

AGENDA
GIG HARBOR CITY COUNCIL STUDY SESSION
Thursday, March 12, 2026 - 3:00 PM
Community Rooms

This meeting may also be accessed through Zoom at <https://zoom.us/j/93216056382> or by calling (253) 215-8782 and entering Meeting ID 932 1605 6382.

CALL TO ORDER/ROLL CALL

DISCUSSION ITEMS

- 1. Proposed YMCA Lease Amendment & Services Agreement**
 - a. Staff Report: Parks Manager Jennifer Haro
 - b. Clarifying Questions
 - c. Public Comment
 - d. Council Deliberation and Direction

- 2. 2027-2028 Strategic Plan Discussion – Council Priority Economic Vitality**
 - a. Staff Report: City Administrator Katrina Knutson
 - b. Clarifying Questions
 - c. Public Comment
 - d. Council Deliberation and Direction

ADJOURN

PUBLIC COMMENT & DECORUM

PUBLIC COMMENT & DECORUM

The city council wants to hear from the public as much as possible. However, the business of the city must proceed in an orderly, timely manner. The primary purpose of council meetings is to conduct the city's business so we have created a variety of ways the community can make their voices heard. Monday city council meetings are just one opportunity. These guidelines are designed to make sure every person who wants to be heard has both the opportunity to be heard and feels welcome to do so.

We receive comments three ways:

1. During council meetings
2. During council study sessions.
3. Email mayorandcouncil@gigharborwa.gov at any time about any issue. This email goes to the elected officials and leadership at the city.

Public Comment at City Council Study Sessions

We welcome comment at Council study sessions following the staff report and clarifying questions of each discussion item. Comments must be related to the discussion item at hand.

When the mayor calls for public comment, please come forward to the table (or raise your hand on Zoom). When it's your turn, we'll ask you to tell us your name and connection to the issue you want to discuss. You'll then have a maximum of two minutes to speak.

Unfortunately, this isn't a time for dialogue, but a staff person or councilmember may be available to talk with you at a break or after the meeting.

Additional guidelines

- Anyone making "out of order" comments may be subject to removal from the meeting.
- Please address your remarks to the city council as a body and not to any specific individual.
- Please be courteous and not engage in derogatory remarks or insinuations.
- No demonstrations, including clapping, are allowed.

Email

You are welcome to email the mayor and councilmembers about any issue facing the city by writing to the address above. Do remember that council sets the policy direction while city departments execute those decisions. A series of online reporting tools might help you resolve an issue more quickly so check them out too: <https://www.gigharborwa.gov/146/Submit>

AMERICANS WITH DISABILITIES (ADA) ACCOMMODATIONS

ADA accommodations can be provided upon request. Those requiring special accommodations should contact the city clerk at cityclerk@gigharborwa.gov or (253) 853-7613 at least 24 hours prior to the meeting.



**City of Gig Harbor
City Council Agenda Bill**

Meeting Date: March 12, 2026

SUBJECT: Proposed YMCA Lease Amendment & Services Agreement

SUBMITTED BY: Parks Manager Jennifer Haro

DEPARTMENT: Public Works

PHONE: 253-853-8253

SUGGESTED MOTION: N/A

BACKGROUND INFORMATION: Since the January 15 study session where city council considered the YMCA Sports Complex Phase 1A draft services agreement, the YMCA has approached the city with additional requests for changes. Those new changes, to section 5 of the agreement, will also require a lease amendment so that the services agreement does not violate the terms of the lease.

The city and the YMCA updated the lease agreement for phase 1A of the Gig Harbor Sports Complex in March of 2025. Section H of the lease requires that the city and the YMCA enter into a services agreement prior to the substantial completion of the Phase 1A improvements. The lease lists items that must be included in the services agreement, which include: general public use of fields, scheduling, maintenance, public coordination, use rates, field coordinator, rules, insurance, and capital reserve fund. The city has also included operation of the concession stand in the services agreement, as well as some janitorial items at the restroom/concession stand building at Doris Heritage Park that will be performed by the YMCA on weekends and evenings.

Lease amendment

In discussions after the January 15 study session, it was brought to the city's attention that the YMCA would like a revision section H(i) of the lease, which currently requires the YMCA to deposit **all** rental fees into the capital reserve fund. The YMCA is requesting the ability in the lease to reserve some of the rental fees to cover operating costs, including utilities, field maintenance, the field coordinator, etc. The YMCA originally asked for this change to be made in the proposed services agreement, but that would be a violation of the lease.

Services agreement

The YMCA has recently asked for reconsideration of the provisions of Section 5 of the services agreement, in addition to the changes that were discussed at the January 15 study session. The draft services agreement was developed based upon the [approved lease](#) and discussions with the YMCA.

Since the discussion at the study session on January 15, the following changes were made to the draft agreement:

- Whole fruits were added to the list of allowed foods that can be served.
- Section 2.7.6 was re-worded for clarity.

