City of Lacey, Washington
Lacey City Council Worksession Amended Agenda

Refer to bottom of the agenda for instructions on attendance and public comment.

Thursday, August 10, 2023	6:00 PM	Council Chambers and Online

Call to Order

1. **Roll Call**

2. **Approval of the Amended Agenda***

3. **Agenda Items**

    A. **S06 Water Rights Exploratory Drilling Bid Award**
    Gagan Brar, Civil Engineer
    *Agenda amended to include item

    B. **Legislative Meeting Structure and Schedule Discussion**
    Shannon Kelley-Fong, Assistant City Manager

    C. **2023 Lacey Parks, Culture and Recreation Comprehensive Plan**
    Jen Burbidge, Parks, Culture and Recreation Director

    D. **2024 Regional Athletic Complex Financial Plan**
    Jen Burbidge, Parks, Culture, and Recreation Director

    E. **Amending LMC 2.30 - Land Use Hearings Examiner**
    Grant Beck, Planning and Development Services Manager

4. **Adjourn**

Meeting Information:

Attendance (Remote or In Person)
The public may attend the meeting in person, or you may view or listen to the meeting

using one of the following platforms:

In Person:	Council Chambers at Lacey City Hall 420 College Street SE, Lacey, WA 98503
Zoom:	https://us02web.zoom.us/j/83196403452
Website:	https://cityoflacey.org/government/public-meetings/
Facebook:	https://www.facebook.com/cityoflacey
YouTube:	https://www.youtube.com/watch?v=-Di6kiZmOZQ
Phone:	(888) 788-0099 or (877) 853-5247 (Webinar ID 831 9640 3452)

Verbal Public Comment
Verbal public comment is not scheduled for Worksessions. Verbal public comment may be provided at Regular City Council Meetings. Regular Council Meetings are held the first and third Thursday of the month.

Written Public Comment
Public comments may also be submitted by email to PublicComment@ci.lacey.wa.us. The commenting period will close two hours before meeting time. Written comments will be provided to the City Council electronically prior to the Worksession meeting. Comments will not be addressed during the Worksession meeting; however, comments received will be added to the official record.

LACEY CITY COUNCIL WORKSESSION
AUGUST 10, 2023

SUBJECT: **S06 Water Rights Exploratory Drilling**

RECOMMENDATION: **Motion to award Lacey Contract number PW 2022-33 to low bidder Malcolm Drilling Co, Inc. from Kent, WA in the amount of $407,969.62.**

STAFF CONTACT: Rick Walk, City Manager RW
Scott Egger, Public Works Director
Peter Brooks, Water Resources Manager PCB
Teri O'Neal, Senior Utility Engineer TSO
Lisa Hull, Project Administrator
Gagan Brar, Utility Engineer Gsb

ORIGINATED BY: Public Works Department

ATTACHMENTS: NONE

FISCAL NOTE: Funding for the project is provided through the fund source WA2161; 410-3418-534.90-13

WORK PLAN GOAL AND STRATEGY: Quality Transportation & Infrastructure - (H)

WATER PLAN Water Rights

PRIOR REVIEW: Council approved the Water Capital Funds as part of the 2023 Budget. S06 Water Rights Exploratory Drilling is listed as a project in the 2023 Water Capital Fund programs, goals, and priorities.

BACKGROUND:

Additional water supply is needed to provide continued adequate domestic and fire flow water supply to the city's customers. Satisfying the water rights development schedule is critical for maintaining adequate supply capacity for the community.

The city holds water rights permit G2-27373(A) which allows for the withdrawal of 600 GPM, and 967 afy. The water right needs to be perfected in order for the City to retain the full quantity. State water law limits water rights to a designated quarter-quarter section. Any new well location outside of this quarter-quarter section reduces allocation, and it would be an expensive and lengthy process to obtain Department of Ecology approval. The new well must be online by 2027 to comply with Water Right (G2-27373(A)) development schedule.

The undeveloped parcel, owned by H.L Gray, is within the water right's quarter-quarter section. The city successfully negotiated a temporary construction easement which ends on 31st December 2023. This contract includes exploratory drilling on H.L. Gray's parcel.

The city advertised the project on June 15, 2023, with bids to open on July 07, 2023, and no bids were received. City and consultant staff revisited the contract specifications, reached out to drillers, and updated the contract specifications. The project was re-advertised on 7/17/2023 for three weeks and bids were opened on 8/7/2023. Three (3) bids were received. The three bids ranged from a low of $407,969.62 to a high of $84,411,633.75. Malcolm Drilling Co. Inc from Kent, WA is the low bidder at $407,969.62. The Engineer's Estimate is $380,786.25. A Bid Summary Sheet is below.

Malcolm Drilling Co. Inc is qualified and capable of performing the work. The start date is anticipated to be around the middle of September and there are 80 working days allotted. Drilling and other pertinent work will be completed on Gray's parcel by December 31st, 2023.

ADVANTAGES:

1. This work helps the City determine if there is good quality and adequate quantity of groundwater within Source 6's water right permitted section.

2. If the test well(s) provide positive results, a production well can be constructed and the City can satisfy the water rights permit's requirements.

3. Malcolm Drilling Co. Inc has experience with similar Well construction projects.

DISADVANTAGES:

1. If the H.L Gray parcel doesn't have good quality or adequate quantity of water; then, the city will need to find water outside of the quarter-quarter section. Moving the water right outside of the delineated area is expensive, and the City has a high potential of losing part of the water right.

BID SUMMARY TABLE

City of Lacey S06 Water Rights Exploratory Drilling PW 2022-33		
Contractor	Bid Amount	Pos
Malcolm Drilling Co. Inc	$407,969.62	1
Holt Services, Inc.	$787,578.75	2
Western States Soil Conservation Inc	$84,411,633.66***	3
Engineer’s Estimate: $380,786.25		

***Please note that Western States’ bid was an error and the reason it came out extremely high is because they didn’t input their bid item’s units correctly.

FIGURE 1
PROJECT LOCATION MAP

LACEY CITY COUNCIL WORKSESSION
August 10, 2023

SUBJECT: **2023 Lacey Parks, Culture & Recreation (LPCR) Comprehensive Plan Update**

RECOMMENDATION: **Briefing and discussion on proposed amendments to the LPCR Comprehensive Plan. Action not requested.**

STAFF CONTACTS: Rick Walk, Interim City Manager RW
Jen Burbidge - Parks, Culture and Recreation Director JB

ORIGINATED BY: Parks, Culture & Recreation Department

ATTACHMENTS: Link to the Draft 2023 LPCR Comprehensive Plan:
LPCR_Sections_01-09-ToC_LS.pdf (laceyparks.org)

FISCAL NOTE: NONE

PRIOR REVIEW: The Parks, Culture & Recreation Board (Parks Board) has been reviewing monthly at their meetings, and approved at their June 12, 2023 meeting. The Historical Commission, Commission on Equity, and Youth Council have also reviewed this update. A complete list of commission reviews can be found in the draft plan. The Planning Commission reviewed at their June 20, 2023 meeting, held a public hearing on July 18, 2023, and recommended the updated plan to City Council on July 18, 2023.

BACKGROUND:

The LPCR Comprehensive Plan is updated every six years. It is part of the City of Lacey Comprehensive Plan and the guiding document for the LPCR Department and Parks Board. Updating the LPCR Comprehensive Plan provides an opportunity to evaluate Lacey's park system, recreation facilities and services, assess demands and needs, set goals and policies, maintain eligibility for grant opportunities, and most importantly, provide for public input to address needs.

Edits have been made to the 2017-2023 LPCR Comprehensive Plan forms the basis for the creating the 2023-2029 LPCR Comprehensive Plan.

Proposed amendments and revisions to the 2017 – 2023 LPCR Comprehensive Plan are summarized as follows:

- Updated executive summary with robust additions regarding the benefits of Parks, Culture & Recreation
- Updated strategic goals
- Updated parks, open space, and facilities inventory
- Updated Lacey levels of service: added recreation, museum and cultural programs
- Included a map of non-City parks, greenspace and habitat to show the full story of opportunities in Lacey
- Updated public involvement and input section after robust public outreach
- Updated local history section
- Updated information in the Parks Planning Areas: population, area boundaries, opportunities, needs and conditions
- Lacey age and race demographics
- Updated overall design and format

The proposed 2023-2029 LPCR Comprehensive Plan identifies the following key policies, objectives, and strategies:

- Continuing to emphasize Lacey moving from an acquisition phase to a development phase
- Continuing to establish a sustainable funding strategy for parks
- Provide more accurate travel sheds on the parks level of service map (.5 mile)
- Provide a map that indicates frequently traveled bus routes and proximity to parks and facilities as a starting point to increase access
- Conduct parks and facilities assessments to help make recreational value assignments in the future which will help guide future investments
- Incorporate Lacey Museum Strategic Plan components
- Incorporate Diversity, Equity and Inclusion (DEI) Draft Strategic Plan components
- Determine what metrics to gather to help with future decisions
- Reference and connect the City's Pedestrian & Bicycle Plan
- Consider coordination with the Land Use Element of the City's Comprehensive Plan to ensure parks and their associated master plans are compatible with adjacent zoning

Although the challenges for LPCR remain the same as the last plan update: providing adequate facilities to keep up with growth, continuing to move from a predominately "property acquisition era" to a greater emphasis on parks improvements and development phase, and solidifying a sustainable future funding strategy, the proposed 2023 LCPR Comprehensive Plan update provides valuable information and the goals and objectives to address the challenges.

On July 18, 2023 the Planning Commission held a review and hearing, and has unanimously recommended the 2023 LPCR Comprehensive Plan to the Lacey City Council for final approval.

ADVANTAGES:

1. Provide the required 6-year update which is part of the City's Comprehensive Plan and is crucial for short- and long-term parks, culture and recreation planning, and to be eligible and competitive for grant funding.

2. Provide an opportunity to evaluate Lacey's parks system, recreation facilities and services, assess demands and needs, and set goals and policies.

3. Provide robust outreach and engagement with the community for their parks, culture and recreation system.

4. Ensure the LPCR Comprehensive Plan is viewed from an equity lens in alignment with the forthcoming DEI Strategic Plan.

5. Ensure the LPCR Comprehensive Plan is viewed from a historic lens in alignment with the Lacey Museum Strategic Plan.

6. Bring forth suggested edits that could help further the goals of the City to be a welcoming and inclusive community, where full participation in government is available to all community members.

DISADVANTAGES:

None

LACEY CITY COUNCIL WORKSESSION
August 10, 2023

SUBJECT:	**Regional Athletic Complex (RAC) 20-Year Financial Plan Update**
RECOMMENDATION:	**Acceptance of RAC 20-Year Financial Plan update**
STAFF CONTACT:	Rick Walk, Interim City Manager RW Troy Woo, Finance Director TW Jen Burbidge, Parks, Culture & Recreation Director JB
ORIGINATED BY:	Parks, Culture & Recreation Department Finance Department
ATTACHMENTS:	1. Draft 2024 RAC 20-Year Financial Plan clean copy 2. Attachment A of 2024 RAC Financial Plan (2023 RAC Budget) 3. Attachment B of 2024 RAC Financial Plan (2023 RAC Long-Term Financial Plan) 4. Draft 2024 RAC 20-Year Financial Plan with tracked changes
FISCAL NOTE:	As outlined in financial plan
PRIOR REVIEW:	Parks, Culture & Recreation Board (Parks Board) reviewed, approved and recommended to City Council for approval at their May 3, 2023 meeting.

BACKGROUND:

The Regional Athletic Complex opened to the public in 2004 thanks to the City of Lacey's regional partnership with Thurston County, Olympia, and Tumwater, and considerable public input to provide for the athletic needs in the region as well as a community park. Please refer to the attached Draft 2024 RAC 20-Year Financial Plan *Introduction* and *Background* sections for information on the background, interlocal agreement, and the phased opening of the facility.

Although the success of the RAC cannot be questioned, it is not a self-supporting facility. To ensure the Regional Athletic Complex (RAC) can provide the same level of service now and into the future, a short-term financial strategy has been developed and implemented, which will be followed by the identification and securing of long-term financial resources and support. The Lacey Parks Board has reviewed sustaining strategies and recommends the preferred option to the City Council to balance the RAC budget.

There are a number of events that prompted the need for a five-year financial strategy to be implemented in 2021 and has been expanded through 2029.

In 2020, the remaining Thurston County settlement funds were depleted. The Thurston County settlement fund was first allocated in 2010, with an anticipated drawdown in 10 years. Furthermore, at the end of 2027, the Public Facilities District (PFD) will sunset.

There is potential for a 15-year extension to the PFD. Staff has begun evaluating the legalities and parameters of such an extension.

It is important to identify the recommendations from the previous 20-Year Plan that were implemented:

- The plan should be reviewed periodically or following significant financial environment changes to ensure the RAC remains financially secure.
- PFD revenues should be monitored annually.
- Lodging Tax (LT) revenues should be monitored annually.

With the adoption of Ordinance No. 1631, the City Council committed $400,000 ($200,000 per year for 2023 and 2024) of General Fund reserves and $1,000,000 of RAC Capital Fund reserves ($200,000 per year for the years 2025 through 2029) to help support RAC operations. Future financial plans will need to address funding strategies beyond 2030.

