

**TUMWATER CITY COUNCIL WORK SESSION
MINUTES OF VIRTUAL MEETING
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CONVENE: 6:00 p.m.

PRESENT: Mayor Debbie Sullivan and Councilmembers Peter Agabi, Michael Althaus, Joan Cathey, Leatta Dahlhoff, Angela Jefferson Eileen Swarthout, and Kelly Von Holtz.

Staff: City Administrator Lisa Parks, City Attorney Karen Kirkpatrick, Finance Director Troy Niemeyer, Administrative Services Director Michelle Sutherland, Police Chief Jon Weiks, Fire Chief Brian Hurley, Water Resources and Sustainability Director Dan Smith, Planning Manager Brad Medrud, and HR Analyst Mallory Coleman.

BLACK HOME INITIATIVE PLEDGE: Manager Medrud briefed members on the Black Home Initiative Pledge.

The initiative identifies ways to increase Black home ownership in the region. The program was implemented in King and Pierce Counties, which initiated discussions with the City of Olympia and Thurston County about the possibility of expanding outreach into Thurston County. The proposal is scheduled for presentation to the Thurston Housing Council (RHC). RHC's technical team was assigned the proposal as a project to review and determine the steps necessary to initiate a process.

The Council's agenda packet includes a substantial amount of information about the program. The program identified that 42% of Black households in the state have no net worth primarily because of the lack of home ownership. Home ownership in Thurston County reflects that for white non-Hispanic households, home ownership is approximately 69%. Home ownership rates for Black households in the county are only 45%, representing a substantial gap. The difference speaks to both historical reasons as well as future efforts necessary to close the gap for home ownership.

Black home ownership is a new regional effort to target racial inequities at the core of the housing ecosystem to increase home ownership among Black households. The state goal is 1,500 new low- and moderate-income Black households by 2027. Over 100 entities have signed partnership pledges to participate in the network. The network includes private sector as well as government entities, developers, and social programs to support Black households.

The initiative's seven focus areas include:

1. Marketing & Outreach
2. Pre-/Post-Purchase Counseling
3. Purchase Supports & Tools
4. Credit & Lending
5. Housing Production:
6. Policies & Practices

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7. Sustaining Existing Owners

The initiative assists in the development of the Covenant Homeownership Program as well.

The City's focus would likely be on housing production and supporting policies for sustaining home ownership.

City staff began efforts on the Black Ownership Initiative in April 2024 meeting monthly with local lenders, Thurston County Realtors' Association, local non-profits (Habitat for Humanity, Thurston Housing Land Trust, Thurston Asset Building Coalition, Northwest Cooperative Development Center, etc,) and the cities of Lacey, Olympia, and Yelm and Thurston County. Representatives from the Black Home Initiative attended most meetings to provide information and answer questions.

Discussions by members of the Regional Housing Council (RHC) concerned ways to support the effort. One option of conversation was a partnership or expansion to include Thurston County as another geographic area of focus. The organization has a good record of accomplishment for identifying potential solutions and working with a broad range of stakeholders. For those reasons, RHC members believe it is an effort worthy of support. In addition to connecting to existing project teams working on the issues over the last three years in other counties, the regional effort would enable collaboration with other organizations with a statewide presence. Any efforts benefitting disadvantaged groups would create many positive outcomes for the region.

Discussions also addressed facilitation and administrative support for a local group recognizing that the City has experienced struggles with staff resources and the ability to support other organizations in achieving their goals as the City lacks the capacity and time to provide a full range commitment. Staff recommends considering ways to explore support and collaboration with others through the RHC or focus on one particular effort in support of the program.

Staff requests feedback on a potential partnership pledge to the RHC to participate in the effort with the understanding that the process is still under development.

Manager Medrud described how the City's participation supports the City's Housing Action Plan as well as the countywide assessment of fair housing that identified increasing BIPOC home ownership as a key goal for the region. It would also support RHC efforts to increase communication within the community and support advocacy efforts for statewide policies and funding. Participation also supports the City's

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update of the Comprehensive Plan and Housing Element to meet new state requirements.

Next steps include a RHC meeting on Wednesday, August 28, 2024, to consider whether to support and participate in the program.

Councilmember Althausen supported joining the coalition and working regionally to address the issues. It would also leverage City resources and time as opposed to pursuing the initiative independently.

Councilmember Dahlhoff noted the recent establishment of the Thurston County NAACP. She supports the efforts and asked about the possibility of linking efforts with the NAACP. Councilmember Althausen said it is likely The Seattle NAACP is a member organization of the Black Home Initiative.

Discussion ensued by the Council and staff on the benefits of joining the initiative with recognition of the impacts to staff because of reduced capacity and allocation of resources to other important City projects.

The Council supported joining the initiative as the City has identified specific goals to achieve as a City.

**WORKFORCE
PLANNING UPDATE:**

Director Sutherland provided an update on workforce planning.

Municipal workforce planning is crucial to ensure the consistent delivery of City services and to meet the needs of the community. By strategically managing the human resource function, the City is able to align staffing levels with current and future demands, support employee retention, and ensure many critical roles crucial to the City's success are filled. The City has several vacant positions and workforce planning is an important component. Pursuing a proactive approach avoids workforce shortages, reduces operational costs, and enhances the quality of public services. Workforce planning enables municipalities to adapt to changes caused by population growth, technological advancements, or evolving regulatory requirements while ensuring the City's workforce can remain responsive and resilient.

The Workforce Plan spans two budget bienniums (25/26 & 27/28) of all City departments exclusive of the fire and police departments.

