



City of Lacey, Washington City Council Regular Meeting Agenda

Refer to the bottom of the agenda for meeting information.

Tuesday, October 15, 2024

6:00 PM

Council Chambers and Online

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. Land Acknowledgment

We, the City of Lacey, are on the ancestral land of the Tribal People of the Treaty of Medicine Creek, including the Nisqually Indian Tribe and Squaxin Island Tribe. We acknowledge, and remember those Tribal People not recognized today who were absorbed or relocated into other tribes for survival. We recognize the ancestors and their descendants who are still here. We recognize and respect the Tribal People of the Treaty of Medicine Creek as the traditional stewards of this land since time immemorial and their role today in taking care of these lands in perpetuity. We recognize and have the responsibility to call attention to the histories of dispossession, forced removal, and abridged treaty rights that allowed our nation, state, and city to develop as they have today. We recommend that community members read the Medicine Creek Treaty of 1854.

5. Approval of Agenda and Consent Agenda Items

- A. Approval of the Worksession minutes of September 10, 2024
- B. Approval of the Council minutes of September 17, 2024
- C. Approval of the Worksession minutes of September 24, 2024
- D. Approval of the Council minutes of October 1, 2024
- E. Approval of wages, claims, and transfers for August 27 through October 4, 2024
- F. Approval of Human Services Grant Awards as recommended

6. Public Recognitions and Presentations

A. Lacey Youth Council Report

Lacey Youth Council Representatives

7. Public Comment

Refer to the bottom of the agenda for instructions on how to provide public comment.

8. Public Hearing

9. Proclamations

A. Walk to School Month

Nick Demerice, Intercity Transit Marketing, Communications, and Outreach Manager

Angela Brooks, North Thurston Public School's Director of Activities, Arts, & Athletics

B. Domestic Violence Awareness Month

Dan Hillard, Family Justice Center Program Manager

Jonquil Chavez, Victim Advocate for the City of Lacey

10. Resolutions

11. Ordinances

12. Mayor's Report

A. Appointment: Troy Kirby, CAR-PFD Board of Directors

Mayor Ryder

13. City Manager's Report

A. Multi-Family Tax Exemption Contract - 629 Woodland Square Loop

Jennifer Adams, Housing Coordinator

B. HB 1220 Housing Allocations and Land Capacity

Vanessa Dolbee, Community and Economic Development Director

Ryan Andrews, Planning Manager

C. City Manager Budget Presentation

Rick Walk, City Manager

D. Other Items

14. Other Business

15. Boards, Commissions and Committee Reports

A. Mayor Andy Ryder:

1. Mayors' Forum
2. Thurston Chamber Shared Legislative Committee
3. Transportation Policy Board (TPB)

B. Deputy Mayor Malcolm Miller:

1. Economic Development Council (EDC)
2. Lodging Tax Advisory Committee (LTAC)
3. Thurston County Coalition Against Trafficking (TCCAT)
4. Joint Animal Services Commission (JASCOM)



- C. Councilmember Lenny Greenstein:
 - 1. Emergency Medical Services (EMS)
 - 2. TCOMM911
 - 3. Opioid Abatement Council Independent Subcommittee
- D. Councilmember Michael Steadman:
 - 1. Nisqually River Council
 - 2. Thurston County Law & Justice Council
 - 3. Olympic Region Clean Air Agency (ORCAA)
- E. Councilmember Carolyn Cox:
 - 1. LOTT Clean Water Alliance
 - 2. Regional Housing Council
 - 3. Intercity Transit Authority
- F. Councilmember Robin Vazquez:
 - 1. Thurston Climate Mitigation Collaborative
 - 2. Thurston Regional Planning Council (TRPC)
 - 3. Thurston County Board of Health
- G. Councilmember Nicolas Dunning:
 - 1. Thurston Thrives
 - 2. Solid Waste Advisory Committee (SWAC)
 - 3. Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB)

16. Adjourn

Attendance and Public Comment

Attend Remote or In-Person

The public may attend the meeting in-person, or you may view or listen to the meeting using one of the following platforms:

- | | |
|-----------|---|
| In-Person | Council Chambers at Lacey City Hall
420 College Street SE, Lacey, WA 98503 |
| Zoom: | https://us02web.zoom.us/webinar/register/WN_dnLs-cfOQy-oRcpNTiTYmw |
| Website: | https://cityoflacey.org/government/public-meetings/ |
| Facebook: | https://www.facebook.com/cityoflacey |



YouTube: <https://www.youtube.com/watch?v=Oj52sk66Lgw>
Cable: Channel 77 with your local cable provider
Phone: (888) 788-0099 or (877) 853-5247 (Webinar ID 880 6316 0874)

Verbal Public Comment

Each speaker is limited to three minutes. Comments are welcome on matters connected to City business or specific agenda items.

Prior to starting your comments, please provide your:

- a. Name
- b. City of residence or connection to the City
- c. Topic or subject matter of your comments

Those wishing to provide verbal public comment may do so in-person or by Zoom:

In-Person: Use the sign-up sheet located in the Council Chambers.
Zoom: Preregister using the following Zoom link no later than two hours prior to the meeting:
https://us02web.zoom.us/webinar/register/WN_dnLs-cfOQy-oRcpNTiTYmw

Instructions and access details will be provided once registration is complete.

Written Public Comment

Public comments may also be submitted by email to PublicComment@cityoflacey.org The commenting period will close two hours before the meeting time.

Written comments will be provided to the City Council electronically prior to the meeting. Comments will not be addressed during the Council meeting; however, comments received will be added to the official record.





City of Lacey, Washington

Lacey City Council Worksession Minutes

Tuesday, September 10, 2024

6:00 PM

Council Chambers and Online

1. Call to Order

Mayor Andy Ryder called the meeting to order at 6:01 p.m.

2. Roll Call

Council Present

Mayor Andy Ryder

Deputy Mayor Malcolm Miller

Councilmember Lenny Greenstein (remote)

Councilmember Michael Steadman

Councilmember Carolyn Cox

Councilmember Robin Vazquez

Councilmember Nicolas Dunning (remote)

Staff Present

Rick Walk, City Manager

Dave Schneider, City Attorney

Jen Burbidge, Parks, Culture, and Recreation Director

Vanessa Dolbee, Community Development Director

Troy Woo, Finance Director

Ryan Andrews, Planning Manager

Hans Shepherd, Senior Planner

Brett Boogerd, Capital Project Engineer

Brandy Legomina, Deputy City Clerk

3. Land Acknowledgment

Mayor Ryder presented the abbreviated Land Acknowledgment.

4. Approval of the Agenda

Deputy Mayor Miller moved to approve the agenda. Councilmember Vazquez seconded. Motion carried.

5. Public Comment

No public comment was received.

6. Agenda Items

A. Visitor & Convention Bureau Destination Management Plan

Annette Pitts, Chief Executive Officer, Experience Olympia

Pitts presented the Visitor & Convention Bureau Destination Management Plan (DMP). The DMP is a comprehensive analysis of community priorities and interests regarding tourism growth in Thurston County. Strengths and weaknesses of community alignments were discussed and the focus is to work on funding opportunities and community support to fulfill those priorities.

B. Greg Cuoio Park Phase 1A Update

Jen Burbidge, Parks, Culture, and Recreation Director

Burbidge and Boogerd presented the Greg Cuoio Park Phase 1A Update. This presentation included picture renderings of the projected park and signage. Staff is requesting to use art funds for the Greg Cuoio monument sign, as the monument accomplishes several Public Art Policy objectives, ideas, and themes. Discussion ensued.

C. 2025 Revenue and Expenditure Estimate

Troy Woo, Finance Director

Woo summarized revenue estimates, which included discussion on sales tax, property tax, utility tax, business and occupation tax, admissions tax, gambling taxes, parks and recreation fees, and interest/investment income. Council adopted utility rates were discussed. Woo summarized expenditure assumptions, which included discussion on salaries and wages, employee benefits, labor costs, budget initiatives including capital projects and purchases, and workforce considerations. Woo and Walk discussed the budget deficit and outlined various scenarios limiting new initiatives and focusing on sustaining current service levels and programs. Woo presented budget revenue and expenditure policies and available reserves.

Council recessed from 8:12 until 8:15 p.m.

D. Comprehensive Plan Update - Engagement Plan

Vanessa Dolbee, Community Development Director

Ryan Andrews, Planning Manager

Hans Shepherd, Senior Planner



Dolbee, Andrews, and Shepherd presented an update on the Comprehensive Plan - Engagement Plan. This presentation included discussion on the goal of communication and community engagement. Community engagement phases included visioning, community priorities, a draft plan, and a final plan. Quarterly updates are expected to come before the council through spring 2025, with increasing updates into summer and fall 2025.

7. Adjourn

Mayor Ryder adjourned the meeting at 8:44 p.m.

DRAFT





City of Lacey, Washington
City Council Regular Meeting Minutes
Tuesday, September 17, 2024 - Council Chambers and Online

1. Call to Order

Deputy Mayor Malcolm Miller called the meeting to order at 6:00 p.m.

2. Roll Call

Council Present

Mayor Andy Ryder (remote)
Deputy Mayor Malcolm Miller
Councilmember Lenny Greenstein
Councilmember Michael Steadman
Councilmember Carolyn Cox
Councilmember Robin Vazquez
Councilmember Nicolas Dunning

Staff Present

Rick Walk, City Manager
Shannon Kelley-Fong, Assistant City Manager
Dave Schneider, City Attorney
Jennifer Adams, Housing Coordinator
Elissa Fontaine, City Clerk

3. Pledge of Allegiance

Deputy Mayor Miller led the Flag Salute.

4. Land Acknowledgment

Deputy Mayor Miller presented the abbreviated Land Acknowledgment.

5. Approval of Agenda and Consent Agenda Items

- A. Approval of the Worksession minutes of August 27, 2024
- B. Approval of the Council minutes of September 3, 2024
- C. Approval of wages, claims, and transfers for August 12 through September 6, 2024

Councilmember Greenstein moved to approve the agenda as published. Councilmember Dunning seconded. The motion carried.

6. Public Recognitions and Presentations

- A. **Lacey Youth Council Welcome**
Youth Council Representatives

Siglin introduced the 2024-2025 Youth Council and highlighted the Elected Officer results. Recommendations for the Advisory Board Representatives were reviewed for Council action.

Mayor Ryder moved to appoint Youth Councilmembers to serve as advisory board representatives for the 2024-2025 term as presented. Councilmember Steadman seconded. The motion carried.

- B. **Lacey Fire District 3 Update**
Steve Brooks, Fire Chief

Chief Brooks presented updates for the Lacey Fire District. The presentation included an overview, highlights, and a review for 2025 and beyond. Chief Brooks announced his upcoming retirement at the end of 2024. Deputy Chief Jennifer Schmidt was announced as the new Chief, starting in 2025.

7. Public Comment

Verbal Public Comment

Two (2) people signed up to speak at the meeting.

Thelma Jackson signed up but did not wish to provide public comment.

Jon Halvorson, a Lacey resident, provided comments regarding the Public Employee Retirement System.

No people registered to speak via Zoom.

Written Public Comment



No written public comment was received.

8. Public Hearing

9. Proclamations

A. Hispanic and Latinx Heritage Month

Mayor Ryder and Council proclaimed September 15, 2024, through October 15, 2024, as Hispanic and Latinx Heritage Month. David Puente, CIELO Board Member, and CIELO representatives were present to accept the proclamation.

B. Prostate Cancer Awareness Month

Mayor Ryder and Council proclaimed September 2024 as Prostate Cancer Awareness Month. Mayor Ryder made a personal announcement regarding his journey with Prostate Cancer. Paul Eldenburg, Providence Prostate Cancer Support Group representative, was present to accept the proclamation.

10. Resolutions

A. Resolution 1157: Diversity, Equity, Inclusion, and Belonging Strategic Plan Adoption

Shannon Kelley-Fong, Assistant City Manager

Kelley-Fong presented the draft resolution, adopting the 2024-2030 Diversity, Equity, Inclusion, and Belonging Strategic Plan. The purpose of the Diversity, Equity, Inclusion, and Belonging (DEIB) Strategic Plan is to create a guide for the City to advance and support equity efforts in the greater Lacey Community.