- Section 2.7.8 added refilling the concession stand soap dispensers to the concession stand maintenance requirements.
- A new section was added to allow administrative changes to the agreement that reads: *8.10 Amendments. The City Administrator or designee is authorized to execute minor amendments on behalf of the City to this agreement upon mutual agreement between the YMCA and City after quarterly reviews that do not increase costs to the City or violate any lease provisions.*
- Section 5 has been edited to allow operating expenses to come from rental fees.

Notable parts of the agreement include: YMCA management of the concession stand, shared basic janitorial duties on off-season weekends and high-use tournament days, defining the minimum available amount of general public use of a field, and general expectations for field operations, as outlined in the lease.

At the March 12 study session, staff is looking for council input on the draft lease amendment and services agreement and any suggested changes to be brought to the next regular council meeting for consideration.

FISCAL CONSIDERATION:

ATTACHMENTS:

1. YMCA First Amendment to Gig Harbor Sports Complex Lease_03-06-2026
2. DRAFT City-YMCA Phase 1A Services Agmt_2026-03-06 edits

STRATEGIC PLAN PRIORITY: Ensure sustainable future for public services and facilities

**First Amendment to
Gig Harbor - YMCA Sports Complex
Lease Agreement**

This first amendment (“First Amendment”) is that certain Lease Agreement, dated March 11, 2025 (“Lease”) by and between the City of Gig Harbor, Washington, a municipality of the State of Washington (“Landlord”) or “City”) and Young Men’s Christian Association of Pierce and Kitsap Counties, a nonprofit corporation organized and existing under the laws of the State of Washington (“Tenant”) or “YMCA”).

RECITALS

Landlord and Tenant entered into that certain Lease pertaining to the development and lease of a Sports Complex Area as defined therein, located on approximately 9 acres of City’s Property (as defined therein).

The Parties wish to amend the provisions concerning the Capital Reserve Fund, as currently set forth in the Lease, to bring them closer in alignment with the original intentions of the parties on Capital Reserve Funds, as first expressed in the Memorandum of Understanding, dated October 14, 2019 and to be consistent with the Services Agreement, related to the Lease, where the Capital Reserve Fund is also discussed.

AGREEMENT

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged and received, the Parties agree to amend the Lease as follows:

1. Section H(i) of the Lease shall be amended and replaced with the following:

The YMCA will establish a separate, interest-bearing Capital Reserve Fund in a reasonable amount with funds from the rental fees and donations it receives, net of operating costs that is deemed adequate for the purposes of reasonably maintaining, repairing, and replacing the Phase 1A Improvements in the short and long term over the length of the Lease. Operating costs are defined to include: personnel, management software and utility bills that support the field rental program. The City Administrator or his/her designee and the YMCA will review the status of the Capital Reserve Fund annually, by February 15 of each year for the year prior, including but not limited to the annual operating costs, amount of rental fee contributed to the Capital Reserve Fund, the amount used from it, and any amount deemed surplus. Surplus Capital Reserve funds are those funds above the required Capital Reserve Fund level established by the Parties. Amounts in the Capital Reserve Fund that are considered surplus shall be reinvested into the Phase 1A Improvements, or, if no such reinvestment is possible or beneficial, reinvested into the General Public's use of the facilities through reduced rental rates or other similar uses. Reinvestment in the Phase 1A Improvements does not include reimbursement to Tenant for the initial costs incurred in constructing those improvements.

There being no other changes, the remainder of the Lease shall remain unchanged. In the event of any conflict between this First Amendment and the Lease, the terms of this First Amendment shall be binding and control on the Parties.

IN WITNESS WHEREOF, the City of Gig Harbor and the YMCA of Pierce and Kitsap Counties have executed this Services Agreement on the date as first above written.

City: GIG HARBOR, WASHINGTON, a
municipal corporation in the State of
Washington

Mary Barber
Mayor

YMCA: YMCA OF PIERCE AND KITSAP
COUNTIES, a Washington nonprofit
corporation

Charlie Davis
President and CEO

SERVICES AGREEMENT

GIG HARBOR SPORTS COMPLEX FIELDS

CITY OF GIG HARBOR, LANDLORD

AND

YMCA OF PIERCE AND KITSAP COUNTIES, TENANT

DATE:

TABLE OF CONTENTS

1. Term	3
2. Operations	3
2.1 Use Priority	4
2.2 Utilities	4
2.3 Electric Vehicle (EV) Charging Stations	4
2.4 Hours	4
2.5 Staffing	4
2.6 Janitorial Services	4
2.7 Concession Stand	5
2.8 Rules for Field Use	5
2.9 Cleanliness	6
2.10 Use of Dumpster	6
3. Programming	6
3.1 Scheduling	6
3.2 General Public Use	6
3.3 City Use of Fields	6
3.4 Programming at Doris Heritage Park	7
3.5 Use Rates	7
4. Compliance with Legal Requirements and Agreements	7
5. Financial Obligations of Parties	7
5.1 Capital Reserve Fund	7
5.2 Supplies	8
6. Construction, Maintenance, Repair and Equipment	8
7. Signage	8
8. Miscellaneous	8
8.1 Entire Agreement	8
8.2 Governing Law	9
8.3 Severability	9
8.4 Waiver	9
8.5 Notices	9
8.6 Indemnity	9

SERVICES AGREEMENT

This Services Agreement is made between the CITY OF GIG HARBOR a municipal corporation of the State of Washington (“City”) and the YOUNG MEN’S CHRISTIAN ASSOCIATION OF PIERCE AND KITSAP COUNTIES, a Washington non-profit corporation (“YMCA”).

RECITALS

- A. The YMCA is constructing two multipurpose sports fields (“Fields”) and associated parking, sidewalks, and utilities on City-owned property at 10770 Harbor Hill Drive (AFN 4002730010) for the use of YMCA and Gig Harbor community programming.
- B. City as Landlord and YMCA as Lessee entered into lease on March 11, 2025 (Lease). The Lease agreement governs the construction, funding, and ownership of the property and improvements, known as Phase 1A of the Gig Harbor Sports Complex, and requires this Services Agreement under Section H.
- C. The City completed Phase 1B of the Gig Harbor Sports Complex, officially named Doris Heritage Park at Gig Harbor Sports Complex, in June 2025. Doris Heritage Park has a bathroom and concession stand building that were designed to complement the field facilities.
- D. The Fields are intended to provide recreational programming and fitness opportunities for YMCA program members, local youth sports groups, and community members.
- E. The City and the YMCA are willing to enter into this Services Agreement on the condition that the YMCA will construct and manage the Fields and both parties will fulfill their obligations hereunder and under the Lease.
- F. The lease identifies in Section H(j), that the property shall be named the Gig Harbor Sports Complex, with any naming right being a ribbon above the main sign.

NOW, THEREFORE, the City and the YMCA hereby agree as follows:

1. Term. The term of this Services Agreement shall coincide with the term of the Lease, which is an initial term of 35 years from the Lease date, with three 20-year extension options, starting on March 11, 2025. It may be amended by mutual agreement at any time.

2. Operations. Following the commencement date, YMCA shall continuously use, operate, and maintain the Fields as a community facility. The standards to which the Fields shall be maintained shall be comparable to the Tom Taylor YMCA and Doris Heritage Park.

2.1 Use Priority. The YMCA shall prioritize YMCA programming, sports, and local youth sports use. Secondary priority shall be given to adult sports leagues and community use. Gig Harbor community events may also be scheduled on the fields, but the YMCA reserves the right to refuse anyone who violates anti-discrimination laws or criminal laws or who is reasonably believed to have the propensity to do the same in the interests of public safety, disruption or illegal conduct.

2.2 Utilities. YMCA shall pay for all utilities associated with operating the fields and parking lots consistent with Lease provision L.

2.3 Electric Vehicle (EV) Charging Stations. Two charging stations were required to be installed at the Fields due to code requirements. The YMCA shall own and maintain them at its expense, and shall charge rates equivalent to the City's rate per kWh in accordance with the City's then current adopted fee schedule.

2.4 Hours. The Fields must not be operated, scheduled for programming, or rented outside of the hours from 6:00 AM to 11:00 PM.

2.5 Staffing. The YMCA will employ a field coordinator to schedule, track, and oversee field use. This employee, or designee, must be available by telephone during all scheduled field use hours.

2.6 Janitorial services. Upon written approval from the city, the YMCA will provide janitorial services to the restrooms at Doris Heritage Park (Sports Complex Phase 1B) as follows:

2.6.1 On weekday evenings (after 5:00 PM) when the field(s) are rented, YMCA staff may respond to complaints of messes, supply shortages, or overflowing garbage.

2.6.2 On weekends from October 1 to May 1, YMCA staff shall check the restrooms once daily for garbage, messes, and supplies, and should clean and restock as appropriate.

2.6.3 If there is anything obviously malfunctioning or in need of repair, YMCA staff shall call the on-call public works operations number for city staff to address it.

2.6.4 During high-use weekend (Saturdays and Sundays) days and government holidays (defined as having a total of 16 hours of scheduled use on both fields, combined), the YMCA shall perform at least two restroom checks for garbage, messes and supplies. If the YMCA is unable to perform the checks and restock supplies as necessary, the YMCA shall pay the City an amount equal to three (3) hours of a Maintenance Technician's salary for each

day of use over 16 hours. The mid-range Maintenance Technician rate for 2026 is \$37.52 per hour and is subject to change yearly.