Councilmember Jefferson questioned whether the plan is a requirement by the county or the state. Director Sutherland advised there are no regulatory requirements other than the plan benefits the City by establishing a vision of the future workforce based on City needs. The plan ties directly to the City Council Strategic Goals of maintaining a culture of continuous improvement, ensuring a safe and healthy workforce, promoting a talented

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DEIB workforce, creating a continuous learning organization, and updating employee compensation plans.

The City of Tumwater provides high quality services to meet the dynamic needs and high expectation of citizens. It is a goal to focus on continuous improvement and strive to provide the best possible services using innovative and creative means. Additionally, the City wants to continue to be an employer of choice by attracting a skill and talented workforce from diverse backgrounds and disciplines.

The Workforce Plan can be utilized as a recruitment tool by communicating the City's vision and mission to future applicants. The plan was developed from input collected from in-depth interviews with the City Administrator and directors, managers and staff. All perceptions were analyzed within the context of the current and projected workforce needs as well as against all comparable cities in the wider Olympia area. The review helps to ensure the strategy is developed in the context of a broader labor market.

The plan's strategic priorities are identified as talent, acquisition, retention, skills development and training, succession planning, and increased recruitment of diverse talent to foster innovation and inclusion.

HR Analyst Coleman summarized data received from managers and directors. Findings and perceptions reveal that the City is experiencing challenges in planning and alignment primarily due to staffing shortages and budget constraints. Departments are consistently understaffed leading to a reactive work environment and an inability to maintain services or complete projects efficiently.

The City has aging facilities and outdated equipment necessitating the need for emergent repairs, new buildings, and technological advancements. Overall, while there is a clear identification for the need for growth and improvement, financial and staffing limitations pose significant obstacles.

Findings for recruitment and retention are similar themes in terms of the recruitment efforts primarily offering non-competitive salaries making it difficult to attract and retain skilled employees compared to neighboring cities. High performing employees are experiencing burnout because of heavy workloads and insufficient compensation highlighting the need for more recognition and support. The Finance and Community Development Departments have additional challenges in recruiting younger generations because of less interest in government jobs. The lack of proper documentation for processes, especially in roles impacted by retirements or turnover, intensifies the challenges and hinders effective successive planning. Overall, the demand for higher salaries, reduced workloads, and

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better recognition highlights the urgent need to improve retention and attract new talent.

Councilmember Jefferson asked whether staff has considered offering incentives or collaborating with other organizations and colleges to attract candidates to Tumwater. Analyst Coleman replied that she and a colleague have attended numerous job fairs and plan to attend a Job Fair at St. Martin's University for recruitment of engineers. Staff is extending outreach on social media and LinkedIn. Staff has been implementing new ideas over the last year in HR to increase creative recruitment.

Director Sutherland added that job offers are within the City's current range and pay scale. However, the current range and pay scale are not competitive in the market for the area, which speaks to many instances of lost candidates who received an offer from the City but received another offer from another entity within the area for \$20,000 to \$30,000 more a year.

Analyst Coleman reviewed implementation actions. The City's deployment strategies indicated a need for a better promotion and communication of short- and long-term goals. Larger strategies need to be greater in visibility and staff achievements should be acknowledged more frequently than just at events. Currently, departments operate in a reactive mode and are striving to shift to a more proactive approach. There is a need for effective communication of goals through multiple channels to employees. Resource limitations hinder remote work capabilities and may affect operational efficiencies. Addressing the resource needs is crucial for alignment with City goals and enhancing organizational success.

In terms of training and development, several trends emerged from feedback. Training programs should be improved and structured. Succession planning presents challenges in certain areas. More cross training was requested where applicable to ensure knowledge transfer and to foster a collaborative environment. Organizationally, feedback recognized a need for a Citywide Coordinator especially for supervisory development. While individuals with leadership potential are acknowledged, limited opportunities for growth exist within departments or within the City overall.

Several performance trends are apparent within the organization with a recognized need for additional training for newer leadership or in handling poor performers effectively. Recognition of both formal and informal recognition should be provided through various channels. Managers are expected to set clear expectations and promptly address issues although the frequency of performance meetings varies across departments. While annual reviews remain consistent, some managers opt for more regular

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check-ins. Feedback recognized the need for a formal recognition program for staff recognition and a call for a system to hold staff accountable, especially in conflict adverse environments.

Staff plans to add more data in terms of the growth of the City versus employee staffing.

Councilmember Dahlhoff noted the Council received information on the City's attrition rate as of March 2024. She inquired about the possibility of receiving current information on the City's attrition rate. Director Southerland advised that staff would provide updated information.

Councilmember Jefferson complimented staff and requested more consideration of adding paid internships to attract younger applicants. Analyst Coleman said the request is important as it entails researching programs sponsors for high school and college students to provide information about municipal government jobs.

Councilmember Cathey acknowledged the professionalism of Director Sutherland and Analyst Coleman and the importance of retaining them as employees. She asked whether the workforce plan is a typical process other cities are pursuing. Director Sutherland advised that the market reflects other cities as more advanced in terms of workforce planning and market rate salaries. Staff examines market compensation against other cities of similar population and assessed valuation. Additional information will be presented to the City Administrator within the next month.

Mayor Sullivan added that the HR Department has focused efforts on developing the Workforce Plan and examining studies. The information will assist the Council in moving forward as it completes the budget and plans for projects by having updated and realistic information.

**MAYOR/CITY
ADMINISTRATOR'S
REPORT:**

There were no reports.

ADJOURNMENT:

With there being no further business, Mayor Sullivan adjourned the meeting at 6:45 p.m.