ADVANTAGES:

1. The RAC can continue to provide the same level of service to the community has come to expect.

2. The long-term sustainability of the RAC is dependent on the financial stability identified in the financial plan.

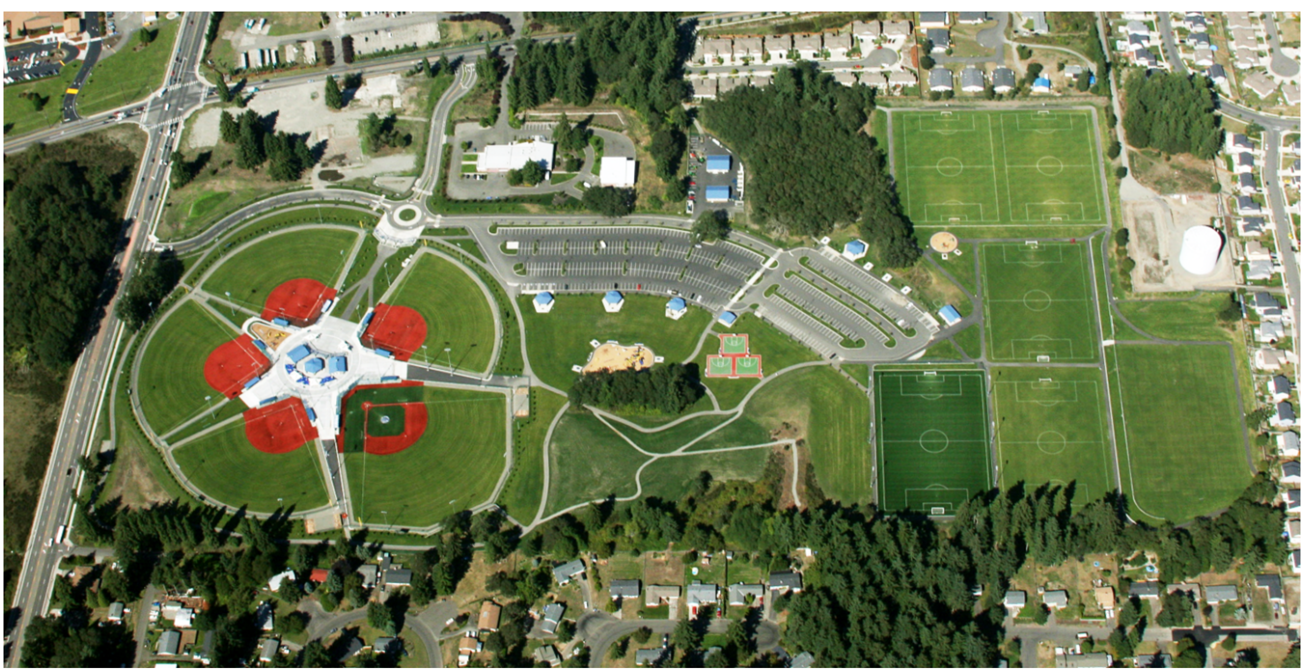
DISADVANTAGES:

1. The use of RAC Capital Fund reserves for operations will lessen the capability to fund future capital projections and facility repairs and replacements.

LACEY PARKS
CULTURE & RECREATION

RAC
REGIONAL
ATHLETIC COMPLEX

20-YEAR FINANCIAL PLAN
2024 - 2043



20-YEAR FINANCIAL PLAN

Prepared by **<u>City of Lacey Staff</u>**

Jen Burbidge – Parks, Culture & Recreation Director
Scott Devlin, Public Works Operations Manager
Sue Falash, Parks, Culture & Recreation Manager
Julie McFadden, Public Works Senior Maintenance Technician
Jamie Oakland, Public Works Parks Maintenance Supervisor
Troy Woo, Finance Director

Reviewed on May 3, 2023
Approved and recommended to City Council on May 3, 2023 by:

<u>Lacey Parks, Culture & Recreation Board</u>
Chair Wendy Goodwin
Vice Chair Kamber Good
Commissioner Hilary Dykstra
Commissioner Bill Fosbre
Commissioner Gary Larson
Commissioner Chris Porrazzo
Commissioner Aram Wheeler
Youth Commissioner Sarah Towne

<u>Lacey City Council</u>
Mayor Andy Ryder
Deputy Mayor Malcolm Miller
Councilmember Carolyn Cox
Councilmember Lenny Greenstein
Councilmember Ed Kunkel
Councilmember Michael Steadman
Councilmember Robin Vazquez

20-YEAR FINANCIAL PLAN

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20-YEAR FINANCIAL PLAN

EXECUTIVE SUMMARY

To ensure the Regional Athletic Complex (RAC) can provide the same level of service now and into the future, a short term financial strategy has been developed and implemented, which will be followed by the identification and securing of long-term financial resources and support. The Lacey Parks, Culture & Recreation Board (Parks Board) will review sustaining strategies and recommend the preferred option to balance the RAC budget.

There are a number of events that prompted the need for a five-year financial strategy to be implemented in 2021 and has been expanded through 2029. In 2020, the remaining Thurston County settlement funds were depleted. The Thurston County settlement fund was first allocated in 2010, with an anticipated drawdown in 10 years. Furthermore, at the end of 2027, the Public Facilities District (PFD) will sunset.

There is potential for a 15-year extension to the PFD. Staff will begin evaluating the legalities and parameters of such an extension.

These financial changes reached a level of significance to warrant an update to the RAC's existing 20-Year Financial Plan with a series of shorter-term updates.

It is important to identify the recommendations from the previous 20-Year Plan that were implemented:

- The plan should be reviewed periodically or following significant financial environment changes to ensure the RAC remains financially secure.
- PFD revenues should be monitored annually.
- Lodging Tax (LT) revenues should be monitored annually.

INTRODUCTION

On March 19, 1998 Thurston County and the City of Lacey entered into a partnership via a MOU (Memorandum of Understanding) to jointly acquire, plan, fund, develop and maintain an athletic complex. This MOU provided joint ownership for a minimum of 15 years, at least through March 2014.

It would have been beyond the financial ability of either party at that time to complete a project of this size and scope alone. By working together, the community benefits from a state-of-the-art athletic complex, a well-maintained community park and special events. Local businesses benefit from the visitors who come to play in tournaments and enjoy special events on weekends.

In June 2010, the Lacey City Council authorized an agreement for the transfer of Thurston County's share of the ownership of the Regional Athletic Complex (RAC) to the City. The transfer was allowed only if by mutual agreement and if the County had expended funds for the RAC in an amount equal to that expended by the City of Lacey. The settlement amount was $1,825,000, which provided operation and maintenance funding for the years 2009 through 2014 and a capital replacement fund or future operation and maintenance funding of approximately $715,000, as well as the balance of the 50% share of Phase 2 development costs. A previous financial plan recommended the full amount of the Thurston County settlement be deposited into the Park and Open Space fund and recommended funds will be transferred from the Park and Open Space Fund to fund M&O and capital improvements on an annual basis. The modelling at the time projected the funds would be fully disbursed by mid-2021. The final Thurston County settlement funds were depleted in 2020.

Although the success of the RAC cannot be questioned, it is not a self-supporting facility. The 2023 Budget includes $326,584 from the City's General Fund for operation and maintenance, $180,000 from lodging tax, $200,000 from City General Fund committed reserves, and $200,000 from PFD sales tax.

In 2020, the City Council designated $800,000 from General Fund reserves be used to subsidize the RAC ($200,000 per year for 2021, 2022, 2023 and 2024). Staff had updated the long-term financial plan, which was reviewed by city administration and the Parks Board, and has done so again. The Parks Board has recommended actions again to be considered by the City Council. The options to consider and implement remain limited: increase revenue, cut expenditures, attract more outside revenue sources (including potential PFD extension), or a combination of those three.

Recommendation: The plan should be reviewed periodically or following significant financial environment changes to ensure the RAC remains financially secure.

BACKGROUND

The 68-acre site was purchased in 1998. The County and City planned the athletic complex cooperatively and with considerable public input to provide for the athletic needs in the region as well as a community park with picnic shelters, play equipment and facilities needed to hold special events. On March 12, 2002, voters in the City of Lacey approved a bond issue for development of the RAC as well as several other parks. On June 26, 2002, an Inter-local Agreement (ILA) was entered into by the Cities of Lacey, Olympia, Tumwater and Thurston County to form the Capital Area Regional Public Facilities District for the purpose of developing the RAC and the Hands-on Children's Museum (HOCM). Phase 1 of the RAC, four soccer fields, parking and concession/restroom, opened in 2004. In May 2009, Phase 2 - four softball fields, one baseball field, four picnic shelters, basketball courts, play equipment, trails, restrooms and parking - opened, completing the vision for the athletic fields. The maintenance compound was completed in 2010. Netting was installed on fields 2 and 3 outfield fences in 2013.

Improvements have been continued to be made at the RAC. In 2017, bleacher covers were constructed in the baseball/softball complex to protect patrons from rain and sun. Then synthetic turf replacements were completed over a 3-year span (two fields per year) in 2018, 2019, and 2020. In 2021 parking lot cameras were added for security. In 2022, permanent rugby goals were added to soccer field 4, and was made possible through a local partnership.

In 2023, design was completed for conversion of the gravel parking lot to a paved lot with landscape, lighting and security cameras. Electronic vehicle (EV) charging stations will also be installed as a part of the project. Construction will take place sometime during 2023.

COMMUNITY NEED AND VISITOR USE

The need for athletic fields was originally identified in comprehensive plans, community meetings and conversations with user groups and elected officials. There were not enough fields for youth and adults to play and practice on, teams competed for the same open space, and several teams shared the space so that all could play. The grass fields close annually at the end of October in order to let the fields rest, with many sports teams having to leave the county to practice and play their games. In 2002, there were 21,818 players registered on 1,500 teams in the county - half played on fields located out of the area, or fields inadequate for league use. Thurston County and the City of Lacey gained public support for the project.

The RAC has been heavily used since opening, and user groups and stakeholders have continued to provide feedback. The grass soccer fields are open 244 days a year and are usually in play all but 10 to 15 days a year. The synthetic field is booked 350 to 360 days per year. Tournaments on the softball/baseball fields are booked 50 to 52 weekends per year and approximately 50% of teams requesting weekend tournaments are turned away.

Annual special events are held throughout the year as well. The park is used by people who walk daily, families with young children who flock to the play equipment, teens who rush to the basketball courts after school, friends who hold picnics in the shelters and ball players who come from all over the county and the world to play in tournaments that won't rain out. The RAC is used by an estimated 200,000 athletic participants, and 1.2 million park and special event patrons per year. RAC users have come to expect an outstanding facility where ball games are played rain or shine, staff is responsive and competent, athletes of all ages and abilities are served, and a variety of community events are offered and open to the public.

Staff has been working with the Experience Olympia & Beyond Sports Commission to determine the economic impact RAC visitors bring to the local economy. Preliminary numbers are showing over $15 million was generated for the local economy in 2022.

Staff has implemented new ways to increase use such as attracting additional dog shows, larger tournaments, more fun runs and hosted additional summer sports camps. Staff continues to consider increased use options on the soccer fields including lacrosse, rugby, ultimate frisbee, and flag football. There are not many options for increased use on the baseball/softball fields due to use currently being maxed out.

2020 and 2021 were not typical years at the RAC due to COVID-19 changing the landscape. Staff adapted to the Governor’s guidance to navigate the public health crisis safely but as a result, participation and visitation were heavily impacted. Fortunately, 2022 was better, and 2023 is shaping up to be even better than pre-pandemic levels.

Recommendation: The goal is to increase use on the athletic fields by renting fields during typically slow times of the day and maximizing the number of teams in a tournament. Increased use should lead to increased revenue.

PUBLIC FACILITIES DISTRICT (PFD)

The Capital Area Regional Public Facilities District is a special taxing district created by a 2002 inter-local agreement between Thurston County and the cities of Olympia, Lacey and Tumwater for the purpose of financing two regional event centers, the RAC and the Olympia HOCM. District revenue is from a 0.033% sales and use tax authorized pursuant to RCW 82.14.390 imposed county-wide for 25 years, and ending on March 9, 2028 (25 years after the execution of the interlocal agreement) or upon the retirement of the debt used to construct the original facilities. Lacey's debt will be retired on December 1, 2027 unless extended (if eligible).

Distribution of sales tax revenues from Thurston County is distributed at 71.7742% to the City of Lacey for the RAC and 28.2258% to the City of Olympia for the HOCM. From July 2003 - July 2006, the distribution to Lacey was 38.8%. In July 2006, the contract was modified to reflect the current distribution. The terms of the PFD contract allow for the sales and use tax to be imposed up to March 9, 2028 and debt is outstanding on the projects (RCW 82.14.390). Lacey's bond debt will be retired at the end of 2027 unless extended. The operations and maintenance of the RAC is currently supported with $200,000 of PFD sales taxes per year.

During the initial years and years impacted by the "Great Recession", the PFD revenues did not meet expectations. Between 2007 and 2015, Lacey's portion of the annual PFD revenues averaged $941,960. The local economy began to recover and grow in 2016 with revenues of $1,146,502. The annual growth continued to $1,436,478 in 2019. Despite the COVID-19 public health emergency, PFD revenues continued to grow. In 2022, PFD revenues grew to $1,668,884. It appears the stable government and military employment, Federal and State stimulus and support, and an increase to local purchasing have helped the region's economy when all expectations were for a severe decline to revenues. Through the first quarter of 2023, PFD revenues continue to grow compared to the previous year.

