



This retreat is open to the public. However, it is not a regularly scheduled City Council business meeting, the virtual attendance option will not be available and Council will not be accepting Public Comment.

AGENDA

- 1:00 - 2:15 Leadership Dynamics with Dr. Donna VanNatten
- 2:15 - 2:30 Break
- 2:30 - 3:15 Overview of Existing Plans – Keeping Our Vision in Focus
- 3:15 - 4:00 Strategic Plan Development
- 4:00 - 7:00 2027-2028 Budget
 - Financial Policies
 - Fund Uses
 - Process Review
 - Known Cost Increases
 - Alternate Revenue Options
 - Policy / Accounting Changes



City Hall
1104

2026 Council Retreat

Day 1 – May 4



Today's Agenda

Leadership Dynamics

Overview of Existing Plans

Sumner's Strategic Plan

Budget Process Review






Meeting Norms

- Today...
 - is a time bound agenda.
 - level sets for broader policy discussions next week.
 - is meant to be interactive—ask questions!
 - Questions / topics may be put in the parking lot for future discussion.
 - is meant to be FUN!

Leadership Dynamics

1:00-2:15 pm





Spend until it's fixed
Do whatever the public says
Change for change's sake
Keep rethinking the plan

Hoard the cash
Is this what I want?
Fear change
We have a plan?

BALANCE:

Budget & invest wisely
Listen to the silent majority
Adjust as necessary
Use slight course corrections as needed
Collaborate across time for success

Note: This is not a political Left/Right argument. It's a reminder that success is never found in the extremes.



Time is money.

The #1 best way to maximize benefit from limited dollars is for Council to give clear direction and then let staff efficiently execute.

This is why the budget requires your attention now.

MISSION & VISION

To provide needed and valued services that promote our sense of community.

Sumner will set the standard of excellence for progressive small city.



MISSION & VISION

ORGANIZATIONAL IDENTITY; WHO
SET BY COUNCIL, CHANGES RARELY

I'm from Sumner!

Who



PLANS

DEVELOPED BY MAYOR/STAFF WITH
PUBLIC CONFIRMED BY COUNCIL

TOPICS: HOUSING, GROWTH, ROADS,
PARKS

UPDATED 6-10 YEARS

*The inspection says I'll need to update the
electrical panel and fix the chimney.*

*Although not critical, the kitchen is
cramped, renovation is important to me.*

Why



STRATEGIC PLAN

DEVELOPED BY MAYOR/STAFF/COUNCIL
SYNTHESIZES MULTIPLE PLANS INTO ONE
WORKING PLAN
UPDATED 5 YEARS

*Since I want to host a family
Thanksgiving dinner next year, I'll
focus on the kitchen renovation and
electrical panel first.*

When



BUDGET

COUNCIL SETS FUNDING PRIORITIES
MAYOR/STAFF BUILD, COUNCIL CONFIRMS
SELECTS WHAT PORTIONS OF STRATEGIC
PLAN WILL BE COMPLETED
BASED ON FUNDING AVAILABLE
UPDATED 2 YEARS

I can only afford to do the kitchen this year.

What



EXECUTION

STAFF HANDLES DAILY DETAILS,
LED BY MAYOR

*We're installing tile backsplash,
locally made cabinets and quartz
countertops. We'll reuse the existing
appliances.*

How

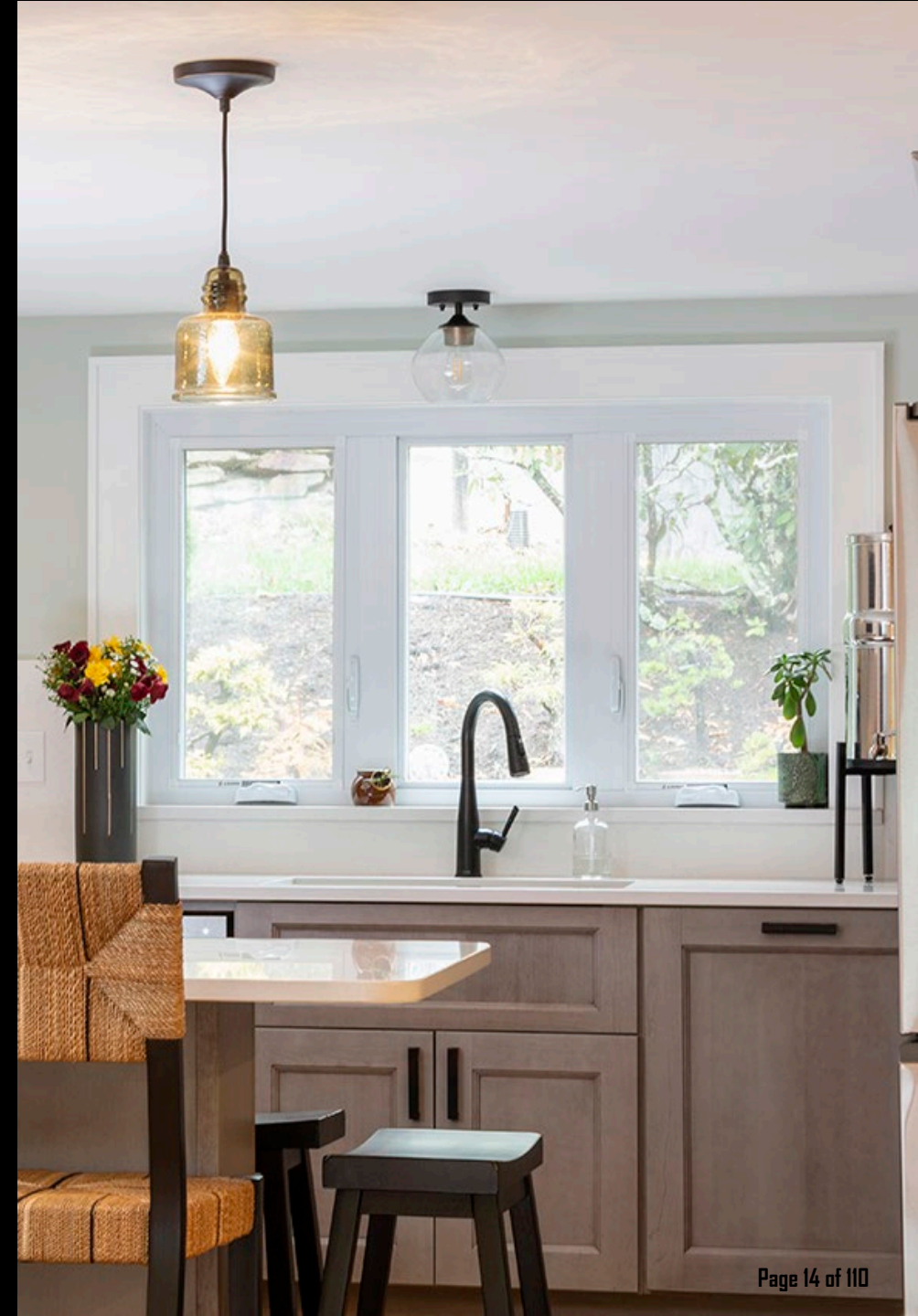


KEY METRICS

BY MAYOR/STAFF TO COUNCIL/PUBLIC
REPORTS ON PROGRESS
UPDATED 6 MONTHS

Complete and within budget!

Well?



Overview of Existing Plans

2:30-3:15 pm



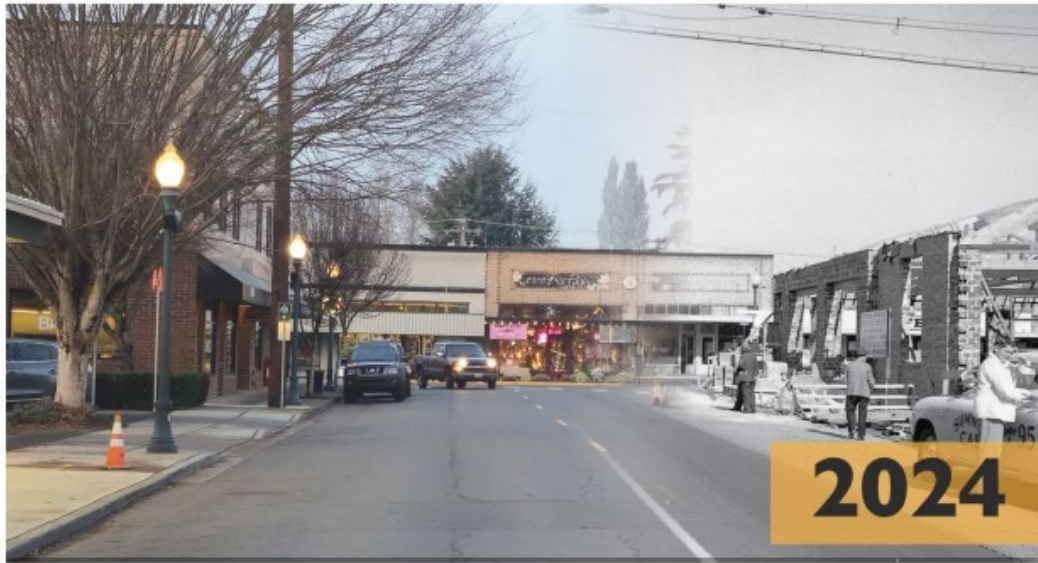




2024 COMPREHENSIVE PLAN

JANUARY 6, 2025

Amended January 1, 2026



**COMMUNITY & ECONOMIC
DEVELOPMENT DEPARTMENT**

1104 Maple Street
Sumner, WA 98390
www.sumnerwa.gov

CONSULTANT TEAM:

BERK Consulting
Parametrix
Transpo Group



Comprehensive Plan

- Vision for Sumner’s future in next 20 years
- Includes Land Use, Housing, Transportation, Environment, Economic Development, etc.
- Required by the Growth Management Act (GMA)
- Align with County and regional plan (VISION 2050)
- Population, Housing and Employment Targets
- Supporting plans must be consistent (Transportation, Capital Facilities)

Consultant: BERK (mainly EIS/SEPA review)

Consultant Cost: \$200,000

Est. Staff Cost: 3,120 hours

Council Adopted: January 1, 2025*

Anticipated Update: by 2034

Timeline: Amendments every 2 years (next in 2027), Periodic every 10 years.

*Amended in 2026

2024 COMPREHENSIVE PLAN

JANUARY 6, 2025

Amended January 1, 2026



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Comprehensive Plan

Strategic Goals & Examples of Progress

- Plan for adequate supply of affordable housing
 - ✓ MFTE program with 75 affordable units so far
 - ✓ Zero-lot line housing development (36 units)
 - ✓ Allow duplexes on SFR lots
 - ✓ Allow two Accessory Dwelling Units (ADUs) per lot
- Maintain a strong and diverse economy
 - ✓ Adopted MIC Subarea Plan
 - ✓ Tourism Plan
 - ✓ Interchange Commercial zoning
 - ✓ Chamber of Commerce and SMSA partnership
- Protection of the environment
 - ✓ Responding to climate change
 - ✓ White River Restoration Project
 - ✓ Lahar evacuations

FINAL DRAFT HOUSING ACTION PLAN

Exhibit A

Housing Action Plan

- Based on Housing Needs Assessment
- 14 actions to increase affordable housing in Sumner
- 9 of the actions have been completed including:
 - Zero-lot line subdivisions
 - Short plats change from 4 lots to 9 lots

Consultant: LDC

Consultant Cost: \$150,000 (split the cost with Bonney Lake)

Est. Staff Cost: 1,040 hours

Council Adopted: May 3, 2021

Anticipated Update: Review in 2029 (5-year Periodic Review)

Timeline Driven by: State requirements for accommodating affordable housing

**CITIES OF BONNEY LAKE
AND SUMNER, WASHINGTON**

February 24, 2021



**CITIES OF BONNEY LAKE
AND SUMNER, WASHINGTON**

February 24, 2021

Housing Action Plan

Strategic Goals & Examples of Progress

- **Strategy 1: Preserve rental housing**
 - ✓ Mi Casa Housing funding
- **Strategy 2: Incentives for new rental housing**
 - ✓ Multifamily Tax Exemption program
 - ✓ Use of publicly owned land (Library Site)
- **Strategy 3: Bring down cost of development**
 - ✓ Streamlined permit processes
 - ✓ 9 lot short plats
- **Strategy 4: Provide wider variety of housing types**
 - ✓ Zero lot line subdivisions
 - ✓ Duplexes and ADU and multiplex allowances
- **Strategy 5: Prevent and mitigate displacement**
 - ✓ 1406 funding for developing affordable housing
 - ✓ Mobile Home Park protections
- **Strategy 6: Improve permit process**
 - ✓ Streamlined permit processes

