



Finance Committee

Olympia Strong Initiatives Potential Funding Sources Discussion

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Title

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Recommended Action

Committee Recommendation:

Discussion only. No action requested.

City Manager Recommendation:

Discuss potential funding sources for Olympia Strong initiatives.

Report

Issue:

Whether to discuss potential funding sources for Olympia Strong initiatives.

Staff Contact:

Mike Reid, Economic Development Director, Office of Community Vitality, 360.753.8591

Presenter(s):

Mike Reid, Economic Development Director

Background and Analysis:

Like communities everywhere, Olympia emerged from the COVID-19 pandemic to an altered economic landscape and a clearer understanding of the barriers individuals and households face when seeking economic security. The City launched Olympia Strong in July of 2022 to better understand how community members hope to see our economy recover, evolve and grow in the years ahead, and how we can work with partners to create pathways that serve a broader cross-section of those that call Olympia home.

Staff presented the report to Council at the August 15, 2023. Staff committed to exploring ways to fund the implementation of the plan over the course of 2024.

To achieve full plan implementation including creating a funding source for capital acquisitions associated with acquiring properties to facilitate the continued development of affordable and workforce housing projects it is foreseeable that an annual budget for these efforts could range

between \$1-3 million annually. A more modest funding approach associated with prioritizing continuing existing programs beyond 2024 is estimated in the range \$400,000 - \$550,000 annually.

As a part of previously launched and funded efforts associated with pandemic economic recovery programming there is a significant body of work coming to conclusion that is consistent with the focus areas in Olympia Strong.

Staff will lead discussion on various options for funding future Olympia Strong Initiatives. Some potential funding options include:

- Earmarking a percentage of the proceeds of the sale of City owned properties
- Identifying a percentage of B&O Tax revenue growth
- Grant pursuit
- Creating alignment with CDBG, Inspire Olympia, and lodging tax funding

Climate Analysis:

While the plan itself will have no direct effect on greenhouse gas emissions, some proposed actions could advance climate and clean energy goals. For example, the career hub could provide job training opportunities in the clean energy sector; housing retrofit programs could promote long-term energy savings; business recruitment and retention efforts would focus on emerging sectors that align with Olympia values, including the clean energy sector; and initiatives that create unique and welcoming places and spaces in Olympia with ongoing focus in high density neighborhoods will benefit climate mitigation by increasing urban density and reducing urban sprawl, supporting use of public transit, and increasing walking and biking. Likewise, the plan indicates that developing a climate adaptation and preparedness plan can help build preemptive economic resiliency for all. As implementation occurs actions will be further assessed for climate gains.

Equity Analysis:

Advancing economic equity was a central focus of this work. Thus, the planning process and resulting strategies aimed to reduce economic barriers and expand opportunities for all community members, ensuring that those who face higher barriers including historic discrimination were proactively engaged in the process so that their needs and ideas would be reflected in the proposals.

Neighborhood/Community Interests (if known):

The attached initiative list is the culmination of 12 months of public engagement. Online survey reports are available at the Olympia Strong webpage. Most, if not all, City committees and commissions were briefed and/or provided input on the plan.

Financial Impact:

The primary discussion is about is about the financial impact and funding scenarios for implementation as described in the “Background and Analysis” portion of the staff report.

Options:

1. Discuss potential funding sources for Olympia Strong initiatives.
2. Do not discuss potential funding sources for Olympia Strong initiatives.
3. Discuss potential funding sources for Olympia Strong initiatives at another time.

Attachments:

Olympia Strong Summary Report
Olympia Strong Initiatives