



Meeting Agenda

City Council

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Tuesday, December 13, 2016

7:00 PM

Council Chambers

1. ROLL CALL

1.A ANNOUNCEMENTS

1.B APPROVAL OF AGENDA

2. SPECIAL RECOGNITION

2.A [16-1385](#) Special Recognition - Honoring Thurston County Commissioner Sandra Romero

2.B [16-1386](#) Special Recognition - Honoring Thurston County Commissioner Cathy Wolfe

2.C [16-1384](#) Approval of a Resolution Declaring Olympia a Sanctuary City

Attachments: [Proposed Sanctuary City Resolution](#)
[1985 Resolution Regarding Central American Refugees](#)

3. PUBLIC COMMUNICATION

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

During this portion of the meeting, citizens 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 three (3) 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 COMMUNICATION (Optional)

4. CONSENT CALENDAR

(Items of a Routine Nature)

4.A [16-1382](#) Approval of December 6, 2016 Study Session Meeting Minutes

Attachments: [Minutes](#)

4.B [16-1381](#) Approval of December 6, 2016 City Council Meeting Minutes

Attachments: [Minutes](#)

4.C [16-1021](#) Approval of Antenna Lease Amendments with T-Mobile West, LLC

Attachments: [Lease Amendment at Log Cabin](#)
[Lease Amendment at Fir Street](#)
[Lease Amendment at Birch Street](#)
[Lease Amendment at Hoffman Court](#)

4.D [16-1360](#) Approval of Special Valuation for 1701 4th Avenue E

Attachments: [Application Form + Expenses](#)
[Special Valuation Pamphlet Abridged](#)
[Special Valuation Guide to Eligible Expenses](#)
[Special Property Tax Valuation Municipal Code](#)

4. SECOND READINGS

4.E [16-1093](#) Approval of Ordinance to Reduce the Speed Limit from 35 MPH to 25 MPH on Capital Boulevard from Olympia City Limits South of Carlyon Avenue North to the I-5 Overpass

Attachments: [Ordinance](#)
[Summary of Traffic Investigation](#)

4.F [16-1155](#) Approval of Ordinance Amending Olympia Municipal Code to Increase Land Use Review Fees

Attachments: [Ordinance](#)
[Proposed Changes](#)

4.G [16-1234](#) Approval of Ordinance Amending School Impact Fees

Attachments: [Ordinance](#)

4.H [16-1243](#) Approval of Ordinance Amending Transportation Impact Fees

Attachments: [Ordinance](#)
[Cost Distribution](#)
[2016 Transportation Impact Fee Update](#)

4.I [16-1258](#) Approval of Ordinance Adopting the 2017 Utility Rates and General Facilities Charges

Attachments: [Ordinance](#)
[Utility Advisory Committee Letter of Support](#)

- 4.J [16-1275](#) Approval of Ordinance Amending Animals Services OMC 6.04.040 and Allowing Authorization to Set Fees through Interlocal Agreement or Resolution
Attachments: [Ordinance](#)
[Interlocal Agreement](#)
- 4.K [16-1286](#) Approval of Ordinance Adopting 2017 Park Impact Fee Rate Adjustment
Attachments: [Ordinance](#)
- 4.L [16-1313](#) Approval of Ordinance Change to Remove Obsolete Urban Trails Plan Language
Attachments: [Ordinance](#)
- 4.M [16-1317](#) Approval of Ordinance Adopting the 2017 - 2022 Capital Facilities Plan (CFP) and Appropriating Funds for 2017
Attachments: [Ordinance](#)
[Changes - Preliminary to Final](#)
- 4.N [16-1325](#) Approval of Ordinance Appropriating 2017 Special Funds
Attachments: [Ordinance](#)
- 4.O [16-1316](#) Approval of Ordinance Adopting the 2017 Operating Budget
Attachments: [Ordinance](#)
[Finance Committee Recommendations](#)

4. FIRST READINGS

- 4.P [16-1209](#) Approval of Ordinance Amending Wastewater Regulations for Septic Systems
Attachments: [Ordinance](#)
- 4.Q [16-1356](#) Approval of Zoning Code Amendments Related to Accessory Drive-Through Lanes in the Briggs Village commercial area.
Attachments: [Ordinance](#)
[Drive-Through Context Examples](#)
[Drive-Through Location Options](#)
[Letter of Support](#)

5. PUBLIC HEARING

6. OTHER BUSINESS

- 6.A [16-1378](#) Approval of Olympia 2017 Legislative Agenda
Attachments: [AWC 2017 Legislative Agenda](#)

6.B [16-1370](#) 2016 Year-End Highlights

7. CONTINUED PUBLIC COMMUNICATION

(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. 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 - Honoring Thurston County Commissioner Sandra Romero

Agenda Date: 12/13/2016
Agenda Item Number: 2.A
File Number: 16-1385

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

Title

Special Recognition - Honoring Thurston County Commissioner Sandra Romero

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Recognize outgoing County Commissioner Sandra Romero for her service to Olympia and Thurston County

Report

Issue:

Whether to recognize outgoing County Commissioner Sandra Romero for her service to Olympia and Thurston County.

Staff Contact:

Kellie Purce Braseth, Strategic Communication Director, 360.753.8361

Presenter(s):

Kellie Purce Braseth, Strategic Communication Director

Background and Analysis:

Thurston County Commissioner Sandra Romero began her public service career as an Olympia City Council member in 1989. She was soon after elected to the Washington State House of Representatives for the 22nd Legislative District where she served for 12 years. In 2008, she then won election to the Thurston County Board of Commissioners. As a county commissioner, she has focused on protecting the environment, preserving the community's history and maintaining a quality of life unique to the region.

Attachments:

None



City Council

Special Recognition - Honoring Thurston County Commissioner Cathy Wolfe

Agenda Date: 12/13/2016
Agenda Item Number: 2.B
File Number: 16-1386

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

Title

Special Recognition - Honoring Thurston County Commissioner Cathy Wolfe

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Recognize outgoing County Commissioner Cathy Wolfe for her service to Olympia and Thurston County

Report

Issue:

Whether to recognize outgoing County Commissioner Cathy Wolfe for her service to Olympia and Thurston County.

Staff Contact:

Kellie Purce Braseth, Strategic Communication Director, 360.753.8361

Presenter(s):

Kellie Purce Braseth, Strategic Communication Director

Background and Analysis:

Commissioner Cathy Wolfe was elected to the Thurston County Board of County Commissioners in 2000, after serving eight years in the Washington State House of Representatives for the 22nd Legislative District. She served as chairwoman of the Thurston County HOME Consortium for five years, and was instrumental in working with community leaders to create Quixote Village, a community of cottages that serves homeless adults.

Attachments:

None



City Hall
601 4th Avenue E.
Olympia, WA 98501
360-753-8244

City Council

Approval of December 6, 2016 Study Session Meeting Minutes

Agenda Date: 12/13/2016
Agenda Item Number: 4.A
File Number: 16-1382

Type: minutes **Version:** 1 **Status:** Consent Calendar

Title

Approval of December 6, 2016 Study Session Meeting Minutes



Meeting Minutes - Draft

City Council

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Tuesday, December 6, 2016

5:30 PM

Council Chambers

Study Session

1. ROLL CALL

Present: 7 - Mayor Cheryl Selby, Mayor Pro Tem Nathaniel Jones, Councilmember Jessica Bateman, Councilmember Jim Cooper, Councilmember Clark Gilman, Councilmember Julie Hankins and Councilmember Jeannine Roe

2. BUSINESS ITEM

2.A [16-1305](#) Discussion of Draft Downtown Strategy and Final Review Steps

Senior Planner Amy Buckler noted we are on the fifth step of the planning of the Downtown Strategy Process. She described the public participation process, noting that approximately 3500 citizens participated workshops, online surveys, business forums, stakeholder workgroup meetings, and targeted community meetings .

Ms. Buckler reviewed the steps for a final report and asked the Council to provide guidance to the Planning Commission. She discussed the guiding framework and the isthmus plan. She also discussed the goals of the housing strategy - to promote existing development tools, missing middle code updates, and a coordinated homeless response plan.

She also reviewed several other highlights along with the view shed analysis and recommendations.

Councilmembers asked clarifying questions.

The discussion was completed.

3. ADJOURNMENT

The meeting adjourned at 6:42p.m.



City Hall
601 4th Avenue E.
Olympia, WA 98501
360-753-8244

City Council

Approval of December 6, 2016 City Council Meeting Minutes

Agenda Date: 12/13/2016
Agenda Item Number: 4.B
File Number: 16-1381

Type: minutes **Version:** 1 **Status:** Consent Calendar

Title

Approval of December 6, 2016 City Council Meeting Minutes



Meeting Minutes - Draft

City Council

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Tuesday, December 6, 2016

7:00 PM

Council Chambers

1. ROLL CALL

Present: 7 - Mayor Cheryl Selby, Mayor Pro Tem Nathaniel Jones, Councilmember Jessica Bateman, Councilmember Jim Cooper, Councilmember Clark Gilman, Councilmember Julie Hankins and Councilmember Jeannine Roe

1.A ANNOUNCEMENTS

Mayor Selby noted the City Council met earlier in the evening in a Study Session.

1.B APPROVAL OF AGENDA

The agenda was approved.

2. SPECIAL RECOGNITION

2.A [16-1196](#) Special Recognition - Puget Sound Energy's Downtown Olympia Business Blitz Recap

Thurston County Outreach Manager Christine Hoffman of Puget Sound Energy (PSE) reviewed the outcome of the Small Business Direct Install "business blitz" that took place in downtown Olympia last spring. Through this program small business owners in the downtown received upgrades that assist in lowering energy consumption.

Councilmembers thanked PSE for their efforts in the community.

The recognition was received.

3. PUBLIC COMMUNICATION

Before public comment, Mayor Selby read a statement regarding recent events recent events related to fossil fuel production and distribution.

The following people spoke: Ed Galligan, Tim Sweeney, Clydia Ceeykeadall, Jim Reeves, Eileen McKenzie Sullivan, Bourtai Hargrove, Zoltan Grossman, Jenny Lee, Chris Stearns, Bill Fleming and Michael Cade.

COUNCIL RESPONSE TO PUBLIC COMMUNICATION (Optional)

4. CONSENT CALENDAR

Mayor Selby noted there was a change to item 4.O.

- 4.A [16-1341](#) Approval of November 22, 2016 City Council Meeting Minutes

The minutes were adopted.

- 4.B [16-1358](#) Bills and Payroll Certification

Payroll check numbers 89426 through 89459 and Direct Deposit transmissions: Total: \$3,996,060.32; Claim check numbers 89426 through 89460: Total \$3,996,060.32

The decision was adopted.

- 4.C [16-1244](#) Approval of a Resolution Adopting the 2018-2023 Transportation Improvement Program (TIP)

The resolution was adopted.

- 4.D [16-1292](#) Approval of Jury Resource List Interlocal Agreement

The contract was adopted.

- 4.E [16-1296](#) Approval of Bid Award for McAllister Wellfield Corrosion Control Facility

The decision was adopted.

- 4.F [16-1315](#) Approval of Resolution to Authorize Exercise of Option to Purchase Real Estate Owned by the Dawley Trusts, Commonly Known as Bentrige

The resolution was adopted.

- 4.G [16-1337](#) Approval of 2017 Facility Lease Agreement with Senior Services for South Sound

The contract was adopted.

- 4.H [16-1357](#) Approval of the Disposition of City-Owned Property Located at 815 SE 7th Avenue

The decision was adopted.

4. SECOND READINGS

- 4.I [16-1094](#) Public Hearing on the 2016 Engineering Design and Development Standards (EDDS) Update

The ordinance was adopted on second reading.

- 4.J [16-1240](#) Approval of Ordinance Adopting Permanent Regulations for Cannabis Land Uses

The ordinance was adopted on second reading.

- 4.K [16-1256](#) Approval of Amendment to Ordinance 7039 (Operating Budget)

The ordinance was adopted on second reading.

- 4.L [16-1257](#) Approval of Amendment to Ordinance 7040 (Capital Budget)

The ordinance was adopted on second reading.

4. FIRST READINGS

- 4.M [16-1313](#) Approval of Ordinance Change to Remove Obsolete Urban Trails Plan Language

The ordinance was approved on first reading and moved to second reading.

- 4.N [16-1286](#) Approval of Ordinance Adopting 2017 Park Impact Fee Rate Adjustment

The ordinance was approved on first reading and moved to second reading.

- 4.O [16-1258](#) Approval of Ordinance Adopting the 2017 Utility Rates and General Facilities Charges

The ordinance was approved as amended on first reading and moved to second reading.

- 4.P [16-1155](#) Approval of Ordinance Amending Olympia Municipal Code to Increase Land Use Review Fees

The ordinance was approved on first reading and moved to second reading.

- 4.Q [16-1234](#) Approval of Ordinance Amending School Impact Fees

The ordinance was approved on first reading and moved to second reading.

- 4.R [16-1243](#) Approval of Ordinance Amending Transportation Impact Fees

The ordinance was approved on first reading and moved to second reading.

- 4.S [16-1275](#) Approval of Ordinance Amending Animals Services OMC 6.04.040 and Allowing Authorization to Set Fees through Interlocal Agreement or Resolution

The ordinance was approved on first reading and moved to second reading.

- 4.T [16-1316](#) Approval of Ordinance Adopting the 2017 Operating Budget

The ordinance was approved on first reading and moved to second reading.

- 4.U** [16-1317](#) Approval of Ordinance Adopting the 2017 - 2022 Capital Facilities Plan (CFP) and Appropriating Funds for 2017

The ordinance was approved on first reading and moved to second reading.

- 4.V** [16-1325](#) Approval of Ordinance Appropriating 2017 Special Funds

The ordinance was approved on first reading and moved to second reading.

Approval of the Consent Agenda

Councilmember Hankins moved, seconded by Mayor Pro Tem Jones, to adopt the Consent Calendar. The motion carried by the following vote:

Aye: 7 - Mayor Selby, Mayor Pro Tem Jones, Councilmember Bateman, Councilmember Cooper, Councilmember Gilman, Councilmember Hankins and Councilmember Roe

5. PUBLIC HEARING

Mayor Selby recessed the meeting at 7:55p.m for 10 minutes due to disruption.

Upon reconvening the disruptions continued, Mayor Selby moved, seconded by Mayor Pro Tem Jones, to adjourn the meeting and reconvene at a secure location in room 207 of City Hall to address matters appearing on the Council's agenda.

- 5.A** [16-1093](#) Public Hearing on Capitol Boulevard Speed Limit Reduction

Transportation Project Engineer Dave Smith gave an overview of the proposed speed limit reduction in south east Olympia and highlighted citizen concerns regarding safety in the area. He noted the reasons for a speed limit reduction include safety for walkers and bikers, to maintain consistent speed from SE Olympia to the Farmer's Market and to increase the ability to respond to actions.

Councilmembers asked clarifying questions.

Mayor Selby opened the public hearing at 8:21p.m.

The following person spoke: Mary Beth Lang. Public Works Director Rich Hoey read statements from John Haggeman and Karen Messmer.

Mayor Selby closed the public hearing at 8:26p.m.

The ordinance was approved on first reading and moved to second reading.

- 5.B** [16-1119](#) Public Hearing on the Street Vacation Petition for a Portion of Hillside

Drive SE

City Surveyor Ladd Cluff gave an overview of the Street Vacation Petition from SPS Lands, LLC to vacate an unopened portion of Hillside Drive SE in order to meet development requirements for a hotel. SPS Lands LLC, in lieu of payment, proposes to grant the City an easement and build a pedestrian pathway through the hotel site that will connect to Phase 4 of The Olympia Woodland Trail.

Councilmembers asked clarifying questions.

Mayor Selby opened the public hearing at 8:52p.m.

The following person spoke: Winston McKenna.

Mayor Selby closed the public hearing at 8:54p.m.

Councilmembers discussed the issue further and agreed to postpone the decision until more information is available.

The ordinance was postponed.

6. OTHER BUSINESS

6.A [16-1322](#) Approval of the Parking & Business Improvement Area Board 2017 Budget Request and Review of Five-Year Strategic Plan

Parking & Business Improvement Area Chair Mary Corso discussed the group's proposed budget for 2017.

Councilmembers asked clarifying questions.

The decision was approved.

6.B [16-1306](#) Approval of Smoke and Vape-Free Parks

Associate Parks Director Jonathan Turlove gave background on the issue of smoking in parks. He reviewed a list of Washington cities, to include neighboring jurisdictions, that have made their parks smoke free. He shared some of their experiences in instituting such a policy. Mr. Turlove discussed the recommendations from the Parks & Recreation Advisory Committee and the General Government Committee related to the issue and potential next steps.

Councilmembers asked clarifying questions.

The decision was approved.

6.C [16-1321](#) Approval of Exclusive Negotiation Agreement (ENA) with Big Rock Capital Partners, Inc. (BRCP) for redevelopment of the Former Griswold Property

Economic Development Director Renee Sunde gave an overview of the actions taken

on former the Griswold's property and the Community Renewal Area Planning exploration. She described what an Exclusive Negotiation Agreement is, it's purpose and obligations. Ms. Sunde discussed the plan presented by Big Rock Capital Partners (BRCP), Inc in developing the former Griswold's property. She introduced Ryan Clintworth, Tom Baxter, and Zach Kosturos of BRCP and Garner Miller of MSGS Architects.

Councilmembers asked clarifying questions.

The decision was approved.

7. CONTINUED PUBLIC COMMUNICATION

8. REPORTS AND REFERRALS

Councilmembers agreed to defer reports and referrals to the next meeting.

8.A COUNCIL INTERGOVERNMENTAL/COMMITTEE REPORTS AND REFERRALS

8.B CITY MANAGER'S REPORT AND REFERRALS

9. ADJOURNMENT

The meeting adjourned at 10:16p.m.



City Council

Approval of Antenna Lease Amendments with T-Mobile West, LLC

Agenda Date: 12/13/2016
Agenda Item Number: 4.C
File Number: 16-1021

Type: contract **Version:** 1 **Status:** Consent Calendar

Title

Approval of Antenna Lease Amendments with T-Mobile West, LLC

Recommended Action

Committee Recommendation:

Not referred to a committee

City Manager Recommendation:

Move to approve the Antenna Lease Amendments with T-Mobile West, LLC and authorize the City Manager to sign.

Report

Issue:

Whether to approve the Antenna Lease Amendments and authorize the City Manager to sign.

Staff Contact:

Meliss Maxfield, Water Quality Program and Planning Supervisor, Public Works Department/Water Resources, 360.753.8202.

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

T-Mobile West, LLC has been leasing space from the City of Olympia since 1997. They are requesting to enter into an additional five-year lease term with the City of Olympia.

The properties are located at the Boulevard Road/Log Cabin Water Storage Tank, Fir Street Water Storage Tank, Birch Street Water Storage Tank and Hoffman Court Water Storage Tank.

The City of Olympia enters into these lease amendments with T-Mobile West, LLC as Lessor. T-Mobile West, LLC will compensate the City of Olympia for the ground, antenna, and utilities easement portion of the leases. The Water Utility will receive a total of \$337,293.04 over the next five years. The annual lease rates are consistent with other agencies in our area and other western Washington public agencies.

Wireless telecommunication lease agreements located on City-owned property is consistent with the City's Wireless Telecommunication Master Plan. It promotes co-location possibilities at existing sites and minimizes new tower construction.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Approve the Antenna Lease Amendments with T-Mobile West, LLC. The annual lease provides revenue to the Water Utility's annual operating budget.
2. Do not approve the Antenna Lease Amendments with T-Mobile West, LLC. The Water Utility would lose over \$62,000 in annual revenue. Not approving the lease will also be inconsistent with the City of Olympia's Wireless Telecommunication Master Plan

Financial Impact:

The revenue to the Water Utility from the four leases is \$62,273.44 for the first year. Annual revenue will increase four percent per year for the remaining five years of the lease, with revenue totaling \$337,293.04.

Attachments:

Lease Amendment at Log Cabin
Lease Amendment at Fir Street
Lease Amendment at Birch Street
Lease Amendment at Hoffman Court

AMENDMENT NO. 1

ANTENNA LEASE AGREEMENT

T-MOBILE WEST LLC
2711 Log Cabin Rd. SW
Olympia, Washington 98501
SE05158A/Log Cabin

THIS FIRST AMENDMENT is effective as of the date of the last authorizing signature affixed hereto. The parties to this First Amendment are the **CITY OF OLYMPIA**, a Washington municipal corporation (“Olympia”), and **T-MOBILE WEST LLC**, a Delaware limited liability company, successor in interest to VoiceStream PCS III, a Delaware corporation (“Lessee”). Olympia and Lessee are sometimes hereinafter referred to collectively as the “Parties” and each individually as a “Party”.

Recitals

- A. On October 19, 2005, Olympia and Lessee entered into an *Antenna Lease Agreement* for the Log Cabin Storage Tank Site located at 2711 Log Cabin Rd. SW, Olympia, Washington (the “Lease Agreement”).
- B. The term of the Lease Agreement was to run until October 31, 2010, with the opportunity to negotiate an additional five (5) year term. The Parties acknowledge that the Lease Agreement expired by its terms and Lessee has been a month-to-month tenant under the terms of the Lease Agreement since November 1, 2010.
- C. Olympia and Lessee desire to ratify and amend the Lease Agreement to extend the term of the Lease Agreement with an increase in Basic Rent.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Any capitalized terms not defined herein shall have the meanings ascribed to them in the Lease Agreement.
2. The Parties hereby acknowledge that: (i) Lessee’s antenna facilities have previously operated and continue to operate in the Area on the Property pursuant to the terms of the Lease Agreement, (ii) the Lease is currently valid and in good standing, and (iii) they now desire to amend the Lease Agreement.
3. Section 3 of the Lease Agreement, is hereby amended as follows:

T-Mobile has paid \$15,882.24 for each year from 2010 through 10/31/2016. A 4% escalator has applied to that site since the 2011-12 term, based upon the 2010 extension of the 2005 contract. Accordingly, T-Mobile owes the City \$14,266.92 for the seven years when it did not pay the escalator.

Beginning on or before November 1, 2016, Lessee shall pay rent to Olympia in the sum of Twenty Thousand Ninety-six and 10/100 (\$20,096.10)

annually (“Basic Rent”). Thereafter, the Basic Rent shall be due and payable annually on or before November 1st of each year. The Basic Rent shall increase beginning November 1, 2017, and on November 1st of each year thereafter, by four percent (4%) over the Basic Rent in effect for the immediately preceding year. Therefore, T-Mobile shall pay the City the sum of \$34,363.02 on or before November 1, 2016, to commence the first annual term under this amendment.

In addition to the Basic Rent, Lessee shall also pay to the Olympia Director of Finance & Budget applicable leasehold excise taxes, if any, assessed pursuant to RCW 82.29A and OMC 3.36, at the same time as the Basic Rent. If any Basic Rent payment is not received by Olympia as set forth in the Lease Agreement, as amended, the past due amount shall bear interest at the rate of twelve percent (12%) per annum, or any portion thereof, until paid in full.

4. Section 6 of the Lease Agreement, is hereby amended by adding the following:

The second term of the Lease Agreement shall commence November 1, 2016 and shall run through October 31, 2021. If the Parties wish to extend the term of the Lease Agreement, Olympia and Lessee may enter into negotiations for a five (5) year renewal term of this Lease at least one hundred eighty (180) days prior to the expiration of the term of the Lease Agreement, unless the Parties mutually agree otherwise.

5. Section 8 of the Lease Agreement is hereby amended by replacing the notice address of the Lessee with the following:

T-Mobile West LLC
Attn: Leasing Administrator, Site # SE05158A
12920 SE 38th Street
Bellevue, WA 98006

6. Section 9 of the Lease Agreement is hereby amended by adding the following:

The City of Olympia is developing engineering standards for telecommunications equipment at drinking water utility sites. Those standards are expected to be formally adopted in 2016, as measures which are essential to public health, safety and welfare. The adopted standards will be applicable to new applications for building and related permits for new or modified installations of telecommunications equipment at drinking water utility sites.

7. The Parties hereby ratify and reaffirm the Lease Agreement. The Parties hereby confirm that the Lease Agreement, as amended by this First Amendment, remains in effect.

8. All remaining provisions of the Lease Agreement not here amended or supplemented shall remain as written in said Lease Agreement, and shall continue in full force and effect.

9. This First Amendment may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one instrument. The Parties agree that a scanned or electronically reproduced copy or image of this First Amendment bearing the signatures of the Parties hereto shall be deemed an original and may be introduced or submitted in any action or proceeding as competent evidence of the execution, terms and existence of this First Amendment notwithstanding the failure or inability to produce or tender an original, executed counterpart of this First Amendment and without the requirement that the unavailability of such original, executed counterpart of this First Amendment first be proven.

10. Each Party hereto represents and warrants to the other that all necessary corporate authorizations required for execution and performance of this First Amendment have been given and that the undersigned officer of each Party is duly authorized to execute this First Amendment and bind the Party for which it signs.

IN WITNESS WHEREOF, the Parties, having read the foregoing and intending to be legally bound hereby, have caused this First Amendment to be executed by their duly authorized representatives as of the date(s) written below.

CITY OF OLYMPIA

By: _____
Steven R. Hall
City Manager
P.O. Box 1967

Date: _____

APPROVED AS TO FORM:



Mark Barber
City Attorney

T-MOBILE WEST LLC

By: 

(Signature)

Philip Hankins

(Printed Name) Sr. Area Director
Network Engineering & Operations

Its: _____
(Title)

Date: 11/17/16

**Melanie K.
Kiely**

Digitally signed by Melanie K. Kiely
DN: cn=Melanie K. Kiely, o,
ou=Legal Affairs,
email=melanie.kiely@t-
mobile.com, c=US
Date: 2016.11.01 11:59:35 -07'00'

AMENDMENT NO. 1

**ANTENNA LEASE AGREEMENT
T-MOBILE WEST LLC**

707 Fir Street
Olympia, Washington 98507
SE05016C/Fir (Olympia H2O)

THIS FIRST AMENDMENT is effective as of the date of the last authorizing signature affixed hereto. The parties to this First Amendment are the **CITY OF OLYMPIA**, a Washington municipal corporation (“Olympia”), and **T-MOBILE WEST LLC**, a Delaware limited liability company, successor in interest to Western PCS BTA I Corporation, a Delaware corporation (“Lessee”). Olympia and Lessee are sometimes hereinafter referred to collectively as the “Parties” and each individually as a “Party”.

Recitals

- A. On November 12, 1997, Olympia and Lessee entered into an *Antenna Lease Agreement* for the Fir Storage Tank Site located at 707 Fir Street NW, Olympia, Washington (the “Lease Agreement”).
- B. The term of the Lease Agreement was to run until October 31, 2007, with the opportunity to negotiate an additional five (5) year term. The Parties acknowledge that the Lease Agreement expired by its terms and Lessee has been a month-to-month tenant under the terms of the Lease Agreement since November 1, 2007.
- C. Olympia and Lessee desire to ratify and amend the Lease Agreement to extend the term of the Lease Agreement with an increase in Basic Rent.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Any capitalized terms not defined herein shall have the meanings ascribed to them in the Lease Agreement.
2. The Parties hereby acknowledge that: (i) Lessee’s antenna facilities have previously operated and continue to operate in the Area on the Property pursuant to the terms of the Lease Agreement, (ii) the Lease is currently valid and in good standing, and (iii) they now desire to amend the Lease Agreement.
3. Section 3 of the Lease Agreement, is hereby amended as follows:

T-Mobile paid \$11,000.04, for the period of 1/6/15 through 12/31/15. It paid \$4,583.35 of the \$11,000.04, due for the period of 1/1/16 through 12/31/16. In order to adjust this lease term to the same schedule as other T-Mobile sites, T-Mobile shall pay \$4,583.35 for the period from 6/1/16 to 10/31/16. This payment shall be made on or before 10/1/16. For the term of 11/1/16 to 10/31/17, the rent shall be \$14,333.34 (based upon a \$15,000

annual rate, adjusted to give T-Mobile the benefit of the former \$11,000.04 annual rate for the final two months of 2016). On or before November 1, 2016, T-Mobile shall pay the City \$14,333.34. For the term of 11/1/17 to 10/31/18, T-Mobile shall pay the City \$15,600.00 (\$15,000.00 + 4%). Thereafter, the Basic Rent shall be due and payable annually on or before November 1st of each year. The Basic Rent shall increase beginning November 1, 2017, and on or before November 1st of each year thereafter by four percent (4%) over the Basic Rent in effect for the immediately preceding year.

In addition to the Basic Rent, Lessee shall also pay to the Olympia Director of Finance & Budget applicable leasehold excise taxes, if any, assessed pursuant to RCW 82.29A and OMC 3.36, at the same time as the Basic Rent. If any Basic Rent payment is not received by Olympia as set forth in the Lease Agreement, as amended, the past due amount shall bear interest at the rate of twelve percent (12%) per annum, or any portion thereof, until paid in full.

4. Section 6 of the Lease Agreement, is hereby amended by adding the following:

The second term of the Lease Agreement shall commence November 1, 2016 and shall run through October 31, 2021. If the Parties wish to extend the term of the Lease Agreement, Olympia and Lessee may enter into negotiations for a five (5) year renewal term of this Lease at least one hundred eighty (180) days prior to the expiration of the term of the Lease Agreement, unless the Parties mutually agree otherwise.

5. Section 8 of the Lease Agreement is hereby amended by replacing the notice address of the Lessee with the following:

T-Mobile West LLC
Attn: Leasing Administrator, Site #SE05016C
12920 SE 38th Street
Bellevue, WA 98006

6. Section 9 of the Lease Agreement is hereby amended by adding the following:

The City of Olympia is developing engineering standards for telecommunications equipment at drinking water utility sites. Those standards are expected to be formally adopted in 2016, as measures which are essential to public health, safety and welfare. The adopted standards will be applicable to new applications for building and related permits for new or modified installations of telecommunications equipment at drinking water utility sites.

7. The Parties hereby ratify and reaffirm the Lease Agreement. The Parties hereby confirm that the Lease Agreement, as amended by this First Amendment, remains in effect.

8. All remaining provisions of the Lease Agreement not here amended or supplemented shall remain as written in said Lease Agreement, and shall continue in full force and effect.

9. This First Amendment may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one instrument. The Parties agree that a scanned or electronically reproduced copy or image of this First Amendment bearing the signatures of the Parties hereto shall be deemed an original and may be introduced or submitted in any action or proceeding as competent evidence of the execution, terms and existence of this First Amendment notwithstanding the failure or inability to produce or tender an original, executed counterpart of this First Amendment and without the requirement that the unavailability of such original, executed counterpart of this First Amendment first be proven.

10. Each Party hereto represents and warrants to the other that all necessary corporate authorizations required for execution and performance of this First Amendment have been given and that the undersigned officer of each Party is duly authorized to execute this First Amendment and bind the Party for which it signs.

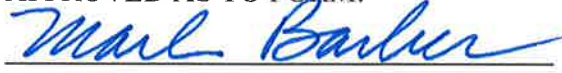
IN WITNESS WHEREOF, the Parties, having read the foregoing and intending to be legally bound hereby, have caused this First Amendment to be executed by their duly authorized representatives as of the date(s) written below.

CITY OF OLYMPIA

By: _____
Steven R. Hall
City Manager
P.O. Box 1967

Date: _____

APPROVED AS TO FORM:



Mark Barber
City Attorney

T-MOBILE WEST LLC

By: 

(Signature)

Phillip Hankins
(Printed Name) **Sr. Area Director**

Its: **Network Engineering & Operations**

(Title)

Date: 11/17/16

**Melanie K.
Kiely**

Digitally signed by Melanie K. Kiely
DN: cn=Melanie K. Kiely, o,
ou=Legal Affairs,
email=melanie.kiely@t-
mobile.com, c=US
Date: 2016.11.04 14:55:22 -07'00'

AMENDMENT NO. 1

**ANTENNA LEASE AGREEMENT
T-MOBILE WEST LLC
505 Birch Street NW
Olympia, Washington 98502
SE05034A/ Capital Mall -TCI**

THIS FIRST AMENDMENT is effective as of the date of the last authorizing signature affixed hereto. The parties to this First Amendment are the **CITY OF OLYMPIA**, a Washington municipal corporation (“Olympia”), and **T-MOBILE WEST LLC**, a Delaware limited liability company, successor in interest to Western PCS BTA I Corporation, a Delaware corporation (“Lessee”). Olympia and Lessee are sometimes hereinafter referred to collectively as the “Parties” and each individually as a “Party”.

Recitals

- A. On June 25, 1998, Olympia and Lessee entered into an *Antenna Lease Agreement* for the Birch Storage Tank Site located at 505 Birch Street NW, Olympia, Washington (the “Lease Agreement”).
- B. The term of the Lease Agreement was to run through July 2008, with the opportunity to negotiate an additional five (5) year term. The Parties acknowledge that the Lease Agreement expired by its terms and Lessee has been a month-to-month tenant under the terms of the Lease Agreement since August 1, 2008.
- C. Olympia and Lessee desire to ratify and amend the Lease Agreement to extend the term of the Lease Agreement with an increase in Basic Rent.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Any capitalized terms not defined herein shall have the meanings ascribed to them in the Lease Agreement.
2. The Parties hereby acknowledge that: (i) Lessee’s antenna facilities have previously operated and continue to operate in the Area on the Property pursuant to the terms of the Lease Agreement, (ii) the Lease is currently valid and in good standing, and (iii) they now desire to amend the Lease Agreement.
3. Section 3 of the Lease Agreement, is hereby amended as follows:

Beginning on or before November 1, 2016, Lessee shall pay rent to Olympia in the sum of Twelve Thousand Eight Hundred Forty-four and 00/100 Dollars (\$12,844.00) annually (“Basic Rent”). Thereafter, the Basic Rent shall be due and payable annually on or before November 1st of each year. The Basic Rent shall increase beginning November 1, 2017, and on

November 1st of each year thereafter, by four percent (4%) over the Basic Rent in effect for the immediately preceding year.

In addition to the Basic Rent, Lessee shall also pay to the Olympia Director of Finance & Budget applicable leasehold excise taxes, if any, assessed pursuant to RCW 82.29A and OMC 3.36, at the same time as the Basic Rent. If any Basic Rent payment is not received by Olympia as set forth in the Lease Agreement, as amended, the past due amount shall bear interest at the rate of twelve percent (12%) per annum, or any portion thereof, until paid in full.

4. Section 6 of the Lease Agreement, is hereby amended by adding the following:

The second term of the Lease Agreement shall commence November 1, 2016 and shall run through October 31, 2021. If the Parties wish to extend the term of the Lease Agreement, Olympia and Lessee may enter into negotiations for a five (5) year renewal term of this Lease at least one hundred eighty (180) days prior to the expiration of the term of the Lease Agreement, unless the Parties mutually agree otherwise.

5. Section 8 of the Lease Agreement is hereby amended by replacing the notice address of the Lessee with the following:

T-Mobile West LLC
Attn: Leasing Administrator, Site #SE05034A
12920 SE 38th Street
Bellevue, WA 98006

6. Section 9 of the Lease Agreement is hereby amended by adding the following:

The City of Olympia is developing engineering standards for telecommunications equipment at drinking water utility sites. Those standards are expected to be formally adopted in 2016, as measures which are essential to public health, safety and welfare. The adopted standards will be applicable to new applications for building and related permits for new or modified installations of telecommunications equipment at drinking water utility sites.

7. The Parties hereby ratify and reaffirm the Lease Agreement. The Parties hereby confirm that the Lease Agreement, as amended by this First Amendment, remains in effect.

8. All remaining provisions of the Lease Agreement not here amended or supplemented shall remain as written in said Lease Agreement, and shall continue in full force and effect.

9. This First Amendment may be executed in any number of counterparts, each of which shall be an original, but all of which taken together shall constitute one instrument. The Parties agree that a scanned or electronically reproduced copy or image of this First Amendment bearing the signatures of the Parties hereto shall be deemed an original and may be introduced or submitted in any action or proceeding as competent evidence of the execution, terms and existence of this First Amendment notwithstanding the failure or

inability to produce or tender an original, executed counterpart of this First Amendment and without the requirement that the unavailability of such original, executed counterpart of this First Amendment first be proven.

10. Each Party hereto represents and warrants to the other that all necessary corporate authorizations required for execution and performance of this First Amendment have been given and that the undersigned officer of each Party is duly authorized to execute this First Amendment and bind the Party for which it signs.


IN WITNESS WHEREOF, the Parties, having read the foregoing and intending to be legally bound hereby, have caused this First Amendment to be executed by their duly authorized representatives as of the date(s) written below.

CITY OF OLYMPIA

By: _____
Steven R. Hall
City Manager
P.O. Box 1967


Date: _____

APPROVED AS TO FORM:



Mark Barber
City Attorney

T-MOBILE WEST LLC

By: 

(Signature)
Philip Hankins

(Printed Name) Sr. Area Director
Network Engineering & Operations

Its: _____
(Title)

Date: 11/17/16

Melanie K. Kiely

Digitally signed by Melanie K. Kiely
DN: cn=Melanie K. Kiely, o, ou=Legal
Affairs, email=melanie.kiely@t-
mobile.com, c=US
Date: 2016.11.04 16:19:32 -07'00'

AMENDMENT NO. 1

ANTENNA LEASE AGREEMENT

T-MOBILE WEST LLC

3920 Hoffman Court
Olympia, Washington 98501
SE05026A / Hoffman WT

THIS FIRST AMENDMENT is effective as of the date of the last authorizing signature affixed hereto. The parties to this First Amendment are the **CITY OF OLYMPIA**, a Washington municipal corporation (“Olympia”), and **T-MOBILE WEST LLC**, a Delaware limited liability company, successor in interest to Western PCS BTA I Corporation, a Delaware corporation (“Lessee”). Olympia and Lessee are sometimes hereinafter referred to collectively as the “Parties” and each individually as a “Party”.

Recitals

- A. On March 2, 1998, Olympia and Lessee entered into an *Antenna Lease Agreement* for the Hoffman Storage Tank Site located at 3920 Hoffman Court, Olympia, Washington (the “Lease Agreement”).
- B. The term of the Lease Agreement was to run through October 31, 2008, with the opportunity to negotiate an additional five (5) year term. The Parties acknowledge that the Lease Agreement expired by its terms and Lessee has been a month-to-month tenant under the terms of the Lease Agreement since November 1, 2008.
- C. Olympia and Lessee desire to ratify and amend the Lease Agreement to extend the term of the Lease Agreement with an increase in Basic Rent.

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Any capitalized terms not defined herein shall have the meanings ascribed to them in the Lease Agreement.
2. The Parties hereby acknowledge that: (i) Lessee’s antenna facilities have previously operated and continue to operate in the Area on the Property pursuant to the terms of the Lease Agreement, (ii) the Lease is currently valid and in good standing, and (iii) they now desire to amend the Lease Agreement.
3. Section 3 of the Lease Agreement, is hereby amended as follows:

Beginning on or before November 1, 2016, Lessee shall pay rent to Olympia in the sum of Fifteen Thousand and 00/100 dollars (\$15,000.00) annually (“Basic Rent”). Thereafter, the Basic Rent shall be due and payable annually on or before November 1st of each year. The Basic Rent shall increase beginning November 1, 2017, and on November 1st of each year thereafter, by four percent (4%) over the Basic Rent in effect for the immediately preceding year.

In addition to the Basic Rent, Lessee shall also pay to the Olympia Director of Finance & Budget applicable leasehold excise taxes, if any, assessed pursuant to RCW 82.29A and OMC 3.36, at the same time as the Basic Rent. If any Basic Rent payment is not received by Olympia as set forth in the Lease Agreement, as amended, the past due amount shall bear interest at the rate of twelve percent (12%) per annum, or any portion thereof, until paid in full.

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5. Section 8 of the Lease Agreement is hereby amended by replacing the notice address of the Lessee with the following:

T-Mobile West LLC
Attn: Leasing Administrator, Site # SE05026A
12920 SE 38th Street
Bellevue, WA 98006

6. Section 9 of the Lease Agreement is hereby amended by adding the following:

The City of Olympia is developing engineering standards for telecommunications equipment at drinking water utility sites. Those standards are expected to be formally adopted in 2016, as measures which are essential to public health, safety and welfare. The adopted standards will be applicable to new applications for building and related permits for new or modified installations of telecommunications equipment at drinking water utility sites.

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and without the requirement that the unavailability of such original, executed counterpart of this First Amendment first be proven.

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IN WITNESS WHEREOF, the Parties, having read the foregoing and intending to be legally bound hereby, have caused this First Amendment to be executed by their duly authorized representatives as of the date(s) written below.

CITY OF OLYMPIA

By: _____
Steven R. Hall
City Manager
P.O. Box 1967


Date: _____

APPROVED AS TO FORM:



Mark Barber
City Attorney

T-MOBILE WEST LLC

By: 

(Signature)
Phillip Hankins
Sr. Area Director

(Printed Name) Network Engineering & Operations
Its: _____
(Title)
Date: 11/17/16

Melanie K.
Kiely

Digitally signed by Melanie K. Kiely
DN: cn=Melanie K. Kiely, o,
ou=Legal Affairs,
email=melanie.kiely@t-
mobile.com, c=US
Date: 2016.11.01 14:35:39 -07'00'



City Council

Approval of Special Valuation for 1701 4th Avenue E

Agenda Date: 12/13/2016
Agenda Item Number: 4.D
File Number: 16-1360

Type: decision **Version:** 1 **Status:** Consent Calendar

Title

Approval of Special Valuation for 1701 4th Avenue E

Recommended Action

Committee Recommendation:

The Heritage Commission recommends approval of the special valuation application for 1701 4th Avenue E.

City Manager Recommendation:

Move to approve the special valuation application for 1701 4th Avenue E.

Report

Issue:

Whether to approve the application for property tax incentives for qualified rehabilitation expenses under the special valuation program.

Staff Contact:

Michelle Sadlier, Historic Preservation Officer, Community Planning & Development, 360.753.8031

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

The City of Olympia participates in the Washington State Special Valuation program, a benefit of having a designated historic property. Following Olympia Heritage Commission review and recommendation for approval, the City Council will make a final decision on whether to approve or deny the submitted application.

The City of Olympia received an application from Tina Roose and Teresa Guajardo for rehabilitation of the Richard & Lydia Stoecker House at 1701 4th Avenue E (Attachment 1). This rehabilitation work was conducted to convert the building from a residential use to a commercial one for use as a health center.