Mayor Ryder moved adoption of Resolution 1157 - the Diversity, Equity, Inclusion, and Belonging Strategic Plan 2024-2030. Councilmember Vazquez seconded. The motion carried.

11. Ordinances

12. Mayor's Report

A. Reappointment: Historical Commission - Jon Halvorson and Tula'i Patane Mayor Ryder

Mayor Ryder moved to reappoint Jon Halvorson and Tula'i Patane to the



Historical Commission. Deputy Mayor Miller seconded. The motion carried.

13. City Manager's Report

A. Multi-Family Tax Exemption Application: 629 Woodland Square Loop

Jennifer Adams, Housing Coordinator

The Lacey City Council established a Multi-Family Tax Exemption program in 2018, and designated Lacey Midtown as a Residential Target Area as authorized by Chapter 84.14 RCW. Adoption of the ordinance provides an incentive for property owners and developers to construct new multi-family and new or redeveloped mixed-use buildings within the identified target area.

Adams presented a briefing on the contract between DM Ventures 629 LLC and the City of Lacey. The contract is the initial step in enrolling the parcel addressed as 629 Woodland Square Loop SE in an eight-year multi-family tax exemption status in accordance with LMC 3.64. The item will return for Council for action on October 15, 2024.

B. Other Business

City Manager Walk provided an update on the City's partnership with the 12 Stryker Brigade based at Joint Base Lewis-McChord. The brigade is deploying to South Korea.

Walk reported on the dedication of St. Martin's University's new Nursing program facilities, housed on the fourth floor of Old Main.

14. Other Business

15. Boards, Commissions and Committee Reports

A. Mayor Andy Ryder:

1. Mayors' Forum
2. Thurston Chamber Shared Legislative Committee
3. Transportation Policy Board (TPB)

Mayor Ryder provided reports from the Mayor's Forum and TPD.

B. Deputy Mayor Malcolm Miller:



1. Economic Development Council (EDC)
2. Lodging Tax Advisory Committee (LTAC)
3. Thurston County Coalition Against Trafficking (TCCAT)
4. Joint Animal Services Commission (JASCOM)

Deputy Mayor Miller provided reports from JASCOM and LTAC.

C. Councilmember Lenny Greenstein:

1. Emergency Medical Services (EMS)
2. TCOMM911
3. Opioid Abatement Council Independent Subcommittee

Councilmember Greenstein provided a report from TCOMM911.

D. Councilmember Michael Steadman:

1. Nisqually River Council
2. Thurston County Law & Justice Council
3. Olympic Region Clean Air Agency (ORCAA)

Councilmember Steadman provided a report from ORCAA.

E. Councilmember Carolyn Cox:

1. Lacey-Olympia-Tumwater-Thurston Clean Water Alliance (LOTT)
2. Regional Housing Council
3. Intercity Transit Authority

Councilmember Cox provided reports from the Intercity Transit Authority and LOTT Clean Water Alliance.

F. Councilmember Robin Vazquez:

1. Thurston Climate Mitigation Collaborative (TCMC)
2. Thurston Regional Planning Council (TRPC)
3. Thurston County Board of Health

Councilmember Vazquez provided reports from TRPC and the Thurston County Board of Health.

G. Councilmember Nicolas Dunning:



1. Thurston Thrives
2. Solid Waste Advisory Committee (SWAC)
3. Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB)

Councilmember Dunning provided a report from the VCB.

16. Adjourn

Deputy Mayor Miller adjourned the meeting at 8:12 p.m.

MAYOR: _____

ATTESTED BY CITY CLERK: _____

DATE APPROVED: _____





City of Lacey, Washington

Lacey City Council Worksession Minutes

Tuesday, September 24, 2024

6:00 PM

Council Chambers and Online

1. Call to Order

Deputy Mayor Miller called the meeting to order at 6:00 p.m.

2. Roll Call

Council Present

Deputy Mayor Malcolm Miller

Councilmember Lenny Greenstein

Councilmember Michael Steadman (remote, present after 6:09 p.m.)

Councilmember Carolyn Cox

Councilmember Robin Vazquez

Councilmember Nicolas Dunning

Council Excused

Mayor Andy Ryder

Staff Present

Rick Walk, City Manager

Shannon Kelley-Fong, Assistant City Manager

Vanessa Dolbee, Community and Economic Development Director

Dave Schneider, City Attorney

Troy Woo, Finance Director

Nicole Williams, Executive Assistant

Paul J. White, Deputy City Clerk

3. Land Acknowledgment

Deputy Mayor Miller presented the abbreviated Land Acknowledgment.

4. Approval of the Agenda

Councilmember Greenstein moved to approve the agenda. Councilmember Vazquez seconded. The motion carried.

5. Public Comment

No one registered to speak via Zoom and no written comments were received.

6. Agenda Items

A. Washington Center Free Day Applicant Presentations

Nicole Williams, Executive Assistant

The Washington Center for the Performing Arts makes two days available free of charge to the City of Lacey annually, one of which the City grants to a local organization. Williams introduced the following applicants, who presented their organizations' requests to the City Council to use the Washington Center:

1. Julia Pinnix, Event Coordinator, Olympia Chorus
2. Sweekriti Apple, Co-Lead Administrator, and Sami Brisson, Eighth Grade Teacher, Olympia Waldorf School
3. Shellica Trevino, CEO, Boys & Girls Clubs of Thurston County
4. Tessa Effland, Co-Founder/Advisor, and Maxey Brooks, Secretary, 4 the Love Foundation
5. Daniel M. Colgan, Founder/Artistic Director, and Connie Sowa, Board Vice President, Capital City Chorus of Olympia

B. LOTT Water Alliance Surplus Property

Rick Walk, City Manager

Walk presented an update on an approximately 6-acre parcel owned by the Lacey-Olympia-Tumwater-Thurston County (LOTT) Water Alliance. The parcel is located near Komachin Middle School on Mullen Road SE and is expected to be declared surplus by the agency. There is a proposal potentially to use the parcel for affordable housing, pending further investigation. Further presentation is anticipated October 22, 2024, when the City Council meets jointly with the North Thurston Public School District Board of Directors.

C. 2025 Budget Workshop

Rick Walk, City Manager

Troy Woo, Finance Director

Vanessa Dolbee, Community and Economic Development Director

Walk, Woo, and Dolbee presented information on the following topics related to the City's 2025 preliminary budget, responded to questions, and received councilmember perspectives and opinions on key budgetary questions:

- Revenue assumptions
- Utility rates



- Salaries and Benefits
- Major and continuing initiatives
- Transportation Benefit District
- Human and social services
- City workforce considerations
- Budget priorities
- Property tax levy
- Block grant funding
- City reserves and deficit
- Revenue and service levels
- Revenue opportunities
- Budget administration strategies
- Strategic investment opportunities
- Capital project revenue
- Changes to the City's organizational structure
- Annual reserves

7. Adjourn

Deputy Mayor Miller adjourned the meeting at 8:41 p.m.





**Lacey City Council and
Thurston County Board of County Commissioners
Joint Meeting Minutes
Tuesday, October 1, 2024 - Council Chambers and Online**

1. Call to Order

Mayor Andy Ryder called the meeting to order at 6:00 p.m.

2. Roll Call

Council Present

Mayor Andy Ryder
Deputy Mayor Malcolm Miller
Councilmember Lenny Greenstein
Councilmember Michael Steadman
Councilmember Carolyn Cox
Councilmember Robin Vazquez
Councilmember Nicolas Dunning

Commissioners Present

Chair Tye Menser
Vice Chair Wayne Fournier
Commissioner Carolina Mejia
Commissioner Gary Edwards
Commissioner Emily Clouse (remote, present after 6:18 p.m.)

County Staff Present

Leonard Hernandez, County Manager
Jeremy Davis, Operations Manager
Amy Davis, Clerk of the Board

City Staff Present

Rick Walk, City Manager
Vanessa Dolbee, Community and Economic Development Director
Dave Schneider, City Attorney
Ryan Andrews, Planning Manager
Elissa Fontaine, City Clerk

3. Approval of Agenda and Consent Agenda Items

Councilmember Greenstein moved to approve the agenda. Commissioner Fournier seconded. The motion carried unanimously.

4. Public Comment

Verbal Public Comment

No one signed up to speak at the meeting, and no one registered to speak via Zoom.

Written Public Comment

One (1) written public comment was received.

5. Agenda Items

A. **Welcome and Introductions**

Andy Ryder, Mayor, City of Lacey

Tye Menser, Chair, Board of County Commissioners

Mayor Ryder welcomed everybody to the joint meeting with Lacey City Council and Board of County Commissioners. Participants introduced themselves during roll call.

B. **Reception of Minsk-Mazowiecki, Poland, Sister City Delegation**

Dr. Mike Beehler

Paul Perz

Perz provided a history of the sister city association and the City of Lacey's relationship with Minsk-Mazowiecki, Poland. Mayor Ryder presented the delegation and band members with gifts honoring the friendship between the two cities. Representatives of Minsk-Mazowiecki presented comments and gifts to Mayor Ryder and the Lacey City Council.

Cynthia Pratt, Lacey Poet Laureate, presented a poem composed for the occasion.

C. **Public Hearing: Draham Road - Cuoio Park Island Annexation**

Ryan Andrews, Planning Manager, City of Lacey

Jeremy Davis, Operations Manager, Thurston County

Mayor Ryder opened the joint public hearing at 6:27 p.m.

Andrews and Davis presented on the Draham Road and Cuoio Park North Island Annexations. Previously adopted ordinances approving Draham Road and Cuoio



Park North annexations created islands of unincorporated property. Under RCW 35A.14.460, a code city may initiate an annexation process for unincorporated islands through an interlocal agreement (ILA) as provided in Chapter 39.34 RCW between the city and county. There are three separate islands associated with the draft interlocal agreement.

The Lacey City Council and Thurston County Board of County Commissioners conducted a joint public hearing to take testimony on the proposed annexation. Staff highlighted the annexation timeline and next steps.

Verbal Public Testimony

Two (2) people signed up to speak during the hearing.

- Cheryl, property owner, provided testimony.
- John Mauger, property owner, provided testimony.
- Michelle Rose, property owner, did not sign up but provided testimony.

No one registered to speak via Zoom.

Written Public Testimony

No written public testimony was received.

Discussion ensued.

Mayor Ryder closed the public hearing at 6:47 p.m.

Commissioner Fournier moved the Board of County Commissioners approve the draft ILA. Commissioner Edwards seconded. The motion carried unanimously.

Councilmember Greenstein moved the City of Lacey approve the draft ILA and authorize the City Manager to sign it. Councilmember Dunning seconded. The motion carried unanimously.

D. Council-Commissioner Updates

Mayor Ryder

Councilmember Greenstein and Leonard Hernandez, County Manager, provided an update on the National Opioid Settlement Status.

Rick Walk, City Manager, and Vanessa Dolbee, Community and Economic Development Director, provided an update on the City Annexation Study. Once the



deliverables are received from consultants, staff will share them with the County. The study incorporates staffing, potential growth, utilities, and cost benefit analysis of the entire boundary as it exists.

Discussion ensued regarding the Martin Way Corridor Plan and an update on the County Courthouse Building.

6. Adjourn

Mayor Ryder adjourned the meeting at 7:22 p.m.

MAYOR: _____

ATTESTED BY CITY CLERK: _____

DATE APPROVED: _____





LACEY CITY COUNCIL MEETING

October 15, 2024

SUBJECT: Disbursement Approval

RECOMMENDATION: By motion, approve payment of claims, wages, and transfers.

