… the best of the best of the Northwest.

WALLA WALLA CITY COUNCIL
Work Session Agenda
September 12, 2016 - 4:00 p.m.

Mission: We provide municipal services and programs essential to a desirable community in which to live, work and play.

1. CALL TO ORDER

2. ACTIVE AGENDA

A. **45 Min.** Vacation Rental Discussion. Presentation by Development Services Director Elizabeth Chamberlain

B. **30 Min.** Capital Facilities Plan, Part 2: Police, Fire, Library, Parks, Facilities, Fleet

C. **15 Min.** Review of complete streets policy. Presentation by Public Works Director Ki Bealey.

D. **15 Min.** Finalize List of 2017 Legislative Priorities. Presentation by Deputy City Manager Troy Bell.

3. OTHER BUSINESS

4. ADJOURNMENT

Values:
Customer Focus/Service
Excellence
Stewardship
Communication
Leadership
Integrity

ar-2210 **45 Min.**

City Council - Work Session

Meeting Date: 09/12/2016

Item Title: Short Term Rental Discussion

Submitted For: Elizabeth Chamberlain, Development Services Department

Add'l Contributors:

Project No: **Funding/BARS No.:**

Financial Comments:
N/A at this stage in the discussion. Depending on how the draft regulations develop, there could be a financial impact.

Information

HISTORY:

At the June 27, 2016 City Council Workshop, staff presented an overview of the short term rental industry and how other jurisdictions, both within Washington State and elsewhere, have addressed short term rental regulations within their communities.

A summary of the June 27, 2016 workshop:

- Support developing regulations for short term rentals (STRs) to have a level playing field
- Support tiered approach for owner occupied and non-owner occupied
- Utilize a business license process for STRs
- Support an application fee that covers city costs, annual inspection, high infraction fee

Questions raised by Council at the June 27, 2016 workshop:

- Do investments in short term rentals impact housing affordability?
- Are STRs owned by corporations?

POLICY ISSUES:

In researching what studies have been done surrounding affordability and STRs, included in your packet are reports from the City of Oakland and Sonoma County. At this point the research conducted for Walla Walla has been completed at the staff level and what can be found online. To obtain a more exact listing of STRs within Walla Walla the City would need to explore having a study conducted similar to those attached. In the Sonoma County report, the authors note that the STR trend has led investors to purchase single family residences expressly for STRs and form LLCs to hold the properties. In accessing the available STRs on AirBNB for example and cross referencing with assessor data as best as we could, staff did not come across STRs owned by LLCs.

A look at STRs in comparison to total housing units within Walla Walla:

- Office of Financial Management (based on building permit data the City provides) estimates 13,295 total housing units within the City. Using the estimate of 107-133 STRs within the city limits of Walla Walla, approximately .8% to 1% of our housing stock is within a STR status.

- While STRs potentially take some housing out of the long-term rental or for sale market, given only 1% or less of the City's housing units are within a STR status it is staff's opinion that other factors are contributing to the affordable housing issue facing Walla Walla. One of the required elements of the comprehensive plan is a housing element and staff recommends we explore affordable housing policies and potential zoning changes through that effort to begin addressing affordable housing.

Staff Recommendation
Begin drafting regulations and start working through the Planning Commission process. To recap the direction staff recommends as a starting point the following:

- Not prohibit STRs within the city
- Implement a STR permit and/or business license that would be annually renewed, include an annual inspection, and verification payment of lodging taxes.
- Require/verify two off-street parking spaces are available on the property; the municipal code requires two off-street parking spaces for single family homes.
- A two tiered system for owner occupied versus non-owner occupied.
- If the owner does not live within a certain mile radius of the STR (say 25 miles) then a local contact must be provided that can respond 24/7 to neighborhood complaints.

PLAN COMPLIANCE:

STRATEGIC PLAN:

COMPREHENSIVE PLAN:

ALTERNATIVES:

The City Council could consider not moving forward with Short Term Rental regulations.

Attachments

Impact of Short Term Rentals on Affordable Housing in Oakland
Impact of Vacation Rentals on Affordable and Workforce Housing in Sonoma County

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THE IMPACT OF SHORT TERM RENTALS ON AFFORDABLE HOUSING IN OAKLAND: A REPORT AND RECOMMENDATIONS

PREPARED BY **DESSI MIA CARBAJAL**
FOR **COMMUNITY ECONOMICS, INC**
AND **EAST BAY HOUSING ORGANIZATIONS**
DECEMBER 2015

Community Economics
a nonprofit corporation

East Bay Housing Organizations
EBHO

REPORT RECOMMENDATIONS

1. The City should collect the full 14% Transient Occupancy Tax (TOT) from short-term rental businesses in Oakland with a requirement for full disclosure of all rental transactions.

2. The City should allocate 11% of TOT collected to the City's Affordable Housing Trust Fund.

3. The City should enforce existing regulations on short-term rentals such as licensing and business registration, as well as compliance with local zoning laws.

4. City Council should support SB593 (Sen. McGuire) requiring short term rental companies to make regular reports to cities and counties about which homes in each jurisdiction are renting rooms, for how many nights and how much money the homeowners are collecting from short-term rentals.

5. The City should study and consider further regulations, such as limiting the number of nights per year an entire unit may be rented.

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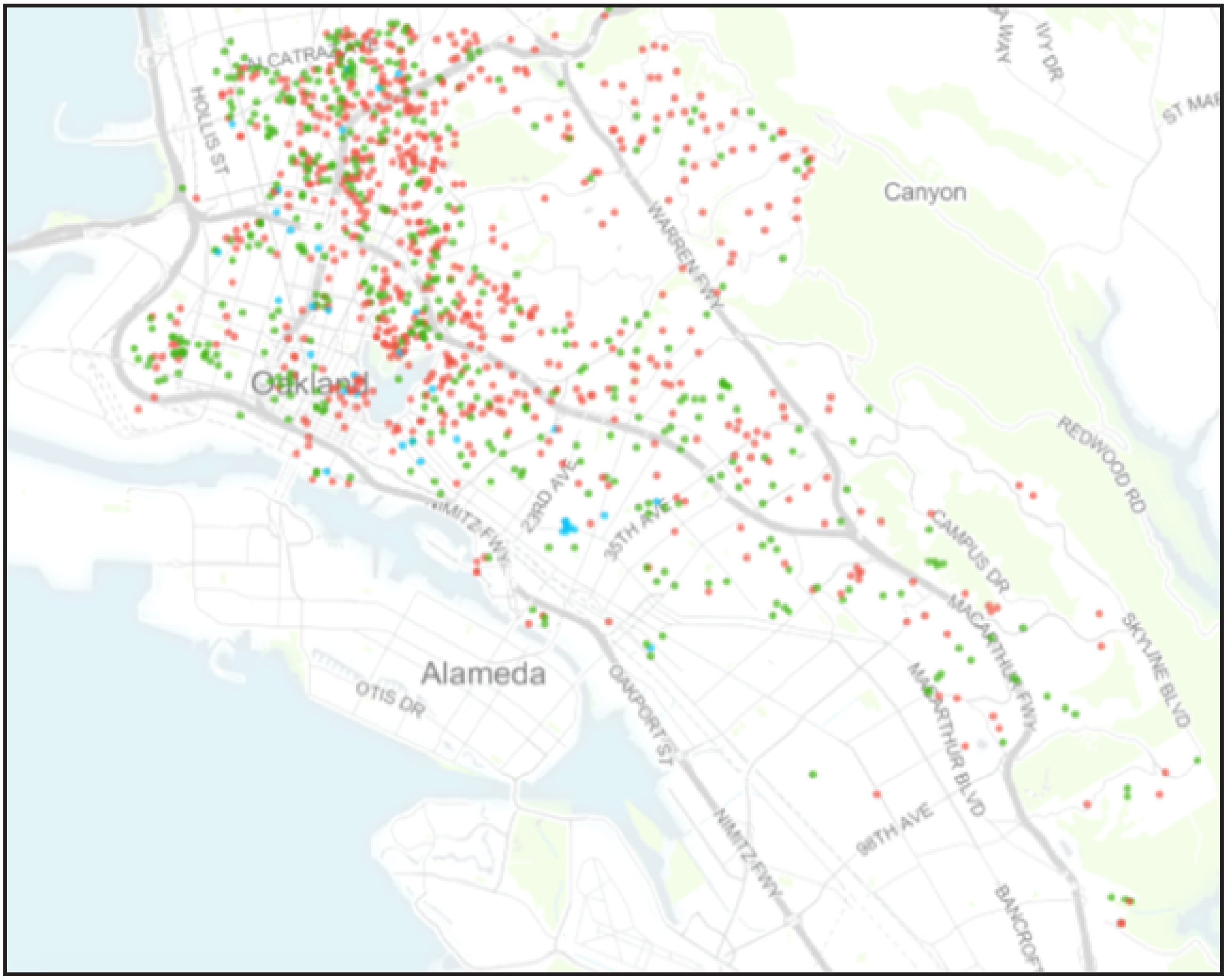
About Community Economics:

Community Economics (CEI) provides non-profit organizations and public agencies with expert technical assistance in the financing and development of affordable housing. Through that technical assistance and through involvement with local, state, and national housing policy issues, CEI has been at the forefront of the affordable housing movement, developing creative solutions and resources to meet the housing needs of low income households.

About East Bay Housing Organizations:

East Bay Housing Organizations (EBHO) is a non-profit membership organization dedicated to working with communities in Alameda and Contra Costa counties to preserve, protect and expand affordable housing opportunities for the lowest income communities through education, advocacy, organizing, and coalition building. Founded in 1984, EBHO is the leading voice for affordable housing in the East Bay.

We would like to thank **Frances Kwong** of **HKIT Architects** for donating graphic layout services.



Snapshot of Oakland Airbnb Listings from InsideAirbnb. Dots marking Entire Homes are in red, Private Rooms in green and Shared Rooms in light blue. (*Source: Webscrape of Airbnb website prepared by Murray Cox, June 2015)*

Background and Introduction

Short term rentals in the San Francisco Bay Area are generating major controversy because of their impact on the regional housing crisis. Led by Airbnb, by far the largest of the group, these online rental companies have burst onto the scene with thousands of listings throughout the Bay Area. Concerned that these tourist accommodations conflict with local ordinances and decrease housing availability, several local communities including San Francisco and Berkeley are considering how to regulate this rapidly growing market. Efforts to limit the number of nights a unit is available on the short term rental market, and to collect Transient Occupancy Tax have been hampered by Airbnb's refusal to disclose information about their hosts and occupancy rates.

Oakland is experiencing a rapidly growing demand for housing and space to accommodate newcomers and visitors alike. At this year's Oakland Annual Tourism Breakfast, Visit Oakland President & CEO, Alison Best, noted that Oakland's hospitality industry surpassed national averages in lodging benchmarks, including a 79% overall hotel occupancy, compared to the nation's 62% occupancy rate.[1] Short term rental companies like Airbnb and its competitors VRBO, Flipkey, and HomeAway have created a business model that relies on incentivizing landlords and tenants to transform residential units into tourist accommodations. A leader among so-called sharing economy enterprises, Airbnb connects residents looking to enter the short term rental market to tourists around the globe via their website. The essence of the company is best summed up in the following passage from a comprehensive report produced earlier this year by Los Angeles Alliance for a New Economy (LAANE):

> *"Airbnb sells itself as a platform akin to a community bulletin board. However, unlike most community bulletin boards, the company takes a percentage out of every transaction, has centralized control over all listings, and maintains a global scope of operations. In other words, Airbnb is a hotel company. It may be deregulated and decentralized, embedded within countless apartment buildings, bungalow courts and leafy suburban streets, but the company's primary function is to make a profit accommodating guests."*[2]

Airbnb's sky-high valuations have placed the company among the ranks of hospitality industry giants, with a market value of $25.5 billion and rising[3], outcompeting hotel industry giants like the Hyatt ($8.4 billion) and Wyndham ($9.3 billion)[4]. The company profits by charging hosts a three percent commission on each booking and charging travelers a fee of between six and twelve percent, adding up to a total yield of anywhere between nine and fifteen percent for every rental.[5]

Airbnb has made major inroads in Oakland in the past two to three years. This report analyzes its activity and impact on the scarce supply of affordable rental housing in the City. This report relies primarily on an in-depth website called Inside Airbnb, designed and maintained by an independent analyst named Murray Cox. The data-rich resource has become the go-to site for Airbnb facts and analysis. Cox includes details on Airbnb hosts, prices, listing locations, and listing types. These data sets provide valuable insight about the Airbnb landscape in the City of Oakland. This report focuses on Airbnb because of its predominance in the short term rental market. Of course, their competitors also contribute to the impact. Therefore all recommendations in the report refer to the short term rental industry as a whole.

An Airbnb snapshot on June 22, 2015 identified 1,155 Airbnb listings for rent in Oakland, with several significant attributes:

1. **The majority of these listings (57%) are entire homes,** as opposed to "private rooms" and "shared room" listings that make up an almost negligible portion of the market. This proportion is similar to San Francisco, Los Angeles, and other major markets for which data are available, disproving the Airbnb claim that their "hosts" are mostly just people occasionally renting out a spare room to help pay their mortgage costs.[6]

2. **On average, Oakland Airbnb units are available 237 nights out of the year.** Such high availability implies that these units probably do not have the owner present, could be violating local zoning ordinances prohibiting short term rentals in certain areas - and more importantly, are removing rental-housing stock in an extremely tight market.

3. **The majority of Airbnb listings are located in neighborhoods in North Oakland,** which seem not coincidentally to be communities with high and rapidly increasing rents. The concentration of entire homes

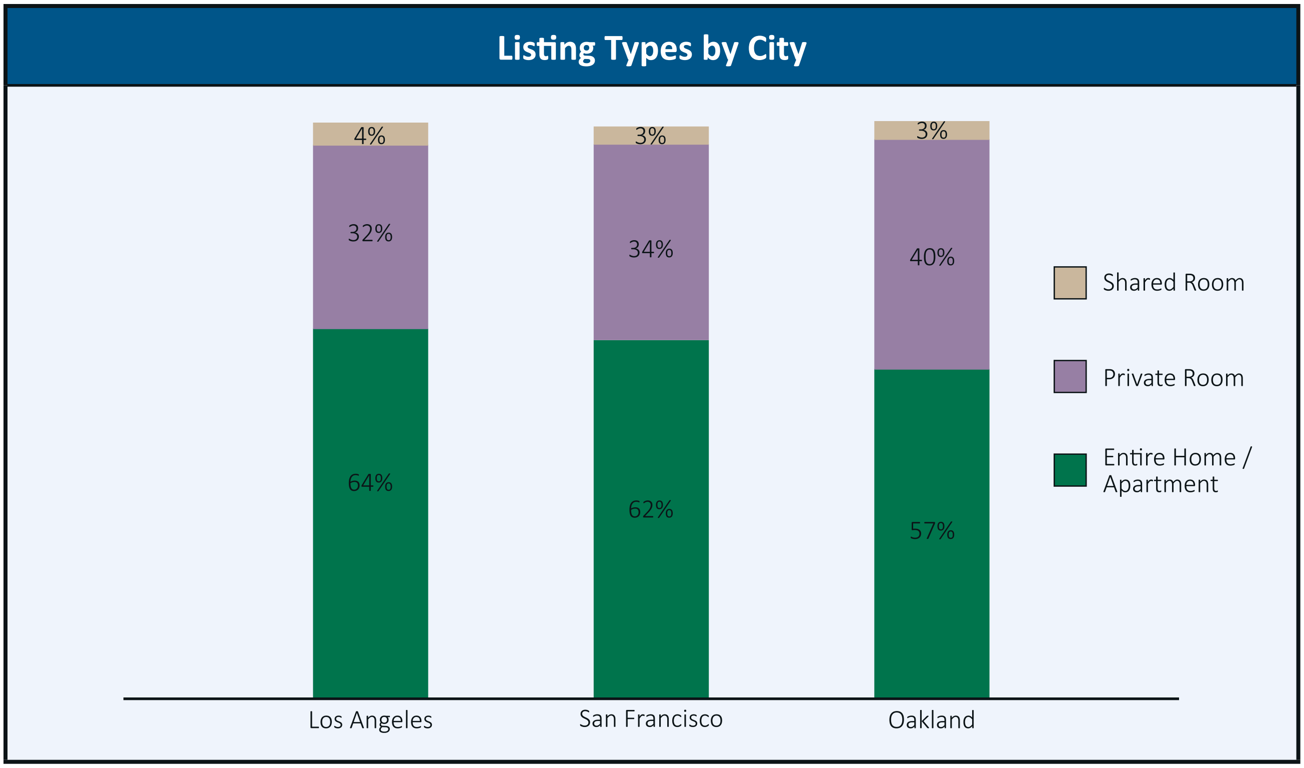


Figure 1: Distribution of Airbnb Listings that are Entire Homes, Private Rooms or Shared Rooms by City

available for short term rental through Airbnb in neighborhoods with high median rents and high-income earners questions the validity of Airbnb's claim to help people afford rent or mortgage. By removing rental housing supply in these already tight markets, Airbnb could very well be contributing to rising housing costs in impacted neighborhoods.

Based on the methodology in the following section, we conclude from the Inside Airbnb dataset and our own analysis that the Airbnb Oakland market has generated revenues of somewhere between $4.9 million and $35 million between the time they came on the scene in July 2009 and July 2015. This doesn't count the revenues from other short term rental companies like VRBO. Further, given that renters were leaving reviews in June 2015 at least three times the rate as the previous year, it can be concluded that Airbnb is generating more revenue than ever before from its Oakland market (Figure 2).

The City of Oakland collects a 14% Transient Occupancy Tax (TOT) from every person (transient) occupying any hotel/motel less than thirty (30) consecutive days.[7] Oakland's voter-approved Measure C in 2009 allocated 3% of TOT income to cultural arts programs, leaving 11% for the general fund. Airbnb and other short term rental businesses providing the same service as hotels have not been subject to this TOT. Based on the revenue estimates above, Oakland lost a potential for several million dollars in TOT up to July of 2015 by not assessing the tax on these short term rental businesses.

We understand from the City of Oakland's 2015-2017 proposed budget and from Airbnb's website that Oakland's City Administrator executed a contract with Airbnb that took effect July 1, 2015. Despite a public records request as well as requests from multiple Councilmembers, we have not been able to review that contract. We know that Airbnb is now collecting 14% TOT from their "guests" on every transaction in Oakland. From the analysis in this report, we believe their current level of business should yield between $688,000 and $2.32 million in TOT annually. The Oakland budget shows only $500,000/year in the 2-year budget cycle. Working with incomplete information, we are concerned the contract does not require full payment of the TOT or full disclosure of all rental transactions.

This report demonstrates the clear nexus between private short term rentals and the limited and shrinking supply of housing stock in Oakland. We cannot afford to continue to lose both housing stock and tax revenues that could help the City address the current housing crisis.

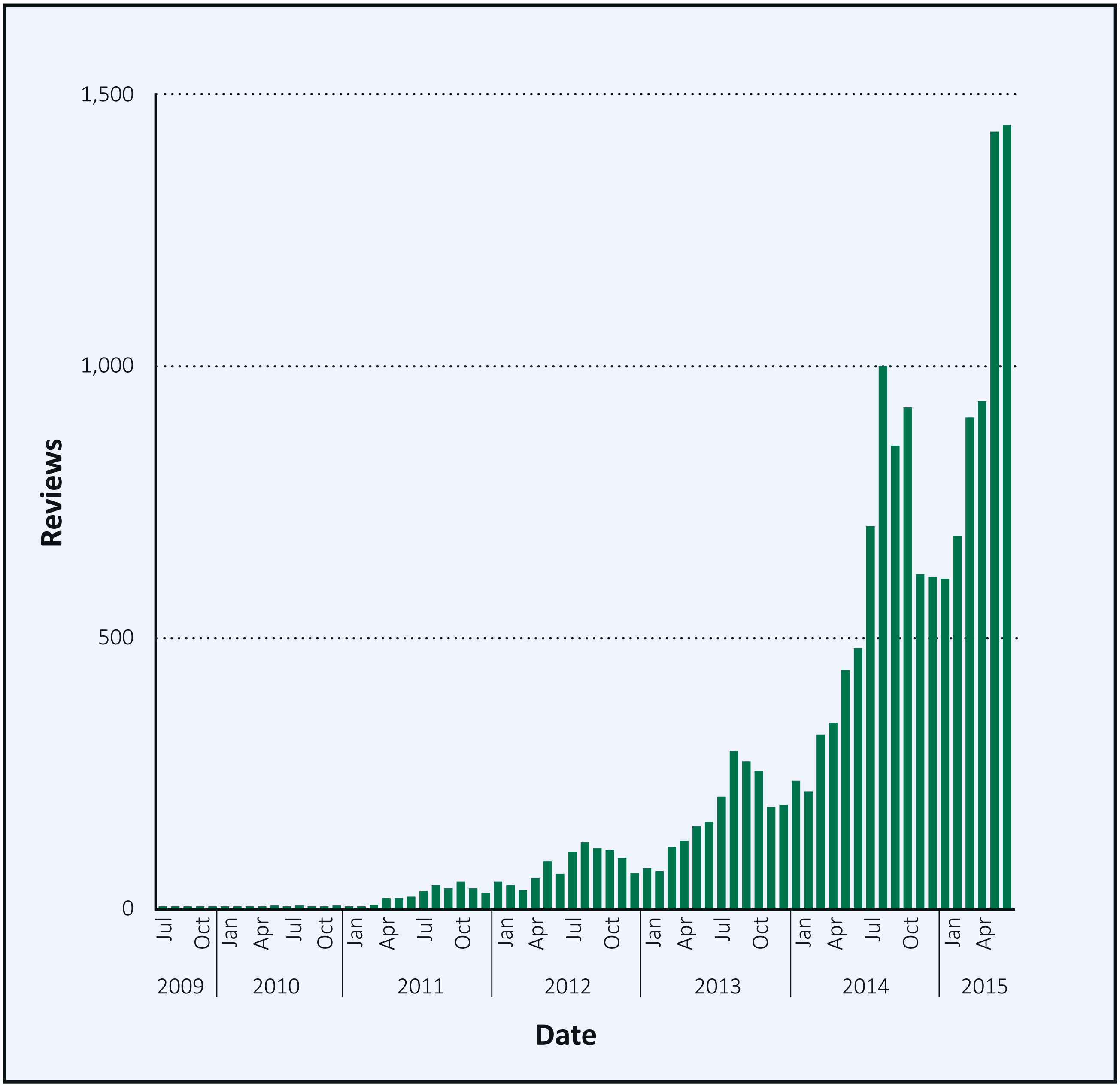


Figure 2: Monthly Airbnb Online Reviews from July 2009 through June 2015. (Note: Reviews do not equal total bookings, as not all renters leave reviews.)

Data and Terminology

Previous research indicates that while Airbnb's marketing strategy presents the company as a champion of home sharing by focusing on private and shared room listings, the reality is that the company's marketplace is dominated by entire home/apartment listings. Without regulations, this raises the stakes for the conversion of entire residential homes into private hotels. The difference between entire homes and the other two listing types that make up Airbnb's business model are as follows:

1. **Entire home/apartment units (or "whole units"):** An entire home rental, in which the host is not present during the guest's stay.

2. **Private rooms:** An accommodation within the host's home with the expectation of some degree of privacy. Host lives in and is present in the dwelling during the guest's stay. The guest is essentially a short-term housemate.

3. **Shared room:** Guest and host occupy the same living space, with little expectation of privacy.

Inside Airbnb compiles data from short term rentals in cities around the world to examine how Airbnb impacts local housing markets. "Web scraping" is a term used for various data extraction methods that use software to collect information from a website. Murray Cox, creator of Inside Airbnb, has performed web scrapes on Airbnb markets in over twenty cities around the world, including ten in the United States. Data from the Oakland web-scrape was compiled on June 22, 2015.

Cox uses "high availability" and "frequently rented" metrics to assess the impact of Airbnb on residential housing. These metrics are defined as follows:

1. **Highly available listings are available for short term rental on Airbnb more than 60 days per year.** This is determined by a host's calendar, which shows what days or weeks their listing is available.

2. **Frequently rented listings have estimated booking nights of more than 60 nights per year.** To determine a listing's estimated booking nights, Inside Airbnb converts online reviews to estimated rentals.[8] The length of stay is the determined by multiplying the amount of estimated rentals by the minimum required stay for a given listing.[9] For example, if Joe's "Cute cottage in Rockridge" has 22 guest reviews, Inside Airbnb assumes Joe's listing has been booked 22 times. To account for rentals without a review, Inside Airbnb increases estimated bookings by 50%, or in this case, to 33 estimated bookings. If Joe requires a minimum 3-night stay per booking, it can be assumed that at this listing has been occupied 99 nights out of the year (33 estimated bookings x 3 –night minimum required stay). Assuming the reviews are legitimate, this methodology represents a realistic value for a listing's number of nights of occupancy.[10]

Methodology

This report uses data from listings that have been filtered to meet the availability and rental rated metrics to inform Airbnb's impact on Oakland and to generate revenue estimations from Airbnb's market. Table 1 illustrates the three factors (number of units, estimated booking nights, and average price) used to calculate revenue generated by Airbnb between July 2014 and July 2015.