2.6.5 The City and the YMCA shall meet quarterly for the first two years to discuss janitorial services in Section 2.6 to make adjustments as necessary.

2.7 Concession Stand. The YMCA will have the option to allow organizations who rent the fields to operate the concession stand during their field rental periods subject to terms and conditions of a separate agreement between the YMCA and that concessionaire. The terms of the agreement with the concessionaire will contain, at a minimum, the following:

2.7.1 Any organization using the concession stand must provide proof of insurance to the City and name the YMCA and the City as an additional insured.

2.7.2 The YMCA will be responsible for a key entry card that will be provided to the concession stand operator.

2.7.3 Concession stand operators must sign a separate agreement with the City with conditions for use.

2.7.4 The YMCA will be entitled to retain a flat fee from the concessionaire to be used toward janitorial expenses associated with Section 2.6.

2.7.5 Only pre-packaged foods and beverages and whole fruits will be allowed to be sold. No alcoholic beverages are permitted to be sold.

2.7.6 Only , microwaves, hot water or coffee dispensers are allowed.

2.7.7 No fryers, airfryers, cooktops, hotplates, toasters, or other appliances are allowed.

2.7.8 After use of the concession stand, the YMCA must inspect it to ensure that it is cleaned to the standard it was before use and collect all key cards, remove garbage, and ensure there are paper towels and soap in the dispensers.

2.7.9 The concessionaire will indemnify and hold the YMCA and City harmless from and against any and all damages caused by its use of the concession stand.

2.8 Rules for field use. The YMCA is solely responsible for establishing rules for visitors and users of the fields in order to protect the property and improvements, which rules should be consistent with the City's policies and rules for similar areas within City limits. All rules must be posted at field entrances. YMCA personnel are responsible for enforcing all established rules.

2.9 Cleanliness. The Fields must meet the minimum field condition standards as specified by the Washington State Interscholastic Athletic Association or similar standard. The fields and leased premises must be kept in a clean and safe condition at all times, free of garbage, and contaminants. If the YMCA fails to reasonably maintain the premises in said condition, the City shall give a written notice to the YMCA describing what is required to maintain it to standard and the time allowed to do so. If the YMCA does not perform the work, the City will respond accordingly, and will send the YMCA an itemized bill, including the city's labor costs to cover the City's time in such effort.

2.10 Use of dumpster. The YMCA will have the right to use the dumpster at Doris Heritage Park for disposing of waste from the Fields. Large, bulky items that do not fit in the dumpster shall be disposed of separately at the YMCA's expense.

3. Programming. The YMCA will solely be responsible for field programming and scheduling.

3.1 Scheduling. The YMCA is solely responsible for field scheduling, but should coordinate with other local athletic field operators, including, but not limited to PenMet Parks and the Peninsula School District when scheduling community use of the Fields.

3.1.1 The YMCA shall provide view-only access to field reservations to the City.

3.1.2 The YMCA shall provide the City with a list of all users and hours programmed quarterly or upon written request.

3.2 General public use. At least three (3) hours a week, a minimum one-half of a full field shall be available for general public drop-in use, outside of the hours of 9:00 AM to 4:00 PM on weekdays.

3.2.1 Per section H(a) of the Lease, when the fields are not reserved, the fields should be open to the general public during approved use hours as defined in Section 2.4 of this agreement at no cost to the general public.

3.3 City Use of Fields. If requested, the City shall have the right to hold one special event per year, not to exceed 4 hours, at no usage cost to the City; provided, however, the City shall be responsible for the cost of cleanup and garbage removal as well as any security reasonably needed for the event that may exceed the security already provided by the YMCA. The City shall provide the YMCA with at least 90 days notices of any such event.

3.4 Programming at Doris Heritage Park. The YMCA may use the playground at Doris Heritage Park as part of summer programming, subject to the following:

3.4.1 If the YMCA intends to use any part of Doris Heritage Park for programming, the proper permits for the park, shelters, performance stage or stages events with more than 30 people at any one time, a park reservation form and/or special event permit will be required as for other park users.

3.4.2 Restroom use shall be limited, when practical, to the family restroom to minimize inconvenience to park users.

3.4.3 The City recognizes that the YMCA program participants will need to walk through the Park to access the fields for summer and sports. Those instances shall not require any permits or notifications to the City.

3.5 Use rates. The YMCA is responsible for setting use rates but should consider utilizing rates established by other local agencies with turf fields. Rates must be reviewed annually by the City of Gig Harbor Parks manager, and must be approved by the Mayor or designee once per year per Lease section H(e).

4. Compliance with Legal Requirements and agreements. YMCA shall, at its sole cost and expense comply with and perform all obligations with respect to (a) Lease agreement, (b) all legal requirements as defined herein, and (c) all contracts, including insurance policies applicable to the Fields and Improvements as stated in the Lease Section H(h).