STAFF CONTACT: Troy Woo, Finance Director *TW*
Alix Turcotte, Senior Accountant *AT*
Carrie Bode, Accounting Technician *CB*

ORIGINATED BY: Finance Department

BACKGROUND:

The action requested of the City Council is by motion to approve payment of claims, wages and transfers for 8/27/2024 through 10/4/2024. The disbursements consist of the following:

Checks:	<u>Week of</u>	<u>Beg. Check No.</u>	<u>End. Check No.</u>	<u>Amount</u>
	9/13/2024	276635	276694	269,403.81
	9/20/2024	276695	276748	288,225.84
	9/27/2024	276749	276831	460,940.70
	*9/30/2024	276832	276835	4,533.59
	10/4/2024	276836	276902	1,736,670.57

Electronic Transfers:	<u>Week of</u>	<u>Amount</u>
	8/27/2024	23,552.08
	9/9/2024	140.00
	9/9/2024	158,953.59
	9/10/2024	30.60
	9/12/2024	69.99
	9/12/2024	22.06
	9/13/2024	1,374,350.04
	9/16/2024	1,080.00
	9/17/2024	1,265.25
	9/19/2024	630.74
	9/19/2024	9,753.71
	9/20/2024	589,801.13
	9/20/2024	165.00
	9/27/2024	462,421.61
	*9/30/2024	957.63
	*9/30/2024	21,068.10

	*9/30/2024	1,936,194.57
	9/30/2024	66,123.05
	10/4/2024	335,731.29
Payroll:	<u>Month End</u>	<u>Wages</u>
	9/30/2024	2,212,438.13

Significant Disbursements:

<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
Department of Revenue	\$ 158,953.59	August 2024 Excise Taxes
Aclara Technologies, LLC	\$ 331,732.80	MTU Water Series 3450
Baker Underground & Const.	\$ 89,662.18	Waldron Dr. Grinder Extension
Pacific Civil & Infrastructure	\$ 728,958.76	Madrona & Westside pH
Thurston County District Court	\$ 149,378.00	August - December 2022 Violations
KMB Architects, Inc.	\$ 60,033.15	Police Department Facility
McClure and Sons, Inc.	\$ 130,848.78	Beachcrest Wellfield pH
Puget Sound Energy, Inc.	\$ 167,465.62	Utility Bills
Softwareone, Inc.	\$ 176,776.17	Microsoft Services
Bud Clary Ford/Hyundai	\$ 53,367.76	Police Car Replacement
City of Olympia	\$ 61,443.67	Utility Bill
Hawks Prairie Congregation	\$ 141,371.00	College St. Extension Project
Rex I Hoyt	\$ 89,150.00	College St. Extension Project
Olympia-CARPFD	\$ 66,123.05	September 2024 CARPFD
Bud Clary Ford/Hyundai	\$ 160,103.28	Patrol Car Replacements
Direct Systems Support	\$ 116,645.11	IMB Server Replacement
LOTT Wastewater Alliance	\$ 56,886.97	September 2024 Reserve Capacity
LOTT Wastewater Alliance	\$ 1,320,796.81	September 2024 ERUs

*Disbursements for employee out-of-pocket deductions and employee benefits.



LACEY CITY COUNCIL MEETING

OCTOBER 15, 2024

SUBJECT: 2024 Human Services Grant Program Award

RECOMMENDATION: Proceed with Option 1, modified Human Services Work Group recommendation:

“Award 2024 Human Service grants equally to organizations that scored an average above 90 on the rubric - \$31,233 or the total requested by the applicant, whichever is less, as indicated in Table C.”

STAFF CONTACT: Rick Walk, City Manager *RW*
Shannon Kelley-Fong, Assistant City Manager *SKF*
Michelle Chavez, Human Services Coordinator *mjc*

ORIGINATED BY: City Manager's Department

ATTACHMENTS: None

FISCAL NOTE: 2024 budget includes \$300,000 for the Human Services Grant Program.

PRIOR REVIEW: [City Council Worksession – March 12, 2024](#)
[City Council Meeting – March 19, 2024](#)
[Commission on Equity – March 25, 2024](#)
[Human Services Workgroup – June 20, 2024](#)
[Human Services Workgroup July 11, 2024](#)
[Human Services Workgroup – August 8, 2024](#)
[Human Services Workgroup – September 5, 2024](#)
[Commission on Equity – September 23, 2024](#)
[City Council Worksession – October 8, 2024](#)

**WORK PLAN GOAL:
AND STRATEGY** Vibrant Place to Live, Work and Play
D. Finalize Homeless Response Plan and Enhance Social Services

An Engaged Community

L. Enhance Communication and Engagement Efforts

DEIB STRATEGIC: PLAN

Livability: Human Services, C. Provide and support culturally appropriate human services that meet the needs of the Lacey community.

Create a strategic City human services grant program that is transparent, consistent, and removes barriers to participation.

HUMAN SERVICES WORK GROUP RECOMMENDATION

Option 2: Approve grants equally to organizations that scored an average above 90 on the rubric - \$30,000 or the total requested by the applicant, whichever is less.

BACKGROUND: The City of Lacey (City) concluded the first open application cycle for the Human Services Grant Program (HSGP). The application cycle was open from June 27 until July 26, 2024. The City received 16 applications from 15 non-profits.

Fifteen of the applications were for service-based programs and one application was for a capital project (brick and mortar). The City received over \$1.1 million in requests for an initial funding allocation of \$300,000.

Of the three priority areas for funding:

10 applicants emphasized housing: expanding and upgrading affordable housing programs, emergency rental assistance, housing education, creating and maintaining supportive housing services.

10 applicants emphasized survival: access to food, water, shelter, sleep, clothing.

12 applicants emphasized security: job training and placement, mental and physical health care, drug and alcohol recovery, support in times of personal and family crisis, transportation.

Applicants were allowed to pick more than one priority area that their program or project addressed. **Table A** is a summary of all applications.

Table A					
2024 Human Services Grant Program Applications Received					
Agency Name	Program or Project Name	Capital project or service project	New or existing program or project	Program or Project Area	Budget Request
TOGETHER!	Together! Club House	Service (Human Services Based)	Existing	Housing: Security: Survival:	\$25,000
Our Ark	Place Of Safety and Home	Service (Human Services Based)	Existing	Housing: Security: Survival:	\$99,700
TOGETHER!	TOGETHER! Host Homes	Service (Human Services Based)	Existing	Housing: Security: Survival:	\$25,366
North Thurston Education Foundation (NTEF)	Student Assistance Grants	Service (Human Services Based)	Existing	Housing: Survival:	\$60,000
Boys & Girls Clubs of Thurston County	Lacey Boys & Girls Club Scholarships for Youth Experiencing Homelessness	Service (Human Services Based)	Existing	Security	\$25,000
South Puget Sound Habitat for Humanity (SPSHFH)	Home Repair Program	Service (Human Services Based)	Existing	Housing	\$50,000
Interfaith Works	Sergio's Service Center	Service (Human Services Based)	Existing	Security, Survival	\$120,000
Family Support Center of South Sound	Homeless Family Services Program	Service (Human Services Based)	Existing	Housing	\$50,000
Capital Christian Center	Solid Rock Ranch Camper Fund	Service (Human Services Based)	Existing	Security	\$40,000
Community Action Council of Lewis, Mason, and Thurston Counties	Lacey Housing Services	Service (Human Services Based)	Existing	Housing, Security, Survival	\$284,129.52
Thurston County Council on Aging (TCCA)	Medical Equipment Bank	Service (Human Services Based)	Existing	Security	\$10,000
Rebuilding Together Thurston County (RTTC)	Critical Home Repair	Service (Human Services Based)	Existing	Housing, Security, Survival	\$125,000
Senior Services for South Sound	Home Share Program	Service (Human Services Based)	Existing	Housing, Survival	\$50,000
Garden-Raised Bounty (GRuB)	GRuB Garden Project	Service (Human Services Based)	Existing	Security, Survival	\$6,000
Dry Tikes and Wet Wipes	Thurston County Diaper Bank	Service (Human Services Based)	Existing	Security, Survival	\$100,000
Homes First	Lacey Accessible Dwelling Units	Capital Project (Brick and Mortar)	New	Housing, Security	\$50,000
Total Requested					\$1,120,195.52

On August 8 2024, all 15 applicants presented to the Human Services Workgroup (HSWG) regarding their programs and projects. Presenters were given five (5) minutes per application to present. After the presentation, workgroup members were able to ask questions.

HSWG members reviewed all 16 applications and completed a scoring rubric for each one. On September 5, 2024 the HSWG met to discuss the five budgeting options presented below.

Option 1. Recommend awarding grants equally across applicants - \$20,286 or the total requested by the applicant, whichever is less.

Option 2. Recommend awarding grants equally to organizations that scored an average above 90 on the rubric - \$30,000 or the total requested by the applicant, whichever is less.

Option 3. Recommend awarding grants fully based on rubric scores – funding is variable.

Option 4. Recommend awarding grants based on cost per participant, lowest cost to highest cost – 50% of total requested by applicant.

Option 5. Some other recommendation not contemplated above.

Human Services Work Group Recommendation: The Human Services Work Group (HSWG) unanimously passed a motion recommending: “Option 2 – Recommend awarding grants equally to organizations that scored an average above 90 on the rubric - \$30,000 or the total requested by the applicant, whichever is less.”

The HSWG members also shared their perspective on the grant application process, rubric, and presentations. At future meetings, the HSWG and City staff will review potential process updates and other recommendations.

City Council Worksession Discussion:

On October 8, 2024 the City Council discussed the options presented to the HSWG and HSWG’s funding recommendation of Option 2. The City Council discussed the grant process, feedback received, scoring rubric, application process, applicant presentations and community participation in the program.

At this meeting, the City Council discussed different scenarios for funding allocations. The City Council also emphasized opportunities to improve the grant application process, including reviewing the scoring process and potential program changes to allow for a wider distribution of funds to more agencies.

Through this discussion, the City Council indicated interest in modifying the HSWG's recommendation to only fund agencies that scored above 90 points; this reallocation would increase maximum awards to \$31,233 (rounded to a whole number).

Table B summarizes the differences between the Work Group Recommendation and the preferred adjustment indicated by the City Council at this meeting.

Table B					
Funding Recommendation and 90+ Adjusted Funding					
Organization	Funding Requested	Average Score	Work Group Recommended Funding Award	90+ only Adjusted Funding Award	90+ only Adjusted % of Applicant's Request
North Thurston Education Foundation (NTEF)	\$60,000	99.0	\$30,000	\$31,233	52%
Homes First	\$50,000	97.7	\$30,000	\$31,233	62%
Boys & Girls Clubs of Thurston County	\$25,000	96.0	\$25,000	\$25,000	100%
Community Action Council of Lewis, Mason, & Thurston County	\$284,130	95.3	\$30,000	\$31,233	11%
Family Support Center of South Sound	\$50,000	95.0	\$30,000	\$31,233	62%
Garden-Raised Bounty	\$6,000	94.3	\$6,000	\$6,000	100%
South Puget Sound Habitat for Humanity	\$50,000	93.3	\$30,000	\$31,233	62%
TOGETHER!	\$25,366	92.3	\$25,366	\$25,366	100%
TOGETHER!	\$25,000	92.1	\$25,000	\$25,000	100%
Interfaith Works	\$120,000	91.3	\$30,000	\$31,233	26%
Rebuilding Together Thurston County	\$125,000	91.0	\$30,000	\$31,233	25%
Senior Services for South Sound	\$50,000	89.1	\$8,634	\$0	0%
Dry Tikes and Wet Wipes	\$100,000	85.9	\$0	\$0	0%
Our Ark	\$99,700	85.4	\$0	\$0	0%
Thurston County Council on Aging	\$10,000	85.3	\$0	\$0	0%
Capital Christian Center	\$40,000	85.1	\$0	\$0	0%
Total Budget			\$300,000	\$299,997	

Next Steps: Upon review, the City Council could consider one of the following options:

Option 1. Award 2024 Human Service grants equally to organizations that scored an average above 90 on the rubric - \$31,233 or the total requested by the applicant, whichever is less, as indicated in **Table C**.

Option 2. Do not award grants as recommended by the Human Services Work Group. Provide direction on staff for funding allocations.

Option 3. Do not award grants as recommended by the Human Services Work Group. Award grants based on one of the other options provided above.

Option 4. Some other recommendation not contemplated above.

