



Meeting Agenda

Finance Committee

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Wednesday, July 17, 2019

5:30 PM

Hands on Children's Museum
414 Jefferson St NE, Olympia

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **APPROVAL OF AGENDA**

4. **PUBLIC COMMENT**

(Estimated Time: 0-15 Minutes)

During this portion of the meeting, citizens may address the Committee for up to three (3) minutes regarding the Committee's business meeting topics.

5. **APPROVAL OF MINUTES**

5.A [19-0663](#) Approval of June 25, 2019 Finance Committee Meeting Minutes

Attachments: [Minutes](#)

6. **COMMITTEE BUSINESS**

6.A [19-0657](#) Briefing on the Hands on Children's Museum

Attachments: [Photos](#)

6.B [19-0655](#) Budget Snapshot - Internal Controls

6.C [19-0637](#) Homeless Response Funding and Expenditure Update

Attachments: [Budget & Estimated Costs](#)
[HB 1406](#)
[Homeless Response Webpage](#)

6.D [19-0219](#) Building Condition Assessment

Attachments: [Building Condition Assessment Summary](#)

7. **REPORTS AND UPDATES**

8. **ADJOURNMENT**

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the delivery of services and resources. If you require accommodation for your attendance at the City Council Committee 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 Hall
601 4th Avenue E.
Olympia, WA 98501
360-753-8244

Finance Committee

Approval of June 25, 2019 Finance Committee Meeting Minutes

Agenda Date: 7/17/2019
Agenda Item Number: 5.A
File Number: 19-0663

Type: minutes **Version:** 1 **Status:** In Committee

Title

Approval of June 25, 2019 Finance Committee Meeting Minutes



Meeting Minutes

Finance Committee

City Hall
601 4th Avenue E
Olympia, WA 98501

Information: 360.753.8244

Tuesday, June 25, 2019

5:30 PM

Room 207

Special Meeting

1. CALL TO ORDER

Chair Cooper called the meeting to order at 5:31 p.m.

2. ROLL CALL

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

3. APPROVAL OF AGENDA

The agenda was approved.

4. PUBLIC COMMENT - None

5. APPROVAL OF MINUTES

5.A [19-0601](#) Approval of May 15, 2019 Finance Committee Meeting Minutes

The minutes were approved.

6. COMMITTEE BUSINESS

6.A [19-0598](#) Budget Snapshot - Financial Policies

Fiscal Services Director Nanci Lien presented information on the City's financial policies.

The information was provided.

6.B [19-0599](#) Discussion of Multi-year General Fund Revenue and Expenditure Projections

Fiscal Service Director Nanci Lien explained the 2020 tax revenue projections. Discussion of the multi-year General Fund Revenue and Expenditures was postponed and will be scheduled later this year.

The discussion was completed.

6.C [19-0415](#) Fire Department Level of Service Report

Fire Chief Greg Wright introduced Assistant Fire Chief Mike Buchanan and Assistant Fire Chief Kevin Bossard who presented the Fire Department Level of Service report.

The information was provided.

6.D [19-0589](#) Public Safety Implementation Program Status and 2019 Financial Report

Police Support Administrator Chandra Brady presented information on the public safety implementation program status and 2019 Police Financial Report.

The information was provided.

7. REPORTS AND UPDATES

Administrative Services Director Debbie Sullivan provided a brief update on the Olympia Metropolitan Park District interlocal agreement and the idea to have an enterprise fund indirect allocation plan study done in 2020.

8. ADJOURNMENT

The meeting was adjourned at 7:04 p.m.



Finance Committee

Briefing on the Hands on Children's Museum

Agenda Date: 7/17/2019
Agenda Item Number: 6.A
File Number: 19-0657

Type: discussion **Version:** 1 **Status:** In Committee

Title

Briefing on the Hands on Children's Museum

Recommended Action

Committee Recommendation:

None. Briefing only.

City Manager Recommendation:

None. Briefing only.

Report

Issue:

Whether to hear a report about the Hands on Children's Museum.

Staff Contact:

Steve Hall, City Manager, 360.753.8370

Presenter(s):

Patty Belmonte, Executive Director, HOCM
Steve Hall, City Manager
Meliss Maxfield, General Services Director

Background and Analysis:

In 2003, the City of Olympia worked with the State of Washington to create a regional Public Facilities District (PFD). The District encompassed all of Thurston County including the three major cities. Under State law, a PFD is allowed the use of 1/3 of one percent of State sales tax dollars for 25 years to fund the development of regional facilities that created economic and financial gain for the area served.

