

MINUTES OF THE LACEY CITY COUNCIL WORKSESSION

THURSDAY, NOVEMBER 10, 2022

6:00 P.M. – 8:39 P.M.

REMOTE AND IN-PERSON

To hear the full discussion of a specific topic, or the complete meeting, watch the recorded meeting available on YouTube –

<https://www.youtube.com/watch?v=68rWCJIRu1U&list=PL0fqffnajtWBqkRa1WltEuNlBbJrDjeggp&index=1>

COUNCIL PRESENT: MAYOR RYDER (REMOTE), DEPUTY MAYOR MILLER, COUNCILMEMBERS COX (REMOTE), GREENSTEIN, KUNKEL, AND VAZQUEZ

COUNCIL EXCUSED: COUNCILMEMBER STEADMAN

STAFF PRESENT: S. SPENCE, S. KELLEY-FONG, R. WALK, A. SMITH, J. SWEDECKI, P. EDMONDS

ACTION: APPROVE WORKSESSION AGENDA

MOTION: MOTION MADE, SECONDED AND CARRIED BY COUNCILMEMBER GREENSTEIN AND DEPUTY MAYOR MILLER

NEW POLICE STATION 30% DESIGN AND BUDGET REVIEW

PRESENTERS: ASHLEY SMITH, DESIGN & CONSTRUCTION MANAGER
JOHN SWEDECKI, CAPITAL PROJECT ENGINEER
BILL VALDEZ, PARTNER, KMB ARCHITECTS
BRYAN BELEY, PROJECT MANAGER, KMB ARCHITECTS
RUBEN NUÑEZ, CIVIC DESIGNER, KMB ARCHITECTS
JACK JOHNSON, PROJECT DESIGNER, KMB ARCHITECTS

ACTION: INFORMATION ONLY

KMB Architects and City staff collectively reviewed the New Police Station Project and provided history, design updates, and budget review.

The existing police station facility include the following inadequacies:

- Officer / Staff Safety
- Undersized
- No Room for Growth
- Lack of Specialized Spaces
- Security and Privacy of Victims Not Ideal

- Lack of Space for Community Engagement
- Shared Site and Lack of Secure Parking
- Gender Inequity
- Building Not Compliant with ADA Accessibility

The current building was built in 1985, with a City population of 15,000 and the Police Department housing 23 commissioned officers and 6 civilian staff. Effective 2021, the City population grew to 54,850 and the Police Department grew to 63 commissioned officers and 17 civilian staff.

The presentation included detailed review of the project, including proposed site plan, tree studies, parking, site elements, site design, proposed floorplans, concept visualizations, cost estimate breakdowns, and project schedules.

Review of the budget included the following highlights:

- Completion of pre-design ended January 2021, with approximate construction budget of \$29 million.
- Since the pre-design was completed, there has been an escalation and supply chain issue; magnified within the state of Washington.
- Completion of the 30% Design Cost Estimate ended October 2022, with approximate construction budget of \$38 million.
- Remaining total project cost \$49 – 52 million.
- Project anticipated at approximately 20 months to complete.
- Anticipated construction start date of Q1 of 2024.
- Further delay of construction may increase total project costs.
- Land acquisition is not included in the soft costs.

An amendment will be brought to a future Council meeting to extend the contract to the end of 2022. Staff will also present another cost estimation, around 60% Design Completion, to Council in May 2023.

2023 FEDERAL LEGISLATIVE UPDATE & AGENDA

PRESENTERS: SHANNON KELLEY-FONG, ASSISTANT CITY MANAGER
 JOEL RUBIN, CONTRACT LOBBYIST, CFM ADVOCATES
 DAVID HODGES, CONTRACT LOBBYIST, CFM ADVOCATES

ACTION: INFORMATION ONLY

Shannon Kelley-Fong, Assistant City Manager, and Joel Rubin and David Hodges with CFM Advocates, presented on the Federal Legislative Agenda for 2023.

2021 Success

- Veterans Hub
- MakerSpace Equipment
- American Rescue Plan
- Bipartisan Infrastructure Law

2022 Success

- MakerSpace Expansion
- Safe Streets for All Planning Grant

Draft 2023 Federal Agenda:

- College Street Corridor Safety Improvement Project (request \$18M)
- Emergency Operations Center Project (request \$1M)
- Septic-to-Sewer Conversion Program (request \$1M)
- FUTURE: Lacey Museum and Cultural Center in Depot District
- FUTURE: Early Child and Youth Learning Center

Policy Items:

- I-5 Corridor
- Support for Puget Sound SOS Act
- Support Build America, Buy America
- Support National Housing and Homeless Strategy
- Support Defense Community Infrastructure Program
- Support for Community Programs (e.g., CDBG and COPS)

A review of the Inflation Reduction Act was presented with the following highlights:

Grants

- Climate pollution = reduction grant program \$5B
- Neighborhood access and equity grant program \$1.9B
- Clean heavy-duty vehicle grant program \$1B
- Environmental justice block grant \$3B
- Building energy code adoption and implementation \$1.5B

Tax Credits, Rebates and Other Provisions:

- Commercial Clean Vehicle Tax Credit
- Alternative Fuel Vehicle Refueling Property Tax Credit
- High-Efficiency Electric Home Rebate Program
- Low Carbon Transportation Materials
- Greenhouse Gas Reduction Fund

2023 STATE LEGISLATIVE UPDATE & AGENDA

PRESENTERS: SHANNON KELLEY-FONG, ASSISTANT CITY MANAGER

BRIAN ENSLOW, CONTRACT LOBBYIST, ARBUTUS CONSULTING

ACTION: INFORMATION ONLY

Shannon Kelley-Fong, Assistant City Manager, and Brian Enslow, with Arbutus Consulting, presented updates on the 2023 State Legislative Agenda and noted the following significant policy emphasis expectations:

Housing Affordability and Supply

- Zoning/Preemption
- Additional REET Authority
- Condo Reform

Climate

- Continued emphasis on electrification of fleets including medium and heavy duty, bans on two-stroke engines, etc.