City of Sumner

Capital Facilities Plan

January 6, 2025

Capital Facilities Plan

- Evaluates inventory & capacity of existing facilities
- Assesses future demand based on levels of service and proposes future capital facility needs, costs, and funding source
- Includes all facilities (water, sewer, storm, general government, etc.)
- Basis for impact fees (“homework”)
- Required by Growth Management Act

Consultant: BERK

Consultant Cost: \$50,000*

Est. Staff Cost: 500 hours

Council Adopted: January 6, 2025

Anticipated Update: Every 6 years - 2030

Timeline Driven by end of life for plan, no requirements

*Completed with the 2024 Comprehensive Plan 10-year Periodic Update



Consultant Team
BERK Consulting
Parametrix
Transpo Group

City of Sumner

Capital Facilities Plan

January 6, 2025

Capital Facilities Plan

Strategic Goals & Examples of Progress

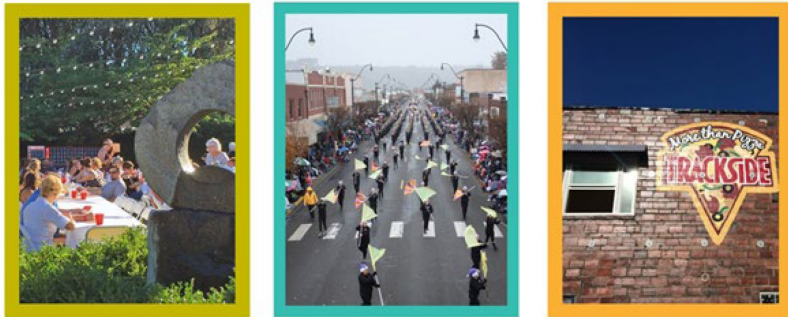
- **Public Works Operations Facility needed**
 - ✓ CFP documents the lack of capacity and need and sets forth funding strategies to support construction
- **Public school facilities**
 - ✓ Funding for public schools including levy and bonds
- **City hall space needs**
 - ✓ Heritage Park building design and plans
- **Police level of service**
 - ✓ 2 new commissioned officers since 2024



Consultant Team
BERK Consulting
Parametrix
Transpo Group



TOWN CENTER PLAN :



Community Development Department
1104 Maple Street, Suite 250,
Sumner, WA 98390
253-863-8300 www.sumnerwa.gov

Town Center Plan

- Envisions a fully functional “everyday” downtown with housing, shopping, services and amenities that would attract and retain residents and customers alike.
- Transit oriented development (TOD) around the Sumner Station.
- Utilizes a Form Based code with no limits on density
- 3-6 Story building heights with 5-6 stories predominately on Traffic Ave and to the west

Consultant: BERK and Transpo (transportation)

Consultant Cost: \$100,000

Est. Staff Cost: 1,040 hours

Council Adopted: 2018

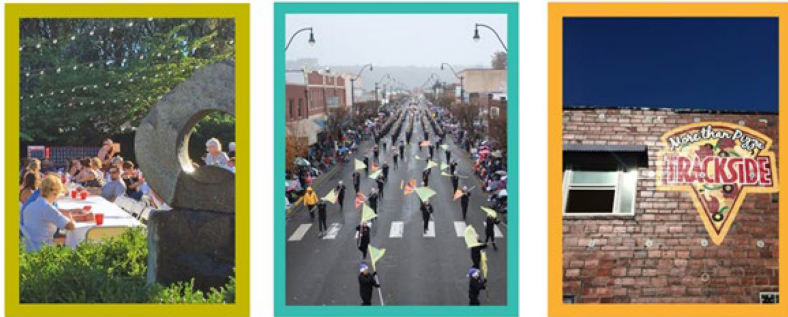
Updated: January 1, 2026

Anticipated Update: 5-10 years

Timeline Driven by: State periodic update schedule (10 years)



TOWN CENTER PLAN :



Community Development Department
1104 Maple Street, Suite 250,
Sumner, WA 98390
253-863-8300 www.sumnerwa.gov

Town Center Plan

Strategic Goals & Examples of Progress

- Accommodate 300-500 new housing units in the next 10 years
 - ✓ 128 Units completed and 180 more units in 1-3 years
- Implement an IDEA district
 - ✓ Adopted IDEA district and zoned for mix of small-scale manufacturing, artisan uses and mix residential
- Character and design elements of the TCP
 - ✓ New projects undergo design review (909 Main; Township20)

Main Street Visioning Plan

Main Street Visioning Plan

December 2021



- Reimagining Main Street and adjacent alleyways
- Partnership with UW-Tacoma Urban Design program
- Includes pedestrian amenities and improvements to Main Street
- Activation of alleys for events, vendors, businesses
- Expansion and enhancement of Reuben Knoblauch Heritage Park for a “woonerf” and events and building to the south

Consultant/Partnership: UW-Tacoma and BCRA

Consultant Cost: \$16,000

Est. Staff Cost: 400 hours

Council Adopted: December 2021

Anticipated Update: Not definite date

Timeline Driven by: City Council driven.

Main Street Visioning Plan

Main Street Visioning Plan

December 2021



Strategic Goals & Examples of Progress

- **Main Street Pedestrian Improvements/Amenities**
 - ✓ Removed overgrown street trees, replaced with planters
 - ✓ Intersection improvements at Main/Kincaid and Main/Wood Avenue
 - ✓ Addition of bike racks
 - ✓ Improvement of restroom area
- **Alley Activation**
 - ✓ Hops Alley construction with food truck plug-ins, catenary lighting, and seating areas
 - ✓ Created pattern for further alley activation
- **Reuben Knoblauch Heritage Park**
 - ✓ Phase 1 - Woonerf completed
 - ✓ Phase 2 completed in 2026

East Sumner Neighborhood Plan

- Wetlands as future amenity with coordinated approach to wetland mitigation
- Allow for “stand-alone multifamily residential (not mixed use)
- Allow densities high enough to offset the cost of wetland mitigation
- Allow multifamily between 60th & 64th
- General Commercial only south of 64th Street
- Traffic improvements at key intersections
- Create an internal non-vehicular network

Consultant: Makers

Consultant Cost: \$75,000

Est. Staff Cost: 2,080 hours

Council Adopted: May 5, 2021

Anticipated: Updated as needed (10-years)

Timeline Driven by: As needed.



EAST SUMNER
NEIGHBORHOOD PLAN UPDATE
2020 Plan

East Sumner Neighborhood Plan

Strategic Goals & Examples of Progress



- **Wetland mitigation**
 - ✓ Salmon Creek wetland and restoration
- **Allow multifamily at higher densities**
 - ✓ 400 units of apartments planned or completed
 - ✓ Adopted MFTE program for area
- **South of 64th Street commercial only**
 - ✓ New used car and truck dealership
- **Internal non-vehicle circulation**
 - ✓ New pedestrian path through site west of YMCA
- **Improve traffic circulation**
 - ✓ Planning for 166th/Sumner Tapps/SR410 roundabouts

MIC Subarea Plan

SUMNER-PACIFIC MIC SUBAREA PLAN



CITY OF SUMNER - CITY OF PACIFIC - JUNE 2018

- Planning for 20,000 jobs in the Sumner-Pacific MIC
- Preserve industrial uses for at least 80% of 2,100 acres
- Consider rezoning to transitional uses for residential areas
- Design standards for buildings, site, and landscaping
- Transportation is priority for access

Consultant: BERK and Transpo

Consultant Cost: \$100,000

Est. Staff Cost: 1,040 hours

Council Adopted: August 6, 2018

Anticipated Update: 2028

Timeline Driven by: PSRC

MIC Subarea Plan

Strategic Goals & Examples of Progress

SUMNER-PACIFIC MIC SUBAREA PLAN



CITY OF SUMNER - CITY OF PACIFIC - JUNE 2018

- **Employment growth**
 - ✓ Peaked in 2022 with 16,000 jobs in MIC
 - ✓ New industrial building space Sumner Meadows
- **Prioritize industrial uses**
 - ✓ Retained Interchange Commercial zoning
- **Transitional uses between residential and industrial**
 - ✓ City Public Works Operations Facility
 - ✓ City decant facility
- **Transportation improvements**
 - ✓ Stewart Road bridge construction



Shoreline Master Program

Planning Commission Public Hearing, May 2, 2019
City Council Public Hearing, June 3, 2019
City Council Adoption, June 17, 2019
City Council Final Action June 15, 2020
Department of Ecology Approval June 26, 2020
Effective date July 9, 2020

Shoreline Master Program

- Shoreline Management Act requirements
- Regulates land uses and construction within 200 feet of White and Puyallup Rivers and Lake Tapps
- Shoreline uses are given priority (e.g. boat launches)
- Public access to shorelines of the state
- Environmental protection of the from adverse impacts

Consultant: Environmental Science Associates (ESA)

Consultant Cost: \$125,000

Est. Staff Cost: 1,040 hours

Council Adopted: June 17, 2019

Anticipated: Next periodic update is in 2029

Timeline Driven by: State requirements (Shoreline Management Act)



Shoreline Master Program

Planning Commission Public Hearing, May 2, 2019
City Council Public Hearing, June 3, 2019
City Council Adoption, June 17, 2019
City Council Final Action June 15, 2020
Department of Ecology Approval June 26, 2020
Effective date July 9, 2020

Shoreline Master Program

Strategic Goals & Examples of Progress

- **Shoreline uses or shoreline related uses**
 - ✓ Completion of projects that have shoreline related uses such as Urban Oxbow (visual access)
- **Environmental goals and protections**
 - ✓ White River Restoration Project
 - ✓ Buffers along the rivers (50, 100, and 200 foot)
- **Public Access to shorelines**
 - ✓ Trail connections along the shoreline and required by developers
 - ✓ Access to the confluence near the WWTP

City of Sumner Transportation Plan

January 6, 2025



Consultant Team
Transpo Group

Transportation Plan

- Links Land Use Element to facilities and services needed for transportation
- Inventory of existing facilities and services
- Analysis of 2044 travel forecasts, evaluation of needs and deficiencies
- Identifies system improvements consistent with goals and policies, and financing strategies.
- Prioritizes Capital Improvement needs for the next 20 years.

