housing Action Plan

### External Email Alert!

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Amy/Cary:

I have previously sent emails regarding my objections regarding parts of the Regional Action Plan. I don't think that there is reason to repeat those comments now.

House Bill 1236 has been passed by the Legislature. It severely restricts a Landlords ability to end a lease.

1. If a landlord needs to update a rental, he may only end the lease for renovations, if they require a building permit. So assuming, the unit needs new carpet, vinyl, countertops, plumbing fixtures, etc. (not requiring a building permit, but cannot be completed with someone living there), then the lease could not be terminated. The work could not be done and would result in deferred maintenance and a substandard rental.

2. If a landlord decides to sell, he must list the property within a very short period of time. When a tenant moves out, it usually takes a month for cleaning, painting, carpeting vinyl, possibly countertops or plumbing fixtures, etc. If a landlord is required to list the property in a short period of time, this work could not be completed and either no one would want to buy the property or it would have to sell at a very reduced price (a fixer).

The Regional Housing Action Plan indicates that the City is developing an ordinance on these issues. I ask that you consider my above comments and not incorporate wording that would go beyond the scope of House Bill 1236.

Thank you,  
Bill Fierst  
360-480-9620

## Amy Buckler

---

**From:** Amy Buckler  
**Sent:** Thursday, April 15, 2021 10:01 AM  
**To:** prbill110@comcast.net  
**Subject:** RE: FW: Olympia rent assistance and eviction moratorium information

Hi Bill,

Thanks for your comment – I will forward to the Land Use Committee members. To be clear, this evening the Land Use and Environment Committee is scheduled to receive an informational briefing from a local affordable housing group. They are sharing information about a policy approach they refer to as Tenant Opportunity to Purchase (TOPO), how it has been used in other cities and how *they think* it could be used in Olympia. The City is not formally considering a TOPO ordinance at this time.

Tenant Opportunity to Purchase Ordinances (TOPO) aim to provide long-term protection of already existing affordable housing by allowing tenant groups the first opportunity to negotiate and bid on rental properties when they come up for sale. Typically TOPO's have been applied to manufactured home parks only. The attachment to the staff report from the TOPO for the People group suggests it could be applied to single family and multifamily rental units as well. To be clear, this is not a recommendation from City staff, and it is not on our current year work plan to take this up further this year.

Currently the City is in the process of drafting a Housing Action Plan and TOPO has been identified as *a potential* action under the strategy to “increase the supply of permanently affordable housing for households that make 80% or less of the area median income.” Should the Committee advise we include it in the Housing Action Plan, the effect would be that we've identified it as a potential item to explore further in a future year. At that time we would need to conduct more research and public engagement and develop a staff recommendation. The staff recommendation about how TOPO could be used in Olympia, what it should apply to and other elements, would not necessarily be the same as the group is suggesting tonight.

Other cities have used policies like TOPO to preserve manufactured home parks. No cities are currently applying this to single family rentals. Should this be taken up in a future year we would need to conduct more research and outreach to determine if and how to approach this in Olympia.

Warm Regards,

**Amy Buckler (She/Her)**  
Strategic Projects Manager  
City of Olympia  
601 4<sup>th</sup> Ave E  
Olympia, WA 98502  
(360) 280-8947 (Cell)  
(360) 570-5847 (Desk)

This email is subject to public disclosure

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**From:** Cary Retlin <cretlin@ci.olympia.wa.us>  
**Sent:** Thursday, April 15, 2021 8:33 AM  
**To:** Amy Buckler <abuckler@ci.olympia.wa.us>

**Cc:** Keith Stahley <kstahley@ci.olympia.wa.us>; Leonard Bauer <lbauer@ci.olympia.wa.us>

**Subject:** FW: FW: Olympia rent assistance and eviction moratorium information

Amy,

This email is relevant to the TOPO agenda item at LUEC tonight. I got questions about it when a landlord called me yesterday afternoon:

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**From:** [prbill110@comcast.net](mailto:prbill110@comcast.net) <[prbill110@comcast.net](mailto:prbill110@comcast.net)>

**Sent:** Thursday, April 15, 2021 7:38 AM

**To:** Cary Retlin <[cretlin@ci.olympia.wa.us](mailto:cretlin@ci.olympia.wa.us)>

**Subject:** Re: FW: Olympia rent assistance and eviction moratorium information

**External Email Alert!**

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Cary:

Just want to provide input to you regarding the "right of first refusal" for a tenant to purchase a house that they have been renting.

This is fraught with potential problems and it is unlikely that they could afford to buy it anyway.

If I were to sell a house in today's market, it would be listed at an attractive price, then the highest bidder takes it. What price do I offer to the tenant? I should be able to get the full value from the house. It would not be practical to tell bidders that they can bid, but someone else has the "right of first refusal".

Or even the opposite. I offer to the tenant a price. The tenant can not afford it and moves out, so I can clean and paint, etc. and he may even move out of the area in the meantime. The house doesn't sell and I have to sell at a lower price. Then, do I have to track down the tenant and offer him the house at this price. Time would be an issue. The new buyer is not going to wait.

Also, I may wish to sell to a family member, rather than the tenant.

Please consider these comments.

Thanks,  
Bill



## Amy Buckler

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**From:** Carol Houston <chouston@sdsu.edu>  
**Sent:** Friday, May 14, 2021 2:46 PM  
**To:** Amy Buckler  
**Subject:** Housing Action Plans - public comment

### External Email Alert!

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

As a resident of Olympia, and a supporter of Habitat for Humanity, I want to share my concern about affordable housing in our community and provide public comment regarding the Housing Action Plan.

As a board member of South Puget Sound Habitat for Humanity and a volunteer tax preparer with TaxAide for 13 years, I have seen firsthand the struggle of hardworking people in Olympia who want nothing more than a safe and affordable place to call their own for themselves and their families.

Homeownership, even as a concept, has increasingly become unattainable for many in our community, especially for the growing share of young buyers and historically and currently marginalized communities. The racial wealth gap, which is the legacy of historic practices of housing discrimination including redlining and predatory lending, as well as contemporary forms of discrimination are compounded by public underfunding of affordable homeownership for low- and moderate-income households and underproduction in for-profit "missing middle" for-sale homes.

The City of Olympia must act to reverse these historical wrongdoings and develop policies that create an opportunity rich and inclusive community for all. Habitat for Humanity recognizes that a focus on homeownership can help alleviate parts of the ongoing housing crisis and restore racial, ethnic, and economic justice by promoting a break in a cycle of generational poverty for many, in addition to a further equitable distribution of wealth opportunities.

Specifically, we encourage the city to:

- partner with low-income housing developers to expand homeownership opportunities (1.g). Homeownership is a wealth building tool that allows low-income families to exit cycles of poverty, create lasting generational change, and require less public assistance in the future.
- establish a down payment assistance program (2.g). Down payment assistance is the biggest barrier for first time homebuyers, especially for people of color. Down payment assistance as a regional approach would allow for greater access to homeownership in today's market.

Habitat for Humanity is asking that you please support affordable homeownership as a means to create lasting change in our community.

Sincerely,

Carol Olson Houston

**Amy Buckler**

---

**From:** jacobsoly@aol.com  
**Sent:** Sunday, May 16, 2021 4:29 PM  
**To:** Amy Buckler  
**Subject:** Comments for Planning Commission re Draft Olympia Housing Action Plan

**External Email Alert!**  
This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Amy --

Here are my draft comments to the Planning Commission for tomorrow evening. Please provide them to the Commission. I may not be able to get to all of them depending on time limits.

Thank you, Bob Jacobs

=====

Planning Commission Members:

I'm Bob Jacobs and I live at 720 Governor Stevens Avenue in Olympia.

I served as a public representative on the Stakeholders Group which helped develop the Regional Housing Action Plan that formed the basis of this draft city plan.

Probably the most important thing about the regional plan is that it contains no recommendations. Rather it is a collection of possible actions that the cities could adopt. Furthermore, these options were not evaluated for likely effectiveness, cost-shifting, or any other criteria. Thus, these options should be approached with caution.

In general, I consider the options dealing with subsidized housing to be the most reliable. This is also our greatest need locally, because the federal government has failed miserably to carry out its duty in this area. Basically, what we need is money. Lots of it.

The most unreliable section is the one dealing with increasing the supply of market rate housing. This is not surprising because there is very little that any city can effectively do in this area; market rate housing is provided by the private sector.

Here are a few specific comments out of many that I could offer:

1. A number of suggested actions are based on the mistaken notion that if the cost of producing housing can be reduced, the price of housing will decline. While this idea has surface appeal, the way the market actually works is that cost reductions produce increased profits for either land owners or builders or both. Of course we should avoid unnecessary costs, but we should not sacrifice quality of life or fiscal fairness by compromising appropriate fees or regulations. This applies to a number of options, including 1.f, 1.k, 3.i, and 3.k.

2. Items 1.p and 2.i are related to protecting mobile/manufactured home parks. The logical way to do this is by rezoning, which Olympia did in at least one case about 25 years ago. I suggest the Commission change this recommendation to rezoning.

3. Item 3j recommends expansion of the Multi-Family (property) Tax Exemption (MFTE) to all transit corridors. The MFTE was examined in detail by legislative performance staff just a couple of years ago. Their conclusion was that no evidence could be found to indicate that the MFTE accomplishes its objective of producing more housing. Thus, all it does is subsidize land owners and housing developers. I suggest you drop this staff recommendation.

4. Item 3.u recommends that the city pay for infrastructure development such as transportation and utility facilities in order to make housing development feasible sooner than it would otherwise be in certain areas. This is unjustified. It amounts to a public subsidy to land owners. Growth should pay for growth, at least as much as state law allows, via charges like impact fees and utility connection fees. I recommend that you drop this staff recommendation.

5. Item 6.e recommends that the city start using Tax Increment Financing (TIF). TIF has been recognized as a scam. It double-counts local tax revenues by diverting taxes meant for general city costs to pay for infrastructure, thus increasing taxes. I suggest you drop this suggestion.

Thank you for your consideration.

Please feel free to call me at 360-352-1346 if you would care to discuss any of these suggestions -- or other city policy matters.

**Amy Buckler**

---

**From:** Kenneth Haner  
**Sent:** Monday, May 10, 2021 7:05 AM  
**To:** Amy Buckler  
**Subject:** FW: City of Olympia - Notice of Public Hearing - 21-1702 Olympia Housing Action Plan

fyi

Ken Haner  
Program Assistant  
City of Olympia  
Community Planning and Development  
PO Box 1967 | 601 4th Avenue | Olympia WA 98507  
Phone: (360) 753-8735  
Email: khaner@ci.olympia.wa.us

---

**From:** Tom Schrader <schraderfour@gmail.com>  
**Sent:** Friday, May 07, 2021 12:39 PM  
**To:** Kenneth Haner <khaner@ci.olympia.wa.us>  
**Subject:** Re: City of Olympia - Notice of Public Hearing - 21-1702 Olympia Housing Action Plan

**External Email Alert!**  
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Ken,

Thank you for sending this over...!!!

We at TCRA feel, along with the City of Olympia, housing is our number one social concern during these COVID times!

I will circulate this through our 800 TCRA Realtors, and attend this public hearing!

Thanks again for sending, and all the work you are doing for our beautiful community!

**Tom Schrader**  
**REALTOR | CBA | TCRA Board President**  
**RE/MAX PARKSIDE AFFILIATES**  
300 Deschutes Way SW #200  
Olympia, WA 98501  
(360) 480-9387

+++++

On Fri, May 7, 2021 at 12:31 PM Kenneth Haner <[khaner@ci.olympia.wa.us](mailto:khaner@ci.olympia.wa.us)> wrote:

The City of Olympia has issued the following **Notice of Public Hearing with the Olympia Planning Commission** for the project known as **Olympia Housing Action Plan**.

PROJECT: **21-1702**

See the above attachment for further details.

Please forward questions and comments you may have regarding this project to the staff contact listed below:

- Amy Buckler, Strategic Projects Manager, 360.280.8947, [abuckler@ci.olympia.wa.us](mailto:abuckler@ci.olympia.wa.us)

Ken Haner

Program Assistant

City of Olympia

Community Planning and Development

PO Box 1967 | 601 4th Avenue | Olympia WA 98507

Phone: (360) 753-8735

Email: [khaner@ci.olympia.wa.us](mailto:khaner@ci.olympia.wa.us)

## Amy Buckler

---

**From:** Beau Shattuck <beaushattuck@yahoo.com>  
**Sent:** Friday, May 14, 2021 11:52 AM  
**To:** Amy Buckler  
**Subject:** Fw: COMPLETELY FINNISHED PPP FOR HL IN TC

**External Email Alert!**

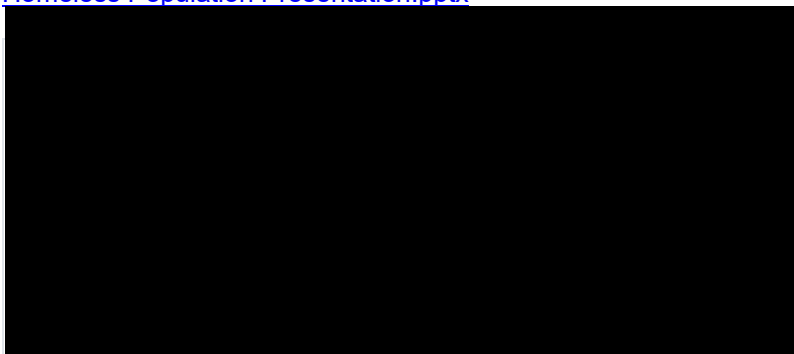
This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

PowerPoint presentation.

----- Forwarded Message -----

**From:** Beau Shattuck <beaushattuck@yahoo.com>  
**To:** Beau Shattuck <beaushattuck@yahoo.com>  
**Sent:** Wednesday, May 12, 2021, 03:33:41 PM PDT  
**Subject:** COMPLETELY FINNISHED PPP FOR HL IN TC

[Homeless Population Presentation.pptx](#)



Microsoft PowerPoint Presentation

# A LITTLE BIT ABOUT MYSELF SO YOU CAN GET TO KNOW ME....

---

- Community Volunteer since 2012
- Housing Navigator at SideWalk since 2018
- Housing Liaison at Olympia Community Court since March 2018

# According to the Department of Housing and Urban Development.....

**Before the Pandemic at least 580,000 Americans were homeless.**

- 23,000 of those people were in Washington State.



- Skeptics have argued that...

Substance Use Disorders and Mental Health issues must be addressed BEFORE someone becomes a suitable a candidate for long-term housing.

**THIS IS BACKWARDS  
&  
WRONG**

The page features several decorative circles of various colors (orange, pink, green, blue, purple) scattered in the corners. The main text is centered on a light blue background.

# Housing is a HUMAN right

We MUST adopt a Housing FIRST approach to homelessness in Olympia.

• .

**Let's take a look at the  
Leaders like Finland and  
Japan; whom have the  
lowest homeless  
populations in the world.**

---

# KEYS TO SUCCESS.....

- Politicians who have an understanding of human dignity.
- Affordable/ Social Housing
- Low barrier Service Centers
- Transitioned away from the temporary shelter model and converted their entire system into a supportive-housing-model.

---

Dignity....

Dignity is the right of a person to be valued and respected for their own sake.

# **AFFORDABLE/SOCIAL HOUSING**

- **The cost of housing should NOT make it difficult to STAY housed.**

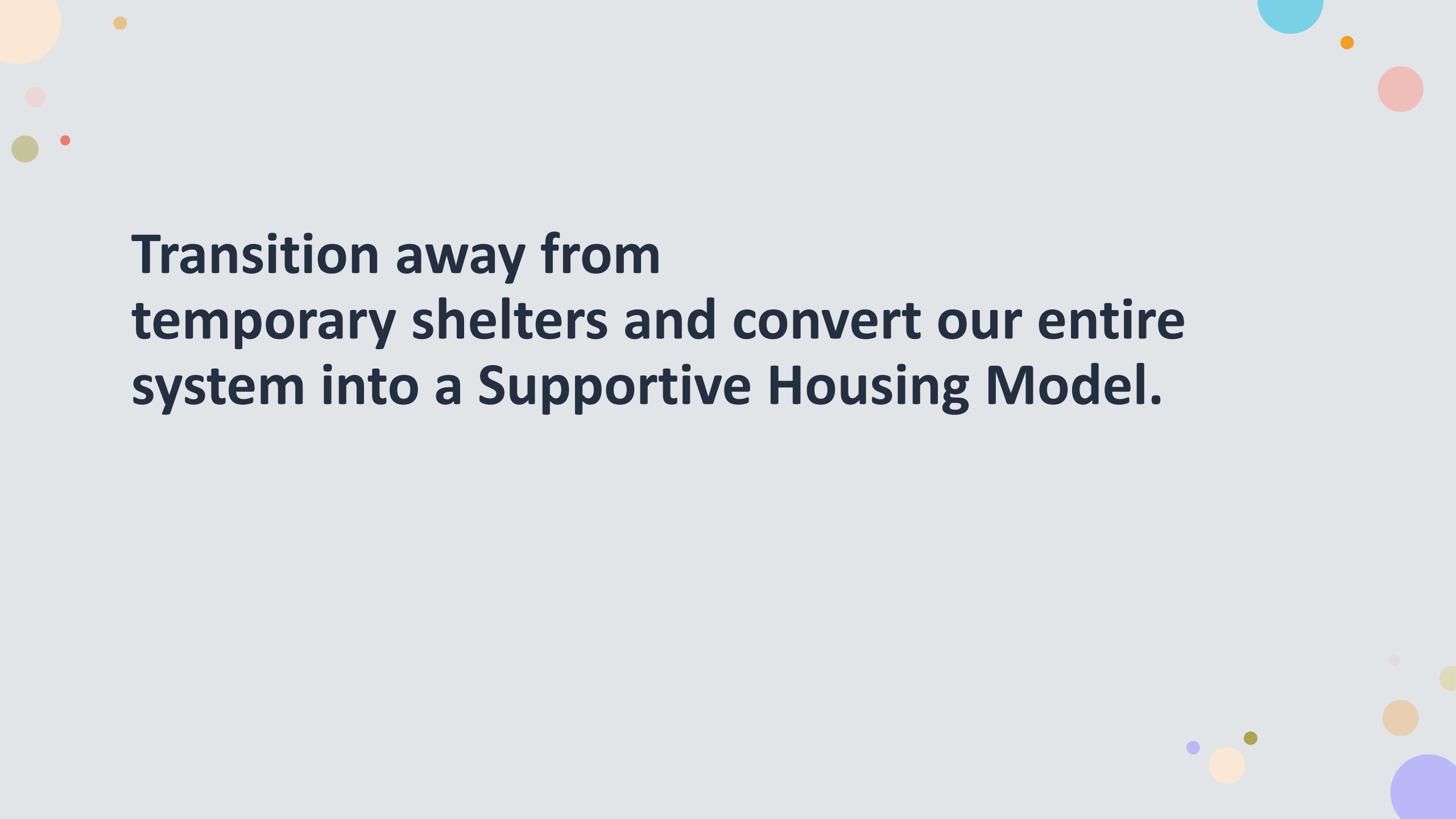
# LOW BARRIER SERVICE CENTERS

---

The idea here is to maintain multiple service agency's within the same building such as:

- Medical/Dental Professionals
- SUD/MH Case managers/Providers
- D.S.H.S Representative
- Peer Support Specialists
- Housing Navigators
- Family Support/Education Services
- Veterans Affairs Staff



The slide features a light blue background with decorative elements consisting of various colored circles (orange, pink, green, blue, purple) scattered in the corners. The main text is centered and reads: 

**Transition away from temporary shelters and convert our entire system into a Supportive Housing Model.**

# Homelessness in Thurston County Since 2017

- In 2017 there was a census taken that counted **124** homeless individuals.
- The 2019 Census counted **394** homeless people in Thurston County. Which more than DOUBLED in two years!
- This year that number has more than doubled yet again! The new tally in 2021 is **1,100!** With MANY who remain uncounted.

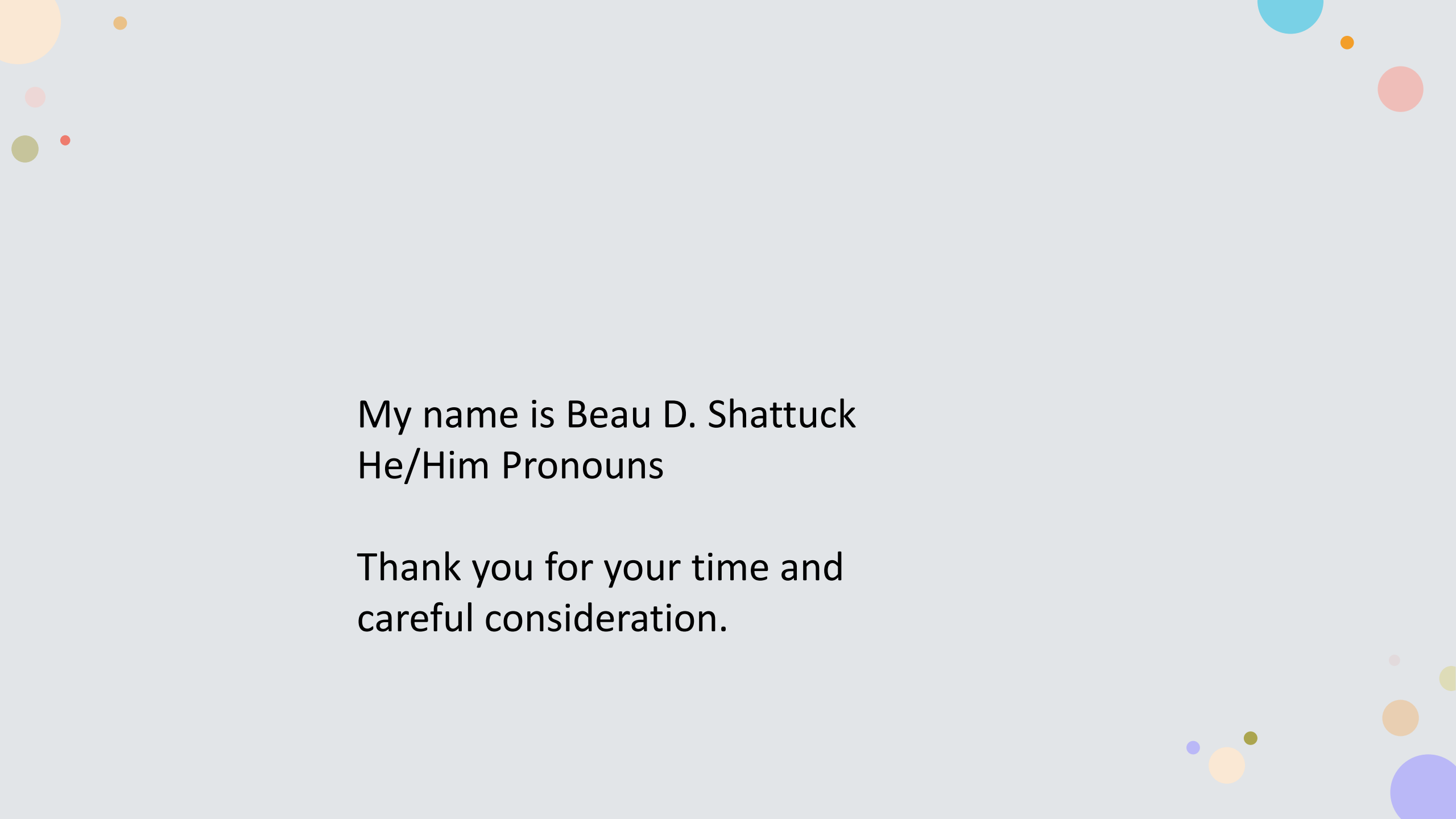
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**OUR HOMELESS POPULATION IN  
OLYMPIA IS RAPIDLY INCREASING.  
WE MUST DO SOMETHING NOW!**

+

•

○

The slide features a light blue background with decorative elements consisting of various colored circles (orange, pink, green, blue, purple) scattered in the corners. The text is centered on the slide.

My name is Beau D. Shattuck  
He/Him Pronouns

Thank you for your time and  
careful consideration.

3043 Central St SE  
Olympia WA 98501  
May 12, 2021

Olympia Community Planning and Development  
PO Box 1967  
Olympia, WA 98507-1967

**RE: Olympia Housing Action Plan**

I applaud your goals of increasing supply, diversity, and affordability of housing.

1. Insist on mixed income development.
2. Include requirement for wheelchair accessible spaces.
3. Use Housing Land Trust model to extend affordability.

**Insist on mixed income development.** Improve the quality of life for high and low income people both. There is less crime in mixed-income neighborhoods. Imagine West Bay Yards with a mix that includes studios for elderly people who will keep watch, and healthy young adults who will carry groceries and do chores for others more feeble or more fortunate. Some cities require that “mansion” properties include living quarters for service people. This in turn provides for that lower-crime mix of housing.

**Include requirement for wheelchair accessible spaces.** For buildings with parking garage, require one or two wheelchair accessible apartments set up with video surveillance of the garage, plus an adjoining care-giver’s studio. Think dignified role for an injured Afghan war vet. Allows paid or volunteer security surveillance.

**Use the Housing Land Trust model** to extend ownership affordability into the future, with a non-profit organization, not a city employee, handling the assurance that the property stays affordable when it changes hands many years later.

I hope these ideas will help you design a plan that delivers.

Callie Wilson

## Amy Buckler

---

**From:** bobesan@comcast.net  
**Sent:** Friday, April 9, 2021 10:18 PM  
**To:** Amy Buckler  
**Cc:** Joyce Phillips  
**Subject:** Re: FW: Reminder: Housing Action Plan Open House starts in 1 hour ( I put my public comment in the Q&A but provide it here as well, in expanded form)

### External Email Alert!

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*Thx for fwd'g my comments & your thoughtful response, Joyce & Amy, respectively. Here's another comment for the record:*

I'm glad that efforts are being made to deal w/ the homeless situation, as I don't want to see us suffer the lawlessness that Seattle & Portland are unfortunately showing in a BIG way now. I avoid Wheeler Ave. now b/c the homeless are taking over that street along I-5.

And today, a likely homeless woman obviously dropped her coat in the middle of Eastside Ave., as she continued walking to Wheeler. As I cycled by, I let her know that she lost her coat, but she responded slowly. Finally, she turned around to get her coat, but almost got hit by a car in the process, as she wasn't being very careful. Fortunately, she was able to get her coat (w/ some swearing at the driver) before walking back to Wheeler. Public safety is suffering as the homeless population increases...

-Bob V.

On 04/09/2021 12:41 PM Amy Buckler <abuckler@ci.olympia.wa.us> wrote:

Dear Dr. Vadas,

Thank you for your comments. You asked whether the camps are considered "households"? Unfortunately, unsheltered individuals and camps are not included in the number of households counted by the American Community Survey, which is our source for this data. However, the housing needs of people experiencing homelessness in our community are considered in our planning and implementation. While it is difficult to get an accurate number of people experiencing homelessness in Thurston County we look to the annual Point in Time Census, Homeless Management Information System data used by Coordinated Entry providers as well as observational data by our field staff, Thurston County and a host of service providers to better understand the scope of need.

We recognize that the only true solution to homelessness is more housing (sometimes with wrap around services for people with disorders such as mental health or substance use) and the City of Olympia has

invested in two significant projects to address this need. At 2828 Martin Way the Low Income Housing Institute has a 64 unit supportive housing facility under construction. It also contains a 60-bed shelter on the ground floor. On the west side of town, the City partnered with the Family Support Center to help finance a 65-unit facility targeting homeless families and victims of domestic violence. This facility is in the planning and permitting process. We will make a third Home Fund award for another project this year, with more in the future.

As I mentioned on Wednesday night, to scale up the production of low income housing to serve our community including those experiencing homelessness will take more resources. A countywide home fund would help. Meanwhile, the City of Olympia is working with the County to expand services including trauma informed case workers to several of the larger encampments in our City. We hope to have that program in place by the beginning of summer.

Warm Regards,

**Amy Buckler**

Strategic Projects Manager

City of Olympia

601 4<sup>th</sup> Ave E

Olympia, WA 98502

(360) 280-8947 (Cell)

(360) 570-5847 (Desk)

This email is subject to public disclosure

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**From:** Joyce Phillips <jphillip@ci.olympia.wa.us>

**Sent:** Friday, April 9, 2021 8:11 AM

**To:** Amy Buckler <abuckler@ci.olympia.wa.us>

**Subject:** FW: Reminder: Housing Action Plan Open House starts in 1 hour ( I put my public comment in the Q&A but provide it here as well, in expanded form)

Hi, Amy.

Below are comments from Dr. Vadas regarding the Housing Action Plan. Please add them to the public record.

Thanks!

Joyce

---

**From:** ROBERT VADAS <[bobesan@comcast.net](mailto:bobesan@comcast.net)>

**Sent:** Thursday, April 08, 2021 11:14 PM

**To:** Joyce Phillips <[jphillip@ci.olympia.wa.us](mailto:jphillip@ci.olympia.wa.us)>

**Subject:** Fwd: Reminder: Housing Action Plan Open House starts in 1 hour ( I put my public comment in the Q&A but provide it here as well, in expanded form)

**External Email Alert!**

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Dear Joyce:

I put my public comment in the Q&A for the Housing Action Plan Open House, but provide it here as well, in expanded form.

I'd like to enter my 2 online articles into the public comment, given Olympia's present favoring of market-rate projects over low-income (e.g., elderly) projects w/ less incentives for bldg. profits (Vadas 2020, 2021). The rich developers can take care of themselves & don't need my taxes to build projects that are meant to bring more rich Central Sound (Seattle/Tacoma) people there to gentrify the Olympia area.

And what about all of the presently homeless, many of whom have mental-health issues that may require institutionalization (Vadas 2021)? Do you consider those camps" households"?

Sincerely, Dr. Robert L. Vadas, Jr. (Bob)



Aquatic ecologist

2909 Boulevard Rd. SE

Olympia, WA 98501-3971

Tel. (360) 705-2231 (H), (360) 584-2135 (C)

E-mail [bobesan@comcast.net](mailto:bobesan@comcast.net) (H)

Vadas, B. Jr. 2020. The future of Olympia's urban zoning in the face of covid-19 and climate change. Works In Progress (Olympia, WA) 31(3): 14 (<https://olywip.org/the-future-of-olympias-urban-zoning>).

Vadas, R.L. Jr. 2021. OP-ED: Concerns about West Bay Yards development proposal. Olympia Tribune [online], March 4: 1 p. (<https://theolympiatribune.com/op-ed-concerns-about-west-bay-yards-development-proposal>).

----- Original Message -----

From: Anastasia Everett <[no-reply@zoom.us](mailto:no-reply@zoom.us)>

To: bobesan <[bobesan@comcast.net](mailto:bobesan@comcast.net)>

Date: 04/07/2021 3:57 PM

Subject: Reminder: Housing Action Plan Open House starts in 1 hour

Hi Robert Vadas,

This is a reminder that "Housing Action Plan Open House" will begin in 1 hour on:  
Date Time: Apr 7, 2021 05:00 PM Pacific Time (US and Canada)

Join from a PC, Mac, iPad, iPhone or Android device:

[Click Here to Join](#)

Note: This link should not be shared with others; it is unique to you.

Passcode: 716734

[Add to Calendar](#) [Add to Google Calendar](#) [Add to Yahoo Calendar](#)

Or join by phone:

US: +1 253 215 8782 or +1 301 715 8592 or +1 312 626 6799 or +1 346 248 7799 or +1 669 900 6833 or +1 929 26099

Webinar ID: 883 7703 4620

Passcode: 716734

International numbers available: <https://us02web.zoom.us/j/kHrkD77Vb>

You can [cancel](#) your registration at any time.

## Amy Buckler

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**From:** hollygadbow@comcast.net  
**Sent:** Wednesday, April 7, 2021 8:19 PM  
**To:** Amy Buckler; Leonard Bauer; Joyce Phillips; Cary Retlin  
**Cc:** CityCouncil; Jay Burney  
**Subject:** Great program

### External Email Alert!

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Amy, Leonard, Joyce, and Cary,

Thank you for putting together a terrific program. One of the best done by Olympia that I have attended lately.

Well organized, great slides, full of information (some of it new to me). Amy's opening presentation was excellent, full of pertinent facts and well delivered. Olympia has stepped up, and there is so much more to do. This is an issue that takes courage and tenacity. Instead of being overwhelmed by the immensity of the problem, the staff and the council keep moving forward.

I have to admit I like Zoom formats and think this venue worked well for this. The survey questions were a nice touch and kept the audience engaged. With Zoom, I actually can hear better and attend more meetings.

I appreciate your good work.

Best regards,  
Holly Gadbow

## Amy Buckler

---

**From:** Pamela Hanson <TheTuesdayShow@hotmail.com>  
**Sent:** Friday, April 9, 2021 4:03 PM  
**To:** Amy Buckler  
**Cc:** Brad Medrud; jdoan@ci.tumwater.wa.us; Boone, Rolf  
**Subject:** Re: HOUSING ACTION PLAN - OPPORTUNITY FOR INPUT

### External Email Alert!

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Amy,

Thank you. I appreciate your long range planning efforts.

**Some people only learn, with age and by reading, that there is "a big economic grey area" with an uneven scale of justice regarding housing.** A scale of justice has two places of weight. I have survived a more complicated scale of justice - reality - and I have survived it more than once.

The King County Housing Authority just sent me an application. I have no intention of leaving Tumwater, but an opportunity to be closer to major media and a university may sway my opinion. Because of the difficulty in obtaining local non-profit corporation services, I began participating at the congressional level regarding homeless assistance and was connected to King County.

I participate to help others not experience what I have experienced and to get rehoused. I also need a shower, bathroom and bed. I need a home and to not be intimidated by a City of Tumwater Police Department misdemeanor charge of "nuisance" and a Thurston County Court Commissioner's guilty decision.

The following people went before me and hopefully they weren't subjected to city council, city ordinances and police tactics to clear their streets. You can use the link or find the article by searching google. The 2019 investigative journalist covered loopholes that may or may not be in the current no cause/just cause Senate bill that was in the media today.

<https://t.co/iTctvgk02u?amp=1>



Legislators passed evi...  
crosscut.com

**Crosscut.**



## NEWS

# Legislators passed eviction protections. Washington landlords found loopholes

Reforms that give struggling  
tenants more time to make

Amy, I qualify for an approximate \$50,000.00 per year state job. That is the source of my sarcasm. I served in state employment while Booth Gardner was Governor. I was right across the capital campus lawn, in the General Administration Bldg. Please look him up on C-Span. There is a KOMO "State of the State" speech you should watch. In part, Governor Booth Gardner was lecturing the Legislature about and for health care improvements. There has never been a greater Yale and accounting focused consumer protection Governor, in my opinion. I know he would be disappointed in what has happened to me.

I have to medicate my feet and eyes, and I can't leave the country to find quality health care like Governor Booth Gardner did.

Thank you again.

Pamela Jean (Hale) Hanson  
City of Tumwater Resident

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**From:** Amy Buckler <abuckler@ci.olympia.wa.us>  
**Sent:** Friday, April 9, 2021, 9:14 AM  
**To:** Pamela Hanson  
**Subject:** RE: HOUSING ACTION PLAN - OPPORTUNITY FOR INPUT

Hi Pamela,

I know you said you have reached out to Community Action Council in the past. They are the main organization that connects single adults to housing services in Thurston County. I just received the attached email from them on Wednesday – sounds like rental assistance for 2021 just opened so you might give them a call again. My position is more long range planning so I don't disperse any assistance; I'm trying to work on a larger scale to bring in more resources and adjust rules to help address housing affordability, supply and stability over the long term.

Warm Regards,  
Amy

---

**From:** Pamela Hanson <TheTuesdayShow@hotmail.com>  
**Sent:** Thursday, April 8, 2021 6:31 PM  
**To:** Amy Buckler <abuckler@ci.olympia.wa.us>  
**Cc:** jdoan@ci.tumwater.wa.us; Boone, Rolf <rboone@theolympian.com>  
**Subject:** Re: HOUSING ACTION PLAN - OPPORTUNITY FOR INPUT

**External Email Alert!**

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Amy,

Your work frequently makes other people's problems, your problem. That is not my intent.

I wrote this quickly and appreciate your efforts. Simply put, where do I go to get housing assistance during this 2021 regional homeless assistance effort?

I cc'd John Doan because he has sent me to CACLMT. Some may get frustrated with my deliberate calmness with sometimes inserted reasonable and appropriate moments of emotion. I move slowly due to health, bathroom drives, and daily food shopping.

Here is the lengthy:

I was born in Olympia, at the old St.Peter Hospital, and only spent a few months in a second story apartment next to a church before my parents purchased the largest house on the block in our neighborhood in Tumwater in 1965.

With this current regional effort, what is available to or for me from Olympia's perspective? To a certain extent, any answer could be sending me to the same people who haven't followed through with services that they are expected to offer. I have approached, called or written information for Sidewalk twice and CACLMT three times, and the CACLMT number is a conservative numbers.

Are there any services if I park at one of the Olympia encampments? Is that how I get a caring case worker? Because of Prime Locations, I was made homeless and have parked and basically vehicle camped in violation of the Tumwater "nuisance" ordinance (a misdemeanor). Because of the way the nuisance ordinance is written - I cannot sue any of the aggressive "policy" police officers and/or the city - and would have to say yes and plead guilty in Thurston County Court.

**I wrote parking tickets and presented them at the State level in the Alaska Court System to Judge Levy and Judge Nave.** I could challenge the guilty misdemeanor, because I think some Judges and prosecutors understand the money and politics of homelessness - and someone made Former Security Officer Hanson "homeless." **I was paying my rent and my rent checks were then rejected - sending me to court. The refused rent checks are disputable and I was told to keep them.I was not a problem. I was stating rent facts to one of our State's 281 cities and then Prime Locations gave me a 20 Day Notice No Cause Termination.** Prime Locations is not stupid, they put me in a misdemeanor criminal category with the 20 Day Notice No Cause Eviction, while there were no apts avail., not more than a \$100 promise from a church, and more than my income for a hotel room that can only last 28 days a month, and Sidewalk considered me housed because the day I called I was in a hotel room.

**A driving glass and metal tent, a city council candidate that deserved more than her achievement of 2,000 votes for doing hardly nothing, and a city council candidate that was subjected to being called homeless by The Olympian and others - with their McClatchy money apparently supporting the court's decision, Tumwater, and Prime Locations.** What a great court we have that wouldn't let my case go to trial - her voice, the Thurston County Court Commissioner's, stated it and it is in the court's audio record. I cannot afford a lawyer.

**Six out of 10 homeless in seattle, just on KOMO News Radio this afternoon, as stated by Seattle Mayor Jenny Durkan, were homeless before Seattle.**

I won't be moving to Seattle to sit and wait for a phone call from a case worker, and Tumwater has stated that homelessness is a [Thurston County] regional problem.

You have a different job description and perspective than mine. The direction I am "supposed to go" is where?

#### **Positive Attitude Closing:**

I joke about this because someone suggested it to me - a person that believes in a homeless person. "You should run for Mayor." The downside is that I may only get around 2,100 votes to be Mayor. It would go on my resume. **It is a pay raise.** And, it would push me off of SSA Disability Income and into work - as told to do so by the voters.

Why are you running for office? You were made homeless the last time.

Do homeless services extend to political candidates?

In what year do homeless services extend to political candidates?

Who looks at the filing for office records and plots for the opposition without talking and/or writing to anyone?

Pamela Jean (Hale) Hanson  
City of Tumwater Resident

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**From:** Amy Buckler <[abuckler@ci.olympia.wa.us](mailto:abuckler@ci.olympia.wa.us)>  
**Sent:** Thursday, April 8, 2021, 2:06 PM  
**To:** Pamela Hanson  
**Subject:** RE: HOUSING ACTION PLAN - OPPORTUNITY FOR INPUT

Hi Pamela,

Thank you for attending last night's open house and for spreading the word. I understand your concerns about the lack of affordable housing (especially compared to fixed incomes like social security) and tenant protections. As we discussed last night this is a very challenging issue and the City of Olympia hopes we can make a difference through our actions. Unfortunately the housing affordability crisis won't be solved overnight, which leaves a lot of people without stable housing in the short term. I am very sorry you are experiencing this. I was heartened to hear the new Secretary of Housing and Urban Development Marcia Fudge's announcement today that the federal government is sending \$5 billion in new grants to states and local governments across the country for rental assistance, development of affordable housing and other services to address homelessness. We will take whatever we can get to help our community members stay safe and housed.