A four-way agreement between Olympia, Lacey, Tumwater and Thurston County spelled out the use of the State sales tax to be used to fund and develop a regional arts and conference center in downtown Olympia. After two years of work to develop a financial and an operational structure for the arts and conference center, Olympia decided to abandoned the project and consider new regional projects.

In 2005- 2006 the three cities and the County sparred over the preferred use of regional PFD funds.

In the end, it was agreed that Olympia and Lacey would share the capital funding to support the Hands on Children's Museum (HOCM) in downtown Olympia and a Regional ballfield complex in Lacey. In total, the City contributed \$8.9 M towards the museum and the HOCM organization raised \$4.4M for the building improvements and exhibits.

The choice has paid off handsomely for Olympia and the region. The Museum is a huge cultural and financial success. The partnership between the City and the nonprofit HOCM organization has led to the creation of the best children's museum in the Northwest and one of the best in the nation. Not only does the museum provide fun and interactive learning for area residents, but also it draws visitors from all over the US and beyond.

The Museum continues to raise funds to operate the facility, refresh and maintain the building content and exhibits. The City owns the Museum and is responsible for major building systems, repairs, and replacement.

Museum and City staff will update the Committee on the overall condition of the museum operations and facility. This will includes recent upgrades, early ideas on expansion and some near term repairs needed for the building.

Neighborhood/Community Interests (if known):

Everybody loves the museum.

Options:

1. Hear a briefing on the museum
2. Do not hear a briefing

Financial Impact:

None at this time.

Attachments:

Photos











Finance Committee

Budget Snapshot - Internal Controls

Agenda Date: 7/17/2019
Agenda Item Number: 6.B
File Number: 19-0655

Type: information **Version:** 1 **Status:** In Committee

Title

Budget Snapshot - Internal Controls

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive a briefing on internal controls. Briefing only; No action required.

Report

Issue:

Whether to receive a briefing on internal controls.

Staff Contact:

Nanci Lien, Fiscal Services Director, 360.756.8465

Presenter(s):

Nanci Lien, Fiscal Services Director, Administrative Services Department

Background and Analysis:

Formally stated, internal controls are the structure, policies, and procedures put in place to provide reasonable assurance that management meets its objectives and fulfills its responsibilities. In plain English, internal controls are good old common-sense practices that help management be effective and efficient while avoiding serious problems such as overspending, operational failures, and violations of law.

Best practices identify five components that work together to support an organization's effective internal control system:

1. Control environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring

Staff will present information on these five components and provide examples of internal controls

Type: information **Version:** 1 **Status:** In Committee

used by the City.

Neighborhood/Community Interests (if known):

N/A

Options:

Information only.

Financial Impact:

N/A

Attachments:

None



Finance Committee

Homeless Response Funding and Expenditure Update

Agenda Date: 7/17/2019
Agenda Item Number: 6.C
File Number: 19-0637

Type: report **Version:** 1 **Status:** In Committee

Title

Homeless Response Funding and Expenditure Update

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive an update on 2019 homeless response funding and expenditures. Briefing only; No action requested.

Report

Issue:

Whether to receive an update on 2019 homeless response funding and expenditures.

Staff Contact:

Amy Buckler, Strategic Projects Manager, Community Planning & Development, 360.570.5847

Cary Retlin, Home Fund Manager, Community Planning & Development, 360.570.3956

Presenter(s):

Amy Buckler, Strategic Projects Manager
Cary Retlin, Home Fund Manager

Background and Analysis:

In July 2018, the City of Olympia declared a state of public health emergency related to homelessness. Since then the City has taken several responsive steps, including establishing a mitigation site, tiny house village, secure storage facility, city and faith community pilot project, helping fund 24/7 shelters, funding and planning a permanent supportive housing project on Martin Way, and kicking off a public process to develop long term strategies and actions.

Staff will present an overview of 2019 homeless response projects, costs, outcomes and funding sources. The **attached** pages from the 2019 Operating Budget outline budgeted resources and

estimated project costs.

Staff will also discuss House Bill 1406, which initiated a sales tax revenue sharing program for local governments to use toward housing investments. Staff will review the steps the City must take to participate, and options for how the City could use the funds.

Neighborhood/Community Interests (if known):

Homelessness is of considerable concern to the community.