Frequently Rented Listings

There are 577 Oakland listings that meet Inside Airbnb's classification as frequently rented (estimated booking nights > 60 nights per year) and recently reviewed (reviewed in the last 6 months[11]). This selection is also reflected on Inside Airbnb's interactive online display of the Airbnb market within the City of Oakland. The first two columns in Table 1 divide the 1155 total Oakland listings between the 557 that are frequently rented and the 598 that are not. Different estimations are then applied to each category.

Booking Nights per Year

Frequently rented listings are multiplied by the minimum and average booking nights per year in the first two columns, respectively. Since 60 nights/per year is the minimum amount of estimated booking nights required to meet the frequently rented metric, that value was used for the minimum estimate. Meanwhile, the average available nights per year for frequently rented units (247) was converted into estimated booking nights in the second column to illustrate the greatest booking potential for frequently rented listings. For the remaining 598 listings, we

Revenue Generated by Airbnb's Oakland Market			
	Minimum Estimate Adjusted for Frequently Rented Listings	Adjusted for Average Available Nights per Year for Frequently Rented Listings	Maximum Estimate Adjusted for Average Available Nights per Year for All Listings
Number of Listings (1,155 total)	557	557	1,155
Estimated Booking Nights per Year	60	247	237
Average Listing Price	$112	$112	$128
Estimated Revenue for Frequently Rented Listings	$3,743,040	$15,408,848	
Number of Listings Not Frequently Rented (1,155 total)	598	598	
Estimated Booking Nights per Year	20	20	
Average Listing Price	$98	$98	
Estimated Revenue for Listings Not Frequently Rented	$1,172,080	$1,172,080	
Total Estimated Revenue	$4,915,120	$16,580,928	$35,038,080
Total Estimated Revenue Generated by 14% TOT	$668,116	$2,321,329	$4,905,331
Total Estimated Revenue Generated by 11% TOT for Affordable Housing	$540,663	$1,823,902	$3,854,188

Table 1: Revenue Estimates Adjusted for Frequently Rented Listing per Year and Average Available Nights per Year

applied an estimated booking nights rate of 20 in both columns to provide a conservative estimate of their potential earnings.

The final column shows the maximum estimate based on total number of listings and the average available nights per year for all units (237). The overall average availability is just slightly less than the value for frequently rented units. According to the data, the majority of Oakland Airbnb listings (86%) are marked as highly available, which resembles the rate of listings in Los Angeles (85%), New York (82%), and San Francisco (76%).[12] These figures indicate that the majority of Airbnb hosts are looking to maximize bookings by listings their units on Airbnb with a nearly year-round availability.

Oakland's Airbnb Landscape

The analysis from this report reveals a concentration of Airbnb units in the rapidly gentrifying neighborhoods of North Oakland and around Lake Merritt. Airbnb listings in East Oakland are not as prevalent and tend to be a combination of private rooms and entire homes scattered around highland neighborhoods like Upper Dimond, Upper Laurel, Millsmont, and Redwood Heights.

Airbnb's Top Revenue Generating Neighborhoods in Oakland			
Neighborhood	Entire Homes Listed on Airbnb	Total Units Listed on Airbnb	Revenue from Entire Home Listings
Bushrod	41	75	$151,006
Lakeside Neighborhoods (Trestle Glen, Lakeshore and Cleveland Heights)	53	66	$246,116
Rockridge	42	58	$208,680
Temescal	38	51	$152,614
Longfellow	18	42	$65,741
Adam's Point	26	42	$78,099
Shafter	26	35	$259,976
Total Revenue			**$1,162,232**

Table 2: Airbnb's Top Revenue Generating Neighborhoods in Oakland

Meanwhile, the North Oakland census tracts where most of Oakland's Airbnb activity is taking place are some of the City's most desirable neighborhoods.

In neighborhoods like Bushrod, Rockridge, and Adams Point, median household incomes are higher than those in other parts of the city, which is consistent with short term rental trends in other cities. Moreover, entire units in Airbnb's top 10 revenue generating Oakland neighborhoods yield over a third of the total revenue for the City (see Table 2), which shows how Airbnb's profits rely heavily on entire home listings. There are 250 entire residential units, mostly clustered in Oakland's upscale neighborhoods, which show signs of being converted into Airbnb hotels. These units are available for rent 268 days per year, and have been booked 157 estimated nights annually, on average.

Conversions imply that landlords and property owners, in search of greater profits, have opted to operate traditional apartments as short term rentals. In Oakland, where landlords are subject to rent adjustment ordinances, choosing to list a unit on the Airbnb market could mean potentially greater earnings without the hassle of regulations. In neighborhoods like Temescal, nightly short term rental rates are rising alongside the rising median rents, which rose by over 20% from the beginning to the end of 2014.[13]

With average nightly rates of $123 for Airbnb entire home listings in Temescal, a landlord could earn up $3,690 a month at full occupancy, which is 14% higher than the average monthly rent for the area in June 2015.[14] Airbnb entire units in Oakland's highest yielding areas already make up the majority of the listings, and generate a significant portion of the revenue. If these hosts were the "primary residents" of the homes they're listing and are just looking to earn extra money while vacationing, as Airbnb repeatedly claims[15], revenues and availability for these entire home listings should not be so high.

North Oakland Under Seige

Oakland's northern neighborhoods have been disproportionately impacted by private short term rentals. Three separate snapshots of Airbnb listings in Oakland at the neighborhood level reveal that North Oakland has the greatest number of listings for a given month, weekend, and day.[16] According to the data, the presence of entire units is overwhelmingly concentrated in this part of town.

Oakland's Bushrod neighborhood makes up two small census tracts in North Oakland, but has a cluster of 75 units listed on Airbnb with over half being entire homes. Geographically, the area is bound by Woolsey Street on the North, Telegraph Avenue to the East, and MLK Jr. Way to the West. Airbnb data for Oakland show $131 as the average nightly rate for an entire home/apartment in the Bushrod precinct.

It has been observed that in cities including New York and Los Angeles, short term rentals are most prominent in neighborhoods where the average median household income is 20% higher than that of the entire city.[18] In the case of New York City, rapidly gentrifying neighborhoods like ones in the Lower East Side of Manhattan and Williamsburg and Greenpoint in Brooklyn, had the greatest share of private short term rentals in the city.[19] This case closely resembles the Airbnb landscape in Oakland. According to UC Berkeley's Urban Displacement Project, Airbnb's top five revenue generating neighborhoods in Oakland are also in the advanced stages of gentrification,[20] with exception of the Piedmont Avenue tract, which has historically been a moderate to high income area. Short term rental conversions further tighten the supply of housing in these areas, resulting in even greater rent spikes and barring low-income renters from moving into the neighborhoods. Figure 3 shows rent increases in Bushrod over the last four years including a 71% increase in just the last 18 months. Airbnb listings in the area began increasing at a steady rate around April of 2014.

While we do not know the exact relationship between Airbnb density and median rents, it is telling that high Airbnb density overlaps with lower rental vacancy. Rental vacancy rates for the Bushrod, Adams Point, and Temescal census tracts are among the lowest in the city.[21] Just as interesting is the amount of revenue being generated in these North Oakland neighborhoods. Analysis on just entire home listings in Airbnb's highest revenue generating neighborhoods shows that roughly $1.2 million, a third of the total revenue from July 2014 to July 2015, came from 244 entire home accommodations (see Table 2). In order to maintain inclusivity and avoid displacement in neighborhoods with declining vacancy rates, and consequently rising rents, the City of Oakland must ensure that short term rentals do not remove rental units from these markets.

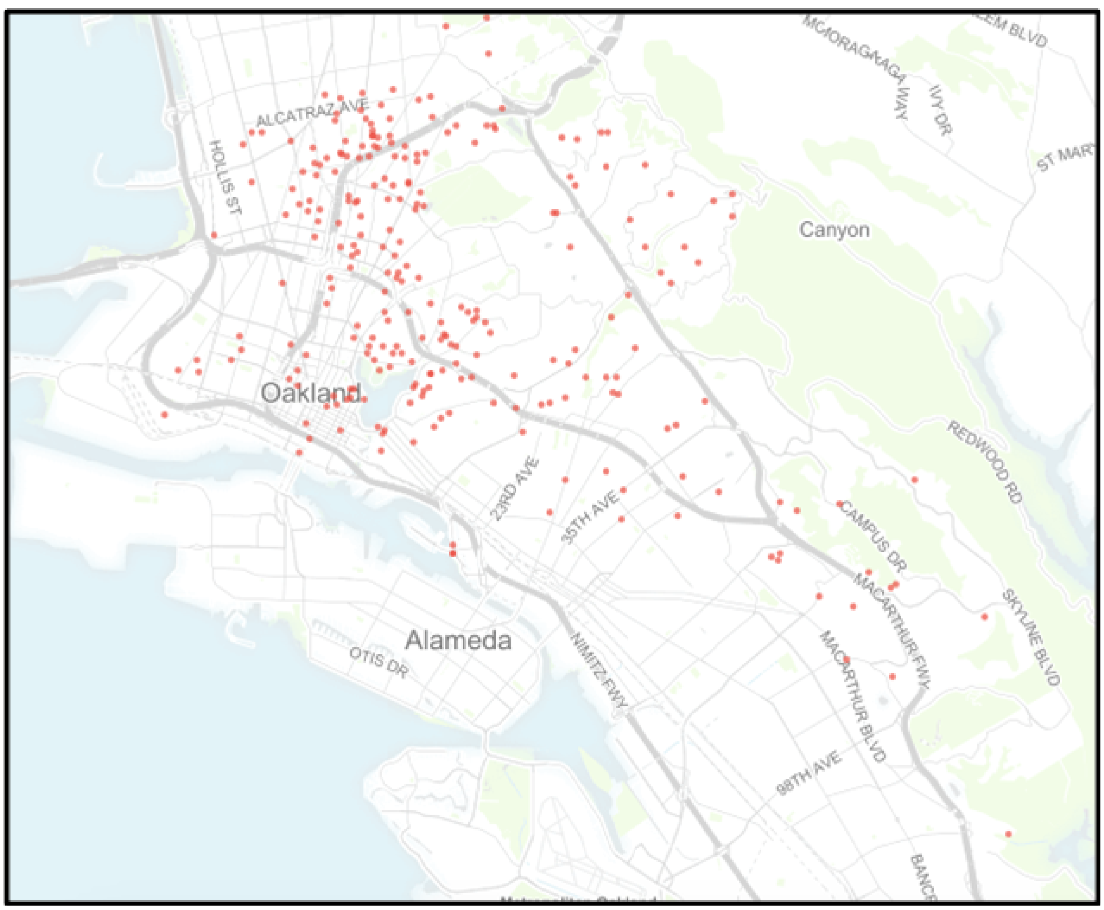


Figure 3: Snapshot of the Concentration of Airbnb Listings in North Oakland meeting Inside Airbnb's "high availability" and "frequently rented" metrics. (*Source: Webscrape of Airbnb website prepared by Murray Cox, June 2015*)

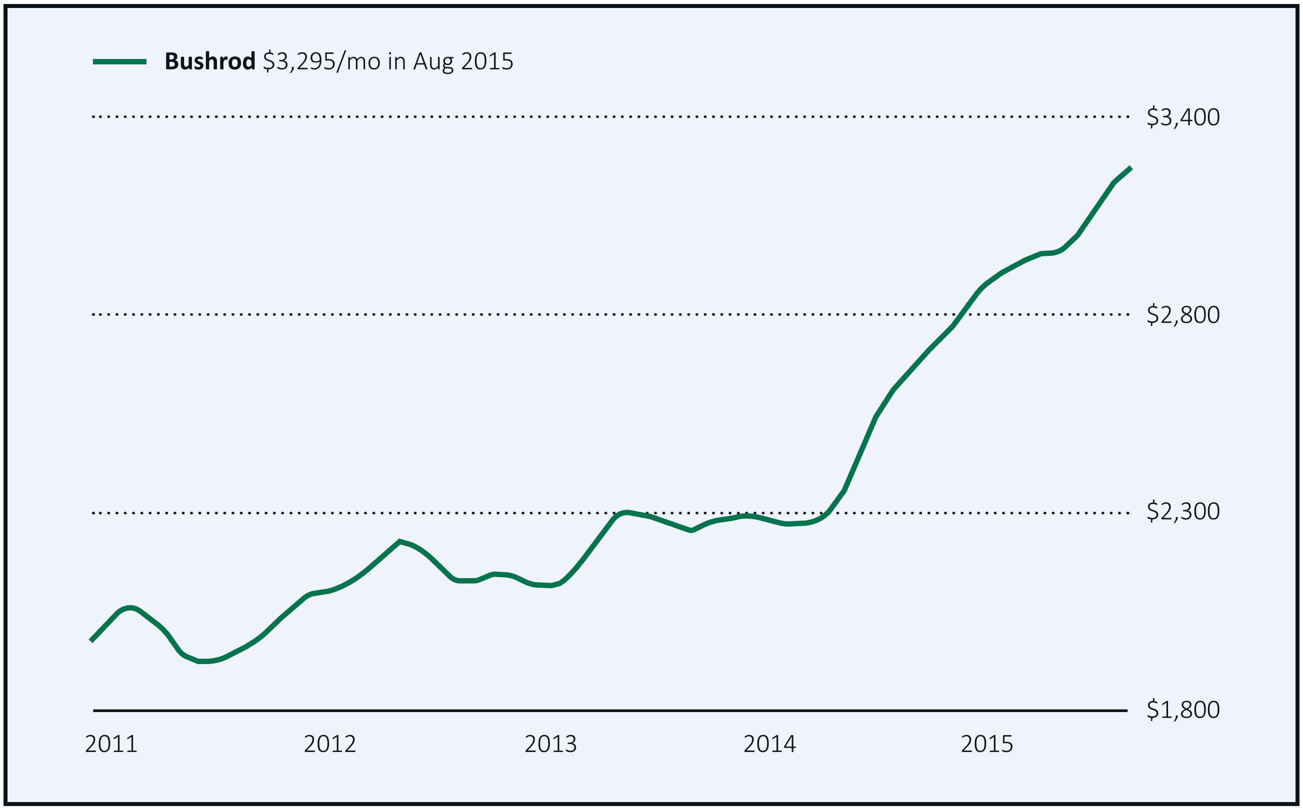


Figure 4: Rent Price Increases for 1Bd/1Ba Units in the Bushrod neighborhood since 2011. (*Source: Zillow*)

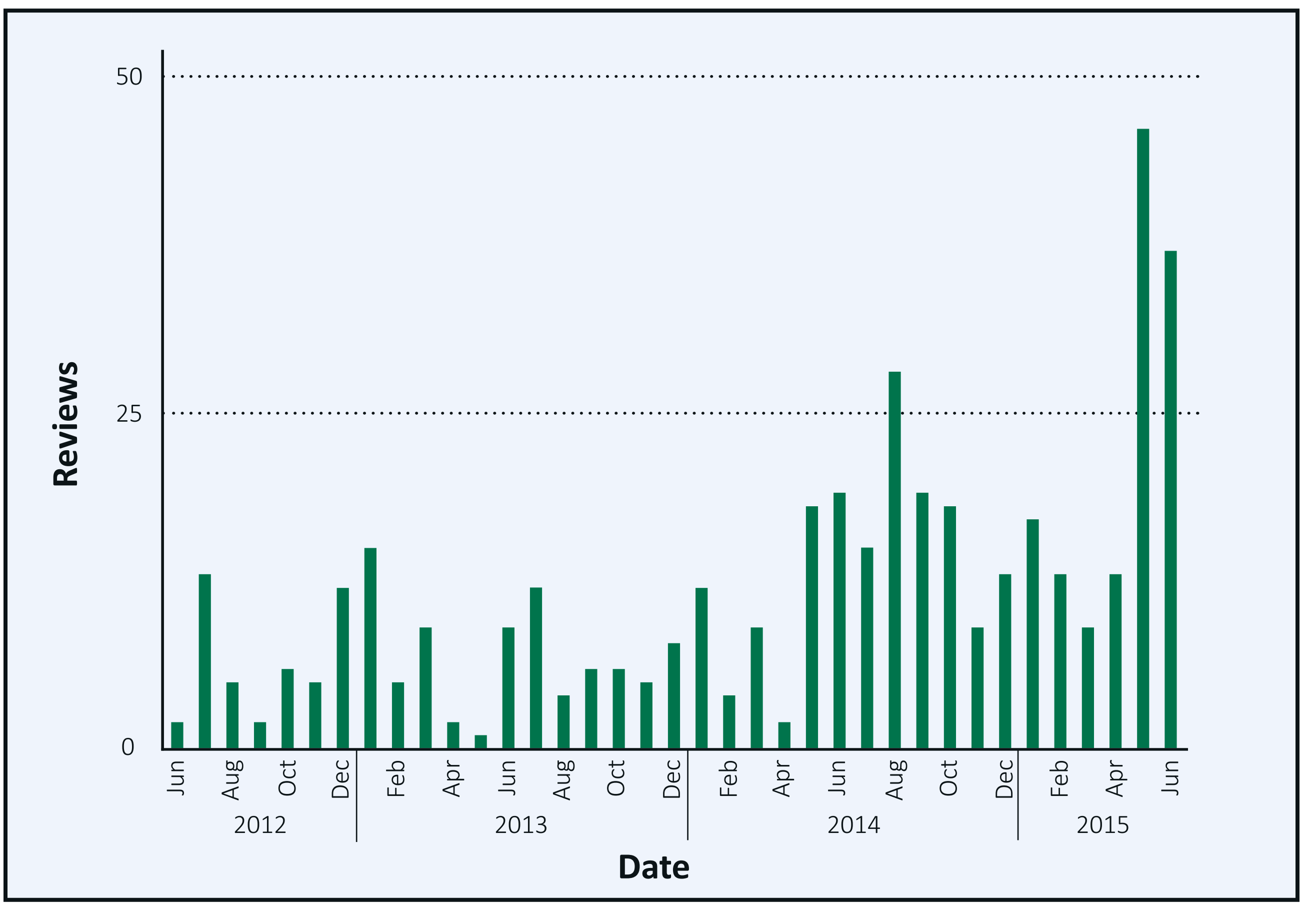


Figure 5: Airbnb Reviews for Entire Home Listings in Bushrod, from June 2012 to June 2015. (*Source: Webscrape of Airbnb website prepared by Murray Cox, June 2015*)

Oakland's Affordability Crisis

Oakland rents have risen dramatically in the last few years, making it the 5th most expensive rental market in the country. The average price for a 1 Bedroom apartment rental has risen to $2160.[22] Oakland's Housing Element states that the City will need to build at least 14,765 new housing units between January 2014 and June 2023 in order to meet its fair share of housing needed in the region based on the Association of Bay Area Governments' calculations of Regional Housing Needs Allocation (RHNA). Forty six percent of the nearly 1,554 units the city would need to build annually to meet its housing production goals in the next nine years should be affordable to very low-, low-, and moderate-income households. However, despite the regional urgency to address the housing crisis, state and federal funding for affordable housing has plummeted over the last several decades. With the dissolution of state Redevelopment funds, the exhaustion of the State's Prop 1C funds, and major cuts to federal funding for affordable housing, there are fewer resources available to meet the growing need. If the City is serious about reaching its housing production requirements, then Oakland needs to get resourceful about generating the critical funds for affordable housing.

The improbability of the City being able to meet its RHNA goals is even greater if housing units are being taken off the market to serve tourists.[23] This is one reason why Airbnb's presence in cities with housing shortages has become so problematic. Airbnb' creates "a platform that allows landlords to pit tourist dollars against renter dollars."[24] Cities are left to find ways to regulate the short term rental market to protect the shrinking supply of housing and raise revenues to invest in the development of new affordable housing.

Current Laws for Hotels and Homeowners

In Oakland, as in other cities, TOT requires that every person (transient) occupying any hotel/motel for any duration of time up to 30 consecutive days pay the tax to the operator at the time the rent for occupancy is paid. The rate is 14% of the rent charged. Hotel/motel operators are responsible for collecting and remitting TOT to the City's Tax Administrator's office and reporting rates and occupancy levels.

The City of Oakland's Planning Code restricts short term rentals and other transient habitation commercial activities to seven days.[25] Lodgings greater than seven days are subject to a different of regulations. However, the City of Oakland does not actively monitor transient habitation commercial activities to ensure that rent-controlled properties are not transformed into permanent short term rentals. While the City does have zoning regulations that restrict hotel/motels from operating in certain residential areas, it is not clear if the City has been monitoring violations of this provision.

Before legitimately entering the short-term rental market, a rental property owner would have to go through several steps in order to obtain a business license from the City of Oakland. They would need to pay a $61 registration fee with a business license application. The host would then be responsible for paying an annual tax ($1.80 per $1,000 for Hotel/Motel businesses) to the City based on the gross earnings in addition to the TOT mentioned above.

According to the City's Finance Department's website, a potential host would first need to obtain a zoning clearance from the Zoning Division, in order to verify that operating a short term rental is legal for a specified area. Scott Miller, Zoning Manager, noted that the City of Oakland's Planning Code prohibits short term rentals and other transient habitation commercial activities of fewer than seven days in most residential zones.[26] Lodgings greater than seven days are subject to different regulations. However, the City does not actively monitor transient habitation commercial activities to ensure that properties are not transformed into permanent short term rentals.

How Other Cities are Addressing the Impacts of Short Term Rentals

Cities are tackling the explosion of the short term rental industry in a couple of ways. Some, like San Francisco, are trying to regulate the market with restrictions on how many nights a unit can be rented, requiring a host to be present, and other restrictions. Los Angeles, San Jose, Santa Monica, and several others are securing revenues generated by Transient Occupancy Tax. A couple of those cities – Los Angeles and Portland – are citing the nexus between the short term rental businesses and the housing affordability crisis in efforts to designate TOT revenues collected to their affordable housing funds.

Airbnb is using its financial and political muscle to fight all efforts at regulation. We just watched its $8 million success in San Francisco where lobbyists defeated Proposition F's 75 nights per year rental limits and requirements for regular revenue reporting. Airbnb has been particularly adamant about not disclosing the information required of all hotels about actual occupancy rates, addresses, hosts and revenues. The company insists that it is not subject to TOT and should not be treated as are all other businesses providing transient accommodation. In some cases, they execute contracts with cities that call for payments based on their estimates of TOT, rather than paying the actual TOT. The LAANE report describes how Airbnb uses these contracts as a way to legitimate their business model and their argument that they are not subject to the laws and payments required of hotels. As the LAANE report notes,

> *"Municipalities have explored a range of regulatory options to address the proliferation of illegal hotels in residential neighborhoods. Consequently every municipality represents a proving ground for Airbnb. Each time a city normalizes the company's activities, Airbnb becomes a more stable, secure investment."*[27]

The Airbnb website lists approximately 20 cities, counties, and states around the world where it is collecting some form of TOT from its guests. Missing from this list is the key information about how much of that TOT is actually being remitted to the municipality. As we have shown above, we believe 14% of Airbnb annual revenues in Oakland is somewhere between $1 million and $2 million. If in fact the undisclosed Oakland contract is like the ones described in the LAANE report, with Airbnb paying a TOT-alternative payment rather than the actual TOT per short term rental, then Oakland is losing $500,000 to $1.5 million per year.

The lack of a requirement for short term rental companies to disclose their occupancy information makes it nearly impossible to enforce regulations. Cities that are experimenting with restrictions on numbers of nights a unit can be rented or proof that hosts are present are finding that the costs of attempted enforcement are higher than whatever they are collecting in payments under their contracts.

Airbnb has a huge stake in maintaining the anonymity of its hosts and listing locations. By not sharing information with municipalities, Airbnb is able to bypass any real enforcement to verify the amount of taxes it is remitting, compliance with local health and safety standards, and whether or not hosts are adhering to limits on nightly rentals already in place. Even before the ballot initiative, San Francisco lawmakers were calling the existing law[28] "unenforceable," claiming that it has no teeth because the city's Planning Commission simply did not have a method to determine if hosts were present or not present.[29]

Los Angeles, California

The City of Los Angeles has one of the largest Airbnb markets in the world, with over an estimated 11,400 Airbnb listings in 2014. Los Angeles is also experiencing a tremendous housing crisis and cannot afford to lose units. The City's most recent analysis indicates the need for 5,300 new units/year in order to keep up with demand. In his 2015 State of the City address, Mayor Eric Garcetti committed to negotiating a TOT contract with Airbnb and injecting $5 million from those revenues into the City's Affordable Housing Trust Fund.[30] The Los Angeles City Council approved the $5 million allocation for the Affordable Housing Trust Fund, for the 2015-16 Fiscal Year.[31] However, the Council stalled this summer on finalizing the contract with Airbnb as they explore regulatory options, so the disbursement of the housing funds is pending the final contract.

Portland, Oregon

Portland was one of the first cities to negotiate an agreement with Airbnb, creating a special "Accessory Short Term Rental" category in its planning code just to accommodate Airbnb rentals. However, Airbnb and its hosts have not complied with the regulations the company itself promoted, and as has become the norm, the company's refusal to disclose basic information about host addresses and occupancy has stymied Portland's efforts to enforce its regulations.[32] In 2014, City Council approved a TOT agreement with Airbnb and had preliminary discussions about allocating funds to affordable housing.[33] Two City Commissioners plan to present the measure this winter to allocate their full 6% TOT collected to affordable housing.[34] In light of a recent mayoral declaration of a state of emergency for housing and homelessness, City Commissioners are confident the measure will pass.