Consultant: Transpo Group

Consultant Cost: \$200,000

Est. Staff Cost: 400 hours

Council Adopted: January 6, 2025

Anticipated: 2035 (best updated during comprehensive plan)

Timeline Driven by: Required periodic update to provide sufficient information for the comprehensive plan update

City of Sumner Transportation Plan

January 6, 2025



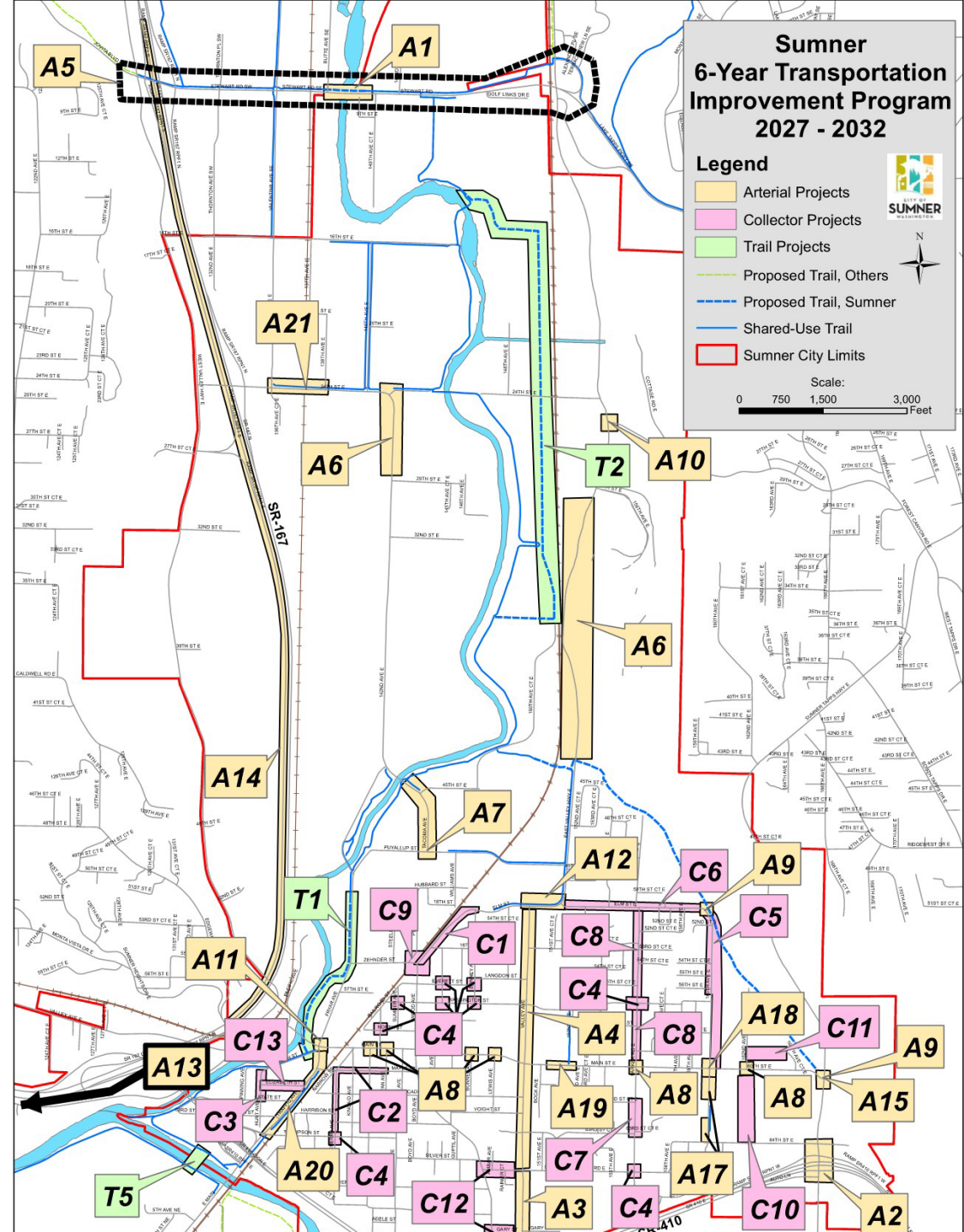
Consultant Team
Transpo Group

Transportation Plan

Strategic Goals & Examples of Progress

- Identifies Long Term Traffic Needs from Traffic Modeling
 - ✓ Intersection Upgrade at East Valley Hwy and Forest Canyon
 - ✓ Intersection upgrade at East Valley Hwy/Elm/Valley Ave
- Identifies projects that can receive Transportation Impact Fees
 - ✓ Significant Projects Funded:
 - ✓ Stewart Road Bridge Replacement
 - ✓ SR 410/166th Ave Interchange Improvements
 - ✓ Tacoma/Puyallup Intersection Improvements
- Defines Pedestrian and Bicycle Network Needs
 - ✓ Identified needed projects along Elm St

6-Year Transportation Improvement Program



- Identifies projects for the next six years
- Formally adopts project list
- Ensures projects are included in an adopted City planning document
- Allows the City to seek grant funding
- Annually updates public, council, funders on projects in the City's Transportation Plan

Consultant: None
 Consultant Cost: \$0
 Est. Staff Cost: 50 hours
 Council Adopted: April 20, 2026
 Anticipated: 2027
 Timeline Driven by: Required every year by State Law (RCW 35.77.010 and 36.81.121)

6-Year Transportation Improvement Program

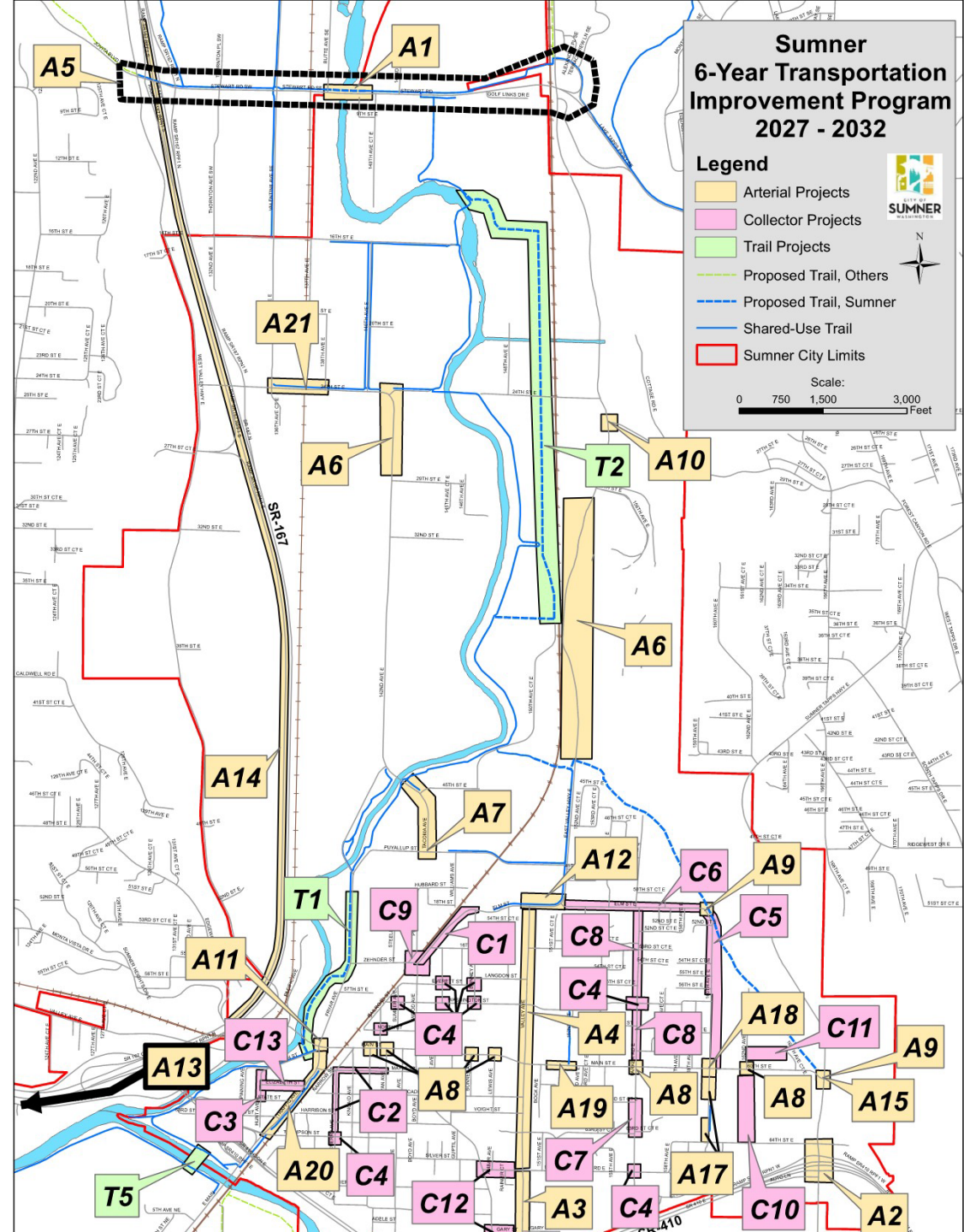
Prioritized List of Projects:

- **Arterial**
 - ✓ Main Street Crossings
 - ✓ Valley Avenue Overlay

- **Collector**
 - ✓ Washington St Reconstruction
 - ✓ Hunt Ave Reconstruction

- **Trail**
 - ✓ Fryar Ave Trail
 - ✓ Rivergrove Ped Bridge

- **Recurring Preservation**
 - ✓ Chip Seal
 - ✓ ADA Sidewalk Improvements
 - ✓ Roadway Painting



City of Sumner
General Water Plan Update



August 2020

BHC
CONSULTANTS
950 Pacific Ave, Suite 905
Tacoma, WA 98402
(206) 505-3400

Water System Plan

- Prioritizes Capital Improvement needs for next 10 years.
- Developed in compliance with requirements from the Department of Health, Washington Administrative Code, and Municipal Water Law
- Identifies water service boundary area and system inventory of water mains and potable water sources
- Analyzes projected water demand, water rights needs, and water quality conformance

Consultant: BHC Consultants

Consultant Cost: \$370,000

Est. Staff Hours: 400

Council Adopted: August 2020

Anticipated Update: by 2028

Timeline Driven by WA State law requiring system plan updates a minimum of every 10 years.



Water System Plan

Goals & Examples of Progress

- Implement recommended capital improvements
 - ✓ Recoated the Springs Tank
 - ✓ Recoated and seismic retrofitted the North Tank
 - ✓ Replaced miles of water main
- Acquire water rights and provide system capacity to meet future demand
 - ✓ The City is working through the process of converting the temporary water rights of the Central Well to permanent rights.
- Identify new and upcoming regulatory requirements
 - ✓ Lead and Copper Rule, provided inventory of water system plumbing materials to DOH

City of Sumner
Sanitary Sewer Comprehensive Plan



August 2020



Sewer System Plan

- Guide for operating and managing the sewer system, coordinating expansions, and infrastructure upgrades
- Provides a system overview of assets
- Looks ahead to growth and development needs
- Analyses capacity and performance of system
- Identifies capital needs and estimates costs

Consultant: BHC Consultants

Consultant Cost: \$200,000

Est. Staff Hours: 400

Council Adopted: 2020

Anticipated Update: by 2030

Timeline Driven by WA State law requiring system plan updates a minimum of every 10 years.

Sewer System Plan

City of Sumner

Sanitary Sewer Comprehensive Plan



August 2020



Goals & Examples of Progress

- **Ensure Permitted Discharge Requirements are Met**
 - ✓ Ecology excellence award for last 15 years
 - ✓ Prioritize permit testing/requirements
 - ✓ Developed Pretreatment Program as Required

- **Implement recommended capital improvements**
 - ✓ Lift station #2 and #6 Electrical Improvements
 - ✓ Sewer Replacement Program
 - ✓ Headworks Platform Safety Upgrade

- **Proactively Maintain and Modernize the WWTF**
 - ✓ Dryer/Biosolids Replacement Project
 - ✓ Explore AI opportunities for improving performance
 - ✓ Variable Frequency Drive Motor End-of-Life Replacements

Stormwater Comprehensive Plan

2011 Stormwater Comprehensive Plan Update



- Uses existing and proposed land uses to highlight areas with water quality issues or flooding concerns
- Includes Capital Improvement Plan to identify issues through a 10-year project plan with 10% design and cost estimates
- Includes recommendations for changes to other plans based on NPDES permit requirements

Consultant: Parametrix

Consultant Cost: \$300,000*

Est. Staff Cost: 400*

Update in progress: completed Q3 2026

Multiple timelines: Comp. Plan updated as large changes occur making it necessary, capital plan updated every 5-6 years, other sub plans required by NPDES permit updated annually in-house

*Current update it looking at all plans and re-doing models. Normal consultant capital plan update ~30-50k every 5-6 years.

Stormwater Comprehensive Plan

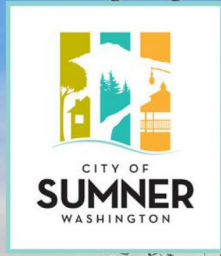
Goals & Examples of Progress

2011 Stormwater Comprehensive
Plan Update



- **Identify Regional Needs**
 - ✓ Regional stormwater facility in East Sumner
 - ✓ Prioritize the use of pervious concrete while increasing amount of new sidewalk
- **Coordinate stormwater retrofits with existing projects**
 - ✓ Added treatment to stormwater pond repair, meeting a regulatory requirement
 - ✓ Noted TIP projects which could allow stormwater funds to leverage road improvements
- **Identify new, upcoming regulatory requirements**
 - ✓ Plan to meet Stormwater Permit requirements; City received clean audit on our Permit.

February 2011
Parametrix



Tourism Master Plan (Strategic Tourism Plan)

- Sub-area plan to Pierce County's Tourism Master Plan
- Aligns Sumner with regional plan
- Combined professional perspective from MMGY NextFactor with local partners (Travel Pierce Co., Visit Rainier, SMSA, Knutson Farms, The Old Cannery) to focus tourism efforts on key, agreed-upon strategies.