Table C	
Option 2: Application Score 90+, equal funding or total request whichever is less	
Organization	2024 HS Grant Funding
North Thurston Education Foundation (NTEF)	\$31,233
Homes First	\$31,233
Boys & Girls Clubs of Thurston County	\$25,000
Community Action Council of Lewis, Mason, & Thurston County	\$31,233
Family Support Center of South Sound	\$31,233
Garden-Raised Bounty	\$6,000
South Puget Sound Habitat for Humanity	\$31,233
TOGETHER!	\$25,366
TOGETHER!	\$25,000
Interfaith Works	\$31,233
Rebuilding Together Thurston County	\$31,233
Total Budget	\$299,997

CITY OF LACEY

Official Proclamation

WHEREAS, making bicycle, pedestrian, and active transportation safety improvements a priority can help protect the life and safety of Lacey's youth; and

WHEREAS, the City of Lacey is working to add bike lanes, trails, sidewalks, and improve street crossings to better connect our neighborhoods and provide safer routes to school; and

WHEREAS, regularly walking, biking, and rolling to school is fun, improves the health of our youth, and increases students' readiness to learn; and

WHEREAS, driving students to school contributes to traffic congestion and air pollution; and

WHEREAS, an important role for parents and caregivers is to teach children how to be safe pedestrians and bicyclists on our streets; and

WHEREAS, in October, community leaders, parents, and children from around the world will join together for Walk to School events to increase awareness about the health and environmental benefits of walking and biking to school; and

NOW, THEREFORE, I, Andy Ryder, Mayor of the City of Lacey, on behalf of the Lacey City Council, do hereby recognize the month of October 2024, as

Walk to School Month

in Lacey and encourage all community members to promote the safety and health of children this month and throughout the year by supporting pedestrian, bicycle, and active transportation improvements, driving responsibly in school zones, modeling safe pedestrian and bicycle behaviors, and practicing an active lifestyle.

Mayor Andy Ryder
October 15, 2024



CITY OF LACEY *Official Proclamation*

WHEREAS, domestic violence is a serious crime that affects people of all races, ages, gender identities, and income levels, and is a pervasive problem in the state of Washington and across the nation; and

WHEREAS, statistics indicate that 1 in 4 women and 1 in 10 men in Washington State will experience domestic violence in their lifetime and that domestic violence impacts not only victims but also their children, families, and the broader community; and

WHEREAS, in Washington State alone, there were over 48,000 domestic violence offenses reported to law enforcement in 2023, with many more going unreported due to fear, stigma, or lack of resources; and

WHEREAS, domestic violence-related fatalities remain a critical concern, with the Washington State Coalition Against Domestic Violence documenting that over 50 individuals lost their lives to domestic violence homicide in the past year; and

WHEREAS, the City of Lacey is committed to ensuring the safety and security of all residents and recognizes that addressing domestic violence requires a collaborative effort from law enforcement, social services, community organizations, and community members; and

WHEREAS, Domestic Violence Awareness Month provides an opportunity to educate our community about the importance of intervention and prevention, to support victims and survivors, and to hold abusers accountable for their actions; and

NOW, THEREFORE, I, Andy Ryder, Mayor of the City of Lacey, on behalf of the Lacey City Council, do hereby recognize the month of October 2024, as

Domestic Violence Awareness Month

in Lacey and encourage all community members to participate in efforts to prevent and raise awareness of domestic violence, support survivors, and work toward ending violence in our homes and community.

Mayor Andy Ryder
October 15, 2024



Application for Appointment
Capital Area Regional Facilities District Board of Directors
CAR-PFD

DATE OF APPLICATION:	05/14/24		
APPLICATION FOR:	CAR-PFD		
APPLICANT:	Troy		Kirby
ADDRESS:		Lacey, WA 98516	
EMAIL:			

Phone Number:	
----------------------	--

Do you have other civic obligations and/or memberships in professional organizations?
City of Lacey Parks Board from 2018 - 2022 Gateway Rotarian 2017 - Present
Briefly explain why you would like to serve on the CAR-PFD Board:
I have dealt with taxes as a small business owner and as an administrator, and I believe that I understand the taxation issues around the PFD.
Briefly describe any special knowledge, skills, or experience that would relate to this appointment:
Having served on the city of lacey parks board for several years, which oversaw the RAC, I believe that I am uniquely qualified to be a part of this taxing district.



LACEY CITY COUNCIL MEETING

October 15, 2024

SUBJECT: Multi-Family Tax Exemption Application: 629 Woodland Square Loop SE

RECOMMENDATION: Motion: Authorize the City Manager to enter into an 8-Year MFTE contract with DM Ventures 629 LLC, for project located at 629 Woodland Square Loop SE.

STAFF CONTACT: Rick Walk, City Manager *RW*
Vanessa Dolbee, Community & Economic Dev. Director *VD*
Ryan Andrews, Community Planning Manager *RA*
Jennifer Adams, Housing Coordinator *JA*

ORIGINATED BY: Community and Economic Development Department by Private Application

ATTACHMENTS: Multi-Family Housing 8-Year Property Tax Exemption Agreement

FISCAL NOTE: The multi-family tax exemption is a tax shift. No reduction in the amount of property taxes collected will result.

PRIOR REVIEW: Council briefing on September 17, 2024.

BACKGROUND:

The Multi-family Tax Exemption (MFTE) Program is a program created by the State Legislature and enumerated in RCW 84.14. The purpose is to encourage increased residential opportunities through new construction and rehabilitation of existing buildings located within the urban centers of cities planning under the GMA. The program exempts the value of new housing construction, conversion, and rehabilitation improvements qualifying under RCW 84.14 from ad valorem property taxation.

All projects receiving tax exemption must be multiple-unit housing of four or more units that are located in a residential targeted area as designated by the City. The housing must meet guidelines as adopted by the city, which may include density, size, parking, and other

adopted requirements. New construction must be completed within three years of the application's approval unless an extension of up to two years has been authorized by the local jurisdiction. The property to be rehabilitated must be vacant at least 12 months prior to application. The applicant must enter into a contract with the city to agree to terms and conditions.

Effect of Tax Exemption: The multi-family tax exemption program exempts the ad valorem tax specific to the value of new housing construction and the increased value of housing rehabilitation. The tax exemption would not apply to the ad valorem tax on land value or improvements not related to housing. For example, the value of the commercial space within a mixed-used residential building would not be exempt from ad valorem tax. The tax exemption would be for a period of eight years or twelve years if the developer commits to reserve 20% of the units for moderate to low-income residents (80% of median family income adjusted for family size).

Current Application and Council Role: On November 21, 2023 the City issued land use approval to DM Ventures 629 LLC, for the re-development of an existing commercial space located at 629 Woodland Square Loop. The project consists of converting office spaces into 50 housing units including studio, one-bedroom, and two-bedroom units. On July 9, 2024, DM Ventures 629 LLC submitted a Multi-Family Tax Exemption application to receive the eight-year exemption. This is the second application for the program that the City has received since adopting the ordinance and developing the program. The application was approved administratively by staff on August 1, 2024.

Following administrative approval of the application for tax exemption, the applicant must enter into contract with the City regarding the terms of the tax exemption per the requirements of RCW 84.14.

The DM Ventures 629 LLC project includes redevelopment/conversion of a commercial site and construction of 50 multi-family, market rate units; no retail, office or commercial space is proposed. The project is located within the Lacey Midtown – Woodland Zoning District, which is the residential target area identified in LMC 3.64. All residential units in the project are for permanent residential housing. The applicant submitted a Woodland District Site Plan Review application to the Community and Economic Development Department for review and approval. The application was reviewed for compliance with the standards of the applicable zoning and design review requirements of the Lacey Municipal Code. The project received land use approval on November 21, 2023, and no appeals were filed. The applicant also received administrative approval of the multi-family tax exemption application submitted on July 9, 2024. The applicant subsequently submitted Public Works construction drawings and building permit applications. These plans and permit applications were approved and the project is under construction.

NEXT STEP:

Approve motion to authorize the City Manager to enter into an 8-year MFTE contract with DM Ventures 629 LLC, for project located at 629 Woodland Square Loop.

**MULTI-FAMILY HOUSING
8-YEAR PROPERTY TAX EXEMPTION AGREEMENT**

This agreement, entered into this ____ day of _____, 2024, by and between DM VENTURES 629 LLC, herein after referred to as “Applicant”, and the City of Lacey Washington, a municipal corporation hereinafter referred to as the “City”.

WITNESSETH:

WHEREAS, the City has an interest in encouraging new construction of multifamily housing in the Residential Target Area to facilitate redevelopment and reinvestment in urban centers; and

WHEREAS, the City has, pursuant to the authority granted to it by Chapter 84.14 RCW designated a Residential Target Area for the provision of a limited property tax exemption for new multi-family residential housing; and

WHEREAS, the City has, through Lacey Municipal Code 3.64, enacted a program whereby property owners may qualify for a Final Tax Exemption which certifies to the Thurston County Assessor- Treasurer that the owner is eligible to receive a limited property tax exemption; and

WHEREAS, the applicant is interested in receiving a limited property tax exemption for constructing 50 units of new multi-family residential housing in the Woodland Zoning District Residential Target Area; and

WHEREAS, the Applicant has submitted to the City a site plan review approval application with site plans, and floor plans for new multi-family residential housing to be constructed on property at 629 Woodland Square Loop Southeast, Lacey, Washington and described more specifically as follows:

Assessor’s Parcel Number(s): 8499-00-01400

Legal Description: PARCEL A OF BOUNDARY LINE ADJUSTMENT NO.
SS-BLA-6144 RECORDED UNDER RECORDING NO. 8709180126, RECORDS
OF THURSTON COUNTY, WASHINGTON. (Tax Parcel No. 8499-00-01400)

Street Address: 629 Woodland Square Loop, Lacey, WA 98503

Herein referred to as the “Site”; and

WHEREAS, the Director of Community and Economic Development has determined that the improvements will, if completed as proposed, satisfy the requirements for a Final Certificate of Tax Exemption; and

WHEREAS, the Lacey Municipal Code requires an applicant for a limited property tax exemption to enter into a contract with the City, in which the applicant agrees to implement the proposed project on terms satisfactory to the Lacey City Council so as to maintain the improvements' eligibility for the limited property tax exemption;

NOW, THEREFORE, in exchange for the City's consideration of Applicant's request for a Final Certificate of Tax Exemption, Applicant and the City mutually agree as follows:

1. Each of the recitals set forth above are by this reference, incorporated into this agreement as fully set forth herein.
2. The City agrees to issue Applicant a Conditional Certificate of Acceptance of Tax Exemption
3. Applicant shall construct on the site multi-family residential housing substantially as described in the most recent site plans, floor plans, and elevations on file with the City as of the date of City approval of this Agreement. In no event shall such construction provide fewer than four new multi-family permanent residential units nor shall it provide fewer than half of its total residential units as permanent housing.
4. Applicant shall complete construction of the agreed upon improvements within three (3) years from the date the City issues the Conditional Certificate of Occupancy, file with the City's Community and Economic Development Department.
5. Applicant shall, upon completion of the improvements and upon issuance by the City of a permanent certificate of occupancy, file with the City's Community and Economic Development Department the following:
 - a. A statement of expenditures made with respect to each multi-family housing unit and the total expenditures made with respect to the entire property;
 - b. A description of the completed work and a statement of qualification for the exemption; and
 - c. A statement that the work was completed within the required three-year period or any authorized extension.
6. Upon Applicant's successful completion of the improvements in accordance with the terms of the Agreement and the Applicant's filing of the materials described in Paragraph 5 above, and upon the City's approval of a Final Certificate of Tax Exemption, the City shall file the Final Certificate with the Thurston County Assessor-Treasurer.
7. Applicant shall, within thirty (30) days following the first anniversary of the City's filing of the Final Certificate of Tax Exemption and each year thereafter for a period of eight (8) years, file a notarized declaration with the City's Community and Economic Development Department indicating the following:

- a. A statement of occupancy and vacancy of the multifamily dwelling units during the twelve months ending with the anniversary date;
 - b. A certification that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in this section since the date the city issued the final certificate of tax exemption and that the project continues to be in compliance with the contract with the city and the requirements of this section;
 - c. A description of any improvements or changes to the property made after the city issued the final certificate of tax exemption;
 - d. The total monthly rent of each multifamily housing unit rented or the total sale amount of each multifamily housing unit sold to an initial purchaser during the twelve months ending with the anniversary date;
 - e. Any additional information requested by the city pursuant to meeting any reporting requirements under Chapter 84.14 RCW.
8. If, during the term of a Final Certificate of Tax Exemption, Applicant converts to another use any of the new multi-family residential housing units constructed under this Agreement, Applicant shall notify the Thurston County Assessor-Treasurer and the City's Department of Community and Economic Development within sixty (60) days of such change in use. The City may, in its sole discretion, revoke and cancel the Final Certificate of Tax Exemption effective on the date of Applicant's conversion of any of the multi-family residential housing units to another use.
9. Applicant shall notify the City promptly of any transfer of Applicant's ownership interest in the Site or in the improvements made to the Site under this Agreement.
10. In addition to any other powers reserved to the City by law, the City may, in its sole discretion, cancel the Final Certificate of Tax Exemption should Applicant, its successors and assigns, fail to comply with any of the terms and conditions of this Agreement.
11. No modifications of the Agreement shall be made unless mutually agreed upon by the parties in writing.
12. The venue for any dispute related to this agreement shall be Thurston County, Washington.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement the date and year first above written.