Thanks again for your input,

**Amy Buckler**  
Strategic Projects Manager  
City of Olympia  
601 4<sup>th</sup> Ave E  
Olympia, WA 98502  
(360) 280-8947 (Cell)  
(360) 570-5847 (Desk)

This email is subject to public disclosure

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**From:** Pamela Hanson <[TheTuesdayShow@hotmail.com](mailto:TheTuesdayShow@hotmail.com)>  
**Sent:** Wednesday, April 7, 2021 6:29 PM  
**To:** Amy Buckler <[abuckler@ci.olympia.wa.us](mailto:abuckler@ci.olympia.wa.us)>  
**Cc:** Boone, Rolf <[rboone@theolympian.com](mailto:rboone@theolympian.com)>  
**Subject:** Fwd: HOUSING ACTION PLAN - OPPORTUNITY FOR INPUT

**External Email Alert!**

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Presenters:



Thank you for the presentation in progress.

I sent this input and encouragement to participate by attending your event earlier this morning. This email is not going to that full list.

I personally now live in a glass and metal tent, also called a Korean passenger vehicle. I have a fire extinguisher, knife and scissors to protect myself at night. I do not tell people where I park, to maintain my personal safety, because it isn't intended by me for anyone to know. It would be too easy for the motivated that have already labeled me a 12 [as used in downtown riot paint and during the same time] to smash a window, etc.

Having worked as a security officer prepared me for some of my necessary determination. My 12 years as an At-Home-Mom prepared me to attempt to continue my faith in children's flash card definitions of people and industry. My career at the Department of Revenue provided me with a never met again level of a Comptroller's ethics regarding the conservative use taxpayer monies. Ralph Osgood, Former Mayor of Tumwater was only my co-worker, not my mentor.

The forwarded email explains more about me but it is not my full life. It does not include my working at a welding shop where they were grinding serial numbers off of high pressure gas cylinders, meeting and listening to one of two murder suspects, and finally making it home to Tumwater alive but with TB from Alaska.

The development, construction and building management industry has no flash card in my life anymore. I have no one to please with my input and comments, except possibly the innocent victims that had the time to exit plan themselves out of danger.

In closing: The importance of detailed costs and continued operations disclosures followed by thorough audits of the industry when the industry is provided with "incentives" - if and when applicable should be charged with fraud if and when found to be deceptive.

Pamela Jean (Hale) Hanson  
City of Tumwater Resident



---

**From:** Pamela Hanson <[TheTuesdayShow@hotmail.com](mailto:TheTuesdayShow@hotmail.com)>

**Sent:** Wednesday, April 7, 2021, 8:23 AM

**To:** Pamela J. Hanson

**Cc:** Boone, Rolf; [jdoan@ci.tumwater.wa.us](mailto:jdoan@ci.tumwater.wa.us); [pkmet@ci.tumwater.wa.us](mailto:pkmet@ci.tumwater.wa.us); [council@ci.tumwater.wa.us](mailto:council@ci.tumwater.wa.us); Brad Medrud

**Subject:** HOUSING ACTION PLAN - OPPORTUNITY FOR INPUT

Dear Readers,

**IMPORTANT: There is an opportunity for input today and the link is within the online version of this top of the fold news article from The Olympian newspaper.**

I disagree with the last bullet in this article for developer, management company and non-profit corporate housing entity reasons because they do profit from low income persons in many ways. I believe that municipalities should use their property "in a ownership way and to own the issue." **Build the sustainable condos, sell the condos to low income while keeping ownership of the municipal property, and require the sell back of the sustainable condo to the**

**municipality. This will control costs, provide open government "program related" documents to review that are audited, and will protect low income homeowners in the municipal home ownership program.** In this way, a low income person can build equity and payment history by owning a condo, and the municipality can continue the effort with the next low income person in need of purchasing housing when the sell back to the municipality happens - over and over again.

It was a management company, Prime Locations, that made me homeless. They do understand income, market rate, low income housing, and unprotected speech. I was given a 20 Day No Cause Termination by Prime Locations [while I was current on my rent and with a positive rent balance, with a previous letter inviting me to renew my lease, and speaking on live TV to the Tumwater City Council about rising rents making people homeless with \$1,231.00 per month disability income and \$1,040.00 in apartment rent costs].

Obviously, Prime Locations supports No Cause terminations, and many other management companies with the Thurston County Court may also.

I ask you to support low income persons for many reasons. Please read the the COLA Fact Sheet that I continue to use. The PDF document is attached.

Here is the screenshot and link to The Olympian article:

<https://www.theolympian.com/news/local/article250473311.html>



**Please read the last line in the following PDF. It is regarding all disability income recipients. And, the data on page two includes this year's average SSA retirement income.** \$1,277.00 per month income is the disability income average and my permanent disability income is almost there with COLA increases - at \$1,266.50 [DSHS]. I continue to be homeless due to Prime Locations and the Thurston County Court.



The eviction moratorium has not yet been lifted. We are about to experience the fourth wave of SARS CoV-2 COVID-19 infections and deaths. Please, wear a mask, social distance and wash your hands - while I continue to work my way off of permanent disability and have opinions about myself and others. My lungs are clear and I have stated that for years.

Pamela Jean (Hale) Hanson  
City of Tumwater Resident

(Apologies if there is formatting problems within this email. My phone has a problem - and this time my phone isn't in Alaska during the time Snowden went to Russia. There is and should be no hard return formatting between the words income and recipients. It appears on my phone while in the non-landscape orientation and is obvious.)

## Amy Buckler

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**From:** jacobsoly@aol.com  
**Sent:** Wednesday, April 7, 2021 9:06 PM  
**To:** Amy Buckler  
**Subject:** Thanks

**External Email Alert!**

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Hi Amy --

Thanks for defending impact fees at the Open House this evening. They are very important for city finances and for fair treatment of residents.

In the future, you might also mention that impact fees don't begin to cover all impacts. For instance, there are no impact fees for police stations, jails, libraries, courthouses, etc. Those impacts are mostly paid by the rest of us.

Thanks again,

BobJ

## Amy Buckler

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**From:** ComcastIMAP <mike.mccormick@comcast.net>  
**Sent:** Wednesday, April 7, 2021 6:43 PM  
**To:** Amy Buckler; Joyce Phillips; Leonard Bauer  
**Subject:** Good Session

External Email Alert!

This email originated from a source outside of the City's network. Use caution before clicking on links or opening attachments.

Amy, Joyce, Leonard and Cary,

Thank you for tonight's housing session. It was well organized. There was a ton of new information—at least to me. I appreciated that my question was included. And you accurately responded to what is my real concern—the size of the problem is gigantic and the solutions, for the significant part, are expensive. Also, you eluded to desirability of a regional approach. We (both Kathy and I) are concerned by the lack of engagement and meaningful commitment from the other Thurston cities and the county.

(Please pass this note on to Cary. I've seem to have lost his contact information.)

Again, nice job. Keep up the good work.

Best, Mike

Mike McCormick  
360.754.2916



# FIRST SOME FACTS :

\* OLYMPIAN NEWSPAPER  
\*\* ZILLOW  
\*\*\* ME

\* IN 2015 NEARLY 83% OF DOWNTOWN OLYMPIA WAS AVAILABLE FOR LOW INCOME TENANTS. THE CITY REPORTED 1,263 TOTAL LOW INCOME UNITS IN DOWNTOWN.

\* ALSO IN 2015 THERE WERE PROJECTS UNDERWAY TO REDUCE LOW INCOME UNITS TO 73%

\* IN 2015 CAPITOL CROSSING WAS CONSIDERED MARKET RATE - RENTS WERE ABOUT  $825^{00} - 995^{00}$  MO.

\*\* 2021 THE AVERAGE RENT FOR A 1 BDRM IN OLYMPIA :  $1,450^{00}$  THIS IS INSANITY!

\* 2021 DOWNTOWN IS NOW 77% MARKET RATE  
8 8 YEAR MFTE MONSTERS HAVE BEEN BUILT  
ONLY 1 12 YEAR MFTE - MARKET MANOR -  
NO WHERE NEAR DOWNTOWN OLYMPIA  
THERE ARE PLANS TO GIVE MORE 8 YEAR MFTE  
CONTRACTS IN THE MAKING.

WE DONT EVEN USE THE TOOL OF  
INCLUSIONARY ZONING THAT THE STATE  
HAS GIVEN US.

\*\*\* YOU CANT ADD 73% AND 77%  
AND GET 100%

\*\*\* THERE IS A THUMB ON THE WRONG SIDE OF  
JUSTICES SCALES.

#1

## THE MEAT OF THE MATTER AND COMMON SENSE:

My NAME IS AUTUMN. I AM 46 YEARS OLD, AND DOWNTOWN OLY HAS ALWAYS BEEN MY HOME. IT STILL IS. IT'S WHERE MY ROOTS GROW. IT'S MY HOME, BUT I HAVE BEEN GENTRIFIED OUT OF MY COMMUNITY. MARKET RATE FANTASY AND CLASSISM HAS DISPLACED ME. I WANT TO GO HOME.

SOME PEOPLE TRY TO SELL THE IDEA THAT BECAUSE THESE MARKET RATE MONSTERS WERE BUILT ON WHAT HAD BEEN EMPTY LOTS THEY DIDN'T DISPLACE ANYBODY. THIS IS SIMPLY NOT TRUE. I WAS DISPLACED. AND SO WERE MOST, IF NOT ALL OF THE PEOPLE LIVING IN THE 14 UNIT STUDIO APT. BUILDING AT 506 1/2 E. 4TH AVE. SOME OF US WERE COUPLES SO ITS PROBABLY MORE LIKE 20 PEOPLE.

IT WAS OVER 100 YEARS OLD AND HAD "GRANDFATHERED IN" CODE PROBLEMS. WELCOME TO OLY! WE ARE AN OLD TOWN. MY RENT WAS 420<sup>00</sup> A MO. MORE THAN AFFORDABLE! THIS WAS ALSO NATURALLY OCCURRING AFFORDABLE HOUSING. IT WAS NOT SUBSIDIZED. I WAS HAPPY. THIS WAS JUST A FEW YEARS AGO.

- WHEN 123 4TH AVE WAS BEING BUILT - PEOPLE WERE UPSET. THIS TYPE OF PLACE DIDN'T BELONG. CHERYL SELBY TOLD US SHE WAS OPEN TO MORE AFFORDABLE OPTIONS IN FUTURE BUILDS. I DID NOT PROTEST 123 4TH. I BELIEVED CHERYL SELBY AND I BELIEVE IN SHARING. INCLUSIVENESS MEANT TO ME, WE - THOSE OF US ALREADY LIVING IN DOWNTOWN - COULD SHARE SPACE

②\*

WITH SOME WEALTHIER NEIGHBORS MOVING IN. THE KEY WORD BEING SHARE. I DIDN'T WANT TO BE A NIMBY. I DESPISE THAT WAY OF THINKING. WE ALL LEARNED TO SHARE IN KINDERGARTEN. BEFORE WE HAD CLASSIST BUNDERS.

THE OWNER OF 506 1/2 E. 4TH AVE SOLD. SHE TOLD US THAT WITH ALL THE NEW CONSTRUCTION GOING IN DOWNTOWN SHE COULDN'T JUSTIFY NOT SELLING. THE MARKET WAS TOO PRIME FOR PROFIT.

AT LEAST SHE FACED US. PERHAPS SHE THOUGHT BY EXPLAINING IT WOULD MAKE US FEEL BETTER ABOUT BEING DISPLACED. IT DID NOT FEEL BETTER. I BECAME HOMELESS.

THE NEW OWNERS SENT IN HANDLERS TO DO THE DIRTY WORK VIA REAL ESTATE AGENTS. THEY GAVE US 28 DAYS TO UPROOT AND VACATE WITH NO REGARD AS TO WHERE. I DIDN'T EVEN GET MY DEPOSIT BACK BECAUSE OF CONFUSION OVER WHO WAS SUPPOSED TO PAY IT.

I DIDN'T KNOW ABOUT NORTHWEST JUSTICE PROJECT UNTIL IT WAS TOO LATE. I COULDN'T AFFORD A LAWYER, SO RICH PEOPLE WITH CONNECTIONS WERE ABLE TO STEAL MY 200<sup>00</sup> DEPOSIT.

I WAS, EVENTUALLY, ABLE TO FIND ANOTHER PLACE I

③\*

COULD AFFORD. THEY WEREN'T ARTIFICIALLY RISING RENT BY USING THE 3X RENT RULE, REQUIRING NOT ONLY 1ST, LAST, DEPOSIT, SCREENING AND ADMINISTRATION FEES, BUT ALSO THAT A PERSON'S INCOME BE AT LEAST 3X THE AMOUNT OF RENT.

IT'S A BIG PROBLEM WHEN LANDLORDS WHO HAVE NO CONNECTION WITH SUBSIDY ARE ALLOWED TO KEEP PEOPLE OUT OF HOMES THEY COULD OTHERWISE AFFORD. RENT BURDEN SUCKS, BUT THE BURDEN OF BEING HOMELESS IS FAR WORSE.

THE PLACE I FOUND WAS FAR REMOVED FROM HOME. OUT PAST HAWKS PRARIE. WHAT FELT TO ME LIKE CORPORATE HELL. DOWNTOWN OY WAS ALWAYS WHERE I SPENT 100% OF MY INCOME, BUT NOW I WAS LEFT WITH SHOPPING OPTIONS THAT MADE ME FEEL LIKE A TRAITOR TO MY MORALS. JUST CORPORATE SUCK.

NOW MY PARTNER ALL OF A SUDDEN HAD A 1 HOUR EACH WAY BUS RIDE TO WORK, RATHER THAN A 5 MIN. WALK. WE LOST 2 PRECIOUS HOURS WITH EACHOTHER EVERY DAY. OUR TIME IS JUST AS VALUABLE AS ANYONE ELSE'S, AND IT WAS TAKEN AWAY WITH NO RETURN OR BENEFIT.

IT WAS SHORT LIVED. THE RANCH HOTEL APARTMENTS



SOLD. NEW OWNERS WANTED TO TEAR IT DOWN TO RE-BUILD UNAFFORDABLE MONSTERS.

AT LEAST WE HAD KIND MANAGERS WHO WERE ABLE TO GET US ALL NEW 1 YEAR LEASES BEFORE THE SELL WENT THROUGH. IT DIDN'T MAKE THE REALESTATE AGENTS SENT OUT TO HANDLE US HAPPY. THEY HAD PLANNED ON QUICKLY GETTING US OUT OF THE WAY. EVEN LIED AND TRIED TO TELL US OUR NEW LEASES WERENT VALID BUT IF WE'D BE WILLING TO SIGN OURSELVES OUT OF THEM THEY WOULD OFFER US A FREE MO. RENT.

SOME PEOPLE SIGNED, WE DID NOT. THANK YOU NORTHWEST JUSTICE PROJECT FOR EXPLAINING OUR LEASES WERE IN FACT VALID. THE BUSINESS MONSTERS WOULD HAVE TO WAIT A YEAR.

WHEN THE YEAR ENDED WE WERE HOMELESS AGAIN. UNABLE TO FIND A PLACE WE COULD BOTH AFFORD THAT DIDNT USE THE 3X RENT RULE.

A LOT OF THE PEOPLE WHO LIVED THERE BECAME HOMELESS. THE 68 YEAR OLD VETAN NEX DOOR, WHO HAD SERVED OUR COUNTRY AND WORKED HIS WHOLE LIFE BECAME HOMELESS FOR THE FIRST TIME EVER. BUT GREED DID NOT CARE.

\* 5

MY PARTNER AND I WERE LUCKIER THAN MOST.

WE ENTERED AND WON A HOUSING LOTTERY THROUGH HUD.

WE KNOW HOW BLESSED WE ARE TO HAVE BOTH  
SHELTER AND HELP. WE ARE THANKFUL EVERY DAY.

I HAVE SHELTER - BUT I AM NOT HOME.

EVEN WITH THE VOUCHER WE HAD A HARD TIME FINDING  
HOUSING WE COULD AFFORD. NONE THAT LED US BACK  
HOME. I'M JUST STUCK IN A DIFFERENT CORPORATE HELL.  
IRONICLY WE ARE NEXT TO WHAT IS CALLED CORPORATE CENTER.

SOME MIGHT STOP HERE AND SAY SHE DOESN'T EVEN LIVE  
IN OLYMPIA, WHY LISTEN TO HER? I WOULD REMIND YOU  
I DID NOT WISH TO MOVE - I WAS MOVED. I AM  
THINKING IF I HAVE TO GIVE UP A ROOF AND WALLS  
IN ORDER TO GO HOME I MAY DO SO. UNSHELTERED  
PEOPLE CAN STILL VOTE AND I WOULD LIKE TO BE  
ABLE TO USE MY VOTE TO HELP MY HOMETOWN.

WITH EVERY PRECIOUS PIECE OF REAL ESTATE BEING HANDED  
TO BUSINESS MONSTERS - USING THE 8 YEAR MFTE RATHER  
THAN THE 12 YEAR MFTE OR EVEN BETTER OPTION OF  
INCLUSIONARY ZONING - WE (YOU) ARE EFFECTIVELY CLOSING  
DOORS TO PEOPLE WHO HAVE ALWAYS LIVED AND  
WORKED DOWNTOWN OLY.

AND YOU ARE PICKING THE PEOPLE'S POCKETS TO DO SO.

IF WE ARE BUILDING FOR FUTURE GROWTH SHOULDN'T THIS GROWTH BE INCLUSIVE? WHO ARE WE GROWING FOR?

CERTAINLY NOT THE ACTUAL AVERAGE INCOME IN THE AREA. MEDIAN AREA INCOME PAINTS A FALSE PICTURE. IT DOES NOT REFLECT THE MAJORITY OF PEOPLE AT ALL. WE NEED TO STOP USING IT TO PUSH WEALTH'S AGENDA.

DOWNTOWN OLY HAS ALWAYS BEEN MOSTLY WORKING POOR. IF WE ONLY ONLY BUILD FOR WEALTHY PEOPLE WHERE WILL WE FIND THE DIVERSITY THAT MADE IT SUCH A GEM? IF ITS SUPPOSED TO "TRICKLE DOWN" WHEN IS THAT SUPPOSED TO HAPPEN? ALL I SEE IS DRYING UP. WE ARE PARCHED.

WHAT HAPPENED TO ALL THE NATURALLY OCCURRING AFFORDABLE HOUSING? BUSINESS MONSTERS ATE IT UP. WHERE IS THE AFFORDABLE OPTIONS THE PEOPLE ELECTED YOU TO HELP CREATE CHERYL SELBY? IF IT IS BEING BUILT ITS SO FAR REMOVED FROM THE DOWNTOWN CORE IT MAY AS WELL BE IN LACEY.

THE CITY DIDN'T NEED "PROOF" THAT PEOPLE WANTED TO LIVE DOWNTOWN OLY. MANY PEOPLE ALREADY DID LIVE THERE. WE WANTED TO. I'M SURE I'M NOT THE ONLY PERSON WHO HAS BEEN

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DISPLACED AND WOULD LIKE TO BE ALLOWED TO GO HOME.

WE CANNOT ALLOW DOWNTOWN OLY TO BE TURNED INTO A WEALTH HUB BY TAKING AWAY FROM THE NEEDS OF THE MANY TO PLEASE THE WHIMS OF THE FEW. THIS IS CLASSISM, NOT A DEMOCRACY.

IF SOMEONE LIKE WALKER JOHN WANTED TO MOVE HERE TO GROW HIS EMPIRE - BECAUSE HE THOUGHT IT WAS SUCH A GREAT COMMUNITY AND WANTED TO HELP REALIZE ITS POSSIBILITIES - WHY THEN DID HE NOT ACT LIKE A GOOD NEIGHBOR AND HELP BUILD FOR THE NEEDS OF THE COMMUNITY? WHY DID HE CHOOSE INSTEAD TO PICK THE PEOPLES POCKETS - LIKE A NASTY CARPET BAGGER? CLASSISM I SUSPECT.

PROFIT NEEDED TO BE MADE. THE MORE FOR HIM THE BETTER FOR HIM. BUT ONLY FOR HIM. HE COULD NOT SEE VALUE IN LOWER INCOMES. HE COULD NOT LOOK PAST INCOME TO SEE THE VALUE OF THE LOW INCOME PEOPLE.

HIS "LUXURY LIVING" MONSTERS WERE BUILT WITH ONLY HIS WEALTH IN MIND. PUT IN A GYM AND A COFFEE BAR ETC... NOW THAT MONEY GOES TO HIS POCKET RATHER THAN, SAY, THE YMCA OR DANCING GOATS. IT DOES NOT REACH THE COMMUNITY.

THESE PEOPLE DON'T WANT TO BE PART OF OUR

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(6)

COMMUNITY, THEY WANT TO OWN IT. AND THEN CHANGE IT AS THEY SEE FIT. IF THEY DON'T WANT TO BE PART OF IT THEY SHOULD NOT BE PAID WITH OUR TAXES TO RUIN IT. SUCKING THE SOUL FROM THE CITY.

OWY HAS A LONG HISTORY WITH BEING LIBERAL AND PROGRESSIVE. WE LIKE IT THAT WAY. THIS IS IN PART THANKS TO EVERGREEN HAVING BEEN A LIBERAL ARTS COLLEGE. IT'S MOSTLY THANKS TO THOSE OF US WHO CALL IT HOME.

WE TACKLE BIG ISSUES. WE ARE ANTI RACISM. WE SHOULD BE. RACISM IS DISPICABLE. WE ARE ANTI SEXISM.

WE SHOULD BE. SEXISM IS UNFAIR AND WRONG. WE LIKE TO USE WORDS LIKE EQUALITY. THIS IS ALL GOOD.

WE HAVE MORE WORK TO DO TO CLOSE THE GAPS BETWEEN OUR PROGRESSIVE WORDS AND ACTIONS THAT BACK THEM UP, BUT WE AT LEAST ARE NOT AFRAID TO CALL THEM OUT BY NAME.

YET THERE IS ANOTHER ISM THAT IS PLAGUING OUR SOCIETY. WE SEEM TO DO ANYTHING AND EVERYTHING TO NOT HAVE TO CALL IT WHAT IT IS. CLASSISM.

IT'S DIRECTLY LINKED TO RACISM AND SEXISM, BUT RARELY MENTION IT IN CONVERSATIONS. IF WE DO, WE PREFER TO USE WORDS LIKE "INCOME GAP." AS IF IT WERE ONLY A GAP AND NOT A GROWING CANYON.

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IT'S SYSTEMIC. PUT IN PLACE TO VILIFY THE POOR AND WEAPONIZE BEING HOMELESS.

TO TALK ABOUT CLASSISM WE WOULD HAVE TO ADMIT THE SYSTEM WE USE - CAPITALISM - IS SET UP TO ELEVATE THE FEW WHILE KEEPING THE MAJORITY SUPPRESSED.

CLASSISM PUSHES THE IDEA OF "TRICKLE DOWN ECONOMICS" WHILE IGNORING THE FACT IT DOESN'T WORK. ALLOWING BUSINESS OWNERS TO PROFIT WHILE NOT PAYING WORKERS A LIVABLE WAGE.

CLASSISM TOUTS WE ARE SO PROGRESSIVE WE ARE PAYING 15<sup>00</sup> AN HOUR - OR AT LEAST PHASING IT IN - WHILE IGNORING THAT MARKET RATE MONSTERS ARE EATING ANY GAINS IT WAS SUPPOSED TO ACHIEVE FOR THE PEOPLE BEFORE THEY ARE EVER REALIZED.

THE CRUMBS THAT "TRICKLE DOWN" TO ME ARE MORE AKIN TO "LET THEM EAT CAKE."

CLASSISM USES OTHER TERMS TO PROTECT WEALTH TOO.

"BOOTSTRAPPING" AND "MERITOCRACY" ARE TWO THAT COME TO MIND. THESE ARE JUST PLATITUDES.

IGNORING THE LUCK, WEALTH, AND OR CONNECTIONS THAT HELPED WEALTH ACHIEVE ITS GOALS.

BECAUSE THE IDEA OF CAPITALISM HAS BEEN SPOON FED TO US FROM CHILDHOOD - IN ORDER TO SUPPORT ITSELF - WE PRETEND IT'S THE ONLY WAY. CLASSISM DEPENDS ON THIS.

CLASSISM ALLOWS PEOPLE WITH WEALTH BECOME SELF APPOINTED SO CALLED COMMUNITY LEADERS TO MAKE DECISIONS THEY WERE NOT ELECTED TO MAKE. THEY FORM "CLUBS" AND "ASSOCIATIONS" WITH DUES AND FEES AND REQUIRMENTS THE MAJORITY CANT AFFORD.

CLASSISM HANDS THE REINS OF POWER TO THESE PEOPLE WHO WERE NOT ELECTED BY THE PEOPLE. GIVING THEM A BIGGER SAY IN DECISION MAKING. THESE ROTARY CLUBS AND "DOWNTOWN ASSOCIATIONS", TO NAME TWO, ARE ALLOWED TO SIT AT TABLES AND REACH EARS THE MAJORITY OF US CANNOT ACCESS. THEY ARE FEWER IN NUMBER BUT ALLOWED TO DROWN OUT THE VOICE OF THE PEOPLE. THIS IS NOT DEMOCRACY. THIS IS CLASSISM.

WEALTH DOES NOT MAKE A BETTER PERSON IN ANY WAY. CLASSISM WOULD HAVE US BELIEVE IT DOES.

CLASSISM WOULD SAY: "SOUNDS LIKE SOUR GRAPES." I WOULD COUNTER WITH ITS MORE LIKE GRAPES OF WRATH.



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CARY RETLIN - YOU ARE THE MANAGER OF OLYMPIAS  
AFFORDABLE HOUSING HOME FUND AND RESIDENT HOUSING  
ADVISOR. HOW CAN YOU SAY WITH CLEAR CONSCIOUS THAT  
"ALL HOUSING IS GOOD HOUSING" WHEN MARKET RATE  
MONSTERS ARE EATING UP ALL THE ALREADY EXISTING AND  
MUCH NEEDED NATURALLY OCCURRING AFFORDABLE HOUSING?  
DID YOU FORGET THE AFFORDABLE PART OF YOUR  
JOB TITLE? OR DID YOU JUST DECIDE TO JUST KEEP  
TRYING TO SELL THE "TRICKLE DOWN" LIE? THIS LIE  
IS PERPETUATED BY THE "HAVES" IN ORDER TO PROTECT  
WEALTHS POCKETS. PLEASE STOP HELPING THEM.

SOME MIGHT SAY MY DISPLACEMENT - AND THOSE LIKE ME -  
WAS A BYPRODUCT OF GROWTH THAT CITY OFFICIALS  
ARE POWERLESS TO CONTROL. THIS IS A LIE.

WE HAD AND STILL HAVE THE TOOLS TO CREATE WHAT  
MOST PEOPLE NEED AND WANT. HOUSING WE CAN  
AFFORD IN PLACES WE FEEL HAPPY TO LIVE. MY INCOME  
SHOULD NOT DETERMIN MY ZIP CODE. MY HOME IS  
DOWNTOWN OLYMPIA.

THE 'TOOLS' ARE BUSY BECAUSE WE DON'T USE THEM  
BUT THEY ARE THERE STILL TO BE USED. WE COULD TELL  
DEVELOPERS THESE ARE THE "TOOLS" YOU MUST USE TO  
BUILD IF YOU WANT TO PROFIT FROM OUR PEOPLE



\* (12)

BUT CLASSISM DEMANDS - LIKE A SPOILED CHILD - THAT WE DON'T. BUST OUT THE TOOLS!

IN A DEMOCRACY THE MAJORITY IS SUPPOSED TO WIN. I WAS TAUGHT TO TRUST MY GOVERNMENT. I WAS TAUGHT THAT WHO WE ELECTED MATTERED. I WANT TO BE ABLE TO BELIEVE THIS STILL. LATELY THIS IS HARD. IT FEELS LIKE DEALING WITH A TWO HEADED SNAKE.

CHERYL SELBY - IF YOU WERE SO OPEN TO USING OUR TOOLS LIKE THE 12 YEAR MFTE - WHY IN DOWNTOWN OLYMPIA - WHERE BUILDABLE LAND IS MORE SCARCE THAN ANYWHERE ELSE IN OLYMPIA - DID YOU ONLY HAND OUT 8 YEAR MFTE CONTRACTS? WHERE ARE YOUR POM-POMS FOR THE PEOPLE? THE PEOPLE WHO HIRED YOU TO CHEER FOR US?

AS WE MAKE ROOM FOR GROWTH WE NEED TO TAKE LESSONS FROM CITIES THAT HAVE GONE THROUGH THE GROWING PAINS. WEALTH POCKETS ARE NOT GOOD FOR STRONG COMMUNITIES. THEY JUST PUSH LOWER INCOME PEOPLE INTO POVERTY POCKETS.

I PERSONALLY BELIEVE WE COULD AND SHOULD MOVE AWAY FROM AND FIX DAMAGES DONE BY CLASSISM BY USING SOMETHING THAT LOOKS LIKE AUSTRIAS HOUSING MODEL.

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RICH AND POOR SHARING THE SAME SPACES. NOT ONLY IN THE SAME NEIGHBORHOODS, BUT IN THE SAME BUILDINGS AS WELL. IF WE CAN ALL LEARN TO SEE EACH OTHER AS DESERVING HUMAN BEINGS REGARDLESS OF RACE - SEX - RELIGION - AND INCOME WE CAN FIX THE BROKEN AND BUILD BACK BETTER.

WE CAN'T JUST COME UP WITH SLOGANS LIKE "NO MORE MISSING MIDDLE" WHILE ITS REASON FOR MISSING GETS OVERLOOKED. RISING POVERTY. THIS IS JUST ANOTHER CLASSIST TOOL - USING MIDDLE INCOME EARNERS AS A COUSION TO PROTECT THE WEALTHY FEW.

TROY KIRBY OF THE CIDER BARREL WAS QUOTED IN A THURSTON TALKS ARTICLE I RECENTLY READ. I BOTH AGREED WITH AND DISAGREED WITH WHAT HE SAID.

I DISSAGREE GREATLY WITH THE PART WHERE HE SAID HE FINDS IT BETTER TO LISTEN TO CUSTOMERS OVER NON CUSTOMERS BECAUSE NON CUSTOMERS TEND TO COMPLAIN MORE. WHO'S CUSTOMERS? I MAY NEVER CHOOSE TO GO IN HIS CIDER BAR - BUT AGAIN DOWNTOWN OLY WAS WHERE I SPENT 100% OF MY INCOME.

CAN TROY KIRBY SAY THE SAME?

I DID HOWEVER AGREE WITH - AND WAS HAPPY TO

FIND COMMON GROUND - HIS IDEA OF FINDING WHAT HE CALLED THE VIBRANCY OF THE LATE 80'S / 1990'S.

YES. THOSE WERE GREAT TIMES. HE DISCOVERED IT WALKING AROUND WITH GRANDMA BIRDIE WHEN HE WAS A CHILD AND WOULD VISIT FROM HIS HOMETOWN LACEY. I ALREADY KNEW BECAUSE I LIVED DOWNTOWN. IT IS HOME. I WAS PART OF THE VIBRANCY HE IS LOOKING FOR.

LETS BE CLEAR. THIS WAS A TIME WHERE THE PEOPLE WHO WORKED DOWNTOWN COULD ALSO AFFORD TO LIVE DOWNTOWN. THE WORKING POOR ARE THE COGS AND THE GEARS. WITHOUT THEM DOWNTOWN OLYMPIA - AND EVERYWHERE ELSE IS MOOT.

IT IS THE EMPLOYEES - COOKS - JANITORS - BARISTAS - CASHIERS - STREET SWEEPERS - WAITERS - GARBAGE COLLECTORS - DISH WASHERS - BAR TENDERS ETC... THAT WERE THE MAKERS OF WHAT TROY REMEMBERS.

ABLE TO DO SO BECAUSE THE COMMUNITY SUPPORTED THEM IN HAVING A HAPPY LIFE FOR THE MOST PART. WE WERE POOR BUT ABLE TO LIVE WHERE WE WORKED. WE HAD FREE TIME TO CREATE AND PLAY.

AGAIN - IF IT WERE NOT FOR THE WORKING POOR THERE IS NO "LIFESTYLE" TO SELL. THEY ARE THE SOUL OF THE CITY.

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WHILE YOU PAT YOURSELVES ON THE BACK AND GIVE EACH OTHER "PERSON OF THE YEAR" AWARDS FOR BEING GOOD "LEADERS" I'D LIKE TO ASK YOU THIS -

WHEN WE CAN'T AFFORD TO LIVE ANYWHERE ON POVERTY WAGES YOU BRAG ABOUT AS PROGRESSIVE - BECAUSE MARKET RATE MONSTERS HAVING NO CHECKS TO BALANCE THEM - WHO DO YOU THINK WE WILL TURN TO? WE WILL NEED YOU TO PAY US EVEN MORE.

SOME WOULD TRY TO SAY MINIMUM WAGE JOBS WERE NEVER MEANT TO BE A LIVING WAGE. IGNORING THE REALITY OF MEANT TO BE OR NOT THEY ARE THE WAGE MANY PEOPLE SURVIVE ON. SINGLE PEOPLE AND ENTIRE FAMILIES AS WELL.

AS LONG AS YOU IGNORE THE UNCOMFORTABLE TRUTH YOU DO NOBODY JUSTICE. YOU WILL FAIL TO MEET THE NEEDS OF THE PEOPLE. SO IM CALLING ON YOU - OUR ACTUAL LEADERS - ELECTED BY THE PEOPLE - TO MAKE BETTER DECISIONS. DECISIONS THAT FILL THE NEEDS OF THE MAJORITY - NOT BEND TO THE WHIMS OF WEALTH.

WHEN I SAY MARKET RATE AND BUSINESS MONSTERS IM REFERRING TO ANYBODY WHO WOULD MOVE TO A COMMUNITY WITH CLASSIST BLINDERS AND GREEDY

INTENTIONS. DO NOT SMILE AND WAVE AND SAY YOU WANT TO BE MY NEIGHBOR WHILE SECRETLY MAKING PLANS TO REMODEL MY HOME AND MOVE ME OUT.

FINDING ALLIES IN WEALTHS CLASSIST CLUBS - USING LIES AND ORWELLIAN DOUBLE SPEAK, LIP SERVICE AND PLATITUDES. IT'S VAMPIRE BEHAVIOR - SUCKING THE SOULS FROM COMMUNITIES, LEAVING MANY IN DISPAIR.

OLY HAS BEEN THROUGH A LOT OVER THE YEARS. WE ARE TOUGH - WE CAN MANAGE WITHOUT GIVING AWAY OUR FEW AND PRECIOUS RECOURCES LIKE BUILDABLE LAND.

EVENTUALLY DEVELOPERS GREED WILL BRING THEM HERE ANYWAY. IF WE ARENT GETTING WHAT WE NEED FROM THEM, WE SHOULDN'T BE GIVING THEM WHAT THEY WANT FROM US.

THIS IS MY 4TH DRAFT OF THIS LETTER. MY HAND HURTS. I HAVE BLISTERS. STILL I TRY. TRY TO FIND WORDS THAT CAN PENETRATE THE WALLS ELITISTS HAVE BUILT AROUND YOUR EARS AND YOUR HEARTS. I HAVE LITTLE HOPE IT WILL HELP, NOT IF YOU'VE ALREADY MADE UP YOUR MINDS TO KEEP PUSHING "TRICKLE DOWN" LIES TO ACHIEVE A CLASSIST AGENDA, BUT HOW EVER SMALL, I DO STILL HAVE HOPE. SHOW ME YOU SEE MY VALUE, AND THE VALUE OF OTHERS AND MOVE AWAY FROM UNAFFORDABLE MARKET RATE MONSTERS.

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FIX WHAT THEY WERE ALLOWED TO BREAK. CREATE SOLUTIONS TO REPLACE WHAT HAS ALREADY BEEN STOLEN.

SOME MIGHT THINK ITS A THREAT, BUT I FEEL LEFT WITH FEW OPTIONS, IF I HAVE TO GIVE UP THE SECURITY OF WALLS AND A ROOF SO I CAN GO HOME I WILL MAKE THAT CHOICE FOR MYSELF. IT'S ONE OF THE ONLY THINGS I FEEL I CAN STILL HAVE CHOICE IN. I DON'T WANT TO BE HOMELESS. I JUST WANT TO GO HOME.

THERE IS ENOUGH ROOM DOWNTOWN TO SHARE. STOP BEING SO SELFISH AND GIVE SOME OF IT BACK.

WHAT WE NEED IS RENT CONTROL. I KNOW WE DON'T HAVE IT NOW, BUT THATS WHAT WE ELECT LEADERS FOR. TO HELP CHANGE UNJUST LAWS TO HELP REFLECT THE NEEDS OF THE PEOPLE.



# MY STORY - AND WHY THIS IS SO PERSONAL: (IN SUMERY)

THE FIRST PLACE I REMEMBER - VAUGLY - LIVING DOWNTOWN OLYMPIA WAS AT THE REX. I WAS MAYBE 2 OR 3.

AT THE TIME THEY HAD A NO CHILDREN RULE SO MY MOM WOULD SMUGGLE ME IN AND OUT IN A LAUNDRY DUFFIE BAG. IT WAS OUR CLIMB IN THE BAG AND STAY QUIET GAME. IT WAS ALL SHE COULD AFFORD ON A WAITRESS PAY. SHE TRIED THE BEST SHE COULD. THE REWARD FOR ~~ANY~~ SUCCESS IN THE QUIET GAME WAS FOR BOTH OF US SECURITY - FOR ME A NEW STICKER.

EVENTUALLY WE WERE ABLE TO MOVE INTO A DUPLEX BY THE LIBRARY DOWNTOWN. THATS WHEN AND WHERE I FELL IN LOVE WITH BOOKS. AND I ALSO FELL IN LOVE WITH A LIBRIAN. SHE WOULD GIVE ME A RUBBER STAMP AND PAPER CLIPS AND SCRAP PAPER, MAKE ROOM FOR ME AT HER DESK AND LET ME HELP RUN THE LIBRARY. SHE MADE IT ALL SEEM VERY IMPORTANT.

SHE WAS MY DEFACTO CHILD CARE.

THE NEIGHBORHOOD WAS FULL OF KIDS WHO DIDNT HAVE PROPER CHILD CARE. WE HAD WORKING CLASS PARENTS WHO WERE DOING THE BEST ~~BY~~ THEY COULD. THE KIDS WOULD JUST BAND TOGETHER AND WATCH OUT FOR EACHOTHER IN A PECKING ORDER FORMED BY AGE.



2

WE WOULD RIDE BIKES DOWN TO YARDBIRDS TO PLAY VIDEO GAMES, LOOK AT ALL THE PET STORE ANIMALS, AND TURN IN COUPONS SENT OUT IN THE MAIL FOR 1 FREE SM. POPCORN OR 1 FREE SM. DRINK. THEY WOULD LET YOU USE 2 COUPONS IF YOU HAD 'EM SO THEY BECAME TRADING GOLD TO US KIDS.

WE'D ROAM ALL OVER DOWNTOWN. EVEN WENT SWIMMING IN CAPITOL LAKE. SOUNDS GROSS NOW, BUT THEY HAD A ROPED OFF AREA, AND EVEN A LIFEGUARD FOR AWHILE.

THIS WAS THE PLACE I MADE MY FIRST BEST FRIEND. RACHEL G. AND THE PLACE I STARTED SCHOOL FROM (GO LINCOLN LIONS!)

THIS IS WHERE MY ROOTS AND MY HEART MADE PLANS TO SURVIVE THE CONDITIONS OF MY LIFE IN POVERTY. THE ROOTS GRABBED MY HEART - WRAPPED THEMSELVES IN SAFETY AND DUG DOWN DEEP FOR STABILITY.

AND IT WORKED. LATER WHEN MY MOM MET AND MARRIED A MAN WHO MOVED US MY ROOTS REMAINED.

