

2023 City of Tumwater Legislative Agenda

Capital and Transportation Proposals

E Street Extension Engineering and Permitting - \$6,600,000

Build a connection from Capitol Boulevard to Cleveland Avenue (Yelm Highway) at E Street to alleviate congestion near the brewery and provide access over the railroad tracks to the brewery warehouse. Conceptual design is complete and pending public input. The relocation of Tumwater Valley Drive from the E Street intersection is under construction in conjunction with the Craft District development. This is an ideal project for major funding from a State or Federal program. Engineering and the initial permitting cost is \$3.4 million, right-of-way is estimated at \$3.2 million, and the total project cost is estimated at \$54.2 million. The City is seeking funding for design, engineering, initial permitting and right-of-way acquisition at this time. Additional Information at: www.ci.tumwater.wa.us/estreet

WSDOT Regional Offices Redevelopment - \$2,800,000

The State Department of Transportation vacated the Olympic Region offices in 2020. The 10-acre site was identified as the keystone to the Capitol Blvd. Corridor Plan. It provides opportunities to provide affordable and market-rate housing, retail, public, and even potentially historic preservation. The City is asking the Legislature to make the State Department of Transportation whole in order for them to transfer the property to the City. The City would make one-third of the property available for affordable housing. The other third would be market-rate housing and the remainder would be commercial and public. Although the City would initially hold the property, the City would seek one or more private sector partners to develop it. The City has particular interest in ensuring this property develops and does not sit vacant and blighted. The cost estimate will be updated when WSDOT completes an updated appraisal. The City is also seeking \$300,000 to assist with site planning costs.

Tumwater Blvd./I5 Interchange - \$5,000,000

The Tumwater Blvd./I5 Interchange serves the Port of Olympia's Airport, the New Market Industrial Campus (NMIC), numerous State agencies, and a growing retail base. This request is to support the City and new development (public, private - retail, private - industrial, and residential) in adding roundabouts to each end of the freeway crossing. The improvements are needed to reduce congestion, facilitate movement of freight, and avoid back-ups onto I-5 at peak hours. The entire project is \$15M with the other funds coming from development and the City.

Gopher Mitigation/Economic Development Funding - \$4.0 million*

Following the Mazama Pocket Gopher listing as threatened under the Endangered Species Act, the City has been partnering with the Port of Olympia on a Habitat Conservation Plan (HCP) that identifies the type and amount of mitigation land to be set-aside for gopher mitigation banking. The bank allows private and public development to occur in areas within the Tumwater City limits where development has been halted because of gopher habitat impacts. The amount of land needed for Tumwater is estimated at 1,015 acres at a cost of \$55 million over 30 years including the cost to establish and maintain the appropriate prairie land. The City of Yelm is also impacted by the listing of the pocket gopher and other prairie species. They are beginning to develop a Habit Conservation Plan that will require them to acquire land for a mitigation bank before development can happen in impacted areas. We are requesting \$2.5 million in funding for Tumwater and \$1.5 million for Yelm to initiate the mitigation bank. As the property is developed, credits will be sold and the proceeds reinvested in more property to be converted into mitigation.

Tumwater Craft District – \$265,000*

The emerging Craft District in Tumwater, with Phase 2 currently under construction, will be a regional hub for commerce, education, workforce training and entrepreneurial support, the facility is an industry-wide catalyst and helps fill supply-chain gaps, expands markets, and directly connects regional farmers with end market users. An Integrated Malt System & Storage will further differentiate this unique and innovative district by facilitating the use of local grains for brewing and distilling purposes. The System also allows regional brewers and distillers access to malted grains creating competitive products and distinct local flavor. This System would also allow local brewers and distillers to access local grains instead of purchasing malted grains from Skagit Valley Malting. Currently, regional brewers and distillers much purchase and transport malted grains from malting companies located some distance from the region and most often out of state.

Shared Legislative Agenda

These are initially proposed items. The list will be finalized later in the year as participating agencies bring forward their agency proposals. Local items above marked with * are also candidates for the Shared Agenda.

I-5 Improvements – \$1.5M for planning of shoulder running option. This is in addition to the funding that has already been approved for I5/Nisqually design.

Homeless Response Funding – Following significant investment in facilities, need to ensure operation funding is provided for these facilities beyond the current biennium budget.

Maker Space Expansion – \$1.0M to expand the Lacey Makers Space. It is one part of a four-pronged innovation approach that also includes the craft brewing and distilling center, the art center in Olympia and the Ag Center in Tenino.

Climate Change Response – Need to fund specific improvements in our communities in order to advance climate change initiatives. Olympia is working to develop a specific list of fundable activities.

Budd Inlet Restoration – \$3.78M for remediation and habitat restoration efforts in lower Budd Inlet to address contaminated sediment and severe shoaling. The inlet must be restored prior to removal of the 5th Avenue Dam and estuary restoration.

Community Projects

These projects benefit the Tumwater community and have requested legislative support, but are not lead by the City.

Family Education and Support Services (FESS) – FESS is requesting a capital contribution from the Legislature in the amount of \$2.2 million to help secure the remaining amount of a 15 year lease in an effort to sustain critical service delivery. The Regional Resilience Center benefits the public by providing a one-stop-resource center where families impacted can find concrete supports in times of need (housing, food, diapers and other hygiene items), evidence based parenting education, employment, financial management guidance, and home visitation services.

Policy & Statewide Issues

1% Property Tax Cap

The growth of City property tax revenue is capped at 1% under a voter-approved initiative. The only exceptions are new construction, annexations, and levy lid lifts. Recent record inflation is significantly impacting City services, now and in the future. The City supports indexing the cap to an inflation index.

Extension of Transportation Benefit Districts

Current law allows a Transportation Benefit District (TBD) to be renewed once after its initial 10-year term. The City's TBD has been vital in stabilizing the overall City budget and dramatically improving road quality and safety. The first term will expire in 2025 and making allowances for long-term planning and funding of transportation infrastructure is important. We suggest that there not be a limit to the number of renewals of a TBD.

Association of Washington Cities Priorities

The Association of Washington Cities is bringing forward 5 priorities. Detailed information and fact sheets are available at: <https://wacities.org/advocacy/City-Legislative-Priorities>

- Respond to the Blake decision with funding and investment in alternatives to prosecution (response teams, treatment facilities, in-jail treatment, social workers and treatment providers, and system navigators).
- Address vehicle pursuits for public safety by clarifying the ability of law enforcement to conduct vehicle pursuits using a reasonable suspicion standard in specific circumstances.
- Ensure basic infrastructure funding by fully funding the Public Works Assistance Account, allowing current revenue diversions to sunset, and refrain from other diversions. Also, expand state funding opportunities for infrastructure.
- Increase housing availability and affordability with additional tools, incentives, and revenues.
- Provide behavioral health resources with great access to services at the community level including substance use disorder treatment, dual diagnosis treatment facilities, and co-responder programs to aid law enforcement.

Adopted _____

Contact:

Debbie Sullivan, Mayor

360.754.4120

dsullivan@ci.tumwater.wa.us

John Doan, City Administrator

360-754-4120

jdoan@ci.tumwater.wa.us