CITY OF LACEY

DM VENTURES 629 LLC

By: _____

By: _____

Rick Walk
Its: City Manager

Mike Raskin
Its: Manager

Approved as to form:

By: _____

David S. Schneider
City Attorney

DRAFT

ACKNOWLEDGEMENTS

STATE OF WASHINGTON)) SS.
County of Thurston)

I certify that I know or have satisfactory evidence that Rick Walk is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the City Manager of the City of Lacey to be the free and voluntary act of such municipality for the uses and purposes mentioned in the instrument.

DATED: this day of , 2024

Name: _____
Notary Public in and for the State of Washington
Residing at _____
My appointment expires: _____

STATE OF WASHINGTON)) SS.
County of King)

I certify that I know or have satisfactory evidence that Mike Raskin is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the Manager of DM Ventures 629 LLC to be the free and voluntary act of such municipality for the uses and purposes mentioned in the instrument.

DATED: this _____ day of _____, 2024

Name: _____
 Notary Public in and for the State of Washington
 Residing at _____
 My appointment expires: _____



LACEY CITY COUNCIL MEETING

October 15, 2024

SUBJECT: HB 1220 Housing Allocations and Land Capacity Analysis

RECOMMENDATION: Briefing item only. Information presented will be integrated into the amendments to the Housing Element of the Comprehensive Plan in 2025.

STAFF CONTACT: Rick Walk, City Manager *RW*
Vanessa Dolbee, Community & Economic Dev. Director *VD*
Ryan Andrews, Community Planning Manager *RA*

ORIGINATED BY: Community & Economic Development

ATTACHMENTS: Planning for and Accommodating Housing Needs in Thurston County

FISCAL NOTE: None. This work was budgeted for 2024.

PRIOR REVIEW: None.

BACKGROUND:

In 2021, the Washington State Legislature passed HB 1220 which requires cities, towns, and counties to “plan for and accommodate” future housing meeting affordability requirements at a range of incomes. HB 1220 also requires local jurisdictions to document the projected housing need for each jurisdiction within the Comprehensive Plan. As laid out in this legislation, the Washington State Department of Commerce identified the countywide housing need by income range and recommended cities, towns, and counties work collaboratively to allocate the countywide housing need to individual jurisdictions.

To meet these requirements, Thurston County and the cities of Lacey, Olympia, Tenino, Tumwater, and Yelm contracted with Thurston Regional Planning Council (TRPC) to facilitate a process to reach regional agreement on a housing need allocation method and provide the necessary data analysis to meet the state’s requirements. The city of Rainier and town of Bucoda were also invited to participate.

The project was completed in two phases. In Phase 1, a workgroup made up of staff from each of the partner jurisdictions reviewed options for allocating the countywide housing need to jurisdictions and developed a provisional housing allocation recommendation that was accepted by TRPC in January 2024. In Phase 2, TRPC completed a land capacity analysis that identified constraints to accommodating those allocations. The analysis is documented in a technical report developed by TRPC: “Planning for and Accommodating Housing Needs in Thurston County.”

The workgroup reached consensus on both a revised housing need allocation method and next steps for adopting allocations for use in Comprehensive Plan periodic updates due in 2025 and beyond.

NEXT STEPS:

TRPC is responsible for the final decision and so no action is necessary by the City Council. The following outlines the next steps and recommendations as identified by the workgroup:

1. Thurston County jurisdictions use the updated allocation method documented in the report “Planning for and Accommodating Housing Needs in Thurston County” and the 2045 housing allocations by income generated by that method (Table 1) to meet requirements for Comprehensive Plan updates due in 2025, including the number of housing units necessary for moderate, low, very low, and extremely low-income households, and emergency housing, emergency shelters, and permanent supportive housing.
2. TRPC adopts these allocations, as the agency charged in the County Wide Planning Policies to develop countywide and smaller area population projections.
3. The Urban Growth Management Subcommittee reviews the County Wide Planning Policies and recommend updates to the Board of County Commissioners that incorporate changes to state law that require planning for affordable housing and document the process for approving housing allocations for use in future years. This review should be initiated after the current round of periodic Comprehensive Plan updates is completed in 2025.



Planning for and Accommodating Housing Needs in Thurston County

Implementing the Housing Affordability Requirements of HB 1220
September 2024

For more information contact:

Michael Ambrogio, Senior Planner
Thurston Regional Planning Council
2411 Chandler Court SW, Olympia, WA 98502
ambrogim@trpc.org | info@trpc.org



Title VI Notice

Thurston Regional Planning Council (TRPC) hereby gives public notice that it is the agency's policy to assure full compliance with Title VI of the Civil Rights Act of 1964, the Civil Rights Restoration Act of 1987, and related statutes and regulations in all programs and activities. Title VI requires that no person shall, on the grounds of race, color, sex, or national origin, be excluded from the participation in, be denied the benefits of, or be otherwise subjected to discrimination under any Federal Highway Aid (FHWA) program or other activity for which TRPC receives federal financial assistance. Any person who believes they have been aggrieved by an unlawful discriminatory practice under Title VI has a right to file a formal complaint with TRPC. Any such complaint must be in writing and filed with the TRPC's Title VI Coordinator within one hundred and eighty (180) days following the date of the alleged discriminatory occurrence.

Americans with Disabilities Act (ADA) Information

Materials can be provided in alternate formats by contacting the Thurston Regional Planning Council at 360.956.7575 or email info@trpc.org.

THURSTON REGIONAL PLANNING COUNCIL is a 23-member intergovernmental board made up of local governmental jurisdictions within Thurston County, plus the Confederated Tribes of the Chehalis Reservation and the Nisqually Indian Tribe. The Council was established in 1967 under RCW 36.70.060, which authorized creation of regional planning councils.

TRPC's mission is to "Provide visionary, collaborative leadership on regional plans, policies, and issues for the benefit of all Thurston region residents." To support this mission, we:

- Support **regional transportation** planning consistent with state and federal funding requirements.
- Address **growth management, environmental quality**, and other topics determined by the Council.
- **Assemble** and **analyze data** that support local and regional decision making
- Act as a "**convener**", build regional **consensus** on issues through information and citizen involvement.
- Build **intergovernmental consensus** on regional plans, policies, and issues, and advocate local implementation.

2024 Membership

Government Jurisdiction	Name of Representative
Town of Bucoda	Miriam Gordon
City of Lacey	Robin Vazquez, Chair
City of Olympia	Dani Madrone
City of Rainier	Dennis McVey
City of Tenino	John O'Callahan, Secretary
City of Tumwater	Eileen Swarthout
City of Yelm	Joe DePinto
Thurston County	Carolina Mejia
Intercity Transit	Debbie Sullivan
LOTT Clean Water Alliance	Carolyn Cox
Port of Olympia	Amy Evans Harding, Vice Chair
PUD No. 1 of Thurston County	Chris Stearns
Olympia School District	Hilary Seidel
North Thurston Public Schools	Esperanza Badillo-Diiorio
Tumwater School District	Mel Murray
Confederated Tribes of the Chehalis Reservation	Amy Loudermilk
Nisqually Indian Tribe	David Iyall

Associate Members

Thurston County Economic Development Council	Michael Cade
Lacey Fire District #3	Liberty Hetzler
Puget Sound Regional Council	Josh Brown
Timberland Regional Library	Cheryl Heywood
The Evergreen State College	William Ward
Thurston Conservation District	David Iyall

Executive Director

Marc Daily

Project Partners

City of Lacey	Vanessa Dolbee, Community and Economic Development Director Ryan Andrews, Planning Manager
City of Olympia	Leonard Bauer, Community Planning and Development Director Tim Smith, Interim Community Planning and Development Director Casey Schaufler, Associate Planner
City of Tenino	Cristina Haworth, SCJ Alliance Dan Penrose, SCJ Alliance
City of Tumwater	Brad Medrud, Long Range Planning Manager Mike Matlock, Community Development Director
City of Yelm	Gary Cooper, Planning and Building Manager
Thurston County	Ashley Arai, Interim Community Planning and Economic Development Director

Thurston Regional Planning Council Staff

Allison Osterberg, Planning Manager
Michael Ambroggi, Senior Planner

This project was funded by an interlocal agreement between TRPC and the project partner jurisdictions.

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EXECUTIVE SUMMARY

New GMA Requirements

House Bill 1220 — passed by the state legislature in 2021— added new requirements to the Growth Management Act for jurisdictions to **“plan for and accommodate housing affordable to all economic segments of the population of this state.”** Thurston County and the cities of Lacey, Olympia, Tenino, Tumwater, and Yelm contracted with Thurston Regional Planning Council (TRPC) to facilitate a process and provide data analysis support to implement this law.

The Thurston region has a long history of planning for affordable housing and much has been done at both the local and regional level. HB 1220 addresses just a small piece of the affordable housing problem — whether land, and how it is zoned, is a barrier to new affordable housing.

HB 1220 requires jurisdictions to ensure zoning is not a barrier to affordable housing. On its own, the law will not lead to more affordable housing.

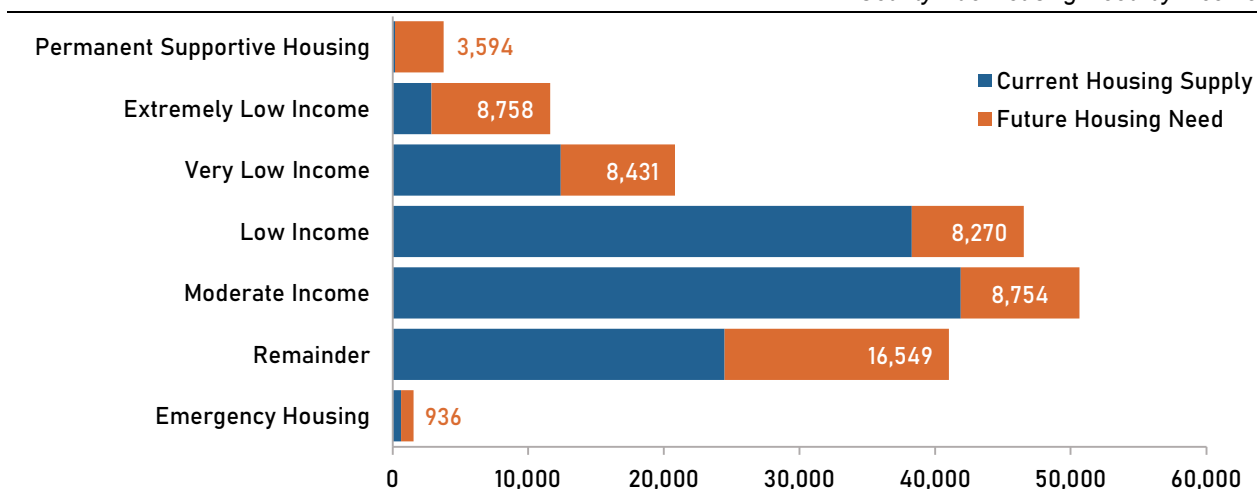


Local and Regional Efforts to Address Housing Affordability

A Growing Need for Affordable Housing

Data from TRPC and the state Dept. of Commerce identify a need for 54,356 new housing units to accommodate our region's growing population. To address the current housing affordability crisis — and to ensure future residents can afford housing — **29,053 additional units will need to be affordable to low-income households**. An additional 936 emergency housing units and beds are needed for the population experiencing homelessness.