Special Valuation Program

This program provides owners of eligible historic buildings the opportunity to apply for a property tax revaluation following the completion of approved rehabilitation work. This program incentivizes historic preservation by helping offset the costs of work to maintain and upgrade older buildings that typically result in higher property tax values. Following review and approval of expenditures, the property tax is reassessed and the total approved amount invested is subtracted from the new property tax value for 10 years. More information on this program can be found in Attachments 2 and 3.

As outlined in OMC 3.60 Special Property Tax Valuation (Attachment 4), the Olympia Heritage Commission (OHC) performs a full review of each application and its related expenses. The OHC then makes a recommendation to the City Council for approval or denial of the application. Once the City Council approves or denies the application, the Thurston County Assessor is notified of their decision for final processing of the revaluation where approved.

Application for Special Valuation at 1701 4th Avenue E

This application was preliminarily reviewed by the City's Historic Preservation Officer to determine if it meets the requirements for participation in the program. She found that the application meets the preliminary requirements as follows:

- The house is listed on the Olympia Heritage Register;
- The submitted value of improvements is \$461,351.60, which is significantly over the required minimum value of 25% of the building's current property tax valuation of \$182,100.00;
- Submitted expenses meet the definitions provided in WAC-254-20-030 and Internal Revenue Code Section 47(c)(2), described in Attachment 1; and
- All construction work listed in the application has been completed within the required two-year timeframe.

Following this initial review, the OHC's Heritage Review Committee conducted an on-site open public meeting to inspect the rehabilitation work on October 31, 2016. Using the U.S. Secretary of the Interior's Standards for Rehabilitation (Standards), the Committee considered all elements of the renovation work completed by the applicant. As a result of this review, the Committee voted unanimously to recommend approval of all submitted expenses for special valuation based on the Standards.

The Heritage Review Committee's recommendation was presented to the full OHC at its November 30, 2016 meeting. The OHC discussed and supported the Committee's recommendation, passing a motion to recommend approval of the special valuation application and all qualified rehabilitation expenditures as submitted for 1701 4th Avenue E.

In summary, because the applicants have satisfied all of the requirements for the program, the OHC recommends approval of the application for special valuation.

Neighborhood/Community Interests (if known):

Public interest in preserving the places that are important to Olympia's history, culture, and sense of place.

Options:

1. Approve the application.
2. Deny the application with findings of inconsistency with program requirements.

Financial Impact:

Staff time for processing Special Valuation applications is included in the base budget. Approving the application would result in no direct financial impacts to City of Olympia budgets.

Attachments:

Application and expenses
Special Valuation Pamphlet
Guide to Eligible Expenses
OMC 3.60



SPECIAL VALUATION APPLICATION

Attachment 1

OFFICIAL USE ONLY

Case #: 16-9096-P

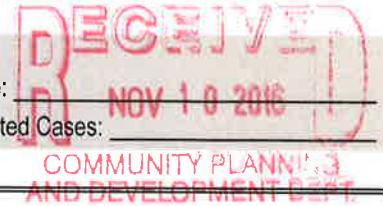
Master File #: _____

Date: _____

Received By: [Signature]

Project Planner: _____

Related Cases: _____



Historical Property Name: RICHARD & LYDIA STOECKER HOUSE
 Property Address: 1761 4th AVE E, OLYMPIA, WA 98506
 Assessor Tax Parcel Number(s): 78700400100

Applicant: TINA ROOSE & TERESA GUJARDO (RAINBOW HEALTH LLC)
 Mailing Address: (SAA)
 Phone Number(s): 360-789-7652
 E-mail Address: roose.tina@gmail.com

Owner (if other than applicant): RAINBOW HEALTH LLC
 Mailing Address: (SAA)
 Phone Number(s): (SAA)

Property Use: Commercial Residential
 Brief Summary of Rehabilitation Work: TENANT IMPROVEMENTS FOR COMMERCIAL CONVERSION

Type of Heritage Register Designation (check all that apply):
 Olympia Heritage Register Designated Individually
 Washington Heritage Register Designated within Historic District
 National Register of Historic Places
 Name of Historic District: _____

- Required Attachments:
- Completed Thurston County Assessor **Application** and Certification of Special Valuation on Improvements to Historic Property (**signed by Assessor**)
 - Table identifying the costs** of each rehabilitation line item by category
 - All **receipts**, grouped by rehabilitation line item category when possible (receipts will be returned)
 - Selection of **"before" photos** if available (digital copies preferred; printed copies & thumb drives will be returned)
 - Application fee** for Historic Rehabilitation Tax Exemption (see Land Use & Planning Application Fee Schedule)

I affirm that all answers, statements, and information submitted with this application are correct and accurate to the best of my knowledge. I also affirm that I am the owner of the subject site or am duly authorized by the owner to act with respect to this application. Further, I grant permission from the owner to any and all employees and representatives of the City of Olympia and other governmental agencies to enter upon and inspect said property as reasonably necessary to process this application. I agree to pay all fees of the City that apply to this application.

Applicant Signature
[Signature]

Date
11/10/16

9-0709-01
07



Application and Certification of Special Valuation on Improvements to Historic Property Chapter 84.26 RCW

ASSESSOR SEP 28 2016 RECEIVED

File With Assessor by October 1 File No:

RECEIVED NOV 10 2016 COMMUNITY PLANNING AND DEVELOPMENT DEPT.

I. Application County: Thurston

Property Owner: Rainbow Health LLC Parcel No./Account No: 78700400100
Mailing Address: 1701 4th Ave. E, Olympia 98506
Legal Description: Section 13 Township 18 Range 2W Quarter NE SW Plat Talcotts Subdivision Blk 4 Lt 1 Document 004/20
Property Address (Location): 1701 4th Ave. E, Olympia 98506
Describe Rehabilitation: Rehab of original 1925 house, including HVAC, floors, electric, windows, exterior & interior painting. Total buildout of empty daylight basement into office suite with new interior entry. Exterior concrete work including foundation drainage pipes.
Property is on: (check appropriate box) [X] National Historic Register Local Register of Historic Places
Building Permit No: 152848 Date: 9/15/15 Jurisdiction: Olympia
Rehabilitation Started: March 2015 Date Completed: Sept. 2016
Actual Cost of Rehabilitation: \$400,000.00 plus or minus

Affirmation County: Thurston

As owner(s) of the improvements described in this application, I/we hereby indicate by my signature that I/we am/are aware of the potential liability (see reverse) involved when my/our improvements cease to be eligible for special valuation under provisions of Chapter 84.26 RCW.

I/We hereby certify that the foregoing information is true and complete.

Signature(s) of All Owner(s): Rainbow Health, LLC [Signature] member [Signature] member

II. Assessor

County:

THURSTON

The undersigned does hereby certify that the ownership, legal description and the assessed value prior to rehabilitation reflected below has been verified from the records of this office as being correct.

Assessed value exclusive of land prior to rehabilitation:

\$ 182,100

Date:

9/29/14

Assessor/Deputy

For tax assistance, visit <http://dor.wa.gov/content/taxes/property/default.aspx> or call 360-297-5900. To inquire about the availability of this document in an alternate format for the visually impaired, please call (360) 705-6713. Teletype (TTY) users may call 1-800-151-7985.

REV 64 0035e (w) (7/14/06)

Who can file this application?

The owner of record may file an application with the county assessor in which the property is located.

When should I file my application?

The application must be filed by October 1 of the calendar year proceeding the first assessment year for which the classification is requested.

Example: The application is filed by October 1, 2004. If approved, the special valuation is placed on the property for the 2005 assessment year. Taxes due and payable for 2006 will reflect the reduction.

Is there a fee to file this application?

The county assessor may charge such fees that are necessary for the processing and/or recording of documents.

What happens after I file the application?

Within 10 days, the county assessor will forward the application to the local review board. The local review board will approve or deny the application before December 31 of the year in which the application is made. The local review board will notify the assessor and the applicant of the approval or denial of the application.

What does "historic property" mean?

Historic property means land together with improvements thereon, which is:

- (a) Listed in a local register of historic places created by comprehensive ordinance, certified by the Secretary of the Interior as provided in P.L. 98-515; or
- (b) Listed in the national register of historic places.

Historic property **does not** include property listed in a register primarily for objects buried below ground.

What does "actual cost" mean?

Actual cost means the cost of rehabilitation, which cost shall be at least twenty-five percent of the assessed valuation of the historic property (exclusive of the assessed value attributable to the land) prior to

What are the requirements that property must meet to be considered for special valuation as historic property?

Property must meet the following criteria for special valuation on historic property:

- Be a historic property;
 - Fall within a class of historic property determined eligible for special valuation by the local legislative authority;
 - Be rehabilitated at a cost which meets the definition set forth in RCW 84.26.020(2) within twenty-four months prior to the application for special valuation; and
 - Be protected by an agreement between the owner and the local review board as described in RCW 84.26.050.

Statement Of Additional Tax, Interest, and Penalty Due Upon Removal or Disqualification from Special Valuation Under Chapter 84.26 RCW

1. Whenever property that is classified and valued as eligible historic property under Chapter 84.26 RCW is removed or disqualifies for the valuation, there shall become due and payable an additional tax equal to:
 - (a) The actual cost of rehabilitation multiplied by the levy rate in each year the property was subject to special valuation; plus
 - (b) Interest on the amounts of the additional tax at the statutory rate charged on delinquent property taxes from the dates on which the additional tax could have been paid without penalty if the property had not been valued as historic property; plus
 - (c) A penalty equal to twelve percent of the amount determined in (a) and (b).
2. The additional tax, interest, and penalty shall **not be imposed** if the disqualifications resulted solely from:
 - (a) Sale or transfer of the property to an ownership making it exempt from taxation;

Richard & Lydia Stoecker House
Rainbow Health Center
Historic Rehabilitation

1701 4th Ave E, Olympia, WA 98506

Submitted to City of Olympia Heritage Commission
For Special Valuation

By Rainbow Health LLC members
Tina Roose and Teresa Guajardo

October 24, 2016

To Michelle Sadler and Olympia Heritage Commission:

Thank you for this opportunity to submit a request for special valuation of our special house. Attached you will find an accounting of construction related expenses incurred for rehabilitation. Before and after photos are also included for your review. We welcome your pending visit.

This 1925 Tumwater Lumber Mills Craftsman Bungalow kit house is now on the National Register of Historic Places. It is the only Tumwater Lumber Mills kit house to receive this designation. We purchased the house in February 2015 for conversion from residence to commercial medical multi-use facility. We have built out the ground floor from an unfinished basement to an ADA accessible medical suite. The upper floors have been minimally altered to help maintain the charm and character of the house. Electrical, plumbing, and HVAC have been updated. All windows have been restored. Floors have been refinished and painted surfaces have been refreshed. When feasible, fixtures have been restored and replacements have been thoughtfully selected to be congruent with the character of the house. The exterior has been painted with a color palate that is congruent with the style and era of the house. Modern additions such as the new entry are obvious but congruent with the character of the building.

External access and drainage issues have been resolved in congruence with the city's conversion requirements. ADA sidewalk, curb cuts, parking have been created, which also required the addition of a new retaining wall. Bicycle parking both inside and outside.

Envelope protection has been ensured by updating the stormwater drainage system on the uphill sides of the house. There is also sloping and concrete window wells to help direct surface water away from the windows and foundation.

If you have any questions or desire additional information, please let us know. We look forward to your site visit on October 31. Thank you again for all your help with our historic preservation project.



1 Exterior Elevations North and West 2015



2 Exterior elevations North and West 2016



3 Ground level at West entrance 2015



4 Ground level at West entrance looking left 2015



5 Ground level at west entrance 2016



6 Ground level at West entrance looking left 2016



7 2nd floor main room 2015



8 2nd floor main room 2016



9 3rd floor hall broken window 2015



10 3rd floor hall restored window 2016



11 exterior basement windows 2015



12 Exterior basement window with well 2016

Rainbow Health Center, 1701 4th Ave E
Construction-Related Expenditures for Special Valuation, City of Olympia
February 2015-September 2016

Expenditures by Category (See Detail Sheets)	
Category	Amount
Architecture--plans & drawings	\$6,046.32
Construction Materials & Supplies--misc fittings, fixtures, lumber, trim	\$4,953.91
Construction-DEC & Villines--floor work & masonry	\$8,714.88
Construction-EcoWoodWorks--carpentry, windows, doors	\$48,478.93
Construction-Grassi--carpentry, door & door hardware work	\$12,609.71
Construction-Misc--carpentry, dump fees, vinyl & asbestos removal	\$2,571.24
Construction-Steadfast--basement buildout, drainage, concrete, ADA	\$225,383.04
Electrical--rewiring, new wiring, including low voltage	\$15,946.46
Engineering--structural & civil	\$4,548.71
Flooring--repairing & refinishing	\$4,605.80
HVAC--upgrade of heating, new air conditioning, ductless system	\$26,791.84
Landscaping--clearing & removal to improve access & drainage	\$10,150.12
Painting--exterior & interior	\$21,335.35
Permitting--permits, impact fees	\$25,661.95
Project Management	\$23,173.85
Storage	\$1,244.33
Insurance, interest, taxes, utilities (during construction)	\$19,135.16
Project Grand TOTAL - Construction-Related Expenses	\$461,351.60

Rainbow Health Center
Construction-Related Expenditures

Feb. 2015-Sept. 2016

Date	Payee	Memo	Payment	Totals
Architecture				
2015-06-25	Stephen Masini, AIA	architectural services	\$2,500.00	
2015-08-30	Stephen Masini, AIA	Check 001544	\$1,425.00	
2016-03-15	Stephen Masini, AIA	Check 001595	\$1,371.32	
2016-03-27	Stephen Masini, AIA	Check 1599 architectural services	\$750.00	
SUBTOTAL			Architecture	\$6,046.32

Construction Materials & Supplies

2015-09-18	Olympia Ace	HOUSEMART OLYMPIA ACE H OLYMPIA	\$14.48	
	Ace	construction supplies	\$30.70	
2016-01-09	ACE	construction supplies	\$10.95	
2016-04-29	Ace-Southgate	construction supplies	\$24.76	
2015-11-24	Advantage Lock & Key	Check 001555-keys for construction access	\$8.16	
2016-09-07	Always Safe & Lock	front exterior door original blank keys	\$17.41	
2016-06-14	Bayview Lumber	lumber	\$9.31	
2015-11-28	Build.com	door hardware-thresholds & sweeps	\$208.00	
2015-11-17	build.com	door hardware-locks & levers	\$800.16	
2015-11-25	Build.com	door hardware-levers & closer	\$291.30	
2016-04-24	Harbor Freight	construction supplies	\$11.39	
2015-05-15	Home Depot	construction fencing & ceiling light	\$214.25	
2015-05-15	Home Depot	ceiling light fixtures	\$284.63	
2015-05-18	Home Depot	construction fencing	\$36.43	
2015-11-25	Home Depot	THE HOME DEPOT 4708 OLYMPIA WA D THE	\$19.73	
2016-01-25	Home Depot	Point of Purchase Check - HOME D- - lumber	\$194.96	
2016-02-12	Home Depot	THE HOME DEPOT 4708 OLYMPIA WA-lock &	\$12.86	
2016-03-09	Home Depot	THE HOME DEPOT 4708 OLYMPIA WA D THE	\$17.21	
2016-04-21	Home Depot	DEPOT 4708 OLYMPIA WA-door hardware	\$220.72	
2016-05-16	Home Depot	2 accordion doors	\$222.27	
2016-05-16	Home Depot	1 accordion door	\$111.14	
2016-06-06	Home Depot	weatherstripping	\$21.29	
2016-06-14	Home Depot	caulk	\$7.33	
2015-12-23	Housemart Olympia Ace	HOUSEMART OLYMPIA ACE H OLYMPIA	\$8.69	
2016-03-13	IKEA SEATTLE RENTON	6 24435656073772321 sinks & faucets	\$642.73	
2016-03-13	Judy Fleming	5/9/16 glass for window	\$48.97	
2015-08-15	LOWES #01167*	Construction Materials & Supplies	\$13.17	
2015-11-19	LOWES #01167*	246921653240006 light fixtures	\$154.34	
2015-11-27	LOWES #01167*	246921653320000 trim lumber	\$221.07	
2016-02-27	LOWES #01167*	246921660590001 construction supplies	\$8.66	
2016-04-08	LOWES #01167*	dishwasher	\$270.91	
2016-04-17	LOWES #01167*	construction supplies	\$71.00	
2016-04-25	LOWES #01167*	construction supplies	\$91.57	
2016-06-14	LOWES #01167*	lumber-trim	\$17.06	
2016-05-16	My Door Sign	wall affixed signs-all gender restroom	\$48.27	
2015-11-25	OLYMPIA SUPPLY CO	24138 construction supplies	\$34.25	
2016-04-26	OLYMPIA SUPPLY CO	Olympia Supply CO INC Date 11/25/15 24138	\$42.36	
2016-04-16	OLYMPIA SUPPLY CO	fasteners	\$4.61	
2016-06-10	OLYMPIA SUPPLY CO	screws	\$3.10	
2016-04-22	Target-Lacey	construction supplies	\$10.20	
2015-12-07	Olympia Lighting	Check 001563 switches	\$47.71	
2015-06-13	South Puget Sound	split door & sink	\$231.20	
2016-01-18	Ziegler's Welding	Check 001575 floor grate-for air return	\$194.60	
SUBTOTAL			Construction Materials & Supplies	\$4,953.91

Construction - DEC & Villines

2015-08-05	DEC Construction	Check 001541-floor work	\$6,321.28	
2016-07-02	Villines Masonry	Check 1656 Manufactured stone entry	\$2,393.60	
SUBTOTAL			Construction-DEC & Villines	\$8,714.88

Construction-EcoWoodWorks			
2015-05-11	EcoWoodworks	construction	\$5,304.98
2015-06-03	EcoWoodworks	carpentry	\$3,424.48
2015-06-16	EcoWoodworks	carpentry & materials	\$959.17
2015-06-25	EcoWoodworks	carpentry	\$1,199.52
2015-06-25	EcoWoodworks	doors & millwork	\$1,981.25
2015-06-25	EcoWoodworks	carpentry & drywall work	\$5,034.72
2015-08-03	EcoWoodworks	Check 001537--doors	\$1,415.49
2015-08-26	EcoWoodworks	Check 001545--doors	\$1,415.49
2015-09-23	EcoWoodworks	Check 001549--restore windows	\$7,401.97
2015-12-20	EcoWoodworks	Check 001565--restore windows	\$9,869.29
2015-12-20	EcoWoodworks	Check 001566--carpentry	\$1,340.96
2015-12-20	EcoWoodworks	Check 001567--restore windows	\$702.03
2016-01-14	EcoWoodworks	Check 001573--restore windows	\$7,920.40
2016-09-02	EcoWoodworks	weatherize windows, first floor	\$509.18
SUBTOTAL			Construction-EcoWoodWorks
			\$48,478.93
Construction-Grassi			
2015-12-03	Grassi Construction	Check 001558--carpentry	\$760.90
2016-01-18	Grassi Construction	Check 001574--carpentry	\$2,790.37
2016-01-18	Grassi Construction	Check 001570--carpentry	\$9,058.44
SUBTOTAL			Construction-Grassi
			\$12,609.71
Construction-Msc.			
2016-02-07	Advantage Lock & Key	Check 001579--door lock install	\$20.00
2015-12-06	Pro-Tech	Check 001564 asbestos removal	\$1,360.00
2016-03-17	Judy Fleming	Check 1597--window materials & labor	\$677.23
	Thurston County	dump construction waste fee	\$20.00
2016-01-19	Cascade Vacuum	re-install, reroute of vacuum system	\$234.01
	Thurston County	dump construction waste fee	\$20.00
2016-01-26	Judy Fleming	changing table	\$240.00
SUBTOTAL			Construction-Msc.
			\$2,571.24
Construction-Steadfast--Tenant Improvement Contract			
2016-03-18	Steadfast Construction	paint testing	\$380.80
2016-03-23	Steadfast Construction	Tenant improvement contract	\$59,628.20
2016-04-12	Steadfast Construction	Tenant improvement contract	\$35,472.52
2016-04-21	Steadfast Construction	Tenant improvement contract--check 1608	\$20,000.00
2016-05-13	Steadfast Construction	concrete work, drainage--check 1613	\$21,588.80
2016-05-13	Steadfast Construction	ADA parking, sidewalk, drive & retaining wall--	\$15,964.77
2016-05-27	Steadfast Construction	Balance of tenant improvement contract--Title	\$54,150.66
2016-05-27	Steadfast Construction	change orders--paid by Title Co. at closing	\$18,197.29
SUBTOTAL			Construction-Steadfast--Tenant Improvement
			\$225,383.04
Electrical			
2016-03-14	Reliable Electric	Check 001589--wiring	\$7,220.36
2015-08-11	Reliable Electric	Check 001540--wiring	\$6,853.40
2015-06-09	Reliable Electric	3rd floor wiring	\$1,872.70
SUBTOTAL			Electrical
			\$15,946.46
Engineering			
2015-06-23	Nicolas Afieche, structural	engineering	\$1,250.00
2016-03-14	Nicolas Afieche, structural	Check 001592	\$281.25
	Nicolas Afieche, structural	Check 1604	\$1,485.00
2015-12-07	Olympic Engineering	Check 001559	\$1,532.46
SUBTOTAL			Engineering
			\$4,548.71
Flooring			
2015-05-15	Floors To Your Home	floor samples	\$9.00
2016-02-07	Marrs Floor	Check 001561--floor repair, refinish	\$435.00
2016-02-07	Marrs Floor	Check 001582--floor repair, refinish	\$4,161.80
SUBTOTAL			Flooring
			\$4,605.80

Year	Q1	Q2	Q3	Q4	Total
2010	100	100	100	100	400
2011	100	100	100	100	400
2012	100	100	100	100	400
2013	100	100	100	100	400
2014	100	100	100	100	400
2015	100	100	100	100	400
2016	100	100	100	100	400
2017	100	100	100	100	400
2018	100	100	100	100	400
2019	100	100	100	100	400
2020	100	100	100	100	400
2021	100	100	100	100	400
2022	100	100	100	100	400
2023	100	100	100	100	400
2024	100	100	100	100	400
2025	100	100	100	100	400
2026	100	100	100	100	400
2027	100	100	100	100	400
2028	100	100	100	100	400
2029	100	100	100	100	400
2030	100	100	100	100	400
2031	100	100	100	100	400
2032	100	100	100	100	400
2033	100	100	100	100	400
2034	100	100	100	100	400
2035	100	100	100	100	400
2036	100	100	100	100	400
2037	100	100	100	100	400
2038	100	100	100	100	400
2039	100	100	100	100	400
2040	100	100	100	100	400
2041	100	100	100	100	400
2042	100	100	100	100	400
2043	100	100	100	100	400
2044	100	100	100	100	400
2045	100	100	100	100	400
2046	100	100	100	100	400
2047	100	100	100	100	400
2048	100	100	100	100	400
2049	100	100	100	100	400
2050	100	100	100	100	400

HVAC

2015-05-21	Air Handlers	HVAC	\$3,400.00
2016-03-08	Air Handlers	Check 001585	\$8,460.00
	Air Handlers	HVAC	\$14,404.34
	Air Handlers	HVAC	\$527.50
SUBTOTAL			HVAC \$26,791.84

Landscaping

2015-08-30	A New Leaf	Check 001547	\$701.00
2015-09-09	A New Leaf	Check 001548 removal, pruning, clearing	\$701.23
2015-11-12	A New Leaf	Check 001553 removal, pruning, clearing	\$402.00
2016-01-06	A New Leaf	Check 001565. Wrong check #. Should be	\$3,627.31
2016-03-10	A New Leaf	1590-removal, moving, pruning for	\$1,565.71
2016-06-13	A New Leaf	Check 1653-removal, moving, pruning, clearing	\$1,321.27
2016-07-03	A New Leaf	check 1657-removal, moving, pruning, clearing	\$471.20
2015-03-26	Ian Stoner	removal, pruning, clearing	\$100.00
2015-04-26	Ian Stoner	removal, pruning, clearing	\$160.00
2015-06-22	Ian Stoner	removal, pruning, clearing	\$230.00
2016-02-17	Lukens Tree &	Check 001580-tree removal	\$870.40
SUBTOTAL			Landscaping \$10,150.12

Painting

2015-06-22	Sherwin Williams	paint samples	\$28.06
2015-09-18	Sherwin Wil	SHERWIN WILLIAMS #8136 OLYMPIA W	\$9.12
2015-09-21	Sherwin Wil	SHERWIN WILLIAMS #8136 OLYMPIA W	\$14.86
2015-11-27	Sherwin Wil	SHERWIN WILLIAMS #8136 OLYMPIA W	\$110.43
2016-04-30	Sherwin Williams	paint	\$33.59
2015-12-03	Eurocraft Painting	Check 001557-exterior	\$5,400.00
2016-01-13	Eurocraft Painting	Check 001572-exterior	\$8,594.33
2016-03-10	Eurocraft Painting	Check 001587-exterior & interior	\$3,938.56
2016-05-20	Eurocraft Painting	interior painting	\$1,006.40
2015-06-15	DEC Construction	interior painting	\$2,200.00
SUBTOTAL			Painting \$21,335.35

Permitting

2015-05-31	City of Olympia	pre-submission conference	\$240.00
2015-11-08	City of Olympia	Check 001554	\$488.50
2015-08-04	City of Olympia	Check 001538	\$567.48
2015-09-16	City of Olympia	Check 001550-permit & impact fees	\$22,281.93
2016-03-03	City of Olympia	Check 001584	\$1,323.90
2016-03-13	City of Olympia	Check 001588	\$390.22
	City of Olympia	mechanical permit	\$369.92
SUBTOTAL			Permitting \$25,661.95

Project Management

2015-12-21	LightPoint	Check 001568-project management	\$1,908.15
2016-03-22	LightPoint	check 1598-project management	\$7,355.81
2016-04-12	LightPoint	Project Management	\$3,781.55
	LightPoint	Project Management	\$8,335.34
	LightPoint	Project Management	\$1,739.00
	LightPoint	Project Management	\$54.00
SUBTOTAL			Project Management \$23,173.85

Storage

2015-05-03	U-Haul	storage during construction	\$120.78
2015-05-03	U-Haul	lock for storage unit	\$24.05
2015-07-07	U-Haul	storage	\$109.95
2015-08-11	U-Haul	U-HAUL-CTR-OLYMPIA #702 OLYMPIA U-	\$131.94
2015-09-02	U-Haul	U-HAUL-CTR-OLYMPIA #702 OLYMPIA U-	\$87.96
2015-10-02	U-Haul	U-HAUL-CTR-OLYMPIA #702 OLYMPIA U-	\$109.95
2015-11-02	U-Haul	U-HAUL-CTR-OLYMPIA #702 OLYMPIA U-	\$109.95
2015-12-02	U-Haul	U-HAUL-CTR-OLYMPIA #702 OLYMPIA U-	\$109.95

2016-01-03	U-Haul	U-HAUL-CTR-OLYMPIA #702 OLYMPIA U-	\$109.95
2016-02-02	U-Haul	U-HAUL-CTR-OLYMPIA #702 OLYMPIA U-	\$109.95
2016-03-02	U-Haul	U-HAUL-CTR-OLYMPIA #702 OLYMPIA U-	\$109.95
2016-04-02	U-Haul	OLYMPIA	\$109.95
SUBTOTAL			Storage \$1,244.33

Insurance, taxes, interest, utilities			
2015-02-25	Liberty Mutual	check 1504 Insurance	\$815.00
2016-09	Olympia Federal Savings	Construction loan interest	\$7,316.46
2016-09	Twin Star Credit Union	Construction loan interest	\$204.31
2016-03-11	Liberty Mutual	check 1586 Insurance	\$852.00
2015-04-28	Thurston County	check 1511 Property Taxes	\$1,392.50
2015-10-27	Thurston County	check 1552 Property Taxes	\$1,392.51
2016-04-26	Thurston County	check 1606 Property Taxes	\$1,464.88
2016-10-26	Thurston County	check 1694 Property Taxes (July-September)	\$732.44
2015-03-30	PSE	Utilities	\$160.49
2015-04-20	PSE	Utilities	\$374.37
2015-05-22	PSE	Utilities	\$112.51
2016-02-01	PSE	Utilities	\$43.66
2016-04-13	PSE	Utilities	\$286.26
2016-05-25	PSE	Utilities	\$79.34
2016-05-26	PSE	Utilities	\$79.34
2016-08-19	PSE	Utilities	\$68.28
2016-09-21	PSE	Utilities	\$131.38
2016-05-12	Comcast	Utilities	\$344.69
2016-06-11	Comcast	Utilities	\$244.06
2016-07-12	Comcast	Utilities	\$244.06
2016-08-12	Comcast	Utilities	\$244.13
2016-09-12	Comcast	Utilities	\$244.06
2015-04-06	City of Olympia	Utilities	\$75.93
2015-06-02	City of Olympia	Utilities	\$193.24
2015-07-27	City of Olympia	Utilities	\$231.63
2015-10-08	City of Olympia	Utilities	\$624.58
2015-12-17	City of Olympia	Utilities	\$301.81
2016-02-01	City of Olympia	Utilities	\$155.45
2016-04-26	City of Olympia	Utilities	\$185.96
2016-05-24	City of Olympia	Utilities	\$182.99
2016-08-04	City of Olympia	Utilities	\$356.84
SUBTOTAL			Insurance, taxes, interest, utilities \$19,135.16
			Total Construction-Related Expenditures \$461,351.60

The image shows a large, faint grid or table structure, possibly a ledger or data table. It consists of multiple columns and rows, with some text visible but illegible due to low contrast and blurriness. The grid is approximately 10 columns wide and 20 rows high. The text within the grid is too light to read accurately, but it appears to be organized into a structured format, likely for data recording or accounting purposes.

Special Valuation: A Local Tax Incentive

BACKGROUND

During its 1985 session, the Washington State Legislature determined that as the state approached its centennial year, the preservation of a lasting legacy of historic resources was an important goal. In order to reach this goal, the legislature passed a law which allows a "special valuation" for certain historic properties within the state. The primary benefit of the law is that during the ten year special valuation period, property taxes will not reflect substantial improvements made to the property.

Definition:

"Special Valuation" is the revision of the assessed value of a historic property which subtracts, for up to ten years, such rehabilitation costs as are approved by a local review board.

Prior to the passage of this law, owners restoring historic buildings were subject to increased property taxes once the improvements were made. This had the effect of discouraging some owners from rehabilitating their historically significant structures. The Legislature decided that restoration of these properties would be encouraged if tax relief were available. Property tax relief was selected as a tool which could provide the financial incentives necessary to promote rehabilitation of eligible historic properties. Since passage of this law, nearly fifty local governments have implemented programs which allow their constituents to take advantage of this tax relief.

IMPLEMENTATION

Only local governments which implement the law are eligible to pass

on the tax relief to the public. The local government identifies the types of properties that are eligible for special valuation, and designates a local review board that will review applications.

ELIGIBILITY

To be classified as eligible for special valuation, a property must first meet the following criteria:

1. It must be listed in the National Register of Historic Places, individually, or certified as contributing to the significance of a National Register Historic District. In order to receive a statement that a property is certified as contributing to the significance of a National Register Historic District, a property owner should contact their local government, or the Department of Archaeology and Historic Preservation,

OR 2. It must be listed in the Local Register of Historic Places established by a Certified Local Government,

AND 3. It must be of a class of properties approved by the local government.

Eligible properties which undergo substantial rehabilitation may receive special valuation if the rehabilitation work is approved by the local review

board. The work must have been conducted within two years prior to application, and must be equal in cost to at least 25% of the assessed value of the structure prior to rehabilitation.

REQUIREMENTS

Protection of the Property

Property owners who want to take advantage of special valuation must sign an agreement with the local review board that guarantees they will meet the following standards during the ten-year property tax exemption period:

- The property must be maintained in good condition.
- The owner must obtain approval from the local review board prior to making further improvements.
- The property must be visible from a public right-of-way, or otherwise be made available for public view once every year.

The penalty for violating the agreement or other program requirements is substantial. All back taxes which would otherwise have been owed, interest on back taxes, and a penalty equal to 12% of back taxes and interest may be due.

(Continued on page 8)



The One Pacific Building, 7th & Pacific, Tacoma, WA

(Continued from page 1)

If the property is sold, the new owner must sign BOTH an agreement with the local review board for the duration of the special valuation period AND a Notice of Compliance section of the Excise Tax Affidavit. If the notice of compliance is not signed by the new owner and attached to the real estate excise tax affidavit, all additional taxes calculated pursuant to RCW [84.26.090](#) shall become due and payable by the seller or transferor at time of sale.

Qualified Rehabilitation Expenditures

The total cost of the rehabilitation must be equal to at least 25% of the assessed value of the property, exclusive of land value, prior to rehabilitation. "Qualified rehabilitation expenditures" are expenses chargeable to the project and include improvements made to the building within its original perimeter, architectural and engineering fees, permit and development fees, loan interest, state sales tax and other expenses incurred during the rehabilitation period. Not included are costs associated with acquisition of the property, or the enlargement of the building. The local review board in each jurisdiction determines which expenditures are qualified. Qualified rehabilitation expenditures for special valuation are the same as those for the Federal Investment Tax Credits. (For a detailed explanation, see 26 CFR 1.48-12(c).)

Rehabilitation Standards

In order to be eligible for special valuation, properties must retain their historic character after rehabilitation. The standards used by the local review board in their review and approval of the rehabilitation work are *The Washington State Advisory Council's Standards for Rehabilitation*. The State Advisory Council adopted *The Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings* as their standards.

THE APPLICATION PROCESS

An interested property owner files an application with the assessor's office after the rehabilitation work is completed. The assessor transmits the application to the local review board, which schedules a public meeting to discuss the application.

The board may determine the approval or denial of the application at this meeting, or may request additional information. Once the board has made its determination, the applicant and the assessor will be notified within ten days.

If the application is filed with the assessor's office before October 1 and approved by the board, special valuation goes into effect the following year.

DEADLINES TO REMEMBER

Application for special valuation must be made no later than 24 months after the beginning of the rehabilitation work documented for special valuation.

October 1 is the deadline for applications when special valuation is desired for the following year.

PARTICIPATING JURISDICTIONS

At the time of this publication, the following cities and counties have implemented the special valuation program:

Aberdeen	Everett	Port Townsend
Anacortes	Gig Harbor	Pullman
Auburn	Harrington	Puyallup
Bainbridge	Issaquah	Ritzville
Island	Kenmore	Roslyn
Bellingham	Kennewick	Seattle
Black	Kettle Falls	Shelton
Diamond	King County	Shoreline
Bothell	Kirkland	Skykomish
Camas	La Center	Snohomish Cty
Carnation	Lacey	Snoqualmie
Centralia	Lakewood	Spokane City/Cty
Chehalis	Langley	Steilacoom
Cheney	Longview	Tacoma
Cle Elum	Marysville	Thurston County
Clark County	Mason County	Tumwater
Colfax	Newcastle	Vancouver
Colville	North Bend	Walla Walla
Concrete	Olympia	Wenatchee
Dayton	Pasco	Woodinville
Edmonds	Pierce County	Yakima
Ellensburg	Pomeroy	

Technical assistance in implementing the special valuation program is available to local governments from the Department of Archaeology and Historic Preservation.

IMPORTANT CONSIDERATIONS

- In order for a historic property to be eligible for special valuation, it must have been substantially rehabilitated within 24 months prior to the date of application.
- In order for a phased rehabilitation to be eligible, each phase of the rehabilitation must cost at least 25% of the assessed value of the property, exclusive of land value, prior to commencing that phase of work. Work on each phase must have been completed within 24 months prior to the date of application for special valuation for that phase.
- Improvements must be consistent with the historic character of the building. During the ten-year period of special valuation, additional improvements to the property are also subject to compliance with the *Washington State Advisory Council's Standards for Rehabilitation*.
- The property must be maintained in good condition as long as the special valuation is in effect.
- Special valuation may apply to a wide range of properties, at the discretion of the local government in each jurisdiction.
- Applications may be submitted at any time, however the deadline is October 1 when special valuation is desired for the following year. Reduction in property taxes appears one year after special valuation designation and applies until the year following the end of the ten-year period of special valuation.
- Property owners who receive special valuation for a rehabilitation project may also apply for the Federal Investment Tax Credits for the same project.

FOR INFORMATION

For further information about the special valuation program, contact:

Department of Archaeology and Historic Preservation
1063 S. Capitol Way, Suite 106
PO Box 48343
Olympia, Washington 98504-8343
360-586-3074
www.dahp.wa.gov

Special Valuation: For the Local Review Board

It is helpful for the local review board to meet with an applicant for special valuation **before** the rehabilitation work begins, and to review their project to ensure that it complies with *The Washington State Advisory Council's Standards for Rehabilitation*, as well as any additional local standards. This preliminary meeting is mandatory in some communities, and is suggested as a first step in the special valuation process which may avoid conflicts later.

RESPONSIBILITIES

1. UPON RECEIPT OF AN APPLICATION from the assessor, the local review board must:

- a. **SCHEDULE** a public meeting at which the application will be approved or denied
- b. **DETERMINE** eligibility of the property for special valuation based on the following criteria:
 - Is the property historic?
 - Is it included within a class of historic properties determined eligible for special valuation by the local government?
 - Will the rehabilitation work comply with the State Advisory Council's Standards by not adversely affecting those elements qualifying the property as historically significant?
- c. **REVIEW** the applicant's documentation of qualified rehabilitation expenditures to assure that they were at least 25% of the assessed value of the property, exclusive of land value, prior to rehabilitation

2. IF THE PROPERTY IS DETERMINED ELIGIBLE for special valuation, the local review board must:

- a. **PREPARE** and enter into an agreement (on behalf of the local government) with the applicant. The agreement must guarantee that certain minimum standards (listed below) are met during the 10-year period of special valuation
- b. **APPROVE** the application upon execution of the agreement with the applicant
- c. **TRANSMIT** copies of the application, agreement and certification statement (if applicable) to the assessor's office for recording
- d. **NOTIFY** the Washington State Advisory Council of the application approval
- e. **MONITOR** the property during the 10-year special valuation period to assure continued compliance with the requirements of the special valuation program

3. IF THE PROPERTY IS DETERMINED INELIGIBLE for special valuation, the local review board must:

- a. **ADVISE** the applicant of the reason(s) for denial
- b. **EXPLAIN** that the applicant may appeal the decision to Superior Court

4. IF AN APPROVED PROPERTY IS LATER

DISQUALIFIED, due to either the owner's failure to comply with the terms of the agreement, **OR** to a loss of historic value due to alterations, the local review board must **NOTIFY** the owner, the assessor and the Washington State Advisory Council of the disqualification.

MINIMUM STANDARDS FOR A SPECIAL VALUATION AGREEMENT

During the 10-year period of special valuation, the property owner shall:

- a. **MAINTAIN** the property in safe and sound condition and

THE APPLICATION PROCESS

- | | |
|------------------|--|
| Applicant | <ul style="list-style-type: none"> • Submits application to assessor no later than 24 months after beginning date of rehab work to be considered for special valuation |
| Assessor | <ul style="list-style-type: none"> • Reviews application for completeness • Verifies legal owner and legal description • Submits application to local review board within 10 working days |

Local Review Board

- Reviews application and attachments
- Determines approval or denial of application no later than December 31 of application year
- If application is approved, notifies applicant, assessor, and State Advisory Council within ten days
- Executes agreement with applicant
- Returns application to assessor

- | | |
|-----------------|--|
| Assessor | <ul style="list-style-type: none"> • Records agreement • Files agreement and application with county recording authority |
|-----------------|--|

protect it from the elements, and repair deteriorated or broken exterior features, in compliance with *The Washington State Advisory Council's Standards for Rehabilitation*.

- b. **OBTAIN** written consent of the local review board prior to making further improvements or alterations to the property
- c. **MAKE** the property accessible to the public once each year if it is not normally visible from a public right-of-way
- d. **OBTAIN** written consent of the local review board prior to demolishing the property
- e. **NOTIFY** the assessor within 30 days if the property becomes disqualified for special valuation, e.g. if the terms of the agreement are violated

IF THE PROPERTY IS SOLD

If an approved property is sold, and the new owner desires continuation for the special valuation, he must **SIGN** both an agreement with the local review board ensuring that program requirements will be satisfied for the duration of the special valuation period AND a Notice of Compliance section of the Excise Tax Affidavit. If the notice of compliance is not signed by the new owner and attached to the real estate excise tax affidavit, all additional taxes calculated pursuant to RCW [84.26.090](#) shall become due and payable by the seller or transferor at time of sale.

IMPORTANT DEADLINES

- An application for special valuation must be approved or denied before December 31 of the year in which the application is made.
- Within 10 days of approving an application for special valuation, the local review board must notify the applicant and the assessor of their decision and must transmit copies of the application and its attachments, and the agreement, to the assessor's office.

PHASED PROJECTS

Properties which are rehabilitated in phases may receive special valuation for each phase, provided that qualified rehab expenditures for each phase exceed 25% of the assessed value of the property, exclusive of land value, at the time that phase began. Each phase is treated as though it were a separate project, and is subject to all requirements of the special valuation program.

How the Application Process Works:

APPLICANT: • Submits application to the assessor no later than 24 months after beginning date of the rehabilitation work to be considered for Special Valuation.

ASSESSOR: • Reviews application for completeness.
• Verifies legal owner, legal description, etc.
• Submits application to local review board within ten working days.

LOCAL REVIEW BOARD: • Reviews application and attachments.
• Determines approval or denial of application no later than December 31st of application year.
• If application is approved, notifies applicant, assessor, and State Advisory Council within ten days.
• Executes agreement with applicant.
• Returns application to assessor.

ASSESSOR: • Records agreement.
• Files application, agreement and certification statement (if applicable) with the county recording authority.
• Determines special valuation and enters in tax roles separately from the normal assessed value.

HOW ELIGIBLE PROPERTIES ARE DEFINED

To be eligible for special valuation, a property must be:

1. Listed in the National Register of Historic Places, individually or certified as contributing to the significance of a National Register Historic District.

OR

2. Listed in the Local Register of Historic Places established by a Certified Local Government (for more information about the Certified Local Government Program, contact the CLG Coordinator at 360-586-3074).

AND

3. It must be of a class of historic properties approved by the local government.

Note: The local government in each community determines which classes of historic properties are eligible for special valuation, and may elect to exclude some classes of property from the program.



Special Valuation: Eligible Expenses

The Washington State Special Valuation program provides tax relief for approved repairs to designated historic properties. Expenses are reviewed and recommended for approval by the Olympia Heritage Commission to ensure that they meet certain standards and definitions.