WHEN MY MOM'S NEW ~~NEW~~ HUSBAND ABUSED ME, THIS IS WHERE I WOULD RETURN. I WOULD LIE DOWN IN THE TALL GRASS OF WHAT HAD BEEN MY YARD,



REALLY JUST A VACANT LOT NEXT DOOR, AND I WOULD LET MY HOME HEAL ME. THEN WITH RENEWED STRENGTH I WOULD SPEND HOURS WALKING AROUND TOWN. VISITING ALL THE PLACES THAT I LOVED. DOWN TO THE DOCKS TO CLIMB THE VIEW TOWER - OVER TO THE TREASURE CHEST TO PET THE MOOSE - ARCHIBALD SISTERS - RADIANCE-EARTH MAGIC AND MORE. ALL THE SIGHTS SOUNDS AND SMELLS ALONG WITH FAMILIAR KIND FACES LET ME KNOW I WAS OK. I WAS HOME. THE HOUSE I LIVED IN WAS DISFUNCTIONAL, BUT MY HOME WAS HERE TO TAKE CARE OF ME.

BY THE TIME I WAS 16 MY MOM AND HER HUSBAND MOVED OUT OF THE COUNTY COMPLETELY. I STAYED WITH MY HEART. I WAS ~~HOME~~ WITHOUT SHELTER BUT I WAS HOME. AND I TRIED TO GIVE BACK THE BEST THAT I COULD. I WAS AND AM A GOOD PERSON. OLYMPIA GAVE ME THAT. I HELD DOORS FOR PEOPLE CARRYING PACKAGES - MADE EYE CONTACT - SMILED. MY COMMUNITY SMILED BACK, THEY WERE KIND AND HELPED ME GROW.

AS I GREW I HAVE SCRUBBED TOILETS - CLEANED BOATS - WASHED WINDOWS - DONE OFFICE WORK - BEEN A BARISTA - A JEWELERS HELPER - A STORE CLERK - A WAITRESS - AND EVEN DID PIECE WORK FOR THE STUFF SOLD AT ARCHIBALD SISTERS. MOST OF IT OFF THE BOOKS - I DID WHAT

[4]

I HAD TO SURVIVE. OFF THE BOOKS MEANS MOST OF IT DIDN'T COUNT TWARD WORK CREDITS FOR SSI.

I HAVE LIVED AND PAID RENT IN 8 PLACES I CAN THINK OF ALL DOWNTOWN. I DIDN'T WANT TO LIVE ANYWHERE ELSE.

I'VE BEEN UNSHELTERED CLOSE TO HALF MY LIFE IF YOU ADD ALL THE TIME TOGETHER. THE LONGEST STRETCH LASTING OVER 10 YEARS. I CHOSE WHEN I WAS UNSHELTERED TO TRAVEL A LOT BUT I ALWAYS AFTER A FEW MO. WOULD RETURN HOME. IT CALLED OUT TO ME - MY HEART AND MY ROOTS SAID COME HOME - WE WILL HEAL YOU.

THE LAST TIME I WAS ABLE TO FEEL THIS VITAL CONNECTION WAS AT 506 1/2 E. 4TH. SOME MIGHT HAVE THOUGHT IT WAS A RUN DOWN DUMP BUT IT WAS JUST OLD. IT WAS FULL OF CHARACTER - 15' CELINGS - CROWN MOLDING - OLD COOL DOORKNOBS - AND MANY MORE FEATURES THAT MADE IT MORE THAN A HUMAN STORAGE BOX. IT WAS PART OF DOWNTOWN - IT AND I BELONGED.

IT WAS HERE WHERE MY HOME TOWN HEALED ME AGAIN. I HAD BEEN WITHOUT SHELTER OVER 10 YEARS - I WAS SO VERY TIRED, TIRED IN A WAY MOST WILL NEVER KNOW. I WAS ALSO ADDICTED TO PILLS GIVEN TO ME BY DR'S. THE OPIATE BAND-AID.

5

AFTER LIVING AT 506 1/2 E. 4th FOR ABOUT A YEAR IT WAS THERE - IN MY TINY STUDIO - WITH THE STRENGTH OF MY HEART AND THE GROUNDING OF MY ROOTS AND THE COMFORTS OF A SOFT BED AND SECURITY OF A LOCKING DOOR - AND LOVE OF A DEAR FRIEND - I WAS ABLE TO CHOOSE FOR MYSELF TO STOP TAKING THOSE PILLS. I DIDN'T HAVE TO - DR'S GAVE ME 120 EACH MO. I STILL HAD MORE REFILLS - THEY WOULD HAVE GIVEN ME MORE. I CHOSE TO.

IT HURT. I WAS VERY SICK FOR LIKE A WEEK. BUT MY HOMETOWN WAS THERE FOR ME, AND I HEALED.

I DRANK THE ARTISIAN WATERS THAT POOLED FREELY FOR ALL RIGHT ACROSS THE STREET. IT FILLED ME WITH LIFE.

WHEN I WOULD WAKE UP WITH THE NIGHTMARES THAT HAUNT ME I COULD WALK OUT MY BACK DOOR AND GO SIT BY THE WATER CALMING MY RACING MIND. THE COOL BREEZES WOULD SMACK RIGGINGS AGAINST MASTS WHILE SEAGULLS MADE SOFT COOS CREATING A MUSIC THAT WOULD SOOTHE ME. IT WOULD FILL ME UP AND I WOULD KNOW I WOULD BE OK. AND I WAS.

TORN  
UNTIL I WAS ~~DISPLACED~~ FROM MY ROOTS -  
PLUCKED LIKE A RANDOM WEED FROM THE GARDEN  
IN WHICH I ALWAYS GREW.

①

## JUST A FEW MORE THOUGHTS BEFORE YOU GO:

CLASSISM PITS THE POOR AGAINST THE POORER -

HAVING US ALWAYS LOOK DOWN TO SEE HOW "THOSE PEOPLE" ARE GETTING ALL THE HANDOUTS - "THOSE PEOPLE" ARE KEEPING ME FROM CLIMBING THE SOCIAL LADDER ETC... IN ORDER TO INOCULATE WEALTHY "ELITE CLASSES". WE DON'T LOOK UP TO SEE OR SAY THOSE ARE THE PEOPLE THAT MAKE LIFE HARDER FOR THE MAJORITY.

CLASSISM WANTS US ALL TO FEEL FOR "SMALL BUSINESS OWNERS". WE SHOULD. THEY ARE IMPORTANT. BUT IT DOESN'T WANT US TO SEE WHEN THE LINE HAS BEEN CROSSED BETWEEN STRUGGLING SMALL BUSINESS OWNERS AND BUSINESS MONSTERS. EXAMPLE: CAFFEE VITA. CONSIDERED A SMALL BUSINESS. I KNOW NOTHING OF NEW OWNERS BUT JUST THIS YEAR I SAW WHERE THE OLD OWNERS OF THIS "SMALL BUSINESS" WERE TRYING TO SELL THEIR REDICULOUS MANSION ON VASSON ISLAND SO THEY COULD MOVE TO A DIFFERENT MANSION ON THE SAME ISLAND. THERE IS NOTHING SMALL ABOUT A MANSION, OR THE WEALTH THAT BUYS ONE. YET CAFFEE VITA IS STILL CONSIDERED "SMALL BUSINESS." SHOW ME ONE OF THE EMPLOYEES - ACTUAL WORKERS - WHO WOULD BE ABLE TO

②

AFFORD TO LIVE IN ~~THE~~ ANYTHING CLOSE TO A MANSION.  
THEY DON'T EXIST BECAUSE THE "OWNERS"  
HOARDED MOST THE WEALTH TO THEMSELVES.

NO MATTER IF YOU SLEEP IN YOUR CAR, AS LONG  
AS YOU SHOW UP TO WORK TO GROW WEALTH  
FOR THE BUSINESS OWNER.

WE MIGHT NOT EVER BE ABLE TO FIX ALL OF  
THIS. THE MOLE HILL WAS ALLOWED TO BECOME  
A MOUNTAIN. ONE THAT MOST OF US WILL  
NEVER BE ABLE TO CLIMB.

BUT WE CAN TRY. STARTING WITH BREAKING  
DOWN WALLS ELITISTS HAVE ERRECTED.

NO MORE SELF APPOINTED SO CALLED  
COMMUNITY LEADERS IS A START. SO IS  
RE THINKING WHO DESERVES WHAT TYPE  
OF HOUSING AND WHERE IT SHOULD BE BUILT.

BUILD BETTER. BUT BUILD BETTER FOR  
EVERYONE. HOUSING IS A HUMAN RIGHT. ~~BE~~

WHEN I WAS IN 4TH GRADE WE WERE TAUGHT  
WE NEEDED 3 THINGS FOR SURVIVAL (SOCIAL STUDIES)  
FOOD - SHELTER - AND WATER.

IM GLAD WE WORK TWARD GOALS LIKE HEALTH  
INSURANCE FOR ALL, BUT THAT WASNT EVEN ON  
THE LIST FOR SURVIVAL.

3

CLASSISM WOULD HAVE YOU BELIEVE YOU NEED FORMAL EDUCATION TO BE MORE PRODUCTIVE IN SOCIETY. IT PAYS BETTER TO THE HIGHER EDUCATED PEOPLE WHO WERE ALLOWED TO ACCESS ENTRY THROUGH THOSE DOORS. THIS IS A LIE. PERPETUATED BY THE PEOPLE WHO ALREADY "HAVE" IN ORDER TO FUNNEL WEALTH TO THE ALREADY CONNECTED.

I COULD PROBABLY FILL ANOTHER 12 PAGES WITH THESE TRUTHS. CLASSISM WILL PROBABLY WHISPER IN YOUR EAR NOT TO LISTEN.

I HAVE PAGES AND PAGES OF THOUGHTS AND TRUTHS THAT ARE HOMELESS SPECIFIC. I DIDNT INCLUDE MOST OF THEM HERE AS THE BIGGER PICTURE WAS AFFORDABLE HOUSING FOR ALL WHO ARE ~~AND~~ NOT LUCKY ENOUGH TO GAIN WEALTH. BUT HERE ARE A COUPLE THOUGHTS:

I ALWAYS HEAR ABOUT HOMELESS AS BEING "MENTALLY ILL OR DRUG ADDICTS." THIS DOES EXIST, BUT PAINTS A FALSE PICTURE OF REALITY - DISTORTS THE TRUTH TO PROTECT CLASSIST AGINDAS.

I WOULD ARGUE BEING CONSTANTLY BOTH OTHERIZED AND MISREPRESENTED IF NOT FLAT OUT IGNORED MAKES HOMELESS PEOPLE MENTALLY ILL AND TURN



④

TO DRUGS. BEING HOMELESS HURTS. NOT JUST THE MIND AND SPIRIT BUT PHYSICALLY. IT'S PAINFULL TO SLEEP ON SUCH HARD SURFACES (SIDEWALKS - PACKED EARTH). JUST THINK ABOUT WHEN YOU GO "CAMPING", AT THE END YOU ARE ABLE TO SHAKE OUT THE KINKS FROM GROUND SLEEPING BY GOING HOME, TAKING A LONG HOT SHOWER, AND CLIMBING INTO A FLUFFY CLOUD OF A BED. HOMELESS PEOPLE DO NOT HAVE AN END TO THE CAMPING TRIP. THERE ISNT EVEN ANYWHERE TO SIT AND REST A BODY THAT ISNT A HARD SURFACE. AND WHEN HOMELESS PEOPLE SIT DOWN ON PUBLIC BENCHES TO NOT SIT ON THE GROUND THE CITY REMOVES THE BENCHES.

IT IS ALSO IGNORED THAT SOME PEOPLE CHOOSE TO BE HOMELESS BECAUSE ITS ONE OF THE ONLY WAYS TO FEEL POWER OVER OUR OWN LIVES. ELITISTS MAKE UP "SOCIETIES RULES OF BEHAVIOR" AND EXPECT THE REST OF US TO FOLLOW.

THIS IS CLASSISM. THESE RULES DICTATE WHAT WE SHOULD THINK - WEAR - LIVE - ETC... AND TELL US IF WE DONT LIKE IT WE CAN LEAVE.

LEAVE TO WHERE? WHY SHOULD I NOT BE ALLOWED TO BE MY AUTHENTIC SELF BECAUSE IT MAKES WEALTHIER PEOPLE "UNCOMFORTABLE" NOT HARMS THEM MIND YOU - JUST "UNCOMFORTABLE"

5

TO SEE PEOPLE DENYING THEM WHAT THEY SEE  
AS THEIR RIGHT TO MAKE THE RULES WE MUST  
ALL FOLLOW.

ON THE OTHER HAND . . . IF SOMEONE IS HOMELESS  
BECAUSE OF A TRUE MENTAL HEALTH ISSUE THEN  
**SHAME ON US** FOR NOT QUICKLY GETTING  
THEM THE HELP AND SUPPORT THEY NEED AND  
DESERVE.

IF SOMEONE IS HOMELESS DUE TO DRUG ADDICTION  
**SHAME ON US** FOR CREATING A SYSTEM  
THAT ROTATES PEOPLE THROUGH CHEMICAL DEPENDANCY  
VIA 20-30 day "TREATMENT" THEN LET THE OUT WITH  
A "RECOURSE" PACK FULL OF SOCIAL SERVICES PHONE  
NUMBERS IN A SORT OF SINK OR SWIM KINDA  
WAY. MOST SINK. TO BE EFFECTIVE TREATMENT  
NEED BETTER WRAP AROUND SUPPORTIVE POLICY. IT  
NEEDS TO BE RE INVENTED - WHAT EXISTS BARELY  
WORKS IN A FUNDAMENTAL LASTING WAY TO HELP PEOPLE.  
BUT DR'S AND STAFF AT TREATMENT CENTERS  
ARE ALLOWED TO KEEP PROFITING FROM THE REVOLVING  
DOOR. THIS NEEDS TO STOP.

BUT SOCIETY DOES HAVE RULES. NOT SO MUCH  
DICTATED BY ELITIST RULES. THERE ARE RULES



(12)

TO PROTECT HEALTH OF EVERYBODY. SO ONE I CAN THINK OF IS HOARDING. IF A PERSON OWNED A HOUSE AND WAS A HOARDER THE CITY WOULD NOT ALLOW IT. IT SHOULD NOT BE ALLOWED SIMPLY BECAUSE SOMEONE DOESN'T HAVE A HOUSE.

BUT WE WOULD NEED TO INVEST IN SOLUTIONS.

STORAGE UNITS AND LOCKER ROOMS. PLACES FOR PEOPLE TO PROTECT WHAT LITTLE THEY HAVE.

WE NEED TO INVENT WAYS FOR PEOPLE WHO ARE WITHOUT HOMES TO NOT BECOME WITHOUT HOPE. WE NEED TO CHANGE THE NARRATIVE AWAY FROM "CRAZY DRUG ADDICTS" AND ADDRESS THE CORE ISSUE - POVERTY AND CLASSISM. AND THE DISPAIR IT CAUSES.

I'VE BEEN THROUGH ~~AND TO~~ MOST OF OUR STATES. I'VE SPENT TIME IN AT LEAST 20 THAT I CAN THINK UP RIGHT NOW. I'VE SEEN A LOT 'OUT THERE. WHAT WORKS AND WHAT DOESN'T. AND WHAT CALLS ITSELF HOMELESS SERVICES WITHOUT EFFECTIVELY LOOKING AT THE WHY. I DISAGREE WITH A LOT OF POLICY AROUND HOW HOMELESS ARE CARED FOR. WE NEED TO FIND WAYS IN ORDER TO HELP ENRICH PEOPLE'S LIVES RATHER THAN GIVE THEM LABELS THAT MAKES IT

7

OK TO TREAT THEM SO BADLY. WE NEED TO STOP WEAPONIZING PEOPLE WITHOUT HOMES.

WHERE ARE ALL THE NEWS STORIES ABOUT THE SO CALLED "HIDDEN HOMELESS"? WHY DO WE ALLOW THE NEWS TO NARRATE TO US WHO AS HOMELESS AND WHY? CLASSISM.

WE SEND OUT "STIMULUS CHECKS" TO QUELL THE ANGER AND FRUSTRATION OF A CLASSIST SOCIETY - YET MANY HOMELESS WILL NEVER SEE A STIMULUS CHECK. THERE IS NO PLACE TO SEND IT - NO BANK ACCOUNT TO DIRECTLY DEPOSIT. WHO ARE WE TRYING TO HELP WITH STIMULUS CHECKS? THE BUSINESS OWNERS WHO ARE ALREADY LUCKY ENOUGH TO HAVE WEALTH. ITS CRUMBS THROWN TO THE POOR TO KEEP THEM FROM LOOKING AT WEALTHS GREED - AND EXPECTED TO GO BACK INTO WEALTHS POCKETS.

I AM ON SSI DISABILITY. I AM NOT ALLOWED BY THE SYSTEM TO SAVE MONEY WITHOUT HAVING IT COUNT AGAINST ME AND ENDANGERING MY FLIMSAY "SAFETY NET." I LIVE IN CORP. HELL WITH NO PLACE TO SPEND MONEY THAT DOESNT DEFILE MY MORALS. SO I GIVE MY MONEY TO PEOPLE ON THE STREET. SPEND HOW THEY WANT.

8

I WOULD NOT GIVE TO "CHARITIES" BECAUSE THEY USE A CLASSIST SYSTEM TO DECIDE WHO DESERVES WHAT. THESE "CHARITIES (SOME OF THEM) PAY EXECUTIVES FAR MORE THAN A LIVABLE WAGE OUT OF THE MONEY COLLECTED TO HELP PEOPLE. THE "TRICKLE DOWN" EFFECT.

I GIVE MONEY DIRECTLY TO THE PEOPLE WHO NEED HELP. I WISH THERE WAS A BETTER SYSTEM.

PEOPLE DON'T WANT TO BE FORCED TO RELIGIOUS THINKING. THIS IS WHERE SO CALLED "CHARITY" GETS MOST ITS FUNDING FUNNELED. IT'S INSULTING. IT ALLOWS CLASSISTS TO IGNORE THAT THEIR ~~WIFE~~ JESUS WAS HOMELESS AND HAS TOLD THEM EXACTLY WHAT HE WOULD LIKE THEM TO DO IN HOW THEY TREAT THE POOR.

I READ UPTON SINCLAIRE'S PROFITS OF RELIGION. ~~MYSELF~~ I HAVE MY OWN IDEAS OF WHY WE FUND CHURCHES AND NOT PEOPLE. AND WHY, IF CHURCHES ARE NOT FOLLOWING GODS MANDATES, ARE THEY ALLOWED TAX FREE PRIME REAL ESTATE? CLASSISM.

IF YOU HAVEN'T READ IT - I SUGGEST IT.

ALSO DOWN AND OUT IN PARIS AND LONDON

BY GEORGE ORWELL AND ALMOST ANYTHING  
R:1 - JOHN STEINBECK.

9

CLASSISM USES RELIGION - MOSTLY CHRISTIAN RELIGION - AS A WAY TO SERVE US UP MORE PLATITUDES. WITH STORIES OF "KEEPING THE FAITH" AND JUST REWARDS IN THE AFTERLIFE, SUCH AS THE RICH MAN THE CAMEL AND THE EYE OF THE NEEDLE. IT DOESNT WANT US TO SEE THE REALITY OF THE HERE AND NOW. WE ARE TO JUST "TRUST IN GOD" WHILE WE ALLOW WEALTH TO STEAL FROM US.

FAITH WITHOUT WORKS IS DEAD.

IF GOD LOVES US ALL AND CHRISTIANS LOVE GOD THEN WHY DO THEY NOT FOLLOW HIS MANDATES?

CLASSISM

ONE FINAL THOUGHT: IT IS THIS CLASSIST SYSTEM THAT ELITISTS DEPEND ON WORKING AGAINST THE PEOPLE. SO WHEN THEY HEAR THE TERM "AFFORDABLE HOUSING" THEY AUTOMATICALLY HEAR "HOUSING FOR THE HOMELESS" INSTEAD. SO THEY WILL ACTIVELY COME OUT AGAINST IT EVEN WHEN IT WOULD BE IN THEIR BEST INTEREST. THE NARRATIVE IS CAPTURED BY PEOPLE WITH WEALTH TO NOT HAVE TO CONTRIBUTE A FAIR SHARE BACK. THEY CAN THEN SAY SEE - PEOPLE DON'T WANT INVESTMENTS BEING MADE INTO AFFORDABLE HOUSING - EVEN WHEN THE PEOPLE TRICKED INTO BELIEVING IT'S A BAD THING ARE HOUSING COST BURDENED THEMSELVES.

## Housing Action Plan – Survey Report

The City of Olympia posted a housing survey on Engage Olympia during the month of March 2021. Community members were asked to share information about their housing experiences and preferences, as well as level of support for various proposed actions. The survey was geared for Olympia residents, but open to others as well. There were 319 respondents. The attached survey report was generated from the Engage Olympia platform.

### Limitations

This is not a statistically valid survey and represents the opinions of only a small fraction of the Olympia public. Engage Olympia users tend to be more actively engaged in City affairs, so opinions of more marginalized populations may not be widely reflected. In addition, a majority (77%) of respondents to this survey were homeowners rather than renters. This compares to citywide where in Olympia only 45% of residents are homeowners. No one experiencing homelessness responded to this survey.

### Key Take-Aways

Some key take-aways include:

- 92% of non-homeowners who responded to the survey (renters plus those who live with family or friends) said they would like to own a home someday.
- When asked what type of housing they would like if they could choose, 54% of respondents would choose a detached house (or stay in one). The next most popular housing choice is cottage housing (8%).
- A majority of homeowners are not interested in renting in the future. Owners are mixed on whether to downsize, and a majority do not want a larger home.
- 21% of respondents say they are interested or somewhat interested in home sharing. 65% are not interested, even somewhat. Homeowners with a mortgage appear the most open to home sharing, however the majority still is strongly disinclined.
- 45% of respondents report having experienced difficulty finding affordable housing in Olympia. 35% report that housing costs pose a significant burden for their household.
- While only 6% of respondents reported spending more than 50% of their income on housing, we dug deeper into the data to reveal the rate goes up to 14% for those born between 1990-1999 (the youngest demographic to respond).
- Each type of housing action listed was supported somewhat or strongly by a majority of respondents.

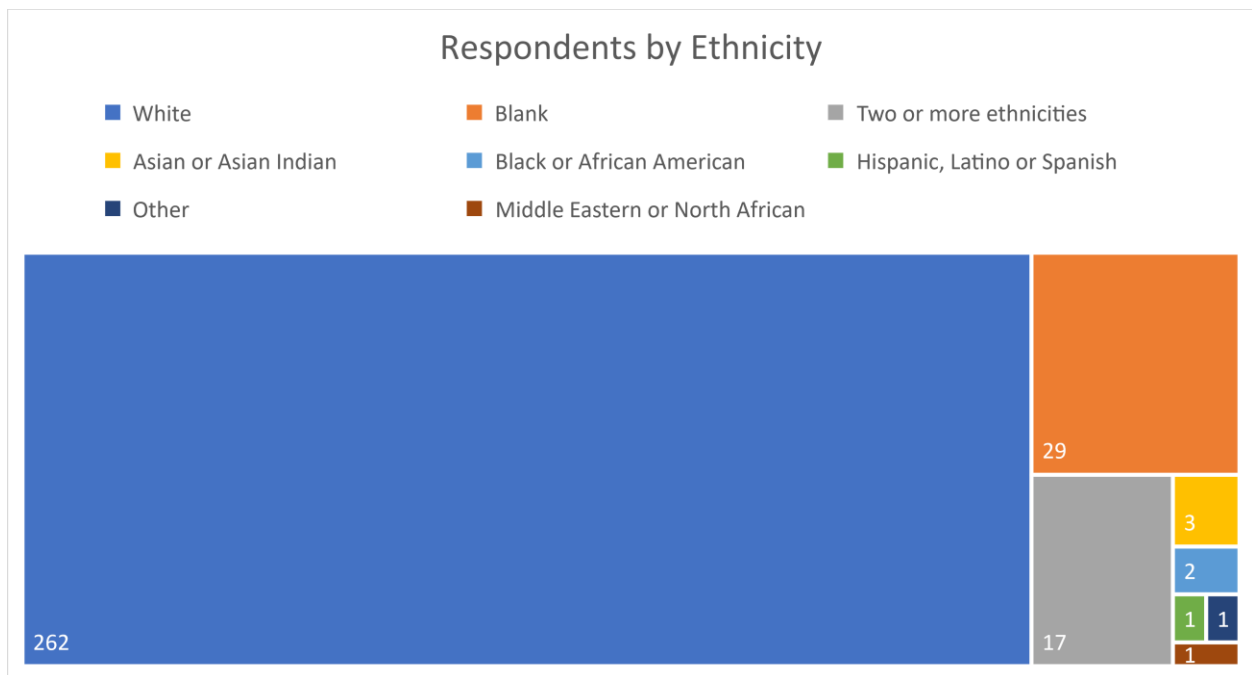
### Open Ended Responses:

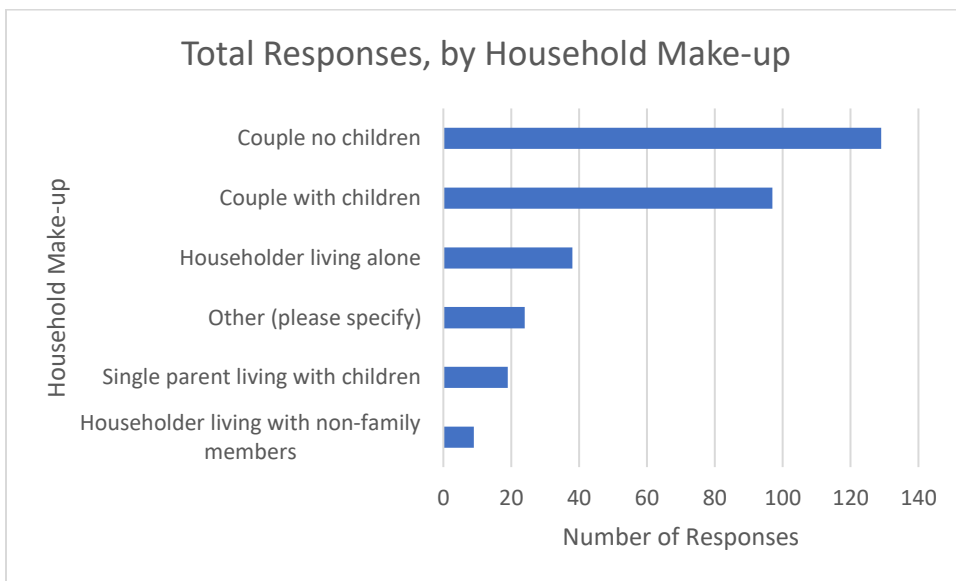
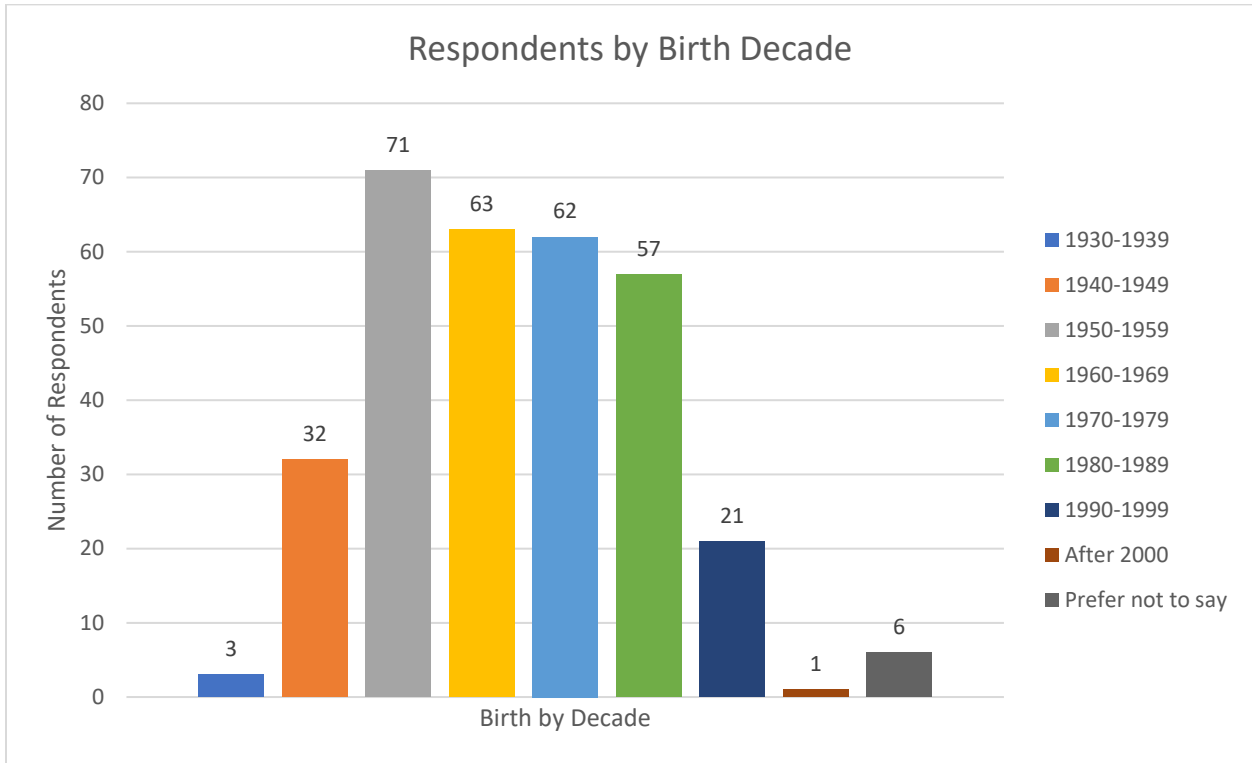
The following themes rose out of the open-ended responses received. The attached report includes the full comments.

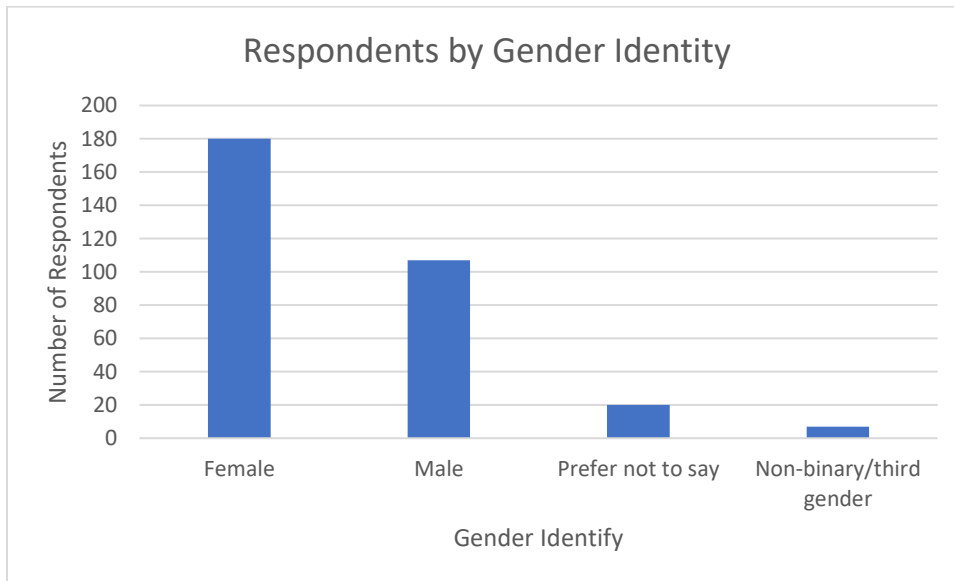
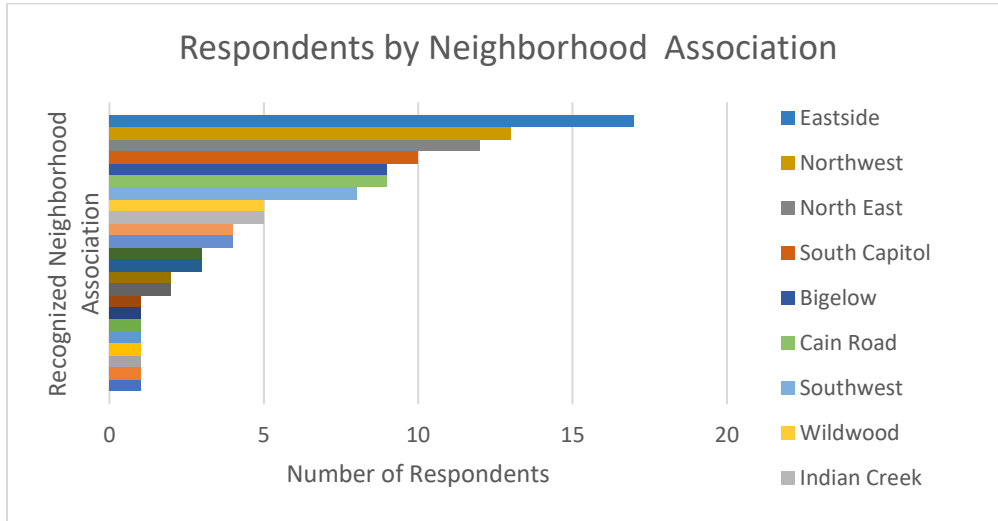
- Concern about quality of life, environment, maintaining design standards
- Skeptical about incentives – it is wrong to incentivize profit

- Support for accessory dwelling units
- Need to protect low density neighborhoods
- While the actions sounds good, more process will be needed because the ‘devil is in the details’
- The main problem in Olympia is over regulation and fees
- Concerns about homelessness, mental health and safety
- Concerns that Olympia is building high rise condos and luxury homes
- Concern that area median income formulas result in inflated ideas about is low income
- City needs to focus on/don’t forget the struggling middle class
- City should stay out of the housing business
- Concerns about displacement
- Investing in Olympia is not desirable due to homeless
- Support for using vacant buildings for affordable housing
- Would like to see more on mixed income social housing, land trusts and cooperatives
- Want to see impact fees lowered
- Concern about lowering impact fees
- Act, don’ t plan
- Support for performance measures
- Want City to be more creative
- Need to reduce sprawl, build up

### Survey Demographics









# Housing Survey

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## **SURVEY RESPONSE REPORT**

19 March 2019 - 28 March 2021

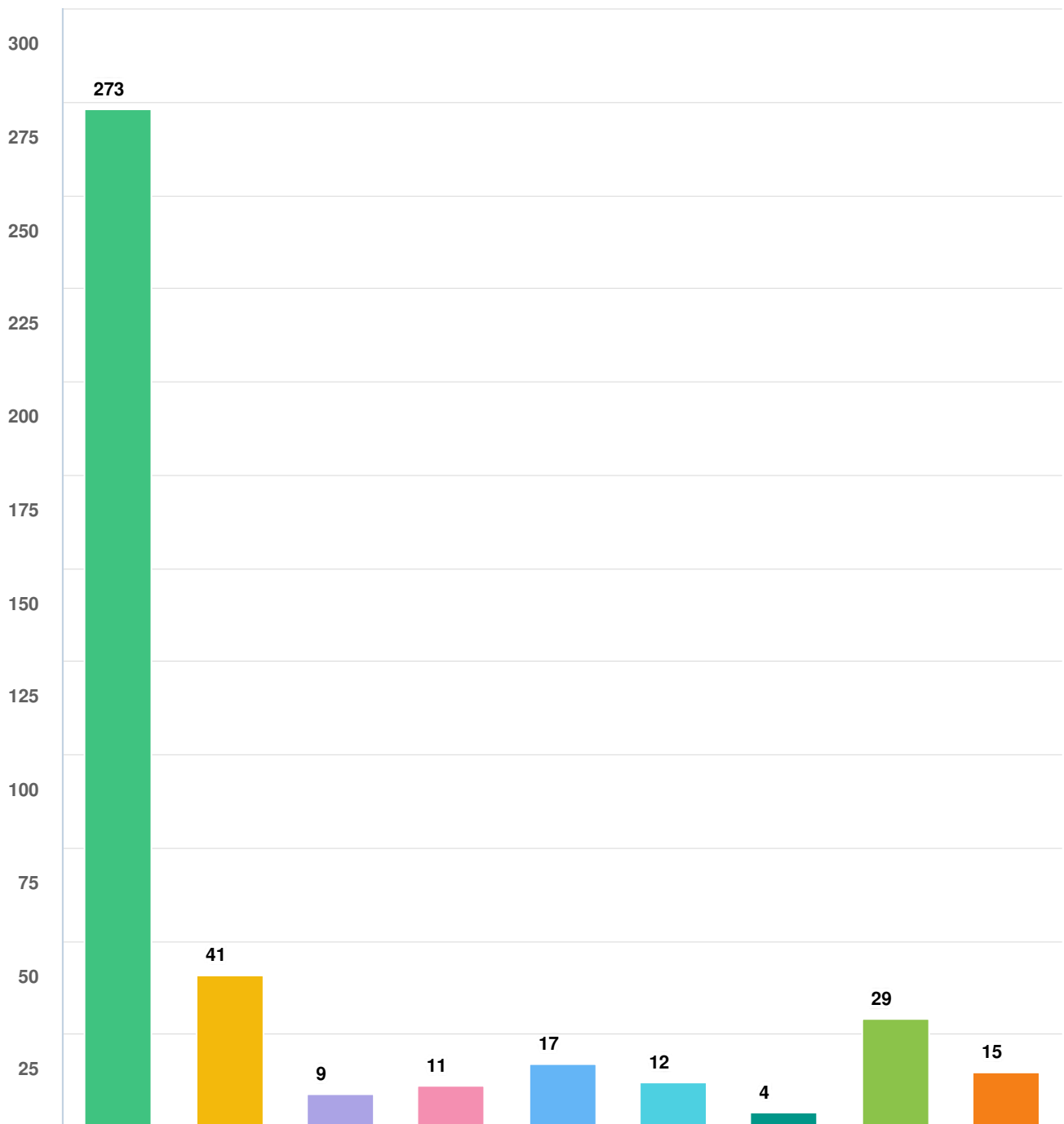
**PROJECT NAME:**

Housing Action Plan



SURVEY QUESTIONS

**Q1** Which of the following describes your relationship with housing in Olympia?(check all that apply)

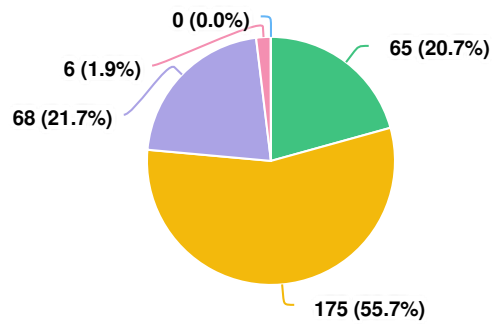


**Question options**

- Resident (primary address)
- Property manager/landlord
- Real estate agent
- Developer
- Housing services provider
- Builder or designer
- Second homeowner
- Visitor/past or future resident
- Other (please specify)

Optional question (314 response(s), 2 skipped)  
 Question type: Checkbox Question