California State Legislation

A pending bill would provide significant assistance to local governments in California in their efforts to regulate short term rental businesses. SB593 (McGuire) would require all "electronic hosting platforms" such as Airbnb to regularly report the addresses of, nights of use at, and revenues obtained by residences that were leased through the platform. The bill would prohibit these short term rental businesses from offering properties in locations prohibited by local ordinance, and would authorize municipalities to establish fines for violation of this provision. And it would require the business to collect and remit any applicable TOT requested by the municipality. The bill was introduced earlier this year and is currently a 2-year bill. We encourage Oakland to support this bill as it proceeds through the Legislature in 2016.

Recommendations

Airbnb's role in depleting the available housing stock in some of Oakland's most desirable neighborhoods makes it harder for long-term residents and newcomers to find adequate housing near public transportation, job centers, and other valuable neighborhood amenities. By applying funds generated by Transient Occupancy Tax on Airbnb's Oakland bookings to affordable housing, the City of Oakland would help mitigate the adverse effects of the company's presence in City while also generating the necessary funds to meet development goals set out in the Housing Element.

1. **The City should collect the full 14% TOT from short-term rental businesses in Oakland with a requirement for full disclosure of all rental transactions.** First, City Council should demand disclosure of the terms of the current contract. Upon renewal, the contract should ensure that actual TOT at the full 14% rate, not merely a TOT-alternative payment, is remitted to the City. Airbnb and its competitors must be required to disclose information on rates, occupancy, addresses, like any other hotel business subject to TOT.

2. **The City should allocate 11% of TOT collected to the City's Housing Trust Fund.** The housing crisis has been well documented. This report demonstrates the clear nexus between the growth in short term rentals and the removal of at least several hundred units from the City's rental housing stock. If the City is going to come anywhere close to producing its RHNA goals, we cannot afford to pass up any opportunity for resources to put toward meeting those production goals.

3. **The City should enforce existing regulations on short-term rentals such as licensing and business registration, as well as compliance with local zoning laws.** As a start, the City should not be intimidated by Airbnb into failing to enforce its own regulations. Hosts should be required to obtain the licenses and pay the business taxes required of all businesses in Oakland. The City should demand the information from Airbnb necessary to enforce existing laws.

4. **City Council should support SB593 requiring short term rental companies to make regular reports to cities and counties about short term rentals, for how many nights and how much money hosts are collecting.** The enactment of this law is critical to local government's ability to create and enforce their own regulations and accurate TOT collection.

5. **The City should study and consider further regulations, such as limiting the number of nights/year an entire unit may be rented.** City staff should conduct research into existing and planned local regulatory efforts in other California cities to devise regulations that would make in Oakland. This is much more likely to be feasible after passage of the SB593.

Endnotes

[1] "Oakland Tourism Has Record Breaking Year." *Visit Oakland.* N.p., 6 May 2015. Web. 30 Oct. 2015.

[2] Samaan, Roy. *Airbnb, Rising Rent, and the Housing Crisis in Los Angeles.* LAANE, A New Economy for All, 2015. Web. 30 Oct. 2015.

[3] Demos, Telis. "Airbnb Raises $1.5 Billion in One of Largest Private Placements." *Wall Street Journal*, 27 June 2015. *Wall Street Journal*. Web. 2 Nov. 2015.

[4] Samaan, *Airbnb in Los Angeles*.

[5] According to the company, AirBnB's guest service fee commission depends on the subtotal of the reservation: "It's a steady decline from 12 to 6 percent as the reservation amount increases, so guests can save money when booking large reservations." The company is not clear on whether this refers to the dollar value, length of stay, or some other factor.

[6] San Francisco data from Slee, Tom. "The Shape of AirBnB's Business." *Whimsley*. N.p., 26 May 2014. Web. 2 Nov. 2015. Los Angeles data from Samaan, Roy. *Airbnb, Rising Rent, and the Housing Crisis in Los Angeles*. LAANE, A New Economy for All, 2015. Web. 30 Oct. 2015. Oakland data from Inside AirBnB Oakland data set.

[7] City of Oakland Transient Occupancy Tax Requirements." *City of Oakland Finance and Management Agency/ Revenue Division*. N.p., n.d. Web. 2 Nov. 2015.

[8] According to the Inside Airbnb website, "Inside Airbnb's "San Francisco Model" uses a modified methodology as follows:

1. A Review Rate of 50% is used to convert reviews to estimated bookings.
   - Alex Marqusee uses a review rate of 72%, however this is attributed to an unreliable source: Airbnb's CEO and co-founder Brian Chesky.
   - The Budget and Legislative Analyst's Office (page 49) also use a value 72% for their review rate, and in addition, introduce a higher impact model using a review rate of 30.5%- based on comparing public data of reviews to the The New York Attorney General's report on Airbnb released in October 2014.
   - Inside Airbnb analysis found that using a review rate 30.5% is more fact based, however probably not conservative enough, given that the Budget and Legislative Analyst's Office did not take into account missing reviews because of deleted listings. A review rate of 72% is unverifiable - therefore 50% was chosen as it sits almost exactly between 72% and 30.5%.
2. An average length of stay is configured for each city, and this, multiplied by the estimated bookings for each listing over a period gives the occupancy rate
   - Where statements have been made about the average length of stay of Airbnb guests for a city, this was used.
   - For example, Airbnb reported 5.5 nights as the average length of stay for guests using Airbnb in San Francisco.
   - Where no public statements were made about average stays, a value of 3 nights per booking was used.
   - If a listing has a higher minimum nights value than the average length of stay, the minimum nights value was used instead.
   - The occupancy rate was capped at 70%- a relatively high, but reasonable number for a highly occupied "hotel".
   - This controls for situations where an Airbnb host might change their minimum nights during the high season, without the review data having a chance to catch up; or for a listing with a very high review rate.
   - It also ensures that the occupancy model remains conservative.
3. Number of nights booked or available per year for the high availability and frequently rented metrics and filters were generally aligned with a city's short term rental laws designed to protect residential housing."

[9] Ibid

[10] The InsideAirBnB Oakland web scrape includes every review ever given for listings within the City of Oakland since July 2009. One of the drawbacks is that the data does not separate estimated bookings by year- meaning they account for every review ever made in the history of a listing when determining EBN. This obscurity makes it is difficult for this report to provide an annual range for revenue estimations based on EBN. Luckily, Inside AirBnB provides a list of individual transactions by listings, which help indicate that the bulk of AirBnB activity in Oakland taking place between 2014 and mid-2015. For instance, there are a total of 16,300 traceable transactions as of June 22, 2015. Nearly two thirds (10,852) of these transactions took place between July 2014 to July of 2015, which shows Oakland's rapidly growing short term rental market. In addition, eighty percent (917) of the 1,155 identified listings, were last reviewed between July 2014 and July 2015. Combined these two factors suggest that Oakland AirBnB listings are being booked more frequently and recently than they have, by and large, been in previous years.

[11] As a reminder, Inside AirBnB's estimated booking nights also includes reviews from before the mid-2014 to mid-2015 time range. However, because 557 is much lower value than the actu-

al 917 listings that were reviewed between 7/2014-7/2015 and 66% of all reviews occurred within this time range, any over-reporting for estimated booking nights is cancelled out by evidence of overwhelming AirBnB activity in the last year.

[12] Data for San Francisco's highly available AirBnB listings may reflect recent policies on nightly caps for short term rentals, which could explain lower rates of availability.

[13] Accessed on http://www.zillow.com/temescal-oakland-ca/home-values/

[14] Ibid

[15]Accessed on http://publicpolicy.airbnb.com/new-york-airbnb-community/

[16] Refer to Appendix for cross-neighborhood analysis chart

[18] For Los Angeles, information accessed from LAANE study, for NYC, information accessed from State Attorney's study

[19] "Airbnb in the City." Office of New York State Attorney General. October 2014. Accessed on http://www.ag.ny.gov/pdfs/Airbnb%20report.pdf

[20] Accessed on http://www.urbandisplacement.org/map

[21] 2015-2023 Oakland Housing Element. http://www2.oaklandnet.com/oakca1/groups/ceda/documents/report/oak050615.pdf

[22] Zillow Oakland Rentals Price Index http://www.zillow.com/oakland-ca/home-values/

[23] "Affordable Housing Cost Study: Analysis of the Factors that Influence the Cost of Building Multi-Family Affordable Housing in California." *Department of Housing and Community Development*. October, 2014. Accessed at http://www.hcd.ca.gov/housing-policy-development/docs/finalaffordablehousingcoststudyreport-with-coverv2.pdf

[24] Samaan, *Airbnb in Los Angeles*. 16

[25] Oakland Planning Code. (Ord. No. 13172, § 3(Exh. A), 7-2-2013; Ord. No. 13064, § 2(Exh. A), 3-15-2011; Ord. No.12939, § 4(Exh. A), 6-16-2009)

[26] Conversation with Scott Miller, Zoning Manager for the City of Oakland, on November 17, 2015

[27] Furthermore, the LAANE report explains, "AirBnB's financial future will be determined in large part by the company's ability to convince municipal authorities to grant the company legitimacy by establishing a regulatory framework around the company's operations. When we examine the experiences that city regulators have had with AirBnB three themes emerge: 1. AirBnB will offer to remit fees equivalent to local tax rates to cities in exchange for legalization. These fees are not negotiated into any public code, but instead are determined by a contract negotiated between the company and cities in private. AirBnB will not share information allowing cities to verify the accuracy of the payments.97 2. As evidenced in Portland, Oregon, AirBnB's flagship "Shared City," AirBnB will not participate in the enforcement of the model legislation it provided to the City, nor will the company monitor its listings for compliance.98 3. The majority of AirBnB hosts will not comply with any licensing or permitting systems.99 AirBnB will not modify its listings to require hosts to display their permit numbers, nor will it voluntarily turn over the addresses of unlicensed hosts to regulatory agencies. This refusal extends to providing addresses so that cities can conduct basic safety inspections to ensure the health and well being of AirBnB's own community of hosts and guests.100"

[28] Under the current law, residents in San Francisco are allowed to rent out their properties an unlimited amount of days if the host is present, while there is a 90-day cap on un-hosted rentals.

[29] Steinmetz, Katy. "San Francisco Lawmakers Propose Tougher Restrictions on Airbnb Rentals." *TIME*. Web. 6 Nov. 2015. Accessed at http://time.com/3757094/san-francisco-airbnb-law/

[30] Huang, Josie. "Los Angeles City Council panel calls for comprehensive plan to regulate short-term rental sites like Airbnb." *Southern California Public Radio*. 4 Aug. 2015. Web. Accessed on http://www.scpr.org/news/2015/08/04/53542/la-panel-puts-off-plan-to-tax-airbnb/

[31] Conversation with Ashley Atkinson, Planning and Housing Specialist for the Office of Mayor Eric Garcetti , on June 19, 2015

[32] Njus, Elliot "Airbnb, Acting as Portland's Lodging Tax Collector, Wont Hand over User Names or Addresses." *Oregonlive*. The Portland Oregonian, 21 July 2014. Web.

[33] Conversation with Office of Commissioner Dan Saltzman on April 3, 2015.

[34] Conversation with Office of Commissioner Dan Saltzman on October 6, 2015.

Community Economics | East Bay Housing Organizations

The Impact of Vacation Rentals on Affordable and Workforce Housing in Sonoma County

The Economics of Land Use

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The Sonoma County Community Development Commission

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Introduction and Summary

This Research Paper was commissioned by the Sonoma County Community Development Commission as part of its broader efforts to address homelessness, the inadequate supply of rental housing, and the rapidly increasing rents in Sonoma County. This Paper explores one aspect of housing supply constraints and increasing costs—the rapid expansion and emerging effects of "vacation rentals," some of which compete directly for available housing by shifting housing units from residential use to visitor-serving use. Vacation rental use of housing units has increased rapidly in recent years due to the advent of web-based vacation rental marketing platforms such as AirBnB and VRBO; the growth of the industry is expected to continue in the coming years. This Paper quantifies and locates this shift of housing from residential use to visitor-serving use that has already occurred, and recommends ways of minimizing and mitigating the impacts of vacation rentals that impinge on the County's housing supply.

Homelessness and lack of an adequate supply of affordable housing in Sonoma County have many causes. This Paper concludes that expansion of vacation rentals in Sonoma County, especially the component of the market involving rental of whole housing units in areas not historically associated with vacation rentals, is reducing the supply of housing available to the resident workforce market. This reduction in housing supply, in turn, has and will continue to contribute to upward pressure on residential rents and prices.

The research conducted in support of this paper included review of the substantial literature on the topic of vacation rental impacts, assessment of the current vacation rental market based upon "webscrapes" of the data available from the largest vacation rental platform (AirBnB), obtaining housing data from US Census sources and commercial sources, and finally, use of data and mapping resources developed by Sonoma County Permit & Resource Management Department (PRMD) as part of their broader research on the topic.

Background

History of Sonoma County as a Visitor Destination

Sonoma County has been a recreation and resort-destination since the late 19th century. At that time, the burgeoning growth of San Francisco and other more central Bay Area cities created demand for close-by destination recreation and resorts. Simultaneously, the expanding San Francisco Bay ferry system and railroads made access to the Russian River area and the hot springs resorts in the Sonoma Valley an easy day-trip for San Francisco residents. Over the years, as the advent of the automobile, improved highway access, bridges, and air travel provided easier access to more distant recreation and resort venues, the old resort communities of Sonoma County lost their luster. Beginning in the post-war years' suburban expansion of Sonoma County, its historical resort communities increasingly shifted to serving local residents, both as a source of housing and local recreation.

In recent decades, with the continued population growth of the Bay Area region and the expansion of the wine industry, Sonoma County has once again emerged as a significant visitor destination. Visitors are attracted to the County's lovely coastline and coastal communities; its expanded and improved State and regional park system; its scenic highways; and its lodging and resort properties concentrated along the Sonoma Coast, the Russian River corridor, the Sonoma

Valley, and the north County wine region. At the present time some 7.5 million visitors arrive in Sonoma County each year [1] driving continued expansion of the County's tourist-serving businesses.

Increasing Destination Visitors and the new Web-Based Marketing Platforms

While vacation rentals have historically been a part of lodging supply in the Russian River resort areas, short-term vacation rentals have expanded rapidly in recent years mirroring the national and international trend. With the new web-based platforms, hosts can now make a spare room, an entire apartment, or a house available to potential visitors through websites such as AirBnB, Homeaway, Flipkey and other vacation rental "platforms." These platform companies have varying business models but generally earn fees when bookings occur and/or when listings are posted by hosts. Unlike a hotel, bed and breakfast inn, or a traditional vacation rental unit, making residential owner's space available for short-term rentals is a low-cost and flexible undertaking for a host. The host can earn income by renting their space for as few or as many nights as they wish and that the market will bear. Using web-based vacation rental platforms, visitors to the County can select from a variety of lodging options and have the experience of staying in a home and neighborhood not traditionally oriented to tourist accommodations.

The advent of the new web-based marketing platforms coincides with considerable growth in visitors to the County and a corresponding increase in related economic activity and tax income to local governments. Over the past five years, as the economy has been recovering from the Great Recession, the transient occupancy taxes (TOT) by Sonoma County (unincorporated County lodging) increased to $12 million in 2014, a nearly 60 percent increase in five years. TOT gains recorded by the cities were more modest during this period. Total visitor spending is estimated at $1.6 billion, total related local tax revenues at $143 million and total employment supported at 19,350 jobs.[2]

Visitors to Sonoma County are estimated to be 90 percent of domestic origin with the largest fraction arriving from other Bay Area counties. An increasing number of visitors are international, corresponding to the substantial growth in international tourism globally and specifically to the growth in California's attractiveness to international tourists.[3] These growth trends suggest potential for continued expansion of the County's tourism business, including lodging demand and further expansion of the vacation rentals as a component of the County's lodging supply.

Increasing Investment in Housing for Second Home and Vacation Rental Purposes

The increasing visitor demand and the improved ability to market homes as vacation rentals has made homes in visitor-serving areas a target for investment by companies and individuals seeking investment opportunities. These investors include an increasing number of international investors, dominated by those from Asia and Canada. The National Association of Realtors has recently reported that foreign investment in housing in the United States is expected to top

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[1] Annual Tourism Report 2014, Sonoma County Economic Development Board

[2] Ibid

[3] Ibid

$100 billion in 2015 with this investment focused in the coastal metropolitan areas and high-amenity locations such as Sonoma County. Over 50 percent of this investment appears to be for second home or vacation rental purposes (not primary residence).[4] This information conforms to data, discussed later in this Paper, showing an increasing shift of housing units in Sonoma County to second homes and seasonal (vacation rental) uses.

Workforce Housing Supply Constraints

While the tourism sector has rebounded from the Great Recession, overall economic indicators in the County, including increases in household income and new employment, have been less strong. While employment increased by about 10 percent (18,800 jobs) between 2009 and 2015, most new jobs were created in the lower wage categories of the service sector whose average earnings per employee in 2014 were less than $30,000.[5] Meanwhile median household income in the County, at approximately $64,000, has remained essentially flat during this period. Adding to the existing housing supply constraints, the new service sector workers affiliated with the expanding visitor-serving businesses (lodging, food service, recreational services, etc.) will need housing. These housing demand trends, along with supply constraints including capacity and development-cost-related constraints and tightened credit and lending standards, have resulted in a weak rebound of the real estate sector in the County. As a result and mirroring trends throughout California, Sonoma County residents have shifted away from ownership housing toward rentals, resulting in additional demand for the limited rental housing stock. This shift can be explained by limited production of for-sale housing, as well as by tenure preferences related to both the aging population and the lower income profile of new household formations. Sonoma County needs more rental housing than ever to keep up with its changing demographics and workforce expansion.

As a result of the increasing demand for rental housing and only limited production of new housing units in the County, rents have increased by 30 percent or more in the County over the past few years and rental vacancy rates, currently estimated to be below 2 percent, are well below a "normal" market vacancy rate of 5 percent. Even though home prices and rents have increased substantially in recent years following the contraction that occurred during the Great Recession, they have not, as evidenced by the very limited housing production in the County, been sufficient to stimulate substantial new construction (other factors including limited land availability and proportionately high entitlement costs and development impact fees charged individually by the County in unincorporated areas and the nine cities may also contribute to the poor rebound of the home construction industry). These housing supply trends underscore the need to preserve the existing housing stock otherwise available to the County's working families.

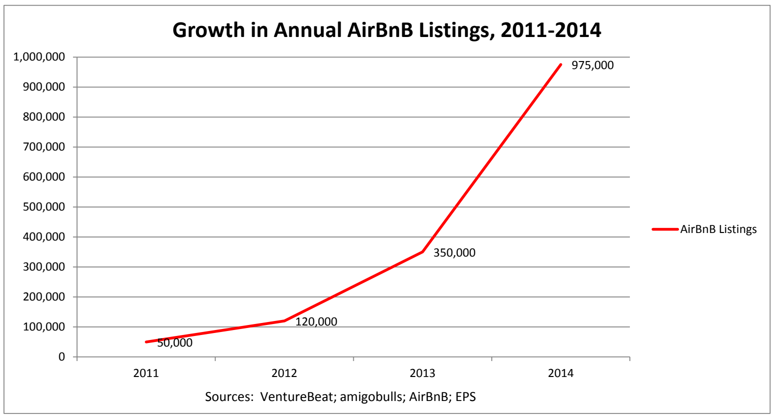
[4] National Association of Realtors, 2015

[5] Ibid

Findings

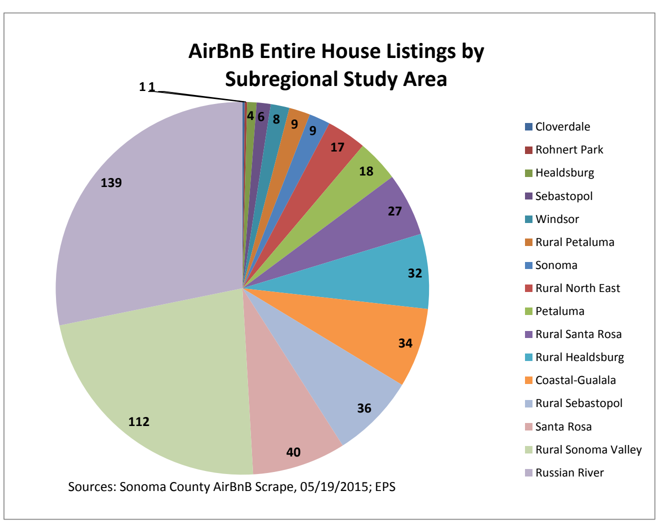
1. *Vacation rentals are a rapidly increasing component of visitor accommodations nationwide and in Sonoma County.*

Since its advent in 2008 AirBnB, now joined by other competing web-based vacation home marketing platforms, has grown very rapidly with no sign of the growth slowing down. This lodging business trend is caused by a variety of factors including an improving economy and related increases in tourism, a substantial price advantage to vacation home rentals by comparison to traditional lodging properties in the same market area, and the convenience offered by the web-based searching and transaction marketing platforms. While precise time-series data is not available, growth of AirBnB in Sonoma County appears to have mirrored the rate of national growth.

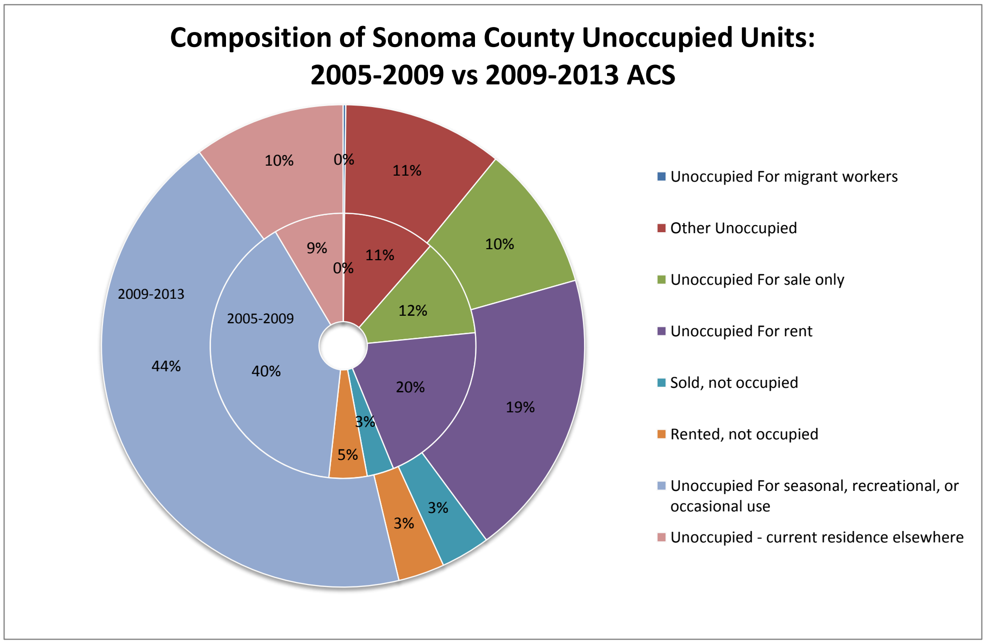


2. *The vacation rental marketing platforms have effectively incorporated single-family homes in residential neighborhoods to the County's lodging rental unit pool, thus competing with local residents for these units.*

While vacation rentals have long been a component of the County's lodging industry, especially evident along the Sonoma Coast in places such as Sea Ranch and Bodega Harbor, the web-based marketing platforms have extended the reach of the industry to the County's other visitor-serving areas, including encroaching into traditionally residential neighborhoods in the Russian River area, in the Sonoma Valley, and in the north County surrounding Healdsburg.



3. ***There is a measurable shift in housing supply, otherwise available to the County's working families, to vacation rentals and other nonresident serving uses.***
   While precise current statistics are not available tracking units in the vacation rental pool, trends in "unoccupied housing units" as reported by the US Census American Community Survey (ACS), indicate that the number of units so identified increased by 1,800 units between 2005 and 2103. Within the components of "unoccupied housing units," the two categories closely aligned with vacation rentals, the unoccupied/owner living elsewhere and seasonal units equaled 54 percent of all unoccupied units in the County in 2013, a total of over 10,400 units. Given the rapid increase in vacation rental listings it is likely that these categories of "unoccupied housing units" continued to increase since 2013. The very limited amount of new housing construction during this period means that these increasing "unoccupied housing units" have been drawn from housing supply otherwise available to the County's working families.



4. ***Additional regulation and mitigation can limit the loss of housing units otherwise available to the County's working families.***
   The shift of workforce housing to vacation rentals that has already occurred along with the expectation for the continued rapid growth of the vacation rental industry in Sonoma County suggests that additional regulations and mitigation measures are in order to protect the County's supply of housing available to local working families. The County should consider both new regulations to reduce future shifts of workforce housing to vacation rentals and also establish mitigation efforts to offset the existing and future impacts of vacation rentals on the County's housing supply.

   - Regulatory changes (changes to the County's Zoning Ordinance regulations) can reduce the conversion of housing stock in neighborhoods where single-family housing otherwise available to local working families is susceptible to vacation rental conversion. A multi-pronged regulatory approach is recommended, as outlined in the final section of this Paper.