Consultant: MMGY NextFactor

Consultant Cost: \$75,000*

Est. Staff Cost: 100 hours

Council Adopted: Feb 5, 2024

Anticipated Update: by 2034

Timeline Driven by end of life for plan, no requirements

*Cost savings by piggy-backing on County contract

CITY OF SUMNER
SUB-AREA **TOURISM**
MASTER PLAN



CITY OF SUMNER
SUB-AREA **TOURISM**
MASTER PLAN

Tourism Master Plan (Strategic Tourism Plan)

Strategic Goals & Examples of Progress

- Enhance tourism infrastructure
 - ✓ Early discussions of boutique hotel(s)
 - ✓ Updated wayfinding signage
 - ✓ Phase 2 of Heritage Park & Hops Alley
- Create additional attractions, events, & experiences
 - ✓ Light up Main
 - ✓ Rainier to Ruston promotion
 - ✓ Connect to agritourism, Knutson Farms
- Augment connectivity & mobility
 - ✓ Missing piece of Fryar Ave trail
 - ✓ Commissary kitchen
 - ✓ Foot ferry plans

PARKS, TRAILS, & OPEN SPACE PLAN UPDATE



Parks, Trails & Open Space Plan

- Analyzes existing conditions and needs
- Uses public involvement to assess demand, wishes and priorities
- Compares existing and plans against goals & objectives
- Outlines upcoming Capital Improvement Program to meet needs, demand of public

Consultant Contract Amount: \$99,914*

Estimated Staff Cost: 175 hours

Council Adopted: May 20, 2024

Anticipated Update: By 2030, start late 2028

Timeline Driven by compliance with GMA, needed for RCO funds

*terminated contract with SCJ Alliance part way through project, completed internally

PARKS DEPARTMENT

1104 Maple Street
Sumner, WA 98390
www.sumnerwa.gov



PARKS, TRAILS, & OPEN SPACE PLAN UPDATE



PARKS DEPARTMENT
1104 Maple Street
Sumner, WA 98390
www.sumnerwa.gov



Examples of Progress per space

- **Bennett Property**
 - ✓ RCO Grant Application for Phase I Development
- **Bill Heath Sports Complex**
 - ✓ Sk8 Park Decommissioning
- **Reuben A Knoblauch Heritage Park & Hops Alley**
 - ✓ Phase 2 “Point of Park” and Hops Alley Construction
 - ✓ Temporary Park
- **Loyalty Park**
 - ✓ N/A
- **Qunell Family Park**
 - ✓ N/A
- **Rainier View Park**
 - ✓ Covered Court
 - ✓ Shade Structure
- **Lucy V Ryan Park**
 - ✓ Building removed
 - ✓ Public Input – Open Houses Fall 2025, Spring 2026
- **Seibenthaler Park**
 - ✓ Rave Mini Pitch
 - ✓ Shade Structures – summer/fall 2026



All plans are interdependent on each other. Pulling one out is not an option without upsetting/redoing all of them again.

Bottom Line

- Generations have already invested \$1,985,914 and 12,185 hours of staff time to plan our future. (That's nearly 6 FTEs for one year.)
- No one will remember all the details of each plan, but it's good to remember they exist for reference as needed.
- All plans were done with public participation and input
- We cannot afford to significantly redo or ignore these plans – huge cost in financial, time and political capital.
- The people who rely on plans the most are developers and businesses looking at their own long-term investments in Sumner – keep in mind for revenue options for discussion later today.

Strategic Plan

3:15-4:00 pm



EXCELLENT GOVERNMENT

DRAFT GOAL TO EDIT:

Set the standard of excellence for a
progressive government.

Areas captured:

- Finance
- Communications
- HR
- Administration
- Efficiency
- Transparency

DRAFT GOAL TO EDIT:

Through engineering, education and enforcement, maintain a swift response to safety challenges while proactively fostering a communal sense of safety for individual wellbeing.

Areas captured:

- Police
- Emergencies
- Roads
(plowing, repairs)
- Water?
- Permits?

COMMUNITY CHARACTER

DRAFT GOAL TO EDIT:

Invest in aspects that build Sumner's charming atmosphere and help drive active residents, thriving business and an attractive community.

Areas captured:

- Economic vitality
- Tourism
- Events
- Planning
- Why you would want to live or open a business in Sumner.



DRAFT GOAL TO EDIT:

Balance safe, efficient freight mobility, local access and multi-modal needs with the reality of peak regional cut-through traffic.

Areas captured:

- Road quality
- Maintenance
- Regional congestion
- Multi-modal options
- Walkability

PROTECTION OF NATURAL RESOURCES



DRAFT GOAL TO EDIT:

Manage sustainable systems that support the long-term well-being of the people and natural resources in and around Sumner.

Areas captured:

- Stormwater
- Wastewater
- Parks & trails
- Environmental sustainability
- Urban forest

Budget Process Review



Budget Principles

- Municipal Budgets must:
 - Be balanced
 - Be adopted by 12/31
 - Utilize funds as legally required
- Budgets should:
 - Convey Council priorities
 - Use reasonable revenue projections
 - Consider impacts to future budget cycles
 - Follow established financial policies
 - Reserves
 - One-time revenue for one-time expenses

How do you define a City?

8 square miles

11,300 residents

Small City



How do you define a City?

8 square miles

11,300 residents

Small City

293,000 people visit Downtown Sumner in a year

91,000 people commute DAILY

20,000 people work in Sumner

RHUBARB
PIE CAPITAL



Tale of Two Cities

- Visually separated
- Potential Us vs. Them mentality
- Hidden symbiosis
- We serve both.

Services Provided

- Administration
 - Finance
 - HR
 - IT
 - Communications
- Development Services
- Police
- Community Development
 - Senior Center
- Legal
- Court (limited jurisdiction)*
- Animal Control
- Public Works
 - Engineering
 - Regional Wastewater Treatment
- Public Operations
 - Water
 - Stormwater
 - Roads
 - Cemetery
 - Parks

*Via contract

On any given day, that means



13,121
CALLS FOR
SERVICE



2,913
VEHICLE
STOPS



326
PARKING
INFRACTIONS



257
ARRESTS



248
TRAFFIC
COLLISIONS



303
PETS
ADOPTED



173
LOST PETS
RETURNED



2,916
VOLUNTEER
HOURS



2,553
CALLS FOR
MAS



919
HYDRANTS
MAIN-
TAINED



598 TONS
GRAVEL USED



164 TONS
ASPHALT
USED



398 TONS
SWEPT
from
STREETS



15,800
LAB TESTS
DONE on
WASTE-
WATER



409 TONS
SUMNER
GROW
SHARED



885 MILLION
GALLONS
WASTEWATER
TREATED



106
BUILDING
PERMITS



\$72.2 million
VALUE OF
PROJECTS



269,177 ft²
COMMERCIAL
IMPROVEMENTS



412,547 ft²
NEW
COMMERCIAL



42 days
AVG. TIME
for PERMIT
Single-family
residential



39 days
AVG. TIME
for PERMIT
Commercial
improvements



22,681
PUBLIC
NOTICE
EMAILS
SENT



921
JOB APPLI-
CATIONS
RECEIVED



32 NEW
EMPLOYEES
HIRED



1691
COURT
FILINGS



31,723
GALLONS
OF GAS



36,345
VISITS ON
SUMNER
CONNECTS



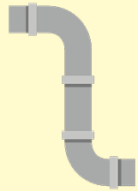
862
REQUESTS for
RECORDS

On any given day, that means

IN THE CITY, WE TAKE CARE OF



88.5 MILES
WATER
PIPELINE



58.5 MILES
SEWER
PIPELINE



68.75 MILES
STORMWATER
PIPELINE



HERDS OF
GOATS &
SHEEP



4 SPRINGS
& 4 WELLS



124 LANE
MILES
STREETS



9.9 MILES
TRAIL



7.9 MILES
BIKE
LANES



16 MILES
STREAMS
W/FISH



60
STORM PONDS
& SWALES

A Budget....

More than just numbers...

- Establishes and communicates a plan of policy and operation
- Facilitates the evaluation of City programs
- Provides management information
- Establishes financial control
- Reflects the City Council's strategic priorities



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Sumner
Washington**

For the Biennium Beginning

January 01, 2025

Christopher P. Morill

Executive Director

MUNICIPALITY (CITY)

VS.

BUSINESS



GOAL

Build cash and then spend it to benefit the community.



GOAL



GOAL

Grow cash and benefit shareholders.



FOCUS

Quality of life, public safety, infrastructure, services, and community well-being.



FOCUS



FOCUS

Products, services, profit, market share, and growth.



WHO IT SERVES

Residents, visitors, and the entire community.



WHO IT SERVES



WHO IT SERVES

Owners/shareholders and customers.



REVENUE SOURCE

Taxes, fees, grants, and other public revenues.



REVENUE SOURCE



REVENUE SOURCE

Sales, fees, investments, and other business income.



USE OF CASH

Invest in community needs and services. Build for tomorrow. Spend for today.

BUILD CASH. SPEND CASH. BENEFIT THE COMMUNITY.



USE OF CASH



USE OF CASH

Reinvest to grow the business or return to shareholders.

GROW CASH. BENEFIT SHAREHOLDERS.



A CITY EXISTS TO SERVE.

We build resources through responsible stewardship so we can invest in what matters most—our community.



SAFE STREETS | STRONG NEIGHBORHOODS | VIBRANT COMMUNITY | BETTER TOMORROW



A BUSINESS EXISTS TO GROW.

Success is measured by financial performance and value created for shareholders.



INNOVATE | COMPETE | GROW | DELIVER VALUE TO SHAREHOLDERS

Funding the priorities



Value of projects in plans/wishes

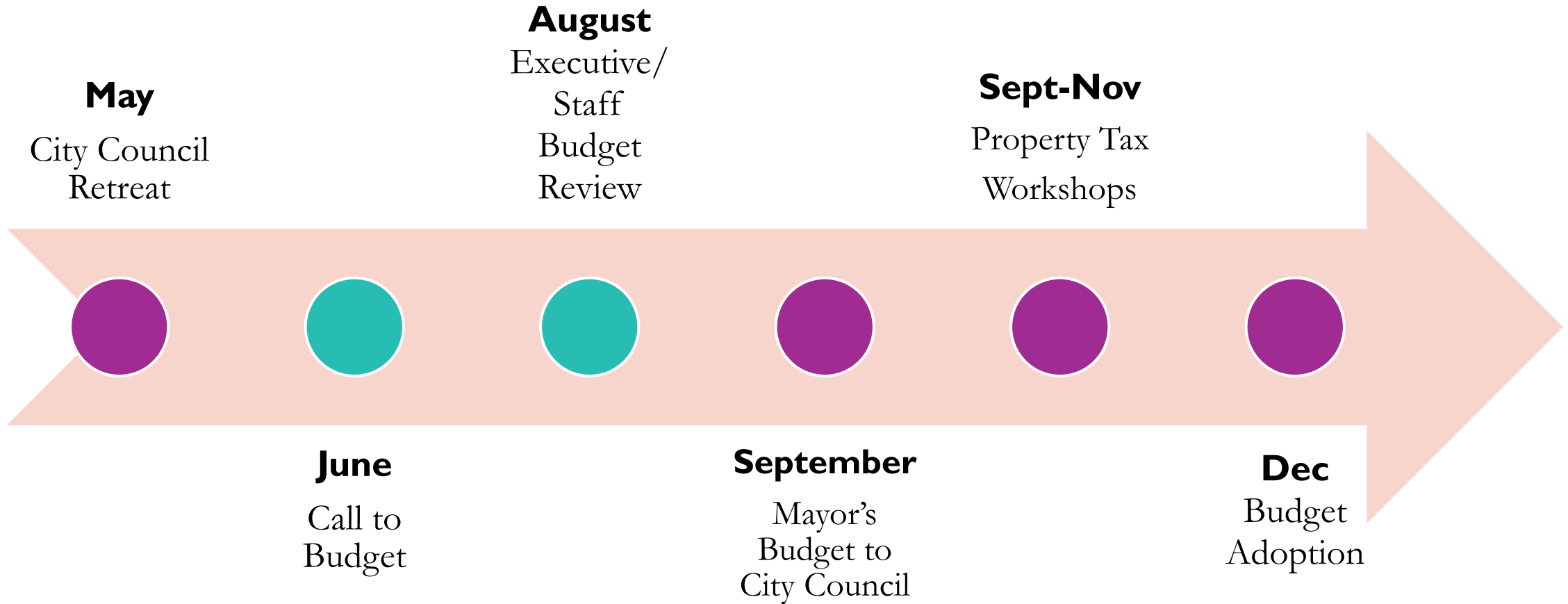


What we actually have.