5. Financial Obligations of Parties.

5.1 Capital Reserve Fund. The YMCA will establish a separate, interest-bearing Capital Reserve Fund in a reasonable amount with funds from the rental fees and donations it receives, net of operating costs that is deemed adequate for the purposes of reasonably maintaining, repairing, and replacing the Phase 1A Improvements in the short and long term over the length of the Lease. Operating costs shall be defined as personnel, management software and utility bills to cover the field rental program. The City Administrator or his/her designee and the YMCA will review the status of the Capital Reserve Fund annually by February 15 of each year for the year prior, including but not limited to the amount of rental fee contributed to the Capital Reserve Fund, the amount used from the Capital Reserve Fund, and

any amount deemed surplus. Surplus Capital Reserve funds are those funds above the required Capital Reserve Fund level established by the Parties. Amounts in the Capital Reserve Fund that are considered surplus shall be reinvested in Phase 1A Improvements, or, if no such reinvestment is possible or beneficial, reinvested into the General Public's use of the facilities through reduced rental rates or other similar uses. Reinvestment in the Phase 1A Improvements does not include reimbursement to Tenant for the initial costs incurred in constructing those improvements.

5.2 Donations. Donations provided to the YMCA or the City specifically identified as being for support of ongoing operational expenses, maintenance, or replacement of the Phase 1A Improvements must be placed in the Capital Reserve Fund unless such donations received were used to pay the cost of the initial construction of the Phase IA Improvements.

5.3 Supplies. The YMCA shall provide restroom supplies, or an equivalent payment, as needed, payable quarterly, based upon the difference of supply use from before and after the Fields opened for programming. The YMCA shall be given access to the supply closet in the restroom/concession building in order to stock supplies and to meet the requirements of Section 2.6 of this agreement.

6. Construction, Maintenance, Repair and Equipment. As provided in the Lease, and subject to the terms of this Agreement, YMCA shall undertake the maintenance, repair, and furnishing of supplies for the sports fields, parking lots, walkways, landscaping, and stormwater system on the property. YMCA shall be responsible for replacement of furnishings, equipment, and turf within the leased area. YMCA shall ensure that the turf, walkways, fences, lights, and parking lot are in good working order at all times, and will repair any deficiencies promptly upon being made aware of it.

7. Signage. The YMCA shall erect a monument sign at the vehicle entrance to the property. All signs must meet the requirements of Gig Harbor Municipal Code. The facility shall be named the Gig Harbor Sports Complex with any naming right being a ribbon above the main sign, as outlined in the Lease Section H(j).

8. Miscellaneous.

8.1 Entire agreement. This Services Agreement together with the Lease sets forth the entire agreement of the parties as to the subject matter hereof and supersedes all prior discussions and understandings between them.

- 8.2 Governing Law. This Services Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Washington.
- 8.3 Severability. Should any of the provisions of this Agreement be found to be invalid, illegal or unenforceable by any court of competent jurisdiction, such provision shall be stricken and the remainder of this Services Agreement shall nonetheless remain in full force and effect unless striking such provision shall materially alter the intention of the parties.
- 8.4 Waiver. No waiver of any right under this Agreement shall be effective unless contained in writing signed by a duly authorized officer or representative of the party sought to be charged with the waiver and no waiver of any right arising from any breach or failure to perform shall be deemed to be a waiver of any future right or of any other right arising under this Agreement.
- 8.5 Notices. All notices or requests required or permitted under this Agreement shall be in writing, shall be personally delivered or sent by mail or email transmission and shall be deemed given three (3) days following the date when mailed or emailed (provided a confirmation of receipt of the email is received). All notices or requests shall be sent to the YMCA or the City as follows:

To City: City of Gig Harbor
3510 Grandview Street
Gig Harbor, WA 98335
Attn: Parks Manager
Email: jharo@gigharborwa.gov

To YMCA: YMCA of Pierce & Kitsap Counties
4717 S. 19th Street, Suite 102
Tacoma, WA 98405
Attn: Toko Thompson, Vice President & CFO
Email: tthompson@ymcapkc.org

- 8.6 Indemnity. YMCA shall defend, indemnify and hold the City, its officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits, including all legal costs and attorney fees, arising out of or in connection with the YMCA's performance of this Agreement, including any and all use of the Property after the execution of this Agreement, except for that portion of the injuries and damages caused by the City's sole negligence. Should a court of competent jurisdiction determine that

this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the YMCA and the City, its officers, officials, employees, agents and volunteers, the YMCA's liability hereunder shall be only to the extent of the YMCA's negligence. IT IS FURTHER SPECIFICALLY AND EXPRESSLY UNDERSTOOD THAT THE INDEMNIFICATION PROVIDED HEREIN CONSTITUTES THE YMCA'S WAIVER OF IMMUNITY UNDER INDUSTRIAL INSURANCE, TITLE 51 RCW, SOLELY FOR THE PURPOSES OF THIS INDEMNIFICATION. THE PARTIES FURTHER ACKNOWLEDGE THAT THEY HAVE MUTUALLY NEGOTIATED THIS WAIVER. The provisions of this section shall survive the expiration or termination of this Agreement.