- Providing County funding to programs that stimulate production of workforce housing can offset housing losses that have and will occur in the future. Dedicating a portion of existing (or an additional increment of) transient occupancy taxes levied upon vacation rentals in the County could provide such a funding source. For example, such a program could be created to pre-pay certain development costs (i.e., permit and development impact fees) and invest in measures that increase development readiness of designated housing sites.

Vacation rentals and the hospitality industry

Short-term Rental Market

The short-term rental market has three participants: 1) the host who rents their property, 2) the guest who rents the property on a short-term (e.g., vacation) basis, and 3) the web-based rental platform that serves as a clearing house and rental agency for the hosts and guests. The host may be a property owner, lease holder, or a third party management company that owns or offers individual private rooms or whole houses or apartments. The guests rent out these lodging units based on their needs and preferences, and the rental platform company facilitates the exchange between the hosts and guests and also earns a fee from the hosts for the services rendered.

Short-term rentals are a substitute to traditional lodging, offering a new lodging product that includes amenities such as full kitchens, easy access to different neighborhoods, and an opportunity for a more local and familiar experience of the destination. While vacation rentals offer occupant-owners of housing units the opportunity to gain income from renting out spare rooms or secondary units, the industry has also attracted investors who have focused on acquiring and renting out whole residential units, including single-family homes and multifamily units.

The web-based rental platforms generate revenue in a variety of ways. AirBnB, the predominant web-based rental platform in Sonoma County, generates revenue by charging hosts a 3 percent commission on each booking and by charging travelers a commission of between 6 and 12 percent, thus generating a yield of anywhere between 9 and 15 percent in commission for every booking. Other vacation rental platforms such as HomeAway and FlipKey offer a pay-per-booking option and also a subscription model, which charges hosts for advertising rentals. This report focuses on AirBnB due to its predominance in the short-term rental market and the availability of public data on its activities.

Web-based rental platforms are now a global industry which has grown rapidly from the creation of AirBnB in San Francisco in 2008. In the past year AirBnB has raised nearly $800 million from global investment firms including TPG Capital, T. Rowe Price and Dragoneer Investment Group. AirBnB has been valued at $13 billion, placing the company in the upper echelons of the hospitality industry. At this valuation, AirBnB has a higher market value than both Hyatt ($8.4 billion) and Wyndham ($9.3 billion). According to media reports, the company has been responsible for booking 10 million guest nights since 2008, and its own estimates indicate the company may have booked more room nights in 2014 than major chains like Hilton and Intercontinental.

Classification of vacation rental units

Vacation rentals offer a variety of lodging products, expanding upon the historical supply of second homes and other units dedicated to the vacation rental market such as those located as Sea Ranch, Bodega Harbor, or in the Russian River area. It is this expansion of vacation rentals into historically residential neighborhoods that creates neighborhood conflicts and competition with the rental housing market. The AirBnB website offers three types of rentals: 1) entire homes where the guest has access to the entire unit and the host is generally not present, 2) private rooms where the host is often present in the home, and 3) shared rooms, where hosts or others guests may sleep in the same room.

Of these three types of rentals it is the first type (the entire homes are rented without the host being present) that has the most potential to compete for the workforce housing supply. At the present time these entire home vacation rentals comprise 51 percent of AirBnB's listings in Sonoma County.

Benefits and Costs of Vacation Rentals

Numerous studies have been prepared in recent years addressing the benefits and costs of the short-term rental market.[6] On the "benefit" side, some say that the short-term rental market can 1) increase tourism and its related economic and fiscal benefits; 2) provide additional income for hosts, particularly those who could not otherwise rent their home or rooms; and 3) extend the economic benefits of tourism (increased sales, etc.) to neighborhoods traditionally not visited.

On the "cost" side, the literature indicates that short-term rentals can: 1) shift existing scarce local resident housing to the lodging sector, 2) encourage tenant evictions if a landlord concludes that they can earn more money from short-term rentals than from a long-term tenant, 3) violate local zoning and other ordinances, 4) negatively affect the quality of life in residential areas due to nuisances caused by visitors, and 5) cause loss of household population in given neighborhoods thus reducing the number of school children and residents available for volunteer services such as fire protection. It is the first two of these impacts, where short-term rentals exacerbate the housing shortage in Sonoma County by offering a more lucrative alternative to offering a unit on the long-term rental market that is the concern of this Paper.

Location of Sonoma County's Vacation Rentals

The nature of the vacation rental industry in the wake of the web-based rental platforms can make it difficult to measure the actual number and types of properties offered for rent. While the County (and some cities) require registration of vacation rental units pursuant to local ordinances, such as Sonoma County's Ordinance 5908, registration and compliance with these ordinances is by no means universal, as it tends to be with the traditional lodging sector. Given this data gap, this Paper relies upon AirBnB as a source of data and proxy for the total number and distribution of the vacation rental units in the County.

Figure 1 shows the geographic distribution and quantity of vacation rentals derived from webscrapes of AirBnB's website in May 2015. The three classes of vacation rentals offered by AirBnB are shown. While it is likely that there are more vacation rentals than indicated through this single data source, it is likely that the pattern of their distribution will be consistent.

[6] See Bibliography

Figure 1 AirBnB Listings for Sonoma County, Mid-May 2015

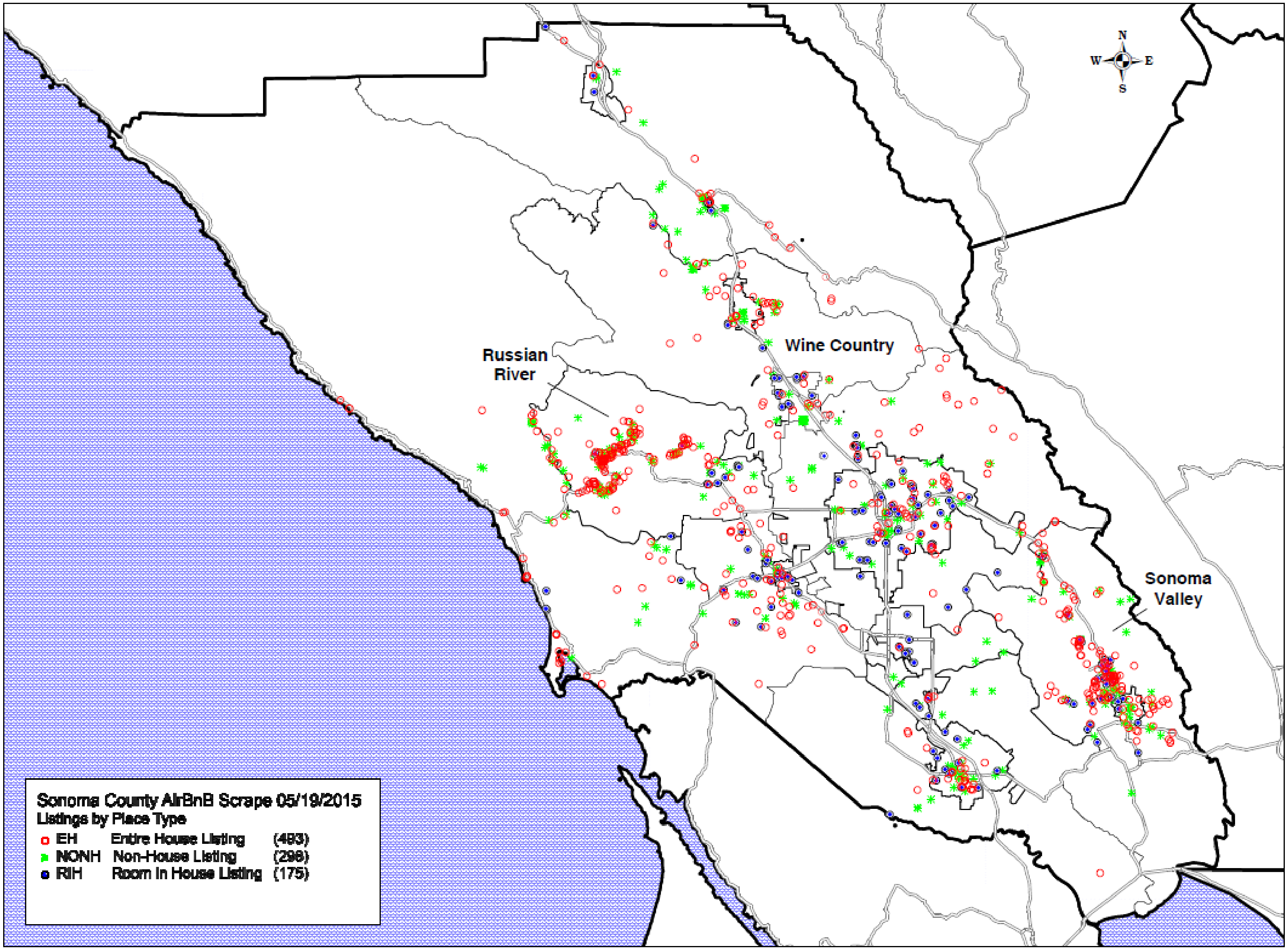


Table 1 shows the numbers of AirBnB-listed vacation rental units by County sub-areas. It is notable that the AirBnB vacation rental listings (excluding the Coastal communities) are concentrated in three locations: the Sonoma Valley, the Russian River, and the north County "wine country" surrounding Healdsburg. This distribution is very relevant to impact upon residential supply because these areas are the location of stable residential neighborhoods that provide housing for the County's working families. While the Russian River resort area has attracted visitors with vacation homes in the past, many river-area homes provide long-term housing that is more affordable than in many other areas of the County. Similarly, the incursion of vacation home rentals into the traditional residential neighborhoods in the Sonoma Valley and areas surrounding Healdsburg has caused a loss of housing stock that was formerly available for working residents; a loss that is likely to increase given the rapid growth trends of web-based vacation rental marketing.

Table 1 AirBnB Listings by Sonoma County Subregional Study Area

Geography	Estimate; Total AirBnB Listings		Estimate; Entire House Listings		Estimate; Room in House Listings		Estimate; Non-House Listings	
	#	%	#	%	#	%	#	%
Russian River	207	21%	139	14%	12	1%	56	6%
Rural Sonoma Valley	179	19%	112	12%	26	3%	41	4%
Santa Rosa	110	11%	40	4%	41	4%	29	3%
Rural Sebastopol	58	6%	36	4%	10	1%	12	1%
Coastal-Gualala	59	6%	34	4%	4	0%	21	2%
Rural Healdsburg	50	5%	32	3%	4	0%	14	1%
Rural Santa Rosa	55	6%	27	3%	13	1%	15	2%
Petaluma	45	5%	18	2%	11	1%	16	2%
Rural North East	54	6%	17	2%	12	1%	25	3%
Sonoma	26	3%	9	1%	5	1%	12	1%
Rural Petaluma	23	2%	9	1%	6	1%	8	1%
Windsor	49	5%	8	1%	12	1%	29	3%
Sebastopol	18	2%	6	1%	7	1%	5	1%
Healdsburg	12	1%	4	0%	0	0%	8	1%
Cloverdale	5	1%	1	0%	2	0%	2	0%
Rohnert Park	9	1%	1	0%	8	1%	0	0%
Cotati	1	0%	0	0%	0	0%	1	0%
Rural Rohnert Park-Cotati	6	1%	0	0%	2	0%	4	0%
Sonoma County Totals	**966**	**100%**	**493**	**51%**	**175**	**18%**	**298**	**31%**

Sources: Sonoma County AirBnB Scrape, 05/19/2015; ABAG Subregional Study Area Map

Current Regulation and Taxation

The County adopted a Vacation Rental Ordinance in 2010 that became effective on the first day of 2011. The Ordinance established regulatory requirements including the need to obtain a zoning permit, limits on per room occupancy, controls on nuisance, and subjecting the vacation rentals to the County's 9 percent Transient Occupancy Tax.

More recently, in October 2014 the Board of Supervisors received a report on the TOT Program that included an audit report prepared by the County Auditor-Controller on transient occupancy tax revenue and a report on the growth and issues associated with vacation rentals. As a result of these reports, the Board adopted a Resolution of Intention to initiate amendments to the County's vacation rental ordinance to further regulate this land use. The Board requested more information on the location of permitted vacation rentals by district, number and type of complaints, and actual violations. The Board stressed that a robust public outreach and community engagement program should be undertaken in evaluating the effectiveness of the current ordinance and the options for Ordinance amendments or other measures. In addition, the Board provided direction to staff to evaluate and address a number of enforcement issues including coordination with web-based platforms to assist in collection of transient occupancy taxes.

Housing Supply Shifts to Vacation Rentals

Historically, the rental housing market and the hospitality industry did not compete for the same supply. The web-based vacation rental platforms now allow residential property owners to compete for tourist lodging demand. Owners can often earn more money by converting traditional residential housing units into vacation rental units, as many appear to have done. The analysis of AirBnB's impact on housing supply in Los Angeles [7]estimates that an owner can expect to earn double or more in annual rental income through short-term rental versus renting to local residents at current market rates. As noted above, it appears that this trend is leading investors to purchase heretofore single-family homes expressly for use as vacation rentals. Such investors are also known to form Limited Liability Corporations (LLCs) to hold these properties and only sell shares rather than transferring property ownership, thus limiting real estate tax increases.

Sonoma County cannot afford to lose its housing units. During the most recent Housing Element cycle (2007-2014), the County produced only 412 housing units affordable to families of moderate or low income, about 50 percent of the need expressed in the Regional Housing Needs Allocation (RHNA). Going forward in the Housing Element 2014-2023 cycle the County needs an additional 936 units, of which 513 must be affordable. Actual demand for housing units, based upon continuing household formation rates, is far greater than the RHNA numbers.

Existing housing supply statistics for Sonoma County sub-areas are offered by the American Community Survey (ACS) data conducted by the U.S. Census Bureau. These surveys are conducted every five years and provide details regarding the quantity and tenure status of housing, typically by county sub-areas throughout the United States.

[7] Rising Rent, and the Housing Crisis in Los Angeles, Samaan, Roy, LAANE, 2015

Unoccupied Housing in Unincorporated County

Data provided by the US Census American Community Survey (ACS) provide a useful measure of housing stock trends. The survey based data is updated annually and is summarized in five-year averages. The ACS classifies a portion of the housing as "vacant" for a variety of reasons. These reasons include, but are not limited to, the more narrow meaning of "vacant" (available for rent or sale on the open market). The other categories include units that have been rented or sold but not yet occupied; homes available for seasonal, recreational, or occasional use; and finally, vacant for other reasons.

Trends in these unoccupied housing categories provide a framework for measuring the effects of vacation rentals on the County's housing stock. During the past decade, as indicated by the ACS data, there has been an increase in the total unoccupied housing in unincorporated Sonoma County, despite there being a historically tight housing market as indicated by very low vacancy rates for rental housing. **Figure 2** shows trends in unoccupied units in the County including those in the unincorporated areas and the cities and as compared to statewide averages. While the percent of unoccupied housing units in Sonoma County's cities remains below the statewide average, perhaps reflecting the tight housing market conditions and the lower percentage of units devoted to seasonal, recreational, or occasional use, the County's unincorporated areas show a rate of unoccupied units higher and increasing faster than the statewide average.

Seasonal, recreational, or occasional use units, which include vacation rental units, comprise the largest share of total unoccupied units in Sonoma County and have steadily increased as a percentage of unoccupied units since 2005. As measured by the survey-based ACS, they are now approximately 44 percent of total unoccupied units in the County, an increase of 1,761 units or about 20 percent during this period, which can be assumed to be a proportional reduction in for sale or rental housing available to the County's working families.

Additionally, unoccupied units owned by persons who have fixed residences elsewhere (and are not presently declared as seasonal units or units available for sale or rent) equal 1,970 units, approximately 10 percent of the total unoccupied units. In combination the unoccupied/owner living elsewhere and seasonal units equal 54 percent of all unoccupied units in the County, some 10,400 units as of 2013. **Figure 3** shows the composition of unoccupied units in the County numerically, while **Figure 4** shows the same data in percentage terms. This increase in housing units devoted to seasonal, recreational, or occasional use along with the increasing unoccupied absentee owner units have largely been shifted from the residential rental occupied or owner-occupied units; i.e., a reduction in the housing supply, as shown in **Figure 2**. Census and California Department of Finance housing reports indicate that over the last 15 years, since a (comparatively) high point in housing occupancy rates circa 2000, unoccupied units have been increasing at more than 5 times the rate of growth in total housing supply for Sonoma County.

An emerging trend is the increase in Sonoma County housing held not only for investment and equity, but as income-generating real estate. The recent AirBnB 'scrape' of listings for Sonoma County produced several examples of multiple units offered by a single host. While some of these were obviously postings by well-established vacation rental agencies, others appear to be held by out-of-town investor groups. AirBnB and similar sites have facilitated the use of Sonoma County housing units for short-term rentals beyond and outside of traditional vacation, lodging and rental real estate owners and operators, contributing to the loss of available units as documented above.

Figure 2 Changes in California and Sonoma County Unoccupied Housing Rates 1990-2015

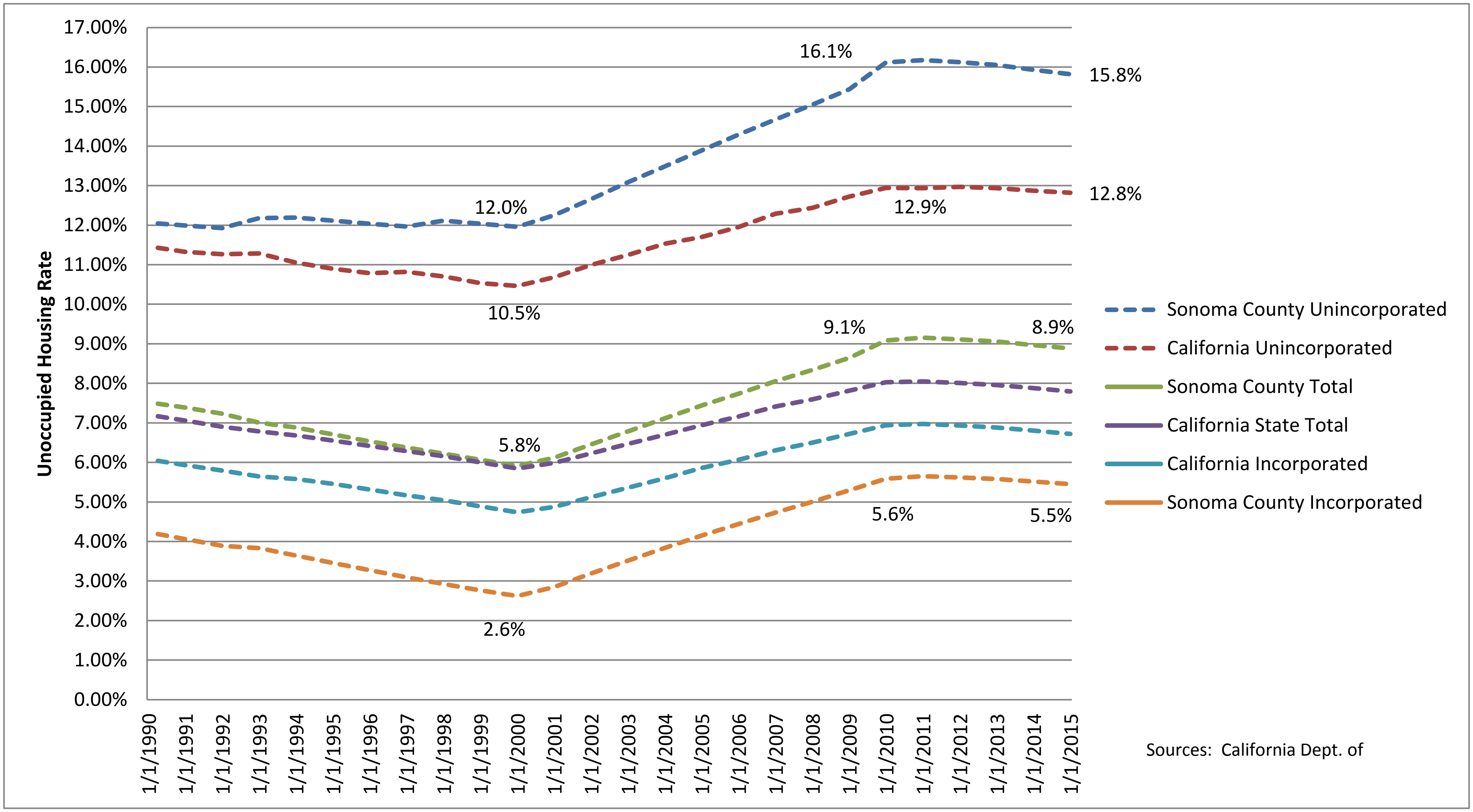


Figure 3 ACS Trends for Sonoma County Unoccupied Units (#)

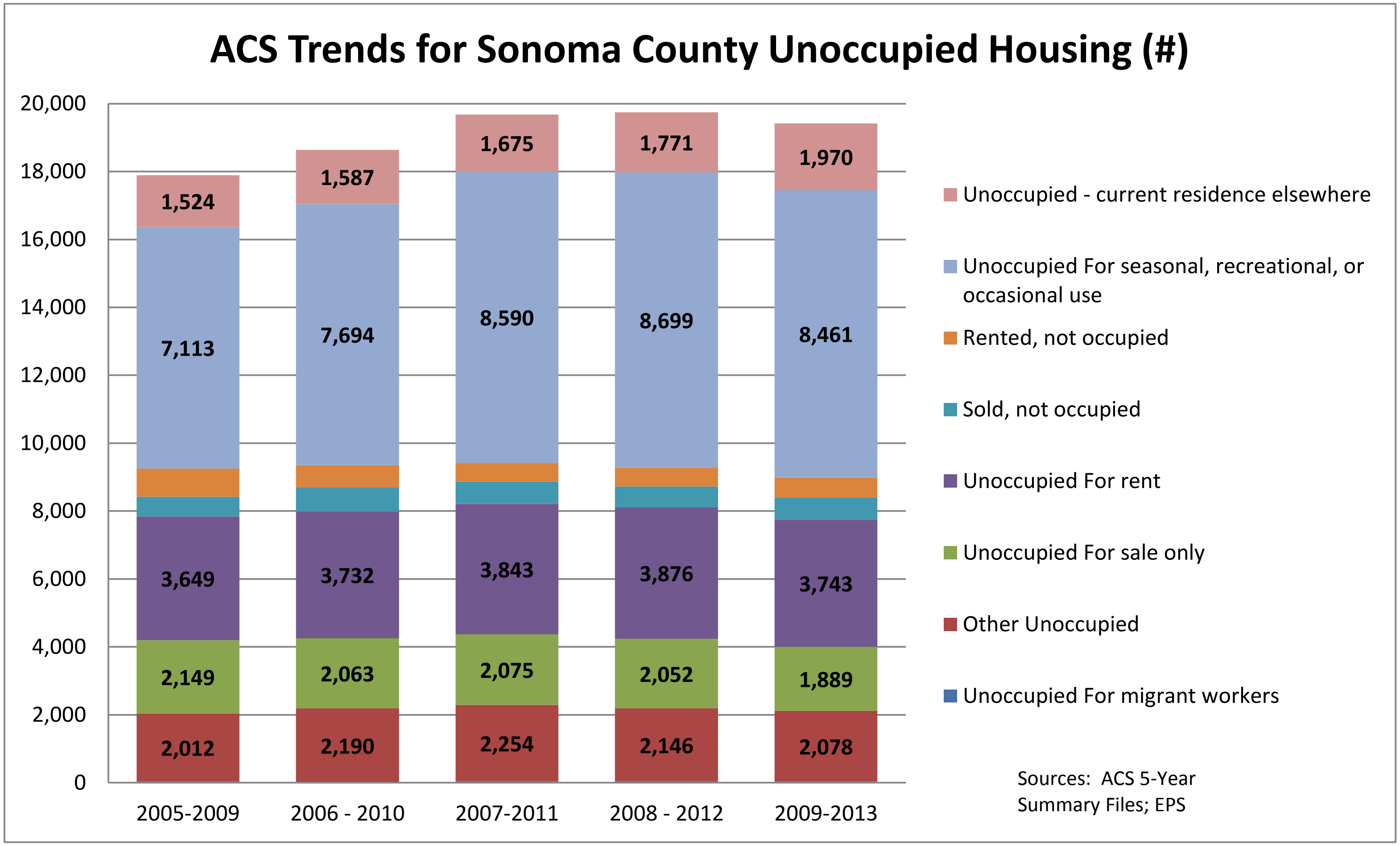


Figure 4 ACS Trends for Sonoma County Unoccupied Units (%)