Options:

Briefing only. No action requested.

Financial Impact:

Budgeted resources and estimated project costs are attached.

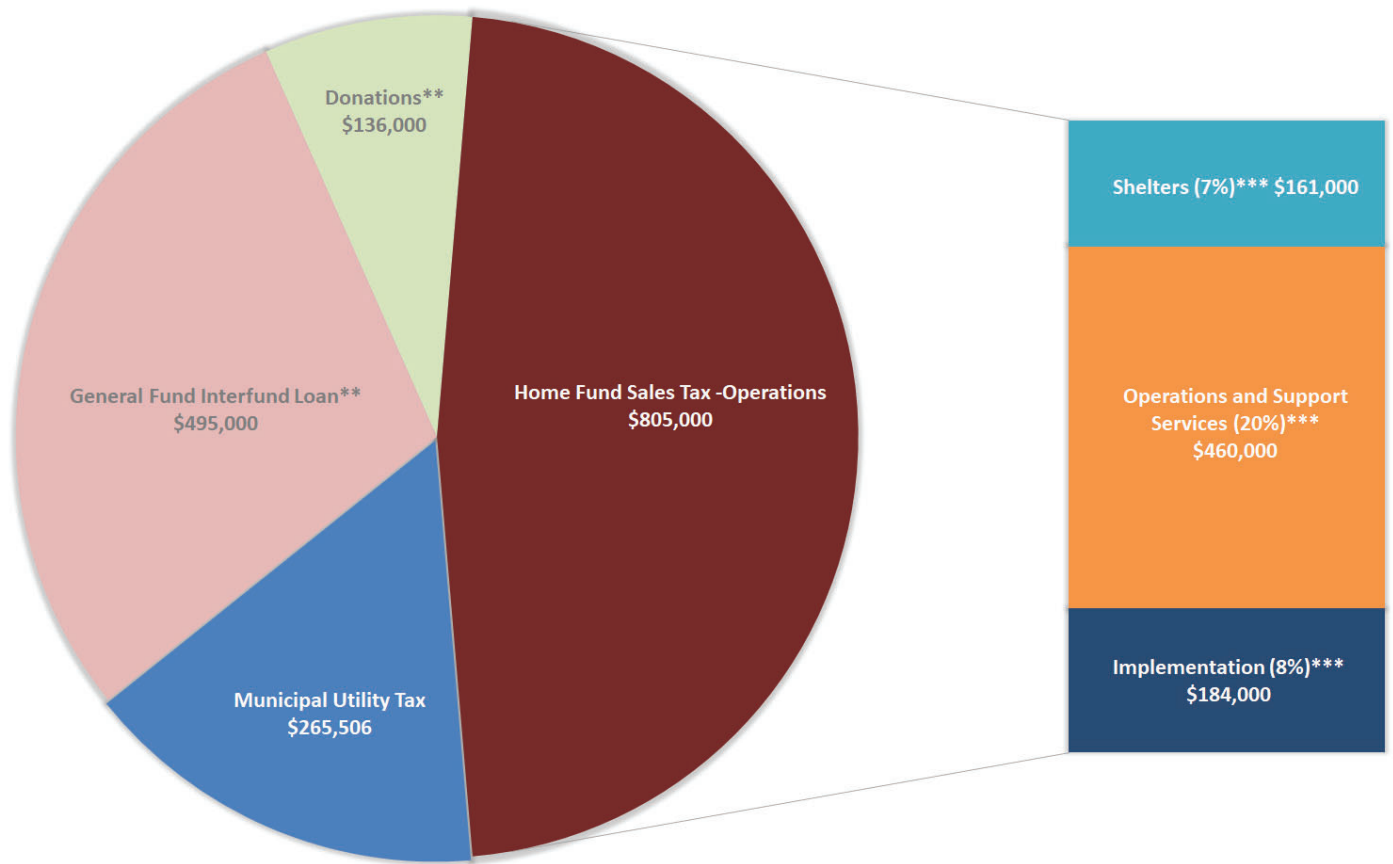
Attachments:

Budget and Estimated Costs

HB-1406 Summary

Homeless Response webpage

Homeless Response Operating Resources



2019 Resources	
Home Fund Sales Tax - Operations*	\$805,000
Municipal Utility Tax	\$265,506
General Fund Interfund Loan**	\$495,000
Donations **	\$136,000
Total	\$1,701,506