Qualified Rehabilitation Expenditures are defined by the IRS. These generally include:

1. Direct construction costs;
2. Certain soft costs, including:
 - a. Architectural and engineering fees;
 - b. Construction permit fees;
 - c. Development management fees;
 - d. Construction loan interest and fees;
 - e. Utilities, taxes, and insurance for the construction period; and
 - f. State sales tax.

The following costs are generally **not** considered Qualified Rehabilitation Expenditures:

1. Costs related to the acquisition of the property;
2. Expenditure attributable to enlargement of the building, except to make the building fully usable such as adding a bathroom or kitchen if one is not initially existing;
3. Costs of valuation and permanent financing of the property; and
4. Overhead costs or other “costs of doing business”.

Eligible costs are further defined here:

- **Actual Cost of Rehabilitation, as per WAC-254-20-030:** “Actual cost of rehabilitation” means costs incurred within twenty-four months prior to the date of application and directly resulting from one or more of the following:
 - a) Improvements to an existing building located on or within the perimeters of the original structure; or
 - b) Improvements outside of but directly attached to the original structure which are necessary to make the building fully useable but shall not include rentable/habitable floorspace attributable to new construction; or
 - c) Architectural and engineering services attributable to the design of improvements; or
 - d) All costs defined as “qualified rehabilitation expenditures” for the purposes of the federal historic preservation investment tax credit.
- **Qualified Rehabilitation Expenditure, as per Internal Revenue Code Section 47(c)(2):** In general. The term “qualified rehabilitation expenditure” means any amount properly chargeable to capital account...in connection with the rehabilitation of a qualified rehabilitated building. Certain expenditures not included--
 - a) Cost of Acquisition: The cost of acquiring any building or any interest therein;
 - b) Enlargements: Any expenditure attributable to the enlargement of the existing building except attachments to make the building fully usable.

Reference on Expense Eligibility

Provided each expense is determined by the Olympia Heritage Commission to meet the **Washington State Advisory Council's Standards for the Rehabilitation and Maintenance of Historic Properties**, below is a list of the types of expenses that:

✓ Generally **are** considered eligible ✗ Generally **are not** considered eligible

Appliances & Comfort Systems	
Water heaters HVAC & A/C units	✓ Furnaces Ventilation systems
✗ Kitchen & other home appliances Home electronics	
Furnishings	
Built-ins Shelves	✓ Cabinetry Window seats/nooks
✗ Moveable furniture	
Plumbing & Electrical	
Fixtures Required exterior infrastructure (like sewer lines) Fire suppression systems Other code-related requirements	✓
✗ Security & alarm systems (like CCTV) Moveable lamps	
Landscaping	
Sitework required for rehabilitation (like clearing, disposal and stabilization) Sitework required for utilities and foundation Landscape stabilization	✓
✗* Plants Soil amendments Landscape design Accent lighting Sprinkler systems <i>*If the landscape itself is landmarked, landscape design and plantings may be included.</i>	

For more information, contact:

Michelle Sadlier – Historic Preservation Officer

City of Olympia | PO Box 1967; Olympia, WA 98507 | msadlier@ci.olympia.wa.us | 360.753.8031

Chapter 3.60 SPECIAL PROPERTY TAX VALUATION

3.60.000 Chapter Contents

Sections:

[3.60.010](#) Properties eligible for special property tax valuation.

[3.60.020](#) Process to seek special property tax valuation; criteria for approval.

[3.60.030](#) Tax reduction - expiration.

(Ord. 6370 §2, 2005, New Chapter).

3.60.010 Properties Eligible for Special Property Tax Valuation; Criteria

Properties eligible for the special property tax valuation under Chapter 449, Laws of 1985 (RCW 84.26), shall include properties on which one or more buildings have been substantially rehabilitated (i.e., the actual cost of the rehabilitation incurred by the property owner is equal to at least twenty-five (25) percent of the assessed value of the building, exclusive of the assessed value attributable to the land, prior to construction of the improvements, where the buildings meet the following criteria:

- A. All buildings individually placed upon the Olympia Heritage Register pursuant to OMC 18.12, and which have retained major historic features; or
- B. Buildings in the pivotal and primary classifications of buildings within a Heritage Register Historic District and which have retained major historic features; or
- C. Buildings which are on the Olympia Heritage Register or are within an Olympia Heritage Register Historic District and which have lost major design feature(s). The Secretary of the Interior Standards for Treatment of Historic Properties (as amended) shall guide the restoration or improvement under this section. Provided, that the developer of the property shall have the option of replacing lost features through an accurate restoration or improving the property through a new adaptive design which is compatible with the size, scale, material and color of the historic building or the original feature.

(Ord. 6370 §2, 2005).

3.60.020 Process to reduce property tax

A. The Olympia City Council is hereby designated as the local Review Board to carry out the duties specified in this Chapter and in Chapter 449, Laws of 1985, Section 5 (RCW 84.26).

B. A person seeking to establish a special property tax valuation for property eligible under OMC Section [3.60.010](#) and Chapter 449, Laws of 1985 (RCW 84.26), shall submit an application to the County Assessor under RCW 84.26.040 within twenty-four (24) months of the commencement of the rehabilitation for which the special property tax valuation is sought, and no later than October 1 of the calendar year preceding the first assessment year for which classification is requested. The County Assessor shall submit the application to the Olympia Heritage Commission within ten (10) days of

receiving the application. The Heritage Commission shall review the application and make a recommendation to the local Review Board within sixty (60) days of receipt of the application, but not later than September 1 of the calendar year preceding the first assessment year for which the classification is requested.

C. The local Review Board shall approve an application for a special property tax valuation if the property is eligible under Section [3.60.010](#) of this Chapter and under RCW Chapter 84.26.030, the property owner enters into an agreement with the local Review Board for a ten-year period meeting the requirements set forth below, and the rehabilitation upon which the application is based have not altered or in any way adversely affected those elements of the property which qualify it as historically significant. Whether an alteration adversely affects those elements which qualify a property as historically significant, shall be determined by the Review Board based on the Secretary of the Interior Standards for Treatment of Historic Properties (as amended). For purposes of this section, the elements of the property which are historically significant shall be those specified with the designation to the Heritage Register. The ten-year agreement with the local Review Board shall commence on the date of its approval and require the owner to:

1. Monitor the property for its continued qualification for the special valuation.
2. Comply with rehabilitation plans and minimum standards of maintenance as defined in the agreement.
3. Make the historic aspects of the property accessible to public view one day a year, if the property is not visible from the public rights-of-way.
4. Apply to the local Review Board for approval or denial of any demolition or alteration of the property.
5. Comply with any other provisions in the original agreement as may be appropriate.

D. Once an agreement between an owner and the Review Board has become effective pursuant to Chapter 449, Laws of 1985 (RCW 84.26), there shall be no changes in standards of maintenance, public access, alteration or report requirements, or any other provisions of the agreement, during the period of the classification without the approval of all parties to the agreement.

E. An application for classification of an historic property as eligible for a special property tax valuation shall be approved or denied by the Review Board before December 31 of the calendar year in which the application is made. Prior to making its decision to approve or deny an application, the local Review Board is authorized to examine an applicant's records.

F. The Review Board shall notify the County Assessor and the applicant of the approval or denial of the application.

G. If the Review Board determines that the property qualifies as eligible historic property, the Review Board shall certify the fact in writing and shall file a copy of the certificate with the County Assessor within ten (10) days. The certificate shall state the facts upon which the approval is based.

H. Any decision of the Review Board acting as the local Review Board on any application for classification as historic property eligible for special valuation may be appealed to Superior Court under RCW 34.05.510 - .598 in addition to any other remedy of law. Any decision on the disqualification of

historic property eligible for special valuation, or any other dispute, may be appealed to the County Board of Equalization in accordance with RCW 84.40.038.

(Ord. 6491 §1, 2007; Ord. 6370 §2, 2005).

3.60.030 Tax reduction –Expiration

When property has once been classified and valued as eligible historic property, it shall remain so classified and be granted the special valuation provided by this Chapter and RCW 84.26.070 for ten (10) years, or until the property is disqualified by the circumstances set forth in RCW 84.26.080 or as it may be amended from time to time. Whenever property granted a special property tax valuation hereunder becomes disqualified for the special valuation, additional tax shall be assessed and payable as provided in RCW 84.26.090 - .100, as they may be amended from time to time.

(Ord. 6370 §2, 2005).



City Council

Approval of Ordinance to Reduce the Speed Limit from 35 MPH to 25 MPH on Capital Boulevard from Olympia City Limits South of Carlyon Avenue North to the I-5 Overpass

Agenda Date: 12/13/2016
Agenda Item Number: 4.E
File Number: 16-1093

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance to Reduce the Speed Limit from 35 MPH to 25 MPH on Capital Boulevard from Olympia City Limits South of Carlyon Avenue North to the I-5 Overpass

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve an ordinance on second reading to reduce the speed limit from 35 mph to 25 mph on Capital Boulevard from Olympia city limits south of Carlyon Avenue, north to the I-5 overpass.

Report

Issue:

Whether the City Council should approve an ordinance to reduce the speed limit on Capitol Boulevard from 35 mph to 25 mph. A Public Hearing is scheduled to receive public comment.

Staff Contact:

David Smith, Transportation Project Engineering, Public Works Department, 360.753.8496

Presenter(s):

David Smith, Transportation Project Engineering, Public Works Department

Background and Analysis:

Background and analysis have not changed from first to second reading.

Capitol Boulevard is classified as an arterial street and the average daily traffic volume is approximately 11,000 vehicles. The speed limit is 35 mph from Olympia's city limits south of Carlyon Avenue north to the I-5 over pass and then lowers to 25 mph

Staff recommends reducing the speed limit for the following safety reasons:

- The physical features of the street alignment, presence of residential driveways and people biking and walking.
- Increased activity at the Wildwood Building, near O'Farrell Avenue. More people are biking and walking coupled with additional vehicles turning in and out of the complex.
- Drivers negotiating the curve south of O'Farrell Avenue may be distracted and not paying attention to pedestrians crossing at O'Farrell Avenue.

A consistent speed limit of 25 mph through the entire Capitol Way and Capitol Boulevard corridor will give drivers greater ability to respond to the actions of all other uses.

Neighborhood/Community Interests (if known):

During the past few years, staff has received concerns from citizens regarding the safety of people walking when using the pedestrian crossing island at Capitol Boulevard and O'Farrell Avenue. Most of the concerns are related to vehicle speeds and drivers not stopping for pedestrians. People are requesting that the City lower the speed limit on Capitol Boulevard from the south City limits at Carlyon Avenue north to the I-5 over pass.

Options:

1. Approve the ordinance on second reading to reduce the speed limit to 25 mph.

This will provide a consistent speed limit within the City of Olympia on Capitol Way/Boulevard and improve safety.

2. Revise the ordinance on second reading to reduce the speed limit to 30 mph.

Drivers will have a graduated speed transition from 35 mph in the City of Tumwater to 25 mph in the City of Olympia on Capitol Way.

3. Do not approve the ordinance and maintain the existing 35 mph speed limit on Capitol Boulevard, from the south City limits at Carlyon Avenue north to the I-5 overpass.

Maintains the same speed limit with the City of Tumwater on Capitol Boulevard.

Financial Impact:

The budget impact to remove and replace speed limit signs and temporary traffic revision warning signs is \$750.

Attachment(s):

1. Ordinance
2. Summary of Engineering and Traffic Investigation for Change in Speed Limit

Ordinance No. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO SPEED LIMITS IN CERTAIN ZONES OF THE CITY OF OLYMPIA; AND AMENDING SECTION 10.08.010 OF THE OLYMPIA MUNICIPAL CODE

WHEREAS, the City has determined that the default speed limit set forth in RCW 46.61.400 is more appropriate for travel on Capitol Boulevard between the south City limits and the south end of the I-5 overpass;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 10.08.010. Olympia Municipal Code 10.08.010 is hereby amended to read as follows:

10.08.010 Increased speed limit in certain zones

It is determined upon the basis of an engineering and traffic investigation that the twenty-five mile per hour speed limit established by state law upon the following streets is less than is necessary for safe operation of vehicles thereon. This is due to the designation and signposting of the streets as arterial highways and/or by reason of widely spaced intersections. It is declared that the speed limit shall be as set forth below on those streets or parts of streets designated, to be effective when signs are erected giving notice thereof.

Road Name	From	To	Speed Limit
14th Avenue NW	West city limits	Walnut Loop	35
Black Lake Boulevard	South city limits	Center Street	30
Capitol Boulevard	South city limits	South end of I-5 Overpass	35
Cooper Point Road/Automall Drive	West end of Percival Creek Bridge	Carriage Street	35
Cooper Point Road	Carriage Street	14th Avenue NW	35
Cooper Point Road	14th Avenue NW	North city limits	35
Division Street	Langridge Court	North city limits	35
East Bay Drive	Olympia Avenue	North city limits	30
18th Avenue	Boulevard Road	Fones Road	35
Fones Road	18th Avenue	Pacific Avenue	35
Harrison Avenue	Division Street	Cooper Point Road	30

Road Name	From	To	Speed Limit
Henderson Boulevard	Eskridge Boulevard	A point 300 feet south of I-5	35
Herman Road	Wiggins Road	East city limits	35
Hoffman Road	Morse-Merryman Road	18th Avenue	35
Lilly Road	Pacific Avenue	A point 330 feet south of Entrada Drive	30
Lilly Road	A point 330 feet south of Entrada Drive	North city limits	35
Martin Way	Phoenix Street	East city limits	35
Morse-Merryman Road	Boulevard Road	Wiggins Road	35
Mottman Road	West city limit	East city limits	35
Harrison Avenue	Cooper Point Road	West city limits	35
Pacific Avenue	Phoenix Street	East city limits	30
Walnut Road	Walnut Loop	Bing Street	35
West Bay Drive	Harrison Avenue	Schneider Hill Road	30
Wiggins Road	South city limits	27th Avenue	35
27th Avenue	Hoffman Road	Wiggins Road	35
Boulevard Road	South city limits	22nd Avenue	35
Yelm Highway	Henderson Boulevard	East City limits	35
26th Avenue NE	West city limits	East city limits (Chehalis-Western Trail)	35
Kaiser Road, NW	Harrison Avenue	North city limit	35
Henderson Boulevard	Yelm Highway	Middle Street	35
Henderson Boulevard	A point 300 feet south of I-5	I-5 Northbound On-Ramp (Plum Street)	35

Section 2. 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 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.


Section 4. Effective Date. This Ordinance shall take effect thirty (30) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY (DCA)

PASSED:

APPROVED:

PUBLISHED:

Capitol Boulevard Speed Limit Revision

Prepared: 12/18/2015

Speed Study Summary

LOCATION: Capitol Boulevard South of O'Farrell								
DATE	DIRECTION	TRAFFIC VOLUME	85TH PERCENTILE SPEED (MPH)	AVERAGE SPEED (MPH)	MINIMUM SPEED (MPH)	MAXIMUM SPEED (MPH)	10 MPH PACE	% OF TOTAL IN 10 MPH PACE
<i>May 2013</i>	Northbound	5970	33.4	29.5	10.5	43.8	25-35	83
	Southbound	5381	33.3	29.5	10.5	44.7	25-35	81
<i>April 2015</i>	Northbound	6282	33.4	29.4	10.4	43.5	25-35	81
	Southbound	5779	33.6	29.4	10.2	44.7	25-35	79

Accident History Summary

Staff reviewed the 3-year accident history, January 1, 2012 thru December 31, 2014, for Capitol Boulevard Road between Carlyon Avenue and the I-5 overpass.

- There were no accidents that indicated speed was a contributing factor. Accident history showed that the cause of each occurrence was driver judgment error:
 - Following to close
 - Driver fell asleep
- The primary type of accident occurrence between 2012 and 2014 was:
 - Rear End Collision - 1 accident
 - Hitting a fixed object - 1 accident

01/01/2012 – 12/31/2014

STREET NAME	STREET SECTION	NUMBER OF ACCIDENTS	PRIMARY TYPE OF ACCIDENT
Capitol Boulevard	at Carlyon Avenue	1	Rear End
Capitol Boulevard	between Governor Stevens Avenue and Eskridge Way	1	Fixed Object

Under 23 United States Code - Section 409, this data cannot be used in discovery or evidence at trial in any action for damages against the City of Olympia, or the jurisdictions involved in the data.

A physical review of accidents for 2015 showed none were reported for this location.

Street Characteristics

Street and Driveway count:

Capitol Boulevard between Carlyon Avenue and I-5 Overpass:

- Retail Driveways – Two (2) driveways. Both on the east side of the street, south of O’Farrell Avenue at a strip mall. There are no retail driveways on the west side of the street.
- Residential Driveways – Eight (8) driveways, all on the east side of the street. There are no residential driveways on the west side of the street.
- Intersecting Streets include:
 - Carlyon Avenue (east side of Capitol Boulevard, “T” intersection). Traffic Signal (City of Tumwater).
 - Governor Stevens Avenue (east side of Capitol Boulevard, “T” intersection). Stop Control.
 - Eskridge Way (east side of Capitol Boulevard, “T” intersection). Stop Control.
 - O’Farrell Avenue (east side of Capitol Boulevard, “T” intersection). Stop Control.
 - Adams Street (east side of Capitol Boulevard, “T” intersection). Stop Control.

Street Geometrics/CrossSection:

- Capitol Boulevard has a posted speed limit of 35 MPH from the Tumwater City limits at Carlyon Avenue and continues into the City of Olympia to the I-5 overpass. The posted speed limit from the I-5 overpass to the Farmers Market is 25 MPH.
- Capitol Boulevard between Carlyon Avenue and the I-5 overpass is a one-third (1/3) mile stretch of level grade four (4) lane arterial with southbound left turn channelization and a median Island with pedestrian refuge at O’Farrell Avenue.
- Capitol Boulevard between Carlyon Avenue and the I-5 overpass has landscape and sidewalk on the east side of the road with sidewalks on the west side of the road.

- Intercity bus stops are present both north and southbound between Eskridge Way and O'Farrell Avenue. Service routes include 12, 13 and 68.
- Streetlights staggered on both sides of Capitol Boulevard approximately 70 feet apart. Street lights recently converted to LED.

Conclusion:

Capitol Boulevard is classified as an Arterial with an average daily traffic (ADT) volume of over 11,000 vehicles. The current posted speed limit south of O'Farrell Avenue SE is 35 mph that extends from the southern city limit at Carlyon Avenue SE to the I-5 over pass. Here the speed limit is reduced to and remains 25 mph to the street end at the Farmers Market.

Staff made field observations, compiled traffic counts, gathered speed data, reviewed collision history and considered comments from residents. Information from our analysis includes:

- Traffic speeds are generally below the posted 35 mph speed limit in the vicinity of O'Farrell Avenue SE.
- From Tumwater traveling north, Capitol Boulevard transitions from commercial land uses to residential uses. Both pedestrian crossings and driveway frequency increases.
- Drivers negotiating the curve that is just south of O'Farrell Avenue SE may be distracted and not paying attention to pedestrians crossing at O'Farrell Avenue SE.
- Over the past three years between Carlyon Avenue and the I-5 over pass, two collisions have occurred on Capitol Boulevard; one rear-end collision and one collision involving a fixed object. No collisions involving bicyclists and pedestrians were reported.
- Activity at the Wildwood Building near O'Farrell Avenue has increased in the last several years leading to more people biking, people walking and motor vehicle movements at this destination.
- Capitol Boulevard is a high frequency transit route with bus stops along the segment considered for speed limit reduction.
- Capitol Boulevard includes sporadic shoulders of varying width which are used by people biking. No bike lanes are provided along the segment considered for speed limit reduction. There are no nearby parallel streets for people in this area.

Given the physical features of the street alignment, presence of residential driveways and people biking and people walking, a speed limit of 25 MPH throughout this section of Capitol Boulevard is appropriate. At a consistent speed limit of 25 mph through the entire Capitol Way and Capitol Boulevard corridor will give drivers, greater ability to respond to the actions of all other uses.



City Council

Approval of Ordinance Amending Olympia Municipal Code to Increase Land Use Review Fees

Agenda Date: 12/13/2016
Agenda Item Number: 4.F
File Number: 16-1155

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Amending Olympia Municipal Code to Increase Land Use Review Fees

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the ordinance on second reading to amend land use review fees.

Report

Issue:

Whether to approve an ordinance amending the Olympia Municipal Code to increase land use review fees.

Staff Contact:

Karen Kenneson, Business Manager, Community Planning and Development, 360.753.8277

Presenter:

None - Consent Calendar Item

Background and Analysis:

Background and analysis have not changed from first to second reading.

In 2014/2015 the City engaged FCS Group, Inc. to assess and analyze the full cost of land use review, engineering permit and building permit functions and determine current cost recovery and evaluate fees. In 2015, the Council established a Development Fee Fund to manage development fee-related revenues and expenses. The cost recovery goal for land use review, engineering and building permit and plan review services are 85%. Staff has identified two land use fees that are currently below 10% cost recovery and should be increased. This increase will result in fees that more accurately reflect the actual cost to provide these services and support the Council policy to achieve 85% revenue to expenditure cost recovery ratio.

Neighborhood/Community Interests:

The proposed increase in two land use fees are small and would not cause a notable impact to customers.

Options:

1. Approve the ordinance amending Olympia Municipal Code to increase land use fees.
2. Do not approve the ordinance amending Olympia Municipal Code to increase land use fees.
3. Direct staff to modify the ordinance amending Olympia Municipal Code to increase land use fees.

Financial Impact:

Proposed fee increases would have a minimal impact on revenue, however may increase it slightly, depending on the number of variance and comprehensive plan amendment requests each year.

Attachments:

- Ordinance
- Olympia Municipal Code proposed changes

Ordinance No. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING LAND USE APPLICATION REVIEW FEES, AND AMENDING SECTION 4.40.010 OF THE OLYMPIA MUNICIPAL CODE.

WHEREAS, in 2015 the Council established a Development Fee Fund to manage development fee related revenues and expenses; and

WHEREAS, the cost recovery goal for land use review, engineering and building permit and plan review services are 85%; and

WHEREAS, staff has identified two land use fees that are currently below 10% cost recovery and should be increased in order to more accurately reflect the actual cost to provide these services; and

WHEREAS, increasing these fees will support the Council policy to achieve 85% revenue to expenditure cost recovery ratio; and

WHEREAS, Chapters 35A.63, 36.70B RCW, and Article 11, Section 11 of the Washington State Constitution authorize and permit the City to adopt this Ordinance; and

WHEREAS, this Ordinance is supported by the staff report and materials associated with this Ordinance, along with other documents on file with the City of Olympia; and

WHEREAS, this Ordinance is also supported by the professional judgment and experience of the City staff who have worked on this proposal; and

WHEREAS, City Staff are known to the City Council, and staff's curriculum vitae shall be part of the record in support of this Ordinance;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 4.40.010. Olympia Municipal Code 4.40.010 is hereby amended to read as follows:

4.40.010 Land use application review fees

A. Commencing January 1, 2013, the following fee schedule shall be in full force and effect.

Certifications and Appealable Letters	Land Use and Planning Applications¹
Independent Confirmation of Critical Areas Report	\$520 plus any consultant costs
Wetland Report prepared by City staff	\$800 plus any consultant costs
Zoning, Occupancy Status, Flood Hazard, and other staff confirmations	\$100
Staff-Researched Letter, Shoreline Permit	\$360 plus any consultant costs

Exemption, Discretionary Time Extension, or
Appealable Opinion²

**Actions Independent of Development
Review**

Presubmission Conference	\$240
SEPA Review (only)	\$480
Variance (staff level)	\$240 \$300
Variance and/or Reasonable Use Exception (by Examiner)	\$480 + \$1,000 Hearing Examiner deposit ⁵

Code and Plan Amendments

Comprehensive Plan Amendment (post-screening without rezone)	\$240 \$320
Shoreline Program	\$3,200
Original Master Plan (Villages & Centers) (See OMC Chapter 18.05)	\$3,200 + \$ 140 per acre or part thereof + \$2,500 Hearing Examiner deposit ⁵
Master Plan Revision	\$1,600 + \$1,500 Hearing Examiner deposit ⁵
Development Agreement	\$3,200 + \$2,000 Hearing Examiner deposit if referred to examiner ⁵
Zoning and Development Code Maps or Text	\$3,200 + if a site-specific rezone, a \$1,500 Hearing Examiner deposit ⁵

Annexations

Notice of Intent to Annex	\$320
Petition to Annex	\$2,880

Temporary Uses

Temporary Use Permit for three or less consecutive days	\$50
Temporary Uses for four or more consecutive days	\$200

Subdivision Actions

Lot Consolidation	\$360
Boundary Line Adjustment	\$320 plus \$160 per boundary line

Preliminary Short or Large-Lot Plat	\$600 + \$ 300 per lot
Final Short or Large-lot Plat	\$600
Preliminary Full (ten or more lots) Plat	\$ 3,600+ \$ 600 per acre, or part thereof + \$2,500 Hearing Examiner deposit ⁵
Final Full (ten or more lots) Plat ³	\$2,600
Binding Site Plan	Any land use review fee; plus sum equivalent to platting fee - latter reduced by 1/2 if concurrent with initial development
Improvements deferral review by Examiner (OMC 17.44.020(E))	\$1,800+ \$2,000 Hearing Examiner deposit ⁵

Land Use (Site Plan) Review³

No new structure to 5,000 square feet new gross floor area	\$2,600
5,001 to 8,000 square feet of new gross floor area	\$4,700
8,001 to 16,000 square feet of new gross floor area	\$6,800
16,000 to 24,000 square feet of new gross floor area	\$9,200
24,001 or more square feet of new gross floor area	\$11,500
Wireless Communication Facility	\$3,700, plus any consultant costs of City

Supplemental Actions

Traffic modeling or distribution by City staff	No charge, except any consultant fees
Additional SEPA Review (WAC 197-11-335)	No charge, except any consultant fees
Environmental Impact Statement	\$3,200+ preparation at contract rate to be determined
Design Concept Review --Board Level	\$900
Design Details Review-- Board Level	\$900
Design Review--Staff Level	\$240
Sign (Design) Review	\$55 per sign to \$330 maximum per occupancy

Examiner Review--Project Subject to SEPA	\$1,200 + \$2,000 Hearing Examiner deposit ⁵
Wireless Communication Facility -- Subject to SEPA	\$4,600+ \$2,000 Hearing Examiner deposit ⁵ plus any consultant costs of City
Examiner Review--Project SEPA Exempt	\$900 + \$750 Hearing Examiner deposit ⁵
Wireless Communication Facility -- SEPA Exempt	\$3,700 + \$750 Hearing Examiner deposit ⁵ plus any consultant costs of City
Modification of an approved application	50% of standard fee plus any Examiner deposit
Consolidated Review (RCW 36.70B.120) ⁴	\$5,000
Impact Fee Appeal to Examiner	\$1,000 + \$500 Hearing Examiner deposit ⁵
Other Appeal to Examiner	\$1,000
Appeals to Council (only if authorized)	\$500
Request for Reconsideration or Clarification by Examiner (OMC 18.75.060 and 070)	\$240 + \$500 Hearing Examiner deposit ⁵

Historic Rehabilitation Tax Exemption

Commercial	\$880
Residential	\$260

NOTES:

1. Additional fees may be applicable, including tree plan and engineering fees.
2. Staff certification or researched letter fees, and need for third-party consultation are at the discretion of the Planning Manager.
3. There is no extra charge for Planned Residential Development Approval.
4. The Consolidated Review Fee is an additional fee that applies to requests to merge review of preliminary development applications with construction permit applications, such as land use review and engineering permits.
5. Where Examiner deposit is required, applicant is responsible and required to pay actual Hearing Examiner costs, which may be higher or lower than the deposit amount.

Section 2. 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 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 4. Effective Date. This Ordinance shall take effect five (5) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

Darren Nienaber DEA

CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:

Chapter 4.40

LAND USE APPLICATION REVIEW FEES Revised 6/16

4.40.000 Chapter Contents

Sections:

[4.40.010](#) Land use application review fees. Revised 6/16

(Ord. 6333 §4; 2004 (reenacted section); Ord. 6333 §3, 2004 (repealed section)).

4.40.010 Land use application review fees Revised 6/16 

A. Commencing January 1, 2013, the following fee schedule shall be in full force and effect.

Certifications and Appealable Letters	Land Use and Planning Applications¹
Independent Confirmation of Critical Areas Report	\$520 plus any consultant costs
Wetland Report prepared by City staff	\$800 plus any consultant costs
Zoning, Occupancy Status, Flood Hazard, and other staff confirmations	\$100
Staff-Researched Letter, Shoreline Permit Exemption, Discretionary Time Extension, or Appealable Opinion ²	\$360 plus any consultant costs
Actions Independent of Development Review	
Presubmission Conference	\$240
SEPA Review (only)	\$480
Variance (staff level)	\$240 <u>\$300</u>
Variance and/or Reasonable Use Exception (by Examiner)	\$480 + \$1,000 Hearing Examiner deposit ⁵
Code and Plan Amendments	
Comprehensive Plan Amendment (post-screening without rezone)	\$240 <u>\$320</u>
Shoreline Program	\$3,200
Original Master Plan (Villages & Centers) (See OMC Chapter 18.05)	\$3,200 + \$ 140 per acre or part thereof + \$2,500 Hearing Examiner deposit ⁵
Master Plan Revision	\$1,600 + \$1,500 Hearing Examiner deposit ⁵
Development Agreement	\$3,200 + \$2,000 Hearing Examiner deposit if referred to examiner ⁵
Zoning and Development Code Maps or Text	\$3,200 + if a site-specific rezone, a \$1,500 Hearing Examiner deposit ⁵
Annexations	
Notice of Intent to Annex	\$320

Petition to Annex \$2,880

Temporary Uses

Temporary Use Permit for three or less consecutive days \$50

Temporary Uses for four or more consecutive days \$200

Subdivision Actions

Lot Consolidation \$360

Boundary Line Adjustment \$320 plus \$160 per boundary line

Preliminary Short or Large-Lot Plat \$600 + \$ 300 per lot

Final Short or Large-lot Plat \$600

Preliminary Full (ten or more lots) Plat \$ 3,600+ \$ 600 per acre, or part thereof + \$2,500 Hearing Examiner deposit⁵

Final Full (ten or more lots) Plat³ \$2,600

Binding Site Plan Any land use review fee; plus sum equivalent to platting fee - latter reduced by 1/2 if concurrent with initial development

Improvements deferral review by Examiner (OMC17.44.020(E)) \$1,800+ \$2,000 Hearing Examiner deposit⁵

Land Use (Site Plan) Review³

No new structure to 5,000 square feet new gross floor area \$2,600

5,001 to 8,000 square feet of new gross floor area \$4,700

8,001 to 16,000 square feet of new gross floor area \$6,800

16,000 to 24,000 square feet of new gross floor area \$9,200

24,001 or more square feet of new gross floor area \$11,500

Wireless Communication Facility \$3,700, plus any consultant costs of City

Supplemental Actions

Traffic modeling or distribution by City staff No charge, except any consultant fees

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Design Review--Staff Level \$240

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Historic Rehabilitation Tax Exemption

Commercial	\$880
Residential	\$260

NOTES:

1. Additional fees may be applicable, including tree plan and engineering fees.
2. Staff certification or researched letter fees, and need for third-party consultation are at the discretion of the Planning Manager.
3. There is no extra charge for Planned Residential Development Approval.
4. The Consolidated Review Fee is an additional fee that applies to requests to merge review of preliminary development applications with construction permit applications, such as land use review and engineering permits.
5. Where Examiner deposit is required, applicant is responsible and required to pay actual Hearing Examiner costs, which may be higher or lower than the deposit amount.

(Ord. 7013 §4, 2016; Ord. 6830 §1, 2012; Ord. 6789 §1, 2011; Ord. 6677 §1, 2009; Ord. 6598 §1, 2008; Ord. 6503 §1, 2007; Ord. 6392 §1, 2006; Ord. 6333 §4, 2004 (reenacted section); Ord. 6333 §3, 2004 (repealed section); Ord. 6309 §1, 2004; Ord. 6302 §3, 2004; Ord. 6238 §2, 2002; Ord. 6229 §1, 2002; Ord. 6183 §1, 2002; Ord. 6153 §3, 2001; Ord. 6059 §1, 2000; Ord. 5980 §2, 1999; Ord. 5873 §1, 1999; Ord. 5862 §4, 1998; Ord. 5771 §2, 1998; Ord. 5718 §4, 1997; Ord. 5658 §6, 1996; Ord. 5616 §1, 1996; Ord. 5594 §17, 1996; Ord. 5577 §6, 1995).



City Council

Approval of Ordinance Amending School Impact Fees

Agenda Date: 12/13/2016
Agenda Item Number: 4.G
File Number: 16-1234

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Amending School Impact Fees

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the ordinance amending School Impact Fees on second reading.

Report

Issue:

Whether to amend the School Impact fees for 2017.

Staff Contact:

Jane Kirkemo, Administrative Services Director, 360.753.8499

Presenter(s):

None - Consent Calendar item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

The proposed update to the school impact fees is based on the adoption by the School Board of the Olympia School District's 2017 - 2022 Capital Facilities Plan (CFP). Representatives from the School District met with the Planning Commission and City Council to review their CFP and proposed impact fees changes. The rates for impact fees are calculated based, in part, on the projects set forth in the District's CFP that are needed to address the impacts of projected growth. School impact fees are only charged to residential projects inside the city limits of Olympia. The City collects the impact fees for the school district and remits the fees with any interest to them on a monthly basis. Based on the school districts CFP, the fees are as follows:

	2016	2017
Single Family	\$5,240	\$5,298

Multi-Family	\$2,498	\$2,520
Downtown Multi-Family	- 0 -	- 0 -

Neighborhood/Community Interests (if known):

The Olympia School District held a public meeting to discuss their CFP and corresponding impact fees, and the Council had two public hearings that included the School District CFP.

Options:

The City can only adopt the changes proposed by the Olympia School Board or not charge school impact fees. The City has no basis for changing the calculations for school impact fees.

Option 1: Approve School Impact Fees Ordinance.

Option 2: Do not move forward with revised impact fees.

Financial Impact:

Depends on the number of new single family or multi-family residential permits issued.

Attachments:

Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING SCHOOL IMPACT FEES, AND AMENDING SECTION 15.16.030 OF THE OLYMPIA MUNICIPAL CODE.

WHEREAS, RCW 82.02.050 - .090 authorizes the City of Olympia to adopt an ordinance imposing impact fees; and

WHEREAS, in Ordinance Nos. 5490 and 6164, the City of Olympia did adopt such impact fees, to include "School Impact Fees"; and

WHEREAS, the Olympia School District has updated its capital facility plan and revised its proposed impact fees as reflected in the School District's adopted 2017-2022 Capital Facility Plan; and

WHEREAS, the City Council has called for an annual review of impact fees, concurrent with the annual review of the Capital Facilities Plan (CFP) element of the City's Comprehensive Plan, to consider adjustments to the fees; and

WHEREAS, following said review of the 2017-2022 CFP, the Olympia City Council desires to revise School Impact Fees as adopted in the Olympia School District's 2015-2020 Capital Facility Plan; and

WHEREAS, this Ordinance is adopted pursuant to Chapter 82.02 RCW and Article 11, Section 11, of the Washington State Constitution; and

WHEREAS, this Ordinance is supported by the staff report, attachments, and documents on file with the City of Olympia and the Olympia School District;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 15.16.030. Section 15.16.030 of the Olympia Municipal Code is hereby amended to read as follows:

15.16.030 - Schedule C, School Impact Fees

For complete building permit applications submitted after the effective date of this title, the following schedule shall apply:

(Applies to residential development only)

Housing Type:	
Single Family - detached (including manufactured homes on individual lots)	\$5,240 <u>\$5,298</u>
Multifamily per unit (including townhouses)	\$2,498 <u>\$2,520</u>
Downtown Multi Family per units (including townhouses)	\$0

Section 2. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances, shall be unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 4. Effective Date. This Ordinance shall be in force and effect on January 1, 2017, after its passage by the Olympia City Council and publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

Darra Nienabe DCA

CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:



City Council

Approval of Ordinance Amending Transportation Impact Fees

Agenda Date: 12/13/2016
Agenda Item Number: 4.H
File Number: 16-1243

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Amending Transportation Impact Fees

Recommended Action

Committee Recommendation:

Staff briefed the Finance Committee on October 12, 2016 and the Land Use and Environment Committee on October 20, 2016. These were briefings only and no action was requested.

City Manager Recommendation:

Move to approve on second reading the ordinance amending Transportation Impact Fees.

Report

Issue:

Whether to adopt an ordinance amending Transportation Impact Fees to include updates from the Transportation Impact Fee Rate Study and reflect a 2.97 percent increase.

Staff Contact:

Randy Wesselman, Transportation Engineering and Planning Manager, Public Works Transportation, 360.753.8477

Presenter(s):

None - Consent Item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

The City charges developers a Transportation Impact Fee to offset the impact of new development. Transportation Impact Fees fund future transportation capital improvement projects. The cost is calculated based on the type of land use and the projected number of afternoon, peak-hour vehicle trips generated by the development.

Staff on an annual basis adjusts project costs to remain current with the cost of labor, construction materials, and real property. Approximately every 3-5 years updates are made to the Transportation Impact Fee Rate Study (Rate Study). This year staff, working with the consulting firm of Fehr and

Peers, updated the Rate Study. The last update was in 2009. Updates to the Rate Study Include:

1. Deleting projects completed;
2. Revising project scopes and cost estimates to reflect the Draft 2017-2022 *Capital Facilities Plan*;
3. Adding new projects reflected in the Draft 2017-2022 *Capital Facilities Plan*;
4. Reducing the number of afternoon peak hour trips from 10,458 to 6,241 based on Thurston Regional Planning Council's population and employment forecasts and the Regional Transportation Model;
5. Updating trips generated by each of the various types of land uses; and
6. Adding an administrative fee of \$20 to the Transportation Impact Fee. The administrative fee covers consultant costs to update the Rate Study approximately every three years.

Staff recommends revising the Transportation Impact Fee Ordinance to reflect the above changes in the Rate Study. The proposed ordinance also eliminates or revises some reductions allowed for Transportation Demand Management and Commute Trip Reduction measures.

Neighborhood/Community Interests (if known):

Public Hearings were held on October 18 and November 15, 2016. The City Council did not receive any comments concerning the increase in Transportation Impact Fees.

The public commented on the change in project scope for the Henderson Boulevard and Eskridge Boulevard Intersection Improvements. The project scope changed from installation of a roundabout to a traffic signal.

The City Council received a comment to charge the maximum impact fee level where they can.

Options:

1. Approve on second reading the ordinance amending Transportation Impact Fees. The ordinance for City impact fees will incorporate the most recent updates from the Rate Study. Project costs will remain current with the cost of labor, construction materials, and real property.
2. Approve the Ordinance with changes to some of the proposed transportation impact fee rates.

Financial Impact:

The Transportation Impact Fee will increase from \$2,913 to \$2,999 per new afternoon peak hour trip. This represents a 2.97 percent increase.

Attachments:

1. Ordinance
2. Cost Distribution
3. 2016 Transportation Impact Fee Rate Study Update

Ordinance No. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON AMENDING TRANSPORTATION IMPACT FEES, AND AMENDING SECTIONS 15.04.070, 15.08.050 AND 15.16.040 OF THE OLYMPIA MUNICIPAL CODE

WHEREAS, RCW 82.02.050 - .090 authorizes the City of Olympia to adopt an ordinance imposing impact fees; and

WHEREAS, in Ordinance Nos. 5490 and 6164, the City of Olympia did adopt such impact fees, to include "Transportation Impact Fees"; and

WHEREAS, the City Council has called for an annual review of impact fees, concurrent with the annual review of the Capital Facilities Plan (CFP) element of the City's Comprehensive Plan, to consider adjustments to the fees; and

WHEREAS, following said review of the 2017-2022 CFP, the Olympia City Council desires to amend Transportation Impact Fees to account for updates to the Transportation Impact Fee Rate Study; and

WHEREAS, this Ordinance is adopted pursuant to Article 11, Section 11, of the Washington Constitution; and

WHEREAS, this Ordinance is supported by the staff report, attachments, and documents on file with the Department of Public Works;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 15.04.070. Olympia Municipal Code Section 15.04.070 is hereby amended to read as follows:

15.04.070 Credits

A. A feepayer can request that a credit or credits for park and/or transportation impact fees be granted for the total value of dedicated land, improvements, and/or construction provided by the feepayer if the land, improvements, and/or construction facility are identified in the capital facilities plan as projects providing capacity to serve new growth. The Director may make a finding that such land, improvements, and/or facility would serve the goals and objectives of the capital facilities plan. For park and transportation impact fees, the feepayer can also request a credit or credits for significant past tax payments. For each request for a credit or credits for significant past tax payments for park and transportation impact fees, the feepayer shall submit receipts and a calculation of past tax payments earmarked for or proratable to the projects that provide capacity to serve new growth in the capital facilities plan.

B. Where the dedicated land, improvements, and/or construction is for the benefit of District No. 111, the feepayer shall direct the request for a credit or credits to District No. 111. District No. 111 shall first determine the general suitability of the land, improvements, and/or construction for District purposes. Second, District No. 111 shall determine whether the land, improvements, and/or the facility constructed are included within the District's adopted capital facilities plan or the Board of Directors for District No. 111 may make the finding that

such land, improvements, and/or facilities would serve the goals and objectives of the capital facilities plan of District No. 111. District No. 111 shall forward its determination to the Director, including cases where District No. 111 determines that the dedicated land, improvements, and/or construction are not suitable for District purposes. The Director may adopt the determination of District No. 111 and may award or decline to award a credit, or the Director may make an alternative determination and set forth in writing the rationale for the alternative determination.

C. For each request for a credit or credits, if appropriate, the Director shall select an appraiser or the feepayer may select an independent appraiser acceptable to the Director. The appraiser must be a Washington State Certified Appraiser or must possess other equivalent certification and shall not have a fiduciary or personal interest in the property being appraised. A description of the appraiser's certification shall be included with the appraisal, and the appraiser shall certify that he/she does not have a fiduciary or personal interest in the property being appraised.

D. The appraiser shall be directed to determine the total value of the dedicated land, improvements, and/or construction provided by the feepayer on a case-by-case basis.

E. Where the dedicated land, improvements, and/or construction is for the benefit of District No. 111 and District No. 111 has determined that the land, improvements, and/or construction would be suitable for District purposes, District No. 111 shall select an appraiser or the feepayer may select an independent appraiser acceptable to District No. 111. Such appraiser must meet and comply with the requirements set forth in subsection C above. The appraiser shall be directed to determine the value of the dedicated land, improvements, or construction provided by the feepayer on a case-by-case basis.