**Q2** What best describes your current primary housing situation?



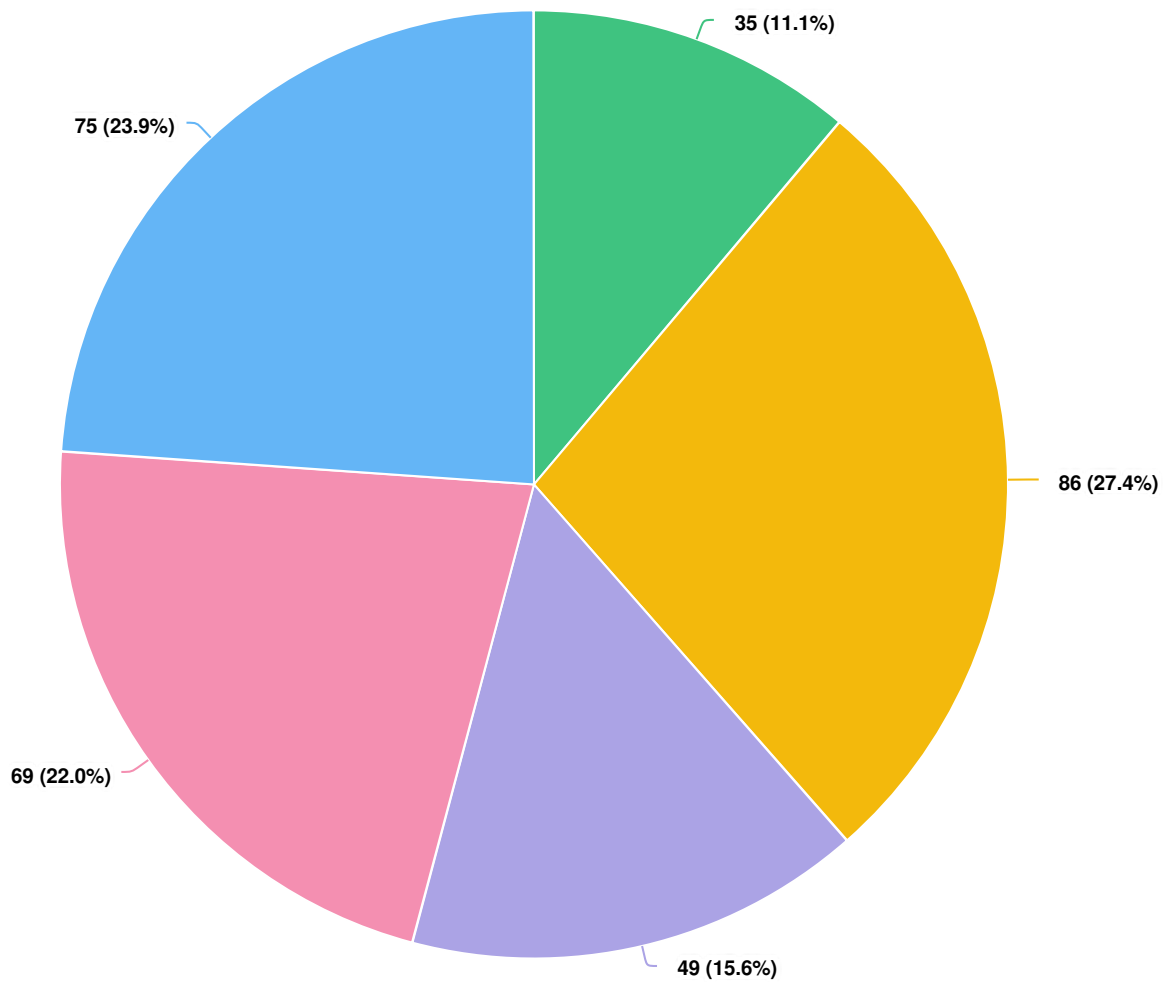
**Question options**

- I rent my home
- I own my home (and still pay a mortgage or home equity loan)
- I own my home (and am free of mortgage or home equity payments)
- I have stable housing but do not pay rent (e.g., live with parents or children)
- I do not have stable housing (e.g., stay at a shelter, experiencing homelessness)

*Optional question (314 response(s), 2 skipped)*

*Question type: Radio Button Question*

**Q3** When did you begin your current living situation?

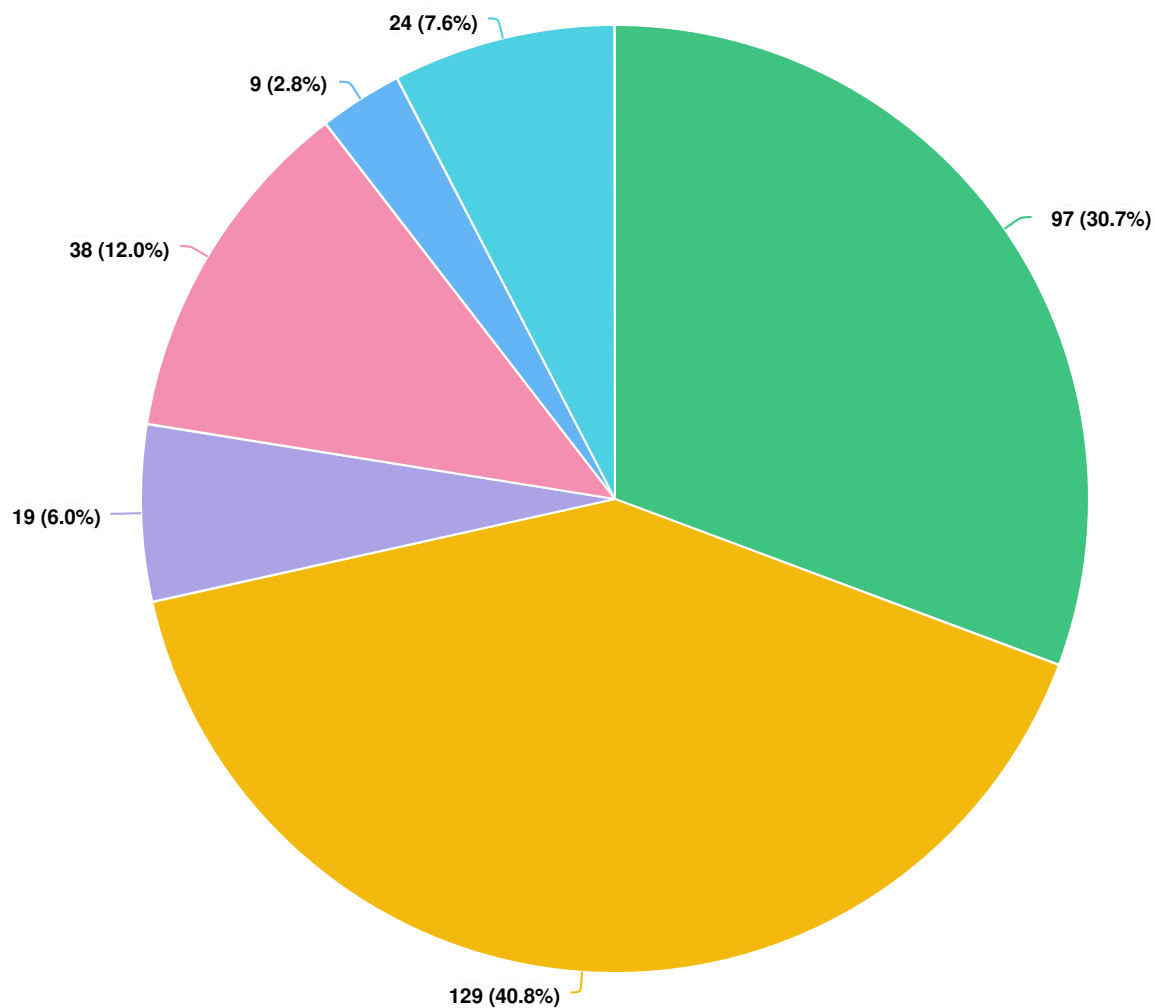


**Question options**

- Within the past year
- 1-4 years ago
- 5-9 years ago
- 10-19 years ago
- 20+ years ago

Optional question (314 response(s), 2 skipped)  
Question type: Radio Button Question

**Q4** Which best describes the make-up of your household?

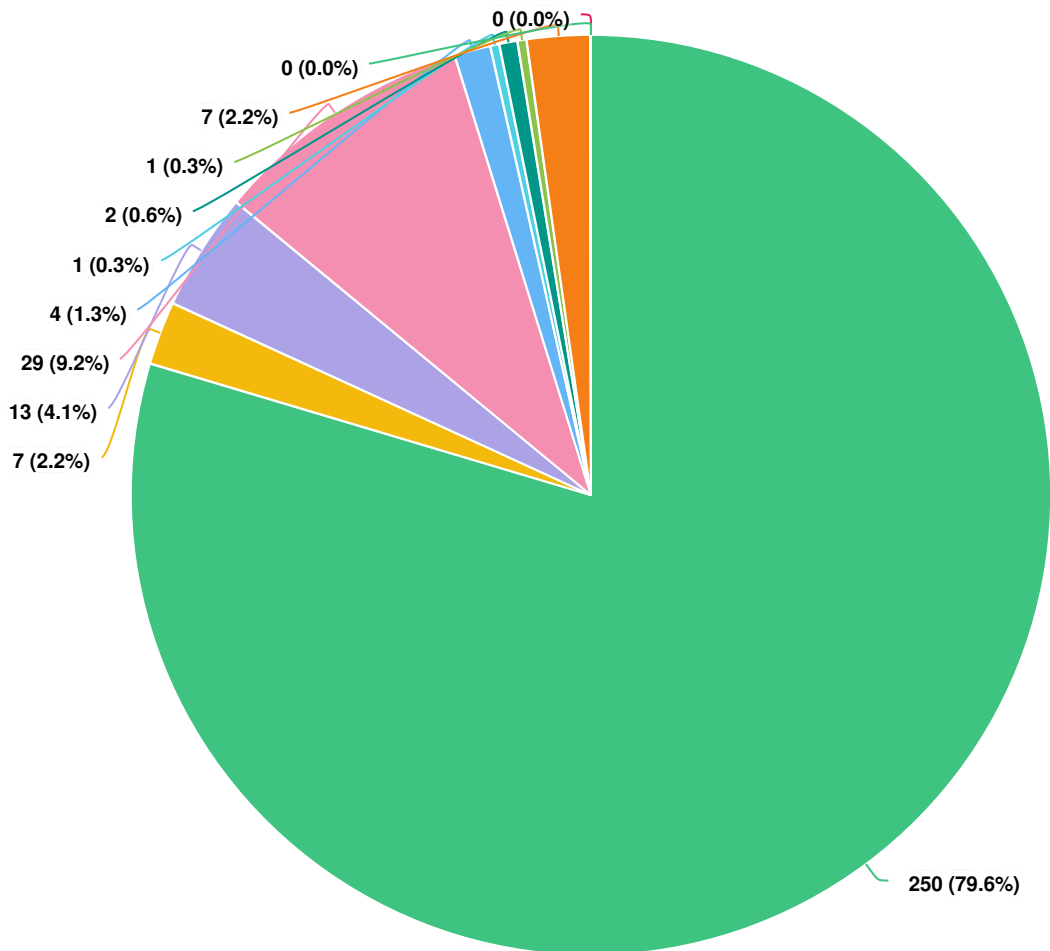


**Question options**

- Couple with children
- Couple no children
- Single parent living with children
- Householder living alone
- Householder living with non-family members
- Other (please specify)

Optional question (316 response(s), 0 skipped)  
Question type: Radio Button Question

**Q5** What type of housing do you currently live in?

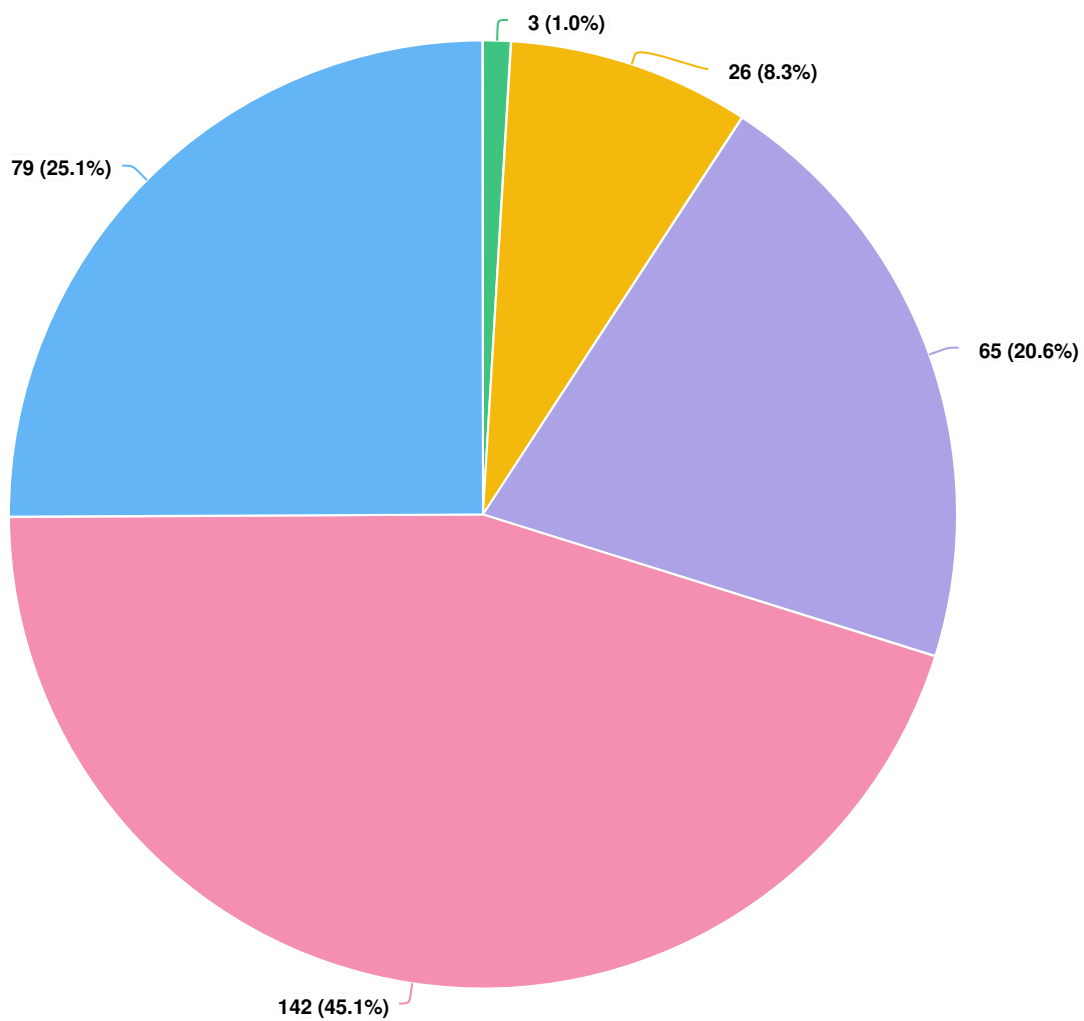


**Question options**

- Detached house    ● Townhouse    ● Duplex, triplex, or fourplex
- Multifamily apartment or mixed-use building (Rental situation)
- Multifamily condominium or mixed-use building (Ownership situation)
- An accessory dwelling unit (backyard cottage or unit in home with separate entrance)
- Cottage housing (small homes with a shared common area)    ● Mobile home or trailer    ● Other (please specify)
- Student dormitory    ● I do not have stable housing at this time

Optional question (314 response(s), 2 skipped)  
 Question type: Radio Button Question

**Q6** How many bedrooms is your current primary home?



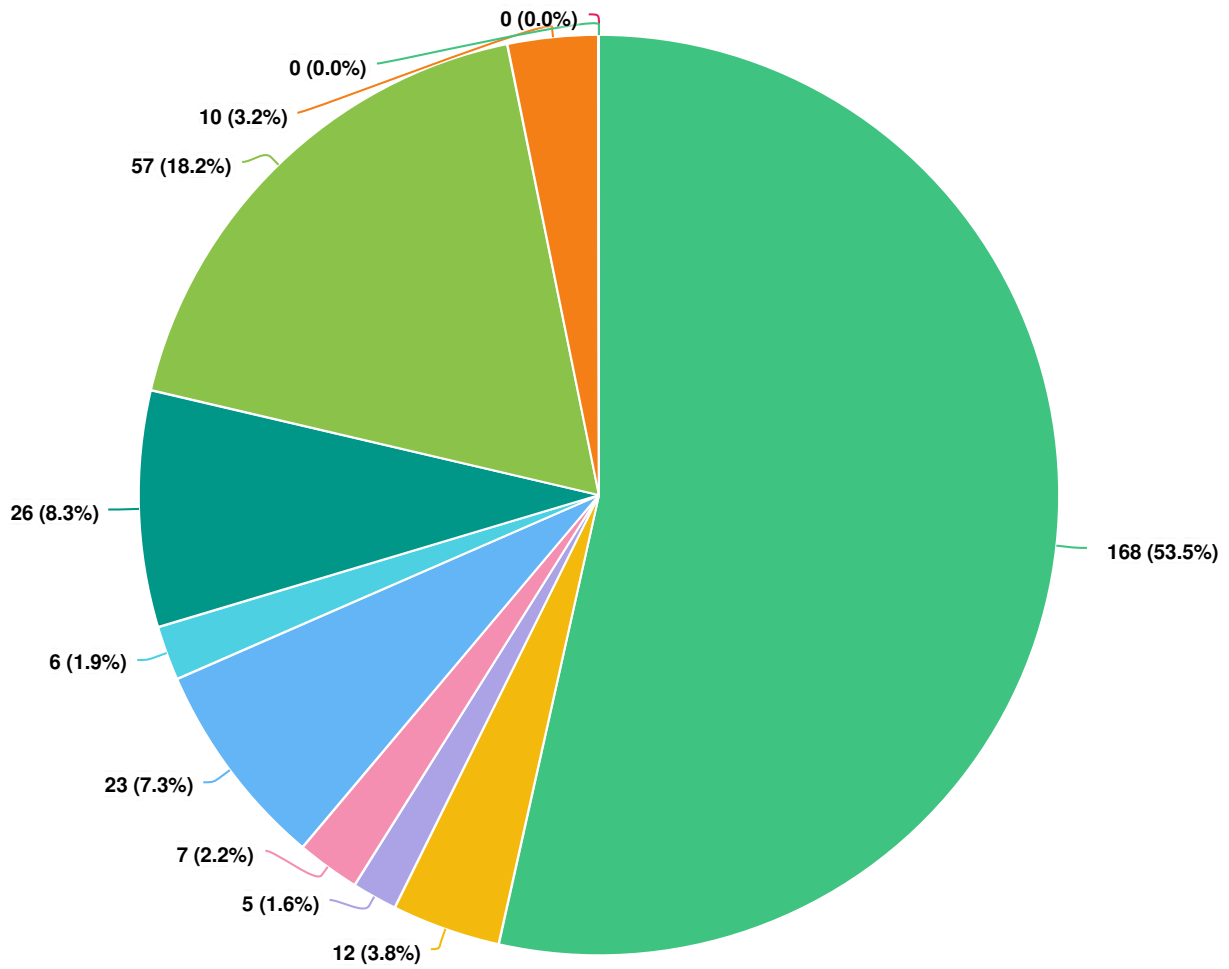
**Question options**

- Studio
- 1 bedroom
- 2 bedroom
- 3 bedroom
- 4+ bedrooms

Optional question (315 response(s), 1 skipped)  
Question type: Radio Button Question



**Q7** | If you could choose, what type of housing would you most like to live in next?

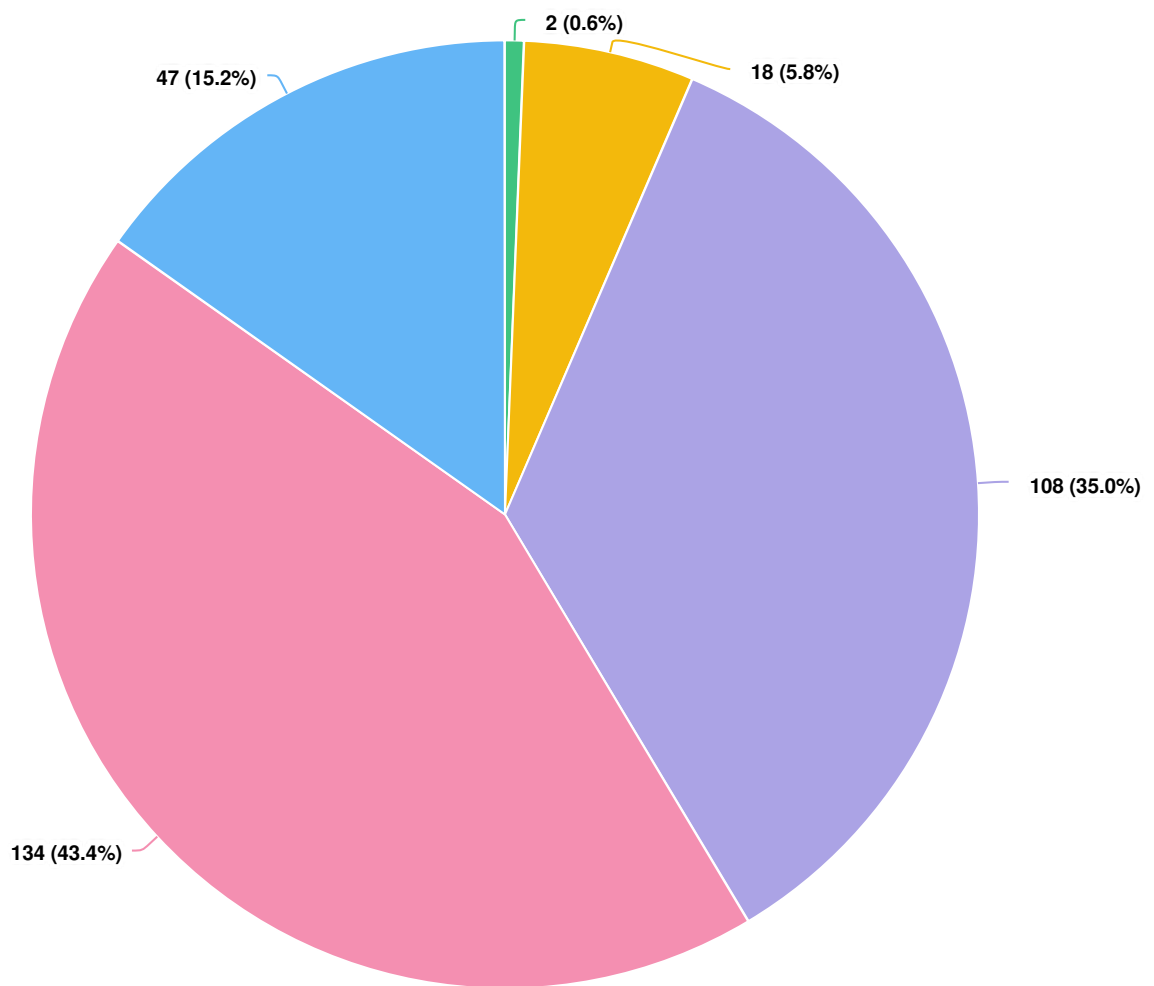


**Question options**

- Detached house    ● Townhouse    ● Duplex, triplex, or fourplex
- Multifamily apartment or mixed-use building (Rental situation)
- Multifamily condominium or mixed-use building (Ownership situation)
- An accessory dwelling unit (backyard cottage or unit in home with separate entrance)
- Cottage housing (small homes with a shared common area)    ● None. I would stay where I am.    ● Other (please specify)
- Mobile home or trailer    ● Student dormitory

Optional question (314 response(s), 2 skipped)  
 Question type: Radio Button Question

**Q8** How many bedrooms would like to have in your home?



**Question options**

- Studio
- 1 bedroom
- 2 bedroom
- 3 bedroom
- 4+ bedroom

*Optional question (309 response(s), 7 skipped)  
Question type: Radio Button Question*

**Q9** How much do you agree with the following statements?



Optional question (315 response(s), 1 skipped)  
 Question type: Likert Question

**Q9 | How much do you agree with the following statements?**

**I rent now, but would like to own my own home someday**

Not applicable : 215



Definitely disagree : 11



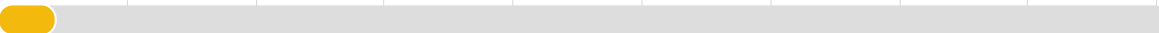
Somewhat disagree : 2



Neither agree nor disagree : 9



Somewhat agree : 11

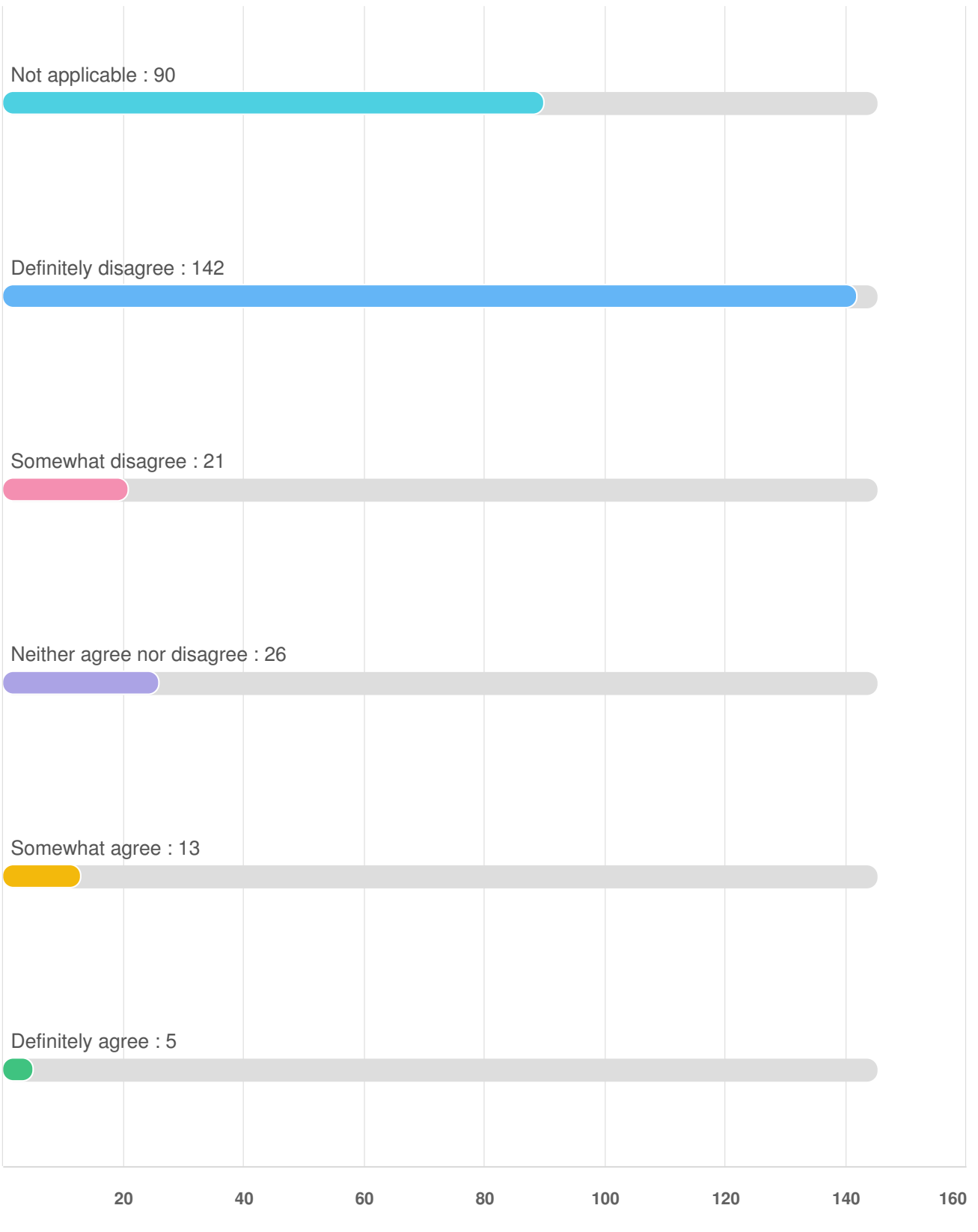


Definitely agree : 46

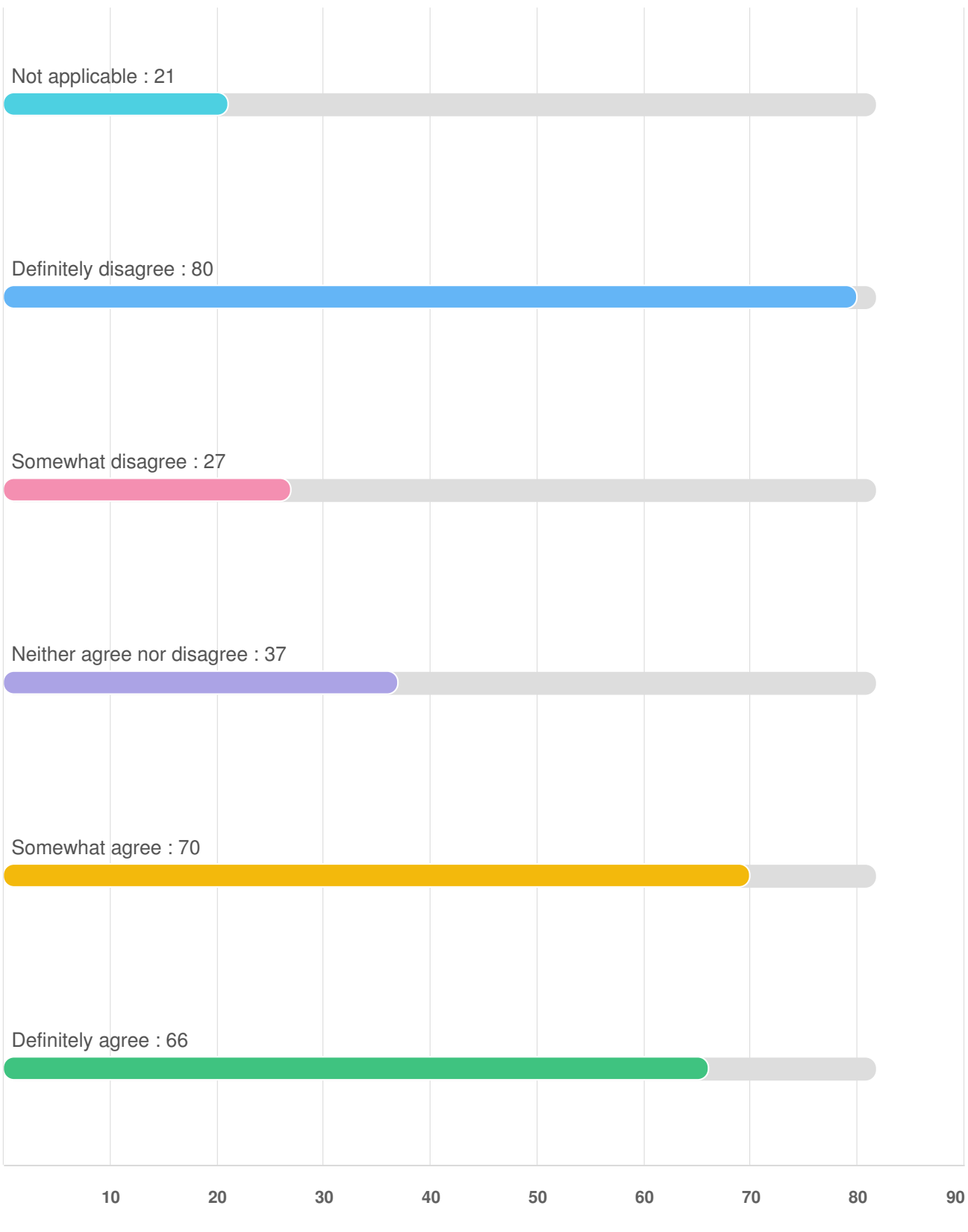


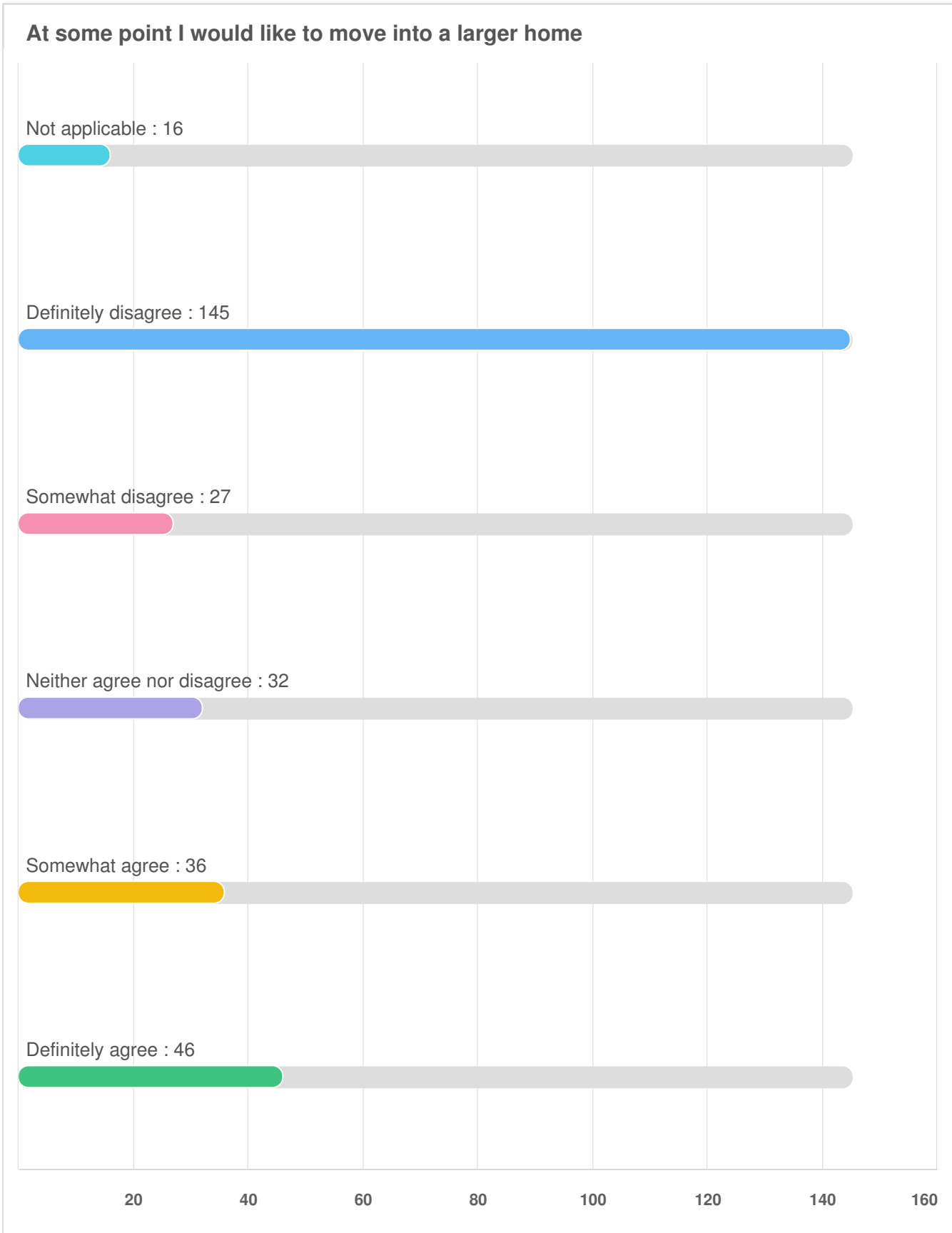
25 50 75 100 125 150 175 200 225 250

### I own my home now, but would prefer to rent someday



### At some point I would like to downsize to a smaller home





### The idea of homesharing (sharing a dwelling with one or more unrelated people) appeals to me

Not applicable : 5

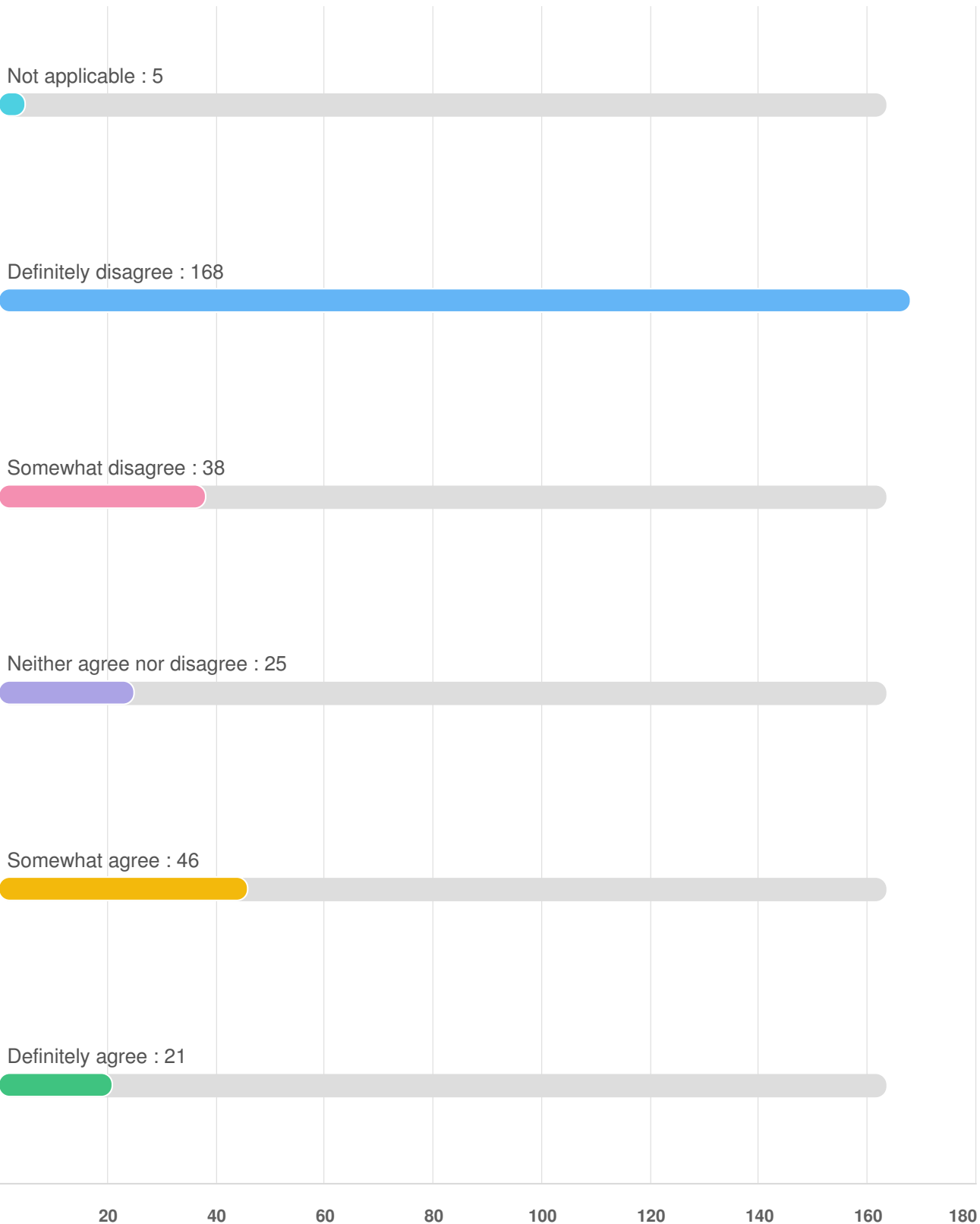
Definitely disagree : 168

Somewhat disagree : 38

Neither agree nor disagree : 25

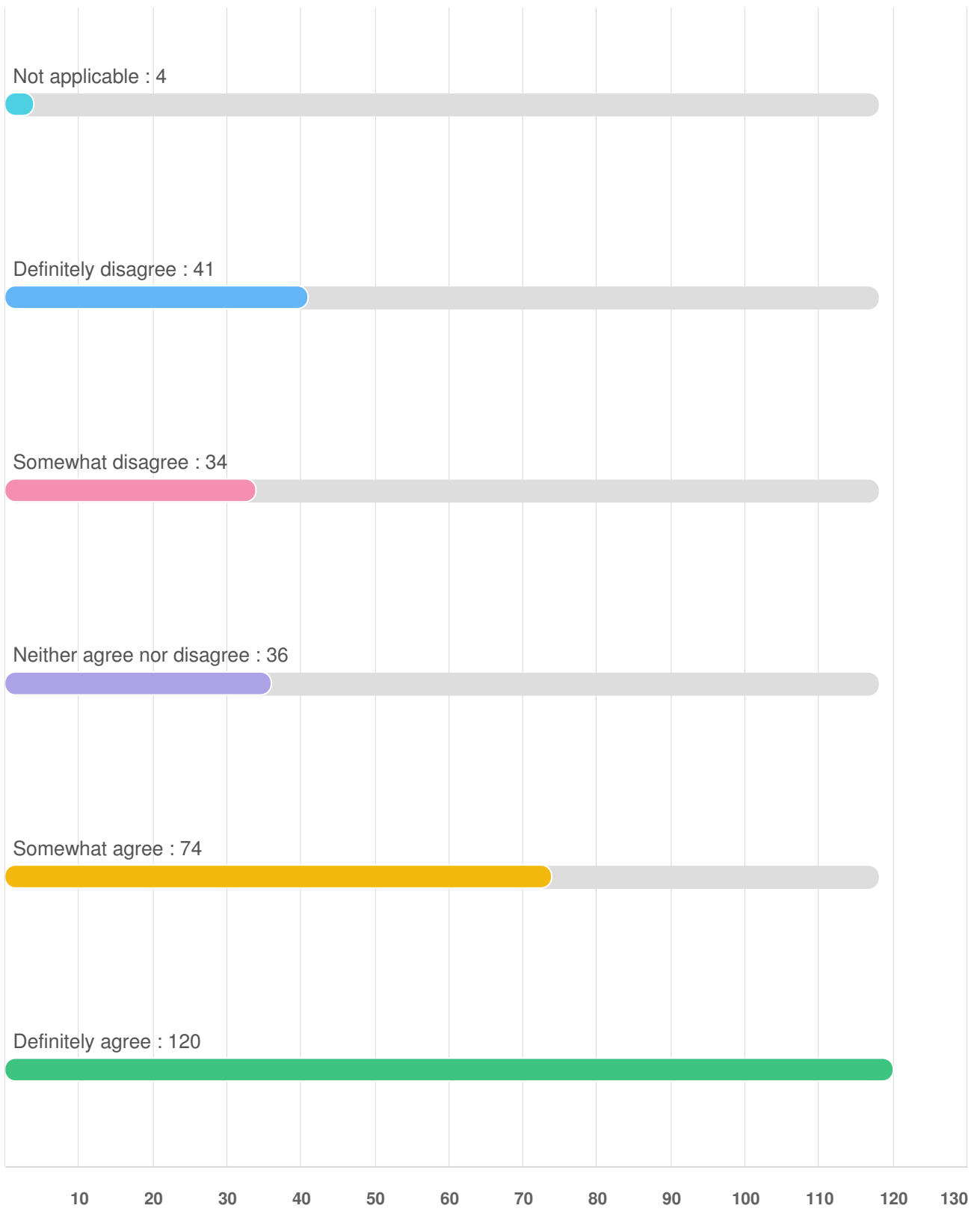
Somewhat agree : 46

Definitely agree : 21

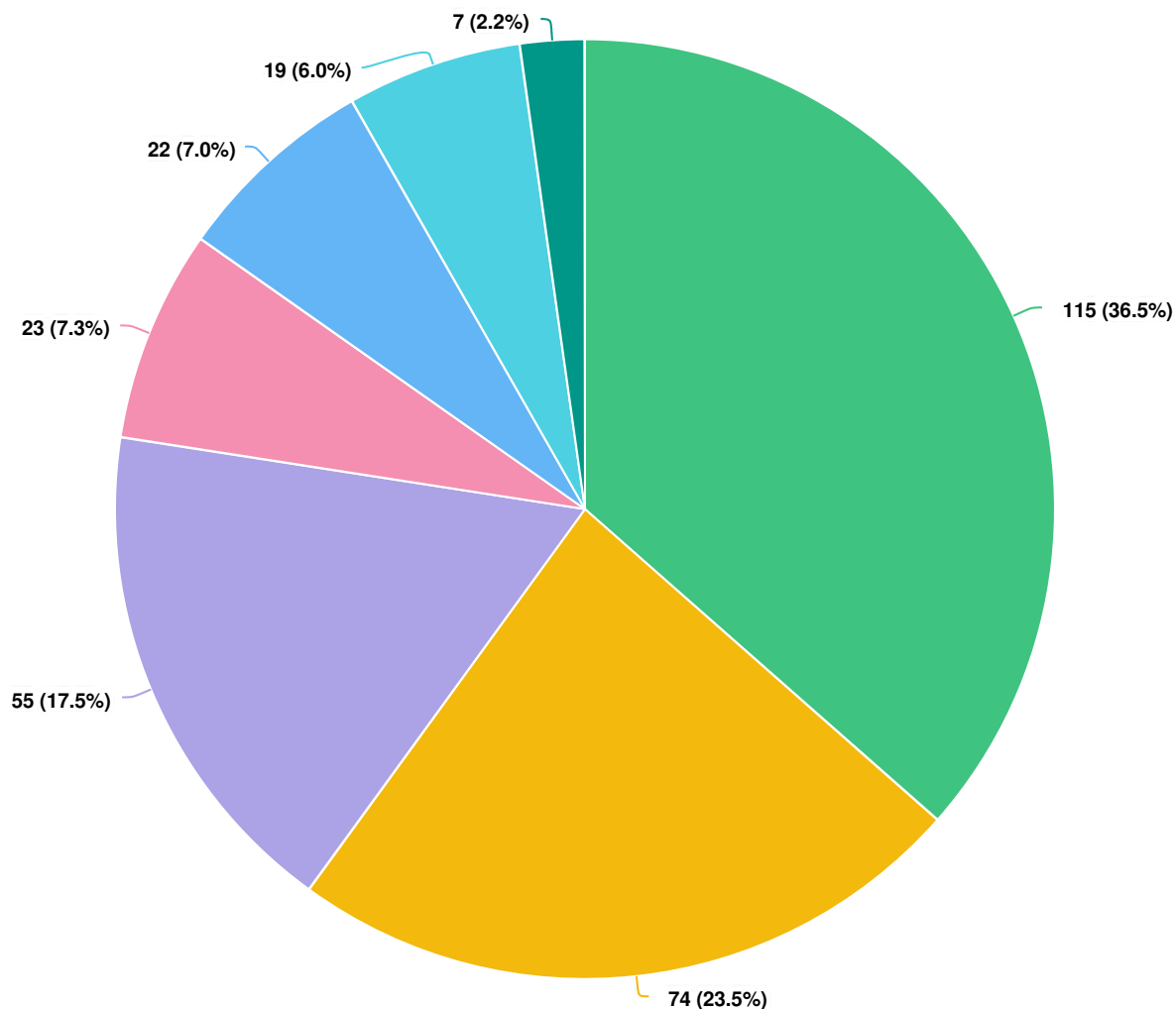




### I plan to live in my current home for as long as possible



**Q10** | Approximately what percentage of your monthly gross (before taxes) household income would you say you spend on housing costs (include rent/mortgage, utilities and insurance.)