*Represents 35% of \$2.3 million sales tax

** Funding anticipated to be approved in 2019

Use of Home Fund Sales Tax Allocated to Operations	
Shelters (7%)***	\$161,000
Operations and Support Services (20%)***	\$460,000
Implementation (8%)***	\$184,000
Total	\$805,000

***Percentages displayed in table per Olympia Home Fund Financial Plan and based on total Home Fund Sales Tax of \$2.3 million

2019 Operating Resources - Expected Donations for Emergency Homelessness Responses

Partner Organization	Amount	Applied to	Project
Port of Olympia	\$36,000	Operating Budget	Value of in kind donation, (3) containers for Secure Storage
Evergreen Christian Church	\$100,000	Operating Budget	Support for Homeless Response Coordinator position
Total	\$136,000		

2019 Capital Resources - Expected Donations for Emergency Homelessness Responses

Partner Organization	Amount	Applied to	Project
LOTT Clean Water Alliance	\$150,000	Capital budget	(2) Portable hygiene trailers, one for Plum St Village; second TBD
Thurston County Housing Authority	\$50,000	Capital budget	Tiny house materials for Plum St Village
Total	\$200,000		

2019 Estimated Project Costs

Project	One-Time Set Up	Annual Operating
Plum Street Village*	\$405,000	\$630,336
Faith Community Pilot Partnership		\$100,000
Oly/Franklin Mitigation Site	\$56,500	\$198,000
Secure Storage	\$1,000	\$40,500
Community Youth Services shelter		\$219,660
Homeless Response Coordinator		\$100,000
Home Fund staff, implementation		\$184,000
Misc (e.g., fencing at Smart lot)	\$1,000	
Total One-Time Set up	\$463,500	
Total Annual Operating		\$1,472,496

*Set up costs funded by capital budget

Tax credit rate examples

Max tax credit rate under HB 1406	City with qualifying local tax	City without qualifying local tax	City doesn't levy a tax credit, county does participate	County doesn't participate, city participates but doesn't have a qualifying tax.*
City	0.0146%	0.0073%	0.0%	July 2020: 0.0%
County	0.0%	0.0073%	0.0146%	0.0%

*We believe that this was an error in bill drafting. Please let us know if you are in this situation. We can work to address it in future legislative sessions.

Eligible uses of the funds:

1. Projects must serve those at or below 60% AMI.
2. Acquiring, rehabilitating, or constructing affordable housing, which may include new units of affordable housing within an existing structure or facilities providing supportive housing services. In addition to investing in traditional subsidized housing projects, this authority could potentially be used to provide for land acquisition, down payment assistance, and home repair so long as recipients meet the income guidelines.
3. Funding the operations and maintenance costs of new units of affordable or supportive housing.
4. For cities with a population under 100,000, the funds can also be used for rental assistance to tenants.

Additional timelines to keep in mind:

1. Department of Revenue (DOR) requires 30-days-notice of adoption of sales tax credits. The credit will then take effect on the first day of the month following the 30-day period.
2. If your city is adopting a "qualifying local tax", DOR requires 75-days-notice of adoption of sales tax increases. Local sales tax increases may only take effect on the first day of the first, second, or third quarter – not the fourth (April 1, July 1, or October 1).
3. If your city is adopting a "qualifying local tax" remember to factor in the ballot measure process into the timeline, as these must be approved by the voters.
4. If you are intending to bond the revenues for a project under this authority, check with your legal counsel and bond counsel about other deadlines that may apply to your city.

Frequently asked questions:

1. **This program sounds very familiar. Didn't a local option, affordable housing sales tax law pass a few years ago?** Yes, but the new law has important differences. The Legislature passed HB 2263 in 2015 that authorized cities and towns to levy up to a 0.1% sales tax for affordable housing—

but, importantly, only after voter approval. This sales tax levy is considered a "qualifying local tax" under HB 1406. Another important distinction is that the affordable housing sales tax from 2015 is an additional tax on the consumer, and not a credit on an existing state-imposed tax.