- 8.7 Attorneys' Fees. If any legal action or claim is brought for the enforcement of this Agreement or because of an alleged dispute, breach, default or misrepresentation in connection with any provision of this Agreement, the prevailing Party shall be entitled to recover reasonable attorneys' fees and other reasonable costs and expenses incurred in such action or claim, in addition to any other relief to which it may be entitled.
- 8.8 Relationship between Parties. This Agreement is not intended, and shall not be construed, to create any association, joint venture, agency relationship, franchise or partnership between the Parties or to impose any such obligation or liability upon either Party. No Party shall have any right, power or authority to enter into any agreement or undertaking for, act as or be an agent or representative of, or otherwise to bind any other Party.
- 8.9 Counterparts. This Agreement may be executed in one or more counterparts and the counterparts taken together shall constitute one and the same Agreement. An executed copy of this Agreement may be delivered by facsimile or other means of electronic transmission pursuant to which the signature can be seen, and such execution and delivery shall be considered valid, binding and effective for all purposes.
- 8.10 Amendments. The City Administrator or designee is authorized to execute minor amendments on behalf of the City to this agreement upon mutual agreement between the YMCA and City after quarterly reviews that do not increase costs to the City or violate any lease provisions.

IN WITNESS WHEREOF, the City of Gig Harbor and the YMCA of Pierce and Kitsap Counties have executed this Services Agreement on the date as first above written.

City:

GIG HARBOR, WASHINGTON, a
municipal corporation in the State of
Washington

Mary Barber
Mayor

YMCA:

YMCA OF PIERCE AND KITSAP
COUNTIES, a Washington nonprofit
corporation

Charlie Davis
President and CEO

DRAFT



**City of Gig Harbor
City Council Agenda Bill**

Meeting Date: March 12, 2026

SUBJECT: 2027-2028 Strategic Plan Discussion – Council Priority Economic Vitality

SUBMITTED BY: City Administrator Katrina Knutson

DEPARTMENT: Administration

PHONE: 851-6127

SUGGESTED MOTION:

BACKGROUND INFORMATION: The Gig Harbor City Council met twice in 2026 to review the city's previously adopted strategic plan and discuss how that plan should guide future policy direction and budget development. Most recently, on January 31, 2026, the mayor, city council, and senior staff participated in a leadership retreat facilitated by the Ruckelshaus Center to evaluate current priorities and strengthen alignment on the council's legislative role and policy direction.

During the retreat, council discussed the need to focus its energy on a limited number of high-impact priorities that reflect the city's current realities, opportunities, and capacity. Participants acknowledged that while the existing strategic plan includes numerous initiatives, not all remain immediate council priorities. Instead, council expressed interest in narrowing its focus to a smaller number of outcomes that can guide policy decisions and future budget development.

Through these discussions, three key policy focus areas emerged that council would like to emphasize moving forward:

- **Economic Vitality**
- **Housing, including diverse and affordable housing options**
- **Strengthening City Council connection with the community**

These focus areas reflect council's interest in strengthening the city's economic health, addressing housing availability and affordability challenges, and ensuring that council maintains a visible and meaningful presence within the community it serves. Participants also reaffirmed the distinction between the roles of council and administration. Council sets policy direction, establishes priorities, and defines desired outcomes, while the mayor and administration implement policy, manage staff, and execute programs through the budget and operational work of the organization.

The retreat discussions emphasized that council's role is to clearly define what success looks like, while the administration develops strategies and implementation approaches to achieve those outcomes.

DISCUSSION

Alignment with the Current Budget Cycle

The city's 2025–2026 biennial budget is currently underway and includes programs and initiatives developed based on the priorities identified during the previous strategic planning process. Staff continue to implement those programs and projects consistent with the adopted budget and council direction. The strategic discussions that council has engaged in during early 2026 are intended to help inform the next phase of strategic and financial planning, particularly as the city begins preparing for the 2027–2028 biennial budget.

Establishing clear council priorities in advance of the budget development process is critical to ensuring alignment between policy direction and resource allocation. When council clearly defines desired outcomes and areas of focus, staff are better able to evaluate potential strategies, programs, and service levels that support those outcomes while also considering organizational capacity and long-term fiscal sustainability.

The discussions currently underway therefore serve as a foundational step in the development of the city's next strategic framework and budget, helping ensure that the administration can prepare thoughtful and aligned policy options and budget proposals for council consideration.

Strategic Focus Areas for 2027–2028

Through the strategic plan discussions and leadership retreat, council identified three areas that it would like to elevate as key priorities moving forward.