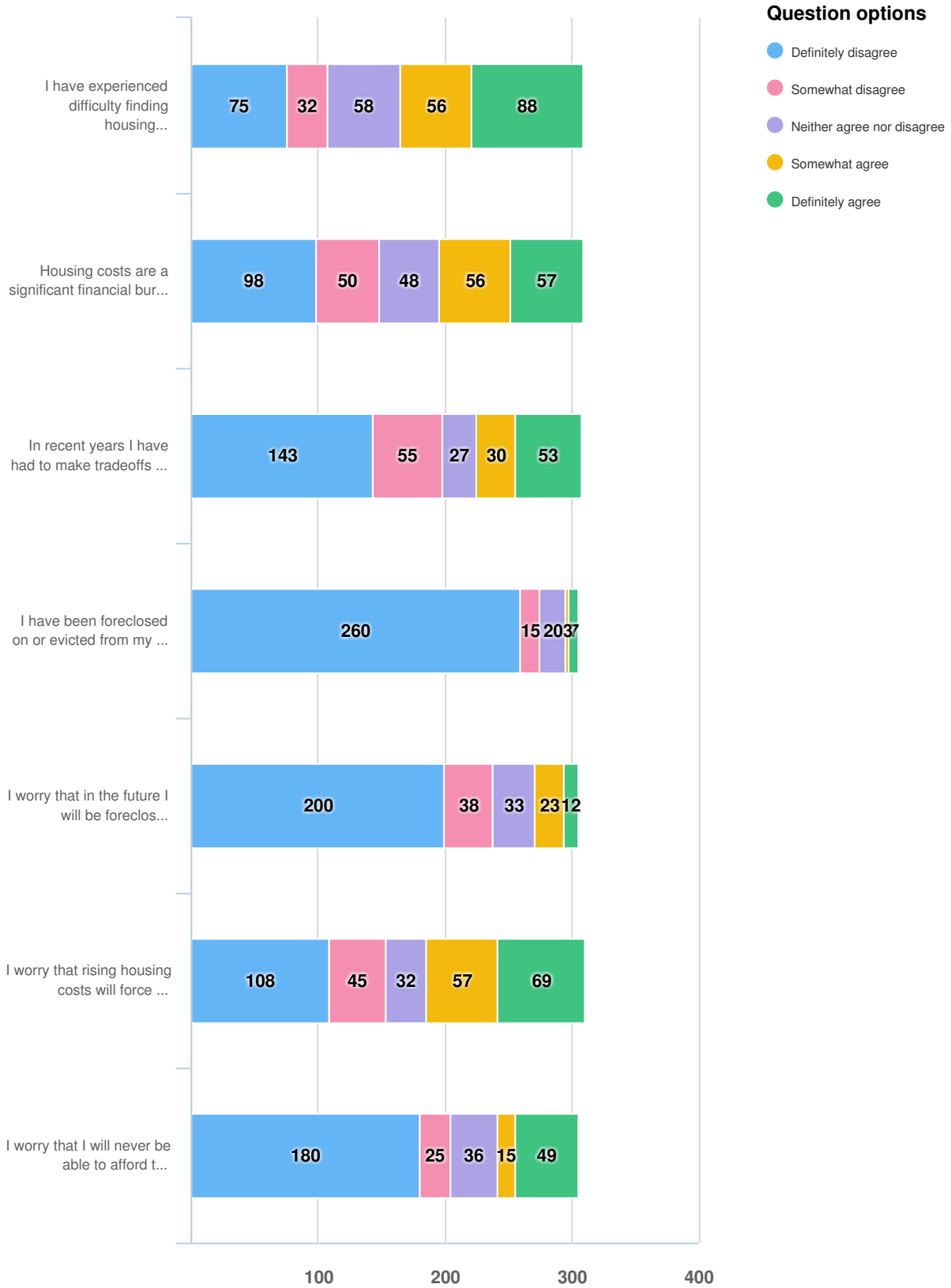


**Question options**

- Not sure
- More than 50%
- 41%-50%
- 36%-40%
- 31%-35%
- 21%-30%
- 20% or less

Optional question (315 response(s), 1 skipped)  
Question type: Radio Button Question

**Q11** How much do you agree with the following statements?



Optional question (314 response(s), 2 skipped)  
 Question type: Likert Question

**Q11 | How much do you agree with the following statements?**

**I have experienced difficulty finding housing that is affordable for me in Olympia**

Definitely disagree : 75



Somewhat disagree : 32



Neither agree nor disagree : 58



Somewhat agree : 56

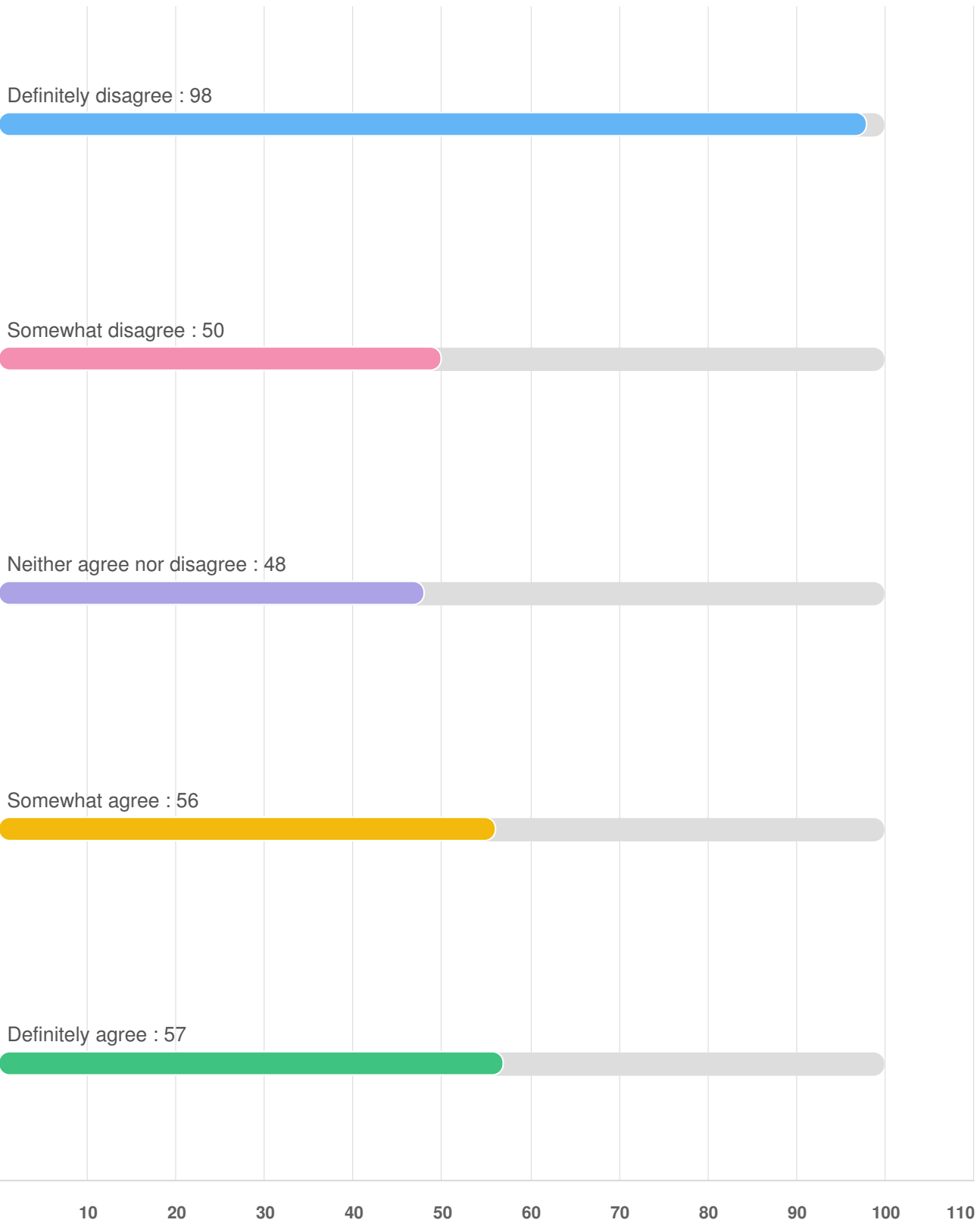


Definitely agree : 88

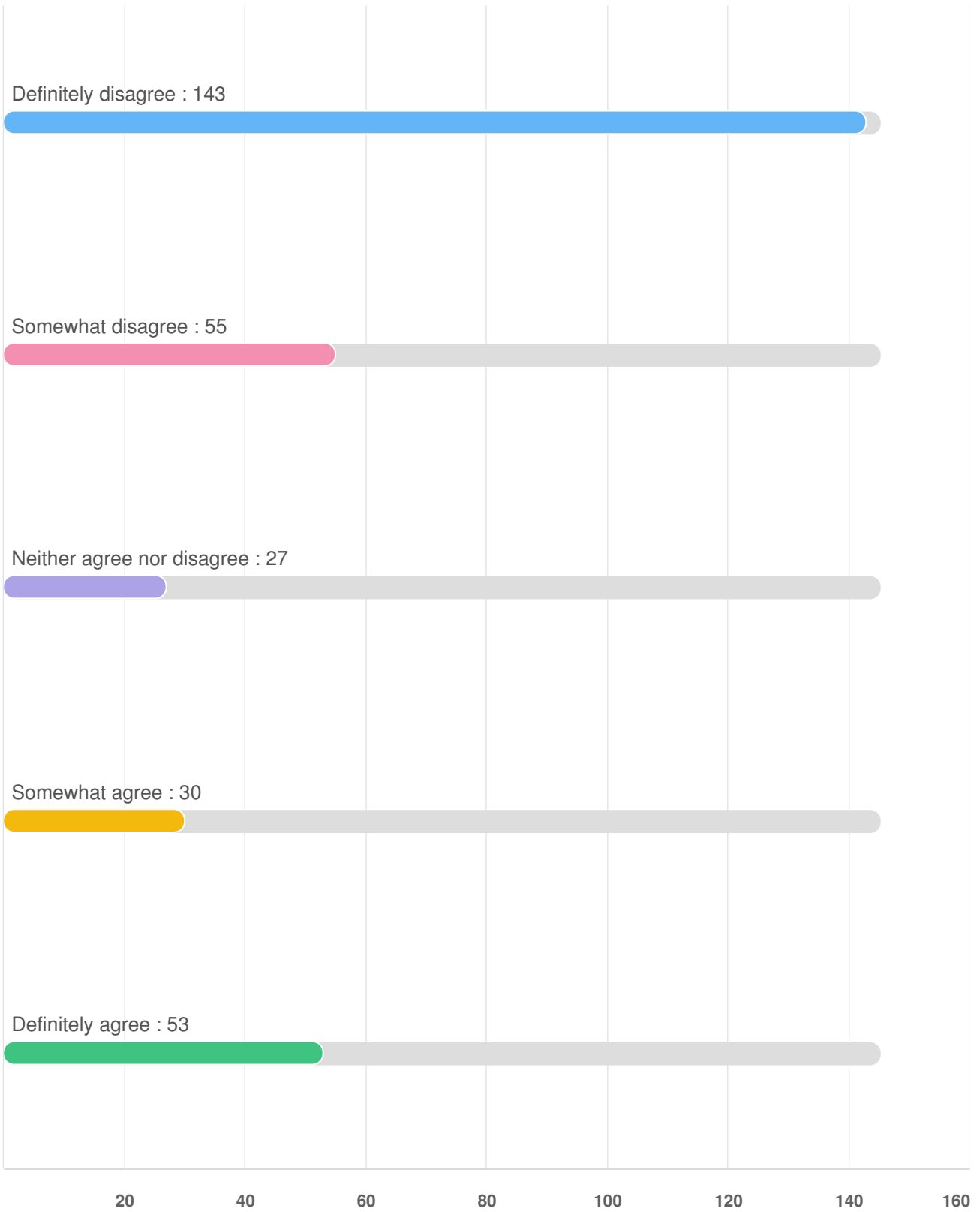


10 20 30 40 50 60 70 80 90 100

### Housing costs are a significant financial burden for me

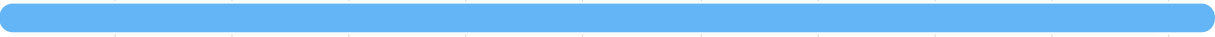


**In recent years I have had to make tradeoffs (such as cutting back on spending for other needs like health care or healthy food, or taking a second job) in order to make my housing payments**



### I have been foreclosed on or evicted from my home due to an inability to afford my housing payments

Definitely disagree : 260



Somewhat disagree : 15



Neither agree nor disagree : 20



Somewhat agree : 3



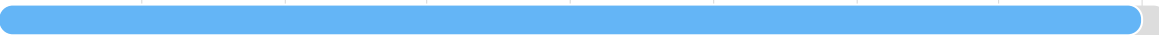
Definitely agree : 7



25 50 75 100 125 150 175 200 225 250 275

### I worry that in the future I will be foreclosed on or evicted from my home due to an inability to afford my housing payments

Definitely disagree : 200



Somewhat disagree : 38



Neither agree nor disagree : 33



Somewhat agree : 23



Definitely agree : 12

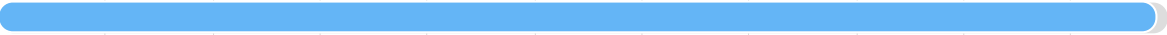


25 50 75 100 125 150 175 200 225

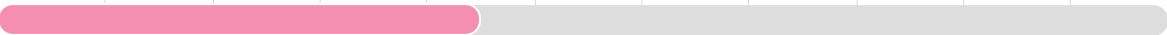


### I worry that rising housing costs will force me to move out of Olympia

Definitely disagree : 108



Somewhat disagree : 45



Neither agree nor disagree : 32



Somewhat agree : 57



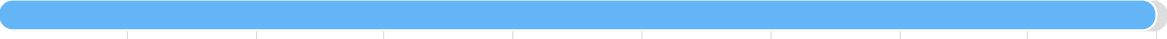
Definitely agree : 69



10 20 30 40 50 60 70 80 90 100 110 120

### I worry that I will never be able to afford to own a home

Definitely disagree : 180



Somewhat disagree : 25



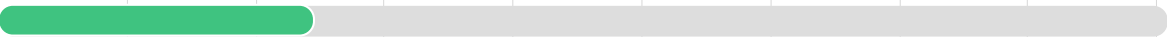
Neither agree nor disagree : 36



Somewhat agree : 15

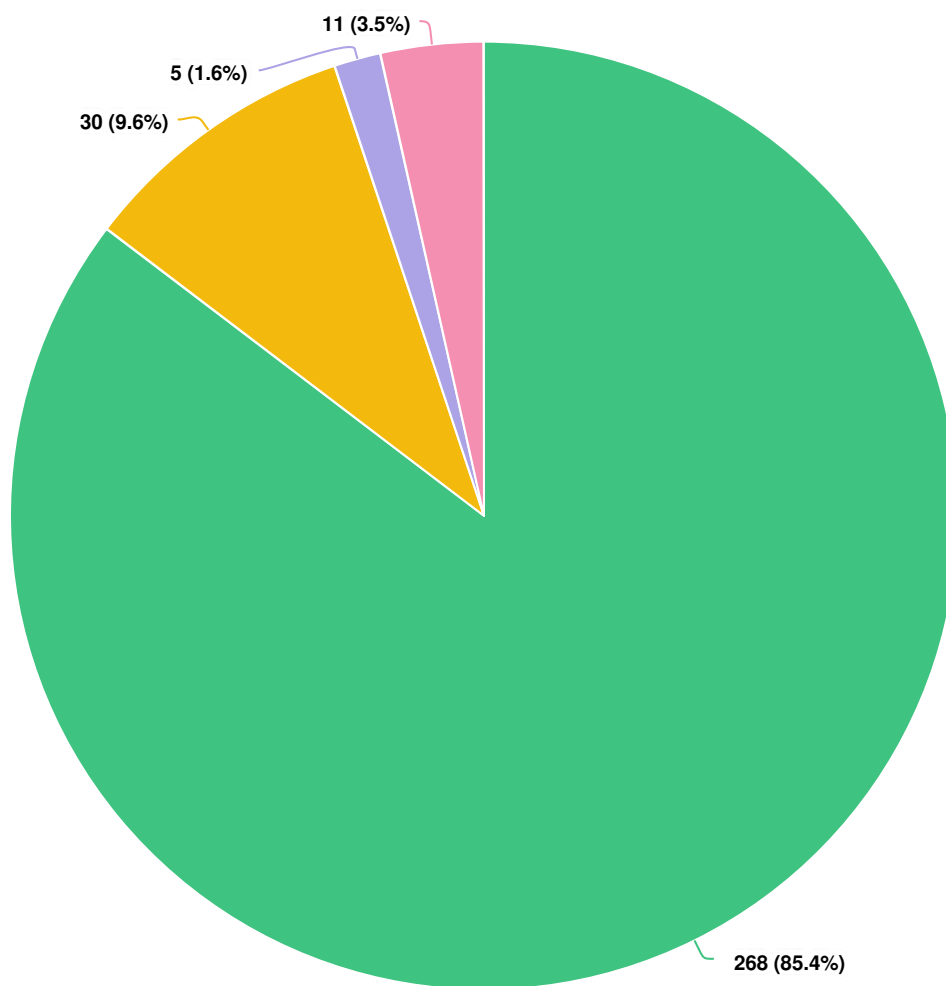


Definitely agree : 49



20 40 60 80 100 120 140 160 180 200

**Q12** Which best describes how the COVID-19 pandemic has affected the stability of your housing situation?

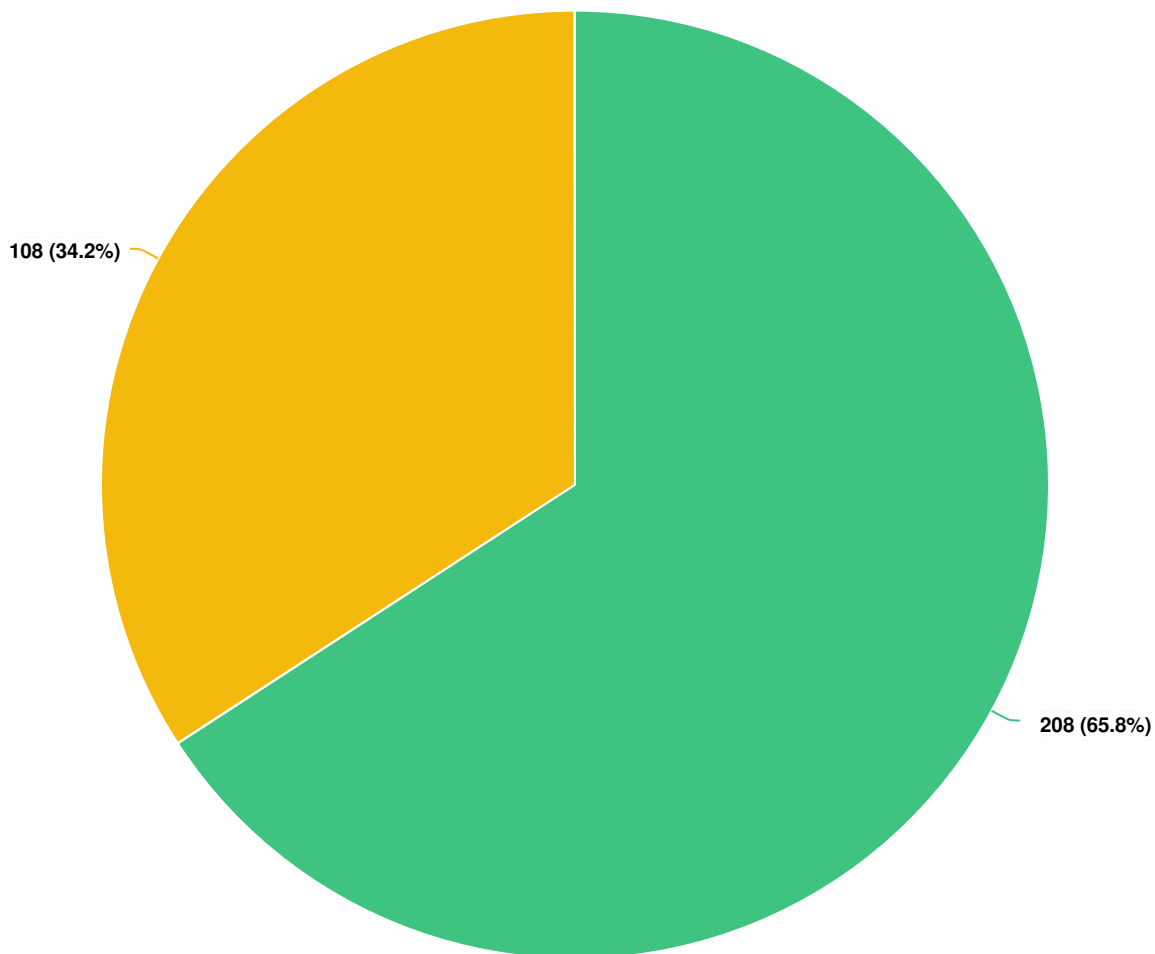


**Question options**

- My housing was already unstable and COVID made it worse
- My housing was already unstable, but COVID has not changed the situation
- My housing was stable, and COVID made it worse
- My housing was stable, and COVID has not changed the situation

*Optional question (314 response(s), 2 skipped)  
Question type: Radio Button Question*

**Q13** First of all, did you read our storymap titled, “Welcome to the Neighborhood: Unlocking More Affordable Housing in Olympia”

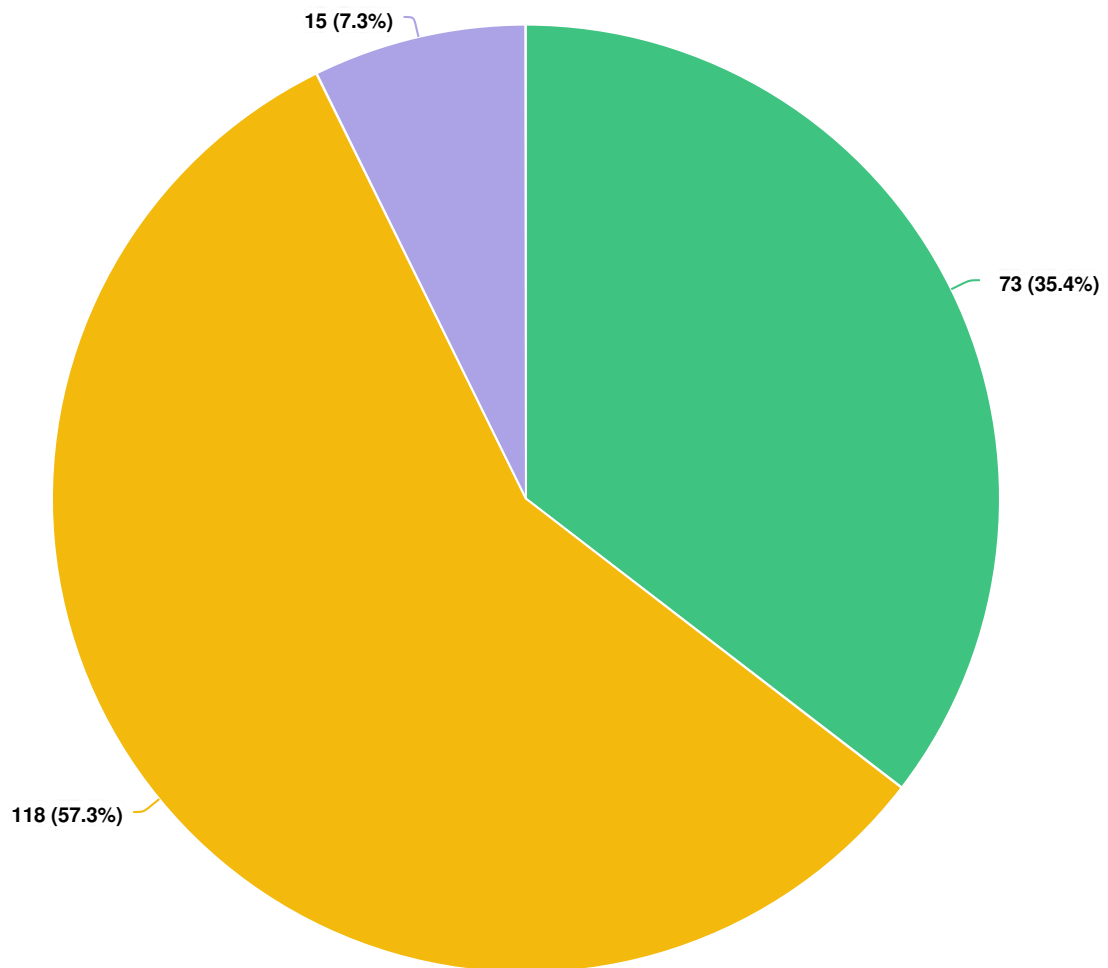


**Question options**

- No
- Yes

Mandatory Question (316 response(s))  
Question type: Radio Button Question

**Q14** | How useful was the information in the storymap toward your understanding of the housing situation in Olympia?



**Question options**

- Not useful
- Somewhat useful
- Very useful

*Optional question (206 response(s), 110 skipped)*  
*Question type: Radio Button Question*

**Q15** How much do you agree with the following statements?



Optional question (316 response(s), 0 skipped)  
 Question type: Likert Question

**Q15 | How much do you agree with the following statements?**

**I want to see more housing built within Olympia**

Definitely disagree : 12



Somewhat disagree : 22



Neither agree nor disagree : 24



Somewhat agree : 63

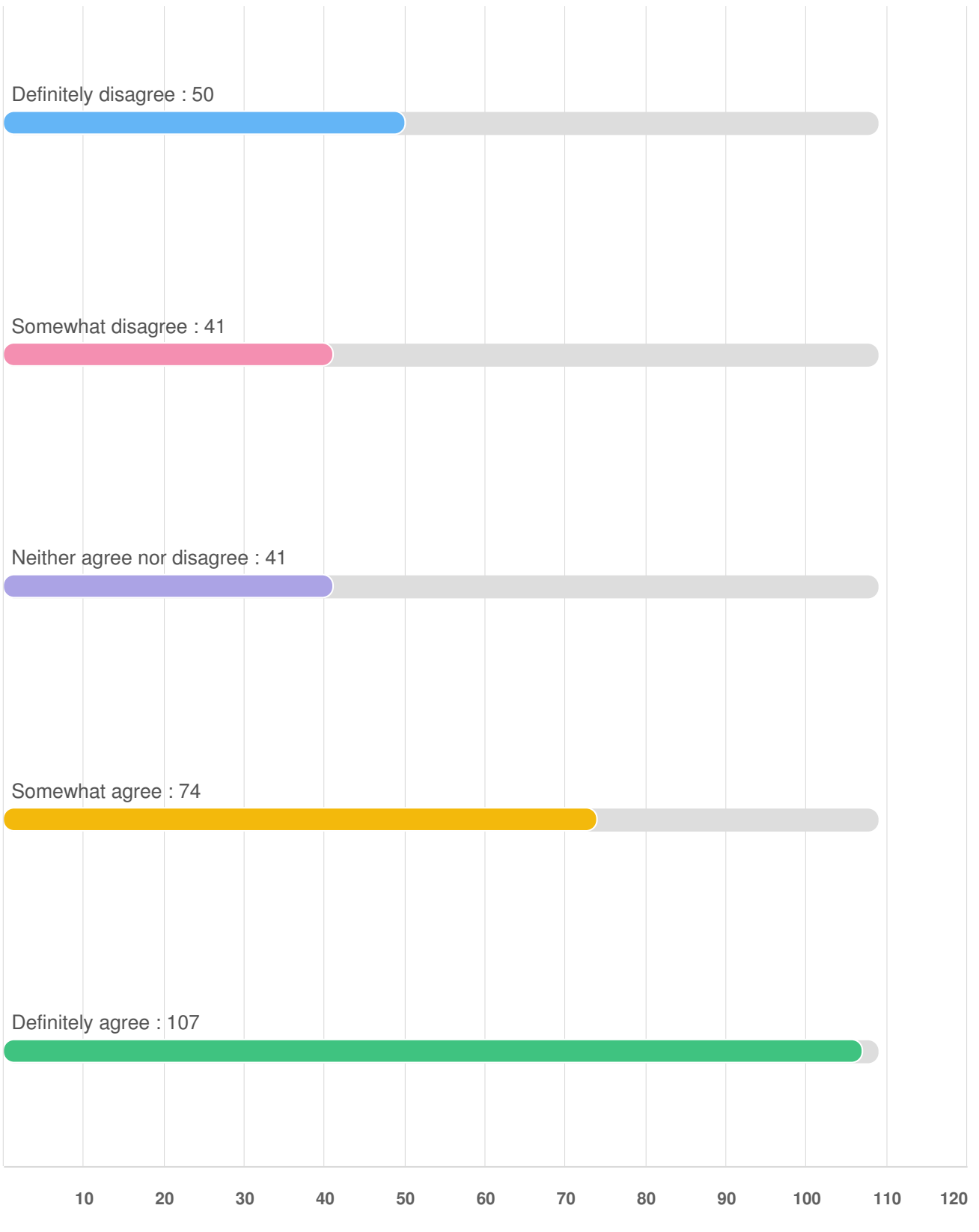


Definitely agree : 193



25      50      75      100      125      150      175      200      225

### I want to see more housing built within my neighborhood





### I want Olympia to have more dedicated affordable housing for low-income people

Definitely disagree : 11



Somewhat disagree : 22



Neither agree nor disagree : 20



Somewhat agree : 46

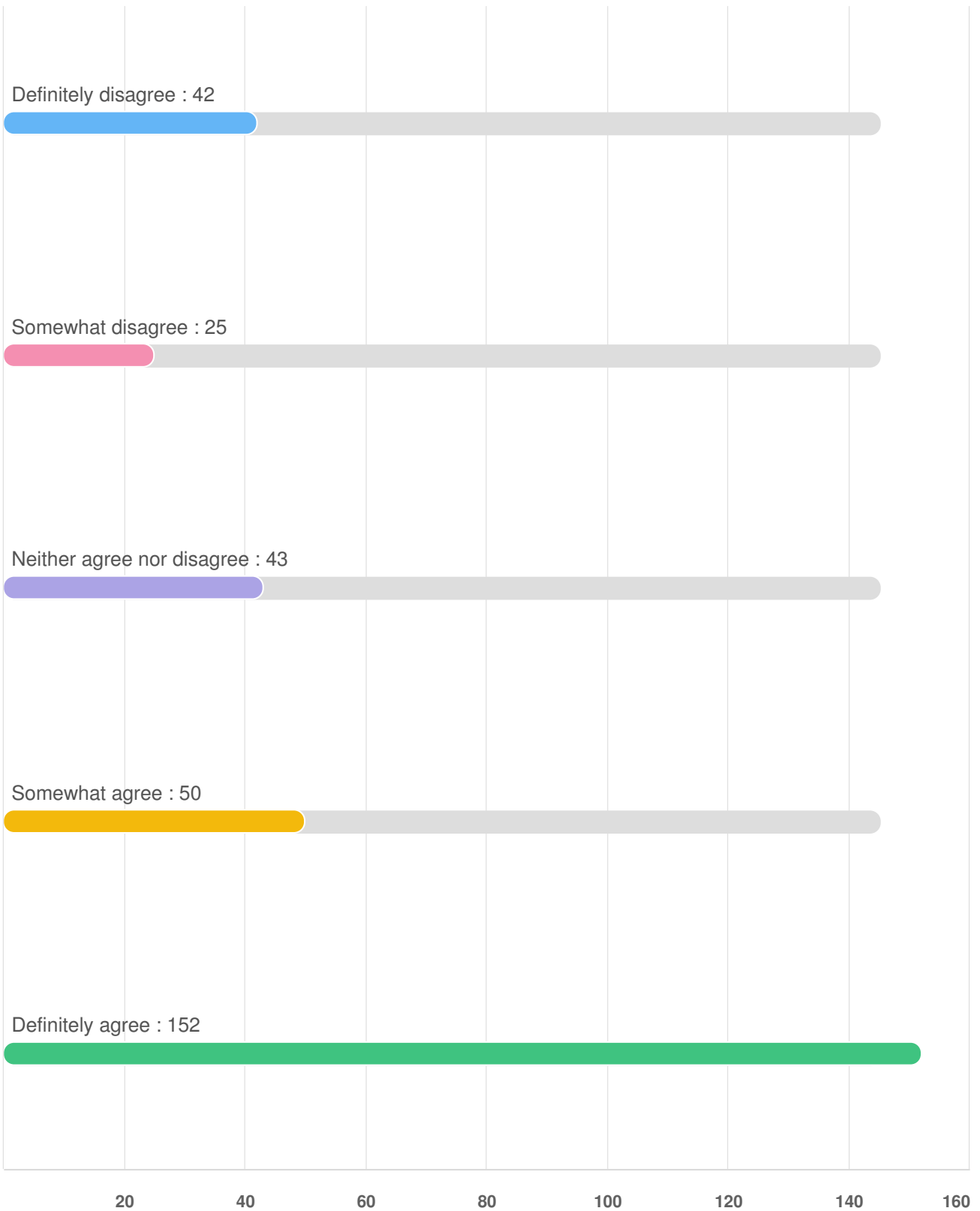


Definitely agree : 214

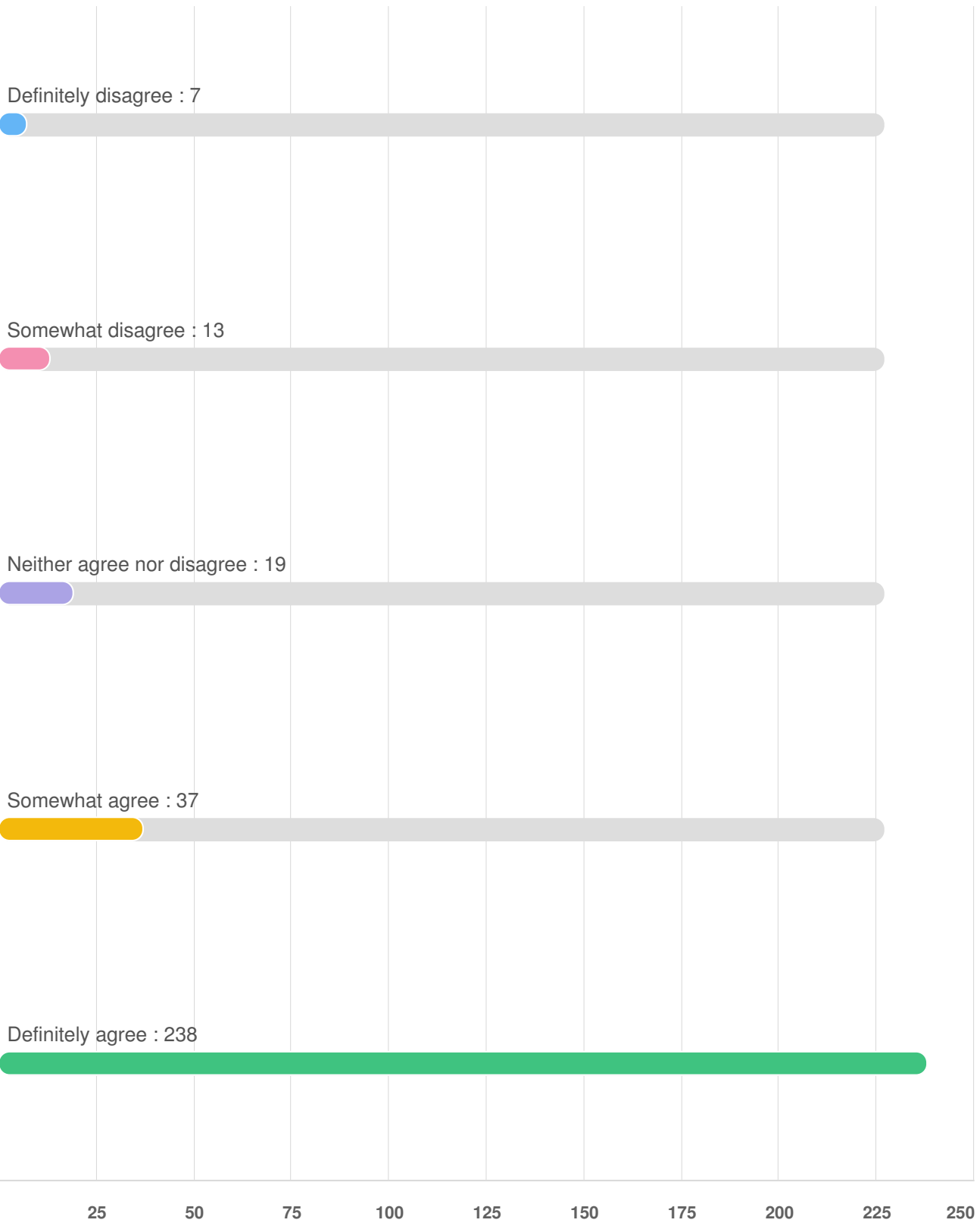


25 50 75 100 125 150 175 200 225

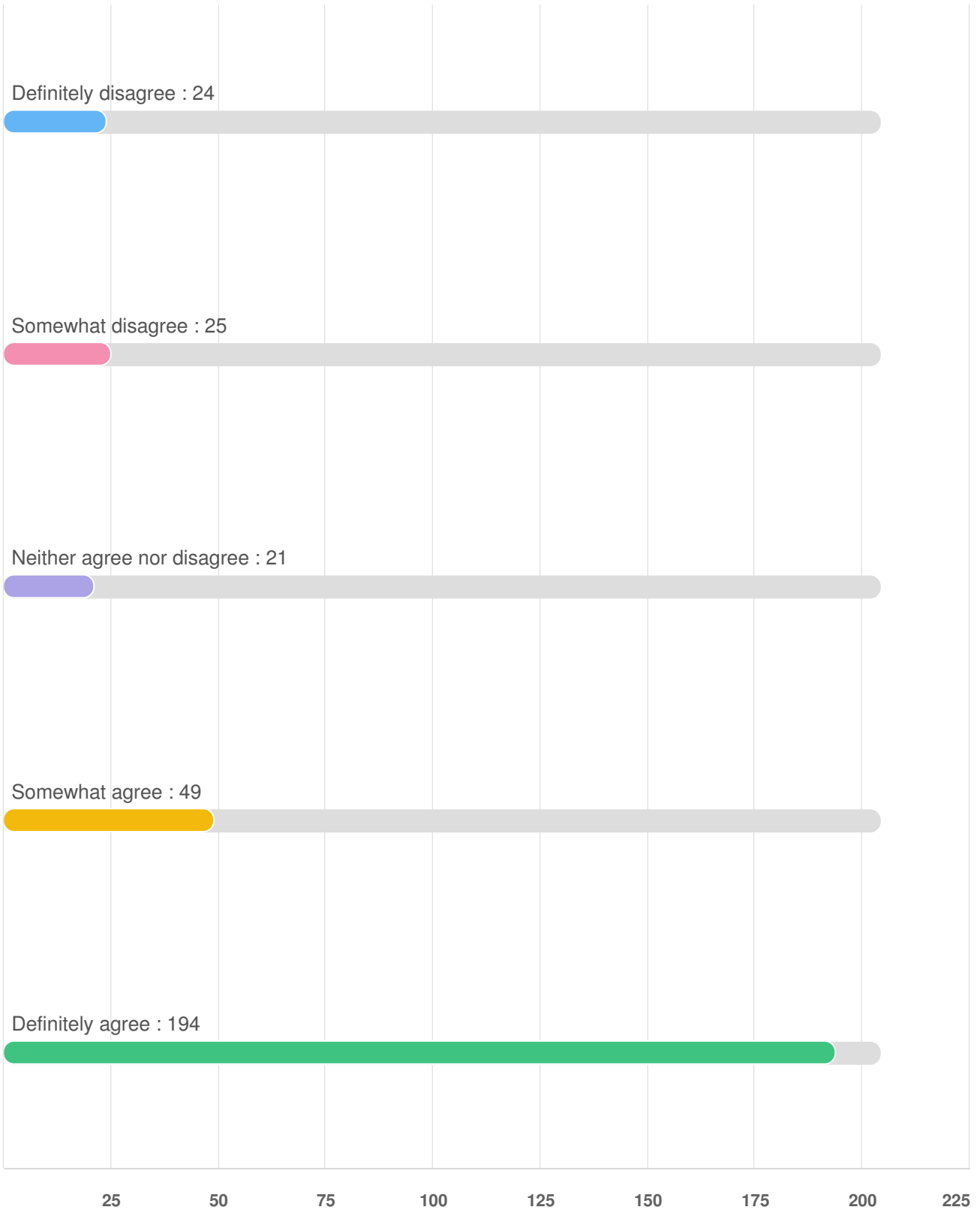
### I want my neighborhood to have more dedicated affordable housing for low-income people