F. The feepayer shall pay for the cost of the appraisal or request that the cost of the appraisal be deducted from the credit which the Director may be providing to the feepayer, in the event that a credit is awarded.

G. After receiving the appraisal, or the determination of District No. 111, and where consistent with the requirements of this Section, the Director shall provide the applicant with a letter or certificate setting forth the dollar amount of the credit, the reason for the credit, the legal description of the site donated where applicable, and the legal description or other adequate description of the project or development to which the credit may be applied. The applicant must sign and date a duplicate copy of such letter or certificate indicating his/her agreement to the terms of the letter or certificate, and return such signed document to the Director before the impact fee credit will be awarded. The failure of the applicant to sign, date, and return such document within sixty (60) calendar days shall nullify the credit. The credit must be used within seventy-two (72) months of the award of the credit.

H. Any claim for credit must be made no later than twenty (20) calendar days after the submission of an application for a building permit.

- I. In no event shall the credit exceed the amount of the impact fees that would have been due for the proposed development activity.
- J. No credit shall be given for project improvements.
- K. Determinations made by the Director pursuant to this Section shall be subject to the appeals procedures set forth in OMC Chapter 18.75.
- L. The fee payer may also apply for a credit for transportation demand management strategies. The Director shall determine the actual amount of the credit to be granted to a specific project for the transportation demand management strategies that the feepayer will implement. The Director may consider the possible impacts on adjacent residential parking when considering a request for credit. At the discretion of the Director, eligible projects may reduce transportation impact fees by the following amounts:

ACTION	TRANSPORTATION IMPACT FEE REDUCTION
Operational Improvements:	
Installation of centralized Transportation Demand Management (TDM) information center with maintained information.	1%
Commercial development which would be occupied by employees subject to Commute Trip Reduction ordinance or evidence to voluntarily comply with Commute Trip Reduction ordinance.	32%
Installation of parking spaces which are designated as paid parking (by residents or employees).	3%
Signage and enforcement designating parking lots to be used for carpool or vanpool parking for non-building occupants.	1%
Physical Improvements:	
Construction of direct walkway connection to the nearest arterial.	1%
Installation of on-site sheltered bus stop, or bus stop within 1/4 mile of site with adequate walkways as determined by Transportation Division staff.	12%
Installation of bike lockers or employee showers.	1%
Construction of on-site internal walk/bikeway network which connects to existing City bicycle/pedestrian networks.	1%
Installation of preferential carpool/vanpool parking facilities.	2%
Underbuild median parking requirements by at least 20% OR underbuild by at least 30% OR underbuild by at least 40%.	2% or 4% or 7%

ACTION	TRANSPORTATION IMPACT FEE REDUCTION
Downtown construction that provides no parking for employees or customers.	±0%
Other:	
Other operational or physical Transportation Demand Management measures identified by the developer (with supporting documentation).	Up to 20 <u>5</u> % based upon peak hour trip reductions
Maximum Reduction	Up to 20 <u>10</u> %

The following guidelines define the conditions under which transportation demand management credits may be granted. The Director shall request documentation or other sureties to ensure the effectiveness and continuation of the impact of these credits.

OPERATIONAL

- ~~1. — Kiosks must be centrally located transportation information centers in areas of high visibility to employees and customers. The kiosk must contain at least alternative mode, ride share, and flex time information which is updated quarterly or more often.~~
21. Applicants requesting credit because they will house employers subject to the Commute Trip Reduction (CTR) Act must provide a signed five-year lease or other evidence in a form approved by the City Attorney that obligates the occupants to reduce peak hour trips.
- ~~3. — Paid parking space credit will be given only if 25% or more of the actual parking stalls are clearly designated and administered as paid parking.~~

PHYSICAL

- ~~1. — Bike lockers must designated for be a minimum of three spaces or at least 1% of the actual parking area constructed for the building.~~
21. "Carpool/vanpool only" parking must be designated for a minimum of three spaces or 15% of the actual constructed parking area.

Transportation Impact Fee Reduction for Underbuilding Median Parking:

1. Any physical/operational improvements required by the City to reduce parking are not eligible for individual TIF reductions.

2. Physical/operational improvements being proposed above and beyond those required for parking reductions are eligible for TIF reductions.

*Plus other possible TDM credits as identified by the applicant which reduces single occupancy vehicle trips.

Section 2. Amendment of OMC 15.08.050. Olympia Municipal Code Section 15.08.050 is hereby amended to read as follows:

15.08.050 Transportation impact fees

A. The transportation impact fees in Schedule D, Section 15.16.040, are generated from the formula for calculating impact fees set forth in the Transportation Study. The fees to be charged are outlined in the 2009 Transportation Impact Fee Collection Rate Document. One copy of the Transportation Study and one copy of the 2009 Rate document will be kept on file with the office of the City Clerk and each is hereby adopted and incorporated by reference. Except as otherwise provided in OMC Sections 15.04.050 through 15.04.070, all new developments and changes in use in the City will be charged the transportation impact fees in Schedule D.

B. The transportation impact fees in Schedule D will be reviewed annually to consider adjustments to the fees to account for system improvement cost increases due to increased costs of labor, construction materials and real property. The City Council intends that such review should occur concurrently with the annual review of the Capital Facilities Plan element of the City's Comprehensive Plan.

C. The cost of administering the impact fee program for transportation impact fees shall also include a \$20 administrative fee per new P.M. (afternoon) peak hour trip generated. The administrative fee shall be deposited into an administrative fee account within the Transportation Impact Fee Fund. The administrative fee shall be used to defray the cost incurred by the City in the administration and update of the Transportation Impact Fee Program, including, but not limited to, review of independent fee calculations and the value of credits. The administrative fee is not creditable or refundable under OMC 15.04.070.

Section 3. Amendment of OMC 15.16.040. Olympia Municipal Code Section 15.16.040 is hereby amended to read as follows:

15.16.040 Schedule D, Transportation Impact Fees

**SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, ~~2016~~2017**

Land Uses	Unit of Measure	Rate
Cost per New Trip Generated:		\$2,913 <u>\$2,999</u>
<i>Residential</i>		
Single Family (Detached)	dwelling	\$3,432 <u>\$3,498</u>
Multi Family-Townhouse & Duplex	dwelling	\$2,227 <u>\$2,293</u>
Senior Housing & Accessory Dwelling	dwelling	\$843 <u>\$868</u>
Mobile Home	dwelling	\$2,005 <u>\$2,064</u>
<i>Commercial – Services</i>		
Bank	sq ft / GFA	\$18.80 <u>\$23.68</u>
Day Care	sq ft / GFA	\$18.15 <u>\$24.67</u>
Hotel/Motel	room	\$2,292 <u>\$2,399</u>
Service Station ¹	fueling position	\$6,626 <u>\$10,101</u>
Quick Lubrication Vehicle Shop	servicing positions	\$5,997 <u>\$6,173</u>
Automobile Care Center	sq ft / GLA	\$5.42 <u>\$5.13</u>
Movie Theater	seat	\$133 <u>\$137</u>
Health Club	sq ft / GFA	\$7.97

SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, ~~2016~~2017

Land Uses	Unit of Measure	Rate
		<u>\$8.20</u>
Marina	berth	\$515 <u>\$530</u>
<i>Institutional</i>		
Elementary /Jr. High/ High School	student	\$202 <u>\$208</u>
University/College	student	\$551 <u>\$459</u>
Church	sq ft / GFA	\$1.98 <u>\$2.03</u>
Hospital	sq ft / GFA	\$4.43 <u>\$3.72</u>
Assisted Living, Nursing Home, Group Home	bed	\$598 <u>\$616</u>
<i>Industrial</i>		
Light Industry/Manufacturing/Industrial Park	sq ft / GFA	\$4.26 <u>\$4.33</u>
Warehousing/Storage	sq ft / GFA	\$1.58 <u>\$1.63</u>
Mini Warehouse	sq ft / GFA	\$1.29 <u>\$1.33</u>
<i>Restaurant</i>		
Restaurant	sq ft / GFA	\$19.78 <u>\$14.25</u>
Fast Food Restaurant	sq ft / GFA	\$32.86 <u>\$32.64</u>
<u>Coffee/Donut Shop with Drive-Through Window</u>	<u>sq ft / GFA</u>	<u>\$27.81</u>
<u>Coffee/Donut Shop with Drive-Through Window and No Indoor Seating</u>	<u>sq ft / GFA</u>	<u>\$10.72</u>

**SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, ~~2016~~2017**

Land Uses	Unit of Measure	Rate
<i>Commercial – Retail</i>		
Retail Shopping Center:		
up to 49,999	sq ft / GLA	\$6.34 <u>\$6.15</u>
50,000-99,999	sq ft / GLA	\$5.61 <u>\$5.43</u>
100,000-199,999	sq ft / GLA	\$5.51 <u>\$5.34</u>
200,000-299,999	sq ft / GLA	\$5.04 <u>\$4.89</u>
300,000-399,999	sq ft / GLA	\$6.01 <u>\$5.82</u>
over 400,000	sq ft / GLA	\$6.76 <u>\$6.57</u>
Supermarket > 5,000 SF	sq ft / GFA	\$16.06 <u>\$12.74</u>
Convenience Market < 5,000 SF	sq ft / GFA	\$29.77 <u>\$33.37</u>
Furniture Store	sq ft / GFA	\$0.45 <u>\$0.36</u>
Car Sales - New/Used	sq ft / GFA	\$9.25 <u>\$9.64</u>
Nursery/Garden Center	sq ft / GFA	\$5.42 <u>\$10.20</u>
Pharmacy/Drugstore	sq ft / GFA	\$6.95 <u>\$6.71</u>
Hardware/Building Materials Store < 25,000 SF	sq ft / GFA	\$5.49 <u>\$5.65</u>
Discount Merchandise Store (Free Standing)	sq ft / GFA	\$6.34 <u>\$6.24</u>

**SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, ~~2016~~2017**

Land Uses	Unit of Measure	Rate
Video Rental	sq ft / GFA	\$10.10 \$10.40
Home Improvement Superstore > 25,000 SF	sq ft / GFA	\$2.66 \$2.84
Miscellaneous Retail	sq ft / GLA	\$6.52 \$5.87
<i>Commercial – Office</i>		
Administrative Office:		
0-99,999	sq ft / GFA	\$12.08 \$12.34
100,000-199,999	sq ft / GFA	\$7.35 \$7.52
200,000-299,999	sq ft / GFA	\$6.42 \$6.56
over 300,000	sq ft / GFA	\$6.02 \$6.15
Medical Office/Clinic	sq ft / GFA	\$12.09 \$12.85
<i>Downtown² Fees</i>		
Multi Family-Townhouse, & Duplex	dwelling	\$913 \$1,004
Senior Housing & Accessory Dwelling	dwelling	\$378 \$380
Assisted Living, Nursing Home, Group Home	bed	\$406 \$367
Hotel/Motel	room	\$1,699 \$1,431
Movie Theater	seat	\$110 \$89

**SCHEDULE D
TRANSPORTATION IMPACT FEE RATE SCHEDULE
Effective January 1, 20162017**

Land Uses	Unit of Measure	Rate
Marina	berth	\$315 <u>\$316</u>
Downtown Services/Retail ³	sq ft / GLA	\$3.85 <u>\$3.87</u>
Administrative Office:		
0-99,999	sq ft / GFA	\$7.84 <u>\$8.53</u>
100,000-199,999	sq ft / GFA	\$5.88 <u>5.20</u>
200,000-299,999	sq ft / GFA	\$5.10 <u>\$4.53</u>
over 300,000	sq ft / GFA	\$4.31 <u>\$4.25</u>
Medical Office/Clinic	sq ft / GFA	\$10.58 <u>\$8.87</u>
Industrial Park	sq ft / GFA	\$2.67 <u>\$2.99</u>
Warehousing/Storage	sq ft / GFA	\$0.99 <u>\$1.13</u>
Mini Warehouse	sq ft / GFA	\$0.81 <u>\$0.92</u>

Notes: For uses with Unit of Measure in "sq ft / GFA" or "sq ft/GLA", impact fee is dollars per square foot.

- 1) Service Station can include Mini Mart (less than or equal to 2,500 square feet) and/ or Car Wash. Mini Mart greater than 2,500 square feet is calculated separately.
- 2) Downtown: As defined in Olympia Municipal Code 15.04.020.O.
- 3) Downtown Services/Retail includes Retail Stores, Restaurants, Supermarkets, Convenience Markets, Video Rentals, Banks, Health Clubs, Day Cares, and Libraries.

Section 4. 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 5. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 6. Effective Date. This Ordinance shall take effect January 1, 2017, after its passage by the Olympia City Council and publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:

Transportation Impact Fee Cost Distribution

	A1	A15	A18	A19	A20
PROJECT/STREET	COST	Total Funds Appropriated or Assigned through August 31, 2015	Not Debt Financed	Payment Schedule for Horizon Year Debt Based on Bond Issuance	Total Funds Needed for Horizon Year A18+ A19
Fones Road - 18th Avenue to Pacific (CG23)	\$14,400,000	\$104,518	\$14,295,482	\$0	\$14,295,482
Henderson Boulevard & Eskridge Boulevard Intersection Improvements	\$650,000	\$125,639	\$524,361	\$0	\$524,361
Wiggins Road & 37th Avenue Intersection Improvements	\$650,000	\$244,333	\$405,667	\$0	\$405,667
Cain Road & North Street Intersection Improvements	\$400,000	\$20,012	\$379,988	\$0	\$379,988
Transportation Projects Update and Prioritization	\$200,000	\$0	\$200,000	\$0	\$200,000
Boulevard Road Intersection Improvements - Morse-Merryman Road	\$6,001,400	\$2,620,620	\$3,380,780	\$0	\$3,380,780
Log Cabin Road Extension - ROW	\$273,000	\$0	\$273,000	\$0	\$273,000
Log Cabin Road Extension - Design	\$500,000	\$0	\$500,000	\$0	\$500,000
US 101/West Olympia Access Project - Design, Evironmental Permits and Mitigation, and ROW	\$6,119,675	\$0	\$6,119,675	\$0	\$6,119,675
Debt Service	\$2,616,476	\$0		\$2,616,476	\$2,616,476
Total	\$31,810,551	\$3,115,122	\$26,078,953	\$2,616,476	\$28,695,429

Percent of new project traffic due to growth within City of Olympia and UGA	64.8000000%
Project Costs Allowable for Impact Fees	\$18,594,638
New PM Peak Hour Trips	6,241
Cost Per Trip without Administrative Fee	\$2,979
Administrative Fee	\$20
Cost Per Trip with Administrative Fee	\$2,999

Transportation Impact Fee Update

Prepared for
City of Olympia

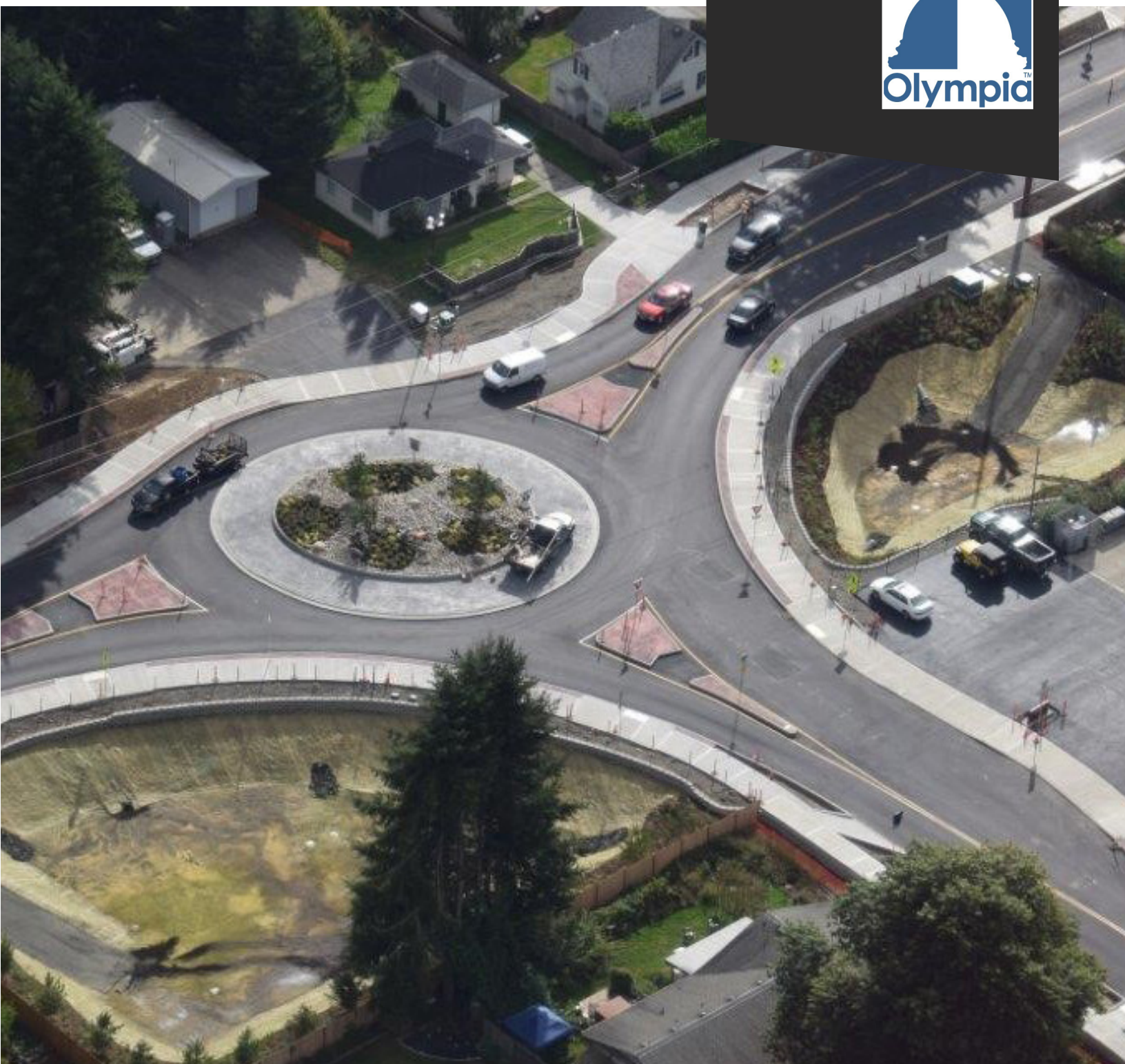




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INTRODUCTION

This report documents the 2016 update to the City of Olympia Transportation Impact Fee Program. The update was prepared for the following reasons:

- The Growth Management Act requires regular updates to impact fee programs. The original Transportation Impact Fee program was adopted by the City Council in 1995 and was updated in 1998, 2002, 2006, and 2009.
- The project list has been updated for consistency with the Capital Facilities Program (CFP).
- The costs of projects on the impact fee project list have changed due to inflation and changing project scope since the last update in 2009.

This update remains generally consistent with the 2009 methodology, but includes enhancements to the way the rates are calculated for Downtown Olympia. These changes are based on more recent data and research and are described in more detail in this report. The remaining sections of this report describe the impact fee program methodology, the analyses performed, and the resulting recommendations.

IMPACT FEE ANALYSIS

The City of Olympia's impact fee structure was designed to determine the fair share of improvement costs that may be charged for a new development. The structure includes the key elements listed below, each of which is covered in more detail in this report.

- A 6-year roadway facility list oriented to future growth is developed.
- Existing deficiencies are identified and separated from future trips on the roadway system.
- Future trips are allocated to geographic areas inside and outside the City using a travel demand forecasting model.
- A citywide fee system is established.
- A land use based fee schedule is developed.

IMPACT FEE PROJECT LIST

The updated impact fee project list is composed of selected capacity projects from the City's CFP, which covers a 6-year period. The projects are listed in **Table 1** and mapped in **Figure 1**. The table shows total estimated project cost and the amount already collected or allocated for each project. The impact fee cost



for growth-related projects is equal to the total project cost minus the assumed grants and other non-eligible costs.

TABLE 1. SIX-YEAR LIST OF TRANSPORTATION CAPACITY PROJECTS

Project Number	Project	Total Estimated Cost	All Funds Appropriated/Assigned to Project (As of 8/31/2015)	Total Remaining Funds Needed
1	Fones Road- 18th Avenue to Pacific (CG23)	\$14,400,000	\$104,518	\$14,295,482
2	Henderson Boulevard & Eskridge Boulevard Intersection Improvements	\$650,000	\$125,639	\$524,361
3	Wiggins Road & 37th Avenue Intersection Improvements	\$650,000	\$244,333	\$405,667
4	Cain Road & North Street Intersection Improvements	\$400,000	\$20,012	\$379,988
5	Boulevard Road Intersection Improvements-Morse-Merryman Road	\$6,001,400	\$2,620,620	\$3,380,780
6	Log Cabin Road Extension – ROW	\$273,000	\$0	\$273,000
7	Log Cabin Road Extension – Design	\$500,000	\$0	\$500,000
8	US 101/West Olympia Access Project-Design, Environmental Permits, Mitigation & Right-of-Way	\$6,119,675	\$0	\$6,119,675
9	Harrison Ave Phase 2 & 3 Widening and Traffic Signal - <i>Debt Finance</i>	\$1,605,999	\$0	\$1,605,999
10	18th Ave Widening and Roundabouts - <i>Debt Finance</i>	\$907,314	\$0	\$907,314
11	Yelm Highway Widening - <i>Debt Finance</i>	\$103,163	\$0	\$103,163
12	Transportation Projects Update & Prioritization (Transportation Master Plan)	\$200,000	\$0	\$200,000
Total		\$31,810,551	\$3,115,122	\$28,695,429

Source: City of Olympia, 2016.

The City identified the funding currently appropriated or assigned to each project, including the amount of the current impact fee and SEPA mitigation payments that are being used to pay for the improvements. The remaining unfunded portion of the project costs equals \$28.7 million.



During the City's transportation planning process, the City identified the projects in Table 1 as those needed during the next six years to meet the adopted Level of Service (LOS) standards. These capital projects form the basis for the City's transportation funding program which includes public and private sources. The list retains some current impact fee projects since they are not complete and have remaining capacity available for new growth.

SYSTEM IMPROVEMENTS

Washington State law (RCW 82.02.050) specifies that Transportation Impact Fees are to be spent on "system improvements." System improvements can include physical or operational changes to existing roadways, as well as new roadway connections that are built in one location to benefit projected needs at another location. Costs could include planning, design, and construction of the facilities. Each project in **Table 1** meets this requirement. The Log Cabin Road Extension project in the impact fee project list will provide a new street connection that provides capacity and helps shift traffic away from other congested locations within the City.

TRAVEL GROWTH

For the impact fee analysis, a six-year land use growth estimate was used to match the 2016-2021 Capital Facilities Program. These growth estimates result in an increase of 6,241 PM peak hour vehicle trip ends¹ within the City and the surrounding urban growth area. This growth is substantially lower than the growth forecasted in 2009.²

COST ALLOCATION

The City's impact fee analysis is based on a methodology that distinguishes between facility improvements that address existing deficiencies and those that are needed to serve new growth. For growth-related projects, this method assumes that traffic generated by future development (inside and outside of the City) results in the need for the improvement projects. To make this determination, the City provided data on existing LOS for each project, as shown in **Table 2**. The analysis showed that the LOS of each proposed project is either currently within the City's adopted standard or was within the City's adopted standard when the City began collecting impact fees for the project. Therefore, up to 100 percent of the project costs can potentially be allocated to new growth.

¹ A vehicle trip travels between an origin and a destination. Each vehicle trip has two trip ends, one each at the origin and destination. Trip ends represent the traffic coming to and from a given land use, consistent with trip generation formulas used by the Institute of Transportation Engineers.

² The growth forecast in 2009 was 10,458 PM peak hour trip ends.



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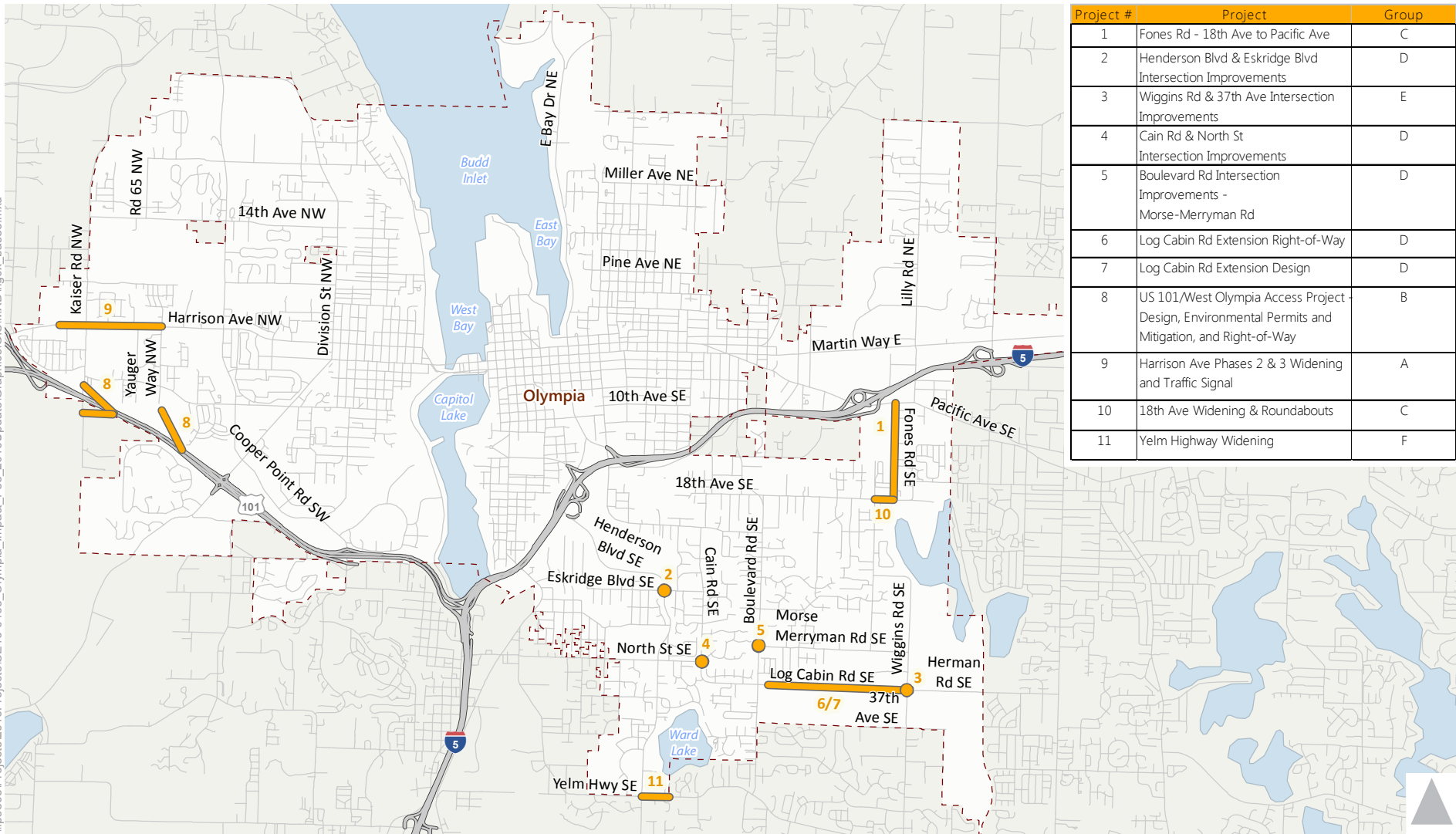


Figure 1
City of Olympia Impact Fee Projects

TABLE 2. LEVEL OF SERVICE DEFICIENCY ANALYSIS

Project #	Project Description	Deficiency Analysis
1	Fones Road- 18th Avenue to Pacific (CG23)	Existing deficiency. No existing deficiency when the City began collecting impact fees. Current LOS is E and LOS standard is D.
2	Henderson Boulevard & Eskridge Boulevard Intersection Improvements	No existing deficiency. Current LOS is A and LOS standard is D.
3	Wiggins Road & 37th Avenue Intersection Improvements	No existing deficiency. Current LOS is A and LOS standard is D.
4	Cain Road & North Street Intersection Improvements	No existing deficiency. Current LOS is C and LOS standard is D.
5	Boulevard Road Intersection Improvements- Morse-Merryman Road	No existing deficiency. Current LOS is A and LOS standard is D.
6	Log Cabin Road Extension - ROW	No existing deficiency. New connection.
7	Log Cabin Road Extension - Design	No existing deficiency. New connection.
8	US 101/West Olympia Access Project- Design, Environmental Permits, Mitigation & Right-of-Way	No existing deficiency. Black Lake interchange (the only adjacent interchange within City limits) has no deficiency according to 2016 Interchange Justification Report.
9	Harrison Ave Phase 2 & 3 Widening and Traffic Signal - <i>Debt Finance</i>	No existing deficiency. Project completed and no deficiency at the time the City began collecting impact fees.
10	18th Ave Widening and Roundabouts - <i>Debt Finance</i>	No existing deficiency. Project completed and no deficiency at the time the City began collecting impact fees.
11	Yelm Highway Widening - <i>Debt Finance</i>	No existing deficiency. Project completed and no deficiency at the time the City began collecting impact fees.
12	Transportation Projects Update & Prioritization (Transportation Master Plan)	Not applicable.

Note: Existing impact-fee funded projects that have a current deficiency have been previously identified as eligible for impact fee funding prior to the time of their deficiency.

Not all of the growth-related costs can be attributed to growth within the City of Olympia. The cost allocation process distributes the growth costs for each project based on the travel patterns between the different geographic areas within and outside the City limits. Trips that pass through Olympia, but do not have any origins or destinations within Olympia, were not allocated to Olympia zones. In other words,



development in Olympia would not be charged for impacts by growth in trips passing through the City. This 'through traffic' amount will need to be covered by other revenues.

The total cost of the projects on the impact fee list is \$31.8 million³ (excluding the \$3.1 million debt service beyond the horizon year of 2022), as shown in **Figure 2**. Of this amount, \$3.1 million has already been spent or otherwise appropriated or assigned to the projects on the list. The funds include a combination of previously obtained State and Federal grants, impact fees, and SEPA payments. The remaining \$28.7 million needs to be funded.

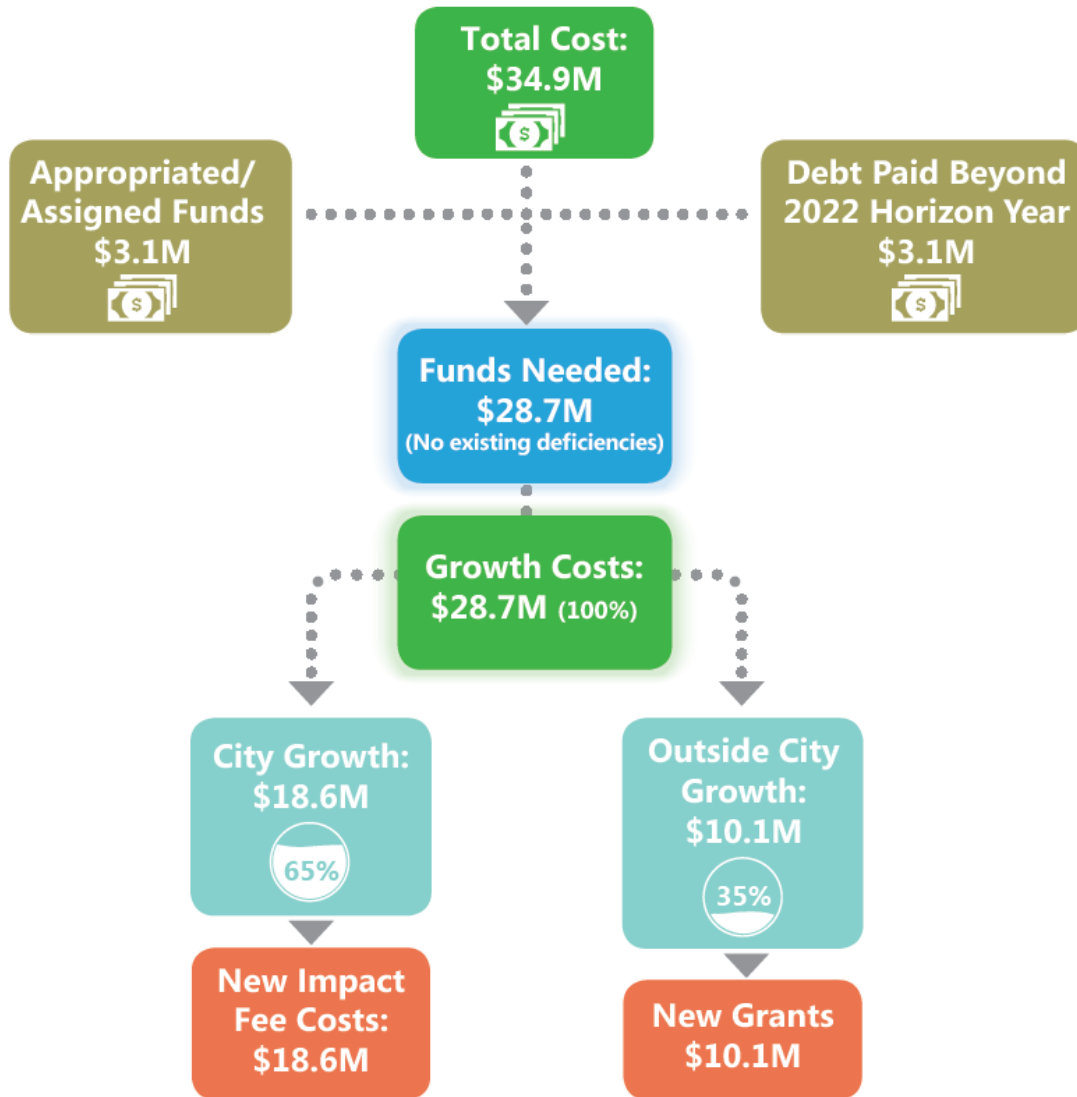
The \$28.7 million was then split into 'city growth' and 'outside city growth' components using the City's traffic model. The details of this calculation are shown in **Appendix A – Exhibit A**. Using this data, the average percentage of City growth responsibility equaled approximately 65 percent. The City growth percentage, applied to the \$28.7 million needed funds, yielded an amount equal to \$18.6 million. This is the amount that could be charged to new development using impact fees. The remaining \$10.1 million is expected to be obtained from new grant proposals to cover the cost of growth occurring outside of the city.

³ For discussion purposes, the dollar amounts shown in the following figures and text descriptions are approximate values. The actual amounts used in the calculations are accurate to a single dollar.



Figure 2. Impact Fee Cost Allocation

Impact Fee Cost Allocation (2016–2022)



The Cost per New Trip is then calculated as follows:

Impact Fee Costs	\$18.6M
New Peak (4-6PM) Hour Trips	÷ 6,241
Cost per New Trip without Administrative Fee	\$2,979
Administrative Fees	+\$20
Cost per New Trip with Administrative Fee	\$2,999



The final step in the cost allocation process was to calculate the "cost per new trip end" within Olympia and the surrounding Urban Growth Area (UGA). This is derived by dividing the total project cost by the total number of new PM peak hour trips. This rate presumed that grants would cover only the 'outside city and Urban Growth Area' share of the growth costs.

The analysis produced the following results.

$$\text{Project Cost per New Trip End} = \frac{\text{Total Project Cost}}{\text{New PM Peak Hour Trip Ends}} = \frac{\$18,590,836}{6,241} = \$2,979$$

In addition to the project cost per new trip end, the City is applying an administrative fee to defray the costs associated with the periodic update of the impact fee program. There is precedent within Washington State for collecting administrative fees, including the Cities of Federal Way, Bothell, and Kent. The administrative fee is set at \$20 per new trip end, which is based on the expected annual cost of administering the program. Therefore, the total cost per new trip end is \$2,999.

The \$2,999 per trip end rate is three percent higher than the current rate of \$2,913. The new rate reflects an updated impact fee project list with old projects removed, new projects added, and updated cost estimates. The new fee schedule is anticipated to collect a slightly higher proportion of project costs, 58 percent, than the previous program which only collected 50 percent of the total. However, with a lower overall project cost than the previous program, this would lead to a 6-year fee collection of \$18.6 million, compared with the current program goal of \$35.4 million. The decrease in vehicle trip end growth (6,241 vs. 10,458) is a key reason why the impact fee rate will stay roughly equivalent to the prior program despite the lower project cost.

IMPACT FEE SCHEDULE

The impact fee schedule was developed by adjusting the 'cost per trip end' information to reflect differences in trip making characteristics (trip generation, pass-by trips, trip length) for a variety of land use types within the study area. The fee schedule is a table where fees are represented as dollars per unit for each land use category. **Table 3** shows the various components of the fee schedule. Certain land uses were modified or added from the current fee schedule to reflect recent development trends within the City and changes to the national trip generation database. For example, categories for drive through coffee shops with indoor seating and without indoor seating (i.e. an espresso stand) were added, as that is now a common land use within the City.



TABLE 3. COMPONENTS OF IMPACT FEE SCHEDULE

Land Uses	Land Use Code	Unit of Measure	PM Peak Trips Ends/Unit	New Trip %	New Trip End Rate	Trip Length (Miles)	Adjusted Trip Length for Downtown Uses	Trip Length Adjustment Factor
Residential								
Single Family (Detached)	210	dwelling	1.00	100%	1.00	3.5	-	1.17
Multi Family-Townhouse & Duplex	220, 221, 230, 233	dwelling	0.62	100%	0.62	3.7	-	1.23
Senior Housing & Accessory Dwelling	220, 221, 230, 233	dwelling	0.31	100%	0.31	2.8	-	0.93
Mobile Home	240	dwelling	0.59	100%	0.59	3.5	-	1.17
Commercial-Services								
Bank	912	SF GFA	24.30	65%	15.80	1.5	-	0.50
Day Care	565	SF GFA	12.34	100%	12.34	2.0	-	0.67
Hotel/Motel	310, 320	room	0.60	100%	0.60	4.0	-	1.33
Service Station with or without minimart and/or carwash	944, 945, 946	Fueling Position	13.51	44%	5.94	1.7	-	0.57
Movie Theater	444, 445	seat	0.07	85%	0.06	2.3	-	0.77
Health Club	492, 493	SF GFA	3.53	75%	2.65	3.1	-	1.03
Marina	420	Berth	0.19	90%	0.17	3.1	-	1.03
Institutional								
Elementary /Junior High/ High School	520, 522, 530	student	0.13	80%	0.10	2.0	-	0.67
University/College	540, 550	student	0.17	90%	0.15	3.0	-	1.00
Church	560	SF GFA	0.55	100%	0.55	3.7	-	1.23
Hospital	610	SF GFA	0.93	80%	0.74	5.0	-	1.67
Assisted Living, Nursing Home, Group Home	620, 254	bed	0.22	100%	0.22	2.8	-	0.93
Industrial								



TABLE 3. COMPONENTS OF IMPACT FEE SCHEDULE

Land Uses	Land Use Code	Unit of Measure	PM Peak Trips Ends/Unit	New Trip %	New Trip End Rate	Trip Length (Miles)	Adjusted Trip Length for Downtown Uses	Trip Length Adjustment Factor
Light Industry/ Manufacturing Industrial Park	110, 140, 130	SF GFA	0.85	100%	0.85	5.1	-	1.70
Warehousing/ Storage	150	SF GFA	0.32	100%	0.32	5.1	-	1.70
Mini Warehouse	151	SF GFA	0.26	100%	0.26	5.1	-	1.70
Restaurant								
Restaurant	931	SF GFA	7.49	56%	4.19	3.4	-	1.13
Fast Food Restaurant	934	SF GFA	32.65	50%	16.33	2.0	-	0.67
Coffee/Donut Shop with Drive- Through Window	937	SF GFA	42.80	50%	21.40	1.3	-	0.43
Coffee/Donut Shop with Drive- Through Window and No Indoor Seating	938	SF GFA	75.00	11%	8.25	1.3	-	0.43
Commercial-Retail								
Retail Shopping Center								
up to 49,999	820	SF GLA	9.47	50%	4.74	1.3	-	0.43
50,000-99,999	820	SF GLA	6.59	55%	3.62	1.5	-	0.50
100,000-199,999	820	SF GLA	5.24	60%	3.14	1.7	-	0.57
200,000-299,999	820	SF GLA	4.43	65%	2.88	1.7	-	0.57
300,000-399,999	820	SF GLA	3.96	70%	2.77	2.1	-	0.70
over 400,000	820	SF GLA	3.65	75%	2.74	2.4	-	0.80
Commercial-Office								
Administrative Office								
0-99,999	710, 715, 750	SF GFA	2.69	90%	2.42	5.1	-	1.7
100,000-199,999	710, 715, 750	SF GFA	1.64	90%	1.48	5.1	-	1.7



TABLE 3. COMPONENTS OF IMPACT FEE SCHEDULE

Land Uses	Land Use Code	Unit of Measure	PM Peak Trips Ends/Unit	New Trip %	New Trip End Rate	Trip Length (Miles)	Adjusted Trip Length for Downtown Uses	Trip Length Adjustment Factor
200,000-299,999	710, 715, 750	SF GFA	1.43	90%	1.29	5.1	-	1.7
over 300,000	710, 715, 750	SF GFA	1.34	90%	1.21	5.1	-	1.7
Medical Office/Clinic	720	SF GFA	3.57	75%	2.68	4.8	-	1.6
Other Retail Uses								
Supermarket > 5,000 SF	850	SF GFA	9.48	64%	6.07	2.1	-	0.70
Convenience Market < 5,000 SF	851	SF GFA	52.41	49%	25.68	1.3	-	0.43
Discount Merchandise Store (Free Standing)	813, 815, 861, 863, 864	SF GFA	4.13	72%	2.98	2.1	-	0.70
Miscellaneous Retail	820	SF GLA	3.71	66%	2.45	2.4	-	0.80
Furniture Store	890	SF GFA	0.45	47%	0.21	1.7	-	0.57
Car Sales - New/Used	841	SF GFA	2.62	80%	2.10	4.6	-	1.53
Nursery/Garden Center	817	SF GFA	6.94	70%	4.86	2.1	-	0.70
Pharmacy/Drugstore	880, 881	SF GFA	8.40	47%	3.95	1.7	-	0.57
Video Rental	896	SF GFA	13.60	45%	6.12	1.7	-	0.57
Automobile Care Center	942	SF GLA	3.11	75%	2.33	2.2	-	0.73
Quick Lubrication Vehicle Shop	941	Servicing Positions	5.19	70%	3.63	1.7	-	0.57
Hardware/Building Materials Store < 25,000 SF	812	SF GFA	4.49	60%	2.69	2.1	-	0.70
Home Improvement Superstore > 25,000 SF	862	SF GFA	2.33	58%	1.35	2.1	-	0.70



TABLE 3. COMPONENTS OF IMPACT FEE SCHEDULE

Land Uses	Land Use Code	Unit of Measure	PM Peak Trips Ends/Unit	New Trip %	New Trip End Rate	Trip Length (Miles)	Adjusted Trip Length for Downtown Uses	Trip Length Adjustment Factor
DOWNTOWN FEES								
Multi Family-Townhouse & Duplex	223, 230	dwelling	0.36	100%	0.36	3.7	2.8	0.94
Senior Housing & Accessory Dwelling	223, 230	dwelling	0.18	100%	0.18	2.8	2.1	0.71
Assisted Living, Nursing Home, Group Home	620, 254	bed	0.17	100%	0.17	2.8	2.1	0.71
Hotel/Motel	310, 320	room	0.47	100%	0.47	4.0	3.0	1.01
Movie Theater	444	seat	0.05	85%	0.05	2.3	1.9	0.63
Marina	420	Berth	0.15	90%	0.13	3.1	2.4	0.79
Downtown Services	820, 590, 565, 492	SF GFA	2.91	70%	2.04	2.4	1.9	0.63
Administrative Office								
0-99,999	710	SF GFA	2.11	90%	1.90	5.1	4.5	1.50
100,000-199,999	710	SF GFA	1.29	90%	1.16	5.1	4.5	1.50
200,000-299,999	710	SF GFA	1.12	90%	1.01	5.1	4.5	1.50
over 300,000	710	SF GFA	1.05	90%	0.95	5.1	4.5	1.50
Medical Office/Clinic	720	SF GFA	2.80	75%	2.10	4.8	4.2	1.41
Industrial Park	130	SF GFA	0.67	100%	0.67	5.1	4.5	1.50
Warehousing/Storage	150	SF GFA	0.25	100%	0.25	5.1	4.5	1.50
Mini Warehouse	151	SF GFA	0.20	100%	0.20	5.1	4.5	1.50

Notes:

For uses with unit of measure in "SF GFA" or "SF GLA" the impact fee is dollars per square foot.