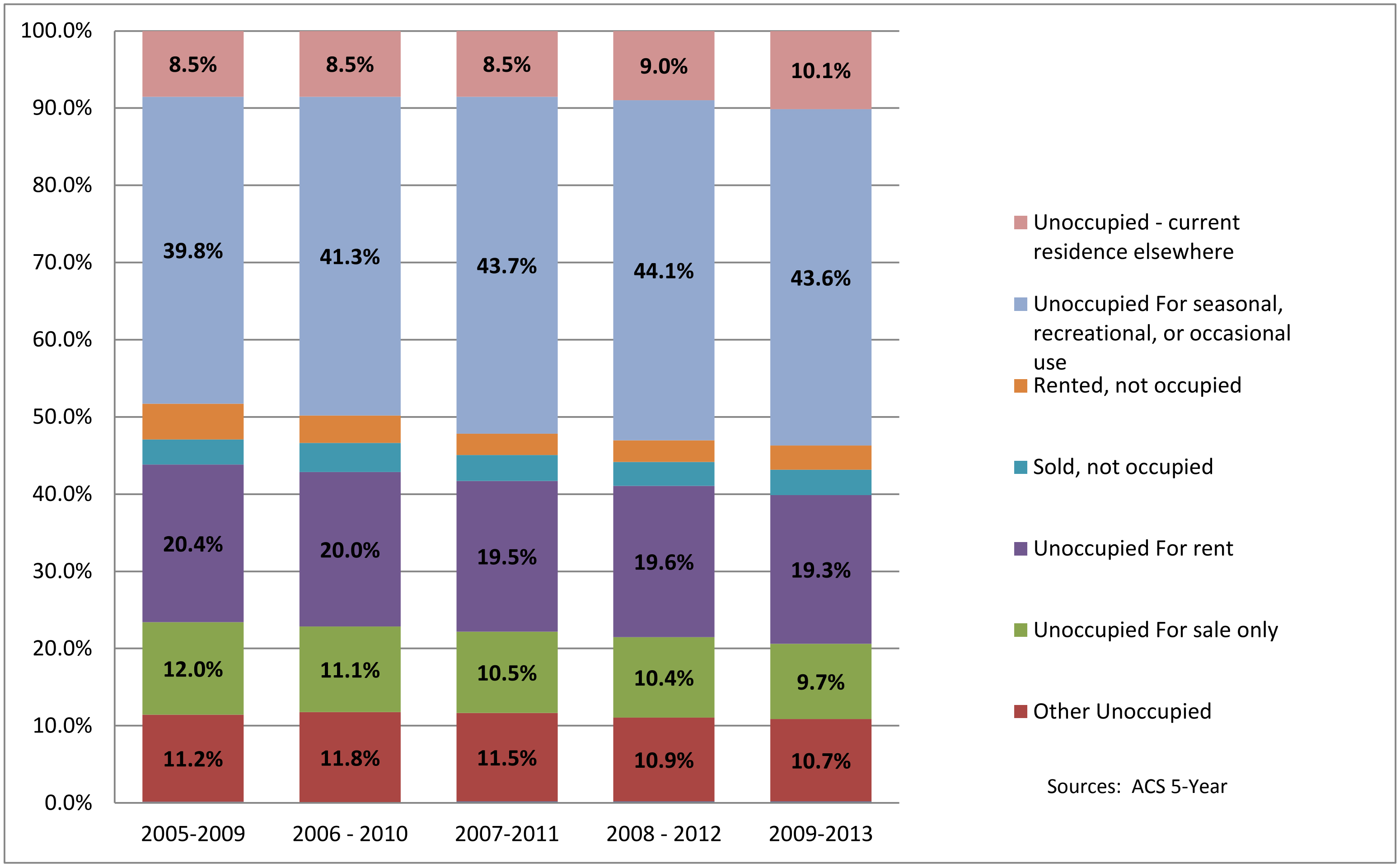
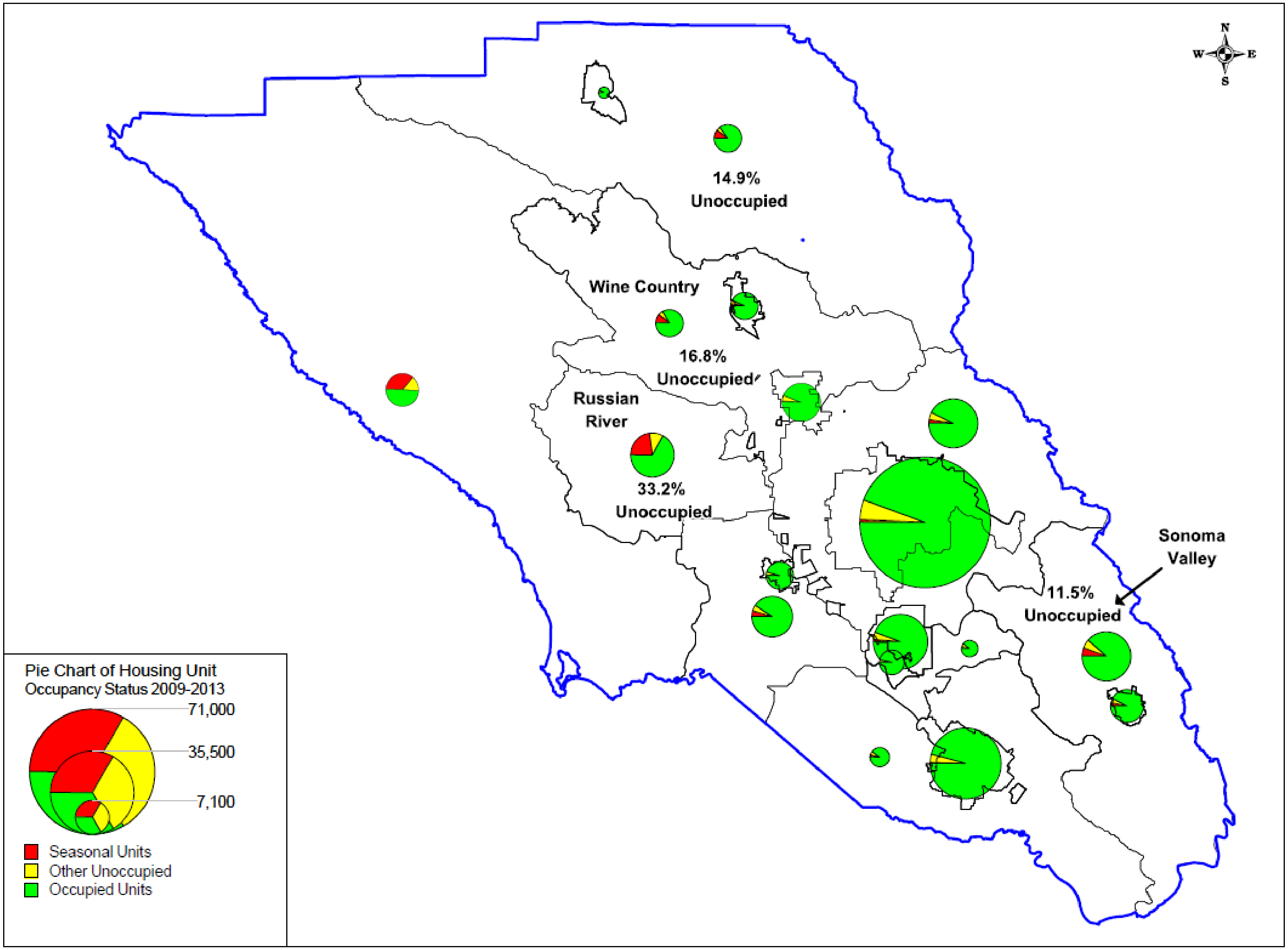


Figure 5 shows the proportional composition of housing supply in Sonoma County, with pie charts proportional in size to the total number of housing units by subarea, and with each pie's segments in proportion to the local percentages of seasonal units, other unoccupied units and occupied housing. A side-by-side examination of **Figure 5** with **Figure 1** shows that AirBnB whole-house listings are concentrated in those areas where the seasonal unit and other unoccupied housing rates are greatest. Where seasonal unit and overall unoccupied ratios are lowest, AirBnB room-in-house or other (not whole-house) listings tend to predominate.

Figure 5 Unoccupied Housing Rates in Sonoma County Subareas



Regulatory and Mitigation Steps

The impacts of the rapidly expanding vacation rental market on housing supply and neighborhood integrity in Sonoma County as documented in this Paper and in the County's related public outreach efforts suggest that mitigation (to reflect the costs of additional housing demand in the tax on the industry and also to limit and offset loss of housing units) and additional regulatory controls (to reduce the nuisance effects of vacation rentals on the resident population) are in order. Given market trends, even with additional taxation and regulatory limitations, the shift of housing previously available to the County's working families to use by visitors is expected to continue.

Focusing on the issue of shift of units from the residential rental market (recognizing that other additional controls may be in order to address other neighborhood impacts) this regulatory effort should seek to limit shifts of "whole-house" rentals, especially those located in the older residential neighborhoods proximate to the County's key visitor destinations. Since even with such controls there will remain a shift (a loss of residential rental units), further mitigation is justified through internalizing the cost of the housing losses into the price of vacation rental units.

Recommendation #1 -- Prohibit vacation rentals in urban residential zones and require a discretionary permit in rural residential zones.

As a part of its public outreach and research efforts pursuant to the direction of the Board of Supervisors, PRMD staff has identified a range of policy options.[8] While there is a range of issues and impacts that have been revealed by the PRMD outreach efforts for which policy options have been identified, this Paper is focused on one of these impacts, the conversion of whole-house units to vacation rentals. Such conversion of the housing stock has occurred and substantially impacted the housing market. The conversion of housing stock will continue to occur given existing market trends thus shifting more of the County's housing stock otherwise available to working families, unless action is taken to further limit the conversion.

In order to preserve housing stock for housing use, strict limitations should be placed on allowing the conversion of additional residential housing stock to visitor-serving use. The most efficient policy option identified is to prohibit further whole-house vacation rentals in the urban residential zones. In rural areas, conversion of residential housing stock could be limited through requiring a discretionary use permit process. This approach would involve the least need for ongoing analytical or enforcement efforts, and may continue to allow whole-house vacation rentals in nonresidential areas where loss of residential housing supply is not expected to be a problem.

In areas where whole-house short-term rentals are not outright prohibited, additional regulatory measures should be put into place to avoid further housing loss. For example, vacation rental uses in residential neighborhoods could be limited to "hosted" rentals where the housing unit remains in long-term residential use, but the resident is allowed to rent out a room to visitors. Another option that has merit is to limit vacation rentals to seasonal use, maintaining long-term

[8] Summary of Policy Options, PRMD, May 18, 2015

residency for most of the year. This would avoid the loss of housing stock while still allowing residents to make a room or rooms available to visitors on a short-term basis.

Recommendation #2: Allocate a portion of the County's transient occupancy taxes to provide incentives and subsidies for affordable and workforce housing.

The growing number of vacation rentals in Sonoma County creates two impacts related to housing supply:

- First, by increasing the supply of lodging units and accommodating additional visitors in the County, vacation rentals increase economic activity and thus employment in the County's tourism business sector. This increase in employment creates demand for housing. Given that the tourist sector employment is dominated by service industries including lodging and food services its average wages, as previously cited are below $30,000 per year, there is, and will continue to be an increased demand for affordably priced units as the industry grows.

- Second, as whole housing units are shifted from providing housing for the County's working families to providing lodging for visitors, there will be less housing supply.

As these two impacts contribute to what is a larger housing supply problem in Sonoma County, they should be mitigated as a part of the broader effort to expand housing available to the homeless and the County's growing workforce. Funding affordable housing programs with a portion of the existing (or increased) TOT or an annual fee levied on vacation rentals as part of the permitting process offers a direct and effective way of raising funding to support the County's affordable housing programs and thus mitigate loses of housing otherwise available to working families. An increase in TOT could be an added tier of 2 percent (over and above the existing 9 percent) which would be applicable only to vacation rentals or other transient uses of the housing stock. Revenue from such a TOT increase could be combined with other funding sources including the County's inclusionary housing in lieu fees, tax credits, and grant funding sources that are presently available for funding affordable and workforce housing programs.

Recommendation #3 -- Provide targeted waiver of County development impact fees.

As an incentive to multifamily housing production, the County's development impact fees for multifamily development projects could be "waived" until rental housing vacancy rates reach 5 percent (a "normal" market condition). The County's development impact fee revenues foregone by such a waiver can be offset (backfilled) by an appropriation of the additional tax or fee revenue levied on vacation rental units. Such a targeted development incentive, especially with improving market conditions, is likely to result in multifamily housing production, including both market rate units and those affordable units provided by the non-profit sector.

Recommendation #4 -- Improve the development readiness of County-identified housing sites.

The County's General Plan Housing Element has identified 136 sites (parcels) located around the County's unincorporated communities that are zoned for residential uses. Given current applied zoning regulations these sites have an estimated capacity for nearly 3,000 housing units.[9]

[9] Sonoma County General Plan Housing Element

However, as is made quite clear by the very limited housing production activity that has occurred in recent years, even as the overall economy has recovered, these sites face site-related and institutional development constraints in addition to the aforementioned market and financing constraints.

As a means to further incentivize housing production, a County program should be created and a special fund established expressly to improve the development readiness of the County's available multifamily (or convertible to multifamily) sites and to otherwise incentivize new development. The goal of this program should be to identify and relieve development constraints on a site-by-site basis and in so doing reduce development costs and related investment risks. For example, lack of adequate infrastructure or unavailability of utility services to these sites may very well constrain development. Such costs or institutional constraints may be relatively easy for the County or its dependent special districts to relieve even with existing resources. The private sector views such constraints as additional development costs, time delays, and risks often significant enough to deter investment in new housing.

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ar-2244 **30 Min.**

City Council - Work Session

Meeting Date: 09/12/2016

Item Title: Capital Facilities Plan, Part 2: Police, Fire, Library, Parks, Facilities, Fleet

Submitted For: Ki Bealey, Public Works Department

Add'l Contributors:

Project No: NA **Funding/BARS No.:** Various

Financial Comments:
(See attachment)

Information

HISTORY:

This is part two of a work session update of the City's Capital Facilities Plan (CFP) and will focus on General Fund related facilities. Discussion to be led by Public Works Director, Ki Bealey. Directors of the various departments will be in attendance to answer questions pertaining to their specific area.

The CFP is to be financially constrained and fit within forecasted revenues or other reasonable funding sources. This session will present a first draft identifying various needs. Staff, in collaboration with the City Manager will work to prioritize projects for a financially constrained plan for final Council adoption. The City Manager’s priority is focused upon health and safety projects.
The CFP includes an introduction / background to each area and then progresses into the financial planning aspects of the CFP. This update is for the six year term of 2017-2022 and is intended to be updated yearly hereafter.

The previous Capital Facilities Plan was adopted under Ordinance 2010-05.

POLICY ISSUES:

A six year capital facilities plan is a required comprehensive plan element pursuant to RCW 36.70A.070(3) and WAC 365-196-415. Furthermore, a capital facilities plan provides the ability to plan for, and budget for various programs and projects.

The first two years, 2017-2018 are slated for inclusion in the upcoming biennial budget.

An exhibit from the City of Shoreline has been included with the packet to help convey the overall planning process and where the Capital Facilities Plan falls within the City's overall planning process.Following the work session presentations, Council will be asked to conduct a public hearing on the Capital Facilities Plan and consider it for adoption during a regularly scheduled City Council meeting later this fall.

PLAN COMPLIANCE:

STRATEGIC PLAN:
Strategy 1: We will engage our residents, businesses and employees by developing and deploying a two-way communication plan that enables feedback; identifies needs and expectations; and evaluates our performance.
Strategy 2 - We will set priorities and dedicate necessary resources to renew our infrastructure.
Strategy 3: We will lead a collaborative effort to promote and enhance a safe community.
Strategy 4: We will foster economic development and sustain financial stability.

COMPREHENSIVE PLAN:
EV Policy 8. Infrastructure is important to the sustained development of the regional economy and prioritizing projects that support economic development is vital (Goal 7, Objective 2)
UT Policy 14. Public facilities should be developed, improved and maintained according to high standards of design and performance, to serve as examples for private development (Goal 7)

ALTERNATIVES:

Council could provide input on which projects are included in the CFP and the timing/cost allocations for those projects.

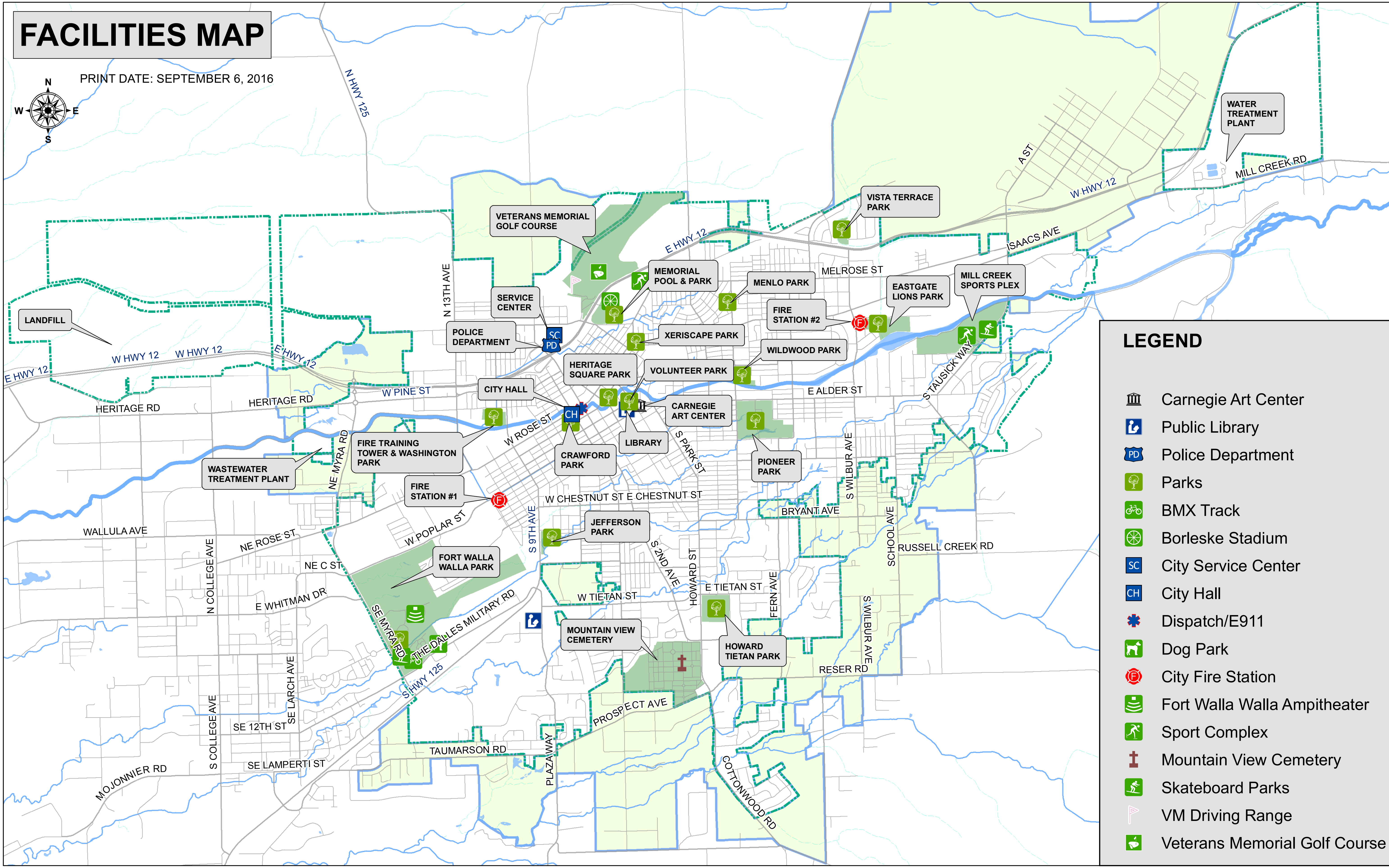
Attachments

Planning Flowchart

Facilities Map

Part 2 Capital Facilities Plan

Planning Roadmap


FACILITIES MAP
PRINT DATE: SEPTEMBER 6, 2016
N
S
E
W
LANDFILL
WASTEWATER TREATMENT PLANT
FIRE TRAINING TOWER & WASHINGTON PARK
FIRE STATION #1
FORT WALLA WALLA PARK
VETERANS MEMORIAL GOLF COURSE
SERVICE CENTER
POLICE DEPARTMENT
CITY HALL
MEMORIAL POOL & PARK
XERISCAPE PARK
HERITAGE SQUARE PARK
VOLUNTEER PARK
CARNEGIE ART CENTER
LIBRARY
CRAWFORD PARK
JEFFERSON PARK
MOUNTAIN VIEW CEMETERY
HOWARD TIETAN PARK
PIONEER PARK
MENLO PARK
FIRE STATION #2
WILDWOOD PARK
EASTGATE LIONS PARK
MILL CREEK SPORTS PLEX
VISTA TERRACE PARK
WATER TREATMENT PLANT
N HWY 125
N 13TH AVE
E HWY 12
W HWY 12
W PINE ST
HERITAGE RD
W ROSE ST
NE MYRA RD
W POPLAR ST
S 9TH AVE
W CHESTNUT ST
E CHESTNUT ST
S PARK ST
S 2ND AVE
HOWARD ST
E TIETAN ST
W TIETAN ST
FERN AVE
BRYANT AVE
S WILBUR AVE
SCHOOL AVE
RUSSELL CREEK RD
RESER RD
E ALDER ST
S TAUSICK WAY
ISAACS AVE
MELROSE ST
A ST
MILL CREEK RD
WALLULA AVE
NE ROSE ST
NE C ST
N COLLEGE AVE
E WHITMAN DR
SE MYRA RD
THE DALLES MILITARY RD
S HWY 125
SE LARCH AVE
SE 12TH ST
S COLLEGE AVE
SE LAMPERTI ST
MOJONNIER RD
TAUMARSON RD
PLAZA WAY
PROSPECT AVE
COTTONWOOD RD
SC
PD
CH
LEGEND
Carnegie Art Center
Public Library
Police Department
Parks
BMX Track
Borleske Stadium
City Service Center
City Hall
Dispatch/E911
Dog Park
City Fire Station
Fort Walla Walla Ampitheater
Sport Complex
Mountain View Cemetery
Skateboard Parks
VM Driving Range
Veterans Memorial Golf Course

FACILITIES

City Hall

Walla Walla's City Hall, located at 15 North Third Avenue, houses several general governmental offices including:

- City Council Chambers
- City Attorney's office
- City Manager's office
- City Clerk's office
- Finance/Payroll/Utility Billing
- Human Resources
- Technology Services
- Communications

The building was constructed in 1910 and has three floors of general office space totaling 22,170 square feet. Prior to 2012, the basement/garden level served as the City's Police Headquarters.

There have been a number of various changes made to the building over its 100+ years. However, in 2016 the City commissioned a seismic/fire suppression study to identify critical life safety upgrades. Implementation of those upgrades will likely be phased over serval years along with a number of other cosmetic, restorative and technology improvements needed in the building.

Service Center

General

The City of Walla Walla Service Center is located on an 8.7 Acre site at 55 East Moore Street. The facility is a former cannery that the City acquired and consolidated many of their operations at this site in 1986. Several improvements were made in 1999, including the construction of the 14,750 sq ft main office building and upgrades to other maintenance facilities.

There are seven buildings that total about 106,680 square feet. There are 85 full-time, (and several part time/temporary), employees that utilize these facilities as their base of operations.

- Public Works
  - Administration (3)
  - Engineering (13)
  - Sanitation (11)
  - Streets/Wastewater Collections/Stormwater (18)
  - Water Distribution (12)
- Parks & Recreation
  - Administration (1.5)
  - Parks (7)
  - Recreation (2)
  - Facility Maintenance (3.5)
- Fleet Services (5)
- Development Services (8)
- Finance (1)

Activities that are currently supported at these facilities include equipment storage; vehicle repair, maintenance, and washing; heavy equipment and vehicle parking; welding shop; storage of construction materials; bulk ground maintenance supplies; decant facility; fueling station for city fleet vehicles; archive record storage; police evidence and impoundment storage; conference and meeting rooms; and various offices for administrative activities.

On April 1, 2003, a fire burned much of the central section of Building 65, where Sanitation was housed at the time. Ten sanitation trucks were destroyed in the fire. This section of the building was reconstructed in the months that followed.

This newer portion of the shop building was remodeled in 2010 to include offices and fleet maintenance facilities.

The Police Evidence Storage building was remodeled in 2011/2012 to improve security and address other building and electrical deficiencies.

In 2012, a structural assessment was completed for the space occupied by the Water Distribution Division (Building 65A). The engineer recommended several structural repairs, which were completed in 2013. However, the Structural Engineer also recommended a major rehabilitation/replacement within ten years (2022).

In 2015, Street Operations (Streets, Wastewater Collections, Stormwater, Traffic and Supervisory offices) were consolidated to Service Center Building 65D. Prior to this, supervisory and admin support offices were located with the Fleet Services offices on the second floor of Building 65B, Traffic was located in Building 75B, and operations was located in Building 65D/E. Office space was constructed in Building 65D and the shop area reconfigured to minimize vehicle operations within the shop area of Building 65D/E. Street operations also utilizes the Barrel Building (65F) to protect equipment subject to freezing (sweepers, vactors, etc.).

Sanitation has largely consolidated operations in Building 75A, constructing break and meeting room space within the building. However, Sanitation's welding shop is still located in Building 65C. Sanitation intends to expand the existing covered parking area on the east side of the Service Center site to provide covered parking with engine block and hydraulic system heaters for collections equipment.

Parks operations is largely located in Building 75D including the space formerly occupied by Traffic Operations 75B. This space provides restrooms and office/meeting/breakroom space for Parks personnel.

Facilities Maintenance is located in Building 75C.