### Olympia should include housing for people with a variety of incomes

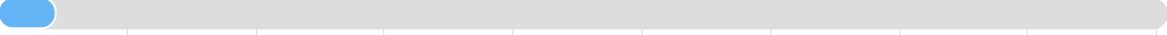


### Most, if not all, neighborhoods in Olympia should include housing for people with a variety of incomes



### People should be able to afford housing in the community where they work

Definitely disagree : 11



Somewhat disagree : 9



Neither agree nor disagree : 26



Somewhat agree : 41



Definitely agree : 229



25 50 75 100 125 150 175 200 225 250

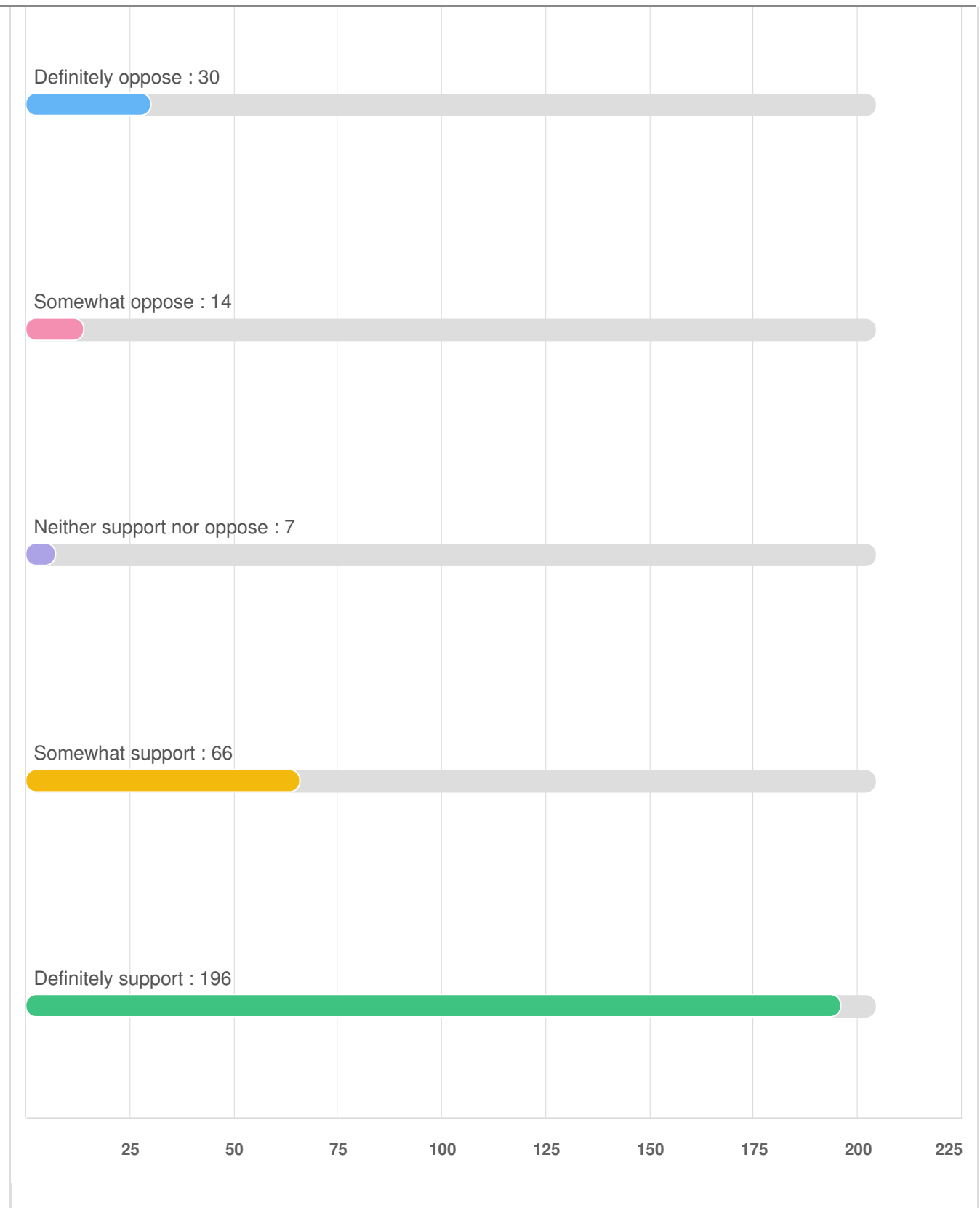
**Q16 What is your level of support for the City of Olympia taking the following type of action?**



Optional question (315 response(s), 1 skipped)  
Question type: Likert Question

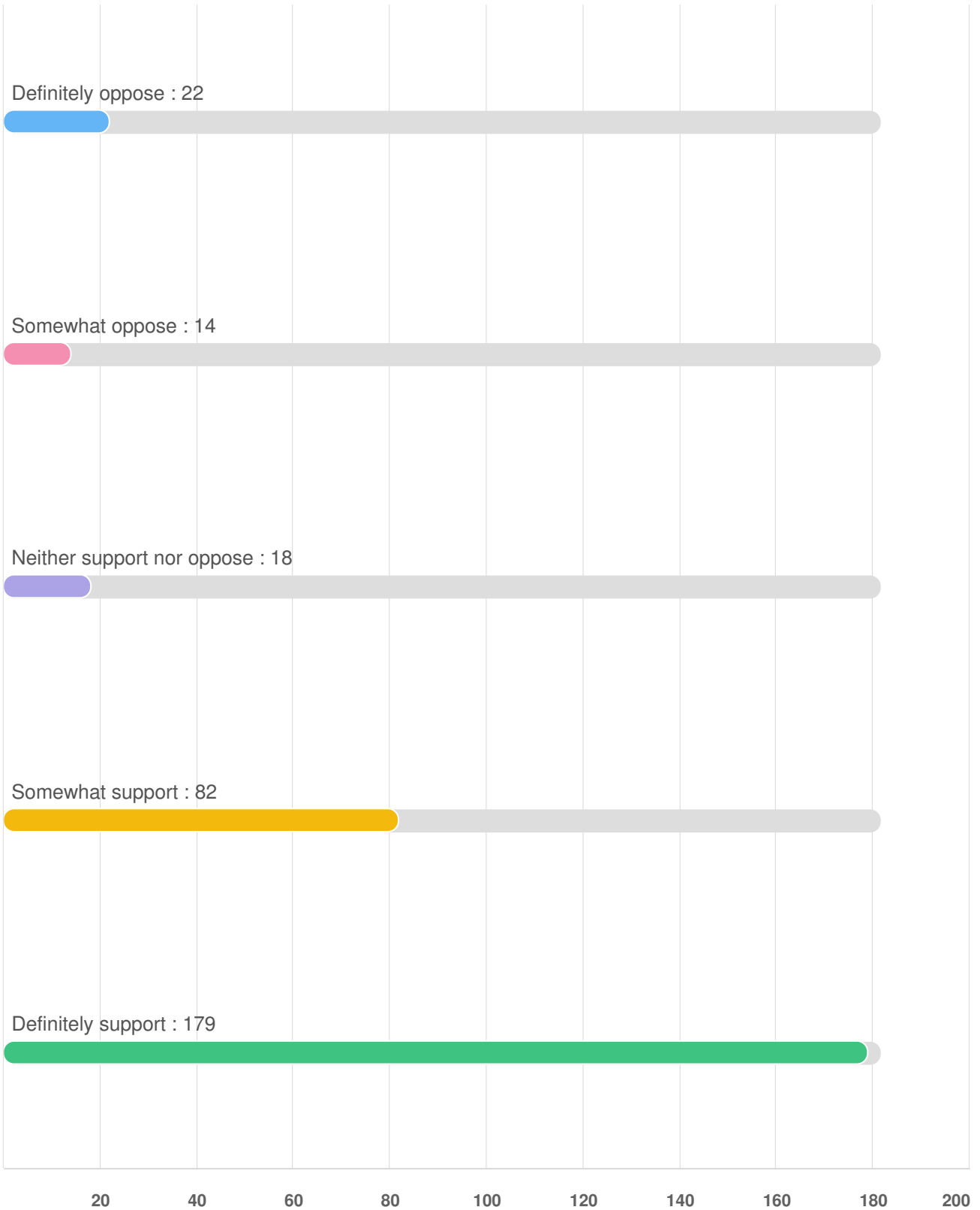
**Q16 | What is your level of support for the City of Olympia taking the following type of action?**

**Provide funding and/or land to non-profit organizations and low-income housing developers to help them purchase, build or maintain housing for low income households.**





**Establish a revolving affordable housing loan program to help non-profit and low-income housing developers purchase and develop properties for low income housing.**



**Make strategic infrastructure investments (e.g., sewer, transportation) in areas underdeveloped due to lack of infrastructure in order to spur housing development.**

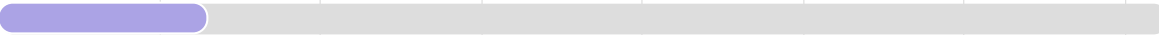
Definitely oppose : 21



Somewhat oppose : 22



Neither support nor oppose : 26



Somewhat support : 94

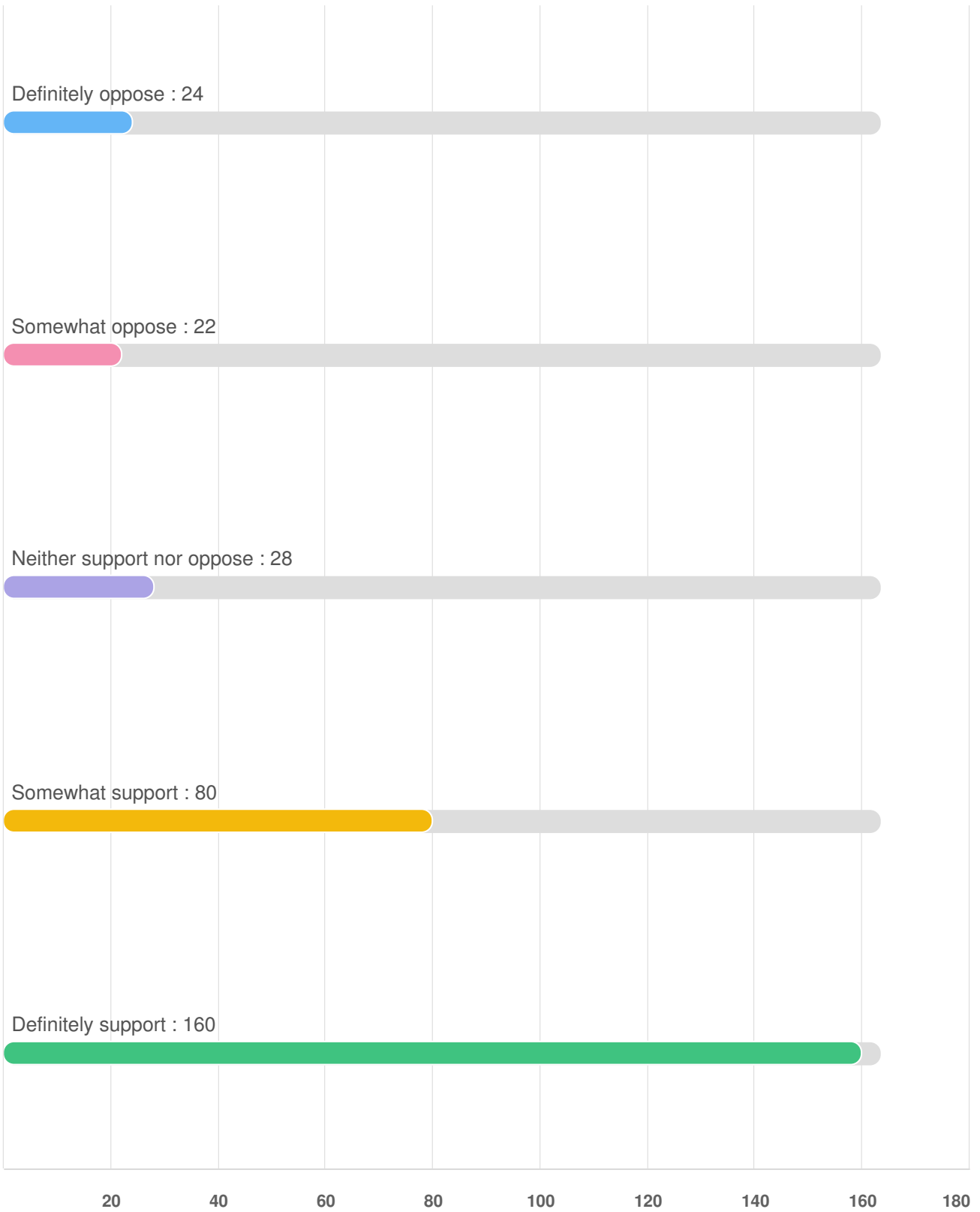


Definitely support : 147

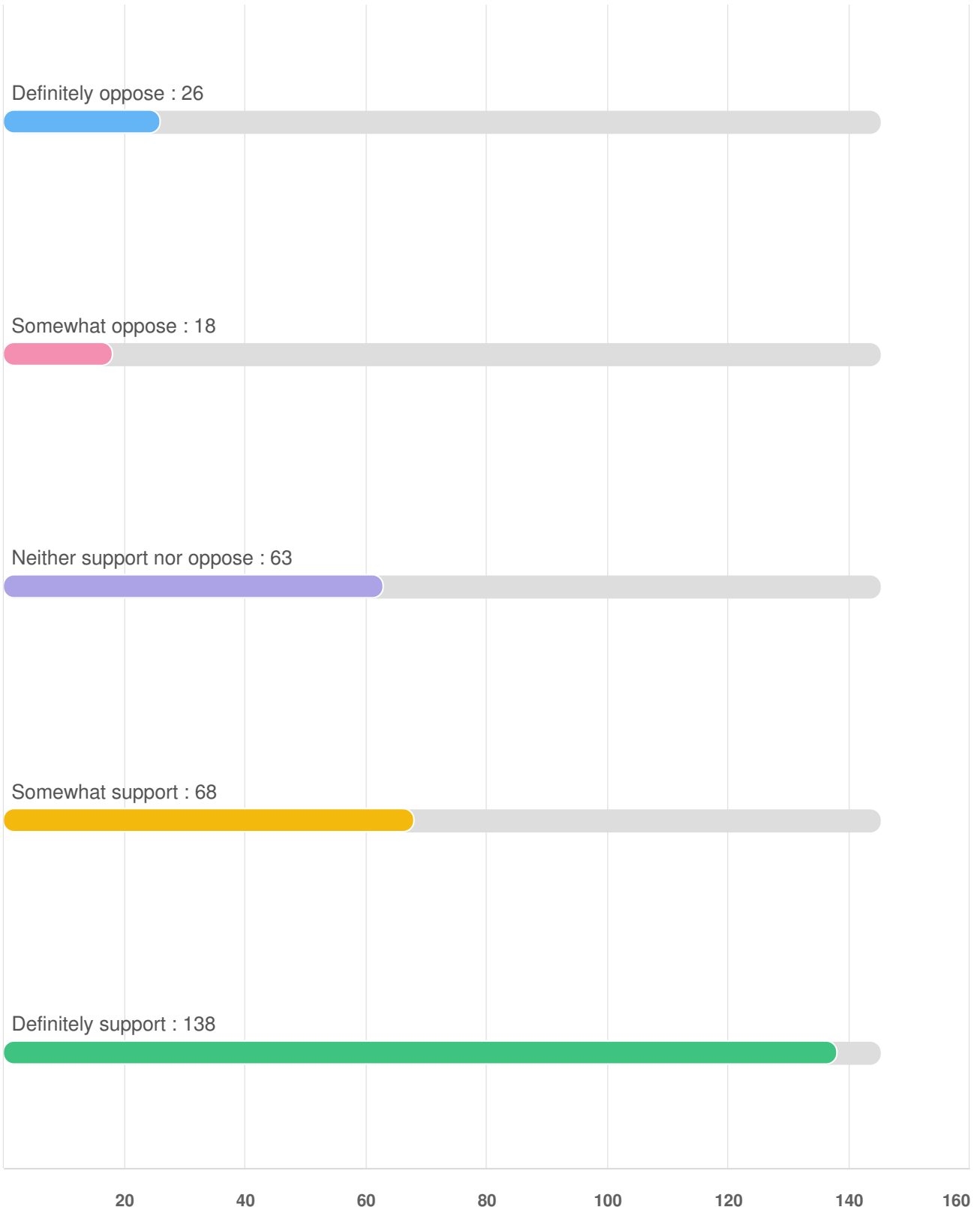


20 40 60 80 100 120 140 160

**Establish incentives (e.g., density bonus, development fee reductions, etc.) that help make it financially feasible for developers to include a certain percentage of low-income housing units within new multifamily developments.**

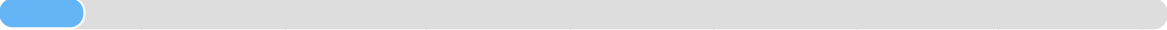


**Carry out a strategic planning process aimed at increasing residential density around the Capital Mall area on Olympia's westside.**

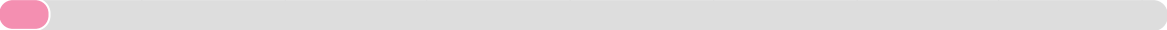


**Develop an easier path for adapting vacant commercial space into housing (e.g., relaxed regulations, incentives).**

Definitely oppose : 15



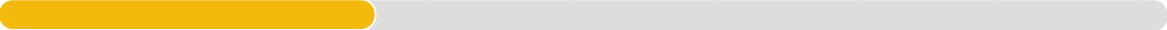
Somewhat oppose : 9



Neither support nor oppose : 17



Somewhat support : 66

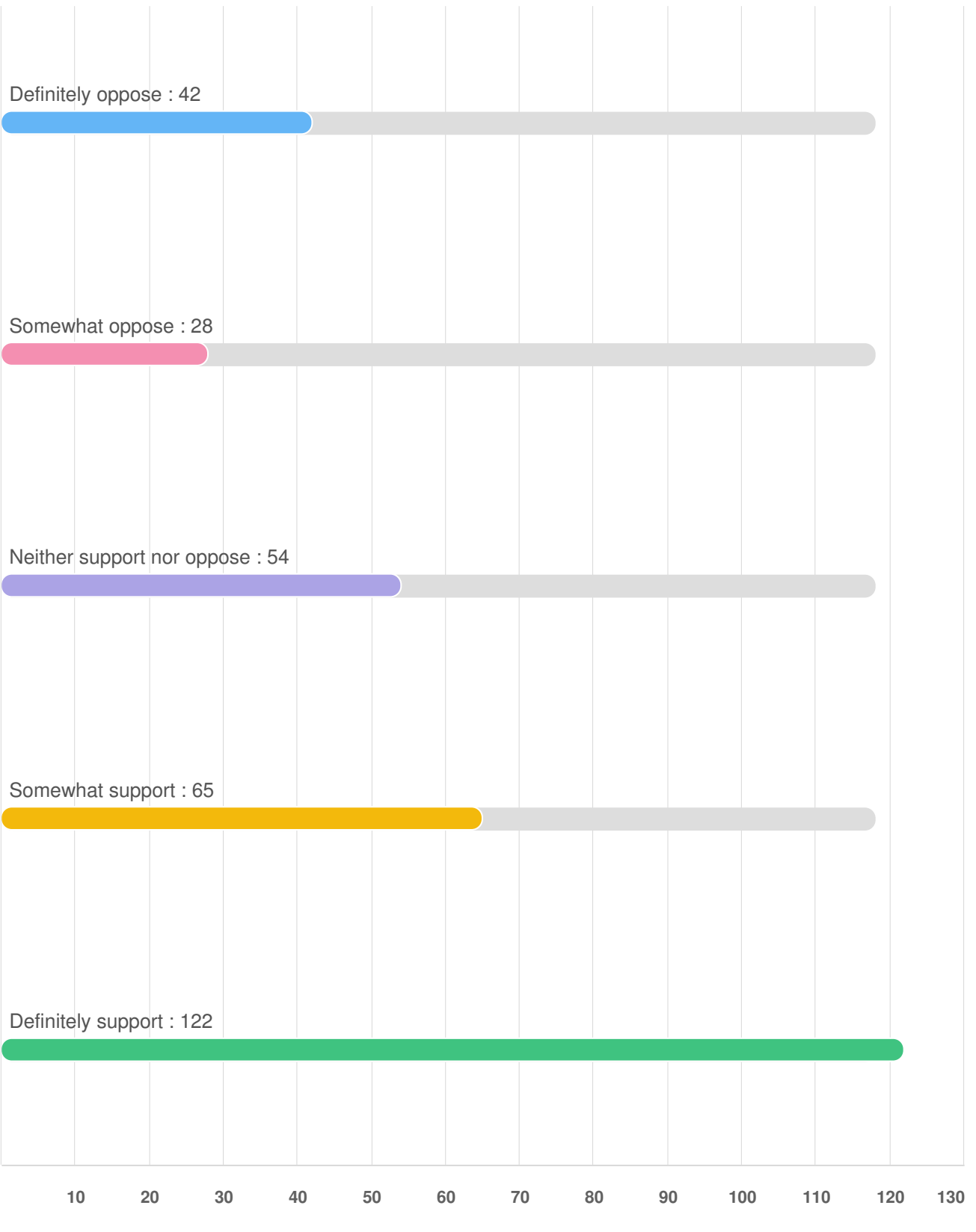


Definitely support : 203



25 50 75 100 125 150 175 200 225

### Reduce parking requirements for residential uses near frequent transit routes.



**Review fees and regulations (e.g., thresholds for requiring street or other improvements, permit process) to identify housing cost reductions.**

Definitely oppose : 22



Somewhat oppose : 21



Neither support nor oppose : 43



Somewhat support : 74

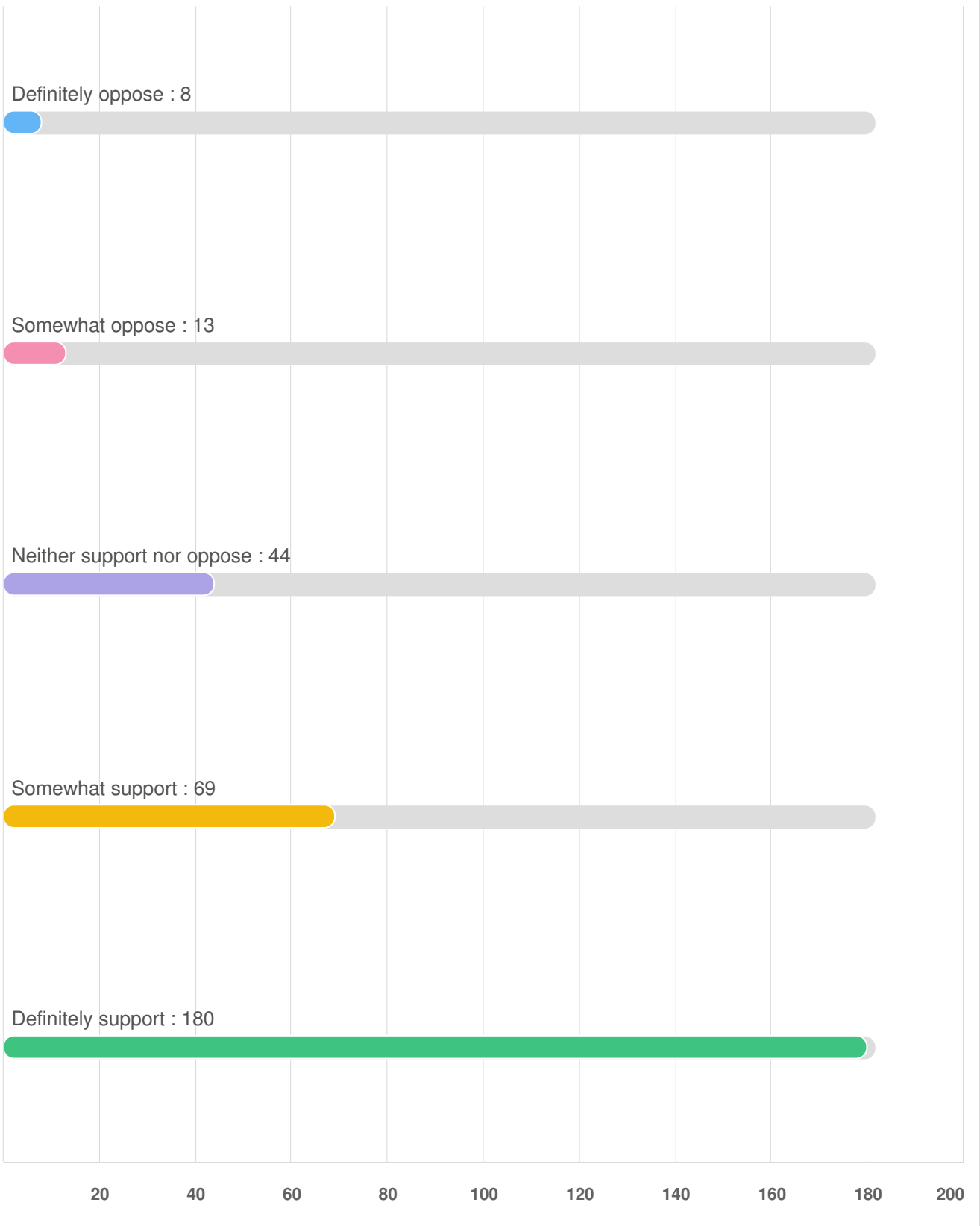


Definitely support : 153



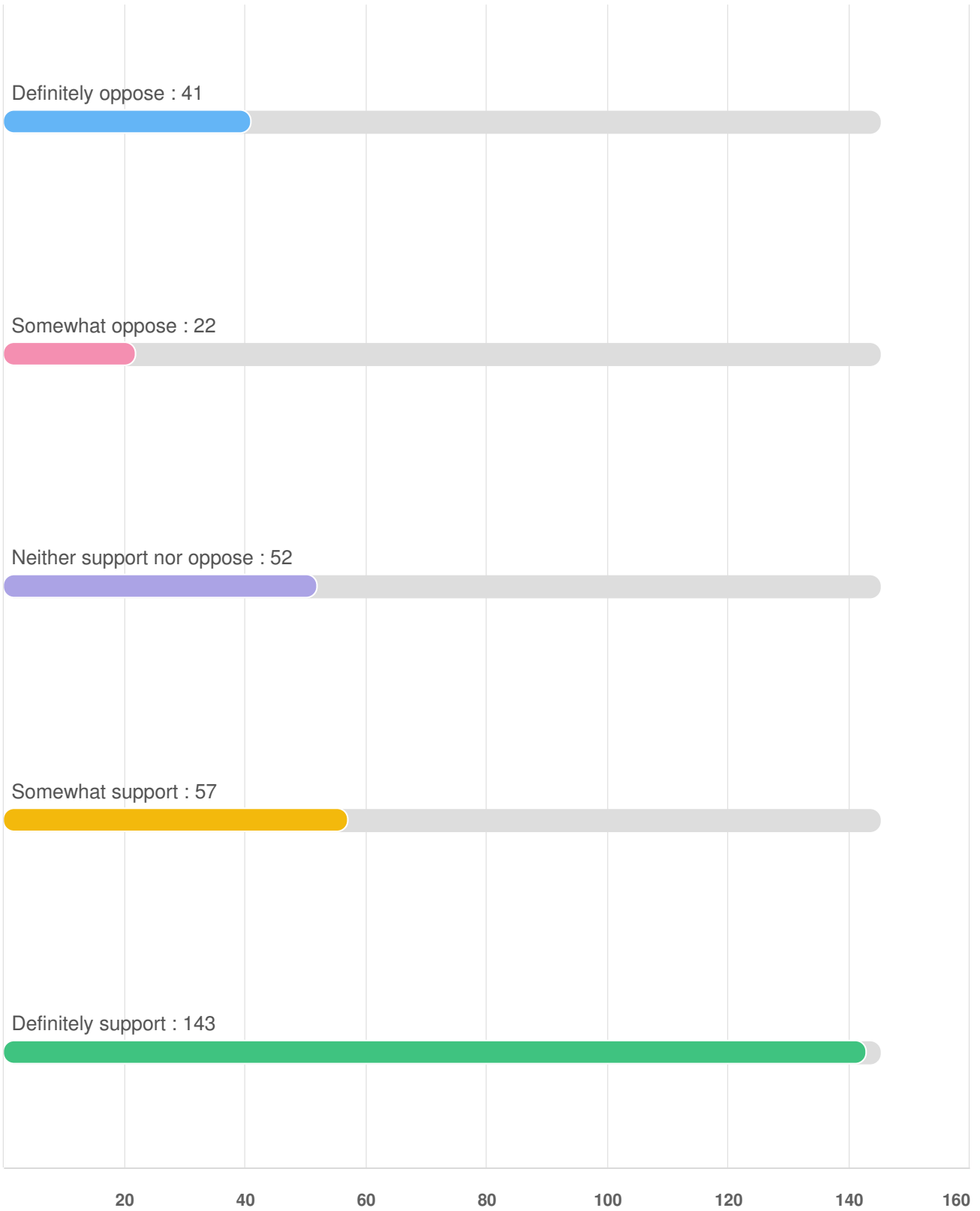
20 40 60 80 100 120 140 160 180

### Work with partners to help households achieve home ownership.





**Require owners of multifamily housing to provide tenants with the first opportunity to purchase the property when it is going up for sale.**



### Require owners of single-family homes to provide rental tenants with the first opportunity to purchase the property when it is going up for sale.

Definitely oppose : 44



Somewhat oppose : 25



Neither support nor oppose : 47



Somewhat support : 71



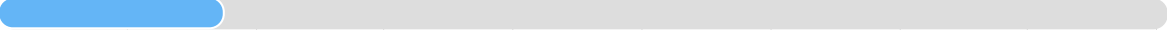
Definitely support : 127



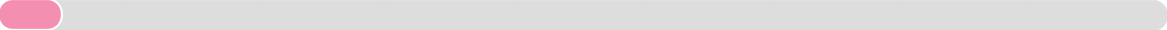
20 40 60 80 100 120 140

**Require developers to provide low income tenants with relocation assistance if they will be displaced by redevelopment.**

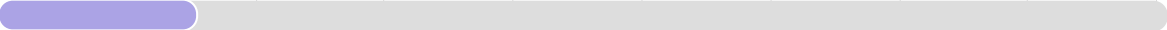
Definitely oppose : 35



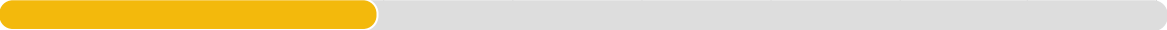
Somewhat oppose : 10



Neither support nor oppose : 31



Somewhat support : 59



Definitely support : 178



20 40 60 80 100 120 140 160 180 200

**Q17 | Is there anything else you would like to tell us?**

- 3/05/2021 02:03 PM  
This survey is clearly biased and is aimed at the continuing to degrade our neighborhoods and support destruction of neighborhoods. It doesn't address environmental considerations and is aimed at supporting developers.
- 3/05/2021 02:07 PM  
I'm a little nervous about easing parking requirements. Better to replace the need with alternatives to cars. Otherwise, we all need to do what we can to provide more housing for all, even if it affects us in ways that we don't like. Our housing policies are racist and classist. Maybe we didn't plan it that way, but the proof is in the pudding.
- 3/05/2021 02:15 PM  
The City of OLYMPIA needs to reduce the Permit and impact fees on new housing. It also needs to remove the Sprinkler system mandate. it makes building in the city too expensive. This simple step will have a huge impact on new housing.
- 3/05/2021 02:15 PM  
Don't place the burden of supplying low cost housing on landlords who have their own cost issues to deal with. This is a city or county responsibility; take ownership.
- 3/05/2021 02:23 PM  
Go Olympia!
- 3/05/2021 02:47 PM  
These choices are interesting but seem at odds with the current emphasis on building market-rate apartments while giving developers extreme tax deferrals. Requiring the developers to have a percentage of low-income housing should have happened years ago. Concentrating the drug -addicted and mentally unstable in the downtown core while not providing services is not compassionate and does not lead to people wanting to live and work in Olympia. At least not long-time residents who know what it was like before.
- 3/05/2021 02:48 PM  
Don't try and manipulate the market. Provide incentives and reduce costs to building. There are so many new requirements and impact fees, that adds tremendously to the cost of construction. You can't build affordable housing when between impact fees of \$40k, pervious surface requirements, sprinkler system, and on site water retention, that can add upwards of \$100k to a home! You have to charge at least \$400-500k to make it pencil out. Then downtown requirements of flood gates, parking, trees, street lights etc, again it makes marginal projects unaffordable. Make development easier, quicker, and cheaper, and it will come. Also look at higher building heights so we go up vs out.
- 3/05/2021 02:51 PM  
When will Capital Lake, Wheeler Road, Ensign Road and similar areas be cleaned out? Enough studies!
- 3/05/2021 03:07 PM  
Reinvest in working people instead of the homeless and drug addicted that drain. Out already limited resources. Cut the tens of thousands of dollars

legal, county, state fees including permit fees to build a new home in Olympia.

3/05/2021 04:06 PM

Thanks for your thoughtful attention to this important issue. It's difficult to solve and reach agreement on how to create more housing at different price points/density for many reasons. On a personal note, I'd like to see more attention paid to building sidewalks next to busy roads that are used by pedestrians. I know sidewalks are expensive. But they are worth it for quality of life and for safety of walkers. I'm thinking in particular of the very busy road that leads to Marshall Middle School on the westside. It is so dangerous for kids walking up that hill. Also, please pay attention to building height. I was disappointed by the Parkside Cafe being so overwhelmingly tall and out of scale on Harrison Avenue. There need to be firm planning codes in place to prevent this from happening, no matter how well intentioned the developer is in creating a new retail space. I also encourage the city to continue working on ADUs. Providing approved models (like Lacey is doing) seems like a good route to go. We will need more of these as the population increases and ages. I'm glad the city has relaxed the sprinkler codes for older homes that are building ADUs. More needs to be done to incentivize their development and integration into existing neighborhoods without making them so costly to be compliant with city codes.

3/05/2021 04:09 PM

Maintain zoning that prevents out of town landlords and investors from building without interest or care of existing communities

3/05/2021 04:10 PM

When Seattle moved toward allowing developers to NOT provide parking space due to nearby mass transit, people brought their cars to the area anyway creating serious parking issues. Complex builders should be required to provide parking space on the property where they build whether on surface parking lots, underground, or in parking structures. If they can't do that, due to water tables, et al, the property should be repurposed to something else.

3/05/2021 04:15 PM

Consider impact of overflow parking on narrow residential streets to ensure easy access by emergency and sanitation vehicles.