Public Safety

- Pursuits
- Blake Legislation
- Increase in crime rate

The 2023 Draft Legislative Agenda included:

- Accessibility Improvements at Greg Cuoio Park:
 - o City requests \$500,000 to help fund the ADA path and inclusive playground at the new Greg Cuoio Park. Development is underway and scheduled to open to the public in 2024.
- Emergency Operations Center:
 - o City requests \$500,000 to develop EOC to better serve the community.
- Oppose Commercial Airport Siting:
 - o Oppose airport expansion considerations in Thurston County. An airport in Thurston county would endanger environmentally sensitive areas.
- Long-term Funding to Support Rights of Way Initiative Housing Acquisitions:
 - o The City requests the State consider sustainable operating funding sources for the continued success of Rights of Way funded initiatives and other similar projects across the state.

- Continue Focus on the I-5 Corridor between Mounts Road and Tumwater
 - o The City remains committed to long-term solutions along this corridor which is essential to the state's environmental, commerce, and transportation priorities, as well Joint Base Lewis-McChord's mission readiness.
- Address Law Enforcement Vehicle Pursuits
 - o The City requests the State Legislature clarify the ability for law enforcement to conduct vehicle pursuits using a reasonable-suspicion standard in specific situations.

The purpose of the discussion is to establish an agreed-upon set of broad policies allowing representatives to respond efficiently in order to be more influential in a diverse and fast-paced legislative session.

Upcoming Dates:

- December 1 and 2: House and Senate Committee Assembly Days
- TBD: Lacey Legislative Delegation Meeting
- January 19, 2023: First Day of Session
- February 15 and 16: AWC City Action Days
- April 24, 2023: Last Day of Session

RIGHT-OF-WAY INITIATIVE AND HOTEL ACQUISITION UPDATE

STAFF: RICK WALK, COMMUNITY & ECONOMIC DEVELOPMENT DIRECTOR
 ACTION: INFORMATION ONLY

Rick Walk, Community & Economic Development Director, provided a briefing on the Right-of-Way (ROW) Initiative and Hotel Acquisition.

The project first began with a Memorandum of Understanding (MOU) with the State to try and create resources for individuals within I-5 ROWs. The MOU also committed the State for resources and required additional MOUs would be needed for project specific actions.

The State, Thurston County, and the City of Lacey have identified the acquisition and conversion of a hotel into an enhanced shelter and eventually permanent supportive housing to address homelessness within the Interstate 5 rights-of-way in Thurston County. An additional MOU will be brought to Council for review and action at the December 1, 2022, Council meeting.

The MOU is related to acquisition of an identified hotel, located at 8200 Quinault Drive NE. The hotel currently hosts 124-rooms on 2.2 acres. Staff advised the conversion of the hotel would create approximately 100 beds that would significantly add to the Thurston Region bed capacity and services to address homelessness in the County. Per the existing State of Washington Rights-of-Way Initiative MOU, the hotel acquisition requires an MOU between the State, Thurston County, and the City of Lacey to outline the commitments and expectations between the three partners.

The MOU builds on the previously approved State Right-of-Way Initiative MOU by specifying goals, objectives, commitments and expectations for the acquisition, remodel, operation of an enhance shelter, and ultimate conversion into permanent supportive housing.

The MOU also specifies that the partners will work in a collaborative fashion to achieve the short-term goal of entering into a contract between Department of Commerce and the Low-Income Housing Institute (LIHI) to acquire the property for use as emergency enhanced shelter, standing up operations in an expedited time frame, and transition the property to permanent supportive housing.

Once executed, the MOU will initiate the contract between the Department of Commerce and LIHI to transfer funds to acquire the property and begin renovation. At this time, the closing for acquisition is planned to occur in January of 2023. Thurston County and the City of Lacey will coordinate the two-year operations contract between Thurston County and LIHI to specify the terms for operations and management using \$2 million in pass-through funds provided by Department of Commerce.

The four partners will form the Operations Council consisting of staff representation from the City of Lacey, Thurston County, Department of Commerce and LIHI to track progress, monitor the facility, address any issues and take any necessary corrective actions.

Regarding the plans for acquisition, the City of Lacey and Thurston County have been coordinating press releases, informational flyers and have scheduled a public forum on November 16, 2022, to answer questions from the community.

As part of the operations contract, LIHI will form a "Community Advisory Group." The Community Advisory Group will consist of adjacent property and business owners, community members, service providers who are willing to participate along with staff from LIHI, the City of Lacey and Thurston County. The purpose of the community advisory group is to meet regularly to provide information on operations,

address off-site issues resulting from the facility, and create an on-going good neighbor relationship.

Staff will formally present the MOU relating to acquisition, rehabilitation, and operation of the identified hotel to Council at the December 1, 2022, Council meeting.