Stormwater Pollution Prevention

Since diesel fuel and gasoline are stored in underground storage tanks (UST's) and other solvents, oils, and hazardous fluids (that are regulated by EPA) were stored in tanks and drums at various locations throughout the site, the City was required to have a Spill Prevention, Control and Countermeasures (SPCC) Plan. The SPCC Plan was prepared by EMCOM/OWT, Inc. in 2004, in accordance with 40 CFR 112 of EPA's regulations effective August 16, 2002. The SPCC Plan established the procedures and equipment required to prevent discharge of oil and hazardous substances in quantities that violate applicable water quality standards.

In January, 2011, City Engineering staff re-evaluated the 2004 SPCC Plan utilizing the EPA's December 2006 SPCC Rule Amendments – Streamlined Requirements for Regulated Facilities. Many of the 2004 recommendations have been addressed by replacing critical single wall tanks with double walled tanks and storing the tanks inside.

In February, 2009, Northwest Pump and Equipment Company inspected, tested and found the three UST fuel storage tanks and piping to be in compliance with Chapter 173.360 W.A.C. The two 10,000 gallon oil storage tanks 17 and 18 were declared as surplus, sold, and removed from the site in 2013.

Washington Department of Ecology (Ecology) issued the City of Walla Walla, NPDES Permit # WAR04-6508. This Permit required that Stormwater Pollution Prevention Plan (SWPPP) be completed for City owned material storage, heavy equipment storage, and maintenance areas by August of 2011. The Service Center SWPPP of the overall site was completed July 6, 2011 by URS Corporation.

The 2011 site assessment evaluated the following areas for compliance with Best Management Practices: 1) Building and ground maintenance; 2) Floor drains; 3) Loading and unloading of materials; 4) Outdoor storage of raw materials; 5) Storage of liquids, solid waste, and hazardous materials; 6) Vehicle and equipment (V&E) Cleaning; 7) V&E Fueling; 8) V&E Maintenance and Repair; 9) V&E parking and storage; and 10) Vegetation Management. No major problems were observed in 5 of the 10 categories listed. Other problems identified were fairly minor items, such as a trash receptacle was found with its lid left open, or equipment axes were laying on top of a floor drain.

Decant Facility

The Service Center site includes a decant facility located along the western side of the property. The decant facility contains a concrete pad that is separated onto decant bays #2, #3 or #4 (for WSDOT use) and the northerly smaller bay #1 for storage of potential "hot loads" (contaminated). These decant pad(s) allow liquids to drain from the solids that are generated from street sweepings and vactor waste collection. Solids remaining on the concrete pad are allowed to dry, stockpiled, and then hauled to the landfill for disposal.

Liquid drained from stored material is decanted through clarifiers, then into an oil/water separator prior to being discharged into the sanitary sewer. As oily water flows through the separator, the lighter-than-water oil wastes rise to the surface and are trapped in the exit chamber. Sediments settle to the bottom of the entrance chamber. Both chambers are vactored out during regular scheduled cleaning of both chambers.

The decant facility is permitted in accordance with Chapter 70.95, WAC 173-304 and 173-350 as issued by the Walla Walla County Health Department. The Washington State Department of Ecology permits the discharge of these liquids into the sewer system by a State General Discharge permit.

Service Center Improvements

In 2004, a master plan for the service was prepared that developed a circulation plan for the expansion of the Service Center.

The main administrative building houses:

- Water Distribution Supervisory and Administrative support personnel
- Cross-connection/FOG personnel
- Public Works Administration
- Parks & Recreation Administration
- Development Services
- Engineering

Additional office space is needed within the main building as follows:

- Water Distribution – Have 7 – Need 8
- Engineering – Have 13 – Need 14
- Development Services – Have 8 – Need 10
- Employee Lunch/Breakroom
- Secondary Conference Room

Carnegie Center

The Carnegie Center, located at 109 South Palouse Street was built in 1905 and originally served as the Walla Walla Public Library. The building consists of 8,000 square feet on two floors. The building presently serves as a Pottery Studio and also hosts Recreation classes from fencing to yoga.

Senior Center

The Senior Center, located at 720 Sprague Avenue was built in 1996, consists of 15,000 square feet and serves as a gathering social place and offers meals for seniors during the daytime.

Fund/Department: Facilities
Date: 8/16/2016
Prepared by: Various

Project Name	2016 Cost	2017 Cost	2018 Cost	2019 Cost	2020 Cost	2021 Cost	2022 Cost	2023+ Cost	Project Description	Total Project Cost	Funding Sources
CITY HALL (CH) - 15 N. THIRD AVENUE											
CH - Fire suppression and seismic study (2016)	$ 40,000								Study for the needs for installing a fire suppression system and upgrade for seismic activity	$ 40,000	General Fund
CH - Council Chambers (2016)	$ 100,000								Update Council chambers, A/V system, carpet, dias, etc.	$ 100,000	General Fund
CH - Fire Suppression Upgrades		TBD							Upgrade fire suppression (scope and cost of improvements to be determined).	$ -	General Fund
CH - Master Plan		$ 100,000							Develop a master plan for upgrading City Hall including a feasibility study to determine the cost and value of restoring City Hall to a more historic appearance. This plan should include: reconfigure floorplans to provide adequate space for all departments; update the entryway; provide adequate restrooms on each floor; energy efficiency upgrades (lighting, windows, etc.); replace flooring; update signage; increase space for conference and training rooms; add storage space; and upgrade furniture.	$ 100,000	General Fund
CH - Technology Upgrade					$ 100,000				Upgrade the technology available in City Hall, including but not limited to: WIFI, smart boards, presentation support, fiber optics redundancy, rewiring, backup generator	$ 100,000	General Fund
CH - Interior/Exterior Rehabilitation and Upgrade								$ 1,500,000	Building renovations (seismic and fire suppression, electrical, energy efficiency upgrades, interior and exterior rehabilitation/remodeling, etc.).	$ 1,500,000	General Fund
CH - Replace Carpet				$ 40,000					Replace Carpet	$ 40,000	General Fund
CH - Roof Repair/Rehab			$ 30,000						Repair/upgrade water collection and install new PVC liner	$ 30,000	General Fund
CH - Security Upgrades				$ 75,000					Cameras, card key access improvements, emergency exits, etc.	$ 75,000	General Fund
CH - Exterior Painting		$ 75,000							Clean, paint and repair exterior of building	$ 75,000	General Fund
CH - Parking Lot Preservation									Preservation work and cost TBD.	$ -	General Fund
CH - Parking Lot/Farmers Market Improvements								$ 1,000,000	Expand/Improve Parking Lot and Farmers Market Covered Areas	$ 1,000,000	General Fund
TOTALS (CITY HALL)	**$ 140,000**	**$ 175,000**	**$ 30,000**	**$ 115,000**	**$ 100,000**	**$ -**	**$ -**	**$ 2,500,000**			
SERVICE CENTER (SC) - 55 E. MOORE STREET											

SC - Main Building Workspaces	$ 30,000	$ 100,000							Water Distribution – Have 7 – Need 8 Engineering – Have 12 – Need 14 Development Services – Have 6 – Need 8 Lactation room in women's bathroom (Relocate eye wash station?) Breakroom Secondary Conference Room New furniture for conference rooms	$ 130,000	SC Rent
SC - Main Building ADA access doors		$ 10,000							Install ADA access door on north side of building	$ 10,000	SC Rent
SC - Fueling Island Pollution Control Upgrades		$ 10,000							Containment berm.	$ 10,000	SC Rent
SC - Main Building Replace Computer Screen in Conference Room		$ 2,000							Install larger screen in main conference room	$ 2,000	SC Rent
SC - Main Building Security Upgrades			$ 30,000						Card key door access	$ 30,000	SC Rent
SC - Campus Security Upgrades				$ 30,000					Cameras	$ 30,000	SC Rent
SC - Electronic Gate NE Corner (Rees Street - Parks)						$ 20,000			Replace existing manual gate with automated unit.	$ 20,000	SC Rent
SC - Electronic Gate SW Corner (Moore Street - PW)					$ 20,000				Replace existing manual gate with automated unit.	$ 20,000	SC Rent
SC - Main Building HVAC Replacements (13 units @ $15,000 per unit)		$ 15,000	$ 31,000	$ 31,900	$ 32,900	$ 33,900	$ 34,900	$ 35,900	Replace HVAC units at end of service life (1-2 per year)	$ 215,500	SC Rent
SC - Entrance circulation remodel - LED lighting				$ 200,000					Move fencing along Moore Street, enhance landscaping, repave parking lot, add LED lighting	$ 200,000	SC Rent
SC - Campus Master Plan & Energy Efficiency Audit			$ 150,000						Prepare 20-year plan to address needs of all Departments and Divisions located at the Service Center (Development Services, Fleet, Water Distribution, Wastewater Collections, Stormwater, Sanitation, Parks, Recreation, Public Works Administration, Engineering, Police Evidence Storage); energy efficiency audit; address emergency operations needs (generators).	$ 150,000	SC Rent
SC - Bldg 65A Major Renovation								$ 1,200,000	2013 Structural Engineering Report recommended major renovations for building 65A	$ 1,200,000	SC Rent/Water Fund
SC - Main Building LED lighting					$ 30,000				Energy efficiency upgrade of interior lighting	$ 30,000	SC Rent
SC - Parking Lot Repairs				$ 100,000					Repair parking lot pavement	$ 100,000	SC Rent
SC - Carpet Replacement						$ 35,000			Replace Carpet	$ 35,000	SC Rent
SC - Bldg 75 Roof								$ 150,000	Roof rehab/replacement	$ 150,000	SC Rent
SC - Bldg 65E Roof								$ 100,000	Roof rehab/replacement	$ 100,000	SC Rent

SC - Barrel Building PVC Roof overlay							$ 50,000		Roof rehab	$ 50,000	SC Rent
TOTALS (SERVICE CENTER)	**$ 30,000**	**$ 137,000**	**$ 211,000**	**$ 361,900**	**$ 82,900**	**$ 88,900**	**$ 84,900**	**$ 1,485,900**			
CARNEGIE CENTER (CC) - 109 S. PALOUSE STREET											
CC - Roof & gutter system								$ 150,000	New roof and gutters (Historic)	$ 150,000	General Fund
CC - Window - strip & paint		$ 50,000							Rehab existing windows	$ 50,000	General Fund
CC - Boiler				$ 20,000					Replace 1980s vintage boiler	$ 20,000	General Fund
CC - Historic Restoration - bathrooms and interior/exterior								$ 1,000,000	Historic building restoration	$ 1,000,000	Historic Grants, Bonds/Loans
TOTALS (CARNEGIE CENTER)	**$ -**	**$ 50,000**	**$ -**	**$ 20,000**	**$ -**	**$ -**	**$ -**	**$ 1,150,000**			
SENIOR CENTER (Senior) - 720 SPRAGUE AVENUE											
Senior - Parking Lot Resurfacing		$ 150,000							Resurface parking lot; address ADA access for parking lot.	$ 150,000	General Fund
Senior - HVAC; 9 units (@ $15,000/EA, 2016$)		$ 15,000	$ 15,500	$ 16,000	$ 16,500	$ 17,000	$ 17,500	$ 18,000	Replace HVAC units at end of service life (1 per year)	$ 115,500	General Fund
TOTALS (SENIOR CENTER)	**$ -**	**$ 165,000**	**$ 15,500**	**$ 16,000**	**$ 16,500**	**$ 17,000**	**$ 17,500**	**$ 18,000**			
MANY WATERS WELLNESS CENTER / JEFFERSON PARK FIELD HOUSE (Wellness) - 800 SPRAGUE AVENUE											
Wellness - Parking Lot Resurfacing									Preservation work and cost TBD.	$ -	General Fund
TOTALS (WELLNESS CENTER)	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**			
PUBLIC PARKING LOTS											
Rose Street Parking Lot (between Second and Third) - behind Dispatch									Preservation work and cost TBD.	$ -	General Fund
Alder Street Parking Lot (downtown between First and Colville) - behind Macy's									Preservation work and cost TBD.	$ -	General Fund
Park 'n' Shop Parking Lot									Preservation work and cost TBD.	$ -	General Fund

Birch Street Parking Lot (between Second and Third)									Preservation work and cost TBD.	$ -	General Fund
Poplar Street Parking Lot (between Second and Third)									Preservation work and cost TBD.	$ -	General Fund
Sumach Parking Lot (between Colville and Spokane)									Preservation work and cost TBD.	$ -	General Fund
Cherry Street Parking Lot (between Third and Fourth) - USACE									Preservation work and cost TBD.	$ -	General Fund
Fifth and Sumach Parking Lot									Preservation work and cost TBD.	$ -	General Fund
SE Corner of Third and Oak Parking Lot									Preservation work and cost TBD.	$ -	General Fund
TOTALS (SENIOR CENTER)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -			
GRAND TOTAL (ALL)	**$ 170,000**	**$ 527,000**	**$ 256,500**	**$ 512,900**	**$ 199,400**	**$ 105,900**	**$ 102,400**	**$ 5,153,900**			

FIRE

Fire & Emergency Medical Services (EMS)

The Walla Walla Fire Department (WWFD) dates back to 1903, when three separate volunteer fire departments were joined together. WWFD endeavors to minimize the loss of life and property, pain and suffering by residents of the City of Walla Walla and surrounding areas as a result of accidents or natural disaster.

The Walla Walla Fire Department operates two fire stations with a full time staff of 47 employees, many of whom are cross trained as firefighters and paramedics.

The current long term debt for the 2004 General Obligation (GO) bond for construction of Station No. 2 was approximately $4.5M, which was refinanced in 2013 for $2.84M with payments of approximately $325,000 due each year until the bond is retired in 2024.

Services Provided

- Fire Department Administration
- Suppression
- EMS response
- Training
- Public education
- Prevention
- Inspection
- Technical response team (TRT) with capabilities including:
  - Hazardous materials response
  - High/low angle rope rescue
  - Swift water rescue
  - Confined space rescue

The City's EMS and TRT service emergency calls throughout Walla Walla County, with a total coverage of approximately 1,200 square miles. The Department also responds to emergency medical calls in a portion of Umatilla County: Ambulance Service Area #6, Mill Creek.

Level of Service

The WWFD is capable of responding within the City to 90% of all reported emergencies, fire and EMS, within six (6) minutes. (One-minute call receiving and dispatch, one-minute turnout and four (4) minute travel.) These response capabilities meet the National Fire Protection Associations (NFPA) Standard 1710.

The WWFD responds to between 5,000 and 6,000 medical emergency calls each year, over 60% of these responses end with a patient being transported to a medical facility.

Facilities

Walla Walla operates two fire stations that house the emergency response equipment and on-duty responding members of the Department. The main 14,220 sq ft administration station (Fire Station No. 1), located at 200 S. 12th Avenue, was officially dedicated in 1975. The second station is a 15,260 sq ft facility located at 170 N. Wilbur Avenue. Station No. 2 is a fairly new facility completed in 2006, as a result of the bond levy that was approved by voters in 2004.

The department also maintains a drill and training facility at 300 Cayuse Street. The facility was also dedicated in 1975 and is an older four story masonry training tower with separate props which provide hands-on training for ventilation, high/low angle rope rescue, confined space rescue and hazardous materials response.

Equipment

WWFD operates several pieces of specialized equipment, the largest vehicles being:

- Engine 3911: 1996 Pierce Quantum pumper
- Engine 3912: 2002 Pierce Quantum pumper
- Ladder 3911: 2011 Rosenbauer Ladder Truck pumper

EMS

- 2006 Ford E-350 - 1 Northstar Ambulance
- 2016 Dodge D4500Braun Ambulance
- 2014 Dodge D3500Braun Ambulance
- 2014 Dodge D4500Braun Ambulance
- 2011 Ford F-350 - Braun Ambulance
- 2012 Ford F-350 - Braun Ambulance

Facility Needs

Continued growth through annexation of the City's Urban Growth Area (UGA), particularly to the South of the City and areas north of US 12 will increase the distribution of the WWFD resources. To ensure proper response standards are maintained, the City may need to address additional fire stations, equipment and staff to serve this growth. A smaller two bay satellite station with living quarters to service the south end of the City where most of the growth and annexations have been and are expected to continue to occur.

The training tower is also showing signs of wear. Repairs to address ongoing heat damage have been successful in prolonging the life of the building. However, a structural evaluation of previous repairs needs to be completed to address life safety status of the structure and maintain compliance with WAC 296-305 – Safety Standards for Firefighters and safe operational needs for firefighter training. This evaluation will dictate whether the tower needs additional repairs or if it will need to be replaced. The location of the drill facility is less than ideal considering it's boarded on the south side by Mill Creek and the north and east side by Washington Park. Costs will be dictated by technologies and continually changing safety and training requirements. A more regional type facility may be a more prudent solution for the long term training needs of communities in the area.

The Fire Department has numerous support vehicles, response trailers and light/generator plants that are not currently stored undercover due to inside storage constraints. There is a need to build a covered parking structure at fire station #1 to keep these vehicles out of the weather and provide the ability to keep heated during the winter months.

The vehicle exhaust systems for both fire stations are in need of replacement/upgrades to meet current safety standards. Current codes and standards require vehicle exhaust systems and carbon monoxide detection for apparatus areas in fire stations. The exhaust system for fire station #2 was installed when the station was built in 2006, the system is currently operational however, we have experienced maintenance issues recently that have put the system out of service on occasion. The exhaust system for fire station #1 was installed when the building was constructed in 1975 and is inadequate for current operations. Neither station has an installed carbon monoxide detection system for notification of high CO levels and automatic activation of the exhaust system.

Future Equipment Needs (items not included in the City's Vehicle Replacement Fund, 518)

As fire suppression vehicles require a large investment, ongoing replacement of the fleet will continue to be a financial challenge. A new ladder truck was added in April 2012 at a cost of $801,500. New pumper trucks were scheduled in 2011 and 2015 for the replacements to the 1982 Seagraves and the 1996 Pierce pumper trucks. These purchases have been delayed for a couple of years. Cost estimates suggest as much as $450,000 may be required to replace each of these vehicles.

Attempts have been made to fund the replacement of these large vehicles including grant applications. Due to extensive competition from other communities, recent grant application attempts have not been successful. The ambulance fund has been able to keep pace with the replacement schedules for the EMS division. Establishment of a similar replacement fund for the fire suppression equipment has been discussed to assure a cost effective rotation of these expensive vehicles.

Fund/Department: Fire Department
Date: 8/23/2016
Prepared by: Bob Yancey, Fire Chief

Project Name	2017 Cost	2018 Cost	2019 Cost	2020 Cost	2021 Cost	2022 Cost	2023+ Cost	Project Description	Other Funding Sources (Donations, Grants, Etc.)	Total Project Cost	Funding Sources
Fire Station #1 - Interior access control	$ 5,000							Replace doors that lead to crew and office staff areas in main entrance area with locking doors for better security and public access control.	$ -	$ 5,000	General Fund
Fire Station #1 - Exterior security cameras	$ 15,000							Security cameras for exterior of fire station, 4 each.	$ -	$ 15,000	General Fund
Fire Station #1 - Covered parking				$ 125,000				Covered parking behind fire station #1 for trailers and City vehicles.	$ -	$ 125,000	General Fund
Fire Station #1 - Roof	$ 20,000							New roof over building (garage bay re-roofed in 2014).	$ -	$ 20,000	General Fund
Fire Station #1 - Exterior LED lighting			$ 15,000					Energy efficiency upgrade of exterior lighting.	$ -	$ 15,000	General Fund
Fire Station #1 - Community room GRANT DEPENDENT					$ 100,000			Working with C2C, build a community room at fire station #1 for the Blue Ridge neighborhood with 50% grant from the Sherwood Trust.	$ 100,000	$ 200,000	50-50 General Fund / grants
Fire Station #1 - Vehicle exhaust extraction system		$ 60,000						Replace vehicle exhaust systems at Fire Station #1.	$ -	$ 60,000	General Fund
Fire Station #1 - Parking Lot Preservation								Preservation work and cost TBD.	$ -	$ -	General Fund
Fire Station #2 - Exterior security cameras	$ 5,000							Security cameras for exterior of fire station, 4 each.	$ -	$ 5,000	General Fund
Fire Station #2 - Service window	$ 5,000							Replace current Ambulance billing office window for better security.	$ -	$ 5,000	General Fund
Fire Station #2 - Vehicle exhaust extraction system					$ 60,000			Replace vehicle exhaust systems at Fire Station #2.	$ -	$ 60,000	General Fund
Fire Station #2 - Parking Lot Preservation								Preservation work and cost TBD.	$ -	$ -	General Fund
Fire Engine (Replacement of EQ12453) 2016 Funding - $200,000	$ 250,000							Pumper trucks to replace 1996 Pierce engines per Department replacement schedule.	$ 200,000	$ 450,000	General Fund
Fire Engine (Replacement of EQ12454)		$ 450,000						Pumper trucks to replace 2001 Pierce engines per Department replacement schedule.	$ -	$ 450,000	General Fund
Drill tower District 4 Funding - $500,000		$ 1,000,000						Regional drill tower to replace current City owned drill tower that is 45 years old and doesn't meet many of the new WAC 296-305 standards for safety. Project cost to be shared with surrounding Departments.	$ 500,000	$ 1,500,000	General Fund + $0.5M from FD#4

Fire Station #3 (new)			$ 3,000,000					New fire station in South area of town to meet minimum response standards established by the Fire Department for the annexed areas. Currently being serviced by Fire District 4, ramp-down ends in 2019.	$ -	$ 3,000,000	GO Bond
TOTALS	**$ 300,000**	**$ 1,510,000**	**$ 3,015,000**	**$ 125,000**	**$ 160,000**	**$ -**	**$ -**				

FLEET SERVICES

Vehicle and Equipment Replacement

In 1999, the city established a vehicle and equipment (V/ER) replacement program (fund 518, Ordinance 99-06, WWMC 3.21.050), to annually set aside funds for the planned replacement of vehicles and equipment included in the fund. Replacement costs are established for V/ER and then adjusted for inflation (presently using 3% per year) for a future replacement date as established by Fleet Services.

There are approximately 315 vehicles included in the replacement schedule. Each Department/Division annually deposits funds for the future replacement costs for V/ER. Fleet Services manages the schedule in partnership with the Departments/Divisions and City's Finance Department. Fleet establishes and monitors replacement cycles and costs providing a systematic approach for replacements. Departments/Divisions are encouraged to review the schedules annually or biannually with Fleet Services to ensure schedules and the types of equipment continue to meet Department/Division needs in the future and where feasible, to extend the "planned" life of equipment.

In 2015, a review process was established with Public Works to ensure input was received from Supervisors, front-line staff, Managers and Directors before a purchase was made. The goal of this process was to make certain the V/ER met the needs of the direct users. Demonstrations are also sometimes scheduled to review new features/capabilities.

Starting in 2012, rebuilds for certain types of equipment are also being considered. Examples of equipment benefitting from rebuilds include the landfill's compactor, grader, dozer and scraper which are high cost, critical, but non-emergency equipment. A one-time rebuild extends the life of a piece of equipment at a lower cost than replacement, but helps ensure continued operational reliability. When considering a rebuild, the life cycle plan (set-aside plan) for that equipment should include not only the rebuild cost, but also the full future replacement following the rebuild. Rebuilds are also subject to the joint recommendations of Fleet and the Department/Division based on the historical reliability of that particular piece of equipment.

Including these two expenditures (rebuild + replacement) in the lifecycle and then spreading the costs over the full lifecycle provides a stable, balanced annual set aside with little cost fluctuation.

In cases where actual purchase and/or outfitting costs come in higher than projected, the gap can either be covered by a Department/Division's 518 contingency fund or by seeking a balance transfer from the Department/Division's operating fund/fund balance, subject to approval by the Department Director. It is recommended that each Department/Division establish a 2-5% contingency fund for the equipment in the 518 fund to address unforeseen costs.

There are some vehicles that are not included in the V/ER fund, namely fire engines. These items are included as part of the Fire Department's overall Capital Facilities needs and are funded through the Fire Department's own capital plan.

LIBRARY

Walla Walla Public Library

Serving the people of Walla Walla as a community information and lifelong learning center, the Walla Walla Public Library (WW Public Library) acquires, organizes, provides, and promotes informational, educational, recreational, and cultural materials for people of all ages. Located at 238 East Alder Street, the Library serves the Walla Walla area providing free Library cards to individuals owning property or living within the City limits.

In 1905, the WW Public Library opened the doors of a new building built by funding from Andrew Carnegie. The Library outgrew the Carnegie Building and moved into the new 16,000 square foot facility in 1970. Since that time, the Library has continued to grow. In 2006, a 3,067 square foot Young People's addition was completed. Today the Library circulates over 350,000 items annually, including books, cds, dvds, downloadable books and magazines.

Services Provided
The WW Public Library staff focus on providing guidance and assistance for people to obtain the information they seek. They initiate programs and exhibits that stimulate the use of Library materials, promote literacy and encourage lifetime learning for people of all ages.

The WW Public Library provides free programs throughout the year including youth and adult reading programs, preschool story times, elementary school-age story times, day care story times, internet access, internet classes, classes for downloading audible and e-books, word processing and document scanning.

The maker-space and media lab, CrewSpace, provides both instruction in and access to the latest in technology which enables both children and adults to share information using various mediums such as music and video production. Acquiring these skills will increase employment opportunities and will support creative expression and lifetime learning.