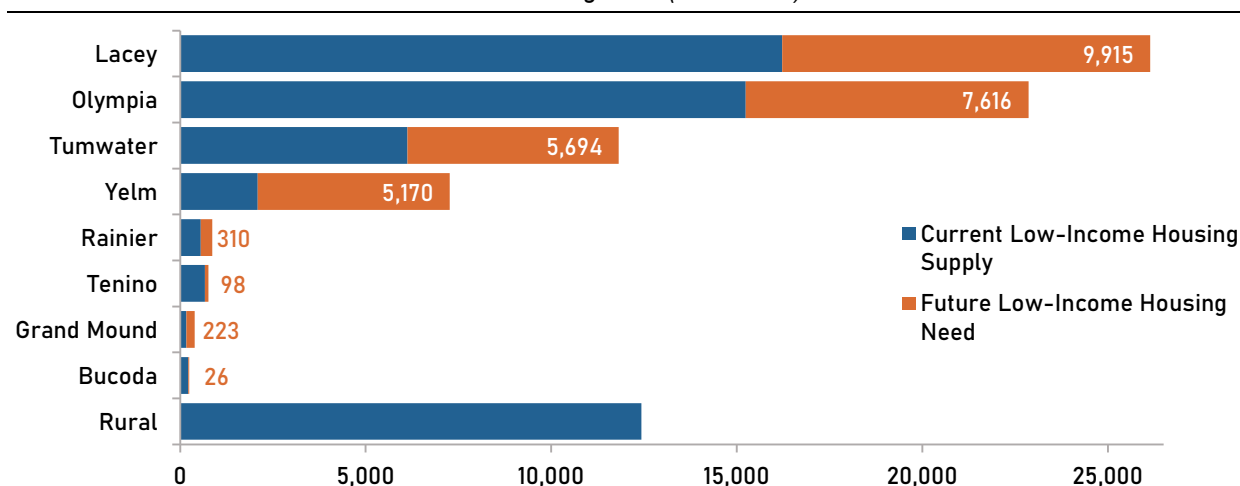
Figure 1
Countywide Housing Need by Income



Where Should Affordable Housing Go?

HB 1220 gives jurisdictions discretion to decide how much low-income housing each jurisdiction should plan for, as long as the countywide need is addressed. The project partners recommended TRPC accept an allocation that met the three values they identified: **fair, clear, and cooperative**.

Figure 2
Low-Income Housing Need (0-80% AMI) Allocated to Each Jurisdiction and its UGA

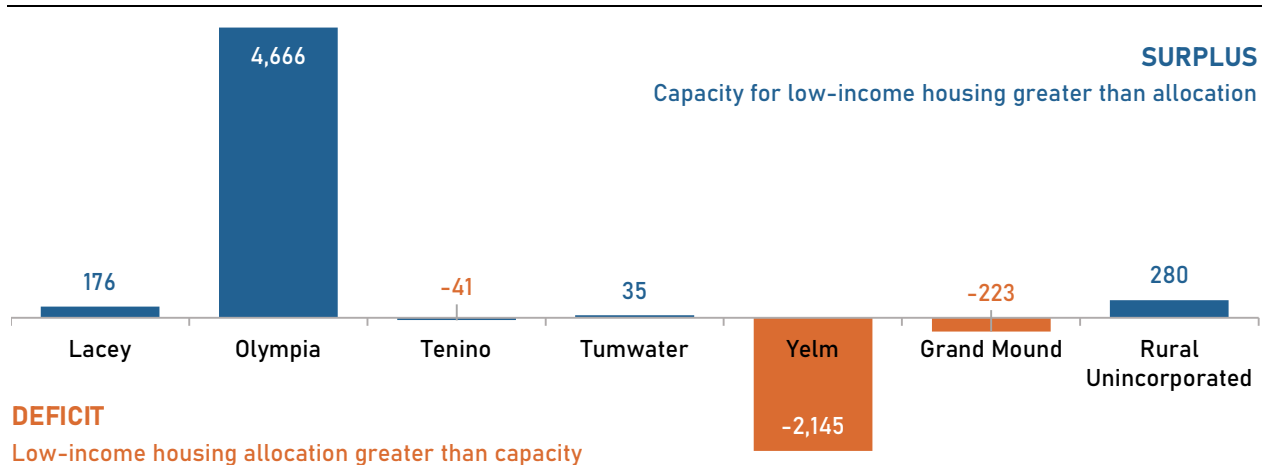


Thurston County's urban areas generally allow a wide range of housing types that can accommodate affordable housing, including accessory dwellings, duplexes, triplexes, manufactured homes, and apartments.

Is Land the Barrier?

The project included a land capacity analysis that compared the low-income housing need allocated to each jurisdiction to the amount of buildable land in zones that can accommodate low-income housing types. **For most jurisdictions, land — and how it is zoned — is not the barrier to accommodating low-income housing.** Deficits were only found in three jurisdictions: Tenino, Yelm, and the Grand Mound UGA.

Figure 3
Low-Income Housing Need Compared to Capacity for Jurisdictions and Their UGAS



Findings and Next Steps

The land capacity analysis found that:

- The Lacey, Olympia, and Tumwater urban areas, and the rural unincorporated County have sufficient capacity to accommodate future low-income housing needs, as allocated regionally.
- The Tenino, Yelm, and Grand Mound urban areas have deficits in capacity to accommodate future low-income housing need, as allocated regionally. These jurisdictions will need to include strategies in their comprehensive plan update that will eliminate these deficits.

While HB 1220 requires jurisdictions to ensure zoning is not a barrier to affordable housing, on its own, the law will not lead to more affordable housing. All jurisdictions will need to identify policies, programs, and funding gaps to achieve the region's affordable housing goals in the housing elements of their comprehensive plans. Jurisdictions will also need to implement the other requirements of HB 1220 not discussed in this report, including addressing policies with racially disparate impacts and establishing anti-displacement policies.

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INTRODUCTION

In 2021, the Washington State Legislature passed HB 1220 which requires cities, towns, and counties to “plan for and accommodate” future housing affordable to a range of incomes and to document the projected housing need each jurisdiction is planning for in the housing element of its comprehensive plan. Specifically, jurisdictions must estimate the number of housing units needed for moderate, low, very low, and extremely low-income households; and emergency housing, emergency shelters, and permanent supportive housing (Table 1). Jurisdictions must also show that there is sufficient land available to accommodate the housing need identified.

The state Dept. of Commerce (Commerce) provided guidance for jurisdictions to implement HB 1220¹. The guidance recommends that jurisdictions work collaboratively to implement the law. In that spirit, Thurston County and the cities of Lacey, Olympia, Tenino, Tumwater, and Yelm (the “project partners”) contracted with Thurston Regional Planning Council (TRPC) to facilitate a process among the project partners and provide the necessary data analysis. The city of Rainier and town of Bucoda were also invited to participate.

The project was completed in two phases. In Phase 1, the project partners reviewed options for allocating the countywide housing need to jurisdictions. In Phase 2, TRPC completed a land capacity analysis identifying any zoning constraints to accommodating those allocations.

HB 1220 also established requirements for jurisdictions to identify local policies and regulations that result in racially disparate impacts, displacement, and exclusion in housing and identify and implement policies and regulations to undo them; and identify areas at higher risk of displacement and establish anti-displacement policies. These requirements are being addressed by the jurisdictions in a separate process and are not included in this report.

Table 1: Housing Types Called out in HB 1220, and Thurston County Income Thresholds

Housing Type	Percent of Thurston Area Median Income*	Equivalent 2023 Household Income*
Extremely Low Income	Less than 30%	Less than \$30,750
Very Low Income	30 to 50%	\$30,750 to \$51,250
Low Income	50 to 80%	\$51,250 to \$82,000
Moderate Income	80 to 120%	\$82,000 to \$102,500
Permanent supportive housing	Subsidized, leased housing with no limit on length of stay that prioritizes people who need comprehensive support services to retain tenancy and utilizes admissions practices designed to use lower barriers to entry than would be typical for other subsidized or unsubsidized rental housing, especially related to rental history, criminal history, and personal behaviors.	
Emergency housing	Temporary indoor accommodations for individuals or families who are homeless or at imminent risk of becoming homeless that is intended to address the basic health, food, clothing, and personal hygiene needs of individuals or families. Emergency housing may or may not require occupants to enter into a lease or an occupancy agreement.	
Emergency shelter	Facilities that provide a temporary shelter for individuals or families who are currently homeless. Emergency shelter may not require occupants to enter into a lease or an occupancy agreement. Emergency shelter facilities may include day and warming centers that do not provide overnight accommodations.	

Note: Housing types are defined in [RCW 36.70A.030](#). *Income thresholds are based on HUD estimates for a family of four.

Income Ranges

HB 1220 uses information from the U.S. Department of Housing and Urban Development (HUD) to define income levels. While the percent of the area median income (e.g. 30-50% AMI) is used as shorthand for the income ranges in this report, these values refer to a four-person reference household. HUD adjusts income thresholds based on household size.

HOUSING NEED ALLOCATIONS

The first step in implementing HB 1220 is to identify the housing need allocation for each jurisdiction — the number of units apportioned to each jurisdiction to meet the countywide need for moderate, low, very low, and extremely low-income households; and emergency housing, emergency shelters, and permanent supportive housing. While HB 1220 requires Commerce to identify the countywide number of units in each income range, it gives jurisdictions discretion in how that need is allocated to cities, unincorporated urban growth areas (UGAs), and the rural unincorporated County.

Between August and October 2023, TRPC convened a project team that included planning directors and staff from Thurston County and the cities of Lacey, Olympia, Tumwater, and Yelm. This group identified the following shared values to assess different housing need allocation methods and select a preferred approach:

Fair

- Distributes new low-income units across all jurisdictions
- Recognizes the differences among jurisdictions and existing housing distribution
- Recognizes needs of community members – especially people who rely on permanent supportive housing and emergency housing

Clear

- Easy to communicate to public and elected officials
- Tailored to jurisdiction boundaries (including UGAs)
- Uses established methods to limit risk of legal challenges

Cooperative

- Builds on existing structures and processes – including the Regional Housing Council, Comprehensive Plan updates, Countywide Planning Policies
- Supported by all workgroup members

The project partners also agreed that the total number of housing units allocated to each jurisdiction should be consistent with the jurisdiction population, employment, and housing projections adopted by TRPC in September 2019.²

Countywide Housing Needs

HB 1220 builds on existing requirements for jurisdictions to plan for population growth. TRPC's most recent population and employment forecast estimates that 54,356 new housing units will be needed between 2020 and 2045 to support projected population growth (88,707 new people).² Table 2 shows the number of housing units projected for each jurisdiction. These projections were developed consistent with Thurston County's Countywide Planning Policies.

Table 2: TRPC Projected Housing Need by Jurisdiction

		Housing Units		
		2020 Census	2045 TRPC Projection	2020-2045 Projected Need
Bucoda	Town	241	375	134
Lacey	City	23,042	28,196	5,154
	UGA	13,562	22,532	8,970
Olympia	City	25,642	38,286	12,644
	UGA	5,093	6,744	1,651
Rainier	City	850	1,421	571
	UGA	54	77	23
Tenino	City	780	1,299	519
	UGA	5	14	9
Tumwater	City	11,064	17,740	6,676
	UGA	1,210	3,726	2,516
Yelm	City	3,456	10,960	7,504
	UGA	515	659	144
Grand Mound	UGA	424	734	310
Rural Unincorporated		35,500	43,031	7,531
Total		121,438	175,794	54,356

Note: TRPC forecast adopted September 6, 2019, for jurisdiction boundaries as of September 1, 2023. Numbers may not add to total due to rounding.

HB 1220 adds a requirement that jurisdictions plan for a specific number of housing units affordable for moderate, low, very low, and extremely low-income households; and emergency housing, emergency shelters, and permanent supportive housing. Commerce's Housing for All Planning Tool (HAPT)² provided the estimated housing need for each income range and housing type shown in Table 3. Income ranges are expressed as a percent of the area median income; the equivalent household incomes for the Thurston region in 2023 are shown in Table 3. While HB 1220 does not require jurisdictions to plan for housing affordable to households earning more than 120% of the area median income, this need is included so the number of units can be summed up to the total (identified as "Remainder" in tables).