1) Service Station can include Mini Mart (less than or equal to 2,500 square feet) and/or Car Wash. Mini Mart greater than 2,500 square feet calculated separately.

2) Downtown: As previously described in Olympia Municipal Code 15.04.040.J.

3) Downtown Services includes Retail Stores, Restaurants, Supermarkets, Convenience Markets, Video Rentals, Banks, Health Clubs, Day Cares, and Libraries.



Table 4 shows the proposed transportation impact fee schedule, which includes a comparison between the existing and proposed fees. Appendix B provides definitions of the land uses included in the fee schedule.

TABLE 4. TRANSPORTATION IMPACT FEE SCHEDULE

Land Uses	Land Use Code	Unit of Measure	Current Impact Fee Rate	Proposed Impact Fee Rate
Residential				
Single Family (Detached)	210	dwelling	\$3,432	\$3,498
Multi Family-Townhouse & Duplex	220, 221, 230, 233	dwelling	\$2,227	\$2,293
Senior Housing & Accessory Dwelling	220, 221, 230, 233	dwelling	\$843	\$868
Mobile Home	240	dwelling	\$2,005	\$2,064
Commercial-Services				
Bank	912	SF GFA	\$18.80	\$23.68
Day Care	565	SF GFA	\$18.15	\$24.67
Hotel/Motel	310, 320	room	\$2,292	\$2,399
Service Station with or without minimart and/or carwash	944, 945, 946	Fueling Position	\$6,626	\$10,101
Movie Theater	444, 445	seat	\$133	\$137
Health Club	492, 493	SF GFA	\$7.97	\$8.20
Marina	420	Berth	\$515	\$530
Institutional				
Elementary /Junior High/ High School	520, 522, 530	student	\$202	\$208
University/College	540, 550	student	\$551	\$459
Church	560	SF GFA	\$1.98	\$2.03
Hospital	610	SF GFA	\$4.43	\$3.72
Assisted Living, Nursing Home, Group Home	620, 254	bed	\$598	\$616
Industrial				
Light Industry/Manufacturing Industrial Park	110, 140, 130	SF GFA	\$4.26	\$4.33
Warehousing/Storage	150	SF GFA	\$1.58	\$1.63
Mini Warehouse	151	SF GFA	\$1.29	\$1.33



TABLE 4. TRANSPORTATION IMPACT FEE SCHEDULE

Land Uses	Land Use Code	Unit of Measure	Current Impact Fee Rate	Proposed Impact Fee Rate
Restaurant				
Restaurant	931	SF GFA	\$19.78	\$14.25
Fast Food Restaurant	934	SF GFA	\$32.86	\$32.64
Coffee/Donut Shop with Drive-Through Window	937	SF GFA	N/A	\$27.81
Coffee/Donut Shop with Drive-Through Window and No Indoor Seating	938	SF GFA	N/A	\$10.72
Commercial-Retail				
Retail Shopping Center				
up to 49,999	820	SF GLA	\$6.34	\$6.15
50,000-99,999	820	SF GLA	\$5.61	\$5.43
100,000-199,999	820	SF GLA	\$5.51	\$5.34
200,000-299,999	820	SF GLA	\$5.04	\$4.89
300,000-399,999	820	SF GLA	\$6.01	\$5.82
over 400,000	820	SF GLA	\$6.76	\$6.57
Commercial-Office				
Administrative Office				
0-99,999	710, 715, 750	SF GFA	\$12.08	\$12.34
100,000-199,999	710, 715, 750	SF GFA	\$7.35	\$7.52
200,000-299,999	710, 715, 750	SF GFA	\$6.42	\$6.56
over 300,000	710, 715, 750	SF GFA	\$6.02	\$6.15
Medical Office/Clinic	720	SF GFA	\$12.09	\$12.85
Other Retail Uses				
Supermarket > 5,000 SF	850	SF GFA	\$16.06	\$12.74
Convenience Market < 5,000 SF	851	SF GFA	\$29.77	\$33.37
Discount Merchandise Store (Free Standing)	813, 815, 861, 863, 864	SF GFA	\$6.34	\$6.24
Miscellaneous Retail	820	SF GLA	\$6.52	\$5.87
Furniture Store	890	SF GFA	\$0.45	\$0.36
Car Sales - New/Used	841	SF GFA	\$9.25	\$9.64



TABLE 4. TRANSPORTATION IMPACT FEE SCHEDULE

Land Uses	Land Use Code	Unit of Measure	Current Impact Fee Rate	Proposed Impact Fee Rate
Nursery/Garden Center	817	SF GFA	\$5.42	\$10.20
Pharmacy/ Drugstore	880, 881	SF GFA	\$6.95	\$6.71
Video Rental	896	SF GFA	\$10.10	\$10.40
Automobile Care Center	942	SF GLA	\$5.42	\$5.13
Quick Lubrication Vehicle Shop	941	Servicing Positions	\$5,997	\$6,173
Hardware/Building Materials Store < 25,000 SF	812	SF GFA	\$5.49	\$5.65
Home Improvement Superstore > 25,000 SF	862	SF GFA	\$2.66	\$2.84
DOWNTOWN FEES				
Multi Family-Townhouse & Duplex	223, 230	dwelling	\$913	\$1,004
Senior Housing & Accessory Dwelling	223, 230	dwelling	\$378	\$380
Assisted Living, Nursing Home, Group Home	620, 254	bed	\$406	\$367
Hotel/Motel	310, 320	room	\$1,699	\$1,431
Movie Theater	444	seat	\$110	\$89
Marina	420	Berth	\$315	\$316
Downtown Services*	820, 590, 565, 492	SF GFA	\$3.85	\$3.87
Administrative Office				
0-99,999	710	SF GFA	\$7.84	\$8.53
100,000-199,999	710	SF GFA	\$5.88	\$5.20
200,000-299,999	710	SF GFA	\$5.10	\$4.53
over 300,000	710	SF GFA	\$4.31	\$4.25
Medical Office/Clinic	720	SF GFA	\$10.58	\$8.87
Industrial Park	130	SF GFA	\$2.67	\$2.99
Warehousing/ Storage	150	SF GFA	\$0.99	\$1.13
Mini Warehouse	151	SF GFA	\$0.81	\$0.92

Notes:

For uses with unit of measure in "SF GFA" or "SF GLA" the impact fee is dollars per square foot.

1) Service Station can include Mini Mart (less than or equal to 2,500 square feet) and/or Car Wash. Mini Mart greater than 2,500 square feet calculated separately.

2) Downtown: As previously described in Olympia Municipal Code 15.04.040.J.



3) Downtown Services includes Retail Stores, Restaurants, Supermarkets, Convenience Markets, Video Rentals, Banks, Health Clubs, Day Cares, and Libraries.

TRIP GENERATION

Trip generation rates for each land use type are derived from the Institute of Transportation Engineers (ITE) Trip Generation (9th Edition, 2012)⁴. The rates are expressed as vehicle trips entering and leaving a property during the PM peak hour. ITE trip rates are most applicable to suburban contexts. More central, denser areas such as Downtown Olympia are known to generate fewer vehicle trips than ITE rates suggest. Therefore, Fehr & Peers' MainStreet trip generation tool was used to estimate an appropriate vehicle trip reduction for Downtown Olympia compared to typical ITE trip rates. The MainStreet tool considers variables such as proximity to transit, intersection density, and the type, mix, and intensity of land use. This evaluation resulted in a 22% reduction compared to ITE trip rates which was applied to all Downtown land uses.

PASS-BY TRIP ADJUSTMENT

The trip generation rates represent total traffic entering and leaving a property at the driveway points. For certain land uses (e.g., retail), a substantial amount of this traffic is already passing by the property and merely turns into and out of the driveway. These pass-by trips do not significantly impact the surrounding street system and therefore are removed from the total prior to calculating the impact fee. The resulting trips are considered 'new' to the street system and are therefore subject to the impact fee calculation. The 'new' trip percentages are derived partially from ITE data (some of which has been updated since the 2009 impact fee program) and from available surveys conducted around the country.

TRIP LENGTH ADJUSTMENT

Another variable that affects traffic impacts is the length of the trip generated by a particular land use. The 'cost per trip end' calculated in the impact fee program represents an average for all new trips generated within Olympia. Being an average, there will be certain land uses that generate trips of different lengths. If a given trip length is shorter than the average, then its relative traffic impacts on the street system will be lower than average. Conversely, longer trips will impact a larger proportion of the transportation network. In order to reflect these differences, the method includes an adjustment factor, which is calculated as the ratio between the trip length for a particular land use type and the 'average' trip length for the City. Trip length data were estimated using limited national survey results. Since the

⁴ The existing fee schedule is based upon ITE's 9th Edition trip generation rates (an update from the previous program which was based upon ITE's 8th Edition).



adjustment uses a ratio, the relative trip lengths are more important than the actual trip length. The average trip length estimated for Olympia was 3.0 miles⁵ based upon the current and expected mix in land use types within the study area.

An additional trip length factor was applied for Downtown land uses. Thurston Regional Planning Council's household travel survey data were used to compare the length of household trips within downtown to those related to households outside of downtown. Based on those findings, the average trip length was reduced for downtown land use categories, resulting in a different trip length factor.

⁵ Derived from 1995 Impact Fee study



CONCLUSIONS

The City of Olympia Transportation Impact Fee Program was adopted in 1995 and most recently updated in 2009. The proposed impact fees for 2016 have been updated for consistency with current construction and regulatory costs and to account for the addition of new roadway projects to the impact fee list. The impact fee rate schedule (**Table 4**) lists the impact fees to be charged to a variety of land use types. The rates reflect changes in the average 'cost per trip end'. The proposed City impact fee rates are anticipated to generate \$18.6 million over the next six years, representing approximately 65 percent of remaining funding needed for the projects on the impact fee list.



APPENDIX A – COST ALLOCATION RESULTS

Exhibit A illustrates how the impact fee project costs (shown in Table 1) were divided into growth-related costs attributable to the City and the surrounding Urban Growth Area (UGA). In order to determine this proportion, the City’s traffic model was used to identify the portion of trip-making associated with existing and growth-related traffic. A technique called “select-link” analysis was used to isolate the vehicle trips using each of the impact fee projects. The first column of Exhibit A shows several “Project Groups”, which represent the grouping of impact fee projects used in the select link traffic forecasts. Groups C and D include two or more impact fee projects that are located within close proximity to each other, representing similar traffic patterns. The grouping of projects is shown at the top of Exhibit A. The analysis shows that approximately 65 percent of the total project costs could be attributable to new growth within the City and the surrounding UGA.

EXHIBIT A. COST ALLOCATION BY PROJECT GROUP

Project Group ID	Project Group Description			
A	Harrison Ave Widening and Traffic Signal- Debt Finance			
B	US 101/West Olympia Access Project			
C	Fones Rd, 18th Ave Widening & Roundabouts- Debt Finance			
D	Henderson & Eskridge Improvements, Cain & North Improvements, Boulevard Rd Improvements, Log Cabin Extension			
E	Wiggins & 37th Ave Improvements			
F	Yelm Highway Widening- Debt Finance			
Citywide	Transportation Projects Update & Prioritization			
Project Group #	Project Costs (Total)	Funds Needed	Percent of New Project Traffic due to Growth within City and UGA	Project Costs Allowable for Impact Fees
A	\$1,605,999	\$1,605,999	64.5%	\$1,036,367
B	\$6,119,675	\$6,119,675	60.1%	\$3,677,646
C	\$15,307,314	\$15,202,796	66.6%	\$10,126,184
D	\$7,824,400	\$5,058,129	66.0%	\$3,339,507
E	\$650,000	\$405,667	55.4%	\$224,695
F	\$103,163	\$103,163	55.1%	\$56,863
Citywide	\$200,000	\$200,000	64.8%	\$129,573
Total	\$31,810,551	\$28,695,429	64.8%	\$18,590,836



APPENDIX B – LAND USE DEFINITIONS

The following land use definitions are derived from the ITE Trip Generation (9th Edition). The asterisk indicates ITE category trip rate used in Impact Fee Schedule.

RESIDENTIAL

Single Family: Single-family detached unit. Includes all single-family detached homes on individual lots. (ITE # 210)

Multi Family (townhouse, duplex, and accessory dwelling): A building or buildings designed to house two or more families living independently of each other. Includes apartments, condos, attached duplexes, PUDs, and attached townhouses. Includes accessory dwelling units (separate structure) and single room occupancy, if additional parking provided. (ITE #s 220*, 221, 230, and 233. Average of 223 and 230 for Downtown)

Senior Housing: Residential units restricted to adults or senior citizens. (50 percent of trip generation values used for ITE #s 220*, 211, 230, and 233. 50 percent of average of 233 and 230 for Downtown)

Mobile Home: Trailers shipped, sited, and installed on permanent foundations within a mobile home park. (ITE # 240)

COMMERCIAL-SERVICES

Drive-in Bank: A free-standing building, with a drive-up window, for the custody or exchange of money, and for facilitating the transmission of funds. (ITE # 912)

Day Care: A facility for the care of infant and preschool age children during the daytime hours. Generally includes classrooms, offices, eating areas, and a playground. (ITE # 565)

Hotel/Motel: A place of lodging providing sleeping accommodations. May include restaurants, cocktail lounges, meeting and banquet rooms, or convention facilities. (ITE #s 310* and 320)

Service Station: A facility used for the sale of gasoline, oil, and lubricants. May include areas for servicing, repairing, and washing vehicles along with convenience food items. (ITE #s 944, 945*, and 946)

Quick Lubrication Vehicle Shop: A facility where the primary activity is to perform oil change services for vehicles. Automobile repair service is generally not provided. (ITE # 941)



Automobile Care Center: A facility that provides automobile-related services, such as repair and servicing, stereo installation, and tire installation and repair. (ITE # 942)

Movie Theater: Consists of audience seating, one or more screens and auditoriums, a lobby, and refreshment stand. Typically includes matinee showings. (ITE #s 444* and 445)

Health Club: Privately owned facilities that may include swimming pools and whirl pools, saunas, weight lifting and gymnastics equipment, exercise classes, tennis, racquetball, and handball courts. Features exercise, sports, and other active physical conditioning, as well as a broader range of services such as juice bars and meeting rooms. (ITE #s 492* and 493)

Marina: A facility providing moorage for boats. (ITE # 420)

COMMERCIAL-INSTITUTIONAL

Elementary/Junior High/High School: Facilities of education serving kindergarten through high school. Includes public and private schools. Schools often provide school bus services of varying length, depending upon the type of school and grade level. (ITE #s 520, 522, and 530*)

University/College: Facilities of higher education including two-year, four-year, and graduate-level institutions. (ITE #s 540 and 550*)

Church: A building providing public worship facilities. Generally houses an assembly hall or sanctuary, meeting rooms, classrooms, and occasionally dining facilities. (ITE # 560)

Hospital: A building or buildings designed for the medical, surgical diagnosis, treatment and housing of persons under the care of doctors and nurses. Rest homes, nursing homes, convalescent homes and clinics are not included. (ITE # 610)

Assisted Living/Nursing Home/Group Home: A facility whose primary function is to provide chronic or convalescent care for persons who by reason of illness or infirmity are unable to care for themselves. Applies to rest homes, chronic care, assisted living, convalescent centers, and group homes. (ITE #s 254* and 620)

INDUSTRIAL

Light Industry/Manufacturing/Industrial Park: A facility where the primary activity is the conversion of raw materials or parts into finished products. Generally also have offices and associated functions. Typical uses are printing plants, material testing laboratories, bio-technology, medical instrumentation or



supplies, communications and information technology, and computer hardware and software. Industrial Parks are areas containing a number of industrial or related facilities. They are characterized by a mix of manufacturing, service, and warehouse facilities with a wide variation in the proportion of each type of use from one location to another. Industrial parks include research centers facilities or groups of facilities that are devoted nearly exclusively to research and development activities. (ITE #s 110, 130* and 140)

Warehousing/Storage: Facilities that are primarily devoted to the storage of materials, including vehicles. They may also include office and maintenance areas. (ITE # 150)

Mini-Warehouse: Buildings in which a number of storage units or vaults are rented for the storage of goods. Each unit is physically separated from other units, and access is usually provided through an overhead door or other common access point. (ITE # 151)

RESTAURANT

Restaurant: An eating establishment, which sells prepared food or beverages and generally offers accommodations for consuming the food or beverage on the premises. Usually serves breakfast, lunch, and/or dinner; generally does not have a drive-up window. Includes bars/taverns. (ITE # 931)

Fast Food Restaurant: An eating establishment that offers quick food service and a limited menu of items. Food is generally served in disposable wrappings or containers, and may be consumed inside or outside the restaurant building. Restaurants in this category have a drive-up window. (ITE # 934)

Coffee/Donut Shop with Drive-Through Window: A single-tenant restaurant with drive-through windows. Freshly brewed coffee and a variety of coffee-related accessories are the primary retail products sold at these sites and may sell other refreshment items such as donuts, bagels, muffins, cakes, sandwiches, wraps, salads and other hot and cold beverages. Some sites may also sell newspapers, music CDs and books. Typically hold long store hours (over 15 hours) with an early morning opening and have limited indoor seating provided for patrons, but no table service provided. (ITE # 937)

Coffee/Donut Shop with Drive-Through Window and No Indoor Seating: A single-tenant restaurant with drive-through windows. Freshly brewed coffee and a variety of coffee-related accessories are the primary retail products sold at these sites and may sell other refreshment items such as donuts, bagels, muffins, cakes, sandwiches, wraps, salads and other hot and cold beverages. Some sites may also sell newspapers, music CDs and books. Typically hold long store hours (over 15 hours) with an early morning opening. (ITE # 938)



COMMERCIAL-RETAIL

Retail Shopping Center: An integrated group of commercial establishments that is planned, developed, owned, or managed as a unit. On-site parking facilities are provided, and administrative office areas are usually included. In addition to the integrated unit of shops in one building or enclosed around a mall, include peripheral buildings located on the perimeter of the center adjacent to the streets and major access points. Supermarkets should typically be separated for calculation purposes from the rest of the shopping center. (ITE # 820)

Supermarket: Retail store (greater than 5,000 gsf) that sells a complete assortment of food, food preparation and wrapping materials, and household cleaning and servicing items. (ITE # 850)

Convenience Market: A use (less than 5,000 gsf) that combines retail food sales with fast foods or take-out food service; generally open long hours or 24 hours a day. (ITE # 851)

Furniture Store: Furniture stores specialize in the sale of furniture, and often, carpeting. The stores are generally large and include storage areas. (ITE # 890)

Car Sales (new and used): Facilities are generally located as strip development along major arterial streets that already have a preponderance of commercial development. Generally included are auto services and parts sales along with a sometimes substantial used-car operation. Some dealerships also include leasing activities and truck sales and servicing. (ITE # 841)

Nursery/Garden Center: A free-standing building with a yard of planting or landscape stock offered to the general public (i.e., not wholesale). May have greenhouses and offer landscaping services. Most have office, storage, and shipping facilities. (ITE # 817)

Pharmacy/Drugstore: A pharmacy which sells prescriptions and non-prescription drugs, cosmetics, toiletries, medications, stationery, personal care products, limited food products, and general merchandise. The drug stores may contain drive-through windows. (ITE #s 880* and 881)

Hardware/Building Materials Store: A small free-standing or attached store (less than 25,000 gsf) with off-street parking. Stores sell hardware, paint, lumber, and other building materials. The storage area is not included in the total gross floor area. (ITE # 812)

Discount Merchandise Store: A free-standing store or warehouse with off-street parking. Usually offers centralized cashiering and a wide range of merchandise and/or food products. May include items sold in large quantities or bulk. Often is the only store on a site, but can be found in mutual operation with its own or other supermarkets, garden centers and service stations, or as part of community-sized shopping



centers. Fred Meyer stores, Costco, and big box consumer electronic/computer/toy stores are examples of this land use. (Average of ITE #s 813, 815, 861, 863, and 864)

Video Rental: A business specializing in the rental of home movies and video games. Typically maintain long store hours and are usually open seven days a week. (ITE # 896)

Home Improvement Superstore: A free-standing warehouse type facility (typically 25,000-150,000 gsf) with off-street parking. Generally offers a variety of customer services (home improvements, lumber, tools, paint, lighting, wallpaper, kitchen and bathroom fixtures, lawn equipment, and garden equipment) and centralized cashiering. Home Depot is an example of this land use. (ITE # 862)

Downtown Services: Includes uses in Downtown such as retail stores, restaurants, supermarkets, convenience markets, video rentals, banks, health clubs, day cares, and libraries. (ITE # 820*, 590 565 492)

COMMERCIAL-OFFICE

Administrative Office: An administrative office building houses one or more tenants and is the location where affairs of a business, commercial or industrial organization, government, professional person or firm are conducted. The building or buildings may be limited to one tenant, either the owner or lessee, or contain a mixture of tenants including professional services, insurance companies, investment brokers, and company headquarters. Services such as a bank or savings and loan, a restaurant or cafeteria, miscellaneous retail facilities, and fitness facilities for building tenants may also be included. (ITE #s 710*, 715, and 750)

Medical Office/Clinic: A facility which provides diagnoses and outpatient care on a routine basis but which is unable to provide prolonged in-house medical/surgical care. A medical office is generally operated by either a single private physician/dentist or a group of doctors and/or dentists. (ITE # 720)

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 Ordinance Adopting the 2017 Utility Rates and General Facilities Charges

Agenda Date: 12/13/2016
Agenda Item Number: 4.I
File Number: 16-1258

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Adopting the 2017 Utility Rates and General Facilities Charges

Recommended Action

Committee Recommendation:

City Council reviewed and discussed the proposed 2017 Utility rates and general facility charges (GFCs) on September 20, 2016, and the City Council held a public hearing on November 15, 2016. The review considered recommendations forwarded to Council by the Utility Advisory Committee. The proposed rates and charges reflect recommendations from the City Council and the Utility Advisory Committee.

City Manager Recommendation:

Move to approve the ordinance adopting the 2017 utility rates and general facilities charges on second reading.

Report

Issue:

Whether to approve an ordinance adopting the 2017 utility rates and general facility charges (GFC). Increases in LOTT Clean Water Alliance rates and capacity development charges are included in budget discussions of the ordinance.

Staff Contact:

Dan Daniels, Director, Public Works Waste ReSources, 360.753.8780
Andy Haub, P.E., Director, Public Works Water Resources, 360.753.8475

Presenter(s):

None - Consent calendar Item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

The proposed 2017 utility rates and general facility charges (GFCs) are consistent with the Council-adopted utility master plans and the City of Olympia's Comprehensive Plan. The Utilities provide key

public and environmental health services for our community.

For 2017, rate increases are proposed for the utilities of Drinking Water, Wastewater, Storm and Surface Water, and Waste ReSources. GFCs are proposed for the Drinking Water utility. GFCs are charged to new development and the money collected is used to recover the costs of customers that connect to the system.

Lacey, Olympia, Tumwater, Thurston County (LOTT) Clean Water Alliance Board of Directors also approved increases for both monthly wastewater treatment rates and their capital development charge (CDC). The CDC is similar to the City's GFC. The City collects monthly rates and CDC for LOTT through the utility billing and development permitting processes.

If approved, the overall impact of the proposed rates to a typical residential customer for 2017 will be 3.2 percent or a \$6.72 - \$7.35 increase in their bi-monthly bills. City GFCs and LOTT capacity development charges will increase \$487 for a new single family home.

Summaries of proposed rates for each utility and GFCs are as follows:

Drinking Water

5.7 Percent Increase Proposed. Increase GFCs by 6.7 percent.

The rate proposal is consistent with the *2015-2020 Water System Plan* that was adopted by City Council on October 6, 2015.

The proposed rate will result in an increase of \$1.37/month for an average single family resident. Bi-monthly charges for a typical single family residence will be approximately \$51.00. Each customer class (residential, non-residential and irrigation) will see the increase, although actual increases on customer bills vary depending on water usage.

A 6.7 percent increase in general facility charges for drinking water is also proposed. The new GFC will be \$4,180.

Wastewater

4.0 Percent Increase Proposed. No GFC Increase.

The Wastewater utility safely conveys wastewater from our homes and businesses to the LOTT Clean Water Alliance treatment facility in downtown Olympia.

Wastewater rates vary depending upon drinking water consumption. Single family residential rates will increase \$1.02 - \$1.65 per month. Other customer classes will see comparable increases.

Wastewater Treatment Services - LOTT Clean Water Alliance

LOTT Clean Water Alliance rates and capacity development charges are set by the LOTT Board of Directors. Capacity development charges (CDCs) are similar to City GFCs.

LOTT is proposing a 2 percent increase in 2017. The LOTT charges \$75.76 bimonthly. The LOTT CDC is proposed to increase 4.3 percent, to \$5,579, for a new single family home.

Storm and Surface Water

6.3 Percent Increase Proposed. No GFC Increase is Proposed.

The proposed 2017 Storm and Surface Water utility budget maintains current levels of service for flood mitigation, water quality improvement, and aquatic habitat enhancement.

With the rate increase, single family residences will see an increase of \$1.58 bi-monthly (\$0.79 monthly) in their storm and surface water rates. Single family and duplex and surface rates in 2017 will be \$26.74 bi-monthly.

The base general facility charge for stormwater GFCs will stay at \$1,190 for a new single family home.

Waste ReSources

Variable Rate Increases Proposed

The Waste ReSources utility provides a wide range of waste reduction, recycling and disposal services. It implements programs for residential, commercial, drop box, and organics customers. Policy direction is set by the *Towards Zero Waste: Olympia's Waste ReSources Plan 2015-2020*.

Proposed rate increases for 2017 include the following:

- Drop box 3 percent
- Residential 0 percent
- Commercial 0 percent
- Organics 6.5 percent

Neighborhood/Community Interests (if known):

City utilities provide vital public health services for Olympia residents. Utility rates are set to ensure reliable, uninterrupted levels of service.

Options:

- 1: Move to approve the ordinance approving utility rates and charges for 2017.

Implications:

- Supports essential City public and environmental health services.
- Increases rates for customers and charges for new development.

- 2: Modify or decline the proposed 2017 increases.

Implications:

- Avoids, or lessens, additional customer costs.
- Risk failures in fulfilling City public and environmental health responsibilities.

Financial Impact:

The proposed rate and GFC increases will generate revenue to implement Council-adopted utility master plans and ensure financially responsible management of City Utilities.

Attachments:

2017 Utility Rates Ordinance

Utility Advisory Committee Letter of Support

Ordinance No.

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO UTILITY FEES AND CHARGES AND AMENDING SECTION 4.24.010 OF THE OLYMPIA MUNICIPAL CODE

WHEREAS, the City's utilities are managed with a goal of resource sustainability in order to maintain, rebuild, expand systems, and prepare for revenue variability; and

WHEREAS, the City Council intends to meet the goals and polices for utility fiscal management set forth in the Comprehensive Plan and utility master plans; and

WHEREAS, the City Council intends to promote rate equity through cost recovery by customer class, and to smooth out rate spikes over a period of up to six years, the time period for which the CFP is developed; and

WHEREAS, the City's Storm and Surface Water Utility and the Wastewater Utility are managed to maintain minimum operating expense reserves of ten (10) percent, and the Drinking Water Utility is managed to maintain minimum operating expense reserves of twenty five (25) percent; and

WHEREAS, in order to incorporate the foregoing principles into City Water Utility, City Storm and Surface Water Utility, City Wastewater collection and LOTT Cleanwater Alliance wastewater (LOTT) treatment rates, the City Council received recommendations from the Utility Advisory Committee, held hearings, and reviewed the utility rates set forth in this Ordinance; and

WHEREAS, pursuant to the Interlocal Cooperation Act Agreement for Sewer Treatment, the LOTT Board of Directors is empowered to "impose, alter, regulate, and control rates, charges, and assessments;" and the LOTT Board of Directors held a public hearing and approved certain rate increases, which the City Council must annually adopt;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC Section 4.24.010. Section 4.24.010 of the Olympia Municipal Code is hereby amended to read as follows:

4.24.010 Computation and assessment of charges

The rates set forth below do not reflect any possible surcharges or discounts provided to a parcel of property or customer under any provision of city ordinances or taxes assessed directly upon customers for which the city acts as collection agent.

A. WATER

- | | | |
|---|---------|---------------|
| 1. Occupant turning on water after delinquent shutoff penalty | \$10.00 | OMC 13.04.360 |
| 2. Delinquency notification penalty | \$10.00 | OMC 13.04.430 |

3. Service disconnected/water reconnect for nonpayment penalty	\$25.00	OMC 13.04.430
4. Water for commercial construction purposes	\$50.00 per month plus consumption charge	OMC 13.04.410
5. Water for residential building construction purposes	Flat fee of \$50.00 paid along with building permit fee	OMC 13.04.410
6. Non-emergency after-hours water service turn on/shut off	\$110.00	OMC 13.04.340
7. Water General Facility Charges, assessed and payable as provided in OMC 13.04.375:		OMC 13.04.375

Meter Size	AWWA Capacity Factor	GFC
3/4"	1.00	\$ 3,918 <u>4,180</u>
1" Residential Fire Sprinkler	1.00	3,918 <u>4,180</u>
1"	1.67	6,573 <u>7,013</u>
1 1/2"	3.33	13,105 <u>13,983</u>
2"	5.33	20,976 <u>22,381</u>
3"	10.67	41,993 <u>43,739</u>
4"	16.33	64,268 <u>68,574</u>
6"	33.33	131,173 <u>139,961</u>
8"	53.33	209,885 <u>223,947</u>
10"	76.67	305,159 <u>325,604</u>
12"	100.00	393,561 <u>419,929</u>

This charge shall be assessed in addition to any other charges or assessments levied under this chapter.

8. Water Meter Rates—Inside City Limits:

a. **Schedule I: Monthly Charges.**

The following is the monthly charge based upon meter size for all consumers. Monthly charges for meter sizes not listed in the schedule shall correspond to the next larger meter size listed.

Meter Size		Ready to Serve Charge	OMC 13.04.380
3/4-inch	\$ 11.76 <u>12.43</u>	+ consumption charge	
1-inch Residential Fire Sprinkler	11.76 <u>12.43</u>	+ consumption charge	
1-inch	15.66 <u>16.55</u>	+ consumption charge	
1 1/2-inch	25.39 <u>26.84</u>	+ consumption charge	
2-inch	37.05 <u>39.16</u>	+ consumption charge	
3-inch	68.20 <u>72.09</u>	+ consumption charge	
4-inch	103.23 <u>109.11</u>	+ consumption charge	
6-inch	200.52 <u>211.95</u>	+ consumption charge	
8-inch	317.29 <u>335.37</u>	+ consumption charge	
10-inch	453.49 <u>479.34</u>	+ consumption charge	
12-inch	589.72 <u>623.33</u>	+ consumption charge	

(1) Residential and nonresidential premises that are vacant shall be subject to payment of the full Water ready-to-serve charge. This fee will be charged even if the water is turned off.

Consumption charge per 100 cubic feet:

	Block 1	Block 2	Block 3	Block 4
Residential (Single Family and Duplex Residential)	\$ 1.74 <u>1.80</u>	\$ 2.86 <u>3.02</u>	\$ 4.56 <u>4.82</u>	\$ 6.00 <u>6.34</u>
Nonresidential (Multi-family and Commercial)	\$ 2.39 <u>2.52</u>	\$ 3.57 <u>3.77</u>	--	--
Irrigation	\$ 2.39 <u>2.52</u>	\$ 7.04 <u>7.44</u>	--	--

Blocks Definition:	Block 1	Block 2	Block 3	Block 4
Single Family and Duplex (1) Residential	0-400 cf/unit	401-900 cf/unit	901-1,400 cf/unit	1,401+ cf unit
Nonresidential (2)	Nov-June Usage	July-Oct Usage	--	
Irrigation	Nov-June Usage	July-Oct Usage		

(1) Single family accounts with or without accessory dwelling units shall be charged as one single family account.

(2) If nonresidential block usage cannot administratively be prorated between blocks, usage shall then be billed at the block rate in which the meter reading period ends.

b. Wholesale consumers:

See OMC 13.04.380B.

c. State buildings with sprinkler systems or fire service connections:

See OMC 13.04.380C.

d. Hydrants and fire protection:

The rates for fire hydrants, including test water and water used to extinguish fires, shall be deemed service charges and for any one (1) year, or fractional part thereof, as follows:

Fire hydrants ~~\$145.09~~ \$153.36 per year

Automatic sprinkler systems or special fire service connections with the city water distribution system will be charged the monthly ready-to-serve charge based on pipe size in Section 1.6.a.

Residential fire service connections that require a 1" pipe size will be charged the same as a 3/4" pipe size as shown in Subsection 8a.

B. WASTE WATER (SEWER)

1) LOTT Charges

LOTT wastewater monthly service charge ~~\$37.14~~ \$37.88 per ERU OMC 13.08.190

Nonresidential accounts shall be billed one (1) ERU minimum per month. ERU charges in excess of one (1) ERU shall be billed at the rate of ~~\$.0413~~ \$.0421 per 1 cf. for LOTT wastewater service charges.

2016 LOTT capacity development charge ~~\$5,354.57~~ \$5,579.46 per ERU OMC 13.08.210

2) City of Olympia Monthly Sewer Charges

A) Residential accounts with separately metered City of Olympia water service servicing: one separate single-family residence, one single-family residence with accessory dwelling unit, one unit of a residential duplex, one mobile home or one trailer shall be billed based on monthly water consumption as follows:

0 – 250 cf	\$12.78 <u>\$13.29</u> per month	
251 – 350 cf	\$12.78 <u>\$13.29</u> per month plus \$.0787 <u>\$.0818</u> per cf	OMC 13.08.190
351 cf and above	\$20.65 <u>\$21.47</u> per month	

B) Residential accounts with residential duplexes with a single water meter servicing both units shall be billed based on water consumption as follows:

0 – 500 cf	\$25.56 <u>\$26.58</u> per month	
501 – 700 cf	\$25.56 <u>\$26.58</u> per month plus \$.0787 <u>\$.0818</u> per cf	OMC 13.08.190
701 cf and above	\$41.30 <u>\$42.94</u> per month	

C) Residential accounts not included in A) or B) above	\$20.65	OMC
	<u>\$21.47</u> per	13.08.190
	ERU	

D) Nonresidential accounts shall be billed one (1) ERU minimum per month.	\$20.65	OMC
ERU charges in excess of one (1) ERU shall be billed at the rate of \$.0295	<u>\$21.47</u> per	13.08.190
<u>\$.0307</u> per 1 cf. for local collection system.	ERU	

3) City of Olympia General Facility Charge

Wastewater (Sewer) general facility charge	\$3,442.00 per	OMC
	ERU	13.08.205
Wastewater (Sewer) general facility charge for properties on public combined sewers and in the Downtown Deferred General Facility Charge Payment Option Area	\$1,483.00 per	OMC
	ERU	13.08.010
		OMC
		13.08.205

C. WASTE RESOURCES

1. Residential garbage rates, monthly, every-other-week collection:

	OMC 13.12.120* <u>.160</u>
One twenty-gallon cart (minimum residential garbage service)	\$ 9.82
One thirty-five gallon cart	
Recycle rate	16.96
Nonrecycle rate	21.27
One sixty-five gallon cart	
Recycle rate	23.16
Nonrecycle rate	29.03
Two sixty-five gallon carts	
Recycle rate	44.32
Nonrecycle rate	55.49
Three sixty-five gallon carts	83.29
One ninety-six gallon cart	
Recycle rate	40.13
Nonrecycle rate	50.28
More than three sixty-five gallon carts	83.29 + 29.03 for each sixty-five gallon cart over three carts

*Code reviser's note: Section 13.12.120 was repealed on July 10, 1990.

2. Residential garbage rates, monthly, weekly collection:

One thirty-five gallon cart		
Recycle rate		\$ 37.39
Nonrecycle rate		46.78
One sixty-five gallon cart		
Recycle rate		74.77
Nonrecycle rate		93.55
One ninety-five gallon cart		121.54

3. Extended pickup:

Rate	Distance
\$1/month	Over 5 feet to 25 feet
\$2/month	Over 25 feet to 100 feet
\$1/month	Every 50 feet over 100 feet

- a. Persons requesting extended distance service must be at least sixty-five years of age or handicapped where said person cannot wheel a full or partially full garbage cart to the collection point.
- b. No person living with the qualified applicant can wheel a full or partially full garbage cart to the collection point.
- c. Extended pickup service to be at no charge when the combined annual income of the household of the qualified applicant is equal to or less than fifty percent of the median household income in Thurston County.
- d. Persons requesting service must apply with the utilities office by filling out an affidavit for extended service. Upon approval of affidavit, service will be granted.
- e. Qualified applicant will reapply on a yearly basis on or before December 31st of each year.
- f. In the case of a multifamily residence or complex, only the qualified tenant's cart will be clearly marked with the tenant's name and unit number.

4. Residential and commercial organics rate, monthly, every other week collection:

Organics:

Per city-owned 95-gallon cart or each 1/2 yard of material collected	\$-9.62
	<u>\$10.25</u>

5. Commercial garbage rates, monthly, weekly collection:

One ten gallon can (minimum commercial garbage service)	\$ 6.76
One thirty-two gallon can or cart	19.96
Two thirty-two gallon cans or equivalent cart service	30.45
Three thirty-two gallon cans or equivalent cart service	57.26
Four thirty-two gallon cans or equivalent cart service	75.44
More than four thirty-two gallon cans or equivalent cart service	75.44 + 19.96 for each additional thirty-two gallons of service

6. 95-gallon garbage and refuse cart service, monthly:

One pickup weekly	\$ 57.26
Two pickups weekly	109.73
Three pickups weekly	160.02
Four pickups weekly	211.24
Five pickups weekly	261.82

7. One-yard garbage and refuse dumpster service, monthly:

One pickup weekly	\$ 112.57
Two pickups weekly	221.35
Three pickups weekly	326.41
Four pickups weekly	431.26
Five pickups weekly	535.96
Six pickups weekly	640.78

8. One and one-half yard garbage and refuse dumpster service, monthly:

One pickup weekly	\$ 148.83
Two pickups weekly	283.66
Three pickups weekly	417.39
Four pickups weekly	550.82
Five pickups weekly	684.21
Six pickups weekly	818.05

9. Two-yard garbage and refuse dumpster service, monthly:

One pickup weekly	\$ 184.90
Two pickups weekly	352.81
Three pickups weekly	520.80
Four pickups weekly	688.76
Five pickups weekly	856.77
Six pickups weekly	1,022.03

10. Three-yard garbage and refuse dumpster service, monthly:

One pickup weekly	\$ 261.59
Two pickups weekly	511.98
Three pickups weekly	760.20
Four pickups weekly	1,015.80
Five pickups weekly	1,257.02
Six pickups weekly	1,494.23

11. **Four-yard garbage and refuse dumpster service, monthly:**

One pickup weekly	\$ 328.93
Two pickups weekly	650.87
Three pickups weekly	966.40
Four pickups weekly	1,275.29
Five pickups weekly	1,577.62
Six pickups weekly	1,874.84

12. **Six-yard garbage and refuse dumpster service, monthly:**

One pickup weekly	\$ 477.62
Two pickups weekly	932.71
Three pickups weekly	1,384.68
Four pickups weekly	1,836.32
Five pickups weekly	2,288.12
Six pickups weekly	2,631.35

13. **Prepaid extra tag for unscheduled collection of a bag on regular garbage collection day; \$5.39/each.**

14. **Extra unscheduled can, bag or box on regular garbage collection day to which a City approved prepaid tag is not attached: \$8.81/each.**

15. **Fees for special pickups, minor ancillary services, and yard waste drop-off site disposal services, other than unscheduled extra cans or material on regular collection day, shall be established by the City Manager, based on cost of service; to include labor, equipment, distance traveled, and volume of materials as appropriate.**

16. **City-owned drop boxes: customers will be charged repair fees on boxes which have been burned or damaged:**

Ten cubic yards:

Delivery fee	\$ 61.80
	<u>\$ 63.65</u>
Daily rental	2.13
	<u>2.19</u>

Hauling fee	188.21	
	<u>193.86</u>	
Dumping charge		Current disposal fee, surcharge and 13.6% service fee on disposal fee
Twenty cubic yards:		
Delivery fee	\$ 61.80	
	<u>\$ 63.65</u>	
Daily rental	2.74	
	<u>2.82</u>	
Hauling fee	188.21	
	<u>193.86</u>	
Dumping charge		Current disposal fee, surcharge and 13.6% service fee on disposal fee
Thirty cubic yards:		
Delivery fee	\$ 61.80	
	<u>\$ 63.65</u>	
Daily rental	3.80	
	<u>3.91</u>	
Hauling fee	188.21	
	<u>193.86</u>	
Dumping charge		Current disposal fee, surcharge and 13.6% service fee on disposal fee
Forty cubic yards:		
Delivery fee	\$ 61.80	
	<u>\$ 63.65</u>	
Daily rental	3.80	
	<u>3.91</u>	
Hauling fee	188.21	
	<u>193.86</u>	
Dumping charge		Current disposal fee, surcharge and 13.6% service fee on disposal fee
Standby or dig out	\$90.00	per hour

17. Customer-owned compactors and special containers. Dumping charges are based on weight at transfer station:

Cubic Yard	Charge Per Haul
10 or less	188.21 * <u>193.86</u>
15	188.21 * <u>193.86</u>
20	188.21 * <u>193.86</u>
25	188.21 * <u>193.86</u>
30	188.21 * <u>193.86</u>
35	188.21 * <u>193.86</u>
40	188.21 * <u>193.86</u>
42	188.21 * <u>193.86</u>

* plus disposal fee plus 13.6% service fee on disposal fee

Standby or dig out \$90.00 per hour

No delivery fees or rental fees will be charged for city-owned drop boxes used to haul source-separated yard waste for composting or construction and demolition debris for recycling. If material is contaminated, the customer will be charged current disposal fees and 13.6% service charge on the disposal fee, plus delivery fee and daily rental fees.