Portion of budget that's discretionary.

Budget Process





OPERATING MANAGEMENT

- Ongoing revenues for ongoing expenses
- One time revenues for one time expenses



RESERVE POLICIES

- General Fund 8% minimum, 15% target
- Water Fund 15%
- Sewer Fund 15%
- Stormwater Fund 8%
- Fleet Management by reserve study



CAPITAL MANAGEMENT

- Six Year Capital Improvement Plan
- Capital Equipment rate models



DEBT MANAGEMENT

- Maintain or improve bond rating
- Debt only for capital projects
- Long-term debt will not exceed life of project
- Utility debt solely backed by utility revenues without supermajority



INVESTMENT MANAGEMENT

- Safe, maximum returns
- Adequate liquidity



UTILITY RATE MANAGEMENT

- Studies conducted at least every five years
- Rates reviewed at least biennially
- Rates adequate to provide reliable, competitively priced services



ACCOUNTING & FINANCIAL REPORTING POLICIES

- Fund Accounting
- Compliance with SAO & BARS Manual
- Quarterly reporting for General & Utility Funds

Financial Policies

- Resolution No. 1237
- Adopted May 5, 2008

Following these has kept Sumner from the major financial struggles you read about in the news for other jurisdictions!



Fund Balance

The excess of operating revenues over operating expenses

- A negative fund balance is a deficit
- Council requires 8% of General Fund operating expenditures to be held as reserve
- $8\% \text{ Reserves} + \text{Unreserved Fund Balance} = \text{Fund Balance}$
- Decreases in fund balance are often anticipated as accrued balances are drawn down for planned projects.

Expenses



Supplies



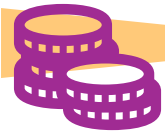
Salaries &
Benefits



Services



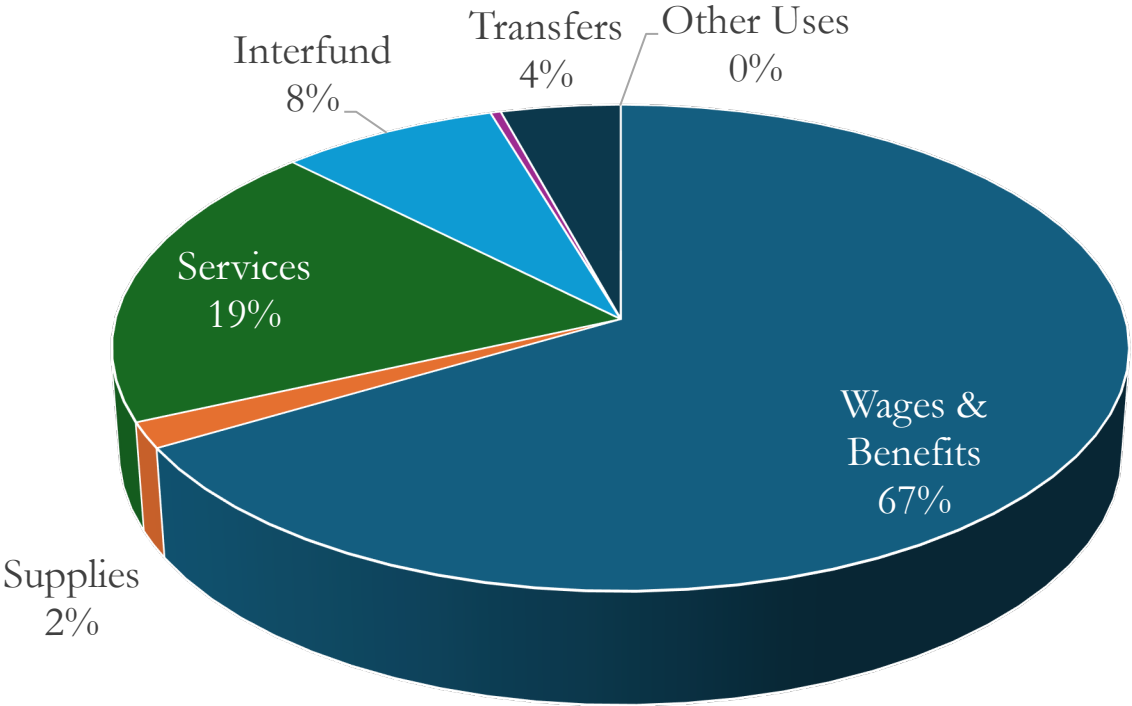
Capital



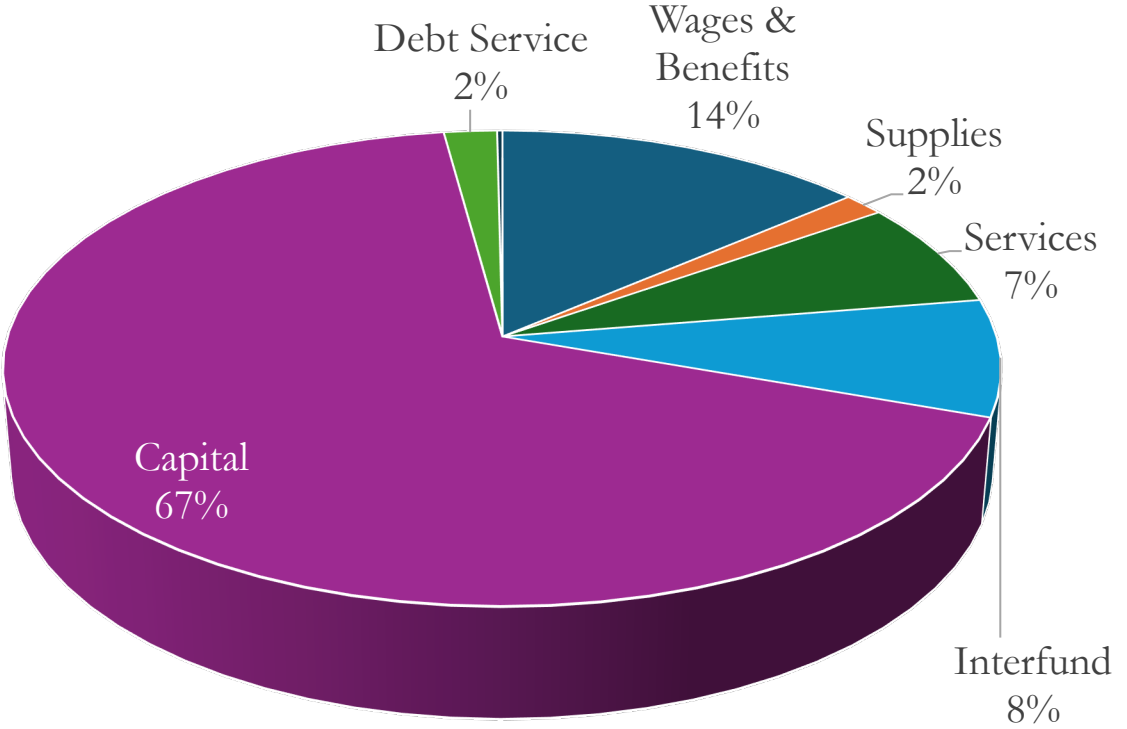
Debt Service

2026 Adopted Expenditures

General Fund

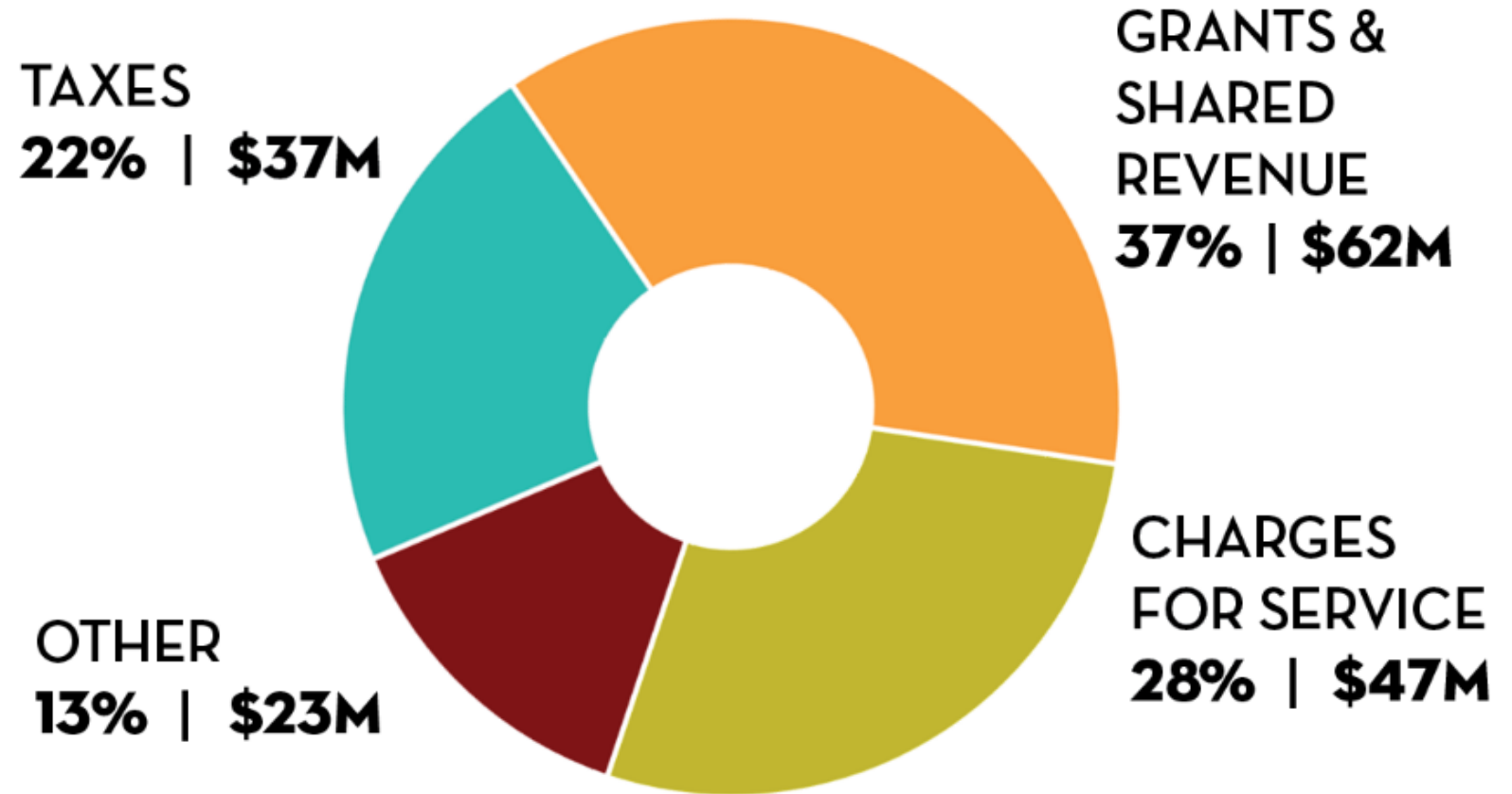


Utilities



Revenue Sources

Taxes are not our only, or even our largest, source of revenue.