3/05/2021 04:18 PM

I know this is irrelevant to your survey but, Thurston Co./cities, in coalition with other state counties/cities, must pressure the state legislature to institute law(s) making it mandatory for homeless residents (HR) to accept community/other placements when available and appropriate to the HR's situation. I know any such law will be appealed, referencing the 9th circuit, but we must keep trying. Thank you for the opportunity to take the survey and enter this comment.

3/05/2021 04:29 PM

This isn't truly a survey. Nowhere does it seek input or new ideas. It focuses narrowly on the topics the city considers important and that list is biased. It mentions infrastructure briefly but doesn't address issues related to homelessness such as Health and Safety or Environmental Impacts. More importantly, these plans do not address the new reality that is made clear by the pandemic - People want space, both indoors and outdoors to deal with

the lockdown. The pressure on housing is even greater than it was a year ago as residents realize that they need an extra room for office or schooling, not a space made smaller by cheaper and limited housing styles and cost-cutting measures by developers. They want to be able to have a yard and play space to enjoy the day not a 16 unit, 3 story box with a 5 foot yardline setback. The market pricing is already 13% higher than a year ago. How does your funding model pay for that? It does not address the impacts of creating classifications of neighborhoods which by style and manner of construction could amount to the development of ghettos and stigmas attached to the area and its residents. If tax breaks and reduced development fees were important, why did the city waste the incentives on expensive, high end developments near the waterfront that will never be affordable housing and only line the pockets of already wealthy developers and dentists. There is a high level of hypocrisy related to the wording of these plans verses the actions seen.

3/05/2021 05:01 PM

We need state level section 8 or federal that is need based and not limited. I have tried to get housing help for 10 YEARS. My rent is 105% of my income. I cannot get housing help if I am housed, I have to be on the streets. I am being penalized for steely fiscal discipline. I have to do a GFM to raise rent, so in other words I am forced to beg. I did get 3 months assistance in 2020 due to COVID and it made all the difference in my life. I should not have to live with this level of stress. My house is up for sale now. Luckily my landlord is trying to find an investor who will take the house and me as a package deal because despite my rent being so high relative to my income, I have always paid it because housing is my number one value. I stay housed in Oly on 15K a year. It is remarkable I can do it. It is a testament to my ability to survive on nothing. I use the food bank, union gospel, all the providers because I cannot get rental help. Yet able bodied young people will get vouchers ahead of me. I am not alone, I had a severely disabled woman staying in my spare room, she too could not get help unless she was on the streets. That is not right. I thought Housing First was designed to keep people off the streets not force them on to them. She tried the shelters, she tried to stay on the streets a couple nights to qualify, she did not, it was incredibly sad. I had a near breakdown over guilt when I had to have her leave due to my lease, and my fear that I would be in violation and lose my housing. This is NOT RIGHT! She was incontinent w heart & cognitive problems, and Olympia was forcing her to stay on the streets to get help. There was NOTHING for her. It was all going to the street subculture, she was left to fall. I honestly do not know what happened to her and it weighs on me constantly. It is stories like hers and mine (and so many others) that are propelling my run for Olympia City Council. It is morally WRONG.

3/05/2021 05:10 PM

My household is not cost burdened, because we had the good fortune to buy our home 20 years ago. It's really painful to watch many families not be able to get into stable rental housing or ownership. We need more diverse infill housing.

3/05/2021 05:34 PM

Drug addiction is the primary driver of homelessness. Affordable housing is largely unrelated to homelessness.

3/05/2021 05:47 PM

Denser and more diverse neighborhoods are critical to a strong Olympia. As an owner of a single family home in an established neighborhood, I would love to welcome more neighbors to this great community - and my neighborhood in particular. It's people who give Olympia its great character. I strongly support whatever efforts are required to make sure all of Olympia is available to everyone who wants to live here regardless of income, age, race, and ability.

3/05/2021 06:17 PM

If new housing does not pay impact fees the rest of us will be paying for the needed parks, roads, etc. Okay to help people who really need support but I do not support subsidies for housing types that simply 'increase the inventory.' I don't really buy the 'trickle down' concept that any new housing makes housing more affordable. Large homes and expensive condos do not bring down the price for other housing. Developers and builders should be finding ways to offer housing that fits current needs. Also wages are part of this problem so having a minimum wage that offers a living wage makes sense as part of the solution.

3/05/2021 07:13 PM

I have lived in Olympia for 36 years. We as a city are losing our identity, allowing developers to get special concessions, build high rate apartments with not enough parking. This takes parking away from people who are trying to shop at downtown businesses.

3/05/2021 08:23 PM

I do not have a lot of information about "low income property developers" and find myself wary and untrusting of their intent. This may just be a lack of clear information. I have some concerns about how well low income housing is managed and cared for now. I'd hate to see that grow!

3/05/2021 08:25 PM

Great work and keep up the good work.

3/05/2021 10:55 PM

Vadas, B. Jr. 2020. The future of Olympia's urban zoning in the face of covid-19 and climate change. Works In Progress (Olympia, WA) 31(3): 14 (<https://olywip.org/the-future-of-olympias-urban-zoning>). Vadas, R.L. Jr. 2021. OP-ED: Concerns about West Bay Yards development proposal. Olympia Tribune [online], March 4: 1 p. (<https://theolympiatribune.com/op-ed-concerns-about-west-bay-yards-development-proposal>).

3/06/2021 08:00 AM

While I am generally supportive of "missing middle"-type housing and increasing the density of inner-Olympia neighborhoods (NE, SE, Westside, etc.), city officials should not be so dismissive of the impacts of these types of changes on residents, many of whom are not particularly affluent. Go walk around similar neighborhoods in Seattle and Portland to see what lies ahead: 100-year old homes being demolished left and right, and being replaced with big shiny condos for even wealthier inhabitants. Rents and housing costs remain sky high. What's different about Olympia than Portland, Seattle, etc.,

is that there is TONS of vacant land here. Downtown is 25% parking lots or vacant buildings. The westside is home to some of the most regrettable land use decisions in Olympia planning history: Capital Mall and Cooper Point Blvd. Think of all the housing that could be there if city officials hadn't decided that thousands of parking stalls and half-vacant strip malls were a better use of all that space. (I'm sure the impact fees were great, though!) Maybe you should focus more of your efforts there? Sort of feels those of us who were fortunate enough to be able to move to inner-Olympia neighborhoods back when it was still barely affordable are now being asked to shoulder a disproportionate burden of the changes needed to accommodate the region's growing population.

3/06/2021 08:09 AM

Stop City leaders from recommending tenants start a rent strike. The City needs to be friendly to developers if you want the housing we need built.

3/06/2021 08:37 AM

You did not ask what other things people spend their money on. Without this info, you can hardly analyze who can afford what (ie people who choose to spend money on things other than housing, then complain they cannot afford housing). You also did not ask about whether the person was capable of gainful employment or voluntarily unemployed. You did not ask about why someone has unstable housing, and any attempts they have made to secure stable housing. As to the question about, essentially, being entitled to afford to live where one works, the question should be whether one should chose to live where one can afford to do so, or whether one who chooses to live in an area where one cannot afford should expect his fellow neighbor to absorb the cost of that decision. The city's job is to ensure the city runs efficiently and productively most of the time for most of the people. The city's job is not to socially engineer housing affordability so that a certain population in Olympia consumes a disproportional amount of the city's and taxpayer's time, money, and resources. I purchased my home in an area where there are stable, long-term residents. I do not wish to reside along unstable, short-term residents as there exists a difference in behavior, treatment of the land and property, expectations and involvement in community gatherings, safety, etc. In low-income, higher-density housing areas I see behavior of residents that are inconsistent with my values and expectations of behavior.

3/06/2021 09:33 AM

Whatever works to bring more housing online, I support it.

3/06/2021 11:22 AM

We live in a neighborhood that is currently all smaller, one story homes. However, directly behind us is a one-plus acre parcel with one dwelling (also a one story home). We are very worried that if this parcel is sold, it could be developed with two or three story dwellings, such that we lose all our backyard privacy. That would be devastating, since we purchased this home because of its relative privacy. If any future development was limited to only allow one-story homes, that would be perfect.

Olympia should be careful not to turn into Seattle.



3/06/2021 03:11 PM

Consider reducing or eliminating any existing requirements that on-site parking be included in multi unit development near transit.

3/06/2021 04:16 PM

Housing people is - and will continue to be a challenge. Use all available strategies to continue to make progress on adequate housing and prevention of additional houselessness for as many people as possible in our city and region.

3/06/2021 04:35 PM

I'm particularly interested in seeing the city use the Housing Land Trust model.

3/06/2021 09:15 PM

I would need more information about these strategies. While some sound good, I want to better understand costs, funding sources, risks, and possible unintended consequences.

3/07/2021 08:54 AM

Build more middle-income housing!! More homes worth 300,000

3/07/2021 08:58 AM

We moved into Olympia, and bought a ridiculously over-sized house because that was all that was available. It's affordable for us, but we wished there were options close in to downtown Oly that were smaller.

3/07/2021 10:34 AM

Thanks for all your efforts to supply more affordable housing. This is an extremely important issue.

3/07/2021 11:33 AM

Use of tax incentives to achieve some affordable units.

3/07/2021 11:39 AM

How about enforcing some standards around RV's and Campers that dump waste into our waterways.. Preach about environmental consciousness but I guess they all get a pass. My property tax keeps going up but the streets are dirtier than ever and now I don't even want to go downtown because its disgusting.

3/07/2021 01:55 PM

Adjustments to housing cost metrics to take single parent/primary income budgets into consideration

3/07/2021 02:18 PM

City and county planners should inventory properties to deed over to a community land trust to develop permanently affordable housing for cost burdened families and preserve governmental housing subsidies with an affordable housing resale formula.

3/07/2021 02:41 PM

Thank you for working to increase density and affordable housing in Olympia's city limits!

3/07/2021 04:27 PM

Thanks for investing the time and resources to make the city a better place!

3/07/2021 05:59 PM

3/07/2021 08:20 PM

Use city public land, particularly downtown parking lots for housing. Remove parking requirements for all buildings, instead look into a parking cap and a goal for reduction in absolute (rather than relative to population) vehicle miles traveled in Olympia.

3/08/2021 08:18 AM

Safe, affordable housing in Olympia is very difficult to find. I had to relocate to Tacoma to find such housing. I would have preferred to stay in Olympia, where I work.

3/08/2021 08:32 AM

800 sf houses were common at one time. Small but affordable. No one builds small houses now due to high cost of development fees. \$40,000 in permit and impact fees averages out to \$50 a square foot for a 800sf house. Have to build big to lower the SF cost. Scale the fees to fit the size of the house. Technical engineering and studies (biologist report, tree report, geotechnical engineering, etc) add another \$5-15,000 in costs. Planners don't consider the cost impacts when they require more studies, reports and surveys. Costs are incorporated into the price of house (\$10,000 avg./ 800sf house = \$12.50 a square foot). Again you have to build big to average out the costs of the reports. Thank you

3/08/2021 08:35 AM

Clear the homeless camps.

3/08/2021 08:37 AM

I appreciate that the City of Olympia is working WITH other local jurisdictions to address our housing challenges. This is a regional problem and I am grateful to see Olympia leading the way to address it.

3/08/2021 08:40 AM

The following is a loaded question because it assumes it is not already "financially feasible" for developers to do this. Once again, the city is loading questions in favor of developers: Establish incentives (e.g., density bonus, development fee reductions, etc.) that help make it financially feasible for developers to include a certain percentage of low-income housing units within new multifamily developments. Also, this needs a whole lot more explanation: " Work with partners to help households achieve home ownership." What partners? Nonprofits? Developers? Without specifics, this is impossible to answer.

3/08/2021 09:48 AM

More funding for mental health services and supportive housing. More funding for seniors who need affordable housing. More funding for housing adults who need in home provider services due to health or disability, nursing homes are full and expensive. Funding for supportive housing for those with a criminal backgrounds. Look at the big picture it's not a simple fix, all must be included in affordable housing in order to help our city continue to exist.

3/08/2021 09:55 AM

I think we need to specifically discuss economic displacement, aka "gentrification," and come up with some concrete strategies to address it.

The burden of increased fees and the sprinkler mandate are the one of the

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3/08/2021 10:02 AM

largest costs of building a new home. Many of the review fees that were previously free, are now so cumbersome, that they dissuade business from investigating and possibly developing property to allow affordable housing. The cost of the fire sprinklers and the alarms are an additional roadblock to affordable housing. Every additional cost added to the building process by a jurisdiction, makes housing, that much further out of reach for first time homebuyers and people with lower incomes. The additional taxes, codes, and regulations may, in an academic sense, make housing safer, however, I do not believe a safer house is better than the population of a city being able to afford housing. The burden placed on the citizen's housing looks acceptable at the micro level. In my opinion, if you step back and look at housing in its totality, these costs and regulations are making housing unattainable for the people you are trying to help.

3/08/2021 10:47 AM

Converting commercial space seems to me to hold the best possibility for quickly creating transitional housing, even if it's not permanent, and help folks get off the street.

3/08/2021 11:00 AM

The homeless situation in Downtown area has reached a serious risk to public safety. I am interested in helping with the issue as a member of this community.

3/08/2021 11:27 AM

The homelessness issue is more and more visible everyday. How are they allowed to throw all of their trash on the ground and not be held accountable? They are destroying our environment and ruining the image of this beautiful city. If they want to be apart of the community they should be held to the same standards as everyone else. I understand not all encampments can be removed, and even the homeless deserve compassion and a safe place to sleep, but they need to be accountable for preserving the environment and valuing the land that they live on.

3/08/2021 11:28 AM

Please reduce sprawl onto undeveloped land. Instead focus development in city centers or along major streets. Also consider bringing in a fresh grocer like Spuds and a business such as a Rite Aid to downtown. Walkable access to fresh food, grocery staples, prescriptions, over the counter medical supplies and items like toothpaste, etc. seem to be missing in downtown Olympia. I believe these would be welcome amenities for people living in apartments (don't own a car or want to drive to run these errands) or people living in senior housing. As a non-downtown resident but semi-regular visitor, I would head downtown more often if I could take care of multiple errands at once (i.e. hit the bakery, grab some q-tips, get that birthday gift, and some groceries for dinner that night). I also appreciate the focus on neighborhood centers - let's create more incentives to eat/shop nearby. It gets people out of their cars and activates neighborhoods. Lastly, I think NIMBYs tend to stereotype middle housing with those 'box store eye sore beige plastic 5-story buildings' overlooking their lawn. It would be great if the initial projects to increase housing in Oly were developed with some care. Housing that reflects the character of the neighborhood/area instead of building the cheapest nastiest option on the block. Great work and loved the story map!

3/08/2021 11:47 AM No more tax breaks for housing development aimed at middle to upper class.

3/08/2021 12:21 PM Dismantle the homeless encampments due to inhumane living conditions.  
Work with nonprofits to find solutions.

3/08/2021 12:34 PM Additional work to maintain spaces for other species to live within cities and in underdeveloped areas. Increase in community owned housing. Work with local tribes on discussing land treaties and land back reparations, as well as input on city owned property.

3/08/2021 02:15 PM This survey is a joke. The real problem with affordable housing in Olympia is the cost of permitting, impact fees, whole house sprinkler systems, requirement for engineered drains from roof water and the new energy code. Until the City is open to addressing their contribution to the cost of new housing, new housing will continue to be out of the reach of most people. Until the City is open to addressing their contribution to utility costs, ie; adding City taxes to all utilities not provided by the City and the City's escalating water, sewer, garbage and storm water fees any type of housing including rentals will be out of the reach of many people.

3/08/2021 02:25 PM The only reason why I didn't select DEFINATELY SUPPORT for all is simply a lack of information currently acquired on my part about any particular subject. But at the end of the day I want to help our homeless and struggling population in anyway possible. Thank you for all that you do. Please keep me in the loop; I have been working with the homeless population of Thurston County since 2012. Beau D> Shattuck He/Him Pronouns Thurston County/City of Olympia Housing Liaison

3/08/2021 02:50 PM I would really like to add an adu to my home and being able to get a loan from the city and/or reduction of fees and expensive unnecessary requirements like sprinklers and parking when I'm within a mile of three bus line would really help.

3/08/2021 04:33 PM Young adults getting good paying jobs should be able to afford their own housing. It can't be that over 50% of their paycheck should be going towards rent, making them have to find roommates to split the costs! It's unbelievable what has been happening around here.

3/08/2021 04:46 PM 1) explore guaranteed minimum income as tried in Stockton 2) lobby Congress & President to eliminate the mortgage income tax deduction, at least for high income households. 3) create/assist pathways to home/land ownership for low income minority households 4) reduce the huge excess amount of commercially zoned & developed land and revert to residential zoning/development, and control/slow conversion of land in other jurisdictions to commercial development. 5) preserve historic housing and character of historic neighborhoods...new housing can and should be designed to be compatible rather than intrusive. 6) revive federal public housing construction programs.

Please revoke MFTE for market rate housing.

3/08/2021 04:51 PM

3/08/2021 08:48 PM

While my housing in this community is fairly stable, I am watching many of my friends leave this community due to not being able to find affordable rental housing or not being able to find a pathway toward home ownership in this community. Most of them are living on a single income. It really concerns me that there aren't affordable options in this community for folks on a single income. I don't want to diminish families that are priced out of our area. That, too, is of great concern. I have also watched many families leave the community due to the cost of housing. I have a great fear that with the increase in telework, our community will become made of people that don't work here while the people who work here will flee to larger or cheaper homes farther from Olympia. I don't think that supports the model for growth that many folks want to see here. I'd like to live in community where the people that work in the community can afford to live in the community.

3/08/2021 09:38 PM

The Capital Mall area floods! Also, do not put people into homes/rentals without adequate parking. Causes conflict between residents, and too hard to bring groceries in, move furniture in or out. Provide people with privacy, like fencing/barriers between homes, even a small yard. Despite promises, someone will sublease, violate parking rules, and let their pets and kids run wild. Also, lots of issues with drug users and multiple families moving into low income housing, sometimes 3 or more family units in a 3 bedroom, and all have cars. People use cars because of daycare, employment hours, unsafe alternative transportation- no one wants to go to the dangerous downtown Olympia bus station or even walk through that crime cesspool or get on a Covid bus. Put homes in over by the Capitol building or by the park near Oly high school - less traffic there. Maybe repurpose the old police department and old Thurston County jail into safe warm temporary housing for homeless persons. Transitional housing for recovering sex trafficking survivors would be a great idea - in a different community than where they lived before so they can make a clean break and be safe.

3/08/2021 11:27 PM

The city and county need to bold about the un-housed. It is going to be a long time until there is enough affordable housing built and available (like all the ideas mentioned in the survey) even if regulations and fees are streamlined. The need is huge and immediate. We can all see that without a survey. That is the reality. We have camps all over the place. That is a fact. Why is there not more focus on planning and preparing for this reality? Should we be asking people if they would rather have a condoned or random camp in their neighborhood? I understand the desire to dream big but that means we have people living wherever they can in the mean time, which will be years. We must do better and act more boldly and quickly. Sites need to be identified that are not a wet land, durable tents/shelter and facilities need to be provided. And I'm going to say it.... those who receive these services should give something back and help take care, not just take. Without that there is no investment and buy in. (There is no doubt that people can get

things for free. We see all these things along our roads. There is a HUGE resistance to asking anyone who receives a service to give anything back. When there is no contribution there is no sense of investment, pride, or need to maintain and people will destroy an area). Providing this temporary shelter is a huge investment we need to make as a community. It literally drains my soul to see what looks like a Landfill along I-5. The exposed camps that are piles of garbage cause intense damage to the morale, pride, compassion and sense of well being in our community. I cannot over emphasize what a negative impact a few camps have on an ENTIRE community. I wish we could, as a community, help those people in particular and clean up the insane amount of garbage that has been hauled in. We can't wait for developers to build a few units of low income housing. We need better tents and a garbage limit/system. I know this is a wicked problem but I don't see how what is happening now is the best our city can do for the unhoused or housed. Thank you for the opportunity to comment.

3/09/2021 06:27 AM

We need more bathrooms, garbage cleanup, and support for people on the street.

3/09/2021 07:46 AM

While we are building permanent Supportive Housing for our house les Neighbors, we need to have more stable transitional housing until that is accomplished. Get people inside. I don't understand why the City of Olympia Lacey and Tumwater are not purchasing hotels to accommodate people like Seattle is doing. They have been able to get people inside, Provide support systems with meals Etc and really made it work.

3/09/2021 08:56 AM

Senior Housing is too often neglected. Between seniors with extra rooms in their house as their kids leave, and seniors living on SSI who lack funds for an apartment, there is a real need for a program like Home Share that is offered by Senior Services for South Sound. For transparency, I am the Executive Director there! Home Share helps in a very cost-effective and community building way.

3/09/2021 09:30 AM

Glad to see the inclusion of senior housing as a priority, hope to see actions that follow suit. Data shows that seniors are cost burdened & severely cost burdened at nearly the exact same rate as the general population, yet there have been zero public investments in low-cost senior housing in over 20 years. Thank you for your work - excellent materials!

3/09/2021 09:41 AM

City needs to eliminate costly "nice to have" but nonessential requirements, such as fire sprinklers in single family homes. Analyze how the City can make building easier and more affordable.

3/09/2021 01:36 PM

Homeownership is a means to create wealth and equity in housing that has long been ignored and/or undersupported at the local level (as evidenced by the number of renters in Olympia). Homeownership is a means to create equity for low-income residents (who disproportionately represent marginalized groups) if a goal for the city of Olympia is to create a diverse and inclusive community, it should start with an investment in permanently

affordable homeownership. Many types of affordable housing require public investment at multiple points during the project's life cycle. Affordable homeownership projects require a single investment of capital funds that can be leveraged and multiplied at an impressive rate and with a huge social return on investment.

3/09/2021 02:52 PM

I support Homeownership over renting. it builds generational wealth for families and supports better health and educational opportunities to the families that own their homes.

3/09/2021 05:31 PM

I would like to see support for housing land trusts to make homes permanently affordable. I would end all subsidies/tax abatements, etc. to developers of market rate housing. I would put a moratorium on development of market-rate housing, and tie future development to the availability of new low-income housing developed by low-income developers.

3/09/2021 06:13 PM

City of Olympia needs to decrease permit fees, look at cities such as Ft Collins, CO - how they've revitalized downtown and have managed growth.

3/09/2021 06:35 PM

This process (not the survey itself) is cumbersome for non-techies, particularly figuring out if I was looking at the "storymap" (whatever that is) and then finding the survey - seems to require lots of tabbing & clicking & often finding myself back on the same page. I appreciate text boxes for explanations as everyone's situation is a bit different. Good luck bringing more affordable housing to Oly; I want my kids to be able to live here - just not with me!

3/09/2021 06:39 PM

For many of these questions I indicated some support. However, in some cases I didn't really feel like I knew enough about the question to give more than a tepid response. I definitely support things like backyard cottages, and getting rid of CCRs that that require a minimum house size. I don't think I support developments that are all low income. If I were low income, I'd want to live in the same neighborhoods as everyone else, not in the special "poor peoples" neighborhood. I'd rather see small homes built well and sustainably that big cheaply built developer projects. I like to see projects with character, and I'm wary of developers trying to make a buck. Finally, I absolutely do not support that the city's shoreline master program allows for development of housing along sensitive shorelines. Shorelines should be protected and accessible to ALL. I re ignite that population growth is inevitable and we will have more density. Let it be small, good quality, have character and integrate low income everywhere

3/09/2021 07:54 PM

Housing is a basic need. We need more density, and assistance for low-income citizens. Home ownership isn't the goal. The goal is decent shelter for those who lack it.

3/09/2021 08:39 PM

Remove height restrictions, abolish single-family zoning, make it easier to build rowhouses, mixed use buildings, and affordable condos everywhere. Encourage architectural diversity, invest in better mass transit and pedestrian-centered spaces.

3/09/2021 09:24 PM

Encourage options such as Community Land Trusts/Housing Trust that keeps the land ownership with the Trust and the home ownership with the resident as a long-term affordable housing option. Also models of low-income or supported housing rentals that allow for residents to build equity - <https://renterequity.org/>. Other cities have used these strategies successfully. We must get people out of tents and into decent housing. And it is my hope that we keep a diverse mix of housing to keep Olympia affordable and able to keep a creative, quirky mix of residents who are able to follow their passions. We risk becoming a wealthy enclave as developable land shrinks in the region. I hope we can remain welcoming to all.

3/09/2021 10:59 PM

Hey. So I don't know if you really read these comments. But I was born down town 40 years ago. I've lived in Olympia almost my whole life. I currently live in a tiny house with my toddler during this unending pandemic. I'm on disability and can't even afford an apartment on the \$1014 I get a month, so building this tiny house was my last option to staying connected to my support network. What I really need to happen is for y'all to relax all the rules about tiny homes and just let folks live. It's already stressful, but having to worry about code enforcement or some other bs rule just makes things harder. Y'all literally building 8' boxes for folks to live in, but when I try to buy a tiny sliver of land I'm told I can't park my house on it with out a ton of inspections. I'm literally one step away from homelessness and y'all just gotta make things harder.

3/10/2021 08:43 AM

It's simple. The more the city attempts to regulate free market the more expensive and difficult it becomes to build. If the city would pull their nose out of people's business in regards to what they can build on their properties, how much the gouge for permits, and other requirements such as off street parking, impenetrable surface, and mole studies there would be much more housing available at various levels of price.

3/10/2021 09:11 AM

Please help people afford single family housing over building developments for low income or high income.

3/10/2021 10:26 AM

As much accountability as possible for everyone involved in the process

3/10/2021 10:42 AM

There is a program in New York where they're using the Land Trust model of land acquisition to provide housing (i.e. a Housing Trust). A non-profit can receive grant funds to acquire land where affordable housing can be built. The title/deed on the property would have a restriction that the property can only be used for affordable housing. It's an interesting model that I did not necessarily see captured above. These are complex problems that require sometimes complex solutions so thank you for all you're doing! Some of these ideas are great and I haven't been able to give them much thought, so many of my answers are first instinct. Thanks again!

3/10/2021 11:30 AM

Take a look at existing environmental permitting regulations (EIS, SEPA, EJ) and require a review/analysis of current cultural/community demographics to



ensure new/redevelopment doesn't unjustly impact the existing community. When there is a focus on building expensive fancy dwellings for investment return, the existing community is inadvertently impacted by rising costs (home values and taxes). And eventually the old community gets forced out.

Thanks!!!!

3/10/2021 11:45 PM

Clean up our once lovely city. It is a disgrace, health problems, and eye sore ----- and, we are the Capitol!!!!!!! Pay the homeless \$5.00 (maybe by the pound) to cleanup their camp sites.

3/11/2021 07:57 AM

We should be creating as much density as possible downtown and in surrounding neighborhoods. Lots of units inside big buildings are the most cost effective and environmentally sound way to increase housing supply. Locating these buildings close to downtown helps to create that feedback loop of jobs creation close to homes, and we can stop planning our cities for cars instead of people.

3/11/2021 09:35 AM

More housing downtown for many income levels

3/11/2021 10:05 AM

Please address the lack of safety that is now becoming a "norm" in the Olympia area due to the ever increasing homeless population. Driving through the city there is trash visible in areas which used to be encampments and have since been abandoned. My kids and I routinely run into needles on our walks/bike rides that are just thrown into the sidewalks and/or streets. It's important to provide housing for people in need, but it is equally important to maintain working families in the area and not reduce their home values which those same families worked hard to attain.

3/11/2021 10:26 AM

Stop building million dollar apartments. Stop prioritizing money over people. Stop trying to give people money for having to care about other people and calling it "incentives." Developers shouldn't shouldn't richer while others here suffer. Stop fawning over development, stop accepting money for deals, and give the city back to the people.

3/11/2021 01:31 PM

I am glad you realize that affordable housing in Olympia, Lacey, Tumwater is impossible to find. I have personally experienced this. I am very fortunate to live in an apartment with one roommate in apartments that are "low income". However I pay 50% of my income on rent and utilities. Get this, a 2 bed, 2 bath apartment that is quite old and kind of shabby is \$1029 in rent. I pay half of that and have to put up with a roommate when I would prefer to not have one. Also there is a huge problem, from personal experience, that it is very difficult to find housing that will allow a pet. I have one cat. I have spent hours, probably hundreds of hours searching for housing here in this area. I have had to move 3 times in 7 years due to: 1. Owner of house decided to live there, 2. renting a room from homeowner who had a dog that barked constantly, I couldn't even have a visitor, 3. renting a small cabin on property

3/11/2021 02:37 PM

where the owner spied on me and said hateful things to some friends because they looked poor 4. now my roommate whose name the apartment is in is threatening to kick me out because she doesn't like me and she's a racist and I'm not. I only got this living situation because her son knew the manager of the apartments, low income. I pay 50% in rent yet, before Covid, I got \$30 in WA food stamps. Systems are against poor people.

3/11/2021 03:20 PM

New construction should reflect the neighborhood where it occurs. For example, in Bigelow a developer could build a property that has character similar to existing homes, even those 100 years old like mine. Ranch homes, overtly boxy homes, contemporary homes ala the 1960s are not appropriate for Bigelow.

3/11/2021 03:24 PM

Owning a home in Olympia is rapidly becoming unattainable for my household with a gross income of 140K a year because it is outrageously difficult to be financially prepared with a down payment and other related moving/purchasing costs. Help the houseless and low income first, but don't leave the middle class behind. Don't leave the middle class behind, but don't help us at the expense of the houseless and low income People.

3/11/2021 03:50 PM

Many of these questions are coming from a place of misinformation around the housing crisis and the very essence of poverty. It's not about developing more housing, there's largely enough. It's about 1) making those spaces ethically livable and 2) making them affordable. 80% of my income goes towards housing expenses. This includes maintenance because the "affordable" living space I could find with my spouse is full of mold and leaks that go without repair- or we get charged for those repairs that aren't our fault. There needs to be a cap on how much rent can be depending on the square footage. This is also why I don't believe in housing for "multiple incomes." There has to be a standard, or the living conditions will be horrendous. Reducing parking requirements just make the housing inaccessible. Disabled people, like myself, are among the poorest populations. We also need to be able to park closely to our own apartments. Walking is hard. We have limited mobility. Olympia needs a housing plan that focuses on affordability, not development. Development is expensive, but maintenance saves money. It's incredibly basic knowledge every poor person in this city knows, but you haven't been listening to us. You're too busy calling us terrorists.

3/11/2021 04:52 PM

None of this addresses the true issues here. Housing isn't affordable or accessible. So many poor, disabled, and mentally ill individuals are stuck in abhorrent living situations because landlords do not care. There is plenty of physical housing in most cases, however those places that are open are too expensive or are inaccessible. Maybe focus on fixing those issues, not incentivizing more building when it will continue being inaccessible and unaffordable.

3/12/2021 12:03 PM

We neeeeeeeeeeeeeeeeeed emergency housing for the unhoused now. Also, if I'm making over 50k a year I shouldn't have to worry about meeting apartment income requirements, but every one bedroom built in the last 4 years is above my price range. How? Who can afford to live there? Not the

service industry folks that work here.

3/12/2021 01:28 PM

Any of the strategies you develop must address the intersection of landlords denying people housing who have conviction histories. You can build housing all day but if landlords won't rent to people with conviction histories it will not help. We over-criminalize and over-incarcerate communities of color then make laws that allow landlords to pull background checks up to 7 years, locking people out of housing for far too long. Additionally, there is no data to prove that having a record has any bearing on whether a tenant pays the rent or is a good tenant. We have to address this hidden issue.

3/13/2021 05:33 AM

Some of these questions seem to assume one size fits all. The answers I gave might apply to my neighborhood but not others. For example when I am lukewarm about more density or more lower income housing it is because I live in a dense downtown neighborhood with apartments and some housing designated for housing authority use. So I may not support more, but might for other neighborhoods in Olympia. Otherwise had fun with the survey  
Thanks!

3/14/2021 10:42 AM

The City currently seems rather focused on expensive apartment rental development in Downtown Olympia, which is good, but does not provide the needed diversity in housing opportunities. Expensive apartments in the downtown core, and along West Bay Drive, will not get us to where we need to be. The West Bay Yards Development proposal seems really ill conceived and poorly thought out. There are currently pretty unfriendly walking infrastructure on West Bay Drive, there are no public transportation opportunities present, the current road capacity will not support the number of vehicles associated with such a large development, and given it's location people will need to drive to get to the store, work, and everything else. And the overall lack of adequate sidewalks in Olympia's neighborhoods is something that the needs to be prioritized, along with more alternative transportation opportunities. And, unless you work for State Government, there are limited well paying job opportunities in our area, meaning most people need to commute somewhere... How about planning for light rail to come into Thurston County to address this issue that will only continue to get worse as the area grows.

3/14/2021 11:02 PM

I support creating more economically diverse communities through housing policies. I also support all that's being done to facilitate more ADUs. I also agree with construction of many more tiny homes for the unhoused population. I favor developing housing in some or all of LBA Park (won't happen but still wanted you to know there are some Oly residents who live near that park who would strongly support using some of it for mixed income housing and tiny homes.) FYI I grew up on the West side of Oly from 1971 to 1989 so I have seen so so many changes since then. Many are good, some others, not so much, Thank you for seeking our opinions!

3/15/2021 04:13 PM

We live in Thurston County in unincorporated Olympia but are huge supporters of affordable housing initiatives and incentives. We look forward to downsizing in the future and moving closer to the center of town and to

transit routes. Thanks for doing this!

3/15/2021 04:49 PM

We have been residents in Tumwater for almost 6 years and I work in the home inspection business. The lack of housing in Thurston County is a huge concern for my family and many people I work with in the real estate industry. The current market is causing gentrification and exacerbated the homeless crisis.

3/15/2021 04:57 PM

As a business owner downtown I see a lot of luxury apartments going up from urban Olympia that most cannot afford unless they come larger cities with higher income. While the homeless population continues to grow. I think Olympia needs to shift their focus from allowing luxury apartments to helping address the homeless population struggling with housing and mental health. Human beings are living in deplorable conditions with some resources but it's not enough, yet luxury apartments seem to go up and either sit with empty business space on the bottom or empty apartments. This is a huge problem. We need to take care of our community before we build luxury spaces to enhance the aesthetic of downtown. We need more affordable housing, spaces for low income families and better resources to address mental health and rehabilitation. The homeless population is seen as an eye sore when in fact we forget that these are someone's sons, daughters, mothers and fathers. Everyone deserves adequate care.

3/15/2021 07:19 PM

Many landlords require people to make 4-6x the rent in order to be approved to live in the space. I understand they want security that rent will arrive, but that isn't feasible for many people, especially with low wages and an unstable economy.

3/15/2021 07:23 PM

I also support any programs that assist younger first-time homebuyers. The difficulty of buying a house for younger people is significant.

3/15/2021 08:15 PM

Rent caps if the landlord is not investing in or changing/enhancing their properties. Why is it a landlord is able to rent our a shitty 2 bedroom place and constantly up the rent when no investments or changes have occurred?

3/15/2021 10:27 PM

Loans for individuals trying to purchase, maybe who have good credit and can afford a mortgage...but are struggling to get a down payment saved, etc.

3/16/2021 02:29 AM

On Question 16: Providing land or funding to non-profits is good but that can't be the only strategy. The affordable housing shortage is too big for non-profits or faith-based organizations to handle on their own, although they certainly should be part of the mix. It will also need to be government and even regulated private sector operations. Staffing these organizations with the necessary level of talent and resources will take more than shoestring budgets.

3/16/2021 07:09 AM

The cost of trash pick-up coupled with it only coming every other week is a huge financial burden on our family and not being able to afford the giant trash can means we are living with growing piles of trash we cannot afford to throw away. I've never lived in a city where this was a problem and I wish I

had known how much the city of Olympia charges to do so little before moving here.

3/16/2021 07:48 AM

Full strategic dreaming and planning is essential to successful increased development. Don't just increase density without considering our vision for the community. Walkability, access to transit, healthy food options, neighborhood stores, restaurants and other businesses.

3/16/2021 09:09 AM

There needs to be some monitoring and regulations against who can buy up all this new housing. Too many people who already own homes are buying secondary properties to rent out the spaces, trapping lower-income residents into a renting cycle they can't break out of.

3/16/2021 12:57 PM

Whatever plans that are developed or strategies implemented, you have to make it rewarding for the private developer and builder to build low income housing. There is very limited incentive now.

3/16/2021 03:58 PM

I strongly oppose surrendering impact fees to facilitate increased development. Impact fees are to mitigate for development, so cutting impact fees \*and\* increasing development is extremely counterproductive.

3/16/2021 04:12 PM

I am disappointed to see that there is no mention in any of your plans about developing mixed income social housing. Instead it's focused on market housing, financial incentives and isolating poor people in low income areas to be stigmatized and neglected. We need solutions that explicitly move housing and the land under it out of the market. Incentives to convert land into CLTs and financing for turning low density lots into slightly higher density social housing that could be developed locally as well as with existing profit and non-profit developers. The plan feels incredibly limited and reliant on for profit housing developers, tilted towards existing homeowners, and with an eye on financial profits instead of housing people. Not a particularly inspiring plan despite a few decent ideas scattered throughout. Little vision in changing the paradigm about how and why we build what we do. We need much better than this.

3/16/2021 04:25 PM

The city must listen to residents and not developers when making decisions on housing density and policy changes.

3/16/2021 04:50 PM

Yes, Please think about building affordable housing between Eastside St. SE, Union Ave., Plum Street, and I-5. The majority of the property is owned by Vine Street Developers. Allow 9 stories of affordable housing in this area. It will not affect anyone view of the Capitol or Downtown Olympia. At 9 stories, it should pencil out for the developer and provide good affordable housing close to downtown.

3/16/2021 05:08 PM

Neighborhoods that already have a range of affordable housing options - apts, duplexes, and affordable small, older homes - should not be upzoned to increase density. Target increases in density to new developments and existing single-family housing areas.

Many proposals seem to sacrifice what Olympia is, in the hopes of bending

3/16/2021 06:34 PM

the market. Extreme density is a punt maneuver, which will likely only leave us with a still costly—but less desirable—housing stock down the road.

3/16/2021 08:03 PM

The city has failed its residents in every conceivable way. I've been downtown 4 years, nothing has changed. This is going to end up being another few million we sink into planning to make a commission on a study to consider the effects of potentially building an extra 3 tiny homes in 2025. I have no faith or confidence this will produce literally any substantive change.

3/16/2021 08:17 PM

My spouse and I are fortunate - we just bought a home in Oly after renting for a year. We get the keys tomorrow. We sold our home in NE Oly one year ago, planning on renting and then buying when we figured out where our next home should be. The real estate market went BANANAS! We didn't know better or we would have stayed in our previous home. We have lived in Oly for 15 years and were afraid we'd never be able to stay in Oly since prices just kept going up and up this last year during COVID. We put 7 offers on 7 homes. We were outbid by folks with CASH!!! Oly is getting a face lift for sure and it'll be interesting to see how it changes with so many folks coming down from Seattle. The face lift isn't even one of diversity. It feels gentrified. We almost moved to another state and would have if my spouse hadn't a secure job working for the State for 15 years and I didn't own a business of 7 years, which I love. We didn't want to leave, but were willing to leave our secure employment just to find a place to live! Our rental is moldy uninsulated 2 bedrooms and \$1850 a month. Fortunately we were able to continue to work during COVID - but so were a lot of other folks (which is great!) but many of those folks are coming to town and have lots of money to spend on the already very low inventory of homes in Oly - middle income homes. I know we are very lucky - we DO have jobs and aren't suffering as much as many are. We have been able to buy a home. Incredibly. But, Oly is getting squeezed in a weird way that is affecting low and middle income home owners. It feels so smarmy. Like real estate sharks in the waters - not a relaxing place to swim anymore. The home we purchased was at the very edge of our possible price range. We will live and work here until we retire and feel lucky that we could get a home in this crazy housing crisis! But we also look forward to moving since Oly is getting pretty funky - we'll see what happens, we have 15 years to go. Maybe it'll get better - it feels so hostile right now. Like a major disconnect on display. Its capacity is really getting squeezed. I don't understand why we can't use the vacant YMCA to help house and resource folks who need it! When I was young and in need, I lived at the YWCA in Bellingham for 8 months. It was a great resource for good folks in need to help them when people needed a little support. There are so many boarded up shops downtown. It's really strange that the Mistake on the Lake and so many other condos are going up but there's also a pop up shanty village around every green space. I don't get it. The system has really failed us. Someone is getting rich and it ain't the people.