18. City-owned temporary garbage and refuse dumpster services (customers will be charged repair fees for containers which have been burned or damaged):

One cubic yard:	
Delivery fee	\$ 51.28
Daily rental fee	2.02
Fee per dump	42.20

One and 1/2 cubic yard:	
Delivery fee	51.28
Daily rental fee	2.02
Fee per dump	44.70
Two yard:	
Delivery fee	51.28
Daily rental fee	2.02
Fee per dump	47.90
Three yard:	
Delivery fee	51.28
Daily rental fee	2.02
Fee per dump	62.99
Four yard:	
Delivery fee	51.28
Daily rental fee	2.02
Fee per dump	87.27
Six yard:	
Delivery fee	51.28
Daily rental fee	2.02
Fee per dump	119.23

19. City-owned temporary organics dumpster services (customers will be charged repair fees for dumpsters which have been burned or damaged):

One cubic yard:	
Fee per dump	\$ 19.67
	<u>\$ 20.50</u>
One and 1/2 cubic yard:	
Fee per dump	29.48
	<u>30.75</u>

Two yard:	
Fee per dump	39.32 <u>41.00</u>
Three yard:	
Fee per dump	58.99 <u>61.50</u>

If material is contaminated, customer will be charged the dump fee, delivery fee and daily rental fee for city-owned temporary garbage and refuse dumpster services as established in Section 16 of this ordinance.

20. An additional surcharge of \$70.00 per month applies to ~~commercial and drop box permanent commercial dumpster~~ customers who require Saturday collection and are subject to regular monthly fees set forth in OMC 4.24.010C Subsections 5, 6, 7, 8, 9, 10, 11, 12, 16, 17, 18 or 19.

D. STORM AND SURFACE WATER

At the time of issuance of a building/engineering permit, per OMC 13.16.080, a storm and surface water GFC shall be assessed at the rate of: \$ 1,190/Impervious Unit (2,528 sq. ft.) plus 4.50 per average daily vehicle trip based on the Institute of Traffic Engineers' Trip Generation Manual.

1. Storm drainage service charges:

a. Residential Parcel. All parcels in the city shall be subject to a monthly charge for storm drainage service in accordance with the following schedule:

Single-family parcels with or without accessory dwelling units (Regardless of date approved)	\$ 12.58 <u>\$13.37/utility account</u>
Plats approved after 1990 with signed maintenance agreement	11.25 <u>11.96/utility account</u>
Duplex parcels (Regardless of date approved)	12.58 <u>13.37/unit (\$ 25.16-\$26.74 when billed as a single account)</u>

b. Nonresidential Parcel. A charge per utility account will be established at the time of issuance of a clearing, filling, excavating or grading permit and assessed monthly as follows:

Administrative fee	\$ 12.31 <u>\$ 13.08</u> plus:
For parcels developed after January 1990 (Category I)	4.63 <u>4.92</u> per billing unit or
For parcels developed between January 1980 and January 1990 (Category II)	9.67 <u>10.28</u> per billing unit or
For parcels developed before January 1980 (Category II)	12.20 <u>12.97</u> per billing unit

c. For developed parcels without structural impervious areas, the following construction phase charge shall be assessed at the time of issuance of a clearing, filling, excavating or grading permit:

Single-family and duplex zoned	\$ 5.28 <u>\$ 5.61</u> per parcel x total number of parcels identified in preliminary plat x 24 months
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d. Undeveloped parcels. No charge.

2. **State highway charge:**

Monthly fee for state highway rights-of-way	30% of the storm drainage service charges
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3. **Other roadway charges:**

Monthly fee for roadway rights-of-way, other than state highways within the city boundary

E. RECLAIMED WATER

1. Occupant turning on water after delinquent shutoff penalty	\$10.00	OMC	13.24.330
2. Delinquency notification penalty	\$10.00	OMC	13.24.340
3. Service disconnected/reclaimed water reconnect for nonpayment penalty	\$25.00	OMC	13.24.340
4. Reclaimed water for commercial construction purposes	\$50.00 per month plus consumption charge	OMC	13.24.200

5. Non-emergency after-hours reclaimed water service turn on/shut off \$110.00 OMC 13.24.250

6. Reclaimed Water Rates

a. Meter Rates – The monthly charge based upon meter size for all reclaimed water customers follows 4.24.010.A.8. Monthly charges for meter sizes not listed in the schedule shall correspond to the next larger meter size listed.

b. Consumption charges

(1) Indoor use of reclaimed water: 70% of the consumption charges in 4.24.010.A.8.

(2) Outdoor use of reclaimed water: 70% of the consumption charges in 4.24.010.A.8 for Irrigation.

Section 2. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 4. Effective Date. This Ordinance shall take effect January 1, 2017.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



DEPUTY CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:



September 12, 2016

Olympia City Council
PO Box 1967
Olympia, WA 98507-1967

Dear Council Members:

SUBJECT: 2017 Utility Rate Recommendations

Thank you for the opportunity to comment on the proposed 2017 City of Olympia utility rates and the general facility charges (GFCs). We understand that this work is a fundamental responsibility of our committee.

The UAC is concerned about the City's annual increases in utility rates. We understand and support the important public health and safety work of the utilities. Utility staff is professional and do a good job reflecting our community values. City utilities are well-managed; however, City utility bills continue to increase.

Olympia's rate increases do mimic national trends. Municipal water and waste management is costly and services must be provided without interruption or public health risk. Regardless, utility bills pose a hardship to numerous Olympia households; roughly seven percent of our customers are behind on their bills at a given time.

Given this dynamic, the UAC heightened its evaluation of Utility operating budgets, capital facility plans, and potential rate increases. The UAC held extra meetings to review the budget and rates. Keeping in mind key concerns such as equity to rate payers, meeting regulatory requirements and responsibly managing our infrastructure in the interest of both current and future residents.

Happily, Water Resources staff are equally or more concerned about recent rate increases and staff worked over the summer to find alternatives that reduce increases while still ensuring the integrity of Utilities. As a result, the UAC is forwarding 2017 utility rate recommendations to City Council that are significantly lower than those anticipated by City staff last spring. The UAC unanimously supports these proposals and we request your consideration of these rate recommendations.

In addition to 2017 rate recommendations, this letter includes suggestions for additional budget work. Specifically, the UAC recommends Council follow-up on several key issues:

- **Transitioning to monthly utility bills** - The UAC does not support the City proposal to move from bi-monthly to monthly billing. Given the available evidence, we think that the proposal would result in an annual increase in expenses of over \$300,000 without clear benefit to those that are struggling to pay their Utility bills. The benefits for the City could be minimal and costs higher than initially anticipated. The UAC supports the potential option of providing residential customers with monthly billing upon request and supports making sure that delinquent customers are made aware of this option, particularly if they call to complain about their bill. The UAC may consider other possible ways to assist customers who are having trouble as a part of our work next year.
- **Increases to LOTT Clean Water Alliance rates** - We suggest that the UAC and City Council become more engaged in the annual rate increases proposed by LOTT. LOTT rates encompass

approximately 34 percent of the total City utility bill. We think that the brief overview of LOTT's cost of service study that the UAC received this year was the first presentation on that process that the UAC has ever had. (However, we have worked some on trying to understand why LOTT pays so much less to keep a gallon per day of water from coming into the plant through conservation programs than its own estimates of the additional long-term costs to ratepayers of building additional facilities to treat that extra gallon per day.) We recommend that LOTT rates receive a level of City review similar to the utilities'.

- **Sea level rise response** - The UAC shares City Council's concern about sea level rise and the threat to our downtown. The UAC will work with staff on the planning effort. It's clear that the response will require concerted City-wide attention and long-term focus. Even then, we see no way to avoid the long-term flooding risks posed by the possibility of an earthquake damaging dikes at some moment when a lot of tide is piled up outside them. We need a full and careful estimate of the long-term costs of our options so we can do our best to evaluate them before we commit ourselves to major investments that we will not be able to adjust later. Funding whatever actions we decide to undertake will be challenging and financing them needs to be addressed now.

The following sections document the UAC's recommendations for the 2017 utility rates and GFCs. The recommendations will help carry out Olympia's utility master plans and the Comprehensive Plan.

Summary of Proposed Rates and GFCs

Rates – Waste Resources, Drinking Water, Wastewater, LOTT and Storm and Surface Water

- Combined increase for a typical residential customer: 3.5% (3.7% with organics/yard waste collection)
- \$ 4.11 a month, or a \$8.22 increase on bi-monthly bill (\$4.72/month with organics/yard waste)
- Typical 2017 residential utility bill: \$243/bimonthly (\$264 with organics/yard waste)

This increase includes a proposed 3 percent increase (\$1.11/month) for the LOTT Clean Water Alliance.

General Facility Charges

- Single family home: \$262 increase for drinking water service
- Total 2017 charge for a single family home: \$8,812

The UAC supports increasing City GFCs as justified by recent financial evaluations of infrastructure costs. GFCs collect funds from new development in acknowledgement of capital investments made by current residents. Both rates and GFCs for customers other than single family residential (e.g. commercial, multifamily) would increase by the same percentage.

LOTT Capacity Development Charge (CDC)

- Single family home: \$224 increase for wastewater service
- Total 2017 charge for a single family home: \$5,579

LOTT CDCs function similarly to City GFCs.

Capital Facilities Plan 2017-2022

The UAC supports the proposed capital facilities plan with modifications noted in the following sections. In general, modifications include reducing near term costs by deferring some projects and pursuing low-interest loans for others. The Olympia Planning Commission and City Council will receive a separate CFP recommendation letter from the UAC. The letter provides more detail on CFP recommendations.

Drinking Water

Rates

- 5.7% increase proposed by UAC
- Typical single family residential account in 2017: \$1.38/month increase

We support staff's recommendation for a rate increase. Each customer class (residential, non-residential, and irrigation) will see the increase, although actual increases on customer bills will vary depending on water usage. This rate proposal helps implement the *2015-2020 Water System Plan*.

The Drinking Water utility continues to experience cost of service increases associated with State-mandated water quality and quantity regulations and costly infrastructure needs. Additionally, rate revenues are volatile and hard to predict due to the effectiveness of our water conservation programs and variable irrigation-related water use. While we seek to minimize future rate increases, the trend of annual cost increases is likely to continue.

The key budget driver for 2017 is linked to the need to increase revenue for debt service associated with three new State Revolving Fund loans totaling \$18 million. Debt service on these loans will be approximately \$1.1 million per year and will start in 2018. The UAC supports increasing rates by 4 percent (\$420,000) in 2017 to gradually ramp up revenues to cover these approaching expenses. An additional 4 percent will be proposed for 2018. These increases, combined with a smaller increase from 2016, will cover the new debt service.

The UAC and staff have worked to refine the drinking water capital facility program. The UAC supports deferring several capital projects and seeking loan financing for other projects over the next few years. However, the UAC also supports providing more cash funding for the capital program (\$200,000/annually). This proposal is consistent with recent recommendations of the City's financial consultants.

Other financial drivers include salary and benefit increases (\$157,000) and increased indirect costs of \$110,000.

As discussed previously, the UAC does not support a rate increase to fund the transition from bi-monthly to monthly billing. This cost will likely be augmented by the need for additional meter technician staffing (\$75,000/annually).

Drinking Water GFCs

- 6.7% (\$262) increase proposed
- Single family home: \$4,180

The Drinking Water GFC increase is justified based on the recent infrastructure expenditures incurred by the utility. The increase will generate an additional \$60,000/year in capital funding. A further increase could be proposed for 2018.

Wastewater

Rates

- 4% rate increase proposed by UAC.
- Typical single family residential account in 2017: \$0.83/month increase

The proposed Wastewater rate increase would cover budget shortfalls, but does not support monthly billing. In general, the utility experiences stable revenues and expenditures. Infrastructure needs are manageable, although a substantial amount of proactive and preventative work is needed. We anticipate future financial requirements of the Wastewater utility will remain predictable and relatively modest.

The utility continues to provide approximately \$500,000 a year in capital and staffing financial support for the conversion of onsite septic systems to municipal sewer.

Key financial drivers include salary and benefits (\$81,000) and intergovernmental accounts, including City taxes (\$158,000).

The operating and capital budgets for the Wastewater utility are consistent with the *2013-2018 Wastewater Management Plan*.

Wastewater GFCs

- No proposed increase

Wastewater Treatment Services - LOTT Clean Water Alliance

Rates

- 3% rate increase proposed by LOTT
- Typical single family residential account in 2017: \$1.11/month increase

The Lacey, Olympia, Tumwater, Thurston (LOTT) Clean Water Alliance collects revenue for its operations through the utility bills of the local jurisdictions and capacity development charges for new development.

Increases to both LOTT monthly charges and new connection charges are proposed for 2017. Traditionally, the UAC plays a minor role in LOTT's rate analysis and recommendations. UAC members recommend more City engagement in LOTT rates and CDCs. LOTT rates are a substantial portion of City utility bills (\$74.28/bi-monthly).

LOTT CDC

The CDC is proposed to increase 4.2 percent to \$5,579 for a new single family home.

Storm and Surface Water

Rates

- 6.3% proposed by UAC
- Typical single family residential account in 2017: \$0.80/month increase

The UAC also supports staff's recommendation for a rate increase for the Storm and Surface Water Utility.

The total Storm and Surface Water budget for 2017 is approximately \$5.3 million. Key drivers for the rate increase encompass salaries and benefits (\$134,000) and indirect costs (\$80,000). City and state taxes are also applied to the new revenue. Additionally, stormwater revenues are relatively flat as redevelopment reduces the rates by upgrading old onsite infrastructure to contemporary methods and those upgrades result in a rate reduction.

The UAC encourages financial support for the recently adopted low impact development codes. The vegetated systems associated with low impact development will require maintenance. We can expect increasing costs in future years as more of these facilities are built.

The UAC also supports transitioning the successful aquatic habitat stewardship program from a pilot program to permanent status. For 2017, the transition is revenue neutral.

We also encourage staff to complete the update to the current Storm and Surface Water Management Plan in 2017. The update will include a comprehensive financial analysis of the utility. Investigating and

implementing incentives for development innovation should be included in the analysis. The UAC anticipates being involved in this evaluation.

Our City's response to sea level rise also needs to be addressed in 2017-2018. Funding will be critical.

Storm and Surface Water GFCs

- No proposed increase

In 2013, the City's independent financial analysts concluded that we'd be justified in increasing the trip generated charge in the GFC from \$1.80/vehicle trip to \$11.24/vehicle trip. We have raised it to \$4.50/vehicle trip so far. The sums of money involved are not large. Increasing it to \$11.24 might add \$9,000- \$18,000 a year to the utility's budget from the 100 to 200 new homes a year built in the City, and might add \$11,000 a year in additional revenue from a building like the Sonics drive-in in West Olympia, which generates a great deal of traffic and is built on undeveloped land. (There are very few new commercial projects like this in town; generally, they involve redevelopment of land that's already got a lot of impervious surface, and therefore don't pay this charge.)

However, we charge the full amount justified by the analysis in the drinking water GFC, and see no particular reason not to do that here, in accordance with the principle that growth should pay its fair share of the utility's infrastructure rather than being subsidized by current ratepayers.

Waste ReSources

Rates

Increases between zero percent and 6.5 percent proposed, dependent on rate class:

- Drop Box 3%
- Residential 0%
- Commercial 0%
- Organics 6.5%
- Typical single family residential account in 2017: No increase. (\$0.62/month increase with organics/yard water)

The UAC agrees with staff's recommendation for rate increases for drop box service and organics. Policy direction for the utility is set by *Towards Zero Waste: Olympia's Waste ReSources Plan 2015-2020*.

Key drivers for the 2017 rates include increases in disposal/tonnage fees, salaries, benefits, equipment, fuel and taxes. The revenue from recycled materials, which helps offset expenses, is expected to fall short of fees. Growth and annexations in 2016 and 2017 drive the need for an additional commercial collection truck, as well as a full-time refuse/recycle collector position.

All excess reserves above the 10 percent minimum requirements were used to help smooth out rate increases from 2011 to 2014. The 2015 and 2016 revenues were projected to cover expenditures without the use of reserve funds.

In an effort to have all four service classes be independent and have their revenues cover expenditures, rate increases are needed for drop boxes and organics. Continuing to smooth and subsidize rates for the organics program through commercial rates is recommended, as subscriptions continue to grow.

Conclusion

Thank you for the opportunity to comment and provide our recommendations. These proposals will support the important public health mandates of the four City utilities. The proposed utility rates reflect our responsibility to maintain and improve our essential public infrastructure.

Please let me know if you have any questions. I can be reached via email at tcurtz@ci.olympia.wa.us

Sincerely,



for **THAD CURTZ**
Chair
Utility Advisory Committee

TC/lm

ec: UAC Members
Jane Kirkemo, Administrative Services Director
Dan Daniels, Waste ReSources Director
Andy Haub, Water Resources Director



City Council

Approval of Ordinance Amending Animals Services OMC 6.04.040 and Allowing Authorization to Set Fees through Interlocal Agreement or Resolution

Agenda Date: 12/13/2016
Agenda Item Number: 4.J
File Number: 16-1275

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Amending Animals Services OMC 6.04.040 and Allowing Authorization to Set Fees through Interlocal Agreement or Resolution

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the ordinance amending Olympia Municipal Code 6.04.040 pertaining to Animal Services on second reading.

Report

Issue:

Whether to adopt an ordinance authorizing JASCOM to set fees according to interlocal agreement and authorizing Council to set fees by resolution only if necessary.

Staff Contact:

Jane Kirkemo, Administrative Services Director, 360.753.8499
Jessica Bateman, Council Representative to Thurston County Joint Animal Services Commission (JASCOM)

Presenter(s):

None - Consent Calendar Item

Background and Analysis:

Background and analysis have not changed from first to second reading.

JASCOM is a regional agency established for the purpose of keeping pet animals within the City. The City of Lacey is the lead agency for JASCOM. In 2014 each participating agency signed an interlocal agreement authorizing the JASCOM board to set fees. In 2014 when the interlocal agreement was

signed, the Olympia Municipal Code was not amended to remove the existing fees for service. This ordinance brings the code into compliance with the interlocal agreement and authorizes the Council to set fees by resolution only if needed. At the August meeting, the JASCOM Board approved a series of fee increases.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Adopt the changes.
2. Have the Council representative go back to the JASCOM Board to revise the interlocal agreement. All jurisdictions in JASCOM (Olympia, Lacey, Tumwater, and Thurston County) have agreed to the changes.

Financial Impact:

N/A

Attachments:

1. Ordinance proposing changes in the Animal Services code
2. Interlocal agreement

Ordinance No. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING CHAPTER 6.04.040 OF THE OLYMPIA MUNICIPAL CODE, REMOVING FEES AND ALLOWING AUTHORIZATION TO SET FEES THROUGH CONTRACT OR BY COUNCIL RESOLUTION

WHEREAS, animal services fees must be amended from time to time; and

WHEREAS, Lacey, Olympia, Tumwater, and Thurston County have in place an ongoing interlocal agreement for joint animal control services where a policy making body known as Joint Animal Services Commission (JASCOM) sets fees and charges for services related to the animal shelter and animal protection and control activities; and

WHEREAS, setting forth fees in an ordinance interferes with the delegation of the authority to set fees, which has been delegated in contract to JASCOM; and

WHEREAS, should the contract for JASCOM cease to exist, the amended language allows Council to set the fees by resolution, so long as updated fees are on file with the City Clerk;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 6.04.040 . Olympia Municipal Code 6.04.040 is hereby amended to read as follows:

6.04.040 Licensing and registration requirements

A. Failure to license a pet animal. Except as otherwise provided in this chapter, it is unlawful for any person to own, keep, or have control of any dog, cat, or potbelly pig in the City of Olympia unless the person has procured a license. Failure to license such animals is a class 3 civil infraction. Provided, however, such infraction may be dismissed if, within fourteen days of its issuance, the cited person submits evidence of licensing such animal to the court.

B. Issuance of license tag. Animal Services or agents thereof shall provide an appropriate identification tag for each dog or cat licensed to persons applying, upon payment of the appropriate license fee. It shall be the responsibility of the owner of a dog to keep a collar or harness on the animal with the license tag attached if the animal is off the owner's property. For cats only a microchip may substitute if a collar is considered a hazard.

C. Supplemental identification. Tattooing or microchip implantation are acceptable auxiliary means of identification but do not replace the license.

D. Lack of authorized and current tag. A dog or cat without an authorized and current license tag may be impounded, except as otherwise set forth in this chapter.

E. Annual License Fees shall be set as authorized by Council through contract. In the event no contract exists authorizing the setting of fees, Council shall set fees by resolution. Each updated fee schedule shall be filed with the City Clerk.

Annual license for dogs which are not sterilized	\$28.00
Annual license for dogs which are sterilized or which are under six months of age	\$16.00
Annual license for dogs which are sterilized and whose owners are low income senior citizens as identified in RCW 84.36.381 (5)(b)(ii)	\$ 6.00
Annual license for cats which are not sterilized	\$18.00
Annual license for cats which are sterilized or are under six months of age	\$10.00
Annual license for cats which are sterilized and whose owners are low income senior citizens as identified in RCW 84.36.381 (5)(b)(ii)	\$ 4.00
Duplicate license	\$ 3.00
Voluntary license, other pet animal	\$ 6.00
Annual hobby kennel permit	\$25.00
Plus each dog in hobby kennel shall be licensed for a fee of	\$ 1.00
Annual commercial kennel permit	\$25.00
Annual cattery permit	\$18.00
Certified service dog and police dogs	-0-
Owner requested euthanasia of dog	\$30.00
Owner requested euthanasia of cat	\$30.00
Release fee for adult animals	\$10.00
Release fee for puppies/kittens	\$ 2.00

A 50% surcharge will be added to all fees for services provided to non-JASCOM participating jurisdictions.

F. Date due. All licenses granted under this chapter shall be valid for one year from the date of issuance.

G. Licenses nontransferable. Licenses shall not be transferable from one pet animal to another.

H. Tag removal unlawful. It is unlawful for any person to remove a tag from any dog or cat, or to obliterate any tattoo or microchip registered under this chapter without the permission of the owner or issuing authority other than in a medical emergency. A violation of this provision shall be a misdemeanor.

I. Kennel or cattery permit. A kennel or cattery permit may be granted for those areas where such use is not prohibited by local zoning. An annual fee in lieu of individual licensing for each animal may be granted for the following:

1. Private nonprofit animal welfare or protection organizations that have IRS 501(c)(3) status with operating standards and criteria and whose primary purpose is to provide temporary care, shelter, and placement of animals, or

2. Catteries (as defined in Section 6.04.030(E)) that can demonstrate that all cats placed in Olympia are reported to Animal Services and all non-show quality cats are sold or given away with a binding contract for sterilization.

3. Hobby kennels (as defined in Section 6.04.030(M)).

J. Exotic Animals. Owners of constrictor type reptiles over eight feet in length, venomous reptiles, and primates, that are not otherwise prohibited, are required to comply with all state and federal laws for the keeping of such animals, and are also required to annually register such animals with Animal Services by completing a form provided by Animal Services. Failure to register such animals shall be a misdemeanor and shall subject the animal to immediate impoundment.

Section 2. 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 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 4. Effective Date. This Ordinance shall take effect thirty (30) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:


DEPUTY CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:

**INTERGOVERNMENTAL AGREEMENT
FOR
JOINT ANIMAL SERVICES OPERATIONS**

THIS AGREEMENT is made and executed on the date of the last authorizing signature thereto, by and between the City of Lacey, Washington; the City of Olympia, Washington; the City of Tumwater, Washington; and Thurston County, Washington; all of which are organized under the laws of the State of Washington, witnesseth:

WHEREAS, the parties hereto have determined that it would be to the benefit of the citizens within their respective jurisdictions to continue the joint operation of an animal shelter and the conduct of animal protection and control activities pursuant to a new Agreement; and

WHEREAS, the Interlocal Cooperation Act contained in RCW 39.34 authorizes local governments such as the parties to this Agreement to contract for the joint conduct of activities which each of the parties is authorized to perform,

NOW, THEREFORE, it is hereby agreed between the parties as follows:

1. Purpose of Agreement.

The purposes of this Agreement are:

- a. To formalize a process whereby animal protection and control activities can be provided for the parties.
- b. To establish the mechanism whereby joint operation of animal shelter facilities can proceed in a cost effective manner.
- c. To establish a policy making body called a Joint Animal Services Commission (hereinafter "Commission").

2. Basic Services.

Services to be provided include, but are not limited to, the following:

- a. Operation and maintenance of animal shelter and impound facilities for all dogs, cats, and other pet animals as defined in RCW 16.70.020 and other animals that require humane care. The service will be for animals brought to the shelter by their owners or caretakers for disposal as well as for animal protection and control actions authorized or ordered by the parties to this Agreement.

- b. Service rendered to the extent contracted for by the individual parties to this Agreement, including:
 - (1) Humane enforcement of animal control laws;
 - (2) Licensing of animals;
 - (3) Securing aid for injured animals;
 - (4) An adoption program for homeless animals;
 - (5) Spay/neuter of animals to be adopted; and
 - (6) Public education in the areas of responsible pet ownership and the interaction between humans and other animals.

3. Joint Animal Services Commission.

- a. This Agreement establishes a policy-making body to be known as the Joint Animal Services Commission (JASCOM) which shall consist of the following members:
 - (1) One member of the Board of County Commissioners of Thurston County or designated alternate;
 - (2) One elected official of each of the cities of Olympia, Lacey, and Tumwater or designated alternate;
 - (3) One member who is a licensed veterinarian residing or practicing veterinary medicine within Thurston County. Such member shall be appointed by the other members of the Commission; and
 - (4) One member selected by the Thurston County Human Society from the membership of its Board.
- b. Voting. Each member on the Commission shall have one vote and a voice in all Commission business except budget matters. Only the representatives of parties to this Agreement shall vote on budget matters.
- c. Officers. Commission members shall select the chair and such other officers as deemed necessary for the efficient conduct of business.
- d. Meetings. The Commission shall be responsible to fix a time and place for its meetings.

- e. Rules and Procedures. The Commission shall adopt the rules and procedures it deems required for the proper and efficient conduct of its business.
- f. Powers and Duties. The Commission shall have the following powers and duties:
 - (1) Set policy for the management and operation of the animal shelter and animal protection and control activities.
 - (2) Submit budget recommendations to the participating jurisdictions for action.
 - (3) If a participating jurisdiction is unable to pay its full share of the budget, the Commission will consider the following:
 - (a) The field services provided to that jurisdiction shall be reduced for such jurisdiction to a level commensurate with its payments, or
 - (b) The assessment for each participating member shall be proportionately reduced, or
 - (c) The remaining jurisdictions may choose to pay proportionately more than their share to assure that all programs will be funded.
 - (d) The Commission shall recommend to the jurisdictions which option shall be followed.
 - (e) In any case, the proportionate share of the budget for shelter services as set forth in Section 5b(1)(b) shall be paid by each member.
 - (4) Ensure that the budget appropriation approved by each jurisdiction is submitted to the City of Lacey for inclusion in that City's annual budget.
 - (5) **Set fees and charges for services related to the animal shelter and animal protection and control activities.**
 - (6) Consult with and advise the City of Lacey in the City's appointment, management review, discipline and termination of the Director.

4. Administrative Services.

The City of Lacey is hereby designated as the agency with authority and responsibility for providing any and all administrative services required, that are related to the operation of the animal shelter and the provision of animal protection and control services. The administrative services to be performed by the City of Lacey include but are not limited to the following:

- a. Act as custodian of the Joint Animal Services Fund created by this Agreement.
- b. Incorporate in its annual budget the budget for the Joint Animal Services Fund as approved by the parties to this Agreement.
- c. Maintain accounting for all activities of the animal shelter and animal control services in accordance with the requirements of the Washington State Auditor.
- d. Provide general and automobile liability insurance covering the operation of the animal shelter and the conduct of all animal protection and control activities. Such insurance shall, at a minimum, be for one million dollars (\$1,000,000.00) per incident. The City of Lacey shall further indemnify and hold harmless the other parties and defend any claims for personal injury or property damage arising out of the City of Lacey's management of the animal shelter and conduct of animal protection and control activities. However, the City of Lacey shall not indemnify, hold harmless, or defend against any claims arising out of the negligence of another party to this Agreement or out of activities solely within such party's control. The City of Lacey may fulfill its obligation to insure by participating in the Washington Cities Insurance Association.
- e. Be responsible for recruitment, hiring, evaluation, setting of salary, discipline and termination of the Director. The City of Lacey shall consider the advice of the Commission in performing this responsibility.
- f. In consultation with the Director, recruit, hire, discipline and terminate Animal Services employees.
- g. Provide direction to and monitor performance of the Director to assure compliance with policies of the Commission and the City of Lacey.
- h. Maintain the Director and other Animal Services employees as employees of the City of Lacey.
- i. Be responsible for administration of all appeals of potentially dangerous and/or dangerous dog declarations, including the hiring, supervising,

scheduling and setting of compensation for the animal services hearing examiner.

5. Finance.

In order to provide funds for the acquisition of the joint facilities and the operation and maintenance of such facilities and the providing of animal protection and control services within the boundaries of governmental jurisdictions which are parties to this Agreement, it is agreed as follows:

- a. There shall be maintained a special fund of the City of Lacey, known as the Joint Animal Services Fund, into which revenues received from the parties to this Agreement shall be deposited. This fund shall be part of the City of Lacey annual budget and administered in accordance with City budget regulation and guidelines. Expenditures from the fund shall be made only for animal shelter and animal protection and control activities, including the actual administrative costs and overhead of the City incurred pursuant to its obligations and set forth herein.
- b. Each of the parties to this Agreement shall pay into the Joint Animal Services Fund for animal shelter and animal protection and control activities as follows:
 - (1) Each party will pay an assessment to cover the costs of the animal shelter and animal protection and control activities based upon the following criteria:
 - (a) Animal protection and control activities (field services) shall be funded as follows:
 - (i) Thurston County shall pay for the actual cost of field services based upon the number of field services personnel, equipment, materials, and supplies allocated to Thurston County's field service needs as agreed to by Thurston County and JASCOM.
 - (ii) Lacey, Olympia and Tumwater shall be responsible for the remainder of the field services program costs, calculated after Thurston County's field service expense is deducted from the total field services program. The expense shall be distributed among the three jurisdictions on a per capita basis.
 - (b) The cost of general services, loan repayment (debt retirement), shelter activities, and the licensing program shall be borne by the parties on a per capita basis.

- (c) Per capita calculations shall be determined by using the most current population records published by the Washington State Office of Financial Management.
 - (d) Units of special services for pet shop inspection and enforcement will be charged to the jurisdiction in which service is provided.
- (2) Each party shall receive credit for revenue received from the sale of licenses, redemption of animals and adoption of animals. This credit shall be reflected when calculating annual assessments for service.
 - (3) In the event that more revenue is received during a fiscal period than was planned to be available, the additional amount shall be deposited into the Joint Animal Services Fund. Such revenue may form the basis for a budget amendment upon recommendation of the Commission. Funds remaining at the end of a fiscal year shall be budgeted for the ensuing fiscal year as cash carry forward. The availability of such cash carry forward for budgeting shall be reflected in the charges assessed for shelter operation, subject to the establishment of a reasonable budgeted contingency fund by action of the Commission and the City of Lacey.
 - (4) Each party shall pay one-twelfth of the annual assessment to the City of Lacey for deposit into the Joint Animal Services Fund within 30 days of receiving a request for payment from the Lacey Finance Department.

6. Access to records.

Duly authorized representatives of the parties to this Agreement shall have the right to inspect the records of the Joint Animal Services Commission and the books of accounts and records relating to animal protection and control and the Joint Animal Services Fund of the City of Lacey at any reasonable time.

7. Joint Use of Property.

- a. All property and/or equipment presently owned and all property and/or equipment hereinafter acquired with the approval of the Joint Animal Services Commission to be used for animal shelter or control purposes, shall be considered joint facilities, the title to which shall be held by the City of Lacey for the benefit of and on behalf of all parties to this Agreement.

- b. Upon termination of this Agreement by all parties, each party may recover the portion of the existing joint facilities in an amount which represents its contribution to the purchase of property and/or equipment used for the purposes for which this Agreement is promulgated.
- c. Nothing in this Agreement shall modify the obligation and covenant of each of the parties to repay the loan secured for the purchase, remodeling, and development of the animal shelter facilities located at 3120 Martin Way, Olympia, Washington, in accordance with the payment formula set forth in Paragraph 5b(1)(b) of this Agreement, all as set forth in Section 1 of Addendum to and Amendment of Intergovernmental Agreement for Joint Animal Services Operations dated October 2, 1997 and amended December 19, 2002. The covenant and agreement set forth in such section shall continue in effect notwithstanding the replacement of the Intergovernmental Agreements for Joint Animal Services Operations dated November 16, 1992, May 23, 2000 and December 19, 2002, by this Agreement.

8. Admission of New Parties to the Agreement.

Additional or new parties to this Agreement may be included in the following manner:

- a. Potential party agrees to be committed to the terms and conditions of this Agreement for the purposes for which this Agreement is promulgated.
- b. Potential party agrees to pay the pro rated share of the cost of service based upon the month it becomes a party to this Agreement, in accordance with the provisions of Paragraph 5, or based on the actual cost of service, whichever the Commission deems more appropriate at the time of application.
- c. Potential party approved by the Joint Animal Services Commission by majority vote at a regular Commission meeting.
- d. Evidence of the addition of a new party shall take the form of a written amendment to this Agreement.

9. Terms for Default.

In the event that one party to this Agreement fails to perform any of the obligations or provisions hereof, then the other parties to this Agreement may, by written notice, terminate, in whole or in part, the defaulting party's participation in this Agreement.

10. Arbitration.

In the event of a dispute between any of the parties to this Agreement relating to the construction of this Agreement or animal control or animal shelter services rendered pursuant to this Agreement, such dispute shall be settled by arbitration in conformity with the provisions of Chapter 7.04A RCW.

11. Term.

The term of this Agreement shall continue until the parties by unanimous agreement vote to terminate it. A party may withdraw from this agreement only after any and all loans secured for the purchase, remodeling and development of animal shelter facilities located on the real property described in Exhibit A attached hereto have been fully paid and after providing to all other parties twelve (12) months advance written notice of the intent to withdraw. Provided, however, withdrawal may be allowed upon unanimous agreement of all parties, which agreement shall provide the means by which any such outstanding loans are to be paid and the necessary covenants and commitments therefor. The withdrawal of one party from this Agreement shall not terminate the Agreement.

12. Severability.

If any term or condition of this Agreement or the application thereof to any person(s) or circumstances is held invalid, such invalidity shall not affect other terms, conditions or applications which can be given effect without the invalid term, condition or application; to this end the terms and conditions of this contract are declared severable.

13. Review of Agreement.

The terms and conditions of this Agreement shall be reviewed periodically by the Commission for appropriateness and currency.

14. Amendments.

Any addition, deletion or change to the terms and conditions of this Agreement shall be in the form of a written amendment approved by each of the parties.

15. Governing Law.

This contract shall be governed in all aspects by the laws and statutes of the State of Washington. The venue of any action hereunder shall be in the Superior Court for Thurston County, Washington.

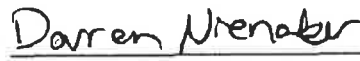
16. Supersedes Prior Agreements.

This Agreement supersedes all prior agreements between these parties on the same subject matter.

CITY OF OLYMPIA


By: 
Dated: 9/23/14

Approved as to form:



Olympia City Attorney

CITY OF LACEY

By: 
Dated: 11/10/2014


Lacey City Attorney

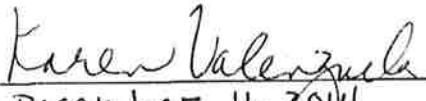
CITY OF TUMWATER

By: 
Dated: October 22, 2014

Approved as to form:


Tumwater City Attorney

THURSTON COUNTY

By: 
Dated: December 16, 2014



Thurston County Legal Counsel

EXHIBIT A

THAT PART OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER AND OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 18 NORTH, RANGE 1 WEST, W.M., DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECITON OF THE EAST LINE OF SAID SUBDIVISION WITH THE NORTHERLY LINE OF 200 FOOT WIDE MARTIN WAY; RUNNING THENCE NORTH ALONG SAID EAST LINE OF SUBDIVISION 730.81 FEET MORE OR LESS TO THE SOUTHEAST CORNER OF TRACT CONVEYED TO W. M. YEAGER AND WIFE BY DEED DATED OCTOBER 23, 1930 AND RECORDED IN VOLUME 138 OF DEEDS, PAGE 297; THENCE WESTERLY ALONG THE SOUTH LINE OF SAID YEAGER TRACT 330 FEET MORE OR LESS TO THE EAST LINE OF BERRY FARMS ADDITION TO OLYMPIA AS RECORDED IN VOLUME 8 OF PLATS, PAGE 28; THENCE SOUTHERLY ALONG SAID EAST LINE OF ADDITION 780.81 FEET MORE OR LESS TO SAID NORTHERLY LINE OF MARTIN WAY; THENCE NORTHEASTERLY ALONG SAID NORTHERLY LINE OF MARTIN WAY 340 FEET MORE OR LESS TO THE POINT OF BEGINNING; EXCEPTING THEREFROM THAT PART OF THE WEST 93 FEET LYING SOUTH OF THE NORTH 400 FEET THEREOF. TOGETHER WITH THAT PORTION OF VACATED MARTIN WAY ADJOINING AS VACATED BY ORDINANCE NO. 3765 RECORDS OF THURSTON COUNTY.

SITUATE IN THE COUNTY OF THURSTON, STATE OF WASHINGTON.



City Council

Approval of Ordinance Adopting 2017 Park Impact Fee Rate Adjustment

Agenda Date: 12/13/2016
Agenda Item Number: 4.K
File Number: 16-1286

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Adopting 2017 Park Impact Fee Rate Adjustment

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve on second reading an ordinance amending Olympia Municipal Code Section 15.16.010, Park Impact Fee Rates, resulting in a 0.17 percent increase in Park Impact Fee rates.

Report

Issue:

Whether to amend the Park Impact Fee ordinance to update the rates based on changes in park land acquisition and development costs.

Staff Contact:

Jonathon Turlove, Associate Director, Parks, Arts and Recreation, 360.753.8068

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

In 2008, Council implemented a Park Impact Fee rate adjustment mechanism to ensure that Park Impact Fees accurately reflect the current costs of park land, design, and development. The adjustment mechanism adjusts each of these three components annually.

The land component is adjusted by the Thurston County Assessor's Office median change in residential values for residential vacant land in Thurston County for assessment year 2016. This represents the change from 1/1/15 - 1/1/16. For assessment year 2016, there was a 1.38 percent decrease.

The design component represents staff time for design, permitting, contracting, and construction oversight. This is based on the City of Olympia Cost of Living Adjustment (COLA). There was a 3 percent COLA in 2016.

The construction component uses the Seattle Construction Cost Index (CCI) published by the Engineering News Record. The Seattle CCI during the period 1/1/15-1/1/16 was a 0.1 percent increase.

Following is the adjustment formula that is applied separately for each of Olympia's three park types; community parks, neighborhood parks and open space:

FTCA = (DS*(1+COLA)) + (DV*(1+CCI)) + (LD*(1+PV)), where:

FTCA = Facility Type Cost per Acre

DS - Current Year Design Cost

DV = Current Year Development Cost

LD = Current Year Land Cost

COLA = Cost of Living Adjustment Percent

CCI = Construction Cost Index (Seattle) Percent

PV = Property Value Change Percent

Neighborhood/Community Interests (if known):

Updating Park Impact Fees reflects inflationary increases or decreases in project costs and ensures that new developments pay their fair share of project costs.

Options:

1. Move to approve on second reading an ordinance amending Olympia Municipal Code Section 15.16.010, Park Impact Fee Rates, resulting in a 0.17 percent increase in the Park Impact Fee rates.

Implications

- a. Park Impact Fee rate would increase 0.17 percent. This would result in an increase of \$9 per single family residence, from \$5,437 to \$5,446.
- b. Park Impact Fee rate would more closely reflect actual costs of park acquisition and development.

2. Do not approve an ordinance amending Olympia Municipal Code Section 15.16.010, Park Impact Fee Rates, that result in an increase in the Park Impact Fee rate of 0.17 percent.

Implications

- a. The Park Impact Fee rate on new residential development would remain unchanged.
- b. Park Impact Fees collected on new residential development would be less than the actual cost of park land acquisition, design and development needed to serve the occupants of the new residential development.

Financial Impact:

The proposed change would result in a Park Impact Fee rate 0.17 percent higher in 2017 than in 2016.

Attachments:

Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, ADJUSTING PARK IMPACT FEES AND AMENDING SECTION 15.16.010 OF THE OLYMPIA MUNICIPAL CODE.