Existing Facilities
The original 16,000 square foot Library was constructed in 1970. With continued growth and increases in programs, computer based information sources, quantity and breadth of materials, the facilities were unable to accommodate the demand.

In June 2004, a Library Expansion Master Plan for the WW Public Library was completed. The expansion plan addressed a variety of issues including capacity constraints, available funding and phased implementation of proposed improvements. Phase I improvements included Young People's Services Renovation and Addition. Phase II addressed the Maximization of Interior Space and Phase III was Library Expansion to achieve the goal of a 33,000 square foot facility to accommodate growth to serve an estimated population of 68,000 (by 2020).

In 2005, the Sherwood Trust awarded the Library a $300,000 grant toward the renovation and expansion of the Young People's department. This grant represented about one half of the estimated $713,000 required to fund the project. The community provided the necessary funding match and the 3,067 square foot facilities expansion to the northwest corner of the Library was completed in 2006.

A media lab, CrewSpace, was built in 2014 in the existing Board Room space. It was built with a grant of $136,000 from the Paul Allen Family Foundation.

A replacement of the Library's original HVAC System with an energy efficient system was completed in 2016.

The WW Public Library added two study rooms in 2013 to address the need for small groups to meet in a quiet area.

Level of Service
With the 2006 expansion, the Library has 19,067 square feet, serving a City population base of about 32,237 for a Level of Service (LOS) ratio of 0.59 square feet per capita. Comparable LOS for other single outlet municipal libraries in similar sized communities in Washington have a ratio of 0.84 square feet per capita (source: Washington Public Library Statistical Report, 2014).

Future Needs

The 2004 Library Expansion Plan did not predict the recent advancements in technology, nor the current use and future growth needs for the WW Public Library. In 2016, the WW Public Library serves an average of 771 people daily. An update to the plan is needed to address the daily use, the changes in the way we use the WW Public Library and to re-examine future needs.

The current Plan for Phase II improvements, which includes interior space maximization, will be included in the Phase III portion which is the expansion and renovation of the entire Library, maximizing the use of the existing site and increasing the area of the Library from 19,000 to 33,000 square feet.

Many of the deficient conditions of the existing facility that were identified in the 2004 evaluation remain to be addressed.

While an additional emergency exit was added to the Young People's area in 2013, the Adult Reading Room lacks an emergency exit.

The Young People's addition provided needed shelf space for books and other materials, but the increase in programming makes the need for a designated program space crucial for both adults and young people. There is little expansion space due to the limits of the facility's present site.

Expansion to the east is the most feasible direction but would further exacerbate the demand for parking. Acquisition of property near the Library could help alleviate the demand for additional parking.

The lack of a designated program space has caused wear and tear to both the carpeting and the furniture. As the furniture is pulled across the carpet to make room for programs, not only is the furniture weakened, but the carpet is showing wear. The furniture was purchased by the Sherwood family in 1970 and is in need of replacement; repairs have been made but it is worn and is nearing 50 years of service. The carpet has been replaced in stages over the last 20 years and the design is not cohesive. The east side of the Library is showing extreme wear.

Lighting within the Library is inadequate. The ceiling is original and the component tiles are no longer replaceable. It does not allow for improved and energy efficient lighting to be installed. A replacement of the ceiling and new lighting is needed.

To increase security at the Library, the existing security cameras need to be updated and additional cameras should be added to the exterior perimeter of the building.

Rapid changes in technology are evident in library services where acquisition, organization and retrieval are all dependent on technology. Predicting future changes in technology is difficult, but libraries anticipate the continued and expanded use of radio frequency. RFID (Radio Frequency Identification) allows libraries to inventory, circulate and sort materials through radio frequency tagging. The WW Public Library has not been able to acquire this technology due to its cost. Libraries also foresee a wireless environment within the next five years necessitating new equipment and security considerations.

Drive-up services have been requested. As our population ages, more individuals could benefit from drop-off and pickup services. Services of this type would need to be part of the planning for a new building.

It may be advisable to consider a new site for the WW Public Library in order to accommodate growth and technology needs and adequate parking but the importance of the current location, which is uniquely sited close to residential neighborhoods while sitting amidst the business community, should be considered. Future use of the surrounding properties may offer the necessary solution to the Library's need for growth.

Fund/Department: LIBRARY
Date: 8/18/2016
Prepared by: Beth Hudson, Library Director

Project Name	2017 Cost	2018 Cost	2019 Cost	2020 Cost	2021 Cost	2022 Cost	2023+ Cost	Project Description	Other Funding Sources (Donations, Grants, Etc.)	Total Project Cost	Funding Sources
WALLA WALLA PUBLIC LIBRARY - 238 E. ALDER STREET											
Security Cameras - Upgrade and additions	$ 9,000							Security cameras are a key component of the Library's security measures. The Library needs to upgrade these cameras so that the image can be used for identification purposes. Additionally, the Library needs to add at least one exterior and one interior camera.	$ -	$ 9,000	General Fund
Replace ceiling in all but childrens addition and upgrade to LED lighting	$ 60,000							The lighting in the Library is inadequate and has been sited in customer surveys for improvement. The component tiles of the original ceiling are crumbling and are not replaceable. The structure of the ceiling does not allow for the installation of improved and energy efficient lighting. The projection for savings with new lighting is 47% of the current kw usage.	$ -	$ 60,000	2015 HVAC bond
Emergency Exit in Adult Room - south wall	$ 7,000							There is no emergency exit in the Adult Reading Room which holds 40-60 people during the day and up to 100 people during programs.	$ -	$ 7,000	Library O&M
Library addition - Add a Program Room to east end of Library to include a Family bathroom					$ 600,000			The Library's program needs have outgrown the space offered by the Reading Room. The design for an addition to the Library should allow for customizable space to accommodate two meeting areas or one large program space. The Library could also use this area to offer a much needed family bathroom.	TBD	$ 600,000	Donations, Grants, General Fund, Bond
Update 2004 Library Expansion Plan			$ 25,000					Over the last 10 years, rapid changes in technology and in the way customers use the WW Public Library have created a need for an updated Library Expansion Plan. The Plan will anticipate how space will be utilized for an improved customer experience including addressing issues of accessibility for an aging population.	$ -	$ 25,000	General Fund
New carpeting	$ 20,000		$ 30,000					An average foot traffic count of over 770 visitors a day has taken a toll on the carpeting; the Library plans to replace it in two stages.	$ -	$ 50,000	General Fund
New furniture			$ 35,000					The existing furniture was purchased in 1970 and is in need of replacement. The furniture is heavy and creates wear and tear on the carpet when the furniture is rearranged to accommodate program space. The structure of the furniture has weakened and has to be repaired frequently.	TBD	$ 35,000	Grant, General Fund
Book RFID System				$ 350,000				Radio Frequency Identification (RFID) checks in materials at the point of return and sorts them for shelving. RFID offers inventory control, retrieval and secures materials at entries.	$ -	$ 350,000	General Fund
Parking Lot Preservation - Alder								Preservation work and cost TBD.	$ -	$ -	General Fund

Parking Lot Preservation - Poplar								Preservation work and cost TBD.	$ -	$ -	General Fund
Expand Library Parking							$ 250,000	Expansion of the building along with increased usage of the building will result in a need to address the parking spaces available to customers. Costs are related to acquisition of space for parking.	TBD	$ 250,000	Donations, Grants, General Fund, Bond
Security System and exterior LED lighting			$ 25,000					The Library needs to upgrade its security at entry points with card access for staff and a coordination with City-wide security systems. Lighting on the exterior of the building is inadequate.	$ -	$ 25,000	General Fund
Roof			$ 40,000					A replacement of the roof has been identified as a necessary maintenance step. The current roof is the original roof from the 1970 construction.	$ -	$ 40,000	General Fund
TOTALS	**$ 96,000**	**$ -**	**$ 155,000**	**$ 350,000**	**$ 600,000**	**$ -**	**$ 250,000**				

PARKS & RECREATION

Parks and Recreation

Walla Walla's long term commitment to parks began in 1901 when land that is currently Pioneer Park was acquired. A group of prominent women formed the Park Civic and Arts Club in 1907 and began raising money for park improvements. The Club's dedication to park development and City beautification led to the hiring of the Olmsted Brothers landscape architecture firm to help plan the parks system in Walla Walla. The Club continued their effort to provide parkland dedications and to improve park facilities by adding shrubs, trees, flowers, play equipment and other park amenities throughout the City. The influence of this early devotion to parks is reflected in the wealth of City parkland that exists today.

City Parks and Recreation Facilities
City Parks are divided into three categories: community parks, neighborhood parks and mini-parks.

Community parks provide for diverse multi use recreational opportunities and may include natural areas for outdoor recreation. This type of park includes parking facilities, restrooms, and is easily accessible to the community served. The desirable size for a community park is typically 25 acres or more with a service area radius of two miles.

Neighborhood parks provide for both active and passive recreational uses. The desirable size for a neighborhood park is typically five to ten acres with a service area radius of a one half mile.

Mini-parks provide specialized facilities or passive recreation to serve a concentrated or limited population. The desirable size for a mini-park is typically one acre or less with a service area radius of less than one quarter mile.

Community Parks
- Borleske Stadium/Veterans Memorial Pool (12 Ac)
- Fort Walla Walla Park (205 Ac)
- Mill Creek Sportsplex (50 Ac)
- Pioneer Park (58 Ac)

Neighborhood Parks
- Eastgate Lions Park (12 Ac)
- Howard-Tietan Park (19 Ac)
- Jefferson Park (9 Ac)
- Menlo Park (7 Ac)
- Vista Terrace Park (7 Ac)
- Washington Park (12 Ac)
- Wildwood Park (6 Ac)

Mini-Parks
- Crawford Park (1.2 Ac)
- Heritage Square (0.7 Ac)
- Volunteer Park (0.1 Ac)
- Xeriscape Park (0.2 Ac)

Other City Park Facilities
- Mountain View Cemetery (65 Ac)
- Veterans Memorial Golf Course (135 ac)

City Trails
- Mill Creek Trail
- Fort Walla Walla Trail
- US 12 Trail (Moore Street to Vista Terrace Park)

Buildings/Facilities
- Carnegie Center
- Garden Center at Pioneer Park

The City also partners with the Walla Walla School District to utilize indoor and outdoor school facilities for Recreation programs.

Conditions
During the last 14 years, park irrigation systems have been automated to improve efficiency. Most of the City's parks have restroom facilities. The City of Walla Walla, in partnership with local neighborhoods and civic groups such as

Rotary, Sherwood Trust, etc. continue to install, replace and/or enhance playground equipment. Replacements/enhancements have been completed at Pioneer, Howard-Tietan, Washington, and Jefferson Parks.

Facility Needs

The City does not have a Parks and Recreation Comprehensive Plan. A plan is strongly recommended to address funding for necessary planning, repair, maintenance and capital improvements of park facilities and recreational programs. Additionally, the requirement for a current masterplan has been cited as a specific condition necessary to qualify for matching state and federal grants.

This Plan would categorize each park property; specify known constraints; detail archeological and historical items of significance; list facility improvements at each park; evaluate the conditions of existing structures and facilities; assess the expected life of facilities; identify repairs or maintenance required; summarize existing or planned utilities; denote potential expansion/land acquisition opportunities; and acknowledge influencing and constraining factors, special goals and/or resources associated with the historical development of each of the various park properties.

The plan would also introduce the public to how each of the parks came into existence, and funding mechanisms that contributed to the improvement of the facilities to their current status. Identification of specific goals or constraints that may influence future improvements or expansion of each of the facilities would be listed. A comprehensive needs assessment of each of the parks would be outlined, along with estimated costs to address necessary maintenance issues, planned upgrades or new improvements.

A summary of the overall park needs assessment would allow the public to comprehend the magnitude of the City's park facilities. This list could then be evaluated and prioritized, with a program developed to address high priority projects with available funding. The key link to addressing necessary improvements in a timely manner is to implement a dedicated funding mechanism based on needs and the residents input and support for these facilities and programs.

Level of Service

The acres per capita Level of Service (LOS) is the most common benchmark used for whether a community has enough park lands, but this metric fails to address the distribution of those lands in a community and the type of (park) demand within a community. The historic standard referenced 10 acres of park and/or open space per 1,000 persons, but most communities simply try to maintain their current ratio as they grow in population.

Other references have indicated the LOS for Community Parks would be 9.3 acres per 1,000 and 2.1 acres per 1,000 for neighborhood Parks.

Fund/Department: Parks
Date: 9/1/2016
Prepared by: Jim Dumont, Parks & Recreation Director

Project Name	2017 Cost	2018 Cost	2019 Cost	2020 Cost	2021 Cost	2022 Cost	2023+ Cost	Project Description	Other Funding Sources (Donations, Grants, Etc.)	Total Project Cost	Funding Sources
Eastgate Lions Park - Splash Pad						$ 300,000			TBD	$ 300,000	Grants, Donations, Local Funds, etc.
Eastgate Lions Park - Parking Lot Preservation								Preservation work and cost TBD.	$ -	$ -	General Fund
Ft. Walla Walla Park - Potable water to all drinking fountains and restroom	$ 20,000							Rotary shelter and restrooms.	$ -	$ 20,000	General Fund
Ft. Walla Walla Park - Play equipment			$ 25,000					New play equipment	$ 25,000	$ 50,000	50% Donations; 50% General Fund
Ft. Walla Walla Park - Amphitheater							$ 200,000	Roof repair, bench restorations, restroom upgrades, lighting, etc.	$ -	$ 200,000	General Fund
Ft. Walla Walla Park - Parking Lot and Roadway Preservation (North of Garrison Creek)								Preservation work and cost TBD.	$ -	$ -	General Fund
Ft. Walla Walla Park - BMX/Skate/Dog Park Parking Lot and Roadway Preservation (Sorth of Garrison Creek)								Preservation work and cost TBD.	$ -	$ -	General Fund
Heritage Park - Re-envisioning	$ 100,000							Redevelop Heritage Park as a community plaza/gathering space.	$ -	$ 100,000	General Fund
Heritage Park - Central Plaza Construction							$ 1,000,000	Redevelop Heritage Park as a community plaza/gathering space.	$ -	$ 1,000,000	General Fund
Heritage Park - Parking Lot Preservation								Preservation work and cost TBD.	$ -	$ -	General Fund
Howard-Tietan Park - Splash Pad					$ 300,000			Add splash pad to Howard-Tietan Park	TBD	$ 300,000	Grants, Donations, Local Funds, etc.
Howard-Tietan Park - Parking Lot Preservation								Preservation work and cost TBD.	$ -	$ -	General Fund
Mill Creek Sports Complex - Maintenance/Equipment Storage Building		$ 75,000						Construct maintenance/equipment storage building with security fencing.	TBD	$ 75,000	Grants, Donations, Local Funds, etc.

Mill Creek Sports Complex - New soccer fields, baseball fields							$ 1,000,000	Add two additional soccer fields and three baseball/softball fields; expand parking.	$ -	$ 1,000,000	General Fund
Mill Creek Sports Complex - LED lighting retrofit							$ 150,000		$ -	$ 150,000	General Fund
Mill Creek Sports Complex - Parking Lot Preservation								Preservation work and cost TBD.	$ -	$ -	General Fund
Mountain View Cemetery - Roadways (5 miles)	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	Overlay/repair remaining five miles of roadways in Mountain View Cemetery	$ -	$ 350,000	General Fund
Pioneer Park - Potable water to the circle	$ 5,000							Potable water for vendor access during events.	$ -	$ 5,000	General Fund
Pioneer Park - Garden Center Roof Replacement and Exterior Repair			$ 30,000						$ -	$ 30,000	General Fund
Pioneer Park - Aviary Rearing Pens and replacement of corrugated panels on building			$ 30,000					Replace existing rearing pens and replace siding on Aviary office/shop building.	$ -	$ 30,000	General Fund
Pioneer Park - Parking Lot Preservation (5 lots)								Preservation work and cost TBD.	$ -	$ -	General Fund
Veterans Memorial Pool Rebuild	$ 8,300,000							Rebuild Memorial pool including expansion, zero entry pool, two water slides, diving boards, children's play structure, 50 meter x 25 yard pool.	In Process - TBD	$ 8,300,000	Grants, Donations, Local Funds, etc.
Veterans Memorial Pool/Borleski - Parking Lot Preservation								Preservation work and cost TBD.	$ -	$ -	TBD
Veterans Memorial Golf Course - Clubhouse Roof and Ceiling	$ 65,000							PVC overlay for roof and install drop ceiling	$ -	$ 65,000	General Fund
Veterans Memorial Golf Course - HVAC - 3 units at $15,000/EA		$ 15,000	$ 15,000	$ 15,000				Need to replace 1970s and 1980s units.	$ -	$ 45,000	General Fund
Veterans Memorial Golf Course - Parking Lot Preservation								Preservation work and cost TBD.	$ -	$ -	TBD
Washington Park - Parking Lot Preservation								Preservation work and cost TBD.	$ -	$ -	TBD
Wildwood Park - Play Equipment		$ 25,000						New play equipment	$ 25,000	$ 50,000	50% Donations; 50% General Fund
Wildwood Park - Parking Lot Preservation								Preservation work and cost TBD.	$ -	$ -	TBD
Misc. Play Equipment Repairs			$ 10,000	$ 10,000	$ 10,000			As needed.	$ -	$ 30,000	General Fund

Park Master Plan	$ 100,000							Parks master plan	TBD	$ 100,000	Grants, Donations, Local Funds, etc.
Public Park in SE area of City							$ 1,000,000	New park to serve residents in the S/SE area of the City; 20 acre min.	TBD	$ 1,000,000	Grants, Donations, Local Funds, etc.
TOTALS	**$ 8,640,000**	**$ 165,000**	**$ 160,000**	**$ 75,000**	**$ 360,000**	**$ 350,000**	**$ 3,400,000**				

POLICE

Police Facilities

In 2009, a General Obligation (GO) bond was passed to build new Police facilities and in 2012 the WWPD moved into a new 30,170 square feet Headquarters (HQ) building at 54 E. Moore Street, across the street from the City Service Center. The new facilities were designed to provide enough space for a future staff level of 54 sworn officers and 43 civilian staff. The 3,330 square feet Police Evidence Storage Building located north of the City Service Center was renovated at the same time to bring that building up to current codes and to improve security, fire alarms, address structural deficiencies, doors, windows, unit heaters and video monitoring.

The new building and renovation of the storage facility was designed to accommodate: Police administration; Police operations; small emergency operations and Police training room; Records storage and retrieval; Investigations; Police community and Crime prevention programs; Property storage/retrieval and evidence processing; Fingerprinting lab; Suspect processing and interviewing; Police support services, Patrol shift briefings, Staff meetings and also features a Community meeting/multi-purpose room (Chuck Fulton Community Room).

Secure areas were provided for safety including: interview rooms; conference rooms; suspect processing rooms; locker rooms; and lunch and kitchen facilities. Non-secure interview rooms were also included to allow the public to talk with the officers or to make reports in privacy. The new headquarters building features advanced electronics, video monitoring, communications, air handling and emergency systems. The facility has a back-up generator for power capable of running all of the lights, computers, and critical functions of the building. It does not operate the HVAC system.

Police Services

Currently, there are 46 commissioned officers and 11 civilian employees with the Walla Walla Police Department. Services provided include animal control, crime prevention, investigations, patrol, and parking and code enforcement. Community programs provided by the Police Department-include Washington State Crime Prevention Association activities, the Crime Free Rental Housing Program, Child Passenger Safety Program and a Special Teams Unit that is focused on Gang and Drug related activities.

Public Safety Communications (WESCOMM)

Emergency services communications in Walla Walla County are provided by Walla Walla Emergency Services Communications (WESCOMM). Under a contract with Walla Walla County, the WWPD operates the Enhanced 911 center for all law enforcement, fire services, and ambulance services within Walla Walla County (WWPD, WWFD, WW County Sheriff's office, City of College Place Police and Fire Departments, Rural Fire Districts 1, 2, 3, 4, 6, 7 and the Walla Walla Airport Fire Department) except for Rural Fire District 5, covering the western portion of Walla Walla County near the Wallula/Burbank area which utilizes Franklin County's 911 call center due to logistics and phone service coverage. There are 17 employees with WESCOMM.

In 1997, the center moved from City Hall into the current 3,000 square foot facility at the SW corner of Rose Street and Second Avenue. This building also serves as the headquarters for the Walla Walla County Department of Emergency Management and the Emergency Operations Center. The current facility is located over Mill Creek and should be considered for relocation due to its vulnerability to impacts from flooding and/or earthquake damage. The building is owned by Walla Walla County and leased to WESCOM.

Level of Service and Future Needs

As the population and community's socio-economic mix change and the land area serviced by the department grows, the number of law enforcement personnel and the location of those personnel will also need to be addressed. The Department will need to adjust and adapt to these changes in order to maintain public safety and respond to calls in a timely manner. At present, with 46 commissioned officers and a population estimate of 33,390, the ratio is 1.38 officers per 1,000 people. Although this ratio is a common measurement used by agencies to evaluate the number of officers in a community, it does not address the actual amount of police time required to handle calls for service from inception to completion. The International City/County Management Association (ICMA) recommends that workload be used to determine the number of officers required for a community. This assessment should consider workload, deployment and response times for patrol officers. This assessment method is recommended because the ratio approach to level of service does not factor in the type of service requests. A more holistic approach to level of service would be to analyze the type of 911 calls from the CAD system to assess needs. It is recommended that the Police Department utilize ICMA's Patrol Workload & Deployment Analysis System to conduct an assessment of the number of officers needed in the city.

Service calls between 2009 and 2015:

Walla Walla Police Department

Year	Requests For Service
2009	19,320
2010	19,879
2011	18,537
2012	19,701
2013	20,355
2014	18,820
2015	20,911

With the new police station and upgraded Evidence Storage renovations in place, a majority of the Police Department's future needs have been addressed. However, as the service population grows through annexation and in-fill on the Southside of town, it becomes more difficult geographically for timely police response to this area. The Fire Department is faced with the same dilemma. A small police satellite out-station as part of any new fire station built in the area would help the Police Department meet the needs of this growing area of the City.

Fund/Department: Police Department
Date: 8/25/2016
Prepared by: Scott Bieber, Police Chief
Note which year will be design (D) or construction (C) in the appropriate cell for each project.