2025-2026 Estimated Sources of Revenue



Fund Accounting

Each fund has its own

- Purpose
- Revenues
- Expenditures
- Fund Balance





City Funds Exercise

Sales Tax

- 36% of General Fund revenue
- Largest, but most unpredictable, General Fund revenue
- Takes a large effort (public, private, time) to “grow the pie”
- Destination-based (supply chain can be a challenge to support)
- Subject to inflation and economic pressure
- 2025 increased over projections; construction related activity increased over prior year

SALES TAX


PURCHASE  = **\$10.00**

STATE SALES TAX  = **\$0.65**

RTA (TRANSIT)  = **\$0.14**

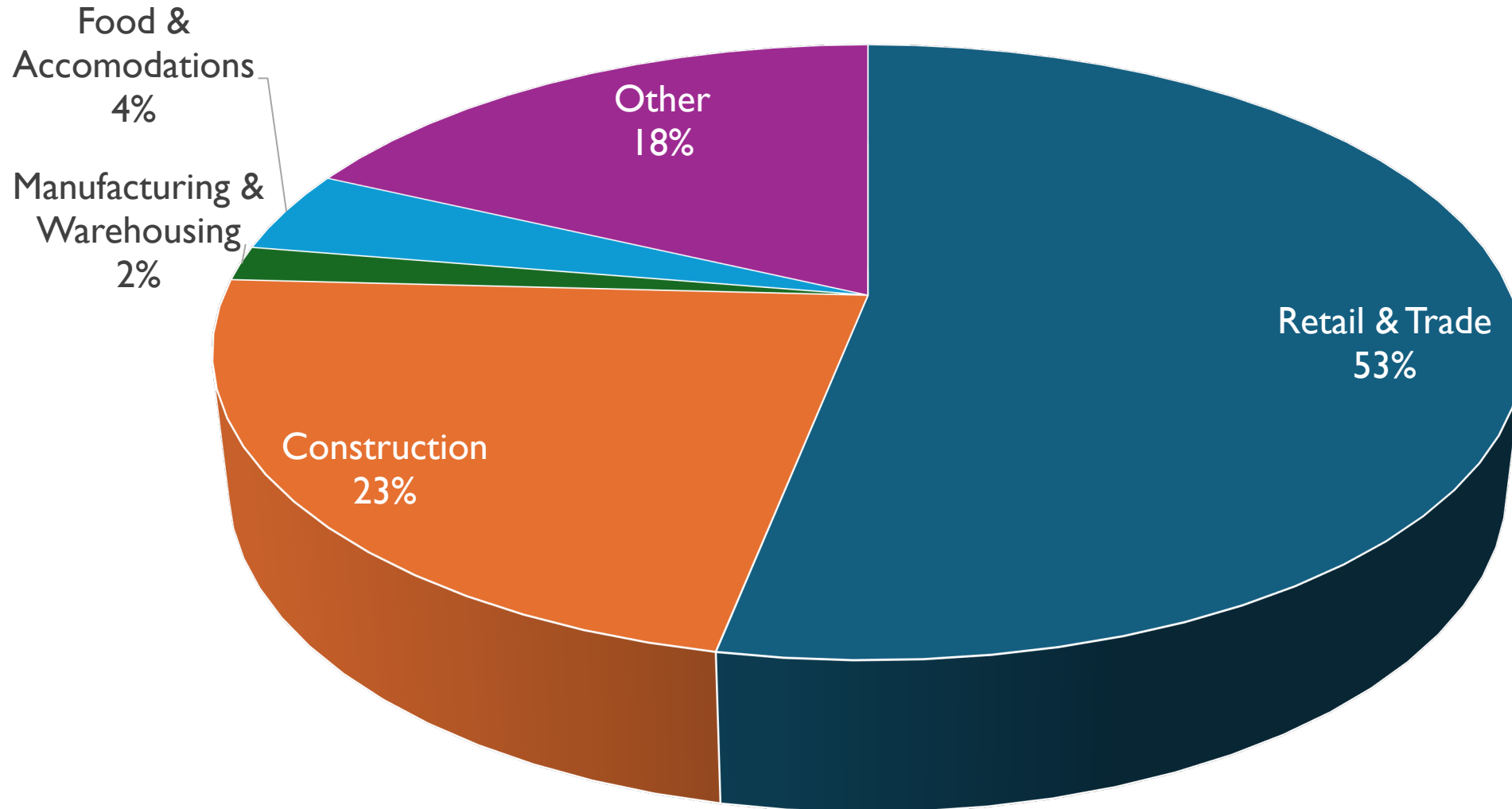
CITY SALES TAX  = **\$0.10**

TRANSPORTATION BENEFIT DISTRICT (CITY)  = **\$0.01**

OTHER  = **\$0.06**

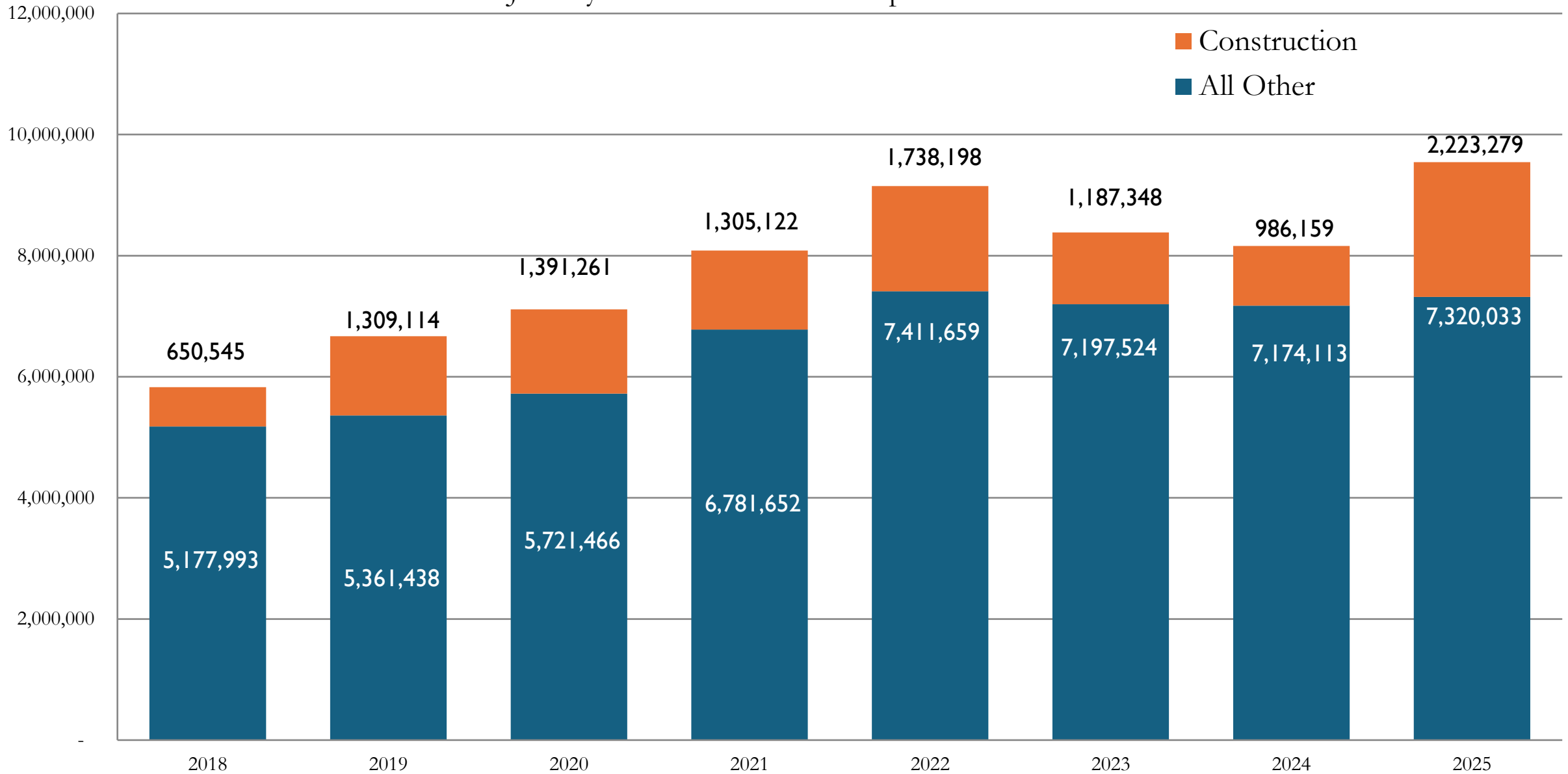
 = **\$10.96**

Sales Tax Remitters



Sales Tax

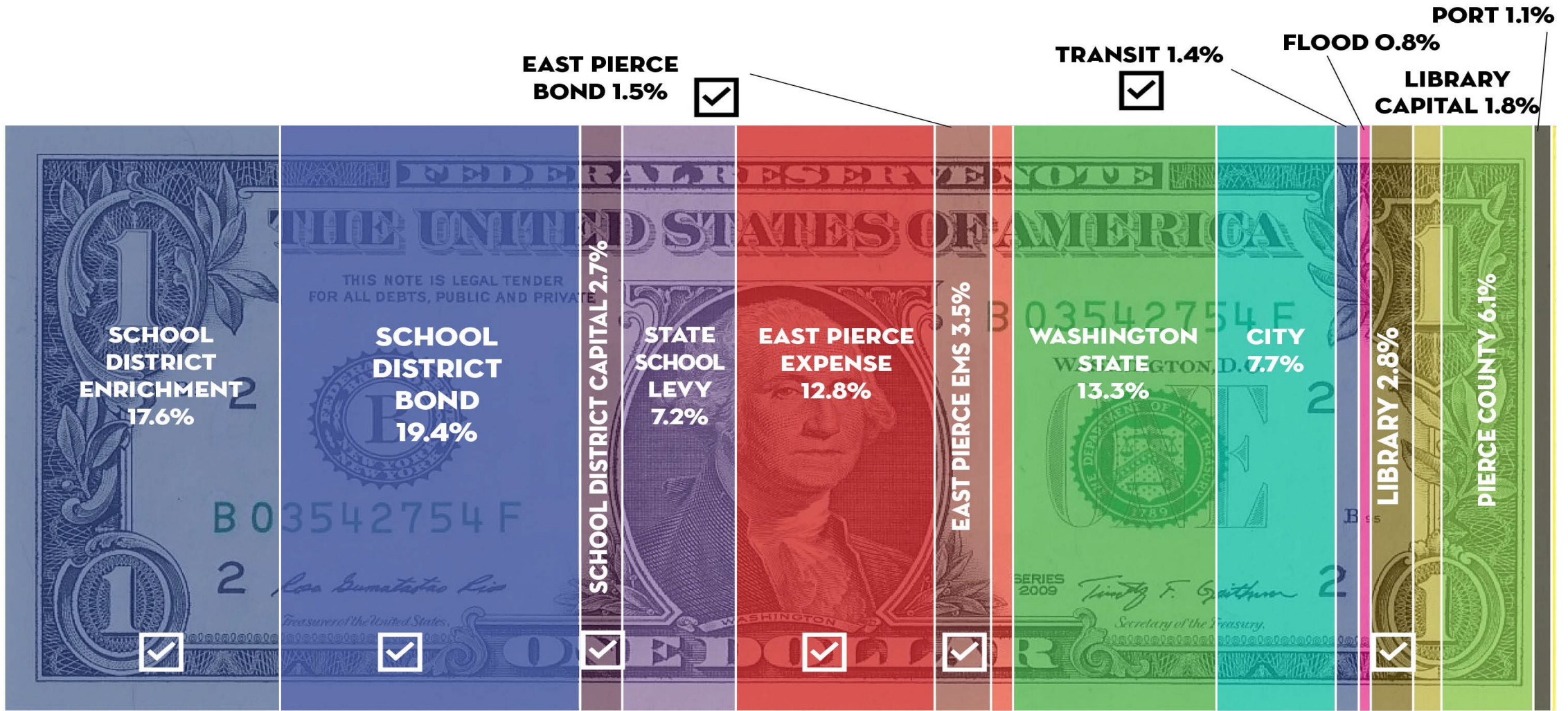
January - December 2025 Receipts



Property Tax

- 22% of General Fund revenue
- Most stable General Fund revenue
- Adopted in November for the next year





Limitations

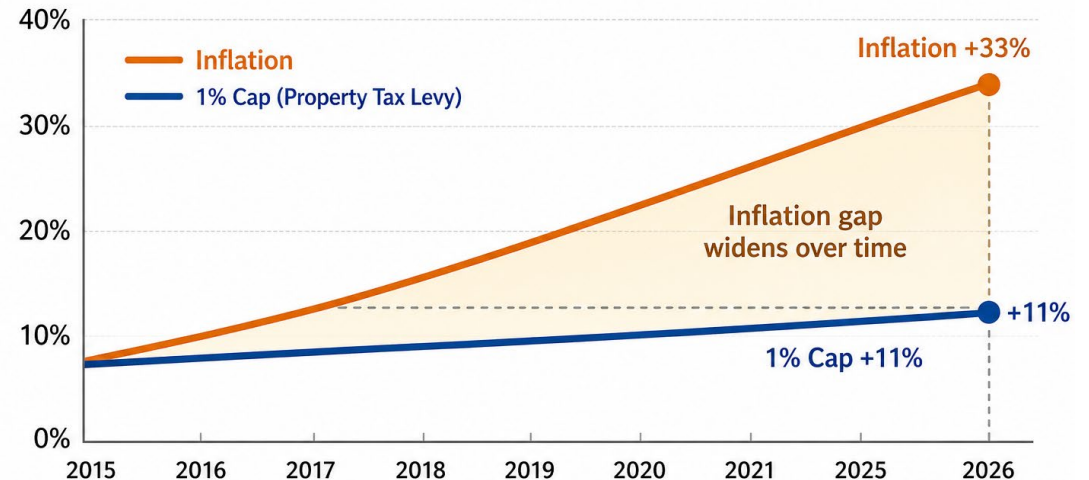
With the 1% cap on revenue received, it cannot, by law, meet modestly rising expenses and does not benefit from rising values.