WHEREAS, RCW 82.02.050 - .090 authorizes the City of Olympia to adopt an ordinance imposing impact fees; and

WHEREAS, in Ordinance Nos. 5490 and 6164, the City of Olympia did adopt such impact fees, to include "Park Impact Fees"; and

WHEREAS, in 2008, the City Council approved an annual adjustment mechanism for Park Impact Fees based on land, design, and development costs; and

WHEREAS, the City Council has called for an annual review of impact fees, concurrent with the annual review of the Capital Facilities Plan (CFP) element of the City's Comprehensive Plan, to consider adjustments to the fees; and

WHEREAS, following said review of the 2017-2022 CFP, the Olympia City Council desires to amend Park Impact Fees to account for costs of labor, construction materials, and real property; and

WHEREAS, this Ordinance is adopted pursuant to Article 11, Section 11, of the Washington Constitution; and

WHEREAS, this Ordinance is supported by the staff report, attachments, and documents on file with the Olympia Parks, Arts and Recreation Department;

WHEREAS, City Staff are known to the City Council, and staff's curriculum vitae shall be part of the record in support of this Ordinance;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 15.16.010. Olympia Municipal Code Section 15.16.010 Schedule A is hereby amended to read as follows:

15.16.010 Schedule A, park impact fee

For complete building permit applications, the following schedule shall apply to residential development:
Housing Type:

TYPE OF DWELLING UNIT	Neighborhood	Community	Open	TOTALS
	Park	Park	Space	
Single Family including Manufactured Homes on individual lots	\$868	\$3,295	\$1,274	\$5,437
	\$869	\$3,301	\$1,276	\$5,446
Duplex (per unit)	\$590	\$2,241	\$867	\$3,698
	\$591	\$2,245	\$868	\$3,704

TYPE OF DWELLING UNIT	Neighborhood Park	Community Park	Open Space	TOTALS
Multi Family (including Townhouses)	\$590	\$2,241	\$867	\$3,698
	<u>\$591</u>	<u>\$2,245</u>	<u>\$868</u>	<u>\$3,704</u>
Units in Senior Housing Developments (including single family units)	\$590	\$2,241	\$867	\$3,698
	<u>\$591</u>	<u>\$2,245</u>	<u>\$868</u>	<u>\$3,704</u>
Mobile Home in Mobile Home Parks	\$590	\$2,241	\$867	\$3,698
	<u>\$591</u>	<u>\$2,245</u>	<u>\$868</u>	<u>\$3,704</u>
Accessory Dwelling Units (separate structure)	\$347	\$1,318	\$510	\$2,175
	<u>\$348</u>	<u>\$1,320</u>	<u>\$511</u>	<u>\$2,179</u>
Single Room Occupancy Units	\$347	\$1,318	\$510	\$2,175
	<u>\$348</u>	<u>\$1,320</u>	<u>\$511</u>	<u>\$2,179</u>
Downtown Multi Family (including Townhouses)	\$451	\$1,714	\$663	\$2,827
	<u>\$452</u>	<u>\$1,716</u>	<u>\$664</u>	<u>\$2,832</u>

Section 2. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.


Section 4. Effective Date. This Ordinance shall be in force and effect on January 1, 2017, after its passage by the Olympia City Council and publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY (DCA)

PASSED:

APPROVED:

PUBLISHED:



City Council

Approval of Ordinance Change to Remove Obsolete Urban Trails Plan Language

Agenda Date: 12/13/2016
Agenda Item Number: 4.L
File Number: 16-1313

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Change to Remove Obsolete Urban Trails Plan Language

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the ordinance change to remove obsolete urban trails plan language on first reading and forward to second reading.

Report

Issue:

Whether to remove obsolete language in OMC 12.60.270-12.60.290 that refers to the "Urban Trails Plan", a plan that has been superseded by a more recent plan.

Staff Contact:

Jonathon Turlove, Associate Director, Parks, Arts and Recreation, 360.753.8068

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

OMC 12.60.270-12.60.290 makes reference to the "Urban Trails Plan." This plan was adopted in 1993 and has been superseded by the 2007 Regional Trails Plan. The 1993 Urban Trails Plan has trail corridors that for various reasons the City is no longer pursuing. The current adopted Parks Plan references the current Regional Trails Plan and contains the trails for which the City is planning.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Approve the ordinance change to remove obsolete urban trails plan language.
2. Do not approve the ordinance change to remove obsolete urban trails plan language.

Financial Impact:

No financial impact anticipated.

Attachments:

Ordinance

Ordinance No. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATED TO THE URBAN TRAILS PLAN; AMENDING SECTION 12.60.000 OF THE OLYMPIA MUNICIPAL CODE; AND REPEALING SECTIONS 12.60.270, 12.60.280, AND 12.60.290 OF THE OLYMPIA MUNICIPAL CODE

WHEREAS, Olympia Municipal Code (OMC) Chapters 12.60.270, 12.60.280, and 12.60.290 make reference to the Urban Trails Plan, which was adopted in 1993; and

WHEREAS, the Urban Trails Plan has been superseded by the 2007 Regional Trails Plan; and

WHEREAS, because the current adopted Regional Trails Plan in some cases conflicts with the 1993 Urban Trails Plan, the obsolete sections that refer to the Urban Trails Plan should be repealed;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 12.60.000. Olympia Municipal Code 12.60.000 is hereby amended to read as follows:

Chapter 12.60
PARK REGULATIONS

12.60.000 Chapter Contents

Sections:

- 12.60.001 Enforcement.
- 12.60.010 Advertising signs and posters--Structures of any kind.
- 12.60.030 Regulations and Violations Relating to Pet Animals.
- 12.60.040 Harassing or feeding animals unlawful.
- 12.60.050 Fireworks Prohibited in City Parks.
- 12.60.060 Soliciting or peddling unlawful.
- 12.60.080 Sales unlawful without concession contract.
- 12.60.090 Groups or Assemblies - Reservations
- 12.60.100 Bicycles--Horses--Motor vehicles in Designated Areas Only.
- 12.60.110 Camping or parking unlawful except where designated.
- 12.60.120 Ball games and other sports.
- 12.60.160 Building fires permitted only in designated areas.
- ~~12.60.270 Urban Trails Plan--Incorporated by reference.~~
- ~~12.60.280 Plan amendments, additions and deletions.~~
- ~~12.60.290 Trail addition.~~
- 12.60.300 Violation--Penalty.

Section 2. Repeal of OMC 12.60.270. Olympia Municipal Code 12.60.270 is hereby repealed:

~~12.60.270 Urban Trails Plan—Incorporated by reference~~

~~Chapter III of the Urban Trails Plan, three copies of which are on file with the office of the city clerk, is incorporated by reference as though fully set forth herein and made a policy of the city.~~

Section 3. Repeal of OMC 12.60.280. Olympia Municipal Code 12.60.280 is hereby repealed:

~~12.60.280 Plan amendments, additions and deletions~~

~~A.—On page 24 of the draft Urban Trails Plan, paragraph B. EQUESTRIAN USE is amended to read as follows:~~

~~Lacey, Tumwater, Thurston County, and Olympia should jointly develop an equestrian trail network in the future. Until then, horse use on trails is not permitted. When the surrounding jurisdictions jointly develop an equestrian network, the following trails should be considered for equestrian use: TC 2, TC 3, T 1A, O 4, TC 1, O 16, O 17, O 27, T 9 and O 11. Trail design standards shall be amended to accommodate a separate two-foot wide gravel or bark trail for equestrian use. The equestrian trail shall be separated from the pedestrian/bicycle trail to the maximum extent feasible within the trail corridor.~~

~~B.—Trails O 13 and O 15 (east side of Capitol Lake) and trail O 19 are deleted from the plan.~~

~~C.—The following is added to page 31 of the plan, III.B.2.:~~

~~Sign Program, Warning and Regulatory Signs: Standard City signs prohibiting unleashed pets shall be established throughout the trail system.~~

~~D.—The following is added to Page 24, III.A. Goal 21 of the plan:~~

~~Trail connections should be made, whenever possible, between existing neighborhoods, cul-de-sacs and schools.~~

~~E.—The following is added to page 15 of the plan:~~

~~Standards: Acquisition of trail corridors would reduce open space deficits in the Parks Plan and the Comprehensive Plan as amended in the future.~~

~~F.—Paragraph 3 on page 1 of the plan is amended to read as follows:~~

~~The purpose of the plan is to guide but not limit future trail development within the urban growth boundary in a manner that is unified and cohesive.~~

Section 4. Repeal of OMC 12.60.290. Olympia Municipal Code 12.60.290 is hereby repealed:

~~12.60.290 Trail addition~~

~~Trail 0-27, East West Olympia link is added to the trail route text and trail route map in the plan.~~

Section 5. 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 6. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 7. Effective Date. This Ordinance shall take effect thirty (30) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



DEPUTY CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:



City Council

Approval of Ordinance Adopting the 2017 - 2022 Capital Facilities Plan (CFP) and Appropriating Funds for 2017

Agenda Date: 12/13/2016
Agenda Item Number: 4.M
File Number: 16-1317

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Adopting the 2017 - 2022 Capital Facilities Plan (CFP) and Appropriating Funds for 2017

Recommended Action

Committee Recommendation:

Approve the CFP.

City Manager Recommendation:

Move to approve on second reading an ordinance adopting the 2017 - 2022 Capital Facilities Plan and appropriating funds for the 2017 year of the plan.

Report

Issue:

Whether to adopt the 2017 - 2022 Capital Facilities Plan and appropriate funds for 2017.

Staff Contact:

Jane Kirkemo, Administrative Services Director, 360.753.8499

Presenter(s):

None - Consent calendar item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

The budget process began with the Capital Facilities Plan presented in July. The Planning Commission held a public hearing and reviewed the plan in detail. Plus, the Council held two public hearings and several meetings to discuss the CFP.

Since the City of Olympia collects impact fees for the School District, both the Planning Commission and the City Council reviewed the school district CFP. The School District's CFP has been incorporated into the Olympia document. The Finance Committee has reviewed aspects of the CFP at each of their meetings since July. State law requires the budget be adopted no later than

December 31.

The dollar amounts on some projects have changed since the Preliminary CFP was presented due to more definitive cost estimates, receipt of grants, impact fee rate increases, or other additional funding sources. The CFP includes increases in Transportation, Park, and School impact fees.

Significant changes were made in the Transportation section. These changes as well as other minor changes are outlined in the attachment.

Neighborhood/Community Interests (if known):

Council held a public hearing to provide an opportunity for all interested individuals and groups to share their comments directly with Council. In addition, Parks and Public Works representatives met with the Coalition of Neighborhood Associations (CNA) to discuss various aspects of the plan.

Options:

1: Approve the 2017 - 2022 Capital Facilities Plan on second reading the 2017 Capital budget ordinance.

2: Make additional changes to the Capital Facilities Plan or 2017 Capital Budget and approve the CFP.

Financial Impact:

The total 2017 - 2022 CFP is \$141,127,463.

Attachments:

Ordinance

Changes to CFP - Preliminary to Final and 2017 Final CFP Project Summary Report

Ordinance No.

AN ORDINANCE ADOPTING THE CITY OF OLYMPIA'S CAPITAL FACILITIES PLAN FOR THE YEARS 2017-2022 AND APPROPRIATING FUNDS FOR THE 2017 PORTION OF SAID CAPITAL FACILITIES PLAN.

WHEREAS, the Olympia City Manager submitted to the City Council a recommended "Capital Facilities Plan," herein referred to as "CFP," for the fiscal years 2017 through 2022; and

WHEREAS, the CFP projects the proposed locations and capacities of expanded or new capital facilities needed to serve growth projected in the City's comprehensive plan, along with a six-year plan that will finance such capital facilities and the anticipated capital expenditures required to construct them for said period; and

WHEREAS, the Olympia School District's Capital Facilities Plan is being incorporated as a component of the City's CFP to allow for the collection of school impact fees; and

WHEREAS, the CFP element of the Comprehensive Plan Goals and Policies is included in the CFP; and

WHEREAS, the City Council has held public hearings and reviewed the recommended CFP along with the CFP Goals and Policies and has made revisions thereto; and

WHEREAS, the revisions made by the City Council have been incorporated into the recommended CFP; and

WHEREAS, the CFP meets the requirements of the Washington State Growth Management Act, including RCW 36.70A.070(3); and

WHEREAS, the CFP is supported by the staff report, attachments and documents on file with the City;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. That certain document entitled the "Capital Facilities Plan," covering the years 2017 through 2022, a copy of which will be on file with the Office of the Director of Administrative Services and available on the City's web site, is hereby adopted as the Capital Facilities Plan for the City of Olympia and is incorporated herein as though fully set forth.

Section 2. Upon appropriation by the City Council of funds therefor, the City Manager shall be authorized to prepare plans and specifications, to take bids, and to make expenditures for the projects set forth in the CFP during the year for which said projects are scheduled; provided, however, that any award of bids and execution of contracts for construction shall be approved as provided in OMC Chapter 3.16.

Section 3. It is anticipated that the funding source and the construction schedule for projects identified in the CFP may be changed over the next year. Such changes shall not constitute an amendment to the Comprehensive Plan for purposes of RCW 36.70A.130.

Section 4. The Director of Administrative Services is hereby authorized to bring forward into fiscal year 2017 all appropriations and allocations not otherwise closed, completed, or deleted from prior fiscal years' capital budgets.

Section 5. The following appropriations are hereby made:

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
Impact Fee Fund	\$5,080,938	\$800,000	\$5,880,938	\$-
SEPA Mitigation Fee Fund	147,360	-	147,360	-
Parks & Recreational Sidewalk, Utility Tax Fund	-	2,975,000	2,975,000	-
Real Estate Excise Tax Fund	831,800	1,200,000	2,031,800	-
Capital Improvement Fund	5,550	16,097,765	16,103,315	-
Water CIP Fund	1,300,000	4,866,500	6,166,500	-
Sewer CIP Fund	1,429,699	741,301	2,171,000	-
Storm Water CIP Fund	1,614,910	687,690	2,302,600	-
TOTALS	\$10,410,257	\$27,368,256	\$37,778,513	\$0

Section 6. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 7. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 8. Effective Date. This Ordinance shall take effect January 1, 2017.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



ASSISTANT CITY ATTORNEY (DCA)

PASSED:

APPROVED:

PUBLISHED:

2017-2022 Capital Facilities Plan - Dollar Changes Preliminary to Final

Projects	Prelim	Final	Change	Reason
PARKS				
Community Parks Development	\$ 3,112,000	\$ 3,040,000	\$ 72,000	Removed OMPD Funds from this project
TRANSPORTATION WITH IMPACT FEES				
Transportation with Impact Fees	\$ 30,103,447	\$ 28,695,428	\$ 1,408,019	Updated with 2017 Impact fee numbers
TRANSPORTATION				
Access and Safety improvements	\$ 200,000	\$ 600,000	\$ (400,000)	Added \$200,000 to both Pedestrian Crossing Improvements and Street Access
Bike Improvements	\$ 201,530	\$ 701,530	\$ (500,000)	Added \$250,000 to both Bike Corridors and Other Improvements
Street Repair and Reconstruction	\$ 18,475,000	\$ 17,975,000	\$ 500,000	Moved to Bike Improvements
GENERAL CAPITAL FACILITIES				
ADA Transition Plan and Projects	\$ 1,080,000	\$ 680,000	\$ 400,000	Moved to Access and Safety Transportation Projects
DRINKING WATER				
Reclaimed Water -Water (Program #9710)	\$ 375,000	\$ 107,000	\$ 268,000	Removed Reclaimed Water Infrastructure Project totaling \$268,000
Water Source Development and Protection (Program #9700)	\$ 1,062,000	\$ 1,524,000	\$ (462,000)	Raised McAllister Mitigation (Smith Property Restoration) cost by \$460,000
WASTEWATER				
Lift Stations-sewer (Program #9806)	\$ 3,954,000	\$ 4,234,000	\$ (280,000)	Added \$150,000 to East Bay Marina Relocation Project and \$130,000 to Water Street Soil Investigation and Cleanup
Total Change			\$ 1,006,019	
Summary of Dollar Changes				
	Prelim	Final	Change	
General Government	\$ 93,265,482	\$ 91,785,463	\$ 1,480,019	
Utilities	\$ 48,868,000	\$ 49,342,000	\$ (474,000)	
Total	\$142,133,482	\$141,127,463	\$ 1,006,019	

Project Funding Summary - General Government Projects

Project Funding Summary - General Government Projects: Parks

Parks Projects	Funding	2017	2018-2022	TOTAL
Community Park Development	Impact Fees	\$ 580,000	\$ 2,400,000	\$ 2,980,000
	SEPA Mitigation Fees	\$ 60,000	\$ -	\$ 60,000
Capital Asset Management Program	OMPD Funds	\$ 750,000	\$ 3,750,000	\$ 4,500,000
Neighborhood Park Development	Impact Fees	\$ 325,400	\$ 513,210	\$ 838,610
	SEPA Mitigation Fees	\$ 31,860	\$ 11,790	\$ 43,650
Open Space Acquisition and Development	Impact Fees	\$ 423,745	\$ 1,150,000	\$ 1,573,745
	SEPA Mitigation Fees	\$ 40,500	\$ -	\$ 40,500
Parks Bond Issue Debt Service	Voted Utility Tax (VUT)	\$ 70,000	\$ 105,000	\$ 175,000
	OMPD Funds	\$ 240,600	\$ 962,400	\$ 1,203,000
Parks Land Acquisition	Voted Utility Tax (V.U.T.)	\$ 1,930,000	\$ 9,895,000	\$ 11,825,000
	Non Voted Utility Tax (V.U.T.)	\$ 500,000	\$ 2,500,000	\$ 3,000,000
Percival Landing Major Maintenance and Reconstruction	OMPD Funds	\$ 658,000	\$ 785,000	\$ 1,443,000
Small Capital Projects	Impact Fees	\$ 12,000	\$ 75,000	\$ 87,000
	SEPA Fees	\$ 15,000	\$ 50,000	\$ 65,000
Total Parks		\$ 5,637,105	\$ 22,197,400	\$ 27,834,505

Funding Recap	Funding	2017	2018-2022	TOTAL
	Impact Fees	\$ 1,341,145	\$ 4,138,210	\$ 5,479,355
	Non-Voted Utility Tax (NVUT)	\$ 500,000	\$ 2,500,000	\$ 3,000,000
	OMPD Funds	\$ 1,648,600	\$ 5,497,400	\$ 7,146,000
	SEPA Fees	\$ 147,360	\$ 61,790	\$ 209,150
	Voted Utility Tax (VUT)	\$ 2,000,000	\$ 10,000,000	\$ 12,000,000
Total Parks		\$ 5,637,105	\$ 22,197,400	\$ 27,834,505

This CFP is only a planning document; it does not necessarily represent a budget for expenditures.

Project Funding Summary - General Government Projects: Transportation

Transportation Projects	Funding	2017	2018-2022	TOTAL
Access and Safety Improvements	CIP Fund	\$ 200,000	\$ 400,000	\$ 600,000
Bike Improvements	CIP Fund	\$ 201,530	\$ 500,000	\$ 701,530
Sidewalks and Pathways	Stormwater Utility Rates (asphalt overlay)	\$ 186,500	\$ 932,500	\$ 1,119,000
	Voted Utility Tax - Sidewalks	\$ 950,000	\$ 4,750,000	\$ 5,700,000
	Voted Utility Tax - Parks	\$ 25,000	\$ 125,000	\$ 150,000
Street Repair and Reconstruction	CIP Fund	\$ 1,690,000	\$ 5,500,000	\$ 7,190,000
	Gas Tax	\$ 275,000	\$ 1,375,000	\$ 1,650,000
	Transportation Benefit District (TBD)	\$ 1,635,000	\$ 7,500,000	\$ 9,135,000
Total Transportation		\$ 5,163,030	\$ 21,082,500	\$ 26,245,530

Funding Recap	Funding	2017	2018-2022	TOTAL
	CIP Fund	\$ 2,091,530	\$ 6,400,000	\$ 8,491,530
	Gas Tax	\$ 275,000	\$ 1,375,000	\$ 1,650,000
	TBD	\$ 1,635,000	\$ 7,500,000	\$ 9,135,000
	Storm Water Utility Rate	\$ 186,500	\$ 932,500	\$ 1,119,000
	Voted Utility Tax-Parks	\$ 975,000	\$ 4,875,000	\$ 5,850,000
Total Transportation		\$ 5,163,030	\$ 21,082,500	\$ 26,245,530

This CFP is only a planning document; it does not necessarily represent a budget for expenditures.

Project Funding Summary - General Government Projects: Transportation with Impact Fees

Transportation Impact Fee Projects	Funding	2017	2018-2022	TOTAL
2010 Transportation Stimulus Project Repayment	Impact Fees	\$ 436,013	\$ 2,180,463	\$ 2,616,475
Boulevard Road - Intersection Improvements (Program #0628)	Grant	\$ -	\$ -	\$ -
	Impact Fees	\$ 3,380,780	\$ -	\$ 3,380,780
Cain Road & North Street - Intersection Improvements	Grant	\$ -	\$ 172,695	\$ 172,695
	Impact Fees	\$ -	\$ 207,293	\$ 207,293
Fones Road—Transportation (Program #0623)	Grant	\$ -	\$ 6,496,943	\$ 6,496,943
	Impact Fees	\$ 250,000	\$ 7,548,539	\$ 7,798,539
Henderson Boulevard & Eskridge Boulevard - Intersection Improvements	Grant	\$ -	\$ 238,309	\$ 238,309
	Impact Fees	\$ -	\$ 286,052	\$ 286,052
Log Cabin Road Extension - Impact Fee Collection (Program #0616)	Grant	\$ -	\$ 227,238	\$ 227,238
	Impact Fees	\$ 273,000	\$ 272,762	\$ 545,762
Transportation Master Plan	Grant	\$ -	\$ -	\$ -
	Impact Fees	\$ 200,000	\$ -	\$ 200,000
Wiggins Road and 37th Ave - Intersection Improvements	Grant	\$ -	\$ 184,366	\$ 184,366
	Impact Fees	\$ -	\$ 221,301	\$ 221,301
US 101/West Olympia Access Project	Grant	\$ -	\$ 2,781,241	\$ 2,781,241
	Impact Fees	\$ -	\$ 3,338,434	\$ 3,338,434
Total Transportation with Impact Fee		\$ 4,539,793	\$ 24,155,636	\$ 28,695,428

Funding Recap	Funding	2017	2018-2022	TOTAL
	Grant	\$ -	\$ 10,100,792	\$ 10,100,792
	Impact Fees	\$ 4,539,793	\$ 14,054,844	\$ 18,594,636
Total Transportation with Impact Fees		\$ 4,539,793	\$ 24,155,636	\$ 28,695,428

This CFP is only a planning document; it does not necessarily represent a budget for expenditures.

Project Funding Summary - General Government Projects: General Capital Facilities

General Capital Facilities Projects	Funding	2017	2018-2022	TOTAL
Building Repair and Replacement	CIP Fund	\$ 1,330,000	\$ 7,000,000	\$ 8,330,000
ADA Transition Plan and Projects	CIP Fund	\$ 180,000	\$ 500,000	\$ 680,000
Total General Capital Facilities		\$ 1,510,000	\$ 7,500,000	\$ 9,010,000

Funding Recap	Funding	2017	2018-2022	TOTAL
	CIP Fund	\$ 1,510,000	\$ 7,500,000	\$ 9,010,000
Total General Capital Facilities		\$ 1,510,000	\$ 7,500,000	\$ 9,010,000

Summary of Funding Sources for General Government Projects

Funding Sources	2017	2018-2022	TOTAL
CIP Fund	\$ 3,601,530	\$ 13,900,000	\$ 17,501,530
Gas Tax	\$ 275,000	\$ 1,375,000	\$ 1,650,000
Grant	\$ -	\$ 10,100,792	\$ 10,100,792
Impact Fees	\$ 5,880,938	\$ 18,193,054	\$ 24,073,991
Non-Voted Utility Tax (NVUT)	\$ 500,000	\$ 2,500,000	\$ 3,000,000
OMPD Funds	\$ 1,648,600	\$ 5,497,400	\$ 7,146,000
SEPA Fees	\$ 147,360	\$ 61,790	\$ 209,150
Storm Water Utility Rate	\$ 186,500	\$ 932,500	\$ 1,119,000
TBD	\$ 1,635,000	\$ 7,500,000	\$ 9,135,000
Voted Utility Tax (VUT)	\$ 2,975,000	\$ 14,875,000	\$ 17,850,000
Total General Government	\$ 16,849,928	\$ 74,935,536	\$ 91,785,463

This CFP is only a planning document; it does not necessarily represent a budget for expenditures.

Project Funding Summary - Utilities Projects

Project Funding Summary - Utilities Projects: Drinking Water

Drinking Water Projects	Funding	2017	2018-2022	TOTAL
Asphalt Overlay Adjustments—Water (Program # 9021)	Rates	\$ 11,000	\$ 55,000	\$ 66,000
Groundwater Protection—Water (Program #9701)	Rates	\$ 482,000	\$ 424,000	\$ 906,000
Infrastructure Pre-Design and Planning—Water (Program #9903)	Rates	\$ 22,000	\$ 110,000	\$ 132,000
Reclaimed Water (Program #9710)	Rates	\$ -	\$ 107,000	\$ 107,000
Small Diameter Water Pipe Replacement—Water (Program #9408)	Rates	\$ 536,000	\$ 2,681,000	\$ 3,217,000
Transmission and Distribution Projects—Water (Program #9609)	General Facility Charges	\$ 232,500	\$ 962,000	\$ 1,194,500
	Rates	\$ 2,510,500	\$ 9,716,000	\$ 12,226,500
Water Source Development and Protection (Program #9700)	General Facility Charges	\$ 635,000	\$ 229,000	\$ 864,000
	Rates	\$ 485,000	\$ 175,000	\$ 660,000
Water Storage Systems (Program #9610)	Rates	\$ 1,252,500	\$ 3,094,500	\$ 4,347,000
Water System Planning (Program #9906)	General Facility Charges	\$ -	\$ 160,500	\$ 160,500
	Rates	\$ -	\$ 160,500	\$ 160,500
Total Drinking Water		\$ 6,166,500	\$ 17,874,500	\$ 24,041,000

Project Funding Summary - Utilities Projects: Wastewater

Wastewater Projects	Funding	2017	2018-2022	TOTAL
Asphalt Overlay Adjustments - Sewer (Program #9021)	Rates	\$ 11,000	\$ 55,000	\$ 66,000
Infrastructure Predesign and Planning - Sewer (Program #9903)	Rates	\$ 40,000	\$ 200,000	\$ 240,000
Lift Stations—Sewer (Program #9806)	General Facility Charges	\$ 130,000	\$ -	\$ 130,000
	Rates	\$ 1,001,000	\$ 3,103,000	\$ 4,104,000
Onsite Sewage System Conversions - Sewer (Program #9813)	General Facility Charges	\$ 341,000	\$ 1,705,000	\$ 2,046,000
Replacement and Repair Projects - Sewer (Program #9703)	Rates	\$ 595,000	\$ 2,169,000	\$ 2,764,000
Sewer System Planning - Sewer (Program #9808)	Rates	\$ 53,000	\$ 265,000	\$ 318,000
Total Wastewater		\$ 2,171,000	\$ 7,497,000	\$ 9,668,000

Project Funding Summary - Utilities Projects: Stormwater

Stormwater Projects	Funding	2017	2018-2022	TOTAL
Aquatic Habitat Improvements - Stormwater (Program #9024)	Rates	\$ 360,000	\$ 1,800,000	\$ 2,160,000
Flood Mitigation & Collection - Stormwater (Program #9028)	General Facility Charges	\$ 250,000	\$ 3,055,575	\$ 3,305,575
	Rates	\$ 643,700	\$ 6,069,225	\$ 6,712,925
Infrastructure Pre-Design & Planning - Stormwater (Program #9903)	Rates	\$ 178,400	\$ 392,000	\$ 570,400
Water Quality Improvements - Stormwater (Program #9027)	Rates	\$ 171,000	\$ 550,025	\$ 721,025
	Storm Water Utility Grant	\$ 513,000	\$ 1,650,075	\$ 2,163,075
Total Stormwater		\$ 2,116,100	\$ 13,516,900	\$ 15,633,000

Additionally: Included in the Transportation Section are Projects funded by transfers from the Stormwater Utility as follows:

Project	Funding	2017	2018-2022	TOTAL
Sidewalks and Pathways—Transportation Section	Stormwater Utility Rates	\$ 186,500	\$ 932,500	\$ 1,119,000
	Total	\$ 186,500	\$ 932,500	\$ 1,119,000

This CFP is only a planning document; it does not necessarily represent a budget for expenditures.

Summary of Funding Sources for Utilities Projects

Funding Sources	2017	2018-2022	TOTAL
General Facilities Charges (GFCs)	\$ 1,588,500	\$ 6,112,075	\$ 7,700,575
Rates	\$ 8,352,100	\$ 31,126,250	\$ 39,478,350
Storm Water Utility Grant	\$ 513,000	\$ 1,650,075	\$ 2,163,075
Total Utilities	\$ 10,453,600	\$ 38,888,400	\$ 49,342,000

Combined Summary of Funding Sources for Both General Government and Utilities Projects

Funding Sources	2017	2018-2022	TOTAL
CIP Fund	\$ 3,601,530	\$ 13,900,000	\$ 17,501,530
Gas Tax	\$ 275,000	\$ 1,375,000	\$ 1,650,000
General Facilities Charges (GFCs)	\$ 1,588,500	\$ 6,112,075	\$ 7,700,575
Grant	\$ -	\$ 10,100,792	\$ 10,100,792
Impact Fees	\$ 5,880,938	\$ 18,193,054	\$ 24,073,991
Non-Voted Utility Tax (NVUT)	\$ 500,000	\$ 2,500,000	\$ 3,000,000
OMPD Funds	\$ 1,648,600	\$ 5,497,400	\$ 7,146,000
Rates	\$ 8,352,100	\$ 31,126,250	\$ 39,478,350
SEPA Fees	\$ 147,360	\$ 61,790	\$ 209,150
Storm Water Utility Grant	\$ 513,000	\$ 1,650,075	\$ 2,163,075
Storm Water Utility Rate	\$ 186,500	\$ 932,500	\$ 1,119,000
TBD	\$ 1,635,000	\$ 7,500,000	\$ 9,135,000
Voted Utility Tax (VUT)	\$ 2,975,000	\$ 14,875,000	\$ 17,850,000
Total	\$ 27,303,528	\$ 113,823,936	\$ 141,127,463

This CFP is only a planning document; it does not necessarily represent a budget for expenditures.

County Funded Projects in Olympia Urban Growth Area

Project	2017	2018-2022	Total
Buildings			
3400 Building Improvements	\$ 50,000	\$ -	\$ 50,000
Courthouse Air System Major Maintenance	200,000	-	200,000
Courthouse Building #1 Infrastructure Improvements	-	325,000	325,000
Courthouse Building #1 Security Projects	-	200,000	200,000
Courthouse Building #2 Infrastructure Improvements	150,000	225,000	375,000
Courthouse Building #2 Secured Entrance Project	-	1,000,000	1,000,000
Courthouse Building #2 Superior Court Space Improvements	75,000	-	75,000
Courthouse Building #3 Infrastructure Improvements	275,000	300,000	575,000
Courthouse Building #3 Jail Rehabilitation	-	15,500,000	15,500,000
Courthouse Building #4 Infrastructure Improvements	-	250,000	250,000
Courthouse Building #4 Security Projects	-	200,000	200,000
Courthouse Building #5 Security Projects	-	450,000	450,000
Courthouse Buildings #2 & #3 Security Projects	75,000	-	75,000
Courthouse Campus Geotechnical Report	-	150,000	150,000
Courthouse Mansard Roof Major Maintenance	200,000	-	200,000
Courthouse Project	-	200,000,000	200,000,000
Courthouse Secured Entrance Project	-	3,000,000	3,000,000
Emergency Services Center HVAC Replacement Project	-	250,000	250,000
Emergency Services Center Roof Replacement Project	-	350,000	350,000
Energy Saving - Air Handling Systems, LED Lighting & Solar Panels	-	550,000	550,000
Energy Savings - Automation & Metering Solutions	-	325,000	325,000
Evaluation and Treatment Center Infrastructure Improvements	-	350,000	350,000
Evaluation and Treatment Center Storm-water Management Improvements	150,000	175,000	325,000
McLane Property Improvements	50,000	-	50,000
Public Health Building Improvement Project	75,000	75,000	150,000
Storm & Surface Water Utility			
Donelly Drive - Infiltration Gallery	-	467,000	467,000
Stuart Place - Conveyance & Treatment	-	335,000	335,000
Woodard Creek Retrofit - Site 11	-	330,000	475,000
Roads & Transportation			
Evergreen Parkway/Mud Bay Rd Interchange Improvements (61161)	-	50,000	50,000
Yelm Hwy and Clar Mar - Intersection	173,000	-	173,000
Yelm Highway Midblock Crosswalk (Rich Rd to Lacey City Limits)	-	50,000	50,000
Parks			
Chehalis Western Trail	200,000	\$1,359,000	\$1,559,000
Total:	\$1,673,000	\$226,411,000	\$228,084,000



City Council

Approval of Ordinance Appropriating 2017 Special Funds

Agenda Date: 12/13/2016
Agenda Item Number: 4.N
File Number: 16-1325

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title:

Approval of Ordinance Appropriating 2017 Special Funds

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the ordinance appropriating 2017 special funds on second reading.

Report

Issue:

Whether to approve the ordinance to appropriate various Special Funds.

Staff Contact:

Dean Walz, Fiscal Services Director, Administrative Services Department, 360.753.8465

Presenter(s):

None - Consent calendar item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

The City has several special accounts and funds that are not part of the Operating or Capital Budgets. These Funds have been established for administrative purposes and/or to segregate funds for special purposes.

Neighborhood/Community Interests (if known):

None.

Options:

- 1) Approve the ordinance on second reading as presented. The ordinance provides authority to expend funds for various purposes.

2) Approve the ordinance with different amounts and approve on second reading.

Financial Impact:

Appropriations of	\$6,789,526	To various Special Funds.
Funding:	\$1,837,092	Revenue from external sources
	\$5,144,500	Revenue from internal sources
	\$ 192,066	Net gain to fund balances

Attachment:

Ordinance

Ordinance No.

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, APPROPRIATING FUNDS WITHIN VARIOUS SPECIAL FUNDS

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. The following appropriations are hereby made:

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
HUD Fund	\$-	\$490,892	\$490,892	\$-
Lodging Tax Fund	-	735,000	631,100	103,900
Parking Business Improvement Area Fund	10,000	100,000	110,000	-
Hands On Children's Museum	-	472,700	434,708	37,992
Equipment Rental Replacement Reserve Fund	-	1,658,700	1,394,526	264,174
Unemployment Compensation Fund	14,400	227,300	241,700	-
Insurance Trust Fund	124,500	1,722,500	1,847,000	-
Workers Compensation Fund	65,100	1,569,400	1,634,500	-
Washington Center Endowment Fund	-	5,100	5,100	-
TOTALS	\$214,000	\$6,981,592	\$6,789,526	\$406,066

Section 2. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances, shall be unaffected.

Section 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 4. Effective Date. This Ordinance shall take effect January 1, 2017.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



DEPUTY CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:



City Council

Approval of Ordinance Adopting the 2017 Operating Budget

Agenda Date: 12/13/2016
Agenda Item Number: 4.O
File Number: 16-1316

Type: ordinance **Version:** 2 **Status:** 2d Reading-Consent

Title

Approval of Ordinance Adopting the 2017 Operating Budget

Recommended Action

Committee Recommendation:

Adopt the budget as amended.

City Manager Recommendation:

Move to approve on second reading the 2017 Operating Budget Ordinance.

Report

Issue:

Whether to adopt the 2017 operating budget ordinance.

Staff Contact:

Jane Kirkemo, Administrative Services Director, 360.753.8499

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

Background and analysis have not changed from first to second reading.

State law requires the City Manager to present a balanced operating budget each year. The Council held two public hearings, plus several additional study sessions to review the budget. In addition, the Finance Committee has reviewed various aspects of the budget at each of their meetings this year. By state law the budget must be adopted no later than December 31.

Attachment 1 outlines the recommendations from the Finance Committee and Council direction from the November 22 Study Session. In addition to these changes the Council made other Committee referrals and recommendations for potential use of 2016 year-end surplus. The 2016 year-end surplus amount above reserves will not be known until the end of February 2017.

Neighborhood/Community Interests (if known):

The Planning Commission held a public hearing on the CFP and the Parks and Recreation Commission (PRAC), as well as the Utility Advisory Committee (UAC), each met and discussed various aspects of the budget. In addition, the City Council held public hearings inviting public input on the budget.

Options:

- 1: Approve the Operating Budget Ordinance.

- 2: Make additional changes to the budget and pass the operating budget.

Financial Impact:

The total expenditure budget for 2017 is \$142,559,278.

Attachments:

1. Ordinance
2. Finance Committee Proposal

Ordinance No.

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO BUDGETS, FINANCE, AND SALARIES, AND ADOPTING THE 2017 CALENDAR YEAR BUDGET.

WHEREAS, the tax estimates and budget for the City of Olympia, Washington, for the 2017 calendar year have been prepared and filed as provided by the laws of the State of Washington; and

WHEREAS, the preliminary budget was printed for distribution and notice published in the official paper of the City of Olympia, setting the time and place for hearing on the budget and stating that all taxpayers requesting a copy from the City Clerk would be furnished a copy of the preliminary budget to review; and

WHEREAS, the Olympia City Council held a public hearing on the preliminary budget on November 15, 2017, as required by law, and has considered the public testimony presented;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. 2017 Budget. The budget for the calendar year 2017 is hereby adopted in the amounts and for the purposes as shown below; and the following sums, or so much thereof as shall severally be found necessary, are hereby appropriated out of any of the monies in the several funds in the City Treasury hereinafter named.

FUND	APPROP. FUND BALANCE	ESTIMATED REVENUE	APPROP.	ADDITIONS TO FUND BALANCE
General, Regular Operations	\$113,000	\$71,955,737	\$72,068,737	\$-
General, Special Sub-Funds				
Special Accounts	333,795	861,880	1,195,675	-
Development Fee Revenue	-	3,321,530	3,321,530	-
Parking	-	1,530,700	1,395,512	135,188
Post Employment Benefits	1,599,500	1,101,000	2,700,500	-
Washington Center	5,000	349,200	354,200	-
Municipal Arts	900	53,100	54,000	-
Equip & Facilities Reserve	-	1,492,612	1,492,612	-
Total General Fund	2,052,195	80,665,759	82,582,766	135,188
4 th /5 th Avenue Corridor Bridge Loan	20	552,489	552,509	-
UTGO Bond Fund – 2009 Fire	3,480	1,187,851	1,191,331	-
City Hall Debt Fund – 2009	952	2,419,166	2,420,118	-
2010 LTGO Bond – Street Projects	4	436,009	436,013	-
L.O.C.A.L. Debt Fund – 2010	-	178,283	178,281	2
2010B LTGO Bonds - HOCM	-	430,888	430,888	-
2013 LTGO Bond Fund	-	673,875	673,875	-
2016 LTGO Parks BAN	-	115,000	115,000	-
Water Utility O&M	-	13,302,290	13,297,934	4,356
Sewer Utility O&M	-	19,901,896	19,901,896	-
Solid Waste Utility	-	11,198,320	10,998,787	199,533
Stormwater Utility	-	5,313,050	5,310,757	2,293

Water/Sewer Bonds	-	2,044,982	2,023,330	21,652
Stormwater Debt Fund	-	123,359	123,359	-
Equipment Rental	-	2,322,434	2,322,434	-
TOTALS	\$2,056,651	\$140,865,651	\$142,559,278	\$363,024

Section 2. Administration. The City Manager shall administer the budget, and in doing so may authorize adjustments within the funds set forth in Section 1 above, to the extent that such adjustments are consistent with the budget approved in Section 1.

Section 3. Salaries and Compensation. The salaries and compensation for the City of Olympia employees for the calendar year 2017 shall be as set forth in the "Supplementary Information" section of the 2017 Adopted Operating Budget document, or as the same may be amended by the City Manager as part of his administration of the budget pursuant to Section 2 above.

Section 4. Benefit Cost Sharing. The City Manager is authorized to modify and establish benefit cost sharing for City employees; and such programs may be based, in part, on an employee's start date with the City.

Section 5. Severability. The provisions of this Ordinance are declared separate and severable. If any provision of this Ordinance or its application to any person or circumstances is held invalid, the remainder of this Ordinance or application of the provision to other persons or circumstances shall be unaffected.

Section 6. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 7. Effective Date. This Ordinance shall take effect January 1, 2017.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



DEPUTY CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:



Finance Committee Recommendations

On going revenue	\$128,400
Early morning clean team	- 90,000
Ambassador/welcome center	- 22,400
Thurston County historical journal	<u>-2,000</u>
Available remaining	\$14,000
One time revenue	\$140,729
Fire personal protective gear	<u>\$127,000</u>
Available remaining	\$13,729
Amount to be reconsidered with year end fund balance	\$27,729



City Council

Approval of Ordinance Amending Wastewater Regulations for Septic Systems

Agenda Date: 12/13/2016
Agenda Item Number: 4.P
File Number: 16-1209

Type: ordinance **Version:** 1 **Status:** 1st Reading-Consent

Title

Approval of Ordinance Amending Wastewater Regulations for Septic Systems

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the ordinance amending Olympia Municipal Code Chapter 13.08.090, regarding wastewater regulations for septic systems on first reading and forward to second reading

Report

Issue:

Whether to approve the ordinance amending Olympia Municipal Code Chapter 13.08.090 regarding septic systems.

Staff Contacts:

Diane Utter, P.E., Water Resources Engineer, 360.753.8562
Andy Haub, P.E., Director of Water Resources, 360.753.8475

Presenter:

None - Consent Calendar Item

Background and Analysis:

Within Olympia and its urban growth area, there are about 4,200 septic systems. As Olympia grows, these systems can pose a public and environmental health risk. Because of this risk, Olympia has fairly strict rules regarding septic permitting. One rule is that developers cannot subdivide a property and then build on the new lots with septic systems.

In June 2016, Council approved an ordinance amending Olympia Municipal Code (OMC) 13.08.090 regarding the permitting of septic systems. This was in response to goals and strategies in the 2013 Wastewater Management Plan. The ordinance did not change the rule about subdividing lots.

However, the changes deleted a sentence saying only lots created before November 21, 2006 can

be eligible for septic systems. Staff recommended the change to allow developers to combine small lots, creating a larger lot that would be eligible for a septic system.

This change created confusion in the code. It is no longer clear enough that a developer cannot divide a lot to create two or more lots eligible for septic systems. After consulting with Community Planning & Development staff and Legal counsel, Public Works staff recommends amending the OMC to re-introduce the date requirement.