2. **Do we have to levy a "qualifying local tax" to participate?** No. Your city is still eligible to participate in the program, but your tax credit rate will depend on whether the county participates in the program. See *Tax credit rate examples* chart to the left.
3. **Do we only have access to the program if the county declines to participate?** No. A city can participate, and receive funds, even if the county participates. Unfortunately, if your city does not impose a "qualifying local tax" by the deadline and your county declines to participate, then you will have not have access to funds after the first year, due to a drafting error in the bill. We don't anticipate this scenario to occur, but please let us know if you find yourself in that situation. We will work with the Legislature to address it if this proves problematic. In all cases you must meet the program deadlines to participate. See *Deadlines to participate*.
4. **Does it make a difference at all if our county participates?** Only if you have not adopted a "qualifying local tax." If you have adopted a "qualifying local tax" you can access the higher credit rate regardless of county participation. If you don't have a "qualifying local tax" then you can only access the higher rate if the county does not participate.
5. **How is "rental assistance" defined? Does that include rent vouchers?** The term "rental assistance" is not defined in the chapter 82.14 RCW; however, both federal and state housing programs use the term "rental assistance" to mean providing rent, security deposits, or utility payment assistance to tenants.
6. **Can we pool our revenue with another entity? Can we issue bonds or use the money to repay bonds?** Yes! Cities can enter into an interlocal agreement with other local governments or a public housing authority to pool tax receipts, pledge tax collections to bonds, allocating collected taxes to authorized affordable housing expenditures, or other agreements authorized under chapter 39.34 RCW. Cities may also use the tax credit revenue to issue or repay bonds in order to carry out the projects authorized under the new law.
7. **Is the amount of tax credit we receive limited only by the amount of sales tax collected per year?** No. The maximum amount will be based on state fiscal year 2019 sales.
8. **Does the tax credit program expire?** Yes, the tax expires 20 years after the date on which the tax is first levied.



Implementing HB 1406

2019

Don't miss out on up to 20 years of shared revenue for affordable housing

In the 2019 legislative session, the state approved a local revenue sharing program for local governments by providing up to a 0.0146% local sales and use tax credited against the state sales tax for housing investments, available in increments of 0.0073%, depending on the imposition of other local taxes and whether your county also takes advantage. The tax credit is in place for up to 20 years and can be used for acquiring, rehabilitating, or constructing affordable housing; operations and maintenance of new affordable or supportive housing facilities; and, for smaller cities, rental assistance. The funding must be spent on projects that serve persons whose income is at or below sixty percent of the area median income. Cities can also issue bonds to finance the authorized projects.

This local sales tax authority is a credit against the state sales tax, so it does not increase the sales tax for the consumer. There are tight timelines that must be met to access this funding source – the first is January 31, 2020 to pass a resolution of intent. The tax ordinance must then be adopted by July 27, 2020 to qualify for a credit.

The following information is intended to assist your city in evaluating its options and timelines. It is not intended as legal advice. Check with your city's legal counsel and/or bond counsel for specific questions on project uses and deadlines for implementation.

Deadlines to participate:

- Resolution to levy tax credit: July 28, 2019 – January 31, 2020
- Ordinance to levy the tax credit: By July 27, 2020
- Adopt "qualifying local tax" (optional): By July 31, 2020

Eligibility to receive shared revenues

- The state is splitting the shared resources between cities and counties. However, cities can receive both shares if they have adopted a "qualifying local tax" by July 31, 2020. Qualifying taxes are detailed below. Cities who are levying a "qualifying local tax" by July 28, 2019, the effective date of the new law, will receive both shares immediately once they impose the new sales tax credit.
- If a city does not implement a qualifying local tax by the deadline, they can still participate in the program if they meet the other deadlines but will be eligible for a lower credit rate.
- A city can adopt the sales tax credit before designating how the funds will be used once collected.

Qualifying local taxes

The following are considered "qualifying local taxes" and, if levied, give the city access to both shares of the tax credit (i.e. 0.0146% rate instead of the single share rate of 0.0073%):

- Affordable housing levy (property tax) under RCW 84.52.105
- Sales and use tax for housing and related services under RCW 82.14.530. The city must have adopted at least half of the authorized maximum rate of 0.001%.
- Sales tax for chemical dependency and mental health (optional .1 MIDD) under RCW 82.14.460
- Levy (property tax) authorized under RCW 84.55.050, if used solely for affordable housing

Think of the "qualifying local tax" as a multiplier or "doubler." It gives the city access to double the tax credit even when the county chooses to participate in the program.