And, unfortunately, expenses are going up more than 3%.

Leads to a structural imbalance.

1% Property Tax Increase Cap vs. Inflation

Washington State limits annual property tax levy growth to around 1% per year for existing properties.

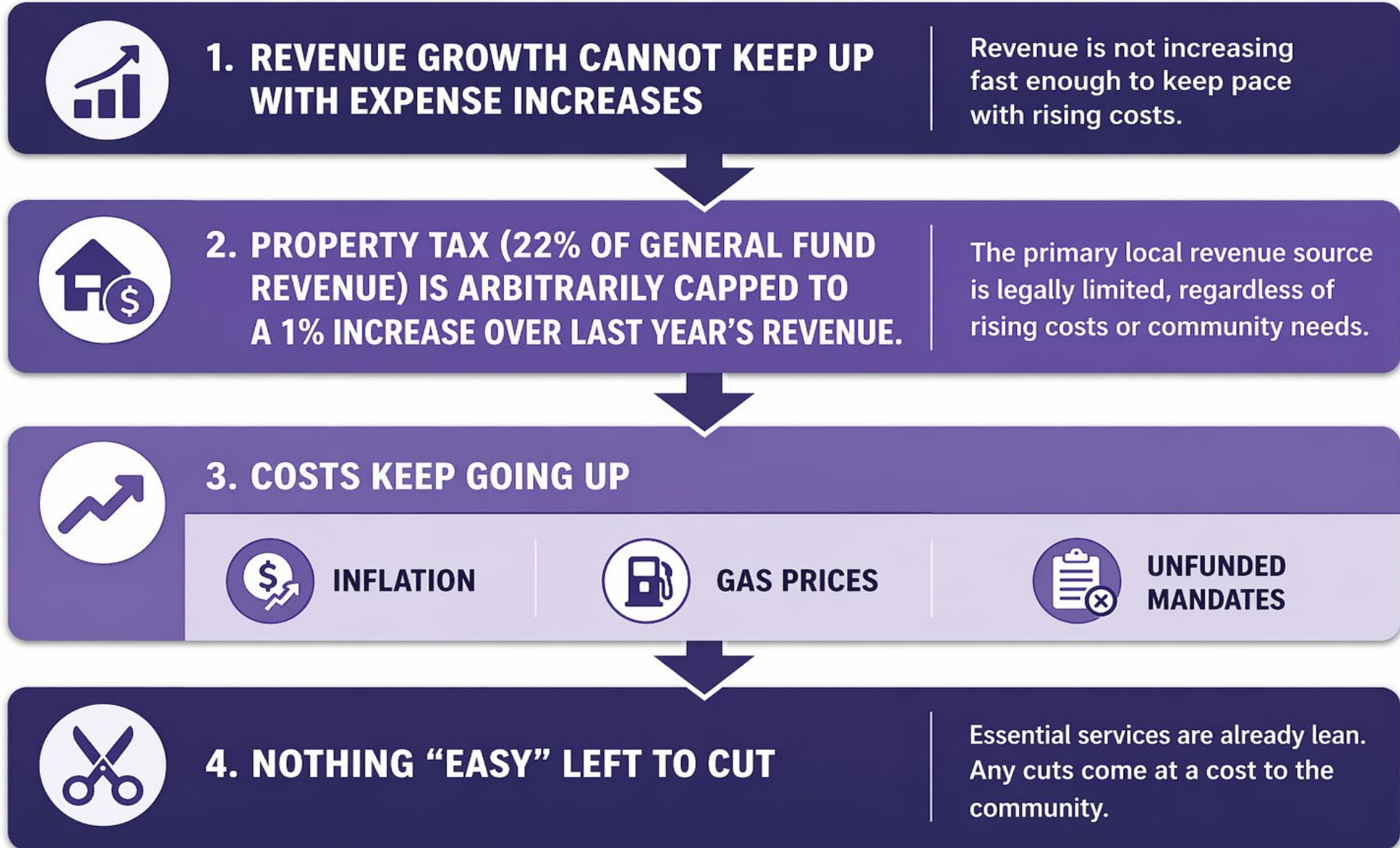


The 1% cap doesn't keep up with inflation.

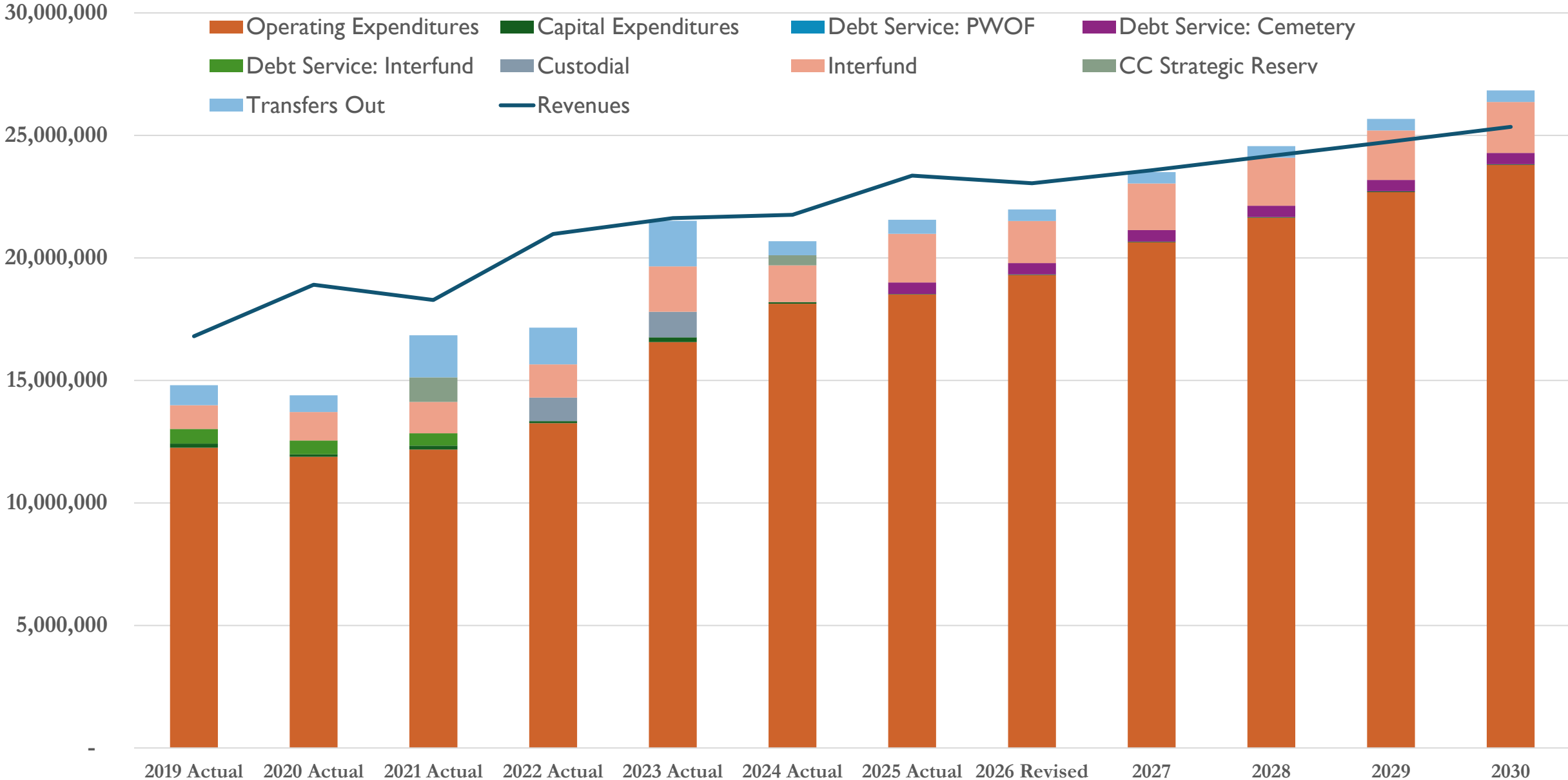
While inflation has increased 33% since 2015, the property tax levy is limited to just an 11% increase.

Result: Less purchasing power for local governments over time.

The Fiscal Cliff



General Fund Financial Model



Considerations....

- Community Funds
- Known Expense Increases
- City Council Strategic Reserve



Fund Requests	25/26 Request	25/26 Funded	23/24 Funded	21/22 Funded
Generous Influencers -Night Market	103,000	2,000	-	-
Mi Casa Housing	20,000	15,000	10,000	-
Puyallup/Sumner Chamber	80,000	14,000	-	-
SBLSD Family Resource Center	70,000	70,000	70,000	70,000
Skoolie Foundation	100,000	-	-	-
Sumner Community Food Bank	80,000	50,000	40,000	35,000
Sumner Main Street Assoc.	60,000	60,000	50,000	-
Sundance Circle Hippotherapy	25,000	-	-	-
Tacoma Area Literacy Council	3,000	3,000	-	-
United Way	7,500	6,000	-	-
VADIS	40,000	30,000	30,000	-
	588,500	250,000	200,000	105,000

Fund Requests	25/26 Request	25/26 Funded	23/24 Funded	21/22 Funded
Generous Influencers -Night Market	103,000	2,000	-	-
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Sumner Main Street Assoc.	60,000	60,000	50,000	-
Sundance Circle Hippotherapy	25,000	-	-	-
Tacoma Area Literacy Council	3,000	3,000	-	-
United Way	7,500	6,000	-	-
VADIS	40,000	30,000	30,000	-
	588,500	250,000	200,000	105,000

Is this the right amount?

Known Increases

- Axon Body Worn Cameras
- Indigent Defense
- Radio Replacement (possible offset)
- Fuel & energy costs
- Cybersecurity and other infrastructure
- Increased custodial needs
- ...





Financial Toolbox

How to fill
the gap?





Updated Toolbox



Find Efficiencies



Change Levels of Service



Grow the Sales Tax Base



Transportation Benefit District



Utility Tax



Public Safety Sales Tax (HB 2015)



Business & Occupation (B&O) Tax

What Happened



Find Efficiencies

- From the Recession, this was 1 of 2 primary tools used.
- We cut A LOT and never stopped.
- We took the low-hanging fruit and then shook the tree. Many times.
- City still operating in similar conditions as the Recession.



Efficiencies

We cut staff and reviewed services offered:

- Fire – to East Pierce District
- Court—to Bonney Lake, combined Judge
- 911 Dispatch—to Puyallup/South Sound 911
- Recreation—partnership changed (not our vote)
- Cemetery—kept, upgraded & expanded offerings
- Changed Medical and implemented EE cost share
- Trash truck to reduce trips
- Autonomous mower to buy Parks capacity
- Annual to biennial budget
- Online utility payments and permits
- Solar panels on City Hall
- LED lights in streetlights
- In-house facilities vs. repeated contractors
- Increased insurance deductible to reduce premiums
- Services
 - Passports (cut)
 - RV Dump Station (cut)
 - Business License (used State system)

Bottom Line

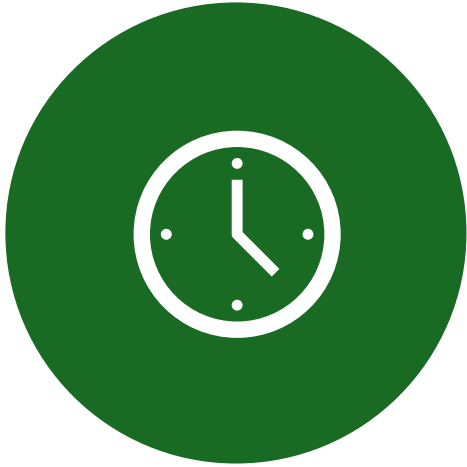


Find Efficiencies

Great effort always but not a sustainable long-term strategy.