Economic Vitality

Council expressed interest in strengthening the economic environment within Gig Harbor by supporting local businesses, encouraging economic activity, and ensuring that the city remains a welcoming place for entrepreneurship and investment. Discussions also recognized that economic vitality intersects with land use decisions, infrastructure planning, regulatory processes, and community identity.

Housing

Council discussed the importance of addressing housing challenges affecting the community, including housing availability, affordability, and diversity of housing types. Members expressed interest in exploring how planning tools, regulatory frameworks, and partnerships may influence housing outcomes in Gig Harbor while maintaining the character of the community.

Council Connection with the Community

Council also emphasized the importance of strengthening its connection with the community through increased engagement and visibility. This includes ensuring that councilmembers have opportunities to interact with residents, businesses, and community organizations in ways that foster transparency, trust, and understanding of community priorities.

Strengthening this connection may include expanded participation in community events, improved opportunities for dialogue with residents, and continued efforts to communicate clearly about council priorities and decision-making.

These focus areas represent policy-level outcomes and direction rather than specific programs or projects. As council further defines its goals within each area, the administration will evaluate potential strategies and implementation approaches that may support those outcomes.

UPCOMING STUDY SESSION DISCUSSIONS

March 12 Study Session – Economic Vitality

The March 12 study session will focus on the council priority of economic vitality. The purpose of this discussion is not to determine specific projects or initiatives. Rather, the session is intended to provide an opportunity for councilmembers to discuss and align on the broader outcomes they would like to see related to economic vitality over the next two to five years.

Key questions for council discussion include:

- What does economic success look like for Gig Harbor in the next 2–5 years?
- What conditions should exist for businesses to thrive?
- What barriers or challenges should the city seek to address?
- How should the city measure progress in this area?

This discussion will primarily be an opportunity for councilmembers to engage in dialogue with one another and develop alignment around the goals they would like to see achieved in this area. Clarifying these outcomes will allow staff to begin evaluating potential strategies and policy options that could support council's vision.

March 26 Study Session – Housing

A similar discussion will take place during the March 26 study session, focused on the council priority of housing, including diverse and affordable housing options.

As with the economic vitality discussion, the objective of this session will be for council to define desired outcomes and priorities rather than implementation strategies. Understanding council's long-term goals will allow staff to explore potential planning tools, partnerships, and policy approaches that may support those outcomes.

STRATEGIC DIRECTION AND BUDGET DEVELOPMENT

The conversations taking place during these study sessions are foundational to the city's upcoming strategic and financial planning processes.

As the administration begins early preparation for the 2027–2028 biennial budget, staff will use the priorities and outcomes identified by council to evaluate potential programs, policy initiatives, and resource allocations that align with council's direction.

Clearly articulating council priorities at the policy level helps ensure that future budget proposals are grounded in shared goals, realistic capacity, and long-term fiscal sustainability. It also supports disciplined decision-making by ensuring that initiatives proposed during budget development directly connect to council's stated priorities.

FISCAL CONSIDERATION:

ATTACHMENTS:

1. Gig Harbor- meeting summary draft 021126

STRATEGIC PLAN PRIORITY: Promote and enhance a dynamic and robust economy

Gig Harbor Leadership Retreat

Gig Harbor Community Center

January 31, 2026

Meeting Summary

Participants:

Facilitators: Julia Carboni and Melissa Girbach (Ruckelshaus Center)

On January 31, 2026, the Gig Harbor City Council, Mayor, and senior staff convened for a follow-up leadership retreat facilitated by the Ruckelshaus Center. The purpose of the retreat was to move from general alignment to a more disciplined focus by clarifying priorities, reinforcing Council's legislative role, and using the Strategic Plan as a governing tool for short- and mid-term decision-making.

Throughout the day, participants engaged in structured dialogue, small-group discussion, and whole-group synthesis focused on strengthening governance effectiveness and improving clarity around direction, scope, and capacity.

Framing the Moment

The retreat opened with acknowledgment that Gig Harbor is at a crossroads. Participants described a tension between ambition and capacity. There was broad agreement that while the community has high expectations and many worthy goals, the governing team must be disciplined about what can realistically be advanced at one time.

The group reaffirmed a foundational distinction:

- The Council sets direction and priorities, adopts policy, and monitors outcomes.
- The Mayor and Administration implement, manage staff, and execute the budget.

Participants emphasized the importance of staying within role boundaries to ensure effective governance and to avoid operational drift.

Short-Term and Mid-Term Focus

A central exercise of the morning asked Council to distinguish between:

- What requires Council focus in the next 6–12 months
- What belongs in the mid-term (12–36 months)
- What is important, but not a Council priority right now

There was a strong consensus that not everything in the current Strategic Plan is a current priority. Participants emphasized the need to narrow their focus to increase their impact.