Recommendation: PFD revenues should be monitored annually. The sustainability of the RAC at its current level of tax supported subsidy is a concern. Efforts to achieve the maximum amount of potential collections should be pursued to secure a sustainable revenue source to replace the PFD revenues.

REVENUE SUMMARY

The RAC operating budget consists of the following revenue sources: fees and operating revenue, PFD funds, interest income, lodging tax revenue, and the City's General Fund support.

Fees and Operating Revenue

2010 was the first complete year of operation for the RAC. Revenues generated in 2010 totaled $327,568 and have climbed steadily since to $524,001 in 2022. Revenue includes concession lease, shelter rentals, field rentals, league fees, field banner sponsorships, and interest income. Tournaments are booked on the baseball/softball fields for 50 of 52 weekends per year. City staff serves as tournament director for up to 3 tournaments per year. Staff is working to acquire bigger tournaments, bringing more teams and individuals into the Lacey community, resulting in more games played and increased field rental revenue. A limiting factor is the number of fields at the RAC, although staff has been able to partner with other agencies in the area to co-host tournaments. Some tournaments overflow to Rainier Vista Community Park, but rental fees from games played there do not go into the RAC account.

<u>Potential revenue opportunities:</u>

- Sponsorship and Naming Rights: The Parks Board updated and City Council approved the Sponsorship & Naming Rights Policy in 2019 and then again in 2023 to clarify sponsorship agreements and make it possible for naming rights to be sold. Staff had a strong potential for a naming rights agreement at the beginning of 2020 but then the COVID-19 public health crisis brought uncertainties. Staff continues to seek sponsorship opportunities such as naming rights and Park Partners, and has many outfield banner sponsorships in place
- Special Events: Fun Run/Walks, Dog and other Easter Egg Hunts, National Dog Show, Polynesian Fest, AUSA, etc. Success of annual events attracts similar events. Potential to hold a "Junk in your Trunk" special event rummage sale, or another similar event on a smaller tournament weekend.
- Bid on and serve as tournament director for another tournament.
- Parking fee: Was not supported by the public in 2014, but could be revisited. Currently no other Lacey Parks have parking fees.
- Increase field rental fees – every two years staff and Parks Board evaluate fees, and they are raised 2.5 – 5.0% depending on the market rate of comparable facilities. The RAC would become priced out of the competition and tournament directors would play at other athletic complexes if fees are raised above the market rate.

- Leagues: Leagues bring in more revenue than field rentals. The city could run more City leagues, but that would push out many long-term local league rentals who have used and supported the RAC since it opened.

In 2020 and 2021, revenues were impacted by COVID-19, and the current business model has suffered.

Recommendation: Seek new, innovative ways to increase revenues.

Public Facilities District (PFD) Funds

PFD funds currently are used for M&O ($200,000), debt service payment ($573,200), PFD administrative services ($8,000), and the balance deposited into the capital fund. In 2022, the City Council designated $1,000,000 from the RAC Capital Fund reserves be used to subsidize the RAC M&O for an additional $200,000 per year for the years 2025 through 2029.

General Obligation Bond Proceeds

GO Bonds were used for development of the RAC. Principal on the GO Bonds is repaid with PFD funds and the interest paid with PFD funds. There are no bond proceeds remaining.

General Fund Support

Maintenance and operating dollars have been transferred for the RAC since phase 2 opened in 2009; in 2022 this amounted to $239,847 and the adopted 2023 Budget includes $326,584.

Lodging Tax (LT)

The RAC receives LT funds to cover M&O expenses associated with weekend tournaments and special events. In 2020, $160,000 was budgeted but rescinded due to COVID-19. In 2023, $180,000 is included in the proposed budget. The City appreciates strong support from the local hotel / motel business community and values the partnership.

Grants

Thurston County and the City applied for and received state grants to assist with development of the RAC. Staff shall pursue grant funds for capital and M&O purposes whenever possible.

Recommendation: With the PFD sunset at the end of 2027, a long-term funding strategy should be developed to ensure the RAC can provide the same level of service moving forward.

EXPENDITURE SUMMARY

General Recreation Services

General Recreation Services staff schedule field and picnic shelter rentals, coordinate leagues and special events, direct and schedule tournaments, solicit sponsors, and manage the concession contract. The budget for 2023 is $217,763.

Maintenance and Operations

The 2023 budget for Maintenance and Operations is $1,142,732. 2023 estimated expenditures for the RAC are broken down into two areas; park open space, and rentable areas which include the baseball fields, soccer fields and shelters. Park open space, which is available for free drop in use utilizes approximately 45% of total expenditures. The rentable areas including the baseball fields, soccer fields, and shelters utilize approximately 55% of total maintenance expenditures.

Combined Budget

The combined general recreation services and maintenance and operations budget for the 2023 Budget is $1,360,495.

Recommendation: Consider an allocation of general funds to cover expenditures associated with the community park amenities. This alternative competes with other priorities of the City.

Life Cycle and Capital Improvement Programs

In 2020, the final synthetic turf replacement was completed. This multi-year project began in 2018. The replacement took place earlier than expected, but advancements made in the synthetic turf technology are promising. The next replacement cycle could begin as early as 2028. The high level of maintenance of the complex is critical to maintain its position in the marketplace. The ability to attract tournaments is heavily dependent on the quality of the facilities, especially as other communities will develop new athletic complexes and compete with the RAC.

Some of the baseball complex lights exceeded the warranty amount in 2023. After evaluating the implications, staff recommended getting some of the lights re-lamped and extending the warranty at the cost of approximately $60,000, then moving forward with a federal legislative ask in 2023 that could potentially be paired with other grant requests in 2024 for an LED conversion project.*

Staff calculations for an LED conversion would be a cost of $1.6 million if completed in 2023. It would take approximately 32 years to pay back with an energy savings of 66%. Life cycle and capital improvements have been identified in staff's working spreadsheet, but the following is a list of major replacements coming up between 2023 - 2028. Years and cost will be identified and updated as to emergent needs:

- Parking lot construction (2023). $2.8 million cost estimate
- Baseball outfield fence poles with netting completion $200,000
- Sports fields netting $177,705
- Play equipment $450,000
- Concrete work in the baseball complex $300,000
- Irrigation control update $60,000
- LED Fields Lights Conversion $1.6 million*
- Baseball/softball infield synthetic turf replacements $200,000 each (fields 1-2)
- Baseball/softball fields drainage

In addition, soccer field 2 is in need of a drainage solution, which could be taken care of as its own project. Converting soccer field 2 to synthetic turf would take care of the issue and the conversion to synthetic and adding lights would be beneficial to user groups, but would likely be $2 million. This project is not included in the financial plan but there is potential to seek grant funding for this and other upgrades needed.

Recommendation: Continue to commit PFD revenues to fund life cycle and capital improvements. Apply for funding where available and applicable. Some flexibility will be needed as intended life cycle is not always accurate, and as RAC sponsorships are considered.

FINANCIAL PLAN

The Financial Plan assumptions are consistent with the City's overall conservative budget philosophy. The general inflation used for the 20-year financial model is two percent. Costs associated with labor to maintain the RAC assumes a higher percentage than general inflation.

The 20-year financial model assumes the City's General Fund will allocate an additional $200,000 per year through 2024 and $400,000 per year PFD M&O support for the years 2025 through 2029 . The adopted 2023 RAC Budget is balanced with the additional General Fund allocation. It should be noted there is not a commitment for the additional General Fund support beyond 2024. The model shows an operating deficit beginning in 2024 despite the additional allocation assumption.

The model does show solvency through 2031 if the entire PFD revenues and capital reserves are made available for operations.

The 20-year financial model provides a basis for sound financial planning upon which the City needs to develop a strategy to ensure continued operations and capital improvements of the RAC. In 2022, the RAC's revenue resources consisted of user fees and interest (32.7%), city funds (54.8%), and PFD funds (12.5%). In the adopted 2023 Budget, the projected revenue resources consist of user fees and interest (32.0%), city funds (53.0%), and PFD funds (15.0%). Without an amendment to the PFD interlocal agreement, the RAC will face another significant resource decline in 2028 when the current agreement expires. Staff is evaluating the PFD extension.

Recommendation: Secure additional City General Fund commitments for long-term resources to support RAC operations and maintenance in recognition the RAC functions as a high use community park. Preservation of PFD funds is recommended to maintain necessary capital improvements and capital replacements at the RAC.

FUTURE DEVELOPMENT OF PHASE 3

A concept plan was started for Phase 3, a 26-acre site, located directly west of Marvin Road and across from the RAC. The site is constrained by access, pocket gopher management/mitigation issues, and a native oak tree savannah stand. Despite these site limitations, Phase 3 offers the potential for additional athletic fields and commercial partnership that would provide sports and wellness opportunities to the local community. If developed, and depending on what amenities are installed Phase 3 could enable the RAC to attract and host larger tournaments.

Recommendation: Finalize the master plan based on public feedback and guidance related to pocket gopher best management practices. Estimated development and M&O costs will need to be included as part of the long-term funding plan. Once this financial plan is complete, capital and M&O funding sources for Phase 3 would need to be identified in order for this project to move forward.

The 2023 Parks, Culture & Recreation Comprehensive Plan identifies the Lacey Parks system as being only 35% developed and prioritizes the need for additional athletic fields. Development of Phase 3 would give community and sports user groups access to more of Lacey's Park system and help with identified athletic field shortages. During 2023, staff distributed a survey to sports user groups and stakeholders. They were asked if access to sports fields was increased (grass conversion to turn, or additional fields installed) where they would be the most likely to book. The overwhelming response was at the RAC. Fastpitch/softball was the sport chosen the most for the reason to book fields. When asked if they have ever been turned away for field use due to the fields already being full, 36% said no and 64% said yes.

REGIONAL ATHLETIC COMPLEX (RAC)

The Regional Athletic Complex operating fund (RAC) is comprised of 98 acres, 68 of which opened for public use in May of 2009. Phase III is a 26-acre parcel located west of Marvin Road, and scheduled for future development.

An on-site crew of four (4) full-time maintenance personnel and seasonal staff maintain the 68-acre site as well as a full time supervisor and part-time recreational staff overseen by a Recreation Manager. Staff schedules use of the complex, facilitates leagues, tournaments, and events, solicits sponsors and manages the concession contract. Since the softball/fastpitch/baseball complex opened in May 2009, revenue generated at the RAC has exceeded revenue projections, with the exception of the COVID-19 public health crisis. The 20 year financial plan was updated by staff in 2021.

BUDGET SUMMARY

The 2023 budget of **$1,332,495** is the estimated cost to operate the RAC but may change during the year due to continuing COVID-19 public health crisis restrictions. The costs to maintain this facility are covered by fees, and intergovernmental revenues. The intergovernmental revenues are made up of the City's contribution, LTAC funds applied for, as well as revenues contractually received from the Capital Area Regional Public Facilities District.

2023 PROGRAMS, GOALS AND PRIORITIES

- Increase revenues by optimizing tournament and league play, and special events
- Develop, promote, and maintain the complex as the premier athletic facility in Washington
- Market special events to a wider audience to increase revenue and off-season use
- Ensure gender equitable use of the facility
- Work with the Sports Commission to market the facility and secure event bookings
- Articulate field capacities in order to secure bookings during times of non-use
- Develop and promote a diversity of activities not typical to athletic complexes
- Enhance community engagement

Account Number	Description	2021 Actual Revenue/Expense	2022 Amended Budget	2023 Adopted Budget
Regional Athletic Complex - Revenues				
Revenues				
007-0000-308.00-00	Estimated Beginning Cash	-	21,840	-
007-0000-333.97-36	CFDA #97.036	966	-	-
007-0000-338.10-10	Capital Area - PFD	200,000	200,000	200,000
007-0000-347.40-00	Event Admissions Fee	3,542	5,000	5,000
007-0000-347.60-50	Physical Activities Prog	296	4,000	4,000
007-0000-347.60-59	Sports Parks-CivicRec	9,225	-	-
007-0000-347.60-90	Special Events Program	-	10,000	10,000
007-0000-347.60-99	Spec Event Parks-CivicRec	8,740	-	-
007-0000-347.62-00	Shelter Fees	-	6,000	6,000
007-0000-347.62-09	Shelters Parks-CivicRec	7,300	-	-
007-0000-347.65-00	Field Use Fees	12	300,000	300,000
007-0000-347.65-09	Field Fees Parks-CivicRec	361,307	-	-
007-0000-347.67-00	Concession Commission	512	1,000	1,000
007-0000-347.68-00	League Fees	-	55,000	55,000
007-0000-347.68-09	RAC League Parks CivicRec	61,295	-	-
007-0000-361.10-00	Investment Interest	6,694	3,319	18,498
007-0000-361.10-40	LGIP Earnings	302	146	4,413
007-0000-361.32-00	Unrealized Gain(Loss)	(2,879)	-	-
007-0000-361.32-02	Reverse Prev Year Adj	(6,048)	-	-
007-0000-362.50-10	Lease - Consessionaire	10,200	22,000	22,000
007-0000-367.10-04	Cont.-Parks Sponsor/Event	-	7,000	-
007-0000-397.10-02	Transfer In 109 Fund	160,000	180,000	180,000
007-0000-397.10-04	Transfer In - Utility Tax	197,013	239,847	326,584
007-0000-397.11-01	Transfer In 001,003,005	200,000	540,325	200,000
Total Regional Athletic Complex Fund Revenues		**1,218,477**	**1,595,477**	**1,332,495**