No further major efficiencies to take without it being a change to level of service.

What Happened



Change Levels of Service

- Original idea was to cut back levels of service.
- Unfortunately, since 2009, State mandates and growing public expectations have **increased** demands on levels of service.

State Mandates

Usually, these are unfunded. Even if funding is provided for a salary, does not include funding for office, equipment, space needed for additional staffing.

- Online packets
- Streaming meetings
- Pollution prevention coordination
- Increased stormwater requirements
- Increased wastewater requirements
- Affordable housing demands
- Body-worn cameras
- Electric vehicles
- ADA Digital Laws (Federal)
- Title VI efforts & other reports
- Increased court & jail costs at local level because drugs now misdemeanors instead of felony
- Water service reconnects when hot
- Overlooked support infrastructure for EV, tech
- Requirements to post in print newspapers (that don't exist)
- Affordable housing



Rising Expectations

Other “mandates” came from public expectations and shifting demands.

- PD Recruitment bonuses
- Online permits
- Online utility billing
- Facebook, YouTube, X & Instagram
- Events
- Records management
- De-icing roads
- In-house janitorial
- Leader in social issues
- Cybersecurity
- Cost of insurance
- Lawsuits
- Public restrooms
- Vandalism clean-up
- Adjusted City Hall & virtual hours
- Sumner Connects
- Increased communications in multiple formats
- Emergency alerting
- Evacuations in emergencies



Plus BIG Projects

- White River Habitat
- Stewart Road Bridge
- Heritage Park
- Operations Facility
- Bennett Property
- I60th Interchange
- Rivergrove Pedestrian Bridge
- Main Street crossings
- Fryar Ave Trail section
- Biosolids update
- Lahar Drill
- Green Burials



Bottom Line



Change Levels of Service

- Public needs to be aware that it remains an option – i.e. difference in having a sheriff contract vs. own police department.
- Keep managing/limiting the increases rather than seek decreases.
- Not the best or necessary option for Sumner right now.

What Happened



Grow the Sales Tax Base

- The 2 of 2 favorite tools in 2009.
- We cannot tax our way to setting the standard of excellence.
- Invest limited tax dollars (which could include *some* taxes) to build a place where people want to do business and live.
- Invest in future revenue generators from economic vitality and increased tax revenue generated by increased visits, increased business and reduced vacancy for housing.
- We succeeded.

Examples of Growth Since 2009

Sunset Ford
Poulsbo RV
Titus-Will Used Trucks
Keurig
Amazon.com
Cummins
Peterbilt
Holiday Inn Express
Candlewood Suites
YMCA (largest in WA)
Helly Hansen
Evo
Township 20

Fat Zach's
Trackside Pizza
Electric Coffee/JMJ
Top-Down Brewing
Penny's Salsa
GSA
Spice Ladies
Oxbow Urban Kitchen
Eternal Soul Bowl
Pura Brasa
Winco area
24th Street Interchange
Office Depot

Press Pilates
Valley Social
Craft. 19
Bayabelle
Wolf & Willow
Mode
Coco & Jojo's
Soleil
Teagan & Co.
IntaVintage
Amazon locker

Generates sales or lodging tax revenue


Plus, the Long Game

Back to the plans, which were designed to grow the sales tax base (among other things):

- East Sumner Neighborhood Plan
- Town Center Plan
- Main Street Vision
- Strategic Tourism Plan
- Housing Action Plan
- Rate studies
- Parks, Trails & Open Space Plan
- Transportation Plan
- Shoreline Master Plan

2. Example Mixed Commercial and Residential Possibilities of Block along Maple Street and Alder Avenue





Lesson Learned: You can't “build your way out”

- Increased revenue also means increased demand on services.
- Increased service calls for Police & Public Works
- Increased traffic on roads & sidewalks
- Increased people wanting records, to pay bills, ask questions
- Plus costs of planning

Bottom Line



Grow the Sales Tax Base

- This remains an important tool: investing in public and private spaces retains an attractive community that invites people to live, work and visit.
- Economic vitality is a complex web – i.e. food doesn't generate sales tax but new restaurants attract visitors to also shop in Sumner.
- Because of the corresponding increase in demand, it's not the magic bullet as hoped for in 2009. It can't be the **ONLY** tool.

What Happened



Transportation Benefit District

- Road maintenance remains a top priority with public (per surveys).
- In building the 2025-2026 budget, Council realized road maintenance was falling behind. They asked staff to pursue a TBD in 2025.
- State gives various funding options for TBD:
 - 1% sales tax increase (Council vote)
 - 3% sales tax increase (vote of people)
 - Levels of fees added to car tabs (Council/vote of people).
- Council formed TBD and chose funding with 1% sales tax increase to capture all users of roads, not burden just residents.
- Car tab option viewed as political “third rail.”
- Began collecting in 2026.

Playing Catch Up – 15 year goal

The 15-year preservation budget need is:

\$1,250,000 Crack Seal*

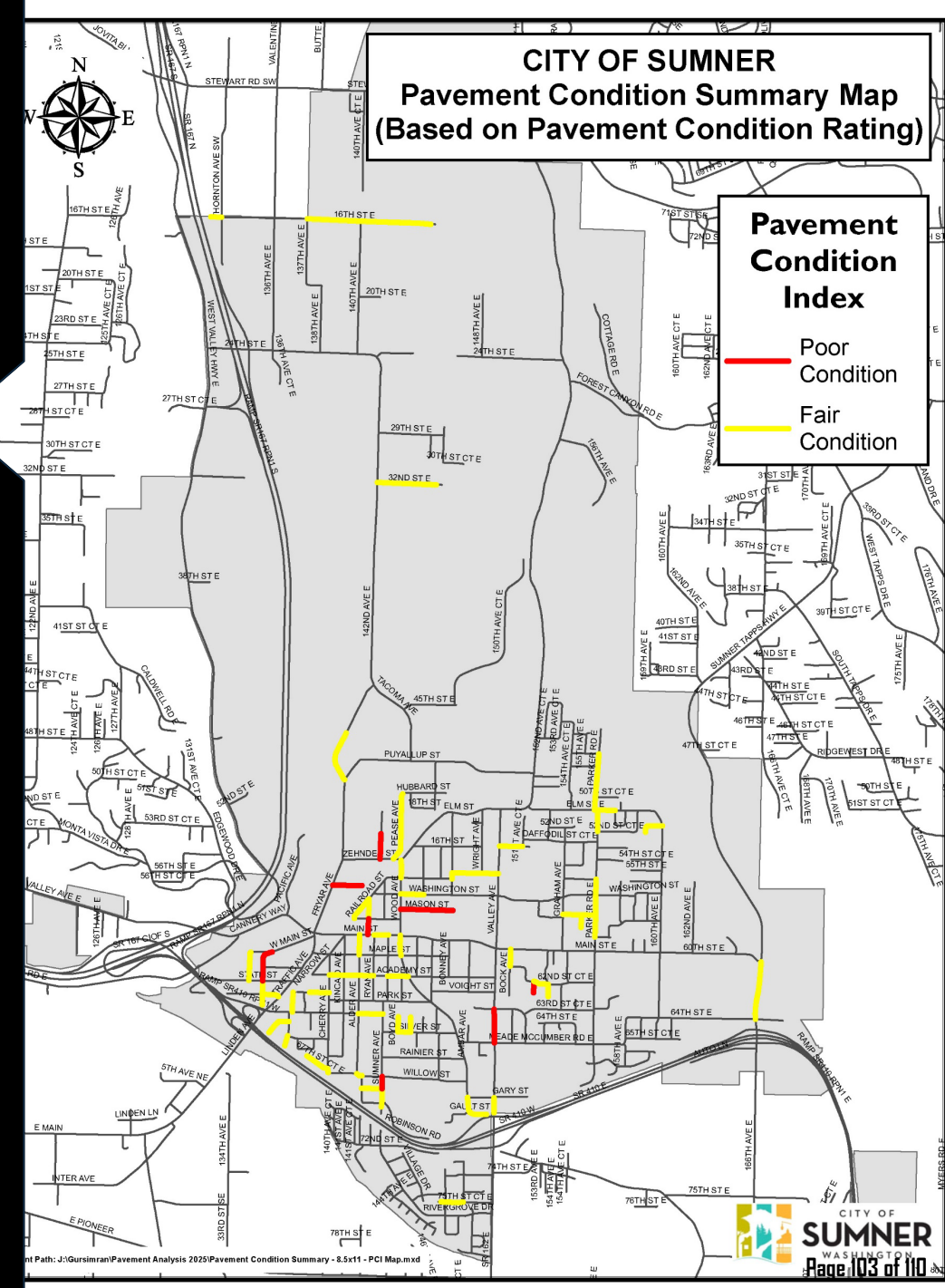
\$5,000,000 Pavement Patching*

\$7,500,000 Chip Seal*

\$13,750,000 TOTAL

15 years of revenue from TBD = \$12,750,000

*2025 estimates



Bottom Line



Transportation Benefit District

- Maintenance is cheaper and easier on residents than full construction.
- As General Fund dollars get squeezed more, TBD will quickly be the sole funding source for road maintenance.
- TBD “bought” more capacity in General Fund, did not solve all road maintenance needs today.
- While more remains an option, staff do not recommend further increase at this time.

How Does It Work



Utility Tax

- Utility tax on City water/sewer/stormwater benefits the General Fund
- Sumner has implemented some but not taken as much as possible.
- Pro: relatively simple to implement
- Con: increases cost of basic utilities to residents

How Does It Work



Public Safety Sales Tax
(HB 2015)

- State allows cities to increase sales tax by 0.1% by Council vote for public safety.
- State requires adoption by June 2028.
- Paid by shoppers – helps off-set increased demand for police by non-residents.
- Pro: much needed funding option for a priority, est. \$850,000 in a year.
- Con: pushes “raising taxes” on city yet again.

Bottom line: staff will be recommending Council adopt this as part of the budget process.

How Does It Work



Business & Occupation
(B&O) Tax

- Tax levied on business activity – gross receipts or square footage.
- A common funding tool in most cities around Sumner.
- Pro: does not directly impact residents; revenue from businesses that impact services, infrastructure.
- Con: complex—would require additional FTE to administer; State adding business taxes with no revenue coming to cities.

Bottom line: staff will be recommending Council adopt a policy decision on this as part of the budget process.



Other Tools

- Local Improvement District
 - City funds project via debt; paid for via assessments to benefiting property owners
 - Pro: costs are limited to benefiting property owners
 - Con: cumbersome process; costs to administer
- Levy Lid lift
 - Voted, restores levy rate to statutory maximum
 - Pro: rebuilds levy capacity, spreads cost to all taxpayers
 - Con: complex to develop, cost to run election, political capital, doesn't prevent future rate erosion back to the cliff.
- Parks Benefit District
 - Voted property tax levy
 - Pro: funds specific project plans, completes plans much faster
 - Con: expensive to develop/hold; requires 60% majority
- Council strategic reserve

Council Strategic Reserve

- Implemented beginning with property tax year 2018
- Requires City Council approval to program
- Policy Question – Continue past tax year 2026 or defer to General Fund?

Tax Year	Sources	Uses	Description
2018	354,381		Property Tax
2019	350,000		Property Tax
2020	350,000		Property Tax
2021	350,000		Property Tax
2021		(1,000,000)	Woonerf Project
2022	350,000		Property Tax
2023	350,000		Property Tax
2024	350,000		Property Tax
2024		(300,000)	Heritage Park
2024		(114,000)	Washington Street
2025	350,000		Property Tax
2025		(970,500)	Washington Street
2026	350,000	-	Washington Street
Balance at 12/31/2024		1,040,381	
Balance at 12/31/2025		419,881	
Balance at 12/31/2026		769,881	

Next Week

Staffing History & Capacity

Major Initiatives

Library Site

Metro Animal Services

Existing Operations Facility

Heritage Park

Bennett Property

Council Rules