Several themes emerged as near-term areas of attention:

- Addressing barriers to housing and business development
- Economic vitality and supporting local businesses
- Budget and revenue clarity
- Capital planning and major projects, including discussion of a potential community center feasibility study
- Strengthening consistency and cadence in Council decision-making

Mid-term items included broader strategic realignment and longer-range capital considerations.

Participants also generated an implicit “important but not now” category, acknowledging that discipline requires deferring some initiatives even if they are worthwhile.

Council’s Role in Practice

During the discussion of Council’s legislative role, participants reflected candidly on where Council adds the most value and where it risks drifting into operational matters.

There was agreement that Council’s highest value lies in:

- Setting clear priorities
- Defining scope and desired outcomes
- Providing consistent policy direction
- Monitoring results at the outcome level

Participants recognized that ambiguity in priorities can unintentionally draw Council into day-to-day operational questions. Clearer direction and shared guardrails were identified as essential to avoiding micromanagement.

The group affirmed the importance of shared language around role boundaries and monitoring expectations.

Using the Strategic Plan as a Governing Tool

In the afternoon, attention turned to the Strategic Plan. Participants acknowledged that the current plan includes numerous goals, many of which are administrative rather than policy-level.

There was broad agreement that Council should concentrate its energy on two to three Council-level outcomes or focus areas, allowing the Mayor and Administration to determine potential implementation pathways. The group also agreed that the current Strategic Plan may not serve Gig Harbor and was created by a previous group. They agreed they would take ideas from it but would not be bound to it. There was also discussion about potentially revisiting or reframing elements of the Strategic Plan to better align it with Council's legislative function and to use more concise language.

Participants emphasized that Council's role is to define what success looks like, not to manage how it is achieved.

Economic Reality and Capacity

A significant portion of the afternoon focused on economic realities and capacity constraints. Participants discussed:

- The structure of the city's revenue streams
- Long-term sustainability of current spending patterns
- Capacity versus volume of work
- Growth implications for infrastructure, staffing, and public safety
- The importance of right-sizing services

The core question guiding this conversation was: *what can we realistically sustain, given our current and projected capacity?*

Participants emphasized the need for decisions to be grounded in financial clarity and realistic projections, particularly in light of temporary funding sources and potential future revenue changes.

Short-Term Learning and Capacity Building

In addition to identifying policy priorities, Council emphasized the importance of targeted short-term learning to strengthen their effectiveness as a governing body.

Participants expressed interest in investing time in structured learning to build shared literacy and reduce inefficiencies in meetings and decision-making.

Key learning areas identified included:

Zoning and Housing Policy

Council expressed a desire to deepen understanding of zoning tools, Comprehensive Plan alignment, sub-area planning, state housing mandates, and regulatory barriers.

Participants noted that stronger literacy in land use and housing policy would enable clearer direction and more confident public engagement.

Budget and Revenue Education

There was strong interest in clarifying how the city's budget functions, where revenue originates, constraints on discretionary spending, and long-term fiscal sustainability. Participants suggested workshops or structured sessions to build shared understanding.

Economic Development Context

Council discussed learning more about the driving factors that influence business attraction and retention, including walkability, infrastructure, land use decisions, and regulatory barriers. There was interest in engaging directly with business owners as part of this learning process.

State and Regional Context

Participants acknowledged the importance of understanding the intersection between state mandates and local implementation, particularly in housing and land use policy.

Council members linked this learning agenda directly to governance discipline. Stronger shared knowledge was seen as a way to improve meeting efficiency, reduce reactive decision-making, and strengthen policy-level oversight.

Decision Discipline and Follow-Through

The final working session focused on decision discipline. Participants discussed:

- Avoiding priority creep
- Standing by decisions once made
- Establishing a clear revisit cadence for priorities
- Distinguishing between short-term commitments and longer-term goals

There was recognition that without a structured cadence for revisiting priorities, the governing team risks shifting focus too frequently.

Participants affirmed the need for a consistent decision-making procedure and clearer processes for reassessment.

Commitments

The retreat concluded with individual commitments from participants regarding behaviors they would stop, start, or continue to strengthen the governing team.

Themes included:

- Improved listening
- Relationship-building
- Staying on the same page
- Reinforcing role clarity
- Maintaining consistency in direction

Participants closed by reflecting on what they would carry forward into their respective roles.

Overall Outcomes

By the end of the retreat, the governing team had:

- Clarified the distinction between short-term and mid-term priorities
- Reaffirmed Council's legislative role and guardrails
- Identified the need to narrow focus to two or three Council-level outcomes
- Elevated economic sustainability and capacity as central considerations
- Established a short-term learning agenda to strengthen governance effectiveness
- Commitment to stronger decision discipline and follow-through

The retreat reflected a collective desire to strengthen governance, increase focus, and align ambition with realistic capacity in service of making both the Council and the City more effective.