Regional Athletic Complex - Expenditures

Account Number	Description	2021 Actual Revenue/Expense	2022 Amended Budget	2023 Adopted Budget
Regional Athletic Complex				
Regional Athletic Complex Maintenance				
007-3305-576.10-01	Salaries-Regular	219,300	263,172	358,877
007-3305-576.10-05	Salaries-Overtime	8,104	12,563	12,563
007-3305-576.10-06	Salaries-Part-Time	111,014	123,575	101,735
007-3305-576.20-01	Employer Paid Benefits	127,460	155,076	160,071
007-3305-576.20-03	Unemployment Compensation	1,609	-	-
007-3305-576.31-01	Office & Operating Supply	70,045	99,000	99,000
007-3305-576.31-02	Small Tools & Equipment	1,240	2,500	2,500
007-3305-576.31-17	Supplies-Uniform Purchase	2,344	2,000	2,000
007-3305-576.34-01	Fuel	5,065	10,000	10,000
007-3305-576.41-01	Prof. Svc-Other	25,375	18,360	18,360
007-3305-576.42-01	Telecommunications	7,942	7,750	7,750
007-3305-576.43-03	Registrations	298	-	-
007-3305-576.45-01	Equipment Rental	67,646	81,189	93,093
007-3305-576.45-02	IMS Rental	7,008	13,998	13,949
007-3305-576.45-05	Rentals-Other	2,383	1,500	2,500
007-3305-576.46-01	Insurance-Liability	11,422	12,274	15,674
007-3305-576.46-02	Insurance-Fire/Property	12,869	10,306	11,285
007-3305-576.46-06	AWC L & I Pool	1,002	1,015	1,015
007-3305-576.47-01	Utility-Electric	80,168	80,000	80,000
007-3305-576.47-02	Utility-City of Lacey	79,408	432,325	92,000
007-3305-576.47-07	Utility-Solid Waste	12,893	12,360	14,360
007-3305-576.48-01	Rep & Maint-Equipment	1,694	3,500	3,500
007-3305-576.48-03	Rep & Maint-Facilities	1,945	31,500	3,500
007-3305-576.49-25	Assessments/Taxes	12,520	11,000	11,000
Total Regional Athletic Complex Maintenance		**870,754**	**1,384,963**	**1,114,732**
Regional Athletic Complex General Services				
007-7401-576.10-01	Salaries-Regular	117,265	100,438	106,065
007-7401-576.10-05	Salaries-Overtime	4,516	-	-
007-7401-576.10-06	Salaries-Part-Time	-	14,000	14,000
007-7401-576.20-01	Employer Paid Benefits	53,585	41,875	43,881
007-7401-576.20-03	Unemployment Compensation	-	500	500
007-7401-576.31-01	Office & Operating Supply	2,076	7,500	7,500
007-7401-576.31-02	Small Tools & Equipment	1,153	1,500	1,500

Account Number	Description	2021 Actual Revenue/Expense	2022 Amended Budget	2023 Adopted Budget
Regional Athletic Complex - Expenditures				
Regional Athletic Complex				
Regional Athletic Complex General Services-Continued				
007-7401-576.31-17	Supplies-Uniform Purchase	-	500	500
007-7401-576.41-01	Prof. Svc-Other	27,387	20,000	20,000
007-7401-576.41-11	Prof. Svc - Recreation	-	6,000	6,000
007-7401-576.43-01	Transportation/Per Diem	-	1,500	1,500
007-7401-576.43-02	Dues, Subscriptions, Publ	-	120	120
007-7401-576.43-03	Registrations	60	800	800
007-7401-576.45-02	IMS Rental	11,604	8,831	8,447
007-7401-576.49-06	Maintenance Contracts	676	450	450
007-7401-576.49-25	Assessments/Taxes	8,914	6,500	6,500
Total Regional Athletic Complex General Services		**227,236**	**210,514**	**217,763**
Total Regional Athletic Complex Fund Expenditures		**1,097,990**	**1,595,477**	**1,332,495**

City of Lacey
Regional Athletic Complex
Long-Term Financial Plan
2022 Year-End Actuals

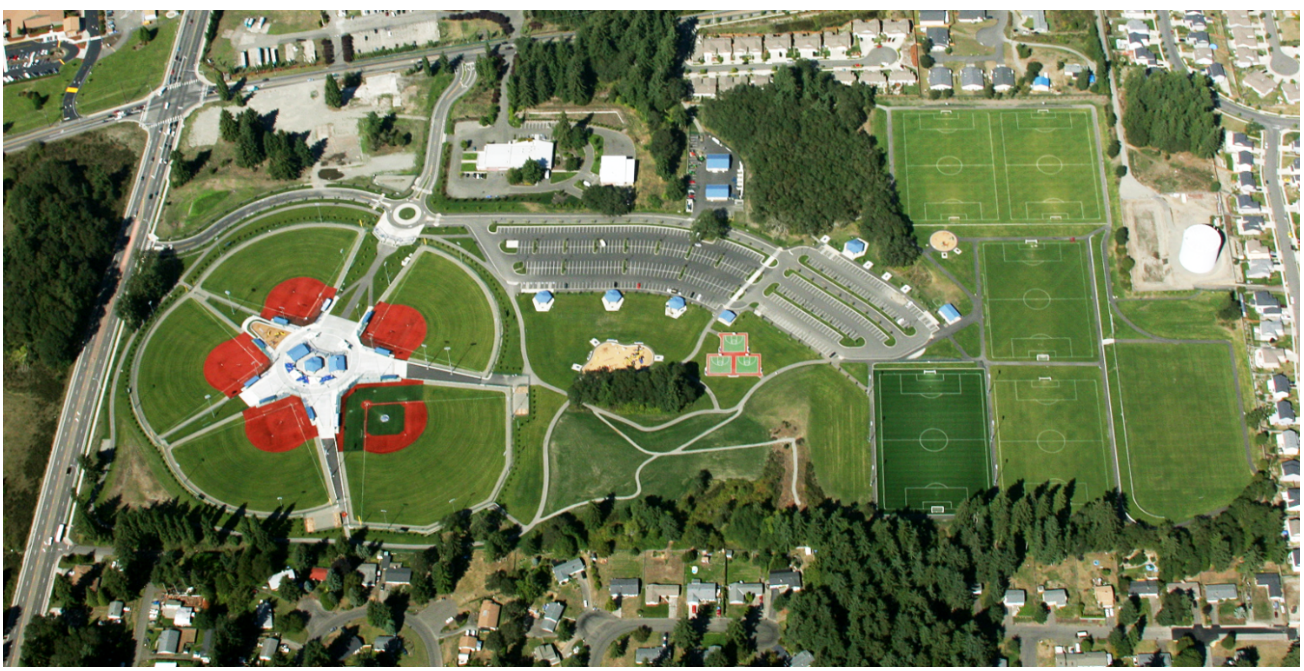
	Actual 2021	Projected 2022	Budget 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034	Projected 2035	Projected 2036	Projected 2037	Projected 2038	Projected 2039	Projected 2040	Projected 2041	Projected 2042	Projected 2043
Operating Revenues																							
Beginning Fund Balance / Estimated Beginning Cash			28,000																				
DHS/CFDA #97.036	966	77																					
Intergovernmental Revenue / Capital Area - PFD	200,000	200,000	200,000	200,000	400,000	400,000	400,000	400,000	400,000														
Culture & Recreation / Event Admissions Fee	3,542		5,000	5,100	5,202	5,306	5,412	5,520	5,631	5,743	5,858	5,975	6,095	6,217	6,341	6,468	6,597	6,729	6,864	7,001	7,141	7,284	7,430
Culture & Recreation / Physical Activities Program	296		4,000	4,080	4,162	4,245	4,330	4,416	4,505	4,595	4,687	4,780	4,876	4,973	5,073	5,174	5,278	5,383	5,491	5,601	5,713	5,827	5,944
Culture & Recreation / Sports Parks - CivicRec	9,225	22,299																					
Culture & Recreation / Special Events Program	8,740		10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190	12,434	12,682	12,936	13,195	13,459	13,728	14,002	14,282	14,568	14,859
Culture & Recreation / Shelter Fees			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Culture & Recreation / Shelters Parks - CivicRec	7,300	14,660	6,000	6,120	6,242	6,367	6,495	6,624	6,757	6,892	7,030	7,171	7,314	7,460	7,609	7,762	7,917	8,075	8,237	8,401	8,569	8,741	8,916
Culture & Recreation / Field Use Fees	12																						
Culture & Recreation / Field Use Fees - CivicRec	361,307	383,226	300,000	306,000	312,120	318,362	324,730	331,224	337,849	344,606	351,498	358,528	365,698	373,012	380,473	388,082	395,844	403,761	411,836	420,072	428,474	437,043	445,784
Culture & Recreation / Concession Commissions	512		1,000	1,020	1,040	1,061	1,082	1,104	1,126	1,149	1,172	1,195	1,219	1,243	1,268	1,294	1,319	1,346	1,373	1,400	1,428	1,457	1,486
League Fees				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
League Fees/RAC League Parks - CivicRec	61,295	62,800	55,000	56,100	57,222	58,366	59,534	60,724	61,939	63,178	64,441	65,730	67,045	68,386	69,753	71,148	72,571	74,023	75,503	77,013	78,554	80,125	81,727
Interest Earnings / Investment Interest	6,694	10,251	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498	18,498
Interest Earnings / LGIP Earnings	302	1,958	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413	4,413
Interest Earnings / Unrealized Gain (Loss)	(2,879)	2,879																					
Unrealized Gain (Loss)/Reverse Prev Year Adj	(6,048)																						
Rents/Leases / RV Parking		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Concession Lease Long-Term	10,200	25,428	22,000	22,440	22,889	23,347	23,814	24,290	24,776	25,271	25,777	26,292	26,818	27,354	27,901	28,459	29,029	29,609	30,201	30,805	31,421	32,050	32,691
Contributions / Parks General		500																					
Contribution / Cont.-Parks Sponsor/Event		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Fees/Judgments																							
Other Financing Sources / General Fund Transfers In (Utility Tax)	197,013	239,847	326,584	333,116	339,778	346,574	353,505	360,575	367,787	375,142	382,645	390,298	398,104	406,066	414,187	422,471	430,921	439,539	448,330	457,296	466,442	475,771	485,287
General Fund Reserve Transfers In	200,000	456,541	200,000	200,000																			
Transfers In / Transfer in 303 Fund (Thurston County)																							
Transfers In / Transfer in (109) Fund	160,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000	180,000
Transfers In / Transfer in - Utility Tax																							
Total RAC Operating Revenues	**1,218,478**	**1,600,465**	**1,360,495**	**1,347,087**	**1,361,970**	**1,377,151**	**1,392,636**	**1,408,431**	**1,424,541**	**1,040,974**	**1,057,735**	**1,074,831**	**1,092,270**	**1,110,057**	**1,128,200**	**1,146,706**	**1,165,582**	**1,184,835**	**1,204,473**	**1,224,505**	**1,244,937**	**1,265,777**	**1,287,034**
Operating Expenditures																							
Salaries & Wages / Salaries-Regular	219,300	263,562	358,877	369,643	380,733	392,155	403,919	416,037	428,518	441,373	454,615	468,253	482,301	496,770	511,673	527,023	542,834	559,119	575,892	593,169	610,964	629,293	648,172
Salaries & Wages / Salaries-Overtime	8,104	10,802	12,563	12,940	13,328	13,728	14,140	14,564	15,001	15,451	15,914	16,392	16,884	17,390	17,912	18,449	19,003	19,573	20,160	20,765	21,388	22,029	22,690
Salaries & Wages / Salaries-Part-Time	111,014	124,561	101,735	104,787	107,931	111,169	114,504	117,939	121,477	125,121	128,875	132,741	136,723	140,825	145,050	149,401	153,883	158,500	163,255	168,152	173,197	178,393	183,745
Personnel Benefits / Employer Paid Benefits	127,460	138,006	160,071	169,675	179,856	190,647	202,086	214,211	227,064	240,688	255,129	270,437	286,663	303,863	322,094	341,420	361,905	383,619	406,637	431,035	456,897	484,311	513,369
Personnel Benefits / Unemployment Compensation	1,609	188	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplies / Office & Operating Supply	70,045	76,853	99,000	100,980	103,000	105,060	107,161	109,304	111,490	113,720	115,994	118,314	120,680	123,094	125,556	128,067	130,628	133,241	135,906	138,624	141,396	144,224	147,109
Supplies / Small Tools & Equipment	1,240	3,040	2,500	2,550	2,601	2,653	2,706	2,760	2,815	2,872	2,929	2,988	3,047	3,108	3,171	3,234	3,299	3,365	3,432	3,501	3,571	3,642	3,715
Supplies / Supplies-Uniform Purchase	2,344	1,426	2,000	2,040	2,081	2,122	2,165	2,208	2,252	2,297	2,343	2,390	2,438	2,487	2,536	2,587	2,639	2,692	2,746	2,800	2,856	2,914	2,972
Supplies / Office & Operating - Bldg			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Vehicle/Equip Supplies / Fuel	5,065	11,728	10,000	10,200	10,404	10,612	10,824	11,041	11,262	11,487	11,717	11,951	12,190	12,434	12,682	12,936	13,195	13,459	13,728	14,002	14,282	14,568	14,859
Professional Services / Prof. Svc-Other	25,375	10,857	18,360	18,727	19,102	19,484	19,873	20,271	20,676	21,090	21,512	21,942	22,381	22,828	23,285	23,751	24,226	24,710	25,204	25,708	26,223	26,747	27,282
Communications / Telecommunications	7,942	8,872	7,750	7,905	8,063	8,224	8,389	8,557	8,728	8,902	9,080	9,262	9,447	9,636	9,829	10,025	10,226	10,430	10,639	10,852	11,069	11,290	11,516
Travel / Transportation/Per Diem	-	382		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Travel / Registrations	298	1,516		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Rentals / Equipment Rental	67,646	81,709	93,093	95,886	98,762	101,725	104,777	107,920	111,158	114,493	117,927	121,465	125,109	128,862	132,728	136,710	140,812	145,036	149,387	153,869	158,485	163,239	168,136
Rentals / IMS Rental	7,008	13,998	13,949	14,367	14,798	15,242	15,700	16,171	16,656	17,156	17,670	18,200	18,746	19,309	19,888	20,485	21,099	21,732	22,384	23,056	23,747	24,460	25,193
Rentals / Rentals-Other	2,383	2,801	2,500	2,575	2,652	2,732	2,814	2,898	2,985	3,075	3,167	3,262	3,360	3,461	3,564	3,671	3,781	3,895	4,012	4,132	4,256	4,384	4,515
Insurance / Insurance-Liability	11,422	10,310	15,674	15,987	16,307	16,633	16,966	17,305	17,651	18,004	18,365	18,732	19,107	19,489	19,878	20,276	20,682	21,095	21,517	21,947	22,386	22,834	23,291
Insurance / Insurance-Fire/Property	12,869	12,345	11,285	11,511	11,741	11,976	12,215	12,460	12,709	12,963	13,222	13,487	13,756	14,031	14,312	14,598	14,890	15,188	15,492	15,802	16,118	16,440	16,769
Insurance / AWC L & I Pool	1,002		1,015	1,035	1,056	1,077	1,099	1,121	1,143	1,166	1,189	1,213	1,237	1,262	1,287	1,313	1,339	1,366	1,393	1,421	1,450	1,479	1,508
Utility Services / Utility-Electric	80,168	91,160	80,000	82,400	84,872	87,418	90,041	92,742	95,524	98,390	101,342	104,382	107,513	110,739	114,061	117,483	121,007	124,637	128,377	132,228	136,195	140,280	144,489
Utility Services / Utility-City of Lacey	79,408	432,470	92,000	94,760	97,603	100,531	103,547	106,653	109,853	113,148	116,543	120,039	123,640	127,350	131,170	135,105	139,158	143,333	147,633	152,062	156,624	161,323	166,162
Utility Services / Utility-Solid Waste	12,893	16,002	14,360	14,791	15,235	15,692	16,162	16,647	17,147	17,661	18,191	18,737	19,299	19,878	20,474	21,088	21,721	22,372	23,044	23,735	24,447	25,180	25,936
Repairs & Maintenance / Rep & Maint-Equipment	1,694		3,500	3,605	3,713	3,825	3,939	4,057	4,179	4,305	4,434	4,567	4,704	4,845	4,990	5,140	5,294	5,453	5,616	5,785	5,959	6,137	6,321
Repairs & Maintenance / Rep & Maint-Facilities	1,945	333	31,500	32,445	33,418	34,421	35,454	36,517	37,613	38,741	39,903	41,100	42,333	43,603	44,911	46,259	47,647	49,076	50,548	52,065	53,627	55,235	56,893
Miscellaneous / Maintenance Contracts	-			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Miscellaneous / Assessments/Taxes	12,520	(7,343)	11,000	11,220	11,444	11,673	11,907	12,145	12,388	12,636	12,888	13,146	13,409	13,677	13,951	14,230	14,514	14,805	15,101	15,403	15,711	16,025	16,345
Miscellaneous / Misc - Disposal Fees				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Salaries & Wages / Salaries-Regular	117,265	97,430	106,065	109,247	112,524	115,900	119,377	122,958	126,647	130,447	134,360	138,391	142,542	146,819	151,223	155,760	160,433	165,246	170,203	175,309	180,569	185,986	191,565
Salaries & Wages / Salaries-Overtime	4,516	7,700	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Salaries & Wages / Salaries-Part-Time		1,075	14,000	14,420	14,853	15,298	15,757	16,230	16,717	17,218	17,735	18,267	18,815	19,379	19,961	20,559	21,176	21,812	22,466	23,140	23,834	24,549	25,286
Personnel Benefits / Employer Paid Benefits	53,585	40,793	43,881	46,514	49,305	52,263	55,399	58,723	62,246	65,981	69,940	74,136	78,584	83,299	88,297	93,595	99,211	105,163	111,473	118,162	125,251	132,766	140,732
Personnel Benefits / Unemployment Compensation			500	530	562	596	631	669	709	752	797	845	895	949	1,006	1,066	1,130	1,198	1,270	1,346	1,427	1,513	1,604
Supplies / Office & Operating Supply	2,076	4,912	7,500	7,650	7,803	7,959	8,118	8,281	8,446	8,615	8,787	8,963	9,142	9,325	9,512	9,702	9,896	10,094	10,296	10,502	10,712	10,926	11,145
Supplies / Small Tools & Equipment	1,153	875	1,500	1,530	1,561	1,592	1,624	1,656	1,689	1,723	1,757	1,793	1,828	1,865	1,902	1,940	1,979	2,019	2,059	2,100	2,142	2,185	2,229
Supplies / Supplies-Uniform Purchase			500	510	520	531	541	552	563	574	586	598	609	622	634	647	660	673	686	700	714	728	743
Professional Services / Prof. Svc-Other	27,387	30,158	20,000	20,400	20,808	21,224	21,649	22,082	22,523	22,974	23,433	23,902	24,380	24,867	25,365	25,872	26,390	26,917	27,456	28,005	28,565	29,136	29,719
Professional Services / Prof. Svc - Recreation			6,000	6,120	6,242	6,367	6,495	6,624	6,757	6,892	7,030	7,171	7,314	7,460	7,609	7,762	7,917	8,075	8,237	8,401	8,569	8,741	8,916
Travel / Transportation/Per Diem		2,407	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500	1,500
Travel / Dues, Subscriptions, Publ			120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120
Travel / Registrations	60		800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Rentals / IMS Rental	11,604	8,831	8,447	8,700	8,961	9,230	9,507	9,792	10,086	10,389	10,700	11,021	11,352	11,693	12,043	12,405	12,777	13,160	13,555	13,962	14,380	14,812	15,256
Rentals / Rentals-Other				-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