3/16/2021 09:44 PM

I consider equal opportunity for housing, diversity in neighborhoods and nearby transit and shopping to be essential elements in developing solutions to our housing crisis. Even more important, however, is ensuring that

farmland, water sources, shoreline, forest and prairie habitat are "sacrosanct;" i. e. are preserved from development and not fragmented into habitat islands. I also think the increasing vulnerability of western Washington to wildfire due to climate change needs to be a consideration. Thank you to all who have worked long and hard on this planning process!

3/17/2021 08:31 AM

Why is the burden of creating homes for low and no income being placed on non-profits and developers? Why isn't the city and county taking the majority of the responsibility to ensure low and no income housing is developed?

3/17/2021 09:15 AM

In theory it would be great for people to afford housing in the areas they worked in, this would be great to reduce the carbon footprint of our community and provide housing. I see a challenge with this though, it is still the individuals have opportunity costs that they must consider when choosing their profession, and where they want to live. Housing is best served by the free market where there are many suppliers and many buyers. Government intervention in housing prices to drive down the price of housing would likely drive more consumers from other areas to move to our community and purchase the lower income housing, especially with the shift in telecommuting for work.

3/17/2021 09:17 AM

Actually use the multifamily tax exemption for affordable housing projects. Make it less accessible to high-end developers who are displacing low-income tenants downtown by installing expensive investment properties. I understand that this is not a panacea, but I feel like I have heard assurances that we need a "diversity" of housing in every municipal and legislative statement on the topic of housing, and yet somehow exemptions meant to decrease the cost of development serve only to create more market-rate and above-market-rate housing in Olympia. Maybe in order to create a "diversity" of housing it would be helpful to leave market-rate and above-market-rate housing off the table for a couple years - if we focus on lower-income housing exclusively for a little while, maybe we can finally bring these things into balance. It would be great to incentivize development so that we end up with as many Merritt Manors as we currently have Views On Fifths and 123 4ths.

3/17/2021 10:50 AM

In-fill by repurposing/remodeling vacant commercial buildings and commercial-zoned property for low-income and affordable housing, rather than overcrowding already dense housing in established neighborhoods. There is an over-abundance of abandoned or empty commercial space that could be converted to desperately needed housing.

3/17/2021 08:04 PM

These programs you're advocating will destroy neighborhoods

3/17/2021 08:44 PM

Make it easier and more affordable to build ADUs. Review all the fees and reduce as much as possible. Don't make people build little bits and pieces of sidewalks. Also, find a way to tax excess profits when people flip houses or when the market bids up properties so much. Its getting out of control. Also -

STOP GIVING LARGE PROPERTY TAX BREAKS for high end apartments in downtown. As a homeowner I don't like subsidizing property tax breaks for high end housing downtown - by now incentives for that are not needed. I wouldn't mind subsidizing lower income tho. Olympia public works are in shambles - street medians are not maintained, street tree wells are horrible, downtown sidewalks and curbs are broken and dirty. Olympia keeps building bump-outs, roundabouts, medians, etc. but does not keep them up. It makes our town look shabby and ugly.

3/18/2021 09:20 AM

Support progressive tax rates (the top income levels should be paying more). Offer lower property tax rates for families with multi-generational housing (incentivize families to stick together).

3/18/2021 12:37 PM

Housing for all! Our primary goal in life is to help eliminate wealth/cost barriers to home ownership. My wife and I were unable to purchase a home in Olympia for many years. Sadly, my wife's mother passed away in 2017 and we inherited her home. The fact that she was able to give us the gift of home ownership is amazing and truly a blessing. It is the only reason I was able to voluntarily step away from my awesome job with The Olympian and pursue larger opportunities in life and be able to volunteer/contribute more to helping others realize home ownership. If I can't help thousands of folks who dream of buying a home actually realize it, what's the point of all this? I want to help folks get stable housing, gain equity, and be able to start their own businesses to ensure our communities thrive locally and our GDP/GNP grows nationally. Entrepreneurs are the future and I want to flood the market with talented people with amazing ideas/ideals. For a grain of salt, the 41-50% of our income towards our home is entirely voluntarily (we pay x5 the minimums each month to pay off the home quickly). We are fortunate to be in a position like this and will only be able to give back more after we stop paying interest to credit unions, etc. Happy to chat anytime -- 360-870-9975, John Canfield

3/18/2021 01:11 PM

Olympia, Tumwater & Lacey should be developing a housing action plan collaboratively. Independent housing plans for each city, and a separate Thurston county plan is unlikely to address the housing inequity and homelessness. Develop incentives to build Accessory Dwelling Units (ADU) for existing residents who are zoned at a denser residential dwelling units/lot than is currently in use. In particular, property owners who live within Urban Growth Areas. A grant program and low interest loan program that requires renting the ADU once constructed to those with housing vouchers, and includes a reasonable market assessed rental maximum. There must be some assurance at the back end that the property owner will actually collect rent so the system must include a security account. This will avoid 'ghettoizing' low income housing in development tracts, and increase the appeal to property owners to stay if they are collecting rental income and increasing value of their property.

3/18/2021 01:48 PM

Thurston County makes building housing way harder than it should be. Why would someone build in Thurston County when they have to jump through



hoops and wait an unacceptable amount of time to obtain permits!

Additionally, investors and developers don't want to do business in a city that is overrun by drugs, garbage and rioters that are allowed to continue destroying the city. I think that there are many issues that need to be addressed in order to make investing in Olympia a desirable thing.

3/18/2021 03:32 PM

I've only seen luxury style development in town in recent time, I know that some low income housing has also been created as well, but does not in anyway seem like a 1:1 or even 1:2 ratio as it appears we (the city) need it to be. Out of all the solutions listed above, I think it would be most important to require a proportion of all new multi-unit housing secure a certain percentage of low-income/subsidized units. Sending low-income folks to live on the outskirts of town up Martin Way in a humongous subsidized apartment setup can't be the primary direction that we go if we want to reach equality among all the residents of this town.

3/18/2021 05:21 PM

We don't need any more so called market rate or luxury living type housing whatsoever until we are able to catch up to the needs of the majority of the people. The average person in Olympia has an income far below the area median income. We need to stop using this model as it doesn't accurately represent the majority. I was recently literally told that downtown Olympia is better suited for wealthier people because it's on the water and has amazing mountain views by one of the people I managed to actually get on a phone. I wish I'd written down his name, I wanna say Steve, who admitted to me he was new to the area. How dare he imply that the place I grew from was wasted on me as if the systemic poverty I grew up in and live in still somehow has made me blind to the beauty of my home. Downtown Olympia is losing all it's already existing affordable housing. 5 years ago at least half the rentals downtown were either directly subsidized or private owned below market rate. Now 77% is market rate being built with tax credits (MFTE) that the cost of is put off on taxes to the people. This is wrong. Why have we chosen to rubber stamp through these 8 year MFTE developments for already rich people to get richer when they can afford to support the community and still get an MFTE deal under the 12 year MFTE but have to give back for said deal with 20% units held for affordable housing? When the 123 4th avenue building was going in people worried. Gentrification was trying to move in. Mayor Selby said back then, according to an article I saw in Olympian newspaper, that she would be open to more affordable housing in the future, what happened? The city had the option to require the 12 year MFTE. The people are crying out for affordable housing. Trickle down economy isn't working for anyone but those at the top. Start bubbling up. It's what the average salary deserves. No more median income because it isn't representing the majority of the people. And please be aware many people won't even be aware this survey is out so many of the answers you receive will be from connected people who don't necessarily have the community at large in mind. I'm thinking downtown association, rotary club, etc. . those who want to gentrify because they will pad their already fat pockets. Please stand up for the true majority of the people's needs not the wants of bigger

pockets.

3/18/2021 08:38 PM

It would have been nice to have known a year or so ago, that you were working on a plan such as the one we have now been made aware of - and I found out about it from someone on the Nextdoor Neighborhood Blog, just this evening (3/18/21)! I did not find out about it from The Olympian, or any of the mayors of the towns involved in the process...

3/18/2021 10:04 PM

The problem Olympia has is it is becoming such an unsafe environment not only due to homeless, but to radical opinions that hard-working people will continue to avoid it due to safety issues. Nothing in this survey addresses this.

3/18/2021 10:35 PM

Low income housing is well intentioned and yet so misguided. Please stay out of the real estate market in our great little city!

3/19/2021 10:08 AM

Infill of existing residential areas is preferable to expanding into currently undeveloped or low development areas

3/19/2021 01:52 PM

The last thing this city needs is more "low income housing" where it is starting at 1200 a month for a studio And really the other last thing this city needs is more high rise condos that are topping out on Tacoma/Seattle prices and just sitting vacant except for the squatters. How about the city focus on the middle class? Those that are holding this city together? Stop pandering to bend over backwards to give handouts based on the middle class's taxes.

3/19/2021 06:20 PM

Improved availability and access to mental health services is critical for a portion of the homeless population. I am also committed to creating housing for homeless women and children and feel this population should be a priority. Studies show that foster children that leave placement and become homeless reduce their risk for chronic homelessness if they can find stable housing soon after becoming homeless.

3/20/2021 09:12 AM

We also need to take care of the mental health issues that live on our streets. If we can help the people who can work and be part of the community that is a start but the people who have mental health and drug issues that cannot work/or won't participate in making a better community need a place to be so that they are safe, fed and warm and not sitting on the corners or in tents discarding garbage and drug paraphernalia and stealing from business and families that work hard for their money. The tax payers have to look at or pay to clean up their mess. If they are not willing to get help then they need to move on to another city besides Thurston County. This all started in the 1990's when they shut down our mental health institutes because they were not "Humane" I don't think what we are seeing now is humane, at least there they had medication, food, a bed to sleep in and were housed and yes that was a better use of our tax dollars.

3/21/2021 12:42 PM

Affordable housing won't be built by private developers because there's not enough profit. The newly adopted Housing policies are incentivizing developers to buy lots in the City to tear down or renovate houses so they

can make a profit, as shown by the increased valuations for land on the West side and concomitant devaluations of structures. My daughter can no longer afford a home in Olympia. The City is prioritizing any kind of development. That is WRONG. The City is prioritizing profit driven development and has been captured by development and commercial forces to the detriment of its citizens. That is WRONG. The City should prioritize diverse income housing in all neighborhoods and not allow any tax breaks for market rate housing.

3/21/2021 03:33 PM

Over regulation & huge fees are the main cause of this problem. Private enterprise, without such expensive regulation will provide adequate housing for all. Government doesn't belong in the housing business- have you learned nothing from the huge government "projects" in the past. They create misery for all.

Density is good but the devil is in the details.

3/21/2021 07:00 PM

We have a housing crisis which severely impacts low income citizens. This needs to change but not at the expense of destroying the environment.

3/21/2021 07:14 PM

Rely less on "incentivizing": the private sector by reducing their fees and taxes and redirect their tax revenue to subsidizing housing. Developers will build here without the subsidies and they won't build lower income housing. Protect low-density neighborhoods. They are not a problem, they are a defining strength of Olympia. Increase lower-income and density by fostering increased construction of ADU's. They can be made to be compatible with SF neighborhoods. While you plan for a future population, think about respecting the people who live here now and who made Olympia a place that others want to live in the future.

3/21/2021 08:22 PM

Thank you for your time:)

3/22/2021 02:00 PM

We need to develop with the future of the environment in the forefront of our thinking. You talk about a lot of incentives for the developers ~ what about for the good of humanity? Or for the good of our community? I believe we must be transparent when we're talking about profit margins. I'm a bit tired of developers walking away with a payload while the rest of us deal with their mistakes ~ especially in terms of infrastructure. Please, let us develop with a high level of forethought. Thanks!

3/22/2021 03:19 PM

Do not wall off our waterfront, with buildings. Invest in open space. Whatever is done for housing/increasing density needs to be paired with open space, parks, walking paths. Quality of environment, quality of life. Cut the light pollution, dim and hood street lights. Thanks for asking for my input.

3/23/2021 11:17 AM

I think the City of Olympia would be a great candidate for a pilot program of Universal Basic Income (UBI) so that the homeless population could afford rent and the UBI would go back into the local economy. I also believe that

3/24/2021 08:57 PM

tiny house villages that are rent to own could be a great low income option. Not in a religious facility and not regulated like the other free tiny house villages for the homeless. These would be geared toward single workers and low income households. What incentives are there for making the building more eco friendly? Can the city encourage low flow toilets, energy efficient appliances etc. Are there incentives for hiring local contractors and shopping from local lumber/building supply stores and keeping the money even more local that way? I would love to be involved further with helping address Olympias housing and homeless crisis. Please feel free to reach out at glory805@gmail.com. Thank You, Glory Nylander

3/25/2021 12:49 PM

When it's time to downsize (soon!), we would strongly consider cooperative housing or townhouses, particularly if there were high quality options. New development should be very dense and located close to major transit routes.

3/25/2021 12:58 PM

MORE ASSISTANCE FOR THE UNHOUSED POPULATION. The cost of living is too high here for even just a tiny studio apartment! i would be homeless if I didn't live with my sister.

3/25/2021 01:11 PM

Much of the pressure on housing costs in Olympia is being driven by Seattle/King County not providing enough affordable housing. It's bad for us here in Olympia from both a housing and transportation perspective as a result. I urge you to work with Seattle and King County, through the courts if necessary, to take responsibility for and fix their housing issues. No matter how much additional housing you create here in Olympia, you will never satisfy the demand until Seattle/King County fix their issues first

3/25/2021 02:59 PM

The housing crisis in Thurston County is acute and worsening each year. Property taxes are out of control and my adult children with govt jobs are unable to afford most houses or find affordable housing for rent. Not sure what the solution is but this action your organization is embarking on is a good starting point.

3/25/2021 03:37 PM

Most people start out renting apartments/homes and have roommates until they have worked themselves up financially to owning homes. Home ownership is not a right, it is a goal. High density causes infrastructure problems with traffic, pollution, schools, etc. Cutting down every tree and building on every foot of land is not smart planning. The best way to help the homeless (that are committed to helping themselves) is by getting them into apartments and helping them get work. Things earned are appreciated, free is not.

3/25/2021 03:37 PM

My family and I know how fortunate we are to have stable housing in a lovely neighborhood. The economic disparities in our community continue to grow and we (our city, county, state, and federal governments) have to quickly take steps to create more opportunities for all people to have stable housing.

3/25/2021 03:38 PM

Increase the level of police funding to keep all neighborhoods safe from theft, drugs, vandalism, and other crimes.

- 3/26/2021 07:29 AM  
Until Affordable Housing is offered to Working Class, the cycle of real poverty- those who pay outrageous rents every month- will never be broken. There is no way a person making \$80K can buy a \$375,000 house and then be expected to fix it up. That's what this market demands. 'Affordable Housing' isn't a term for Transients- it's for people who have worked everyday and are productive in your community.
- 3/26/2021 08:27 AM  
Reduce requirements for fire sprinklers in new ADUs. Reduce fees for ADUs - keep making it easier for homeowners to establish them.
- 3/26/2021 08:28 AM  
I would like to see incentives for developers to include a certain percentage of low-income units but only if they keep them that way for at least 20 years, to be reviewed at that time for possible changes. Making it anything less than that incentivizes landlords finding ways to kick low income tenants out as soon as they know they can start renting the property for more money.
- 3/26/2021 08:36 AM  
My biggest worry about developing more affordable housing is that emphasis will be placed on single family home ownership which has been artificially propped up in this country for the last century. I also worry that developing housing for a "variety of incomes" is code for a few low income units and a bunch of middle to high, so it's harder to support statements like that when there is no policy detail attached. I'm also wary of building out when we need to focus on building up. One of the best things Olympia could do is make it easier for ADUs to be built, offer grants or easy loans for homeowners to develop ADUs but with the requirement that the unit must be rented for 10% under market for a certain number of years. We would jump on the chance to build an ADU and gladly rent it, it wouldn't even have to make money, just pay for itself. If the City offered grants for that, it would offset the cost, you could require a rental cap as a condition of the grant, my payment to the bank would be less and I could and would have to, charge someone less rent. Especially if it wasn't a huge hassle to build them, the city could even offer 3 pre-approved building plans.
- 3/26/2021 08:55 AM  
I agree with the need to develop new and affordable housing, but I also want to be careful to avoid urban sprawl, especially into natural areas (like Missiom Creek or Scatter Creek).
- 3/26/2021 09:05 AM  
While I understand the need for affordable housing and for high-density housing, I live on the westside and don't believe the current road/traffic infrastructure can support it. We also have already lost a lot of the "charm" of west olympia in recent years. I would rather see more ADUs, single-family, duplex, triplex options as opposed to the HUGE apartment complexes that continue to pop up on the westside. As well as thoughtful development of parks, village-type atmosphere, walkability in high density neighborhoods.
- 3/26/2021 09:18 AM  
Let's keep Olympia blended with many socioeconomic groups.
- I think we need more PUBLICLY OWNED low income housing. Tax credit
-

3/26/2021 10:41 AM

housing is inadequate for very low incomes.

3/26/2021 05:11 PM

There needs to be more affordable housing in Olympia but development and building more homes I dont see as the answer. Take vacant buildings and make them affordable housing. Like the big building by Bayview and Capitol Lake.. that would have been GREAT affordable housing, close to the bus stops and many downtown jobs. Too much new downtown condos for the wealthy!!!

3/26/2021 05:45 PM

Need more direct funding for low income and homeless individuals to obtain or maintain housing

3/26/2021 09:47 PM

Low oncoming housing needs private green/outdoor space and community gardens. The outdoors as part of a living situation should just be a privilege of wealth. Sidewalks and bike routes need to be part of any housing plan.

3/27/2021 10:32 AM

I think that it would be great to work with developers to build extremely small studios spaces to make affordable, functional, healthy spaces where no subsidy is needed.

3/27/2021 03:21 PM

Olympia is too expensive. Our children will never be able to own houses here. Prices are way overpriced. It's great for us homeowners but terrible for young people. But I can't move either everything is so expensive.

3/28/2021 08:40 AM

I understand there are limitations to what the City can do as opposed to what other levels of government can do (county, state, federal). I support the City taking an active role in educating residents about these constraints and the roles different levels of government play and advocating for changes at these other levels of government which would support more equitable and affordable housing here in Olympia. I would also love for the City to be bold and creative and not rely so heavily on existing dominant models of housing that rely on the market.

3/28/2021 08:56 AM

I am a local Realtor and the biggest is problem that is driving our housing prices up is that there are not enough home's for sale. THE PERMITTING PROCESS, GOPHER LAW, and PERMITTING COSTS are entirely to blame for this issue. The exorbitant permitting costs make it impossible for affordable homes to be built. If it costs \$80,000-90,000 to develop a lot including permits and studies and requirements, then a more expensive house has to be built to help the contractor recover that cost. In addition the amount of time required to get through the permit process and the red tape is making small builders not want to build here and so they build in other counties. This is a fact. This issue has to be addressed to resolve the problem.

3/28/2021 10:53 AM

1. Enact affordable housing/linkage fee. 2. End tax breaks and impact fee discounts on market rate housing.

3/28/2021 02:07 PM

While I support density I do not support new construction in neighborhoods that go far above market rate and that no infrastructure like roads or schools

---

do not match

3/28/2021 04:30 PM

We have too much population, and should not be developing more housing. If we build it, they will come. We need to reduce the population in Thurston County, and all public efforts should be focused on population reduction, not developer subsidies. The best solution to our housing shortfall is to ask Congress to close Joint Base Lewis McChord. That would dramatically reduce pressure on the housing market, reduce traffic on I-5, and reduce certain types of crime.

3/28/2021 06:31 PM

I don't like the "missing middle" plan (now dormant) that would have required re-zoning residential properties to allow 2-, 3- or 4-family housing practically anywhere in the city. Such zoning is appropriate ON A BUSLINE but not on the next two or three blocks out. Denser zoning should be encouraged in places where it would be helpful, that is, in big transportation corridors. The hinterlands (away from the buslines) should be considered "commons," areas that are not being milked for every penny of profit but are there for the benefit of low-income people to pay what they can afford.

3/28/2021 07:34 PM

I think this is already being worked on, but mixed use corridors of 2-4 story buildings on Harrison. Same thing on Pacific in the vicinity of Ralph's. Also would like to see further easing of ADU rules and the ability to include 2 to 4 plexes in most neighborhoods. And while you are at it can you abolish HOAs except for minimum required maintenance of common areas? :)

**Optional question** (180 response(s), 136 skipped)

**Question type:** Essay Question

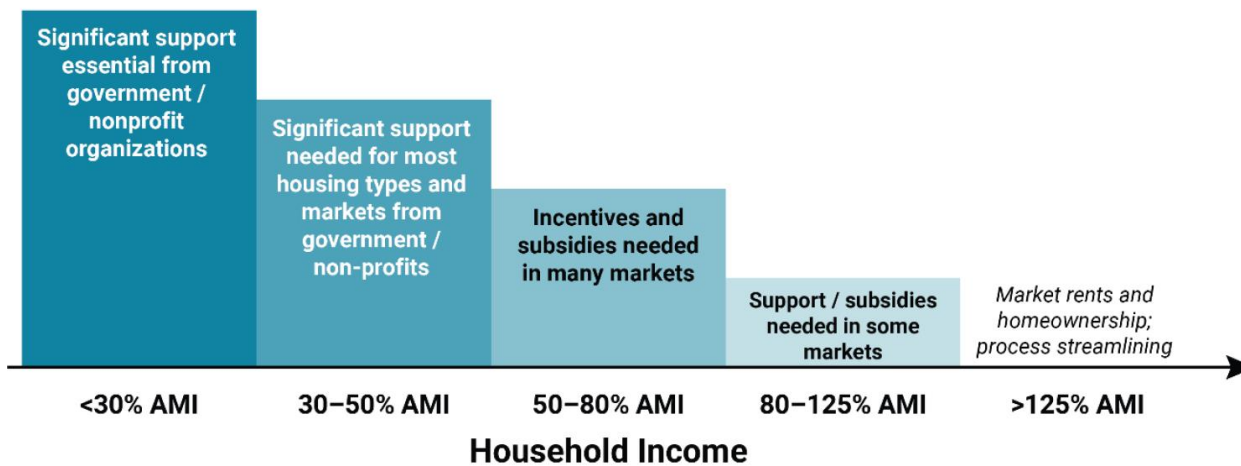
## HOUSING ACTIONS TO ENCOURAGE AFFORDABLE HOUSING FOR VERY LOW INCOME AND WORKFORCE HOUSEHOLDS

The following chart outlines actions from Olympia’s Housing Action Plan that support the maintenance or construction of at or below very low income and workforce housing. Very low income housing is defined as affordable to households earning 60% or less of area median income (AMI). Workforce housing is defined as affordable to households making between 60-120% of AMI.

This chart identifies what income level of affordable housing each action is most likely to support. This chart is not intended to be definitive, but rather to help us think about best applicable tools. Some of the actions marked as supporting workforce housing have potential to help very low income housing development, but since that would not be the main outcome the very low income box is not checked. Some of these tools may also encourage market rate housing affordable to higher income levels. In many cases, as a matter of policy, the action can be narrowed down to apply to a specific income category. Also, in many cases a suite of various actions, rather than just one, will create more impact.

### Different Strategies for Different Incomes

Different approaches are needed to stimulate housing development for different income levels, as the graphic below illustrates:



### Increasing Overall Supply Impacts Housing Costs

Adequate housing supply helps make the overall cost of housing less expensive. When housing supply is limited and demand is high – like we have now in Olympia – housing prices go up across the board. Increasing the overall supply of housing can help with housing affordability, however supply is not the only answer. The Housing Action Plan includes several strategies and actions, including grants, loans, partnerships and incentives to also help improve affordability.

### Transportation Impacts Affordability

Transportation costs are typically a household’s second largest expense. Residents who live in close proximity to rapid transit can reduce or eliminate costs associated with owning a car, thus may spend more on housing and still have it considered affordable. Thus, *where* we encourage housing development also has an impact on affordability.

### Additional Actions in the Plan

The following chart outlines actions that support maintenance or construction of affordable housing. The Housing Action Plan includes additional actions to increase housing supply; promote housing access, stability and preservation; enter partnerships; and engage the public. The Plan also includes a strategy to identify a permanent source of funding for low income affordable housing; the related actions are not specifically included here, however would be considered the means behind providing grants or loans or other actions.



**Potential City Actions that Support Construction or Maintenance of Affordable Housing  
And the Income Level Where Main Impact is Likely to Occur**

Action	# in Plan	Status	At or Below 60% AMI	Workforce (Between 60-120% AMI)	Notes
Provide Grants or Loans	1.b		●		Home Fund can be used for at 60% or below; current target is supportive housing, a specific homeless intervention
Revolving Loan Program for Renovation & Maintenance	1.j		●		City target will be at 50% or below; HUD requires at 80% or lower
Donate or Lease Land	1.a		●	●	
Impact Fee Waiver	1.c		●	●	All units must serve 80% or lower AMI
Density Bonus for Low Income Housing	1.d		●	●	Bonus units must serve 80% or lower AMI
Require Inclusion of Low Income Units	1.l		●	●	
Reduce Parking Requirements	3.i		●	●	Reduces cost of construction
Multifamily Tax Exemption	3.j		●	●	City plans to retool the program and affordability requirements
Lower transportation impact fees near transit	3.a		●	●	
Deferral of impact fees	3.b		●	●	Helps development reduce loan interest fees
Modular Homes Allowed	4.e		●	●	
Relax ground floor retail	3.e		●	●	Reduces barrier to low income housing in mixed use areas
Review Fees/Regulations	3.k			●	Various actions would reduce cost of construction
Adaptive Reuse Plan	3.s			●	
Tenant Improvement Code Modification	3.t			●	Encourages private sector
Strategic Infrastructure Investments	3.u			●	
Increase Allowed Housing Types in Low Density N'hoods	4.f			●	
Allow Single Room Occupancy in Multifamily Zones	4.h			●	
SEPA Planned Action for Capital Mall	3.q			●	
Increase SEPA Categorical Exemptions	3.q			●	
Simplify ADU requirements	4.b			●	
Preapproved ADU Plan Sets	4.c			●	
Height Bonus	3.o			●	Enabling more units can encourage private sector
Reduce setbacks, increase impervious surface	3.c			●	Enabling more units encourages private sector
Reduce minimum lot size	3.d			●	Enabling more units encourages private sector
Increase lot coverage				●	Enabling more units encourages private sector

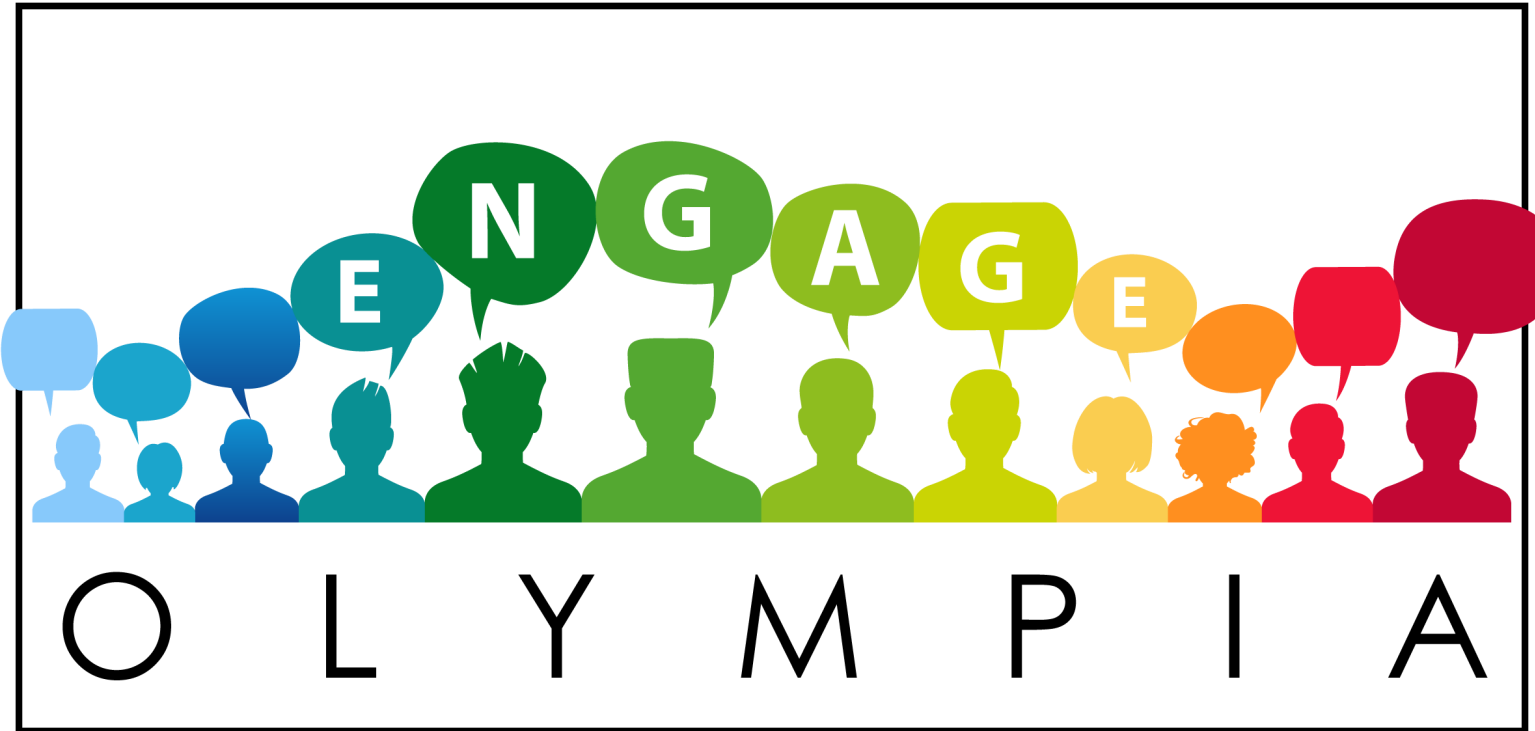
= Action has been implemented      = Underway or Partially Implemented



Select Language



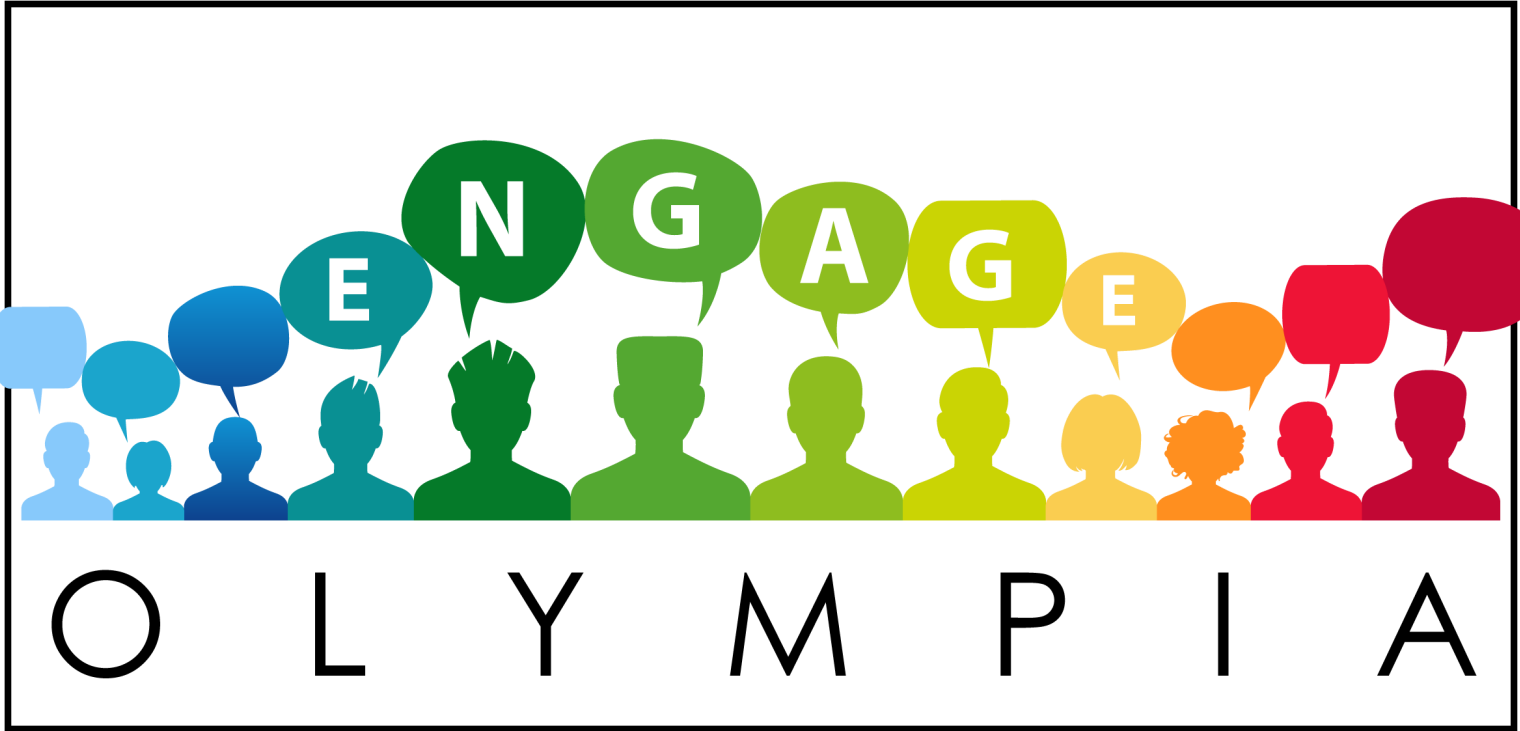
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# Housing Action Plan



## What's happening?

The City of Olympia is developing a Housing Action Plan to identify actions it can take to increase the supply, diversity and affordability of housing.

This is a continuation of ongoing work. Some of Olympia's previous actions include a voter-approved Home Fund to create permanent supportive housing, adopting more flexible codes to encourage accessory dwelling units and a tax exemption to incentivize the development of multi-family housing.

**[Learn more by reviewing this storymap.](#)** It provides a high level overview of our region's housing needs, identified strategies and how creating new housing fits into Olympia's Comprehensive Plan vision.

## Open House

In case you missed our open house on April 7, you can view the presentation and question/answer period below. The presentation provides a high level overview of the strategies and actions proposed to meet Olympia's housing needs. The FAQ is posted in the right column of this page. Thanks to everyone who attended.

- [View the recording](#)

## More information

In 2019, the Washington State Legislature passed HB 1923, aimed at encouraging cities planning under the state Growth Management Act to take actions to increase residential building capacity. These actions include developing a housing action plan "...to encourage construction of additional affordable and market rate housing in a greater variety of housing types and at prices that are accessible to a greater variety of incomes, including strategies aimed at the for-profit single-family home market."

Funded by a state grant and in recognition of the cross-jurisdiction need for affordable housing, the Cities of Lacey, Olympia, and Tumwater choose to collaborate with Thurston Regional Planning Council to develop a draft Housing Needs Assessment and draft Action Plan. The Needs Assessment projects housing needs over 25 years and provides important demographic and market data to guide our actions. The draft Housing Action Plan identifies strategies and a menu of potential actions; it is intended as a draft for the cities to use in developing individual housing action plans. We also conducted a survey of landlords and rental property owners to better understand housing costs.

Between January 15 and June 15, each city is carrying out their own public review process to identify actions to include in their city-specific plans. Although we are each adopting a separate plan, some of the actions may be approached regionally by all cities working together.

The Olympia Planning Commission held a public hearing on May 17 and has prepared a summary letter for the City Council.

- [View the summary letter](#)

# Next steps

The City Council will review the draft plan on June 22.

- [View the proposed Olympia Housing Action Plan](#)

<b>SURVEY</b>	<b>COMMENTS</b>
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CLOSED: This survey has concluded. See document Library for survey report.

## Housing Survey

The survey closed on Sunday, March 28.

Take Survey



### Who's Listening

#### Amy Buckler

Strategic Projects Manager  
City of Olympia



**Phone** (360) 280-8947

**Email** [abuckler@ci.olympia.wa.us](mailto:abuckler@ci.olympia.wa.us)

### Documents

[Olympia Housing Action Plan \(Proposed\) \(3.42 MB\) \(pdf\)](#)

[Engage Olympia Housing Survey Report \(807 KB\) \(pdf\)](#)

[Housing Needs Assessment \(1.88 MB\) \(pdf\)](#)

-  [Key Olympia Data \(484 KB\) \(pdf\)](#)

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-  [Landlord Survey \(1.48 MB\) \(pdf\)](#)

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-  [Issues Affecting Housing Availability and Affordability \(5.91 MB\) \(pdf\)](#)

[more..](#)

## Lifecycle



### Assessment of regional housing needs

Spring-Fall 2020



### Regional stakeholder committee input

Summer/Fall 2020



### Regional Housing Forum

January 2021



### Regional Housing Action Plan & Landlord Survey

Fall/Winter 2020/21



### Online public feedback

March 2021

Explore the storymap and take a survey



### Public Open House (online)

April 7, 2021, 5-6:30 pm

Learn more about Olympia's housing needs, strategies and proposed actions. Participants must [register in advance](#).



### Public comment period

April/May 2021 Provide written comment to help shape action priorities. Also, there will be a State Environmental Policy Act (SEPA) comment period.



### Planning Commission Public Hearing

Monday, May 17, 6:30 p.m.

**Land Use & Environment Committee Update**

May 27, 2021

**Land Use & Environment Committee Recommendation**

June 17, 2021

**City Council adoption**

June 2021

**FAQs**

What is affordable housing? Is that the same thing as low-income housing?

---

What is the relationship between living in close proximity to transit and housing affordability?

---

Can you explain what the City considers to be frequent transit?

---

You report that wages are not rising at the same pace as housing costs. Does the plan address wages?

---

What do impact fees fund and how do these mitigate the impact?

---

There are Impact Fee Exemptions for some new housing units. Who pays for the schools, streets, and parks needed to serve these new housing units?

---

What is the Multifamily Tax Exemption (MFTE) and how is it being used?

---

One of the potential actions in the Plan is a Tenant Opportunity to Purchase ordinance (TOPO). Would this be optional for the builder/owner, or is participation mandatory?

---

What public incentives or subsidies are available in Olympia to encourage low-income housing?

---

Rather than reducing parking requirements, has the City considered building stacked garages for parking, or units with parking below, and the housing above?

---

What is the City doing to encourage accessory dwelling units?

---

Has the City considered allowing Tiny Houses on Wheels as a form of an Accessory Dwelling Unit?

---

How many houses of all kinds should we be building per year? How are we doing at providing the units needed to meet our population growth and demographics?

---

Does Olympia allow single-room occupancy units?

---

Does Boardwalk Apartments downtown still subsidize seniors? I thought their tax incentive ended 4-5 years ago.

---

Are there opportunities for disabled and low income individuals to get into homeownership and help with down payments?

---

What kind of opportunities exist for converting empty commercial spaces around town into housing? Are there any state/federal grants available to help make this happen?

---

Is there going to be any use of the American Rescue stimulus going to be used towards housing and what is the city planning to do in regards with that?

---

Why does the City of Olympia mandate sprinklers in new developments?

---

Will low-income housing be cheaply made?

---

How is Home Fund being used to address homelessness?

---

Is there a way neighborhoods can help the City to increase affordable housing?

---

Why can't I house a person in a temporary RV on my property?

---

What are the main reasons for lower levels of housing production (relative to population)?

---

How is racial equity addressed in this Plan?

---

Can the city require developers to include affordable units in multifamily units?

---

What is the City doing to encourage more energy efficiency?

---

Are camps are considered "households"?

---

Does the plan separately address manufactured housing. Inside manufactured housing communities or outside?

---

Who comprised the stakeholder committee for the Housing Action Plan?

---

How are builders encouraged to build a variety of types of housing rather than just the large, single family homes that seem to be the dominant type of construction?



What is the plan to address the homeless crisis? I don't see that in this plan.

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## City Council

### **Executive Session Pursuant to RCW 42.30.110 (1)(b); RCW 42.30.110 (1)(c) - Real Estate Matter**

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 9.A  
**File Number:**21-0621

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**Type:** executive session   **Version:** 1   **Status:** Executive Session

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**Title**

Executive Session Pursuant to RCW 42.30.110(1)(b); RCW 42.30.110 (1)(c) - Real Estate Matter