



City Council

Discussion of 2018 Utility Rates, Park Impact and Transportation Fees, and Lodging Tax Recommendations

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Title

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Recommended Action

Committee Recommendation:

The Lodging Tax Advisory Committee (LTAC) is recommending tourism service contracts in the amount of \$329,000 and the Utility Advisory is making recommendations on utility rates and general facility charges.

City Manager Recommendation:

Review and discuss the Lodging Tax Advisory Committee tourism service contracts in the amount of \$329,000, the Utility Advisory Committee's (UAC) 2018 recommended utility rate and general facility charges (GFC), Park impact fees, and the Olympia School District impact fees. Action will be taken in mid-December.

Report

Issue:

Whether to discuss the Lodging Tax Advisory Committee's recommendations on tourism service contracts in the amount of \$329,000; the UACs utility rate and general facility charge (GFC) recommendations; and Parks and Olympia School District impact fees.

Staff Contact:

Dean Walz, Acting Administrative Services Director, 360.753.8465

Presenter(s):

Rich Hoey, Director of Public Works

Paul Simmons, Director of Parks Arts and Recreation

Julie Hankins, Olympia City Council, Lodging Tax Advisory Committee Chair

Background and Analysis:

The 2018 Preliminary Budget was presented to the City Council on October 30. The City of Olympia's preliminary 2018 operating budget is \$146 million. The General Fund portion is \$75 million. The

operating budgets assumes an increase in utility rates, GFCs, and Park impact fees.

The anticipated Olympia School District Impact Fees are reported to be \$5,350 for single family and \$2,621 for multi-family. This is a slight increase from 2017 (\$5,298 for single family and \$2,520 for multi-family). The Olympia School District will have their Capital Facilities Plan available to the City by November 14.

Additionally, the Lodging Tax Advisory Committee (LTAC) met and developed funding recommendations. Councilmember Julie Hankins chairs the LTAC and will present the funding proposal. RCW 67.28.1816 defines City Council's role regarding LTAC recommendations as follows:

- (ii) The local lodging tax advisory committee must select the candidates from amongst the applicants applying for use of revenues in this chapter and provide a list of such candidates and recommended amounts of funding to the municipality for final determination. The municipality may choose only recipients from the list of candidates and recommended amounts provided by local lodging tax advisory committee.

Neighborhood/Community Interests (if known):

A public hearing is scheduled for November 21. The public will also be able to comment on the Olympia School Districts Capital Facilities Plan as part of this public hearing.

Options:

1. After hearing the presentation request additional information from City staff.

Financial Impact:

The total operating revenues are \$146 million.

Attachments:

Proposed Bi-monthly Utility Bill with 2018 Rates

Utility Advisory Committee recommendations

2018 Lodging Tax Recommendations

2018 LTAC Memo

2018 LTAC History Chart

Draft October 18, 2017 Lodging Tax Advisory Committee Minutes