	Actual 2021	Projected 2022	Budget 2023	Projected 2024	Projected 2025	Projected 2026	Projected 2027	Projected 2028	Projected 2029	Projected 2030	Projected 2031	Projected 2032	Projected 2033	Projected 2034	Projected 2035	Projected 2036	Projected 2037	Projected 2038	Projected 2039	Projected 2040	Projected 2041	Projected 2042	Projected 2043
Miscellaneous / Maintenance Contracts	676	836	450	459	468	478	487	497	507	517	527	538	549	560	571	582	594	606	618	630	643	656	669
Miscellaneous / Assessments/Taxes	8,914	9,548	6,500	6,630	6,763	6,898	7,036	7,177	7,320	7,466	7,616	7,768	7,923	8,082	8,244	8,408	8,577	8,748	8,923	9,102	9,284	9,469	9,659
Total RAC Operating Expenditures	**1,097,990**	**1,510,142**	**1,360,495**	**1,405,160**	**1,451,490**	**1,499,554**	**1,549,427**	**1,601,189**	**1,654,919**	**1,710,706**	**1,768,638**	**1,828,811**	**1,891,323**	**1,956,280**	**2,023,791**	**2,093,971**	**2,166,941**	**2,242,827**	**2,321,764**	**2,403,891**	**2,489,357**	**2,578,315**	**2,670,930**
Operating Income (Loss)	**120,488**	**90,323**	**-**	**(58,074)**	**(89,520)**	**(122,402)**	**(156,791)**	**(192,758)**	**(230,378)**	**(669,732)**	**(710,903)**	**(753,979)**	**(799,053)**	**(846,223)**	**(895,591)**	**(947,265)**	**(1,001,359)**	**(1,057,992)**	**(1,117,290)**	**(1,179,387)**	**(1,244,420)**	**(1,312,538)**	**(1,383,895)**
Other Income																							
Beginning Fund Balance / Estimated Beginning Cash			1,774,242																				
State Grant/Commerce - RAC				675,000																			
Intergovernmental Revenue / Capital Area - PFD	1,566,077	1,668,884	1,589,568	1,621,359	1,653,787	1,686,862	1,720,600																
Interest Earnings / Investment Interest	17,464	30,707	41,800																				
Investment Interest / LGIP Earnings	771	5,712	9,973																				
Interest Earnings / Interest Earnings	1,046	1,031	1,051																				
Interest Earnings / Unrealized Gain (Loss)	(8,228)	8,228																					
Unrealized Gain (Loss)/Reverse Prev Year Adj	(15,552)																						
Comp for Loss/Impairment of Capital Assets																							
Transfers In / Transfer In 303 Fund																							
Transfers In / Transfer In 001, 003, 005 Fund			805,000					386,825	800,000	398,429	109,746												
Total Other Income	**1,561,578**	**1,714,563**	**4,221,634**	**2,296,359**	**1,653,787**	**1,686,862**	**1,720,600**	**386,825**	**800,000**	**398,429**	**109,746**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Other Expenses																							
Other Non-Operating Expenses																							
Total Other Expenses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Debt Service																							
Debt Service Principal / 2015 LTGO RFDG (07 RAC)	435,000	455,000	470,000	490,000	515,000	540,000	565,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Debt Service Interest / 2015 LTGO RFDG (07 RAC)	134,450	121,400	103,200	84,400	64,800	44,200	22,600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Debt Service	**569,450**	**576,400**	**573,200**	**574,400**	**579,800**	**584,200**	**587,600**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Net Income (Loss)	**1,112,616**	**1,228,485**	**3,648,434**	**1,663,886**	**984,467**	**980,260**	**976,208**	**194,067**	**569,622**	**(271,303)**	**(601,157)**	**(753,979)**	**(799,053)**	**(846,223)**	**(895,591)**	**(947,265)**	**(1,001,359)**	**(1,057,992)**	**(1,117,290)**	**(1,179,387)**	**(1,244,420)**	**(1,312,538)**	**(1,383,895)**
Capital Expenditures																							
Capital Outlays / Capital Outlays-Equipment			177,705				59,869																
Capital Outlays / Capital-Improvements	15,702	399,133	2,401,537	1,866,799	490,315	518,800	180,000	386,825	1,836,193	628,585	888,553	96,300	72,714	386,438	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
Capital Outlays / Capital Outlay-Buildings				15,150																			
Capital Outlays / PFD - RAC Operation & Maintenance Cost				200,000	400,000	400,000	400,000	400,000	400,000														
Capital Outlays / PFD - Administrative Cost	2,584	2,991	8,000	8,000	8,000	8,000	8,000																
Total Capital Expenditures	**18,286**	**402,124**	**2,587,242**	**2,089,949**	**898,315**	**926,800**	**647,869**	**786,825**	**2,236,193**	**628,585**	**888,553**	**96,300**	**72,714**	**386,438**	**200,000**	**200,000**	**200,000**	**200,000**	**200,000**	**200,000**	**200,000**	**200,000**	**200,000**
Estimated Resources																							
Beginning Cash Fund 007	155,900	182,998	251,690	226,749	234,193	241,915	249,926	258,238	266,865	275,820	285,118	294,773	304,802	315,221	326,047	337,299	348,995	361,157	373,805	386,961	400,649	414,893	429,719
Beginning Cash Fund 307	3,515,156	4,582,387	5,340,057	4,623,948	4,190,440	4,268,871	4,314,320	4,634,347	4,032,962	2,357,436	1,448,250	(51,115)	(911,423)	(1,793,609)	(3,037,096)	(4,143,939)	(5,302,900)	(6,516,421)	(7,787,061)	(9,117,507)	(10,510,582)	(11,969,246)	(13,496,610)
Beginning Cash Subtotal	3,671,055	4,765,386	5,591,747	4,850,697	4,424,634	4,510,786	4,564,245	4,892,585	4,299,827	2,633,256	1,733,368	243,658	(606,621)	(1,478,388)	(2,711,049)	(3,806,640)	(4,953,905)	(6,155,264)	(7,413,256)	(8,730,547)	(10,109,933)	(11,554,353)	(13,066,891)
Use of Beginning Cash	-	-	(1,802,242)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Estimated Resources	3,671,055	4,765,386	3,789,505	4,850,697	4,424,634	4,510,786	4,564,245	4,892,585	4,299,827	2,633,256	1,733,368	243,658	(606,621)	(1,478,388)	(2,711,049)	(3,806,640)	(4,953,905)	(6,155,264)	(7,413,256)	(8,730,547)	(10,109,933)	(11,554,353)	(13,066,891)
Capital Expenditures	(18,286)	(402,124)	(2,587,242)	(2,089,949)	(898,315)	(926,800)	(647,869)	(786,825)	(2,236,193)	(628,585)	(888,553)	(96,300)	(72,714)	(386,438)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)	(200,000)
Net Income (Loss)	1,112,616	1,228,485	3,648,434	1,663,886	984,467	980,260	976,208	194,067	569,622	(271,303)	(601,157)	(753,979)	(799,053)	(846,223)	(895,591)	(947,265)	(1,001,359)	(1,057,992)	(1,117,290)	(1,179,387)	(1,244,420)	(1,312,538)	(1,383,895)
Total Ending Cash	**4,765,386**	**5,591,747**	**4,850,697**	**4,424,634**	**4,510,786**	**4,564,245**	**4,892,585**	**4,299,827**	**2,633,256**	**1,733,368**	**243,658**	**(606,621)**	**(1,478,388)**	**(2,711,049)**	**(3,806,640)**	**(4,953,905)**	**(6,155,264)**	**(7,413,256)**	**(8,730,547)**	**(10,109,933)**	**(11,554,353)**	**(13,066,891)**	**(14,650,786)**