Contact:

Carl Schroeder
Government Relations Advocate
carls@awcnet.org

Shannon McClelland
Legislative & Policy Analyst
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06/20/19

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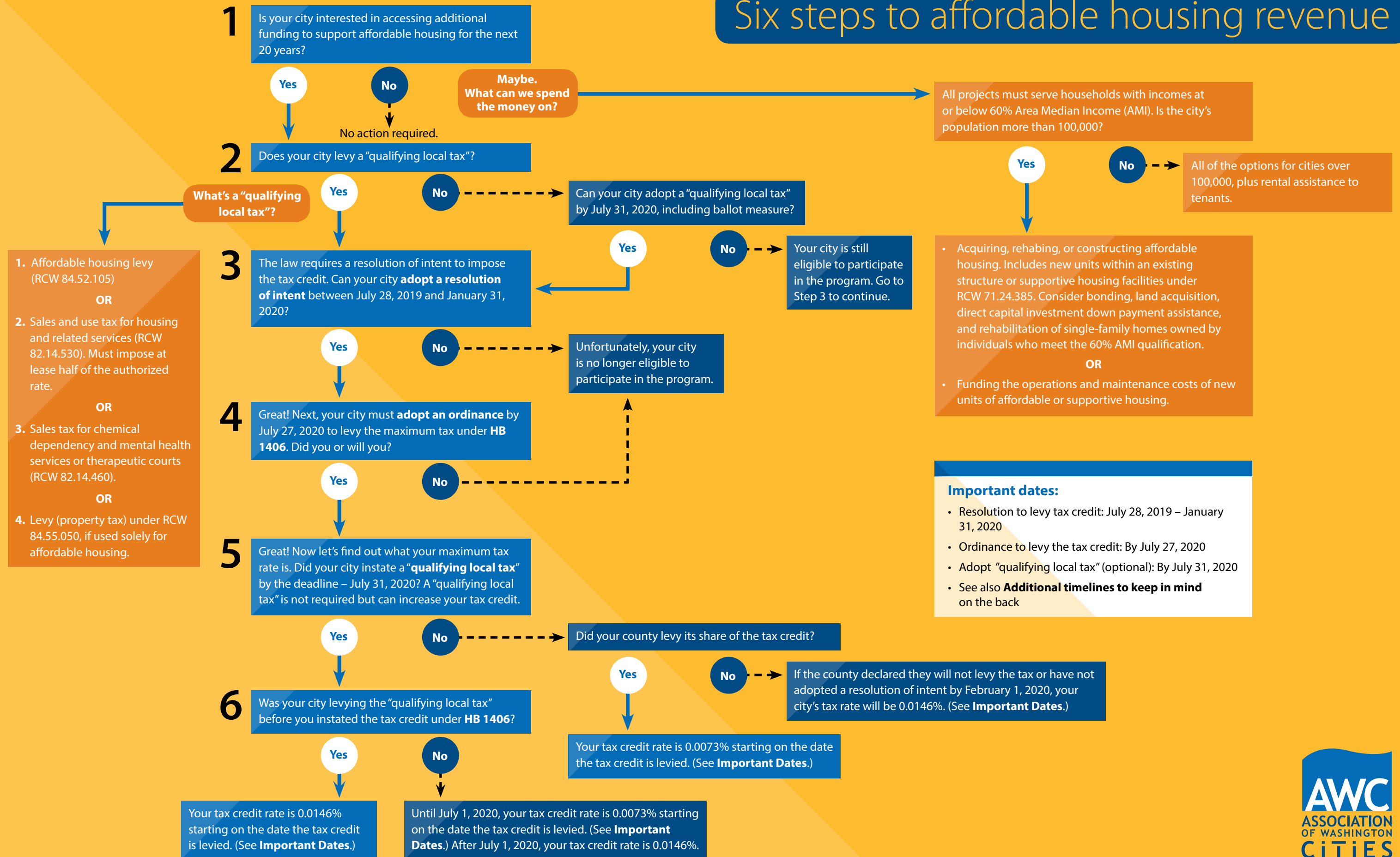
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06/20/19

Six steps to affordable housing revenue



Home » Community » Homelessness

Homelessness

Featured Links

Related Plans & Reports

- [Downtown Strategy - Homelessness Chapter](#)
- [Olympia Home Fund - Admin & Finance Plan](#)
- [Summary of County's 5-Year Homeless Housing Plan](#)
- [Funding & Decision-Making Overview](#)

Related Programs & Resources

- [Downtown Ambassadors & Clean Team](#)
- [Community Court](#)

Navigation

- [Homelessness](#)
- [24/7 Shelter Support](#)
- [City & Faith Partnership](#)
- [Home Fund](#)
- [Homelessness Data](#)
- [Mitigation Sites](#)
- [Plum Street Village](#)
- [Homeless Response Plan](#)

Update on the 2828 Martin Way Property

Learn more about what's happening at the property now and the project that would provide sixty shelter beds and sixty supportive housing apartments on our [2828 Martin Way page](#).