While cities, towns, and counties have discretion over how this need is allocated among the jurisdictions, the countywide housing need identified by Commerce for each income range cannot be changed.

Table 3: Dept. of Commerce Housing Needs by Income Level for Thurston County

	Estimated Supply (2020)	Total Future Supply (2045)	Net Need (2020-2045)	Estimated Supply (2020)	Total Future Supply (2045)	Net Need (2020-2045)
Housing Units						
0-30% AMI (PSH)	180	3,774	3,594	0.1%	2.1%	6.6%
0-30% AMI (Non-PSH)	2,874	11,632	8,758	2.4%	6.6%	16.1%
30-50% AMI	12,405	20,836	8,431	10.2%	11.9%	15.5%
50-80% AMI	38,285	46,555	8,270	31.5%	26.5%	15.2%
80-100% AMI	26,403	30,776	4,373	21.7%	17.5%	8.0%
100-120% AMI	15,489	19,870	4,381	12.8%	11.3%	8.1%
Remainder	24,476	41,025	16,549	20.2%	23.3%	30.4%
Other	1,327	1,327	0	1.1%	0.8%	0.0%
Total	121,438	175,794	54,356	100.0%	100.0%	100.0%
Emergency Housing (Beds)	626	1,562	936	—	—	—

Note: "AMI" refers to the area median family income, which HUD estimates was \$102,500 in 2023 for Thurston County. Income ranges are expressed relative to the AMI; income ranges are for a family of four. "PSH" is permanent supportive housing. "Other" includes recreational, seasonal, or migrant labor housing. Numbers may not add up to totals due to rounding. Housing types are defined in [RCW 36.70A.030](#).

Baseline Housing Supply

The project partners agreed that it was important to plan for housing in both the incorporated and unincorporated urban growth areas of each jurisdiction. Since the tools provided by Commerce did not provide estimates for UGAs, TRPC revised the baseline housing supply estimates provided by Commerce using the assumptions listed below. In addition, TRPC revised the baseline supply to reflect current (September 1, 2023) jurisdiction boundaries.

- Use TRPC's parcel-level housing estimates where newly annexed jurisdiction boundaries do not align with 2020 Census blocks.
- The percentage of housing by income range in each UGA is the same as what Commerce estimated in the HAPT tool for its adjacent incorporated area.
- There is no permanent supportive housing or emergency housing in the unincorporated UGA.
- Any permanent supportive housing units where Commerce was unable to determine the jurisdiction (68 units total) were assumed to be in Olympia based on data provided by Olympia staff in the 2023-2027 Thurston-Olympia Consolidated Plan.
- The revised housing supply uses newly released 2020 decennial census data on seasonal and migrant housing instead of American Community Survey (ACS) estimates used in the Commerce HAPT tool. (While HB 1220 does not require jurisdictions to plan for seasonal and migrant housing, these units are removed from the available housing supply.)

HB 1220 only requires housing need allocations for cities, towns, and the unincorporated areas. However, the partners requested housing allocations for the unincorporated UGAs to inform how they plan for housing needs in areas likely to be annexed over the next 20 years. These UGA estimates are for informational purposes only; Thurston County — in consultation with the cities — has discretion over how

the housing need is allocated between urban and rural unincorporated areas as long as the total housing units align with Table 1.

Preferred Allocation Method

The project partners reviewed several methods for allocating the countywide housing need to jurisdictions. Two methods were developed by Commerce in its HAPT tool. TRPC staff also meet with staff from King, Kitsap, Pierce, and Snohomish Counties to discuss their method. Due to their earlier periodic Comprehensive Plan update deadline, all four counties had made progress implementing HB 1220.

The project partners ultimately preferred a variation of the method used by Snohomish County, because it best achieves the shared values identified on Page 7. The preferred method modifies the Snohomish County method so that no low-income housing or emergency housing is allocated to the rural unincorporated County. The partners developed this modification in response to feedback from Commerce that **residential zoning in rural areas — predominantly large, single-family lots — cannot accommodate the housing types and utilities required for low-income housing, permanent supportive housing, and emergency housing.**

The preferred method:

- Begins with an expectation that each jurisdiction should plan for the same share of the new housing need in each income range, but credits jurisdictions that currently have a higher-than-average share of low-income housing.
- Results in allocations that are positive and consistent with the housing need projected for each jurisdiction (Table 2) and for each income range countywide (Table 3).
- Is consistent with the Countywide Planning Policies and is supported by all project partners.
- Limits allocation of low-income housing to rural areas, in line with Commerce guidance.

The preferred housing need allocation is shown in Table 4; the process for calculating it is described in Appendix I. The housing need allocations were accepted by TRPC on **December 6, 2024 (anticipated)**. These allocations replace numbers provisionally accepted by TRPC on March 1, 2024.

Table 4: 2020-2045 Housing Need Allocations

		Housing Units								Beds
		Total	Income Level (Percent of Area Median Income)							Emergency Housing
			0-30%		30-50%	50-80%	80-100%	100-120%	Remainder	
			PSH	Non-PSH						
Bucoda	Town	134	6	12	0	8	67	20	21	3
Lacey	City	5,154	424	1,086	1,199	515	0	540	1,390	103
	UGA	8,970	684	1,698	1,468	2,841	0	721	1,558	179
	Total	14,124	1,108	2,784	2,667	3,357	0	1,261	2,948	282
Olympia	City	12,644	942	2,339	2,877	590	2,093	1,144	2,660	253
	UGA	1,651	156	278	435	0	235	152	395	33
	Total	14,295	1,098	2,617	3,312	590	2,328	1,296	3,055	286
Rainier	City	571	43	107	0	161	44	103	114	11
	UGA	23	0	0	0	0	0	0	23	0
	Total	594	43	107	0	161	44	103	137	12
Tenino	City	519	33	65	0	0	220	96	105	10
	UGA	9	0	0	0	0	0	0	9	0
	Total	528	33	65	0	0	220	96	114	11
Tumwater	City	6,676	554	1,320	1,002	1,129	806	627	1,238	133
	UGA	2,516	170	415	307	797	333	171	323	50
	Total	9,192	723	1,736	1,309	1,926	1,140	798	1,561	184
Yelm	City	7,504	557	1,373	1,090	2,085	518	757	1,125	150
	UGA	144	10	25	30	0	0	41	38	3
	Total	7,648	567	1,398	1,120	2,085	518	798	1,163	153
Grand Mound	UGA	310	16	40	23	143	57	11	19	6
Rural Unincorporated		7,531	0	0	0	0	0	0	7,531	0
Thurston County		54,356	3,594	8,758	8,431	8,270	4,373	4,381	16,549	936

Accepted by TRPC on *December 6, 2024 (anticipated)*.

Note: Numbers may not add to totals due to rounding. "PSH" refers to permanent supportive housing.

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LAND CAPACITY ANALYSIS

The second step in implementing HB 1220 is a land capacity analysis to identify if there is sufficient capacity — based on zoning and development regulations — to accommodate the identified housing need. Commerce’s guidance for updating housing elements¹ outlines five steps for completing the land capacity analysis, which are described in this report:

1. Summarize Land Capacity by Zone
2. Categorize Zones by Allowed Housing Types and Density Category
3. Relate Zone Categories to Potential Income Levels and Housing Types
4. Summarize Capacity by Zone Category
5. Compare Allocated Housing Need to Capacity

These steps are described below. The land capacity analysis was completed as part of Phase 2 of the project.

Due to the unique nature of joint planning in Thurston County, the partners requested that the land capacity analysis combine data for cities and their unincorporated urban growth areas. How low-income housing is allocated within unincorporated urban areas will be addressed in the cities’ comprehensive plans and the joint plans the cities have with Thurston County.

Summarize Land Capacity by Zone

“Capacity” refers to the potential number of new dwelling units that could be built on a parcel based on zoning, development regulations, development trends, and market factors. Capacity includes greenfield development, infill development, and redevelopment. Under the ILA for Phase 2, the partners agreed to use the land capacity model developed for TRPC’s most recently adopted forecast and the 2021 Buildable Lands report. The documentation for that model — including the assumptions that went into it — can be found in TRPC’s forecast documentation⁴ and the Buildable Lands report⁵.

The capacity estimates for each zone are shown in Appendix II.

Changes from Adopted Forecast

While TRPC used the same land capacity model to develop TRPC’s adopted forecast and the 2021 Buildable Lands Report, the capacity estimates differ from those published in 2021 Buildable Lands Report for the following reasons:

Extension of Planning Horizon to 2045. The planning horizon for the Buildable Lands Report was 2040 while the planning horizon for Comprehensive Plans is 2045. The capacity for housing need allocations includes additional capacity due to:

- Land expected to be redevelopable after 2040
- Accessory dwelling units expected to be built between 2040 and 2045
- Development of some master planned communities projected to occur after 2040

- Difficult-to-sewer areas and areas without sewer expected to have sewer after 2040

Recent development. TRPC also adjusted the capacity to account for recent housing development. If a project was permitted that exceeded the capacity estimate in TRPC’s model, the capacity was revised to the permitted number of units.

TRPC did not revise capacity to account for changes in market trends, zoning, or development regulations that have occurred since the last forecast was updated. Doing so would require substantial updates to the population and housing forecast adopted by TRPC in 2019 that serves as the foundation for the housing need allocations and was not included in the scope of work of the current ILA.

Bush Prairie Habitat Conservation Plan. The City of Tumwater and the Port of Olympia are working on a habitat conservation plan (the “Bush Prairie HCP”) to mitigate the impacts of development on four species protected under the Endangered Species Act. TRPC’s adopted forecast includes assumptions that mitigation in the Bush Prairie HCP (and other jurisdiction HCPs) would reduce capacity in the rural unincorporated County. However, the latest draft of the Bush Prairie HCP identifies significant mitigation within Tumwater’s city limits. Therefore, the land capacity analysis reduced capacity in the zones where mitigation is most likely to occur by the factors show in Table 5. The estimated acres removed for mitigation were provided by Tumwater staff.

Table 5. Capacity Reduction Factors for Bush Prairie HCP

Zone	Acres Removed for Mitigation	Total Area (Vacant Parcels)	Reduction Factor
MFH	5	18.7	26.8%
MFM	30	83.1	36.1%
MU	30	27.0	100.0%
SFL	190	354.6	53.6%
SFM	40	227.2	17.6%

Note: Acres removed for mitigation provided by Tumwater staff. Total area is from TRPC’s land capacity model. Reduction only applied to capacity on vacant parcels.

Capacity for Accessory Dwelling Units

TRPC’s method for projecting accessory dwelling units (ADUs) mirrors Commerce’s guidance. TRPC projects the number of ADUs likely to be built over the next 20 to 25 years based on past trends and recent changes to development regulations. The units are then allocated to “potential ADU lots.” The estimated number of ADUs for each jurisdiction is shown in Table 6.

Within urban areas of Thurston County (including cities, towns, and unincorporated urban areas), TRPC projects 565 ADUs across 11,886 potential ADU lots — a participation rate of about five percent. Potential lots have only one single-family unit and no additional dwellings and are located in areas platted prior to 1970 (referred to as “infill areas”). For the rural unincorporated county, TRPC projects 280 ADUs across 24,271 potential ADU lots — a participation rate of about one percent. Potential lots have one single-family unit and no additional dwellings.

For the land capacity analysis, Tumwater and Yelm requested revisions to the ADU assumptions in their urban areas based on observed or expected trends. These are shown in Table 6.

Table 6: Estimates of Accessory Dwelling Units by Jurisdiction.

Jurisdiction		Accessory Dwellings		Potential ADU Lots
		Adopted Forecast	For LCA	
Bucoda	City	9	No Change	195
Lacey	City	97	No Change	2,045
	UGA	43	No Change	906
Olympia	City	309	No Change	6,502
	UGA	1	No Change	16
Rainier	City	5	No Change	104
	UGA	0	No Change	0
Tenino	City	19	No Change	395
	UGA	0	No Change	0
Tumwater	City	73	No Change	1,536
	UGA	0	10	0
Yelm	City	9	100	185
	UGA	0	20	2
Grand Mound	UGA	0	No Change	0
Urban Total		565	686	11,886
Rural Total		280	No Change	24,271
Countywide		845	966	36,157

Capacity for Emergency Housing

Per Commerce's guidance, jurisdictions do not need to do a land capacity analysis for emergency housing if:

- The jurisdiction has one or more zones that allow hotels, all of which allow for emergency housing by right. Alternatively, this condition may be met by demonstrating that emergency housing is allowed by right in a majority of zones within a one-mile proximity to transit.
- The jurisdiction has no regulations that limit the occupancy, spacing, or intensity of emergency housing.