LACEY PARKS
CULTURE & RECREATION

RAC
REGIONAL
ATHLETIC COMPLEX

20-YEAR FINANCIAL PLAN
~~2020~~ 2024 - ~~2039~~2043



20-YEAR FINANCIAL PLAN

Prepared by **City of Lacey Staff**

Jen Burbidge – Parks, Culture & Recreation Director
Scott Devlin, Public Works Operations Manager~~Park Maintenance Supervisor~~
Sue Falash, Parks, Culture & Recreation Manager
Julie McFadden, Public Works Senior Maintenance Technician
Jamie Oakland, Public Works Parks Maintenance Supervisor
Troy Woo, Finance Director

Reviewed on May 3, 2023~~November 4, 2020 and December 2, 2020~~.
Approved and recommended to City Council on ~~December 2, 2020~~ May 3, 2023 by:

Lacey Parks, Culture & Recreation Board ~~of Park Commissioners~~
Chair ~~Aram Wheeler~~Wendy Goodwin
Vice Chair ~~Sarah Daniels~~Kamber Good
Commissioner Hilary Dykstra
Commissioner Bill Fosbre
Commissioner ~~Ken Balsley~~Gary Larson
Commissioner Chris Porrazzo

Commissioner ~~Troy Kirby~~Aram Wheeler
~~Commissioner Erwin Vidallion~~ Youth Commissioner Sarah Towne

~~Approved on July 1, 2021 by:~~

Lacey City Council

Mayor Andy Ryder

Deputy Mayor ~~Cynthia Pratt~~Malcolm Miller

Councilmember Carolyn Cox

Councilmember Lenny Greenstein

Councilmember Ed Kunkel

Councilmember Michael Steadman

~~Councilmember Carolyn Cox~~

~~Councilmember Ed Kunkel~~

Councilmember ~~Malcolm Miller~~Robin Vazquez

20-YEAR FINANCIAL PLAN

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Attachment B – ~~Proposed 2021 Maintenance and Operations Budget (detailed)~~ RAC Long Term Financial Plan 2023

~~Attachment C – Full Financial Plan 2020-2039 (summarized)~~

20-YEAR FINANCIAL PLAN

EXECUTIVE SUMMARY

To ensure the Regional Athletic Complex (RAC) can provide the same level of service now and into the future, ~~A~~ ~~five-year~~ a short term financial strategy has been developed and implemented~~is necessary~~, which will be followed by the identification and securing ~~by a long~~ of long-term financial resources and support.~~plan,~~, ~~to ensure the RAC can provide the same level of service now and into the near future~~. The Lacey Parks, Culture & Recreation Board (Parks Board) will review sustaining strategies and recommend the preferred option to balance the ~~Regional Athletic Complex (RAC)~~ RAC budget.

There are a number of events that prompted the need for a five-year financial strategy to be implemented in 2021~~,~~ and has been expanded through 2029~~a proposed six-year~~

~~financial strategy for~~ . In 2020, the remaining Thurston County settlement funds were depleted. ~~The 2020 Budget includes $198,922 from t~~The Thurston County settlement fund was~~,~~ first allocated in 2010, with an anticipated drawdown in 10 years. Furthermore, at the end of 2027, the Public Facilities District (PFD) will sunset.

There is potential for a 15-year extension to the PFD. Staff will begin evaluating the legalities and parameters of such an extension.

These financial changes reached~~e~~ a level of significance to warrant an update to the RAC's existing 20-Year Financial Plan with a series of ~~two~~ shorter term updates.

It is important to identify the recommendations from the previous 20-Year Plan that were implemented:

- The plan should be reviewed periodically or following significant financial environment changes to ensure the RAC remains financially secure.
- PFD revenues should be monitored annually.
- Lodging Tax (LT~~AC~~) revenues should be monitored annually.

~~This plan was developed during the COVID-19 public health crisis. The current assumption is that a vaccine will be available sometime in 2021; however, if progress isn't made as projected, the RAC financial plan will need to be readjusted accordingly.~~

INTRODUCTION

On March 19, 1998 Thurston County and the City of Lacey entered into a partnership via a~~n~~ MOU (Memorandum of Understanding) to jointly acquire, plan, fund, develop and maintain an athletic complex. This MOU provided joint ownership for a minimum of 15 years, at least through March 2014.

It would have been beyond the financial ability of either party at that time to complete a project of this size and scope alone. By working together, the community benefits from a ~~state of the~~ state-of-the-art athletic complex, a ~~well~~ well-maintained community park and special events. Local businesses benefit from the visitors who come to play in tournaments and enjoy special events on weekends.

In June 2010, the Lacey City Council authorized an agreement for the transfer of Thurston County's share of the ownership of the Regional Athletic Complex (RAC) to the City. The transfer was allowed only if by mutual agreement and if the County had expended funds for the RAC in an amount equal to that expended by the City of Lacey. The settlement amount was $1,825,000, which provided operation and maintenance funding for the years 2009 through 2014 and a capital replacement fund or future operation and maintenance funding of approximately $715,000, as well as the balance of the 50% share of Phase 2 development costs. ~~The~~ A previous financial plan recommended the full amount of the Thurston County settlement be deposited into the Park and Open Space fund and recommended funds will be transferred from the Park and Open Space Fund to fund M~~-~~& ~~0~~ O and capital improvements on an annual basis. The modelling at the time projected the funds would be fully disbursed by mid-2021. The final Thurston County settlement funds were depleted in 2020.

Although the success of the RAC cannot be questioned, it is not a self-supporting facility. The 202~~0~~3 Budget includeds~~s~~ ~~$198,922 from the Thurston County settlement funds, which represented the remaining balance of the funds, and~~ $~~186,919~~326,584 from the City's General Fund for operation and maintenance, $180,000 from lodging tax~~Lodging Tax~~, $200,000 from City General Fund committed reserves, and $200,000 from PFD sales tax.

In ~~2021~~2020, the City Council designated~~authorized~~ $800,000 from General Fund reserves be used to subsidize the RAC ($200,000 per year for 2021, 2022, 2023 and ~~2023~~2024). ~~-~~Staff had~~s~~ updated the long-term financial plan, which was reviewed by city administration and the Parks Board~~, Culture and Recreation Board~~, and has done so again. ~~of Park Commissioners.~~ The Parks Board ~~, Culture and Recreation Commissioners~~ has~~ve~~ recommended actions again to be considered by the City Council. The ~~re are~~options to consider and implement remain limited~~ options to consider and implement~~: increase revenue, cut expenditures, attract more outside revenue sources (including potential PFD extension), or a combination of those three.

Recommendation: The plan should be reviewed periodically or following significant financial environment changes to ensure the RAC remains financially secure. ~~A five-year strategy should be developed, followed by a long term plan to ensure the RAC can provide the same level of service moving forward.~~

BACKGROUND

The ~~68~~ 68-acre site was purchased in 1998. The County and City planned the athletic complex cooperatively and with considerable public input to provide for the athletic needs in the region as well as a community park with picnic shelters, play equipment and facilities needed to hold special events. On March 12, 2002, voters in the City of Lacey approved a bond issue for development of the RAC as well as several other parks. On June 26, 2002, an Inter-local Agreement (ILA) was entered into by the Cities of Lacey, Olympia, Tumwater and Thurston County to form the Capital Area Regional Public Facilities District for the purpose of developing the RAC and the ~~Hands on~~Hands-on Children's Museum (HOCM). Phase 1 of the RAC, four soccer fields, parking and concession/restroom, opened in 2004. In May 2009, Phase 2 - four softball fields, one baseball field, four picnic shelters, basketball courts, play equipment, trails, restrooms and parking - opened, completing the vision for the athletic fields. The maintenance compound was completed in 2010. Netting was installed on fields 2 and~~&~~ 3 outfield fences in 2013.

Improvements have been continued to be made at the RAC. In 2017, bleacher covers were constructed in the baseball/softball complex to protect patrons from rain and sun. Then synthetic turf replacements were completed over a 3~~-~~-year span (two fields per year) in 2018, 2019, and 2020. In 2021 parking lot cameras were added for security. In 2022, permanent ~~R~~rugby goals were added to soccer field 4, and was ~~in 2022 this was~~ made possible through a local partnership~~s~~.~~Rug~~

In 2023, design was completed for conversion of the gravel parking lot to a paved ~~parking~~ lot with landscape, lighting and security cameras.~~actual parking lot.~~ Electronic vehicle (EV) charging stations will also be installed as a part of the project. Construction will take place sometime during 2023.

COMMUNITY NEED AND VISITOR USE

The need for athletic fields was originally identified in comprehensive plans, community meetings and conversations with user groups and elected officials. There were not enough fields for youth and adults to play and practice on, teams competed for the same open space, and several teams shared the space so that all could play. The grass fields ~~Many fields~~ close~~d~~ annually ~~(annually?)~~ at the end of October in order to let the fields rest, with many sports teams having to leave the county to practice and play their games. In 2002, there were 21,818 players registered on 1,500 teams in the county - half played on fields located out of the area, or fields inadequate for league use. Thurston County and the City of Lacey gained public support for the project.

The RAC has been heavily used since opening, and user groups and stakeholders have continued to provide feedback. The grass soccer fields are open 244 days a year and are usually in play all but 10 ~~-~~to 15 days a year. The synthetic field is booked ~~seven days a week in the winter months~~350 -to 360 days per~~a~~ year. Tournaments on the softball/baseball fields are booked 50 ~~-~~to 52 weekends per year and approximately 50% of teams requesting weekend tournaments are turned away.

Annual special events are held throughout the year as well. The park is used by people who walk daily, families with young children who flock to the play equipment, teens who rush to the basketball courts after school, friends who hold picnics in the shelters and ball players who come from all over the county and the world to play in tournaments that won't rain out. The RAC is used by an estimated 200,000 athletic participants, and 1.2 million park and special event patrons per year. RAC users have come to expect an outstanding facility where ball games are played rain or shine, staff is responsive and competent, athletes of all ages and abilities are served, and a variety of community events are offered and open to the public.

Staff has been working with the Experience Olympia & Beyond Sports Commission to determine the economic impact RAC visitors bring to the local economy. Preliminary numbers are showing over $15~~M~~ million was generated for the local economy in 2022.

Staff has implemented new ways to increase use such as attracting additional dog shows, larger tournaments, more fun runs and hosted additional summer sports camps. Staff continues to consider increased use options on the soccer fields including lacrosse, rugby, ultimate ~~-~~f~~F~~risbee, and flag football. There are not many options for increased use on the baseball/softball fields due to use currently being maxed out.

2020 and 2021 ~~has~~ were not ~~been a~~ typical years at the RAC due to COVID-19 changing the landscape. Staff ~~have constantly~~ adapted to the Governor's guidance to navigate the public health crisis safely but as a result, participation and visitation ~~have~~ were ~~been~~ heavily impacted. ~~Fortunately~~Fortunately, 2022 was better, and 2023 is shaping up to be even better than pre-pandemic levels.

Recommendation: The goal is to increase use on the athletic fields by renting fields during typically slow times of the day and maximizing the number of teams in a tournament. Increased use should lead to increased revenue.

PUBLIC FACILITIES DISTRICT (PFD)

The Capital Area Regional Public Facilities District is a special taxing district created by a 2002 inter-local agreement between Thurston County and the cities of Olympia, Lacey and Tumwater for the purpose of financing two regional event centers, the RAC and the Olympia HOCM. District revenue is from a 0.033% sales and use tax authorized pursuant to RCW 82.14.390 imposed county-wide for 25 years, and ending on March 9, 2028 (25 years after the execution of the interlocal agreement) or upon the retirement of the debt used to construct the original facilities. Lacey's debt will be retired on December 1, 2027 unless extended (if eligible).

Distribution of sales tax revenues from Thurston County is distributed at 71.7742% to the City of Lacey for the RAC and 28.2258% to the City of Olympia for the HOCM. From July 2003 - July 2006, the distribution to Lacey was 38.8%. In July 2006, the contract was modified to reflect the current distribution. The terms of the PFD contract allow for the sales and use tax to be imposed up to March 9, 2028 and debt is outstanding on the projects (RCW 82.14.390). Lacey's bond debt will be retired at the end of 2027 unless extended. The operations and maintenance of the RAC is currently supported with $200,000 of PFD sales taxes per year.