A Regional Crisis

Homelessness is the most significant and urgent public concern facing our community. The 2018 Point in Time Census counted 835 homeless individuals in the county, marking a 56% increase from 2017. Although homelessness is most visible within the urban hub of downtown Olympia, this issue affects all of Thurston County.

In July 2018, the Olympia City Council declared a state of public health emergency related to homelessness ([view ordinance](#)). Doing so enables the City to respond to the needs in the community more quickly.

Homelessness is a complex problem, and a truly effective response will take regional partnerships and the proactive involvement of a broad spectrum of stakeholders.

☐ [View Homelessness Data](#)

☐ [Sign-up for Email Updates](#)



Latest News

SIGN UP FOR OUR HOMELESSNESS E-NEWSLETTER



Ambassadors

LEARN ABOUT OLYMPIA'S DOWNTOWN AMBASSADOR PROGRAM



Downtown Strategy

LEARN HOW WE ARE IMPLEMENTING THE PLAN



City Calendar

- 7/11** - 6:00 p.m. [Olympia Arts Commission](#)
- 7/11** - 6:30 p.m. [Design Review Board](#)
- 7/15** - 5:30 p.m. [Salary Commission-CANCELLED](#)
- 7/16** - 5:30 p.m. [Executive Session](#)
- 7/16** - 7:00 p.m. [City Council Meeting](#)

→ [View full calendar...](#)

City Updates

2020 BUDGET: YOUR PRIORITIES As we begin to develop the City budget for 2020, we know there may be some difficult decisions to make. So we need to hear from you. **What are your top priorities?** [Take the surveys on Engage Olympia...](#)

2019 ANNUAL REPORT AVAILABLE Olympia Onward tells the story of our commitment to making our community vision real. It highlights stories of success, priorities for the year, and community indicator data to track our progress. [Download Olympia Onward...](#)

2019 PRELIMINARY OPERATING BUDGET The 2019 Preliminary Operating Budget is now available. [More...](#)

2019-2024 ADOPTED CAPITAL FACILITIES PLAN The [2019-2024 Capital Facilities Plan](#) (CFP) is now available. [More...](#)

OLYMPIA MUNICIPAL CODE Quick link to codes and standards including [Olympia Municipal Code](#).

MEETINGS [Agenda and Minutes](#) for City Council and most advisory committees.

feedback

What is the City Doing to Address Homelessness?

The City of Olympia is committed to treating unsheltered people with respect, dignity and compassion and to minimizing harm and trauma as we assist them. We are working to provide safe and legal shelter options, while we manage City property for its intended use and balance the needs of the unsheltered with the impacts on the community.

The City cannot fix homelessness. And finding lasting solutions in our community will be a long-term process. However, the City is addressing immediate needs related to homelessness and working on longer-term strategies. Some of the steps we've taken include:

- ☐ Mitigation Sites
- ☐ Plum Street Tiny House Village
- ☐ City & Faith Community Pilot Partnership
- ☐ Crisis Response & Peer Navigators
- ☐ 24/7 Shelters & Secure Storage
- ☐ Long-term Homeless Response Plan
- ☐ The Home Fund - Affordable Housing
- ☐ Continuum of Housing Interventions (PDF)



Stay Informed, Get Involved & Make a Difference

Although the City made great steps forward, we know the conversation about homelessness in Olympia is far from over. That's why we've launched a new online tool, **Engage Olympia**, to make it easier to find out the latest information, get answers to your questions, and share your input – online, anytime.

It's easy, just go to [EngageOlympia.com](https://engageolympia.com) and create an account. Then visit the Homeless Response project to:

- **Get the the latest news**, rumor control and opportunities to get involved.
- **Ask questions** about what is happening - They'll be answered by a real person.
- **Share your ideas** for addressing homelessness in and support other's ideas.
- **Provide input** through a variety of surveys and other tools.

We work better, smarter and stronger with community input. [Sign up and engage now](#) !