The proposed amendment re-introduces the date reference from the previous code. It also clarifies that a property owner can combine multiple lots to create one large lot that is eligible for a septic system.

Neighborhood/Community Interests (if known):

The amendment will clarify the regulations. This will benefit the community by reducing confusion regarding development with septic systems.

Options:

1. Approve an ordinance amending Olympia Municipal Code Chapter 13.08.090 regarding regulations to septic systems. This provides clarity in the code for septic system permitting.
2. Request staff to revise OMC amendments based on Council feedback. This will require additional time, during which the code will remain ambiguous.
3. Do not adopt OMC amendments as presented. This may result in development proposals that are not in alignment with the Wastewater Management Plan.

Financial Impact:

No financial impact anticipated.

Attachments:

Ordinance

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATING TO WASTEWATER; AMENDING SECTION 13.08.090 OF THE OLYMPIA MUNICIPAL CODE.

WHEREAS, approximately 4,200 septic systems, also known as onsite sewage systems or OSS (the Systems), are located within the City of Olympia and its Urban Growth Area; and

WHEREAS, the Systems may pose a long-term public and environmental health risk as Olympia continues to grow; and

WHEREAS, the 2007 Wastewater Management Plan (the 2007 Plan) and subsequent regulatory changes placed appreciable constraints on repairing existing and installing new septic systems; and

WHEREAS, the 2013 Wastewater Management Plan (the 2013 Plan) anticipated limited modifications of current regulations to allow limited development with septic systems, while still ensuring that public and environmental health is maintained at an acceptable level; and

WHEREAS, changes made to the Olympia Municipal Code under Ordinance No. 7024, approved on June 21, 2016, modified the lot size requirements for new septic systems in the city limits; and

WHEREAS, changes made to the Olympia Municipal Code under Ordinance No. 7024, approved on June 21, 2016, had the unintended consequence of introducing ambiguity into the code about which lots are eligible for new septic systems; and

WHEREAS, the City Council determines it to be in the best interest of the City of Olympia to amend the current wastewater regulations regarding septic systems;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 13.08.090. Olympia Municipal Code Section 13.08.090 is hereby amended to read as follows:

13.08.090 Sewer connection type

The City of Olympia permits only gravity sewer systems, with lift stations when needed, except as follows:

A. New onsite sewage systems shall be permitted within the city limits only to serve a single-family residence or a single-family residence with an accessory dwelling unit, provided:

1. The property being served is an undeveloped lot of record located more than two hundred (200) feet from an available sewer, as determined by the Public Works Director or his/her designee, and the lot is either larger than one (1) acre or is granted an exception to the lot size requirement under Section 5 below; and

~~2.— Permitted onsite sewage systems shall be considered interim facilities and must be designed and constructed to facilitate conversion to the public sewer when sewer becomes available; and~~

2. The lot existed prior to November 21, 2006, or was created through consolidation of lots in existence prior to November 21, 2006; and

3. Onsite sewage systems for new development within the shoreline jurisdiction, as defined in the Shoreline Master Program, are prohibited, regardless of lot size; and

4. The lot size determination shall include only those portions of a lot unencumbered by streams and important riparian areas, wetlands and small lakes, landslide hazard areas, and their associated buffers as defined in OMC 18.32.

5. Exceptions to the one acre minimum lot size will be considered by the Public Works Director or his/her designee when application is made in writing to the Public Works Director. Application shall be made on forms provided by the City. New onsite sewage systems for undeveloped lots of record smaller than one (1) acre will be evaluated using the following criteria:

a. New onsite sewage systems shall not be permitted on lots located within an area at high risk for onsite septic systems, nor within a marine recovery area, nor within a shellfish protection area, as determined by input from Thurston County Environmental Health; and

b. New onsite sewage systems shall only be permitted on lots served by public water service; and

c. New onsite sewage systems shall not be permitted within two hundred (200) feet of an available sewer as defined in OMC 13.08.020; and

d. New onsite sewage systems shall not be permitted on lots smaller than 12,500 square feet. The lot size determination shall include only those portions of a lot unencumbered by streams and important riparian areas, wetlands and small lakes, landslide hazard areas, and their associated buffers as defined in OMC 18.32. The lot must have existed prior to November 21, 2006, or have been created through consolidation of lots in existence prior to November 21, 2006.

6. Each property owner constructing a new residence with a new onsite sewage system located within the Urban Growth Boundary, including those within the city limits, shall enter into an Agreement for Interim Onsite Sewage System with the City, agreeing to connect the residence directly to the public sewer in accordance with the provisions herein within one (1) year after the date of official notice to connect; provided, that an available sewer is within two hundred (200) feet of the property. In addition, the following shall apply to new onsite sewage systems:

a. Permitted onsite sewage systems shall be considered interim facilities and must be designed and constructed to facilitate conversion to the public sewer when sewer becomes available; and

b. Recording fees shall be paid upon the submittal of a signed Agreement for Interim Onsite Sewage System; and

cb. Following execution, the agreement shall be recorded by the City in the records of the Thurston County Auditor; and

de. Said agreement shall terminate if at any time any project application or approval expires or is revoked for any reason; and

ed. Any cost of sewer extension required at the time of connection shall be borne in whole by the property owner.

B. New septic tank effluent pump (S.T.E.P.) systems shall be permitted provided:

1. The property being served is a lot of record existing prior to February 15, 2005, abutting on any street, alley, right-of-way or easement in which there is now located a S.T.E.P. force main; or

2. The property is located within a subdivision vested as of July 2005, in accordance with OMC Section 18.72.060, Determination of Complete Application.

C. Grinder pump sewer systems shall not be installed and used in lieu of the orderly extension of gravity sewers. Grinder pump installation and use shall be subject to the following requirements and/or limitations:

1. New individual grinder pump system use is limited where:

a. A public gravity sewer is contiguous to the property, but terrain, natural features, or other physical barriers prohibit a gravity connection; or

b. For the conversion of onsite sewage systems to public sewer or for infill development only where it is specifically determined by the City Engineer to be in the best interest of the City of Olympia.

2. Grinder pumps and side sewers which are installed as part of a grinder pump sewer system shall be purchased, owned, maintained and operated by the property owner.

3. Grinder pump force mains receiving effluent from more than one property shall be publicly owned and maintained. Publicly-owned grinder pump force mains shall be permitted only where the City Engineer determines it to be in the best interest of the City and construction of a gravity and lift station sewer system is not feasible, provided that:

a. The proponent of the grinder pump force mains can demonstrate that no other feasible alternative is available; and

b. In such cases, the cost of installation of the public grinder pump force mains shall be borne by the proponent; and

c. The installation is in accordance with the Olympia Engineering Design and Development Standards.

4. Grinder pump side sewers and force mains shall not be permitted to discharge to designated Septic Tank Effluent Pump (S.T.E.P.) force mains unless it is determined by the City Engineer or his/her designee to be in the best interest of the City.

Section 2. 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 3. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 4. Effective Date. This Ordinance shall take effect thirty (30) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:


DEPUTY CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED:





City Council

Approval of Zoning Code Amendments Related to Accessory Drive-Through Lanes in the Briggs Village commercial area.

Agenda Date: 12/13/2016
Agenda Item Number: 4.Q
File Number: 16-1356

Type: ordinance **Version:** 1 **Status:** 1st Reading-Consent

Title

Approval of Zoning Code Amendments Related to Accessory Drive-Through Lanes in the Briggs Village commercial area.

Recommended Action

Committee Recommendation:

Planning Commission recommends Council move to adopt the proposed ordinance as drafted.

City Manager Recommendation:

Move to approve the Zoning Code Amendments Related to Accessory Drive-Through Lanes in the Briggs Village commercial area

Report

Issue:

Whether to allow for an increase in the types of businesses allowed to have drive-through lanes within the Briggs Village. The proposed ordinance includes increased design criteria associated to any drive-through lane proposed.

Staff Contact:

Nicole Floyd, Senior Planner, Community Planning & Development, 360.570.3768

Presenter(s):

None - Consent Calendar Item.

Background and Analysis:

The Briggs Village Master Plan was adopted in 2003 and has been envisioned as a dense mixed use urban village. While residential development has occurred, the commercial (retail and office) uses have not yet been constructed. To address this, amendments to the Master Plan were adopted in 2014 modifying specific standards related to the commercial core of the Village to decrease the amount of office and commercial space allowed and alter building design requirements to better reflect market realities. A recent change in ownership and these amendments have spurred multi-

family development in the core (currently under review), commercial development has not occurred.

The applicant acquired the property in 2015 and has been actively marketing the commercially zoned areas since. The applicant believes that the current limitations on accessory drive-through lanes have been a key factor as to why the commercial core remains undeveloped today. Currently, only banks are allowed to have a drive-through lane, and the applicant believes that this has deterred a variety of development opportunities for businesses such as pharmacies, small scale restaurants, and coffee shops. The proposed amendments would allow for a broader range of uses to have accessory drive-through lanes in a very limited area within the Briggs Village.

In order to maintain the strong emphasis on the pedestrian environment within the area, the City and applicant worked together to draft new design standards that are for accessory drive-through lanes that ensure the emphasis remains on the pedestrian environment. Significant emphasis on the potential site layouts and subsequent locations of the drive-through lanes was paid when drafting these revisions. The new language is intended to ensure that the building design continues to cater to the pedestrian over the driver. Through the combination of the following criteria, the number of locations able to have a drive-through is significantly limited, but the types of businesses allowed is expanded. The criteria can be reviewed in the attached draft ordinance, and is summarized by staff as follows:

- **Access from Interior Parking Lots Only:** New drive-through lane would be required to be accessed from existing interior parking areas only. This ensures that the drive-through would be located in areas that are already intended to be auto oriented, and ensures areas currently intended for pedestrian circulation are protected.
- **Uninterrupted Pedestrian Access:** A new design criterion requires that dedicated pedestrian access to the entry of the building is maintained both from the parking lot and primary street frontage. This minimizes conflicts between auto and pedestrian circulation.
- **Building Designed for the Pedestrian:** Drive-through lanes would only be permitted in association with businesses that primarily engage in providing services to walk-in customers. This would be evaluated by looking at the overall design of the building and ensuring pedestrian entries and amenity space is provided.
- **Single Lane:** Only one drive-through lane would be permitted in association with any business. This further emphasizes the intent that the drive-through is to be an accessory feature rather than the primary point of sale.

In sum, the proposed provisions will allow for greater flexibility in the uses permitted to have accessory drive-through lanes while significantly limiting their potential locations by enhancing the site design criteria within the code. Staff and the Planning Commission recommend approval of these amendments because the revisions may help encourage the commercial development that has long been anticipated in the Briggs Village, while maintaining the underlying pedestrian orientation and design intent within the master plan.

Public Process / Community Interests:

Public outreach has included a mailing to all residents of the Briggs Village, a meeting with past interested parties of the Briggs Village Master Plan, and publication in the Olympian. The proposal is supported by the Thurston County Chamber of Commerce and to date no members of the community have voiced any opposition to the proposed amendments. The Planning Commission held a Public Hearing on November 21, 2016 where they solicited public input, deliberated, and unanimously recommended approval of these amendments to the City Council.

Options:

1. Adopt the amendments as drafted in the proposed ordinance.
2. Adopt the proposed ordinance with modifications.
3. Reject the amendments proposed in the ordinance.

Financial Impact:

No specific impact to the City has been identified; however, should the revision encourage commercial growth within the village associated tax revenues are likely.

Attachments:

Proposed Ordinance
Drive-Through Context Examples
Drive-Through Location Option
Letter of Support

Ordinance No. _____

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, RELATED TO ZONING PROVISIONS FOR DRIVE-THROUGH FACILITIES WITHIN THE URBAN VILLAGE ZONING DISTRICT; AMENDING SECTION 18.05.040; TABLE 5.01, SUBSECTION 18.05.040(B), 18.05.060, 18.05A.000, AND 18.05A.095 OF THE OLYMPIA MUNICIPAL CODE

WHEREAS, the Community Planning and Development Department received an application for zoning code amendment to allow for a broader list of uses to be permitted to have an associated drive-through facility within the Urban Village zoning district; and

WHEREAS, the Briggs Village is the only Urban Village within the City, and this area has not experienced the commercial development anticipated; and

WHEREAS, the Olympia Municipal Code (OMC) 18.58 requires that zoning code text amendments are reviewed by the Planning Commission for consideration and review before being considered, reviewed, and acted upon by the City Council; and

Whereas; the Olympia Planning Commission received a briefing on the proposed code amendment on November 7, 2016, and held a duly-noticed public hearing on November 21, 2016; and

WHEREAS, following the public hearing and deliberations, the Planning Commission unanimously recommended the proposed amendments to the Olympia Municipal Code by increasing the list of business types that can have accessory drive-through facilities as well as increasing the design standards associated with the drive-through facilities; and

WHEREAS, this proposal is exempt from the State Environmental Policy Act (SEPA), as a land use decision consistent with the adopted Olympia Comprehensive Plan; and

WHEREAS, Chapter 35A.63 and 36.70A RCW and Article 11, Section 11 of the Washington State Constitution authorize and permit the City to adopt this Ordinance; and

WHEREAS, on December 13, 2016, the City Council duly considered the recommendations of the Planning Commission and City staff; and

WHEREAS, this Ordinance is supported by the staff report and materials associated with this Ordinance, along with other documents on file with the City of Olympia, including but not limited to documents relating to file 16-9048; and

WHEREAS, this Ordinance is also supported by the professional judgment and experience of the City staff who have worked on this proposal; and

WHEREAS, City Staff are known to the City Council, and staff's curriculum vitae shall be part of the record in support of this Ordinance;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 18.05.04, Olympia Municipal Code Section 18.05.040, Table 5.01, is hereby amended to read as follows:

TABLE 5.01

PERMITTED, CONDITIONAL AND REQUIRED USES

DISTRICT	Neighborhood Center	Neighborhood Village	Urban Village	Community Oriented Shopping Center	APPLICABLE REGULATIONS
District-Wide Regulations					18.05.050
1. RESIDENTIAL USES					
Accessory Dwelling Units	P	P	P	P	18.04.060(A)
Apartments	C	R	R	R	18.05.060(D), 18.05.050(E)
Boarding Homes	C	P	P	P	
Congregate Care Facilities		P	P	P	18.05.050(E)(1)(c)(i)
Cottage Housing		P	P	P	18.05.060(D), 18.04.060(H)
Duplexes		P	P	P	18.05.060(D)
Group Homes with 6 or Fewer Clients		P	P	P	18.04.060(K), 18.04.060(W)
Group Homes with 7 or More Clients		C	C	C	18.04.060(K), 18.04.060(W)
Manufactured Homes	P	P	P	P	18.04.060(O)
Nursing/Convalescent Homes		P	P	P	18.04.060(S)
Residences Above Commercial Uses	P	P	P	P	
Single-Family Residences	P	R	R	R	18.05.060(D)
Single Room Occupancy Units					
Townhouses	P	P	P	P	18.05.060(D), 18.64
2. OFFICES					
Banks	P	P	P	P	18.05.060(A)

TABLE 5.01

PERMITTED, CONDITIONAL AND REQUIRED USES

DISTRICT	Neighborhood Center	Neighborhood Village	Urban Village	Community Oriented Shopping Center	APPLICABLE REGULATIONS
Offices - Business	P	P	P	P	
Offices - Government	P	P	P	P	
Offices - Medical	P	P	P	P	
Veterinary Offices and Clinics	C	C	C	C	
3. RETAIL SALES					
Apparel and Accessory Stores	P	P	P	P	
Building Materials, Garden Supplies, and Farm Supplies	P	P	P	P	Sites within high density corridors, see 18.17.020 (B)
Food Stores	R	R	P	P	
Furniture, Home Furnishings, and Appliances					Sites within high density corridors, see 18.17.020 (B)
General Merchandise Stores	P	P	P	P	
Grocery Stores	P	P	R	R	18.05.060(C)
Office Supplies and Equipment					
Pharmacies and Medical Supply Stores	P	P	P	P	
<u>Restaurants</u>			<u>P</u>		<u>18.05.060(a) & 18.05A.095</u>
Restaurants, Without Drive-In or Drive-Through Service	P	P	P	P	
Specialty Stores	P	P	P	P	

TABLE 5.01

PERMITTED, CONDITIONAL AND REQUIRED USES

DISTRICT	Neighborhood Center	Neighborhood Village	Urban Village	Community Oriented Shopping Center	APPLICABLE REGULATIONS
4. SERVICES					
Health Fitness Centers and Dance Studios	P	P	P	P	
Hotels/Motels					
Laundry and Laundry Pick-up Agency	P	P	P	P	
Personal Services	P	P	P	P	
Printing, Commercial			P	P	
Radio/TV Studios					
Recycling Facility - Type I	P	P	P	P	
Servicing of Personal Apparel and Equipment	P	P	P	P	
5. ACCESSORY USES					
Accessory Structures	P	P	P	P	18.04.060(B)
Electric Vehicle Infrastructure	P	P	P	P	18.04.060(GG)
Garage/Yard/Rummage or Other Outdoor Sales	P	P	P	P	5.24
Satellite Earth Stations	P	P	P	P	18.44.100
Residences Rented for Social Event, 7 times or more per year	C	C	C	C	18.04.060.DD
6. RECREATIONAL USES					
Auditoriums and Places of Assembly					

TABLE 5.01

PERMITTED, CONDITIONAL AND REQUIRED USES

DISTRICT	Neighborhood Center	Neighborhood Village	Urban Village	Community Oriented Shopping Center	APPLICABLE REGULATIONS
Art Galleries					
Commercial Recreation					
Community Gardens	P	P	P	P	
Community Parks & Playgrounds	P/C	P/C	P/C	P/C	18.04.060(T)
Health Fitness Centers and Dance Studios					
Libraries					
Museums					
Neighborhood Parks/Village Green/Plaza	R	R	R	R	18.04.060(T), 18.05.080(N)
Open Space - Public	P	P	P	P	18.04.060(T)
Theaters (no Drive-Ins)					
Trails - Public	P	P	P	P	18.04.060(T)
7. TEMPORARY USES					
Emergency Housing	P	P	P	P	
Mobile Vendors			P	P	
Model Homes	P	P	P	P	
Parking Lot Sales			P	P	18.06.060(Z)
8. OTHER USES					
Agricultural Uses, Existing	P	P	P	P	
Animals/Pets	P	P	P	P	18.04.060(C)
Child Day Care Centers	P	P	R	P	18.05.060(B), 18.04.060(D)

TABLE 5.01

PERMITTED, CONDITIONAL AND REQUIRED USES

DISTRICT	Community Oriented Shopping Center				APPLICABLE REGULATIONS
	Neighborhood Center	Neighborhood Village	Urban Village		
Community Clubhouses	P	P	P	P	
Conference Centers					
Crisis Intervention	C	C	C	C	18.04.060(I)
Fraternal Organizations					
Home Occupations (including adult day care, bed and breakfast houses, elder care homes, and family child care homes)	P	P	P	P	18.04.060(L)
Hospice Care	C	C	C	C	18.04.060(M)
Non-Profit Physical Education Facilities	C	C	C	C	
Places of Worship	C	C	C	C	18.04.060(U)
Public Facilities	C	C	C	C	18.04.060(V)
Radio, Television, and other Communication Towers & Antennas	C	C	C	C	18.04.060(W), 18.44.100
Schools	C	C	C	C	18.04.060(DD)
Sheltered Transit Stops	R	R	R	R	18.05.050(C)(4)
Utility Facilities	P/C	P/C	P/C	P/C	18.04.060(X)
Wireless Communications Facilities	P/C	P/C	P/C	P/C	18.44

LEGEND

P = Permitted C = Conditional R = Required

Section 2. Amendment of OMC 18.05.040. Olympia Municipal Code Subsection 18.05.040(B) is hereby amended to read as follows:

B. PROHIBITED AND UNSPECIFIED USES.

Land uses which are not listed in Table 5.01 as permitted, conditional, or required uses are prohibited, unless they are authorized by the Director consistent with Section 18.02.080, Interpretations. In no event, however, shall the following uses be permitted:

1. Automobile-oriented uses which primarily cater to customers in their vehicles or rarely provide consumer goods or services to pedestrians or walk-in customers. ~~This includes drive-in and drive-through businesses (except drive-through banks as provided in Section 18.05.060(A) herein), motor vehicle sales, and car washes.~~
2. Adult oriented businesses (see Section 18.02.180, Definitions).
3. Mobile homes. Mobile homes are prohibited except for emergency housing and contractor's offices consistent with Section 18.04.060(EE). (See Section 18.02.180, Definitions.)
4. Habitation of recreational vehicles/trailer houses. (See Section 18.02.180, Definitions.)
5. Sale of firearms.
6. Pawnshops.
7. Uses which customarily create noise, vibration, smoke, dust, glare, or toxic or noxious emissions exceeding those typically generated by allowed uses.
8. Parking provided accessory to a use located outside the City of Olympia.
9. Secure community transition facilities.

Section 3. Amendment of OMC 18.05.060. Olympia Municipal Code Section 18.05.060 is hereby amended to read as follows:

18.05.060 Use standards

A. BanksDrive-through facilities.

1. Banks, restaurants, pharmacies, and other businesses that primarily cater to pedestrians or walk-in customers are permitted to have a single drive-through lane. ~~with drive-through facilities shall be limited to one drive-through lane.~~

2. Driveway access for a permitted single drive-through lane shall be allowed only through a common parking lot area in a Village Center, shall not impede direct pedestrian access to the building entry, and the drive-through lane shall not be allowed on streets abutting a village green or park in a village center.

B. Child Day Care Centers. A site for a child day care center is required in urban villages.

C. Grocery Stores. Urban Village (UV) and Community Oriented Shopping Center (COSC) District requirements: The maximum size for a grocery store shall be 50,000 square feet of gross floor area.

Section 4. Amendment of OMC 18.05A.000. Olympia Municipal Code Section 18.05A.000 is hereby amended to read as follows:

18.05A.000 Chapter Contents

Sections:

18.05A.010 How to use design criteria.

SITE DESIGN AND ORIENTATION

18.05A.020 Site design - Streets, trails and open space.

18.05A.030 Site design - Location and use of centers and common open spaces.

18.05A.040 Site design - Gateways and focal points.

18.05A.050 Site design - Pedestrian/sidewalk orientation.

18.05A.060 Site design - Fences and walls adjacent to pedestrian scale streets.

COMMERCIAL AND MIXED USE BUILDING DESIGN, LANDSCAPING, AND SIGNS

18.05A.070 Building design - Commercial and mixed use.

18.05A.080 Building design - Creation of human scale.

18.05A.090 Building design - Building wall finishes for stand alone and corner site buildings.

18.05A.095 Building design - Drive-through ~~banks~~ facilities.

18.05A.100 Landscape design for villages, commercial and mixed use areas.

18.05A.110 Landscape design - Screening.

18.05A.120 Landscape design - Existing trees.

18.05A.130 Signs - Attached to the building.

18.05A.140 Signs - Freestanding.

MULTIFAMILY PROJECTS (INCLUDING TOWNHOUSES OF 5 UNITS OR MORE)

18.05A.150 Site design - Orientation.

18.05A.160 Site design - Parking location and design.

18.05A.170 Site design - Mailboxes, site lighting, and bus stops.

- 18.05A.180 Site design - Screening.
- 18.05A.190 Building design - Neighborhood scale.
- 18.05A.200 Building design - Privacy.
- 18.05A.210 Building design - Facade, footprint, and roof articulation.
- 18.05A.220 Building design - Entries.
- 18.05A.225 Building design - Windows.
- 18.05A.230 Building design - Materials and colors.
- 18.05A.240 Signs.

DUPLEX, TRIPLEX, FOURPLEX, TOWNHOUSE PROJECTS (4 UNITS OR LESS), COTTAGE HOUSING AND SINGLE FAMILY HOUSING, INCLUDING DESIGNATED MANUFACTURED HOUSING (6 UNITS PER ACRE OR MORE)

- 18.05A.250 Duplex, triplex, etc. - Applicability.
- 18.05A.260 Building design - Roof form and architectural detail.
- 18.05A.270 Building design - Entries.
- 18.05A.280 Building design - Garage design.
- 18.05A.290 Building design - Materials and colors.

ACCESSORY DWELLING UNITS (ADU)

- 18.05A.300 Site and building design - Privacy.
- 18.05A.310 Building design - Entry features.
- 18.05A.320 Building design - Materials and colors.

COTTAGE HOUSING

- 18.05A.330 Site design - Cottage housing.

Section 5. Amendment of OMC 18.05A.095. Olympia Municipal Code Section 18.05A.095 is hereby amended to read as follows:

18.05A.095 Building design –Drive-through ~~banks~~facilities

LEGEND

UV = Urban Village

COSC = Community Oriented Shopping Center

NV = Neighborhood Village

NC = Neighborhood Center

A. REQUIREMENT 1: Locate the main pedestrian entry ~~to a bank on a~~ towards the pedestrian-oriented street. Orient drive-through facilities ~~at banks~~ in a way that makes minimal disruption on the street edge. See also Section 18.05.060(A) Use Standards, ~~Banks (i.e., limit of one lane, and prohibition of access onto streets abutting a village green).~~ (UV, NV, COSC, NC)

REQUIREMENT 2: Locate the drive-through facility on the side or behind the building as viewed from the street. Drive-through facilities shall not be located between the building and the street frontage, nor between the primary parking and building entry unless the proposed drive-through location provides equivalent or better pedestrian access to the building. For all drive-through facilities, uninterrupted pedestrian access to the main building entry shall be provided.

B. GUIDELINE:

1. Design the drive-through window so that it is clearly subordinate to the main building. (UV, NV, COSC, NC)
2. Where the drive-through is a separate structure, use architectural details that conform to those used on the main building. (UV, NV, COSC, NC)
3. Minimize curb cuts and the disruption of a sidewalk by:
 - a. Making the width of the lane approaching the window as narrow as possible, and
 - b. Using landscaping and planters to provide a street edge adjacent to the sidewalk. (UV, NV, COSC, NC)

Section 6. 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 7. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 8. Effective Date. This Ordinance shall take effect five (5) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

Darren Dienaber

CITY ATTORNEY

**PASSED:
APPROVED:
PUBLISHED:**

Drive-Through Lane Context Examples:

The following examples are intended to help show how the proposed design criteria would facilitate both pedestrian oriented development and allow for a broader list of businesses allowed to have accessory drive-through lanes. These examples focus on the drive-through location and do not represent the larger scope of design criteria that are already required within the Briggs Village.

Example 1 - Very Auto Oriented:

This example is of a highly auto oriented drive-through business. It would not be appropriate within the context of a walkable mixed use community such as the Briggs Village and does not meet the design criteria proposed:

- Pedestrians must cross drive-through to enter building.
- Building design emphasizes auto orientation rather than walk-in.
- Two drive through lanes show a clear focus on auto oriented service.



Example 2 - Moderately Auto Oriented:

This example shows intent to consider the pedestrian experience; however the building and drive-through design are clearly oriented towards the auto rather than pedestrian. The proposed design criteria would not allow for this site layout within the Briggs Village.

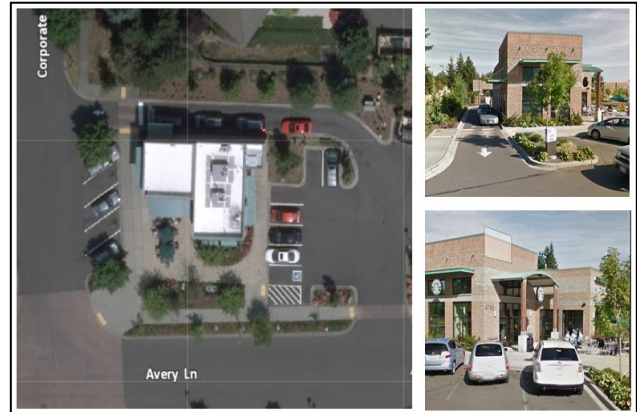
- Direct pedestrian access from the street is provided, however pedestrians must cross drive-through to enter from the parking lot.
- Single drive-through lane, but the building design emphasizes auto orientation.
- Building design favors auto oriented businesses rather than serving walk-up customers.



Example 3 - Pedestrian Oriented:

This example meets the design criteria proposed as both the building and site layout place a clear emphasis on the pedestrian environment while also providing an auto oriented element in the rear of the structure.

- Pedestrians have direct access to the building entry from the street and parking lot.
- Building design emphasizes pedestrian orientation with outdoor seating.
- Single drive-through lane is tucked behind the building and is accessed through the parking lot.



In sum, the proposed provisions will allow for greater flexibility in the uses permitted to have accessory drive-through lanes while significantly limiting their potential locations by enhancing the site design criteria within the code. Staff and the Planning Commission recommend approval of these amendments because the revisions will help encourage the development that has long been anticipated in the Briggs Village, while maintain the underlying design intent within the master plan.

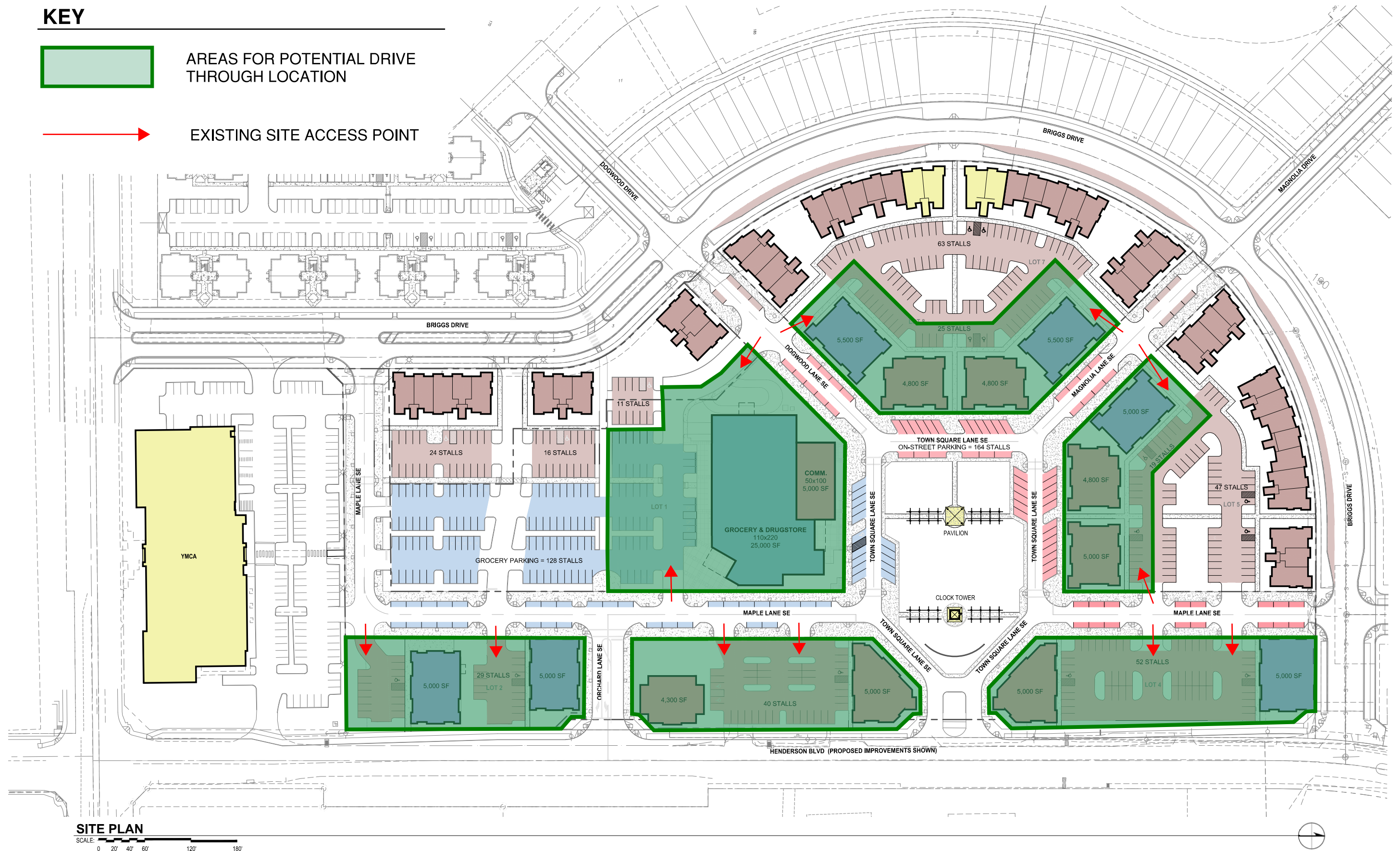
KEY



AREAS FOR POTENTIAL DRIVE THROUGH LOCATION



EXISTING SITE ACCESS POINT



BRIGGS TOWN CENTER - DRIVE THROUGH OPTIONS

BRIGGS TOWN CENTER - OLYMPIA, WASHINGTON | OCTOBER 19, 2016



COMMERCIAL REAL ESTATE SERVICES



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Vice President

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August 8, 2016

Keith Stahley
Director, Community Planning and Development
City of Olympia
PO Box 1967
Olympia, WA 98507-1967

RE: Briggs Village Proposed Text Amendment – Urban Village Commercial Zoning

Dear Keith:

I am a commercial real estate broker with CBRE primarily focusing in leasing and sale of retail properties. For the last 15+ years, I have worked with various retail property owners, buyers and tenants in the south Puget Sound area.

I have been working as the leasing broker for Briggs Village since the new ownership acquired the project in December of 2015.

After over six months of talking to prospective commercial tenants and actively marketing the concept of the Briggs Village project, I have come to the conclusion that the ability to include a drive-in or drive-through element on a portion of the commercial sites is imperative in order to secure key tenants, as I will elaborate further in this letter.

In April 2016, we had received a letter of intent from a local dentist looking to relocate his practice to Briggs Village Town Center. After weeks of active negotiation, the dentist ultimately decided to go elsewhere. A key factor in his decision was that he did not want to put himself in a position where he could end up being the only business located at Briggs Village for a long time. This experience demonstrates the importance of attracting viable retail tenants to the success of the Town Center concept and Briggs Village as a whole.

As part of our efforts to attract junior anchor retail tenants, we have had several conversations with representatives of Starbucks and Bartell Drugs. Starbucks has had an interest in the site for quite some time, but the company will not consider new locations without a drive-through,

especially in suburban areas. While Briggs is an "Urban Village" under City of Olympia regulations, as a practical matter it remains a suburban site for purposes of retail site selection criteria.

An anchor tenant with wide brand recognition like Starbucks or Bartell Drugs would draw other brands and businesses such as restaurants and service oriented businesses, as well as professional office tenants. The variety of such a tenant mix will create synergy thus attracting customers.

In addition, Bartell Drugs, just recently started discussions about expanding into Thurston County according to its broker, Dan McGinnis of CBRE. Bartell's prototypical building is 15,000 square feet (110 x 136) with a drive-through. According to the broker, Bartells has an interest in the site, but will not give it serious consideration without the availability to site a drive-through.

Currently Urban Village zoning allows drive through lanes for banking uses only. It is my professional opinion that based on current market conditions, the proposed text amendment to the current Urban Village zoning to allow limited single-lane drive through uses on certain sites within the Town Center will significantly improve the ability to secure the additional commercial tenants that are crucial to the success of the Briggs Village project.

Once we secure one or two anchor tenants, such as Starbucks or Bartell's, it should be fairly easy to attract other retailers and professional office tenants to fill the remaining spaces. We already have interest from two local service businesses who are prepared to sign leases when we have firm commitment from a junior anchor tenant such as Bartells or Starbucks.

It is my sincere hope that the City will support the proposed text amendment so that we can create a viable commercial Town Center at Briggs Village to support its residents and the surrounding community, as intended. Please feel free to contact me if you have further questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Yeh-Hee Hahn". The signature is fluid and cursive, written in a professional style.

Yeh-Hee Hahn
Vice President
CBRE



City Council

Approval of Olympia 2017 Legislative Agenda

Agenda Date: 12/13/2016
Agenda Item Number: 6.A
File Number: 16-1378

Type: decision **Version:** 1 **Status:** Other Business

Title

Approval of Olympia 2017 Legislative Agenda

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the 2017 Legislative Agenda for Olympia.

Report

Issue:

Whether to discuss and approve Olympia's 2017 Legislative Agenda

Staff Contact:

Jay Burney, Assistant City Manager, Executive Department, 360.753.8740

Presenter(s):

Jay Burney, Assistant City Manager, 360.753.8740

Background and Analysis:

In January of 2017, Council and staff will meet with our local delegation to discuss our 2017 Legislative Agenda. Staff is proposing the following priorities for Olympia:

- 1) Housing/Homelessness - State resources to address homelessness, affordable housing, mental health, and chemical dependency services
- 2) US 101/West Olympia Access - Funding for new westbound off-ramps from US 101 to Kaiser Rd and Yaeger Way SW
- 3) Sea Level Rise - Financial support and policy guidance for research and future projects to address vulnerability of flooding Downtown
- 4) Capital Lake/Deschutes EIS Process - Funding to accomplish this work

Other items of importance for discussion include support for changes in public records legislation related to body cameras, and full funding for the Washington Wildlife and Recreation Grant Program and the Public Works Trust Fund.

In addition to Olympia's specific priorities, we have also worked with Lacey, Tumwater, Thurston County, the Port of Olympia, Economic Development Council, Thurston Regional Planning Council, and the Thurston County Chamber of Commerce on a set of regional priorities, which include:

- 1) Capital Lake/Deschutes EIS Process
- 2) Tumwater Craft Brewing and Distillery District
- 3) I-5 Corridor Study - Nisqually to 93rd Avenue

Staff has also attached a copy of the Association of Washington Cities 2017 Legislative Action Agenda.

Neighborhood/Community Interests (if known):

N/A

Options:

1. Approve the proposed 2017 Legislative Agenda.
2. Modify and approve the proposed 2017 Legislative Agenda.
3. Do not approve the proposed 2017 Legislative Agenda and provide staff with feedback on next steps.

Financial Impact:

N/A

Attachments:

Association of Washington Cities 2017 Legislative Action Agenda



Public Records

Modernize the Public Records Act (PRA) so that cities can continue to provide open and transparent government services to our residents

Every day, local government officials ensure transparency in government and serve as stewards of public resources by effectively implementing the PRA. However, advances in technology and the increased volume and complexity of records requests are undermining the PRA. This act must be updated to reflect 21st century realities in order to fulfill its original purpose, provide government transparency, and make wise use of taxpayer dollars.

Cities ask the Legislature to:

- Permit cities to charge for providing complex digital data and electronic copies of public records, similar to charges for making a paper copy.
- Develop an alternative dispute resolution system that serves government agencies and requestors to quickly resolve disagreements without costly litigation.
- Designate technical and funding assistance by restoring funding to grant programs that help local governments.



Homelessness, Housing & Human Services

Enhance efforts to increase affordable housing, decrease homelessness, and improve a strained behavioral health system

Urban and rural cities throughout the state are grappling with increasing homeless populations, lack of affordable housing, and a poorly-funded mental health and substance abuse system. Cities are struggling to solve these issues with limited resources. Together with the state, counties, and nonprofit partners, we support efforts to develop new strategies that address the issues plaguing our human service, homeless, and affordable housing systems.

Cities ask the Legislature to:

- Make the document recording fee permanent and increase the fee to expand investments in homelessness assistance.
- Invest another \$200 million in the Housing Trust Fund, the preeminent tool in the state to fund affordable housing construction.
- Create new local options to generate revenue for homelessness services and for affordable housing construction.
- Ensure full authority to allow the state to maximize federal Medicaid resources and provide additional resources for mental health and chemical dependency services.

In order for Washington State to be its best and attract the best, our 281 cities and towns must be strong.

- Cities are where more than 4.6 million people call home, and this number is growing quickly.
- Cities are where the majority of the state's revenues are generated, including \$1.3 billion in property taxes, and \$7.5 billion in sales tax.
- Cities contain the state's economic engines, where 69% of job-generating businesses are located.

more priorities on back

Contact:

Dave Williams
Director of Government Relations
davew@awcnet.org • 360.753.4137





Local Infrastructure

Revitalize key infrastructure assistance programs that support job creation, community health and safety, and quality of life

City infrastructure systems are a critical part of a larger network that serves and benefits the entire state. Diversion from programs that support basic local infrastructure means that communities cannot affordably maintain and secure new infrastructure.

Cities ask the Legislature to:

- Provide stable and reliable infrastructure assistance to help cities overcome the financial challenges of building and repairing local systems that support economic development and benefit the entire state.
- Commit to a proactive state partnership in key programs like the Public Works Trust Fund. If current programs are not sustainable, they need to be reformed.



Local Authority

Respect city authority to respond to local needs

With the Great Recession behind us, cities are looking for stable revenue to provide essential services to our growing population, such as public safety and infrastructure. City officials are elected and must have the authority to solve local challenges.

Cities ask the Legislature to:

- Respect cities' local authority for revenue, taxes, licensing, and regulation.
- Allow cities to increase the property tax to an extent that accounts for inflation and population growth.



City-State Partnership

Preserve the city-state budget partnership

Over the last few biennium, the state has balanced its budget at the expense of cities. While we understand the fiscal challenges the Legislature faces, we cannot accept that sweeping critical funds from their intended uses is in the best interest of our state. AWC supports the Legislature in securing sufficient revenue to fund state programs and obligations, and therefore unilaterally eliminating or significantly reducing state funding to cities is not acceptable.

Cities ask the Legislature to:

- Maintain the city-state shared revenue partnership for funding key services.
- Provide adequate and sustainable funding for the Criminal Justice Training Commission to maintain high-quality statewide training for law enforcement personnel.
- Continue the current funding from local liquor revenue distributions to the Municipal Research and Services Center (MRSC), which provides vital support for local government performance.

For more detailed information on each of these priorities, issue briefs are available on our website.

www.awcnet.org/advocacy

Contact:

Dave Williams

Director of Government Relations
davew@awcnet.org • 360.753.4137





City Council

2016 Year-End Highlights

Agenda Date: 12/13/2016
Agenda Item Number: 6.B
File Number: 16-1370

Type: information **Version:** 1 **Status:** Other Business

Title

2016 Year-End Highlights

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive the presentation of 2016 Year-End Highlights

Report

Issue:

Whether to receive the presentation of 2016 accomplishments.

Staff Contact:

Jay Burney, Assistant City Manager, Executive Department, 360.753.8740

Presenter(s):

Jay Burney, Assistant City Manager

Background and Analysis:

Staff will provide an overview of our significant accomplishments for 2016.

Neighborhood/Community Interests (if known):

N/A

Options:

N/A

Financial Impact:

N/A

Attachments:

None