During the initial years and years impacted by the "Great Recession", the PFD revenues did not meet expectations. Between 2007 and 2015, Lacey's portion of the annual PFD revenues averaged $941,960. The local economy began to recover and grow in 2016 with revenues of $1,146,502. The annual growth continued to $1,436,478 in 2019. Despite the COVID-19 public health emergency, ~~the 2020~~ PFD revenues ~~are on pace to exceeded~~continued to grow~~ the 2019 levels~~. In 2022, PFD revenues grew to $1,668,884. It appears the stable government and military employment, Federal and State stimulus and support, and an increase to local purchasing have helped the region's economy when all expectations were for a severe decline to revenues. ~~It is not~~

~~anticipated the region will be immune to the economic impacts of the public health emergency indefinitely. The longer the COVID-19 public health emergency continues the region will be exposed to more risk of downward economic impacts.~~ Through the first quarter of 2023, PFD revenues continue to grow compared to the previous year.

Recommendation: PFD revenues should be monitored annually. The sustainability of the RAC at its current level of tax supported subsidy is a concern. ~~A five year~~shorter term ~~strategy should be developed then a long term financial plan.~~ Efforts to achieve the maximum amount of potential collections should be pursued to secure a sustainable revenue source to replace the PFD revenues.

REVENUE SUMMARY

The RAC operating budget consists of the following revenue sources: fees and operating revenue, PFD funds, interest income, ~~Lodging Tax~~~~LT~~lodging tax revenue, and the City's General Fund support.

Fees and Operating Revenue

2010 was the first complete year of operation for the RAC. Revenues generated in 2010 totaled $327,568 and have climbed steadily since to $~~505,638~~524,001 in ~~2019~~2022. Revenue includes concession lease, shelter rentals, field rentals, league fees, ~~and~~ field banner ~~advertisement sales~~sponsorships, and interest income. Tournaments are booked on the baseball/softball fields for 50 of 52 weekends per year. City staff serves as tournament director for up to 3 tournaments per year. Staff is working to acquire bigger tournaments, bringing more teams and individuals into the Lacey community, resulting in more games played and increased field rental revenue. A limiting factor is the number of fields at the RAC, although staff has been able to partner with other agencies in the area to co-host tournaments. Some tournaments overflow to Rainier Vista Community Park, but rental fees from games played there do not go into the RAC account.

Potential revenue opportunities:

- Sponsorship and Naming Rights: The Parks Board updated and City Council approved the Sponsorship & Naming Rights Policy in 2019 and then again in 2023 to clarify ~~these types of business~~sponsorship agreements and make it possible for naming rights to be sold. Staff had a strong potential for a naming rights agreement at the beginning of 2020 but then the COVID-19 public health crisis brought uncertainties. Staff continues to seek sponsorship opportunities such as naming rights and Park Partners, and has many outfield banner sponsorships in place~~. In addition, staff does sell advertising on the outfield banners.~~
- Special Events: Fun Run/Walks, Dog and other Easter Egg Hunts, National Dog Show, Polynesian Fest, AUSA, etc. Success of annual events attracts similar events. Potential to hold a "Junk in your Trunk" special event rummage sale, or another similar event on a smaller tournament weekend.
- Bid on and serve as tournament director for another tournament.
- Parking fee: Was not supported by the public in 2014, but could be revisited. Currently no other Lacey Parks have parking fees.
- Increase field rental fees – every two years staff and Parks Board evaluate~~s~~ fees, and they are raised 2.5 ~~-~~– 5.0% depending on the market rate of comparable facilities. The RAC would become priced out of the competition and tournament directors would play at other athletic complexes if fees are raised above the market rate.
- ~~Concession stands could potentially be operated by the City (currently contracted out through Dec. 2021). A concessionaire pays COL $22,000/year for the concession contract. Staff are currently conducting a financial study to review the potential of operating concessions in house. If so, the City would have an initial outlay of equipment.~~
- Leagues: Leagues bring in more revenue than field rentals. The city ~~We~~ could run more City leagues, but that would push out many ~~long~~ long-term local league rentals who have used and supported the RAC since it opened.

In 2020 and 2021, revenues ~~have been~~were impacted by COVID-19, and the current business model has suffered.

Recommendation: Seek new, innovative ways to increase revenues~~, not only due to COVID-19 impacts, but in general and into the future~~.

Public Facilities District (PFD) Funds

PFD funds currently are used for ~~M & O~~ M&O ($200,000), debt service payment ($~~567,050~~573,200), PFD administrative services ($8,000), and the balance deposited into the capital fund. In 2022, the City Council designated $1,000,000 from the RAC Capital Fund reserves be used to subsidize the RAC M&O for an additional $200,000 per year for the years 2025 through 2029.

General Obligation Bond ~~Monies~~Proceeds

GO Bonds were used for development of the RAC. Principal on the GO Bonds is repaid with PFD funds and the interest paid with PFD funds. There are no bond proceeds remaining.

General Fund Support

Maintenance and operating dollars have been transferred for the RAC since phase 2 opened in 2009; in ~~2020~~ 2022 this amounted to $~~186,919~~239,847 and the adopted 2023 Budget includes $326,584.

Lodging Tax (LT)

The RAC receives LT funds to cover M&O expenses associated with weekend tournaments and special events. In 2020, $160,000 was budgeted but rescinded due to COVID-19. In 2023, $180,000 is included in the proposed budget. The City appreciates strong support from the local hotel / motel business community and values the partnership.

Grants

Thurston County and the City applied for and received state grants to assist with development of the RAC. Staff shall pursue grant funds for capital and M&O purposes whenever possible.

Recommendation: With the PFD sunset at the end of 2027, ~~another short term five-year strategy should be developed, followed by~~ a ~~long~~ long-term funding strategy~~plan~~ should be developed to ensure the RAC can provide the same level of service moving forward.

~~**Lodging Tax (LT)**~~

~~The RAC receives LT funds to cover M&O expenses associated with weekend tournaments and special events. In 2020, $160,000 was budgeted but rescinded due to COVID-19. In 2021, $160,000 is included in the proposed budget. The City appreciates strong support from the local hotel / motel business community and values the partnership.~~

~~**Grants**~~

~~Thurston County and the City applied for and received state grants to assist with development of the RAC. Staff shall pursue grant funds for capital and M&O purposes whenever possible.~~

EXPENDITURE SUMMARY

General Recreation Services

General Recreation Services staff schedule field and picnic shelter rentals, coordinate leagues and special events, direct and schedule tournaments, solicit sponsors, and manage the concession contract. ~~The budget for 2020 was $289,176 and was adjusted to $183,137 due to COVID-19.~~ The budget for ~~2021~~ 2023 is $~~226,087~~217,763.

Maintenance and Operations

The ~~2021~~ 2023 budget for Maintenance and Operations is $~~1,114,732~~1,142,732~~$883,167~~. ~~2021~~ 2023 estimated expenditures for the RAC are broken down into two areas; park open space, and rentable areas which include the baseball fields, soccer fields and shelters. Park open space, which is available for free drop in use utilizes approximately 45% of total expenditures. The rentable areas including the baseball fields, soccer fields, and shelters utilize approximately 55% of total maintenance expenditures.

Combined Budget

The combined general recreation services and maintenance and operations budget for the ~~2020 budget was $1,202,001, but was adjusted to $951,441 due to COVID-19. The 2021~~2023 ~~b~~Budget is $~~1,188,343~~1,360,495.

Recommendation: Consider an allocation of general funds to cover expenditures associated with the community park amenities. This alternative competes with other priorities of the City.

Life Cycle and Capital Improvement Programs

In 2020, the final synthetic turf replacement was completed. This multi-year project began in 2018. The replacement took place earlier than expected, but advancements made in the synthetic turf technology are promising. The next replacement cycle could begin as early as 202~~9~~8. The high level of maintenance of the complex is critical to maintain its position in the marketplace. The ability to attract tournaments is heavily dependent on the quality of the facilities, especially as other communities will develop new athletic complexes and compete with the RAC.

Some of the baseball complex lights exceeded the warranty amount in 2023. After evaluating the implications, staff recommended getting some of the lights re-lamped and extending the warranty at the cost of approximately $60,000, then moving forward with a federal legislative ask in 2023 that could potentially be paired with other grant requests in 2024 for an LED conversion project.*

Staff calculations for an LED conversion would be a cost of $1.6~~M~~ million if completed in 2023. It would take approximately 32 years to pay back with an energy savings of 66%. ~~an~~

~~Other l~~Life cycle and capital improvements have been identified in staff's working spreadsheet, but the following is a list of major replacements coming up between ~~from 2021~~ 2023 - ~~2027~~ 2028. Years and cost will be identified and updated as to emergent needs: ~~have been identified:~~

- ~~Parking lot video cameras $150k (2021)~~
- ~~Parking lot design $125k (2021)~~
- Parking lot construction (~~2022~~2023). $2.8 million~~M~~~~Design work will provide~~ cost estimate
- Baseball outfield fence poles with netting~~ing~~ completion $200,000~~k~~ ~~(2022)~~

- ~~Spo~~Spor~~r~~ts fields netting $~~139k~~ 177,705~~k~~ ~~(2024)~~
- Play equipment $~~325~~450,000~~k~~ ~~(2025)~~
- Concrete work in the baseball complex $300,000~~k~~ ~~(2026)~~
- Irrigation control update $60,000
- LED Fields Lights Conversion $1.6 million~~M~~ *
- Baseball/softball infield synthetic turf replacements $200,000~~k~~ each (fields 1-2)
- Baseball/softball fields drainage

In addition, soccer field 2 is in need of a drainage solution, which could be taken care of as its own project. Converting soccer field 2 to synthetic turf would take care of the issue and the conversion to synthetic and adding lights would be beneficial to user groups, but would likely be $2~~.~~.0 million~~M~~. This project is not included in the financial plan but there is potential to seek grant funding for this and other upgrades needed.

Recommendation: Continue to commit PFD revenues to fund life cycle and capital improvements. Apply for funding where available and applicable. Some flexibility will be needed as intended life cycle is not always accurate, and as RAC sponsorships are considered.

F~~I~~INANCIAL PLAN

The Financial Plan assumptions are consistent with the City's overall conservative budget philosophy. The general inflation used for the 20-year financial model is two percent. Costs associated with labor to maintain the RAC assumes a higher percentage than general inflation.

The ~~last~~ 20-year financial model ~~assumed~~assumes~~s~~ the City's General Fund ~~will~~ ~~would~~will allocate an additional $200,000 per year ~~for the years 2021~~ through 202~~3~~4 and $400,000 per year PFD M&O support for the years 2025 through 2029 . The ~~Proposed~~ adopted ~~2021~~ 2023 RAC Budget is balanced with the additional General Fund allocation. It should be noted there is not a commitment for the additional General Fund support beyond ~~2021~~2024. The model shows an operating deficit beginning in ~~2022~~ 2024 despite the additional allocation assumption.

The model does show solvency through ~~2029~~ 2031 if the entire PFD revenues and capital reserves are made available for operations.

The 20-year financial model provides a basis for sound financial planning upon which the City needs to develop a strategy to ensure continued operations and capital improvements of the RAC. In ~~2019~~2022, the RAC's revenue resources consisted of user fees and interest (~~41.8~~32.7%), city funds (~~27.5~~54.8%), ~~Thurston County settlement funds (14.1%),~~ and PFD funds (~~16.6~~12.5%). In the adopted ~~2021~~ 2023 ~~Proposed~~ Budget, the projected revenue resources consist~~s~~ of user fees and interest (~~35.5~~32.0%), city funds (~~47.5~~53.0%), ~~Thurston County settlement funds (0.0%),~~ and PFD funds (~~17~~15.0%). ~~2021 will be the first year, since 2010, without support from the now depleted Thurston County settlement funds.~~ Without an amendment to the PFD interlocal agreement, the RAC will face another significant resource decline in 2028 when the current agreement expires. Staff is evaluating the PFD extension.

Recommendation: ~~Seek~~ Secure additional City General Fund ~~additional reserve~~ commitments for ~~medium~~long-term resources to support RAC operations and maintenance ~~while a long-term funding plan can be developed~~ in recognition the RAC functions as a high use community park. Preservation of PFD funds is recommended to maintain necessary capital improvements and capital replacements at the RAC. ~~(Troy, Council committed $1M to reserves?)~~

FUTURE DEVELOPMENT OF PHASE 3 ~~and the "CORNER"~~

A concept plan was started for Phase 3, a ~~26~~ 26-acre site, located directly west of Marvin Road and across from the RAC. The site is constrained by access, pocket gopher management/mitigation issues, and a native oak tree savannah stand. Despite these site limitations, Phase 3 offers the potential for additional athletic fields and commercial partnership that would provide sports and wellness opportunities to the local community. If developed, and depending on what amenities are installed Phase 3 c~~w~~ould enable the RAC to attract and host larger tournaments.

~~The City purchased "the Corner", a 4.39 acre site in 2006. The site was originally purchased for future commercial partnership; however, it will need to be developed for~~

~~expanded parking with the addition of a bus drop off area as there isn't adequate parking for the current facility and its use.~~

Recommendation: Finalize the master plan based on public feedback and guidance related to pocket gopher best management practices. Estimated development and M&O costs will need to be included as part of the long-term funding plan. Once this financial plan is complete, capital and M&O funding sources for Phase 3 would need to be identified in order for this project to move forward.

The ~~2017~~ 2023 Parks, Culture & Recreation Comprehensive Plan identifies the Lacey Parks system as being only 35% developed and prioritizes the need for additional athletic fields. Development of Phase 3 would give community and sports user groups access to more of Lacey's Park system and help with identified athletic field shortages. During 2023, staff distributed a survey to sports user groups and stakeholders. They were asked if access to sports fields was increased (grass conversion to turn, or additional fields installed) where they would be the most likely to book. The overwhelming response was at the RAC. Fastpitch/softball was the sport chosen the most for the reason to book fields. When asked if they have ever been turned away for field use due to the fields already being full, 36% said no and 64% said yes.