[back to top...](#)

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

City of Olympia, Washington

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Finance Committee

Building Condition Assessment

Agenda Date: 7/17/2019
Agenda Item Number: 6.D
File Number: 19-0219

Type: information **Version:** 1 **Status:** In Committee

Title

Building Condition Assessment

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Receive an update on the City's Building Condition Assessment. Briefing only; No action requested.

Report

Issue:

Whether to receive an update on the Building Condition Assessment.

Staff Contact:

Meliss Maxfield, General Services Director, Public Works, 360.753.8202.

Presenter(s):

Meliss Maxfield, General Services Director, Public Works

Background and Analysis:

The Public Works Department is responsible for major capital repair and replacement of 16 City-owned buildings totaling 405,727 square feet, with a current replacement value over \$199 million. The buildings provide workspace for nearly 600 employees and over 4,500 people visit them every day. The average age of the City's buildings is 34 years.

Funding for improvements comes from two sources: 6 percent of the cable television franchise fees and the General Fund. The cable franchise fees are declining as more and more people transition to online viewing. For 2019, revenues from the cable franchise fees generated approximately \$1,030,000. The General Fund contribution is a Council appropriation of year-end savings, which was \$100,000 for 2019.

The City uses a 20-year planning horizon to determine long-term major maintenance needs. To help in this planning, a Building Condition Assessment is conducted on a five-year cycle using an outside consultant. The 2013 assessment estimated repair/replacement costs for all observed deficiencies

was almost \$30 million. An updated assessment was conducted in January 2019. The draft interim report indicates the estimated repair/replacement costs of all observed deficiencies for the reporting period of 2020 - 2025 has grown to \$36.7 million. These observed deficiencies are prioritized by degree of impact. Staff will brief the Finance Committee on the breakdown by impact.

In addition to the 16 Public Works managed buildings, two additional facilities were assessed this year: Priest Point Park Maintenance Facility and the Farmers Market. The observed deficiencies associated at these two locations are \$1.1 million and \$0.5 million respectively.

Overall, the majority of the City's facilities are operating within excellent to fair condition due to the diligent work and effort of City and tenant maintenance. However, the Lee Creighton Justice Center, the Public Works Maintenance Center and the Court Services building are in poor condition due to age and should be considered for replacement.

Neighborhood/Community Interests (if known):

Maintaining safe and efficient City-owned buildings for employees and the public.

Options:

Information only.

Financial Impact:

The 2019 annual funding for the Building Repair and Replacement Fund 029 is approximately \$1.1 million. With \$36.7 million in known observed deficiencies, Fund 029 would need an additional \$5 million annually to address all these deficiencies. Anticipated declines in cable television tax funds as well as year-end General Fund contributions will further stretch Facilities Operations in maintaining the City's portfolio of buildings. Staff will present findings and recommendations on how best to allocate limited funding towards the highest priority needs.

Attachment:

Building Condition Assessment Summary

Building Condition Assessment Summary

Location	Year Built	Observed Deficiencies (2020 - 2025)(1)	Current Replacement Value (2019)
City Hall	2011	\$195,923	\$38,470,500
Court Services	1975	\$666,360	\$593,015
Family Support Center	1912	\$1,428,420	\$6,229,548
Hands on Children's Museum	2012	\$413,968	\$12,201,000
Lee Creighton Justice Center	1965	\$8,689,694	\$21,242,592
Public Works Maintenance Center Main Building	1976	\$10,009,848	\$19,165,004
Mark Noble Regional Fire Training Center	2011	\$340,701	\$7,038,720
Olympia Fire Station 1 (Headquarters)	1992	\$1,234,162	\$12,938,625
Olympia Fire Station 2 (Westside)	1991	\$472,235	\$6,026,400
Olympia Fire - 3 (Eastside)	1992	\$297,888	\$3,193,155
Olympia Fire - 4 (Stoll Road)	2012	\$73,459	\$6,026,400
Olympia Police - Firing Range	1985	Not evaluated	Not evaluated
Olympia Timberland Library	1976	\$2,412,352	\$10,276,875
The Olympia Center	1986	\$3,222,091	\$24,000,035
Washington Center for the Performing Arts	1985	\$7,240,666	\$32,228,280
Total		\$36,697,767	\$199,630,149
(1) Top Five Deficiency by Building System:			
Interior Finishes	\$6,185,530		
Interior Construction	\$4,534,672		
Electrical	\$4,077,709		
Plumbing	\$4,425,366		
Roofing	\$3,474,113		
Total	\$22,697,390		