Project Name	2017 Cost	2018 Cost	2019 Cost	2020 Cost	2021 Cost	2022 Cost	2023+ Cost	Project Description	Total Project Cost	Funding Source
Satelite Police Station			$ 100,000					Develop a satelite police station in conjunction with a south side fire station; location would be for officers serving area not full time staffed. Capital expense only; operation costs still to be determined.	$100,000.00	GO Bond
Shooting Range	$ 50,000	$ 50,000					$ 450,000	Construct a shooting range; Phase 1 will be pistol range. Phase II (5-10 years) full range development. Capital expense only; operational costs still to be determined. Site being considered is a portion of Sudbury Landfill.	$550,000.00	General Fund
TOTALS	**$ 50,000**	**$ 50,000**	**$ 100,000**	**$ -**	**$ -**	**$ -**	**$ 450,000**			

Fund/Department: Police Department (WESCOMM)
Date: 8/25/2016
Prepared by: Scott Bieber, Police Chief

Project Name	2017 Cost	2018 Cost	2019 Cost	2020 Cost	2021 Cost	2022 Cost	2023+ Cost	Project Description	Total Project Cost	Funding Source
Dispatch Radios						$ 100,000		Replacement of dispatch radio console radios (Zetron)	$ 100,000	Shared WESCOMM Expense
P-25 Mitrgration Kits				$ 50,000				Acquire and install the P-25 migration kits for all system wide transceivers	$ 50,000	Shared WESCOMM Expense
Tower Sites			$ 450,000		$ 450,000		$ 450,000	Additional tower sites at Waitsburg, Lyons Ferry, Skyrockets, and/or Hair. Potential to share other towers with Franklin County or Columbia REA.	$ 1,350,000	Shared WESCOMM Expense
Coppei Site				$ 200,000				Convert the Coppei site to receive only and re-license the Coppei transit frequencies to Waitsburg Hill	$ 200,000	Shared WESCOMM Expense
Receive only sites			$ 15,000	$ 15,000	$ 15,000			Receive only sites at primary fire station or other municipal location in Dixie, Prescott, and Burbank. Enhances portable talk-in coverage.	$ 45,000	Shared WESCOMM Expense
New Dispatch Center							$ 3,500,000	Design and construct a new dispatch center (partnership with WW County); cost estimate includes design and construction	$ 3,500,000	Shared WESCOMM Expense
Maintenance and Replacement of Equipment			$ 100,000	$ 100,000	$ 100,000	$ 100,000	$ 800,000	Estimate replacement costs $1.2 million over 10-12 years. Set aside to plan for these replacement costs.	$ 1,200,000	Shared WESCOMM Expense
TOTALS	**$ -**	**$ -**	**$ 565,000**	**$ 365,000**	**$ 565,000**	**$ 200,000**	**$ 4,750,000**			

2017-22 Capital Facilities Planning Summary

9/1/2016

Department	2017 Cost	2018 Cost	2019 Cost	2020 Cost	2021 Cost	2022 Cost	2023+ Cost
Facilities	$ 527,000	$ 256,500	$ 512,900	$ 199,400	$ 105,900	$ 102,400	$ 5,153,900
Fire	$ 300,000	$ 1,510,000	$ 3,015,000	$ 125,000	$ 160,000	$ -	$ -
Library	$ 96,000	$ -	$ 155,000	$ 350,000	$ 600,000	$ -	$ 250,000
Parks	$ 8,640,000	$ 165,000	$ 160,000	$ 75,000	$ 360,000	$ 350,000	$ 3,400,000
Police	$ 50,000	$ 50,000	$ 100,000	$ -	$ -	$ -	$ 450,000
Public Works	$ 398,500	$ 400,000	$ 485,200	$ 175,000	$ 50,000	$ 1,049,450	$ 50,000
WESCOMM	$ -	$ -	$ 565,000	$ 365,000	$ 565,000	$ 200,000	$ 4,750,000
TOTALS	**$ 10,011,500**	**$ 2,381,500**	**$ 4,993,100**	**$ 1,289,400**	**$ 1,840,900**	**$ 1,701,850**	**$ 14,053,900**

Fund/Department: Public Works
Date: 9/1/2016
Prepared by: Mike Laughery, PW Capital Projects Manager

Project Name	2017 Cost	2018 Cost	2019 Cost	2020 Cost	2021 Cost	2022 Cost	2023+ Cost	Project Description	Other Funding Sources (Donations, Grants, Etc.)	Total Project Cost	Funding Sources
SR125 and Plaza Way Intersection - Alternatives Analysis - GRANT DEPENDENT	$ 13,500							Consultant to provide an alternatives analysis for the Intersection of SR125 and Plaza Way. This will provide an evaluation of multiple design options based on engineering standards and financial cost.	$ 86,500	$ 100,000	General Fund, Grants
Surface Restoration of Structure Behind Macy's	$ 90,000							Project rehabilitates the parking lot structure above Mill Creek behind Macy's store.	$ -	$ 90,000	General Fund
Sidewalk Repair Back-Log	$ 165,000							Address back-log of sidewalk defects.	TBD	$ 165,000	General Fund, Grants
Pavement Management Program	$ 130,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	$ 50,000	Condition rate all city streets and enter data into software optimizing available funding and performance targets.	$ -	$ 430,000	General Fund
Bryant-Howard Bridge Replacement		$ 240,000						Replace existing bridge that crosses Garrison Creek. Existing structure does not have sufficient load rating to handle emergency response vehicles.	$ 510,000	$ 750,000	General Fund, Utilities, Streets
3rd and Tietan Traffic Signal Project - GRANT DEPENDENT		$ 60,000	$ 240,000					Install a New Traffic Signal System and Intersection Improvements. This is a grant eligible/dependent project.	TIB Grant	$ 1,000,000	General Fund, Grants
Tietan - ADA Sidewalk/Ramps to 4th Ave - GRANT DEPENDENT		$ 25,000	$ 95,200					Install new sidewalk and ramps on north side of Tietan to provide ADA compliant access. This is a grant eligible/dependent project.	TIB Grant	$ 403,200	General Fund, Grants
School Avenue Sidewalk Project - GRANT DEPENDENT		$ 25,000	$ 100,000					Install new sidewalk and ramps along School Avenue from Pleasant Street to Woodmere Loop. This is a grant eligible/dependent project.	TIB Grant	$ 500,000	General Fund, Grants
Poplar Street Signal Coordination				$ 125,000				Consultant traffic and signal timing analysis along Poplar Street. Also includes connection to TMC.	$ -	$ 125,000	General Fund
Plaza Way TBD - Village Way to Hedine						$ 999,450		Project replaces the roadway on Plaza Way from Village Way to Hedine Street.	Various	$ 1,979,450	General Fund, Grants
TOTALS	**$ 398,500**	**$ 400,000**	**$ 485,200**	**$ 175,000**	**$ 50,000**	**$ 1,049,450**	**$ 50,000**				

ar-2303 **15 Min.**

City Council - Work Session

Meeting Date: 09/12/2016

Item Title: Complete Streets Policy Presentation

Submitted For: Neal Chavre, Public Works Department, Engineering

Add'l Contributors:

Project No: NA **Funding/BARS No.:** NA

Financial Comments:
N/A

Information

HISTORY:

Brief presentation by City Engineer Neal Chavre.

The policy will come before Council for consideration at the September 14, 2016 regular meeting.

Federal and state guidance strongly encourages that street projects accommodate all users. In 2015, the Washington state Legislature passed RCW 47.04.320 establishing a financial incentive program to encourage agencies to adopt Complete Streets policies, and commit to Complete Streets ideals. Subsequently, the Transportation Improvement Board (TIB) has established a new grant program aimed at forwarding the legislative intent.

Complete Streets is a term generally used to describe the practice of designing and constructing roads to be appropriately accessible for all expected users. The most common uses considered in Walla Walla would typically include automobiles, freight, transit, bicycles, and pedestrians (including those of all ages and physical abilities).

The City of Walla Walla, through the adopted policies in the existing comprehensive plan and transportation plan (referenced below), already committed to the basic premises outlined in the proposed Complete Streets policy.

On August 9, 2016, the City's Bicycle and Pedestrian Advisory Committee recommended the attached policy be presented to Council for adoption.

POLICY ISSUES:

Eligibility for TIB's new Complete Streets grant program requires the adoption of a formal Complete Streets policy, as well as a nomination by one of several identified outside agencies. There is no guarantee the City will receive any financial award under this program. The City remains eligible for existing TIB grants, as well as other existing state or federal grant programs, regardless of whether or not such a policy is approved at this time.

The policy will come before Council for consideration at the September 14, 2016 regular meeting.

PLAN COMPLIANCE:

STRATEGIC PLAN: N/A

COMPREHENSIVE PLAN:

- UT Policy 14. Public facilities should be developed, improved and maintained according to high standards of design and performance, to serve as examples for private development (Goal 7)
- TRN Policy 1. Roads in Walla Walla should be designed, constructed and maintained at levels that ensure the safe and efficient movement of people and goods (Goal 3, Objective 3)
- TRN Policy 2. Walla Walla's circulation system should reflect the mobility needs of all segments of the population (Goal 3, Objective 3)
- TRN Policy 10. Streets and roads should be developed at a scale appropriate to the adjacent land uses (Goal 3, Objective 3)
- TRN Policy 11. Streets should incorporate facilities for non-motorized transportation (Goal 3, Objective 3)
- TRN Policy 12. Adequate access to the transportation system should be provided and proposed developments should not interfere with the proper functioning of the existing transportation system (Goal 3, Objective 3)
- TRN Policy 17. Full urban street and utility improvements should be required in new subdivisions (Goal 7, Objective 1)
- CCF Policy 3. Public facilities and services, including streets and utilities should be adequately designed and distributed to ensure equitable supply and access to all segments of the population (Goal 7, Objective 3)

2017-2021 CITY OF WALLA WALLA COMPREHENSIVE TRANSPORTATION PLAN (Resolution 2016-076)

The City of Walla Walla strives to create a transportation system that achieves the following goals:

- Promote pedestrian, non-motorized, and vehicular safety;
- Promote complete streets – enabling safe and convenient access and travel for all users (pedestrians, bicyclists, transit riders, and people of all ages and abilities, as well as freight and motor vehicle drivers) and to foster a sense of place in the public realm.
- Support economic development; and
- Be representative of all neighborhoods

ALTERNATIVES:

Council can choose to edit the proposed policy document, accept it as presented, or reject it outright.

Attachments

Draft Policy

Presentation

Complete Streets Policy

September, 2016

1. Vision

   Promoting pedestrian, bicycle, and public transportation travel reduces negative environmental impacts, promotes healthy living, advances the well being of travelers, supports the goal of compact development, and meets the needs of the diverse populations that comprise our communities. The vision of the City of Walla Walla (City) is of a community in which all residents and visitors, regardless of their age, ability, or financial resources, can safely and efficiently use the public right-of-way to meet their transportation needs regardless of their preferred mode of travel.

2. Policy

   The City will plan for, design, construct, operate, and maintain an appropriate and integrated transportation system that will meet the needs of motorist, pedestrians, bicyclists, wheelchair users, transit vehicles and riders, freight haulers, emergency responders, and residents of all ages and abilities.

   Transportation facilities that support the concept of complete streets include, but are not limited to pavement markings and signs; street and sidewalk lighting; sidewalk and pedestrian safety improvements; Americans with Disabilities Act and Title VI compliance; transit accommodations; bicycle accommodations including appropriate signage and markings, and as appropriate, streetscapes that appeal to and promote pedestrian use.

   The system's design will be consistent with and supportive of local neighborhoods, recognizing that transportation needs vary and must be balanced in a flexible, safe, and cost effective manner.

3. Projects

   Those involved in the planning and design of projects within the public right-of-way will give consideration to all users and modes of travel from the start of planning and design work. Transportation improvements shall be viewed as opportunities to create safer, more accessible streets for all users. This shall apply to new construction, reconstruction, and rehabilitation.

4. Exceptions

   Exceptions to this policy may be determined by the City Engineer, Public Works Director, City Manager, or City Council under the circumstances listed below:

   a. Street projects may exclude those elements of this policy that would require the accommodation of street uses prohibited by law;

   b. Ordinary maintenance activities such as mowing, snowplowing, sweeping, spot repair, joint or crack sealing, chip sealing, pavement repair, or pothole filling do not require that elements of this policy be applied beyond the scope of that maintenance activity;

   c. Street reconstruction projects and maintenance paving projects which involve widening pavement may exclude elements of this policy when the accommodation of a specific use is expected to:

      - Require more space than is physically available, or
      - Be located where both current and future demand is proven absent, or
      - Drastically increase project costs and equivalent alternatives exist within close proximity, or
      - Have adverse impacts on environmental resources such as streams, wetlands floodplains, or on historic structures or sites above and beyond the impacts of currently existing infrastructure, or
      - The cost would be disproportionate to the current need or probable future use.

5. Intergovernmental Cooperation

   The City will cooperate with other transportation agencies including the Washington State Department of Transportation, Walla Walla County, City of College Place, and the Walla walla Valley Metropolitan Planning Organization to ensure the principles and practices of complete streets are embedded within their planning, design, construction, and maintenance activities. The City will specifically cooperate to ensure the transportation network flows seamlessly between jurisdictions in accordance with local and regional road, transit, bicycle, and pedestrian plans.

6. Design Criteria

   The City, through their Public Works and Development Services Departments, shall maintain design criteria, standards and guidelines based upon recognized best practices in street design, construction and operation as identified in Walla Walla Municipal Code Titles 12 and 19. To the greatest extent possible, the City shall adopt the same standards with particular emphasis on pedestrian and bicycle markings and wayfinding signage (as permitted through City of Walla Walla Municipal Code). Resources to be referenced in developing these standards shall include, but not necessarily be limited to, the latest editions of: American Association of State Highway Transportation Officials (AASHTO) Policy on Geometric Design of Highways and Streets, AASHTO Guide for the Development of Bicycle

Facilities, AASHTO Guide for the Planning, Design, and Operation of Pedestrian Facilities, Washington State Department of Transportation Design Manual, and the Manual on Uniform Traffic Control Devices.

7. Community Context

   Implementation of this Policy shall take into account the goal of enhancing the context and character of the surrounding built and natural environments.

8. Network

   Appropriate attention should be given to projects which enhance the overall transportation system and its connectivity for access to parks or recreation areas, schools, shopping/commercial areas, public transportation, employment centers, existing pedestrian or bicycle networks, or regional bicycle pedestrian plans prepared by other neighboring agencies.

9. Performance Measures

   Whenever requested by the City Council, the Public Works Director and/or designees shall report to the City Council on the extent to which current or planned transportation projects will or won't meet the objectives of this policy.

10. Implementation

    This policy will be primarily implemented through developing bike and pedestrian network plans on a regional basis within the City and in conjunction with Walla Walla County's regional plans. These plans shall specify the type and location of improvements and shall be implemented as funding becomes available. Special emphasis shall be placed on those elements of these plans that can be accomplished with little or no additional expense, such as providing bike lanes where existing pavement is adequate or where road shoulders are sufficient to allow for safe bicycle use.

Introduction to Complete Streets

Presentation By: Neal Chavre, PE
City Engineer

September 12, 2016 City Council Work Session

Smart Growth America
Making Neighborhoods Great Together

National Complete Streets Coalition

What are Complete Streets?

Complete Streets are streets for everyone, no matter who they are or how they travel.

Traditional Bike Lanes

Protected bike lanes

Incomplete streets can be unsafe

Especially for:

- Low-income communities
- Older adults
- Children
- People with disabilities

Too many roads look like this:

or this:

Complete Streets is not:

- One “special” street project
- A design prescription
- A mandate for immediate retrofit
- A silver bullet. Other issues must also be addressed:
  - Land use (proximity, mixed-use)
  - Transportation Demand Management

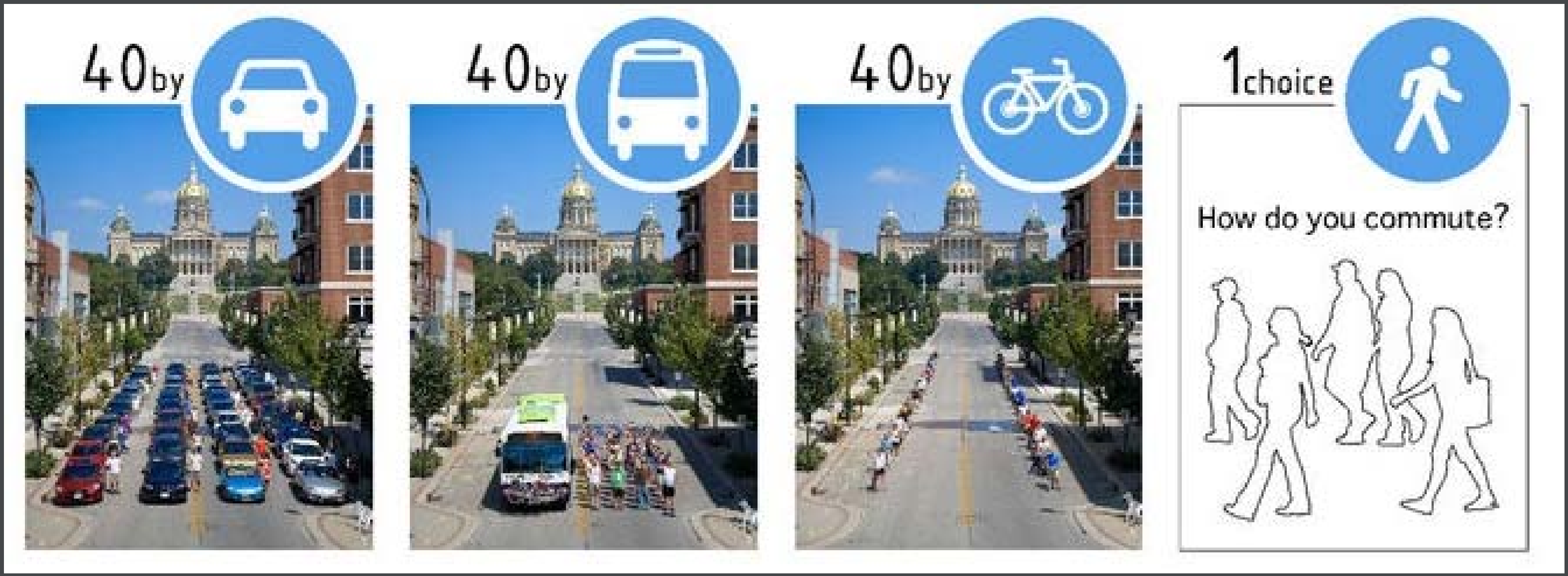
Smart Growth America
Making Neighborhoods Great Together

National Complete Streets Coalition

Complete Streets can benefit communities

- Improved safety
- Better health
- Stronger economies
- Reduced costs
- Provide choices
- Reduced pollution

Benefits: Capacity



Current Policy…

Comprehensive Plan:

- UT Policy 14. Public facilities should be developed, improved and maintained according to high standards of design and performance, to serve as examples for private development (Goal 7)
- TRN Policy 1. Roads in Walla Walla should be designed, constructed and maintained at levels that ensure the safe and efficient movement of people and goods (Goal 3, Objective 3)
- TRN Policy 2. Walla Walla's circulation system should reflect the mobility needs of all segments of the population (Goal 3, Objective 3)
- TRN Policy 10. Streets and roads should be developed at a scale appropriate to the adjacent land uses (Goal 3, Objective 3)
- TRN Policy 11. Streets should incorporate facilities for non-motorized transportation(Goal 3, Objective 3)
- TRN Policy 12. Adequate access to the transportation system should be provided and proposed developments should not interfere with the proper functioning of the existing transportation system (Goal 3, Objective 3)
- TRN Policy 17. Full urban street and utility improvements should be required in new subdivisions (Goal 7, Objective 1)
- CCF Policy 3. Public facilities and services, including streets and utilities should be adequately designed and distributed to ensure equitable supply and access to all segments of the population (Goal 7, Objective 3)

Current Policy (cont.)…

2017-2022 Comprehensive Transportation Plan (CTP) (Page 4):

“The City of Walla Walla strives to create a transportation system that achieves the following goals:

- Promote pedestrian, non-motorized, and vehicular safety;
- Promote complete streets – enabling safe and convenient access and travel for all users (pedestrians, bicyclists, transit riders, and people of all ages and abilities, as well as freight and motor vehicle drivers) and to foster a sense of place in the public realm.
- Support economic development; and
- Be representative of all neighborhoods”

Why adopt a new Complete Streets policy?

Provide the policy framework to gradually create a complete network of streets that appropriately serves all users.

And of course, funding…

Projects including elements that accommodate all users will allow for much more competitive grant applications

State Support

- RCW 47.04.320

RCW 47.04.320

Complete streets grant program—Purpose—Goals—Awards—Report.

(1) The transportation improvement board shall establish a complete streets grant program within the department's highways and local programs division, or its successor. During program development, the board shall include, at a minimum, the department of archaeology and historic preservation, local governments, and other organizations or groups that are interested in the complete streets grant program. The purpose of the grant program is to encourage local governments to adopt urban arterial retrofit street ordinances designed to provide safe access to all users, including bicyclists, pedestrians, motorists, and public transportation users, with the goals of:

(a) Promoting healthy communities by encouraging walking, bicycling, and using public transportation;

(b) Improving safety by designing major arterials to include features such as wider sidewalks, dedicated bicycle facilities, medians, and pedestrian streetscape features, including trees where appropriate;

(c) Protecting the environment and reducing congestion by providing safe alternatives to single-occupancy driving; and

(d) Preserving community character by involving local citizens and stakeholders to participate in planning and design decisions.

(2) For purposes of this section:

(a) "Eligible project" means (i) a local government street or road retrofit project that includes the addition of, or significant repair to, facilities that provide street access with all users in mind, including pedestrians, bicyclists, and public transportation users; or (ii) a retrofit project on city streets or county roads that are part of a state highway that include the addition of, or significant repair to, facilities that provide access with all users in mind, including pedestrians, bicyclists, and public transportation users.

(b) "Local government" means incorporated cities and towns and counties that have adopted a jurisdiction-wide complete streets ordinance that plans for the needs of all users and is consistent with sound engineering principles.

(c) "Sound engineering principles" means peer-reviewed, context sensitive solutions guides, reports, and publications, consistent with the purposes of this section.

(3) In carrying out the purposes of this section, the transportation improvement board may award funding, subject to the availability of amounts appropriated for this specific purpose, only to eligible projects that are designed consistent with sound engineering principles.

(4) The transportation improvement board must report annually to the transportation committees of the legislature on the status of any grant projects funded by the program created under this section.

- HB 1071

Research Manager: Kathy Lindquist, 360.705.7976
Technical Monitor: Paula Reeves, reevesp@wsdot.wa.gov

15. SUPPLEMENTARY NOTES

This study was conducted in cooperation with the U.S. Department of Transportation, Federal Highway Administration.

16. ABSTRACT:

Complete Streets is a national movement that promotes accessibility for all users. Typical Complete Streets components accommodate pedestrians, bicycles, transit users, personal vehicle and freight trucks. A growing number of communities in Washington State and nationwide have existing Complete Streets policies or ordinances. Washington State passed a Complete Streets Bill (HB 1071) that went into effect July 2011, creating a program that would provide grants to communities that met appropriate criteria.

Washington State is initiating a Grant Program that would provide a funding source for Complete Streets and Main Street Highways projects. There are 500 miles of Main Streets in Washington State that are also State Highways. Complete Streets and Main Street Highways treatments must be context-specific based on size, location, and community needs. The Complete Streets and Main Street Highways conversation is a continuum, encompassing a range of project size, scope, and systems.

Goal: Successful Policies

1. Sets a vision.
2. Includes all users and all modes.
3. Applies to all phases of all applicable projects.
4. Specifies and limits exceptions, with management approval required.
5. Emphasizes connectivity.
6. Is understood by all agencies to cover all roads.
7. Uses the best and latest design standards and is flexible.
8. Complements the community's context.
9. Sets performance standards.
10. Includes implementation steps.

CITY OF WALLA WALLA

ar-2229 **15 Min.**

City Council - Work Session

Meeting Date: 09/12/2016

Item Title: 2017 Legislative Priorities

Submitted For: Troy Bell, Support Services

Add'l Contributors:

Project No: **Funding/BARS No.:**

Financial Comments:
N/A

Information

HISTORY:

Each year the City Council determines the City's legislative priorities that will be advanced at the State Legislature and the U.S. Congress in their respective upcoming sessions. Once the City Council has determined City priorities the lists are adopted by resolution. This is the beginning of the annual prioritization process for the upcoming 2017 sessions. The proposed timeline for this process is:

Thursday August 4: City Council Legislative Committee - Discuss/develop draft priorities for Council review/input. COMPLETED

Monday August 8: Council Workshop - Distribute draft priority list and ask Council to review and consider. COMPLETED

Monday August 22: Special joint meeting with Port Commissioners, CP City Council and WW City Council - Dave Mastin presented the 2017 Legislative outlook. COMPLETED

Monday September 12: City Council Workshop - Discuss and finalize priorities.

Wednesday September 14: City Council Meeting - Adopt State & Federal priorities by resolution.

POLICY ISSUES:

2017 STATE LEGISLATIVE PRIORITIES:

The City of Walla Walla hereby adopts the following State legislative priorities for the 2017 state legislative session:

- The City supports informing the Legislature on future transportation funding necessary to construct an overpass on US 12 at the Clinton Street/Lower Waitsburg Rd intersection, to provide safety and efficiency on a critical travel corridor.

- The City supports and encourages funding restoration of the state’s Public Works Trust Fund (Assistance Account) program.

- The City supports funding for the state's Department of Natural Resources wildland fire fighting capacity and fire prevention in eastern Washington.

- The City supports enhancing the provision of much needed human service programs to address issues that impact affordable housing, reduce homelessness, and drive public safety costs.

- The City supports strengthening the Public Records Act in response to changing technology and burdensome requests.

- The City, in light of numerous recent State revenue reductions, encourages the State to resume their historic funding partnership with cities and restore reliable funding for critical and mandated programs.

- The City supports amending REET 2 to provide cities within GMA opt-in counties the same privileges as those currently provided to cities within GMA mandated counties.

- The City supports K-12 funding in recognition of the McCleary decision.

- The City supports the legislative priorities identified by the Association of Washington Cities.

Strong cities result in a strong State!

<u>2017 CONGRESSIONAL PRIORITIES:</u>
The City of Walla Walla hereby adopts the following Congressional legislative priorities for 2017:

- The City supports funding US 12 Phase 8, which completes the Walla Walla/Tri-Cities segment and improves safety and efficiency on this critical travel corridor.

- The City supports funding for the US Forest Service to improve wildland fire fighting capacity and fire prevention through fuel reduction in the Walla Walla watershed. Further, the City supports including wildland fires as a natural disaster in order to qualify affected communities for Federal and State disaster relief assistance (Senator Cantwell issue).

- The City encourages appropriation of federal funding for a General Investigative Study for flood control improvement within the reach for Mill Creek that runs through the city.

- The City supports funding for improvements in water infrastructure and bridges.

- The City supports the Walla Walla Regional Airport and preservation of federal funding for maintaining the facility.

- The City supports enhancing the provision of much needed human service programs to address issues that impact affordable housing, reduce homelessness, and drive public safety costs.

- The City supports the passage of the Remote Transaction Parity Act (RTPA), legislation that would close the online sales tax loophole and level the playing field for brick-and-mortar retail stores that compete with online retailers.

Strong cities result in a strong Nation!

Regional Issues:

Additionally, our WW partners and the City discuss our area needs and seek to agree on supporting them, even if we do not individually adopt and advocate for each of the issues. On August 1 City Manager Shawa met with Patrick Reay, Port Executive Director; Jim Johnson, Chair of the Board of County Commissioners; and, Mike Jackson, Interim College Place City Administrator. The agreed upon draft list includes:

- Mill Creek GIS - seeking $.5 to $1.5M from State Capital Budget.
- Wallula Gap Water System $3.5M – Port issue. State Issue.
- Sudbury Light Industrial Park – Seeking State capital budget funding – amount TBD.
- US 12 Fast Lane application by WSDOT. State issue.

PLAN COMPLIANCE:

ALTERNATIVES:

Don't prioritize and don't advocate.
Or leave it up to the Mayor and City Manger to decide (not recommended!).

CITY MANAGER COMMENTS:

Approved for City Council workshop.

Attachments

No file(s) attached.