~~**Important Note:** This plan was developed during the COVID-19 public health crisis. The current assumption is that a vaccine will be available sometime in 2021; however, if progress isn't made as projected, the RAC financial plan will need to be readjusted accordingly.~~

H:\RAC\Budget\Financial Plan

LACEY CITY COUNCIL WORKSESSION
August 10, 2023

SUBJECT:	Amendment to LMC 2.30 – Land Use Hearings Examiner
RECOMMENDATION:	Schedule an Ordinance adopting the proposed amendments for action by the full Council.
STAFF CONTACT:	Rick Walk, City Manager RW Grant Beck, Planning & Development Services Manager
ORIGINATED BY:	Community & Economic Development Department
ATTACHMENTS:	1. Draft amended LMC Chapter 2.30 Land Use Hearings Examiner
FISCAL NOTE:	None
WORK PLAN GOAL AND STRATEGY:	Coordinated & Collaborative Planning - (B)(2) Review Development Regulations Ongoing Services
OTHER POLICY DOC. ALIGNMENT:	Comprehensive Plan Economic Development Element (1)(B) Ensure Lacey's development process remains clear, predictable, timely, and efficient.
COMMUNICATIONS PLAN:	None
HOUSING ACTION PLAN:	Many goals reference a streamlined permitting process.
PRIOR REVIEW:	June 27, 2023 Land Use and Environment Committee Meeting November 17, 2022 City Council Regular Meeting September 27, 2022 Land Use Committee Regular Meeting August 25, 2022 City Council Worksession

BACKGROUND:

The Lacey City Council adopted the Hearings Examiner system for review of quasi-judicial land use permits in 1979 by Ordinance 549 and 560 to replace the Board of Adjustment system pursuant to Section 35A.63.170 RCW.

Chapter 2.30 Lacey Municipal Code – Land Use Hearings Examiner has not been significantly updated since first adopted in 1979, at a time when the Thurston Regional Planning Council provided long range planning and land use permitting services to Lacey. In 2022, the Council considered a code update which would have made the Hearings Examiners decision on land use permits and appeals be final. As part of the preparation of that draft Ordinance, staff from the Community & Economic Development Department along with the City Attorney's office proposed additional administrative amendments and updated to Chapter 2.30 to clarify and correct the code.

At the November 17, 2022 Council Meeting, the Council chose not to adopt changes to the quasi-judicial process. The discussion was focused on the quasi-judicial role of Council and as a result the other proposed administrative amendments and updates were also not adopted and the code remains outdated.

The proposed amendments to LMC 2.30 are summarized as follows:

- Revise broad code and ordinance citations to be specific to the Lacey Municipal Code.
- Update the Hearing Examiner appointment process outline in LMC 2.30.020 by deleting reference of a joint hearings examiner committee established by ILA with Olympia and Thurston County.
- Remove language related to application submittal process and review procedures that are redundant and/or conflict with the City's procedural codes.
- Update language related to the notice of decision process.
- Remove outdated provisions related to coordinating with the Planning Commission which is no longer the role of the Planning Commission.

The City currently contracts for Hearings Examiner Services with Sound Law Center under a contract first executed in 1997 when the firm was known as Driscoll & Hunter. The most recent amendment to the contract was in 2007.

It would be appropriate at this time to consider updating Chapter 2.30 LMC with the previously proposed clarifications and corrections, after which to review the City's contract with Sound Law Center and update as needed.

Next Steps. Upon review, the Lacey City Council could consider one of the following options:

Option 1: Direct staff to move forward with the draft administrative amendments and updates as proposed. City staff would draft an ordinance amending the LMC reflecting the proposed amendments and place on a future Council meeting agenda for final action by council.

Option 2: Take no action; Do not make any amendments to the current ordinance reflected in LMC 2. 32.

Option 3: Provide direction to City staff on other elements to consider in regards to amending LMC 2.32. Depending on Council direction, City Staff incorporate any additional elements into the draft ordinance and return to a future worksession for further council discussion or prepare a draft ordinance final action by the Council on a future council meeting agenda.

Option 4: Some other option not contemplated in the above options.

CHAPTER 2.30
LAND USE HEARINGS EXAMINER

2.30.010 Creation of land use hearings examiner.

Pursuant to Chapter 35A.63 RCW, the office of land use hearings examiner, hereinafter referred to as "examiner," is created. The examiner shall interpret, review and implement land use regulations as provided ~~in this chapter or by other ordinance~~in the Lacey Municipal Code. In addition, the examiner shall hear appeals relating to potentially dangerous or dangerous dogs pursuant to ~~LMC~~ Chapter 7.04~~.070~~ LMC and the city's construction codes as described in ~~LMC~~ Chapter 14.18~~.030~~ LMC. Unless the context requires otherwise, the term "examiner," as used in this chapter, shall include deputy examiner and examiners ~~pro~~ pro-tem.

2.30.020 Appointment and term.

The examiner and any deputy examiners shall be appointed by the mayor and confirmed by the city council ~~after receipt of recommendation from the joint hearings examiner committee established by interlocal agreement between the cities of Lacey and Olympia and Thurston County for terms which shall initially expire one year following the date of original appointment and thereafter expire four years following the date of each reappointment~~. The mayor may also, by professional service contract, appoint in the same manner for terms and functions deemed appropriate, examiners ~~pro~~ pro-tem to serve in the event of absence or inability to act of the examiner and deputy examiners.

2.30.030 Qualifications.

Examiners shall be appointed solely with regard to their qualifications for the duties of their office and will have such training and experience as will qualify them to conduct administrative or quasi-judicial hearings on regulatory enactments and to discharge the other functions conferred upon them. ~~Examiners shall hold no other elective or appointive office or position in the governmental structure of Thurston County or the cities of Lacey or Olympia.~~

2.30.040 Removal.

An examiner may be removed from office for cause by majority vote of the city council.

2.30.050 Freedom from improper influence.

No person, including city or county officials, elective or appointive, shall attempt to influence an examiner in any matter pending before the examiner, except at a public hearing duly called for such purpose, or to interfere with an examiner in the performance of the examiner's duties in any other way; provided, that this section shall not prohibit the city attorney ~~or county prosecuting attorney~~ from rendering legal services to the examiner upon request.

2.30.060 Conflict of interest.

No examiner shall conduct or participate in any hearing, decision or recommendation in which the examiner has a direct or indirect substantial financial or familial interest, or concerning which the examiner has had substantial prehearing contacts with proponents or opponents. ~~No member of the city council or planning commission who has such an interest or has had such contacts shall participate in the consideration of an appeal from or a review of an examiner's decision.~~

2.30.070 Organization.

The operation of the hearings examiner's office shall be under the administrative supervision of the examiner and said office shall be separate and not a part of the community development department or any other department providing staff planning services.

2.30.080 Rules.

The examiner shall have the power to prescribe rules not in conflict with this chapter for the scheduling and conduct of hearings and other procedural matters related to the duties of this office.

2.30.090 Powers of the examiner.

The examiner shall receive and examine all available information, conduct public hearings and prepare a record thereof and enter decisions as provided for herein:

A. The decision of the hearings examiner on the following matters shall be final unless such decision is appealed to the city council pursuant to LMC 2.30.160:

   1. Appeals of decisions made pursuant to limited administrative review as defined in Section 1.030 of the City of Lacey Development Guidelines and Public Works Standards;

   2. Appeals of decisions made pursuant to full administrative review as defined in Section 1.030 of the City of Lacey Development Guidelines and Public Works Standards;

   3. Variance requests;

   4. Preliminary plat approval extension requests;

B. The decision of the hearings examiner on the following matters shall constitute a recommendation to the city council:

   1. Preliminary plat applications;

   2. Preliminary plat modification requests;

   3. Shoreline substantial development, shoreline variance and shoreline conditional use permits and permit revisions;

   4. Planned residential development applications;

   5. Conditional use permit applications.

C. The decision of the hearings examiner on any matters relating to potentially dangerous or dangerous dogs pursuant to LMC 7.04.070 or the duties described in LMC 14.18.030 for the building construction and life safety codes shall be final. Appeals of such determinations by the city hearings examiner shall be appealable to Thurston County superior court. An appeal of the hearings examiner decision must be filed with Thurston County superior court within twenty calendar days from the date the hearings examiner decision was mailed to the person to whom the notice of civil penalty was directed.

2.30.100 Applications for permits or approvals.

Applications for permits or approvals within the jurisdiction of the hearings examiner shall be presented to the community development department. ~~The department shall accept such applications only if applicable filing requirements set forth in Section 1B.050 of the City of Lacey Development Guidelines and Public Works Standards are met. The department shall be responsible for assigning a date for and assuring due notice of public hearing for each application, which date and notice shall be in accordance with Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards.~~

~~2.30.110 Consolidated review.~~

~~When more than one application for a proposed development is required, the applicant may elect to have the applications be consolidated under one review process in accordance with Section 1B.030 of the City of Lacey Development Guidelines and Public Works Standards.~~

2.30.120 Report of community and economic development department.

The community and economic development department shall provide a written staff report to the Hearing Examiner and all other interested parties ten days prior to the public hearing in accordance with Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards.

2.30.130 Public hearing.

Prior to rendering a decision on any application, the examiner shall hold one public hearing thereon. Notice of the time and place of the public hearing shall be given as provided in Section 1C.050 of the City of Lacey Development Guidelines and Public Works Standards. At the commencement of the hearing, the examiner shall give oral notice regarding the register provided for in LMC 2.30.150.

2.30.140 Examiner's decision.

Within fourteen business days of the conclusion of a hearing, unless a longer period is agreed to in writing by the applicant, the examiner shall render a written decision which shall include at least the following:

A. Findings based upon the record and conclusions therefrom which support the decision. Such findings and conclusions shall also set forth the manner by which the decision would carry out and conform to the city's comprehensive plan, other official policies and objectives, and land use regulatory enactments;

B. A decision on the application which may be to grant, deny or grant with such conditions, limitations, modifications and restrictions as the examiner finds necessary to make the application compatible with its environment, the comprehensive plan, other official policies and objectives, and land use regulatory enactments;

C. A statement that either:

1. The decision constitutes a recommendation to the city council together with the date, time and place for consideration by said body, or

2. The decision will become final in fourteen days unless appealed to the city council together with a description of the appeal procedure prescribed in Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards.

2.30.150 Notice of examiner's decision.

Not later than three working days following the rendering of a written decision, copies thereof shall be ~~mailed~~ provided to the applicant and to other parties of record in the case. "Parties of record" shall include the applicant and all other persons who specifically request notice of decision ~~by signing a register provided for such purpose at the public hearing. If the effect of the decision is a recommendation to the city council or planning commission, the original thereof shall be transmitted to that body~~.

2.30.160 Appeal from examiner's decision.

The decision of the examiner as to those applications listed in LMC 2.30.090(A) shall be final and conclusive unless within fourteen days following rendering of such decision an appeal therefrom is filed with the office of the examiner by the applicant, the city council, a department of the city or county, or other interested person or agency in accordance with Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards.

2.30.170 City council consideration.

An examiner decision which constitutes a recommendation or which has been timely appealed pursuant to LMC 2.30.160 and Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards shall come before the city council for consideration in open public meeting no longer than thirty days from the date a decision constituting a recommendation was rendered or an appeal is filed. The city council shall consider the matter based upon the written record before the examiner, the examiner's decision and the written appeal.

2.30.180 City council action.

The city council may accept, modify or reject the examiner's decision, or any findings or conclusions therein. A decision by the city council to modify or reject shall be supported by findings and conclusions. The City Council's decision shall be rendered within twenty-one days after consideration in open public meeting unless all parties affected agree to an extension of such date.

The action of the city council in approving or rejecting a decision of the examiner shall be final and conclusive unless a Land Use Petition is timely filed with the Thurston County Superior Court in accordance with Chapter 1D of the City of Lacey Development Guidelines and Public Works Standards and applicable state laws; provided, that appeals from a decision to grant, deny or rescind a shoreline permit shall be governed by the provisions of Chapter 90.58 RCW.

~~2.30.190 Examiner's report to planning commission.~~

~~The examiner shall report in writing to and meet with the planning commission at least annually for the purpose of reviewing the administration of the land use policies and regulatory ordinances. Such report shall include a summary of the examiner's decisions since the last planning commission report. The examiner may at any time, on the examiner's own motion, request advice and counsel of the planning commission regarding interpretation of land use policies and ordinances.~~

~~2.30.200 Examiner services for other municipalities.~~

~~The examiner may provide services similar to those prescribed herein for other municipalities when authorized by interlocal agreement.~~

~~2.30.210 Planning commission/hearings examiner authority.~~

~~In the event of the examiner's disqualification, incapacity or inability to timely process the volume of applications submitted, the planning commission may assume and carry the duties and responsibilities of the examiner in the manner prescribed by this chapter; provided, that if, after considering the matter at public meeting, the city council deems a change in the planning commission's recommendation on a preliminary plat or rezone application is necessary, such change shall not be made until the city council shall conduct its own public hearing, giving notice thereof as required by law.~~

~~The examiner may promulgate rules governing such transfer of applications; provided, that the examiner shall retain hearing jurisdiction over preliminary plat applications to the extent feasible.~~