The project partners confirmed at least one of these conditions applied to their jurisdictions, therefore TRPC did not complete a land capacity analysis for emergency housing.

Categorize Zones by Allowed Housing Types and Density Category

Step 2 of Commerce’s guidance recommends that jurisdictions assign a density category to each zone based on the density and types of housing allowed. The partners agreed to use the example categories in Commerce’s guidance shown in Table 7. In May 2024, TRPC met with jurisdiction staff to review the housing types allowed in each zone and assign a density category; this information is shown in Appendix II.

Table 7: Categories for Classifying Zones by Housing Types Allowed

Zone Category	Typical housing types allowed
Low Density	Detached single-family homes
Moderate Density	Townhomes, duplex, triplex, quadplex
Low-rise Multifamily	Walk-up apartments (up to 3 floors)
Mid-rise Multifamily	Apartments in buildings with ~4-8 floors (~40-85 feet in height)
High-rise/Tower	Apartments in buildings with ~9 or more floors (>85 feet in height) and requiring steel frame construction

Note: Adapted from Commerce’s guidance. Manufactured homes are not listed as a housing type because by law they should be allowed in all zones that permit residential uses. High-Rise/Tower zones are likely to be relevant only in major metropolitan cities. Condominiums are omitted since they are a type of ownership, not housing.

Relate Zone Categories to Potential Income Levels and Housing Types

For the land capacity analysis, housing types are tied to an affordability level. Commerce’s guidance provides examples of this relationship for moderate- and high-cost communities in Washington State which may be used in the land capacity analysis if a more detailed market analysis is not available. The project partners agreed to use the relationship for moderate-cost communities (Table 8) for this analysis.

Note that the assigned affordability levels are intended to indicate the potential for that zone to accommodate housing affordable to different income levels, not a guarantee that any housing in those zones actually will be affordable at specific household income levels.

Table 8: Relationship of Zone Categories to Housing Income Levels Served in Moderate-Cost Communities

Zone category	Lowest potential income level served		Assumed affordability level for capacity analysis
	Market Rate	With subsidies and/or incentives	
Low Density	Higher income (>120% AMI)	Not typically feasible at scale	Higher income (>120% AMI)
Moderate Density	Moderate income (>80-120% AMI)	Not typically feasible at scale	Moderate income (>80-120% AMI)
Low-rise Multifamily	Low income (>50-80% AMI)	Extremely low and Very low income (0- 50% AMI)	Low income and PSH (0-80% AMI)
Mid-rise Multifamily	Low income (>50-80% AMI)	Extremely low and Very low income (0- 50% AMI)	Low income and PSH (0-80% AMI)
ADUs (all zones)	Low income (>50-80% AMI)	N/A	Group with Low-rise and/or Mid-rise Multifamily

Note: Adapted from Commerce's guidance

Capacity for Low-Income Housing in Moderate Density Zones

The project partners noted that in some situations, low-income housing may be built in low or moderate density zones. This could include:

- Housing built by Habitat for Humanity or similar organizations. Table 9 shows the number of recently constructed Habitat for Humanity projects in Thurston County.
- Under HB 1110, cities between 25,000 and 75,000 are required to allow duplexes in residential zones, and quadplexes if at least one unit is affordable to a low-income household.

The land capacity analysis used HB 1110 as a guide for estimating how much capacity in moderate-density zones could accommodate low-income housing. The land capacity model found 1,104 parcels in Lacey, Olympia, and Tumwater — the three jurisdictions affected by the law — with capacity for four or more units. Total capacity on those parcels is 18,697, or 4,674 low-income units assuming one in four is an income-restricted unit (Table 10).

Table 9: Recent or Upcoming Habitat for Humanity Projects

Jurisdiction	Project	Units	Zone	Density Category
Lacey	Deyoe Vista Subdivision	33	MD	Low-rise Multifamily
Tumwater	Tâlicn Housing Development	28	MFM	Low-rise Multifamily
Yelm	—	22	R-4	Moderate Density
Olympia	3900 Boulevard Rd	112	RM-18	Low-rise Multifamily
Olympia	Fairview	16	R-4-8	Moderate Density
Olympia	Trinity Court	6	R-4-8	Moderate Density
Olympia	Covenant Court	20	RM-24	Mid-rise Multifamily
Total		237		

Table 10: Parcels with Capacity for Four or More Units in Moderate Density Zones

Jurisdiction		Parcels	Capacity	
			Total	Low-Income
Lacey	City	92	1,540	385
	UGA	334	8,376	2,094
Olympia	City	333	3,144	786
	UGA	114	1,466	366
Tumwater	City	205	3,737	934
	UGA	26	435	109
Total		1,104	18,697	4,674

Summarize Capacity by Zone Category

In Step 4, the total capacity in each zone category is summarized. This provides the total capacity that could accommodate housing in each income level. These totals are shown in Table 11; detailed capacity by zone is in Appendix II (“Total Capacity” columns).

Table 11: Capacity by Zone Category

	ADUs	Midrise Multifamily	Lowrise Multifamily	Moderate Density		Low Density	Total
	0-80% AMI	0-80% AMI	0-80% AMI	0-80% AMI	80-120% AMI	>120% AMI	
Lacey and UGA	140	2,387	5,085	2,479	8,256	50	18,397
Olympia and UGA	310	3,468	7,352	1,152	5,404	1,255	18,941
Tenino and UGA	19	39	0	0	376	211	644
Tumwater and UGA	83	1,455	3,148	1,043	3,692	2,441	11,861
Yelm and UGA	120	0	2,655	0	5,610	745	9,130
Rainier UGA	0	0	0	0	0	108	108
Grand Mound UGA	0	0	0	0	406	0	406
Rural Unincorporated	280	0	0	0	0	17,744	18,024
All Partner Jurisdictions	952	7,349	18,239	4,674	23,744	22,554	77,512

Compare Allocated Housing Need to Capacity

The final step of the land capacity analysis is to compare the allocated housing need allocated to each jurisdiction to the capacity for new housing. A summary of the difference between the allocated housing need and capacity is shown in Table 12; detailed findings are shown in Tables 13-20 (“Surplus or Deficit” columns). A positive number (surplus) indicates that there is sufficient capacity to accommodate the allocated housing need for a given income level while a negative number (deficit) indicates that there is insufficient capacity. HB 1220 does not require jurisdictions to plan for or accommodate housing for high-income households; data for that income range is excluded.

The land capacity analysis found no deficits in the Lacey, Olympia, and Tumwater urban areas. Deficits were found in Tenino, Yelm, and Grand Mound. The project partners agreed that they would identify strategies to eliminate these deficits as part of their periodic Comprehensive Plan updates. All deficits were found in the low-income categories; no deficits were found in the moderate-income range.

No deficits were found in the rural unincorporated County. Per Commerce guidance, the low-density residential zoning in rural areas — predominantly large lots — cannot accommodate the housing types and utilities required for low-income housing, permanent supportive housing, and emergency housing.

Table 12: Summary of Surplus/Deficit by Jurisdiction

	Lacey and UGA	Olympia and UGA	Tenino and UGA	Tumwater and UGA	Yelm and UGA	Rainier UGA	Grand Mound UGA	Rural
Aggregate Housing Need								
0-80% AMI	9,915	7,616	98	5,694	5,170	0	223	0
80-120% AMI	1,261	3,623	316	1,937	1,316	0	68	0
Capacity								
0-80% AMI	10,091	12,282	58	5,729	3,025	0	0	280
80-120% AMI	8,256	5,404	376	3,692	5,860	0	406	0
Surplus / Deficit								
0-80% AMI	176	4,666	-41	35	-2,145	0	-223	280
80-120% AMI	6,995	1,781	60	1,755	4,545	0	338	0

Note: A positive number (surplus) indicates that there is sufficient capacity to accommodate the allocated housing need for a given income level while a negative number (deficit) indicates that there is insufficient capacity

Yelm Master Planned Community

Yelm is the community with the largest deficit in the land capacity analysis. However, 60 percent of Yelm’s capacity for future housing — an estimated 5,000 units — is on 1,250 vacant acres zoned Master Planned Community (MPC). The land capacity analysis assumes that 2,000 low-rise multifamily units that could accommodate low-income households, and 3,000 moderate density units that could accommodate moderate-income households. However, exactly how much affordable housing this area could accommodate will depend on the master plan the City approves.

Table 13: Lacey City and UGA

Income Level	Zone Categories Serving These Needs	Housing Need	Aggregate Housing Need	Total Capacity	Surplus or Deficit
0-30% PSH	Low-rise Multifamily Mid-rise Multifamily ADUs	1,108	9,915	10,091	176
0-30% Other		2,784			
30-50%		2,667			
50-80%		3,357			
80-100%	Moderate Density	0	1,261	8,256	6,995
100-120%		1,261			

Table 14: Olympia City and UGA

Income Level	Zone Categories Serving These Needs	Housing Need	Aggregate Housing Need	Total Capacity	Surplus or Deficit
0-30% PSH	Low-rise Multifamily Mid-rise Multifamily ADUs	1,098	7,616	12,282	4,666
0-30% Other		2,617			
30-50%		3,312			
50-80%		590			
80-100%	Moderate Density	2,328	3,623	5,404	1,781
100-120%		1,296			

Table 15: Tenino City and UGA

Income Level	Zone Categories Serving These Needs	Housing Need	Aggregate Housing Need	Total Capacity	Surplus or Deficit
0-30% PSH	Low-rise Multifamily Mid-rise Multifamily ADUs	33	98	58	-41
0-30% Other		65			
30-50%		0			
50-80%		0			
80-100%	Moderate Density	220	316	376	60
100-120%		96			

Table 16: Tumwater City and UGA

Income Level	Zone Categories Serving These Needs	Housing Need	Aggregate Housing Need	Total Capacity	Surplus or Deficit
0-30% PSH	Low-rise Multifamily Mid-rise Multifamily ADUs	723	5,694	5,729	35
0-30% Other		1,736			
30-50%		1,309			
50-80%		1,926			
80-100%	Moderate Density	1,140	1,937	3,692	1,755
100-120%		798			

Table 17: Yelm City and UGA

Income Level	Zone Categories Serving These Needs	Housing Need	Aggregate Housing Need	Total Capacity	Surplus or Deficit
0-30% PSH	Low-rise Multifamily Mid-rise Multifamily ADUs	567	5,170	3,025	-2,145
0-30% Other		1,398			
30-50%		1,120			
50-80%		2,085			
80-100%	Moderate Density	518	1,316	5,860	4,545
100-120%		798			

Table 18: Rainier UGA

Income Level	Zone Categories Serving These Needs	Housing Need	Aggregate Housing Need	Total Capacity	Surplus or Deficit
0-30% PSH	Low-rise Multifamily Mid-rise Multifamily ADUs	0	0	0	0
0-30% Other		0			
30-50%		0			
50-80%		0			
80-100%	Moderate Density	0	0	0	0
100-120%		0			

Note: Rainier did not participate in the project so data for the city are not available

Table 19: Grand Mound UGA

Income Level	Zone Categories Serving These Needs	Housing Need	Aggregate Housing Need	Total Capacity	Surplus or Deficit
0-30% PSH	Low-rise Multifamily Mid-rise Multifamily ADUs	16	223	0	-223
0-30% Other		40			
30-50%		23			
50-80%		143			
80-100%	Moderate Density	57	68	406	338
100-120%		11			

Table 20: Rural Unincorporated County

Income Level	Zone Categories Serving These Needs	Housing Need	Aggregate Housing Need	Total Capacity	Surplus or Deficit
0-30% PSH	Low-rise Multifamily Mid-rise Multifamily ADUs	0	0	280	280
0-30% Other		0			
30-50%		0			
50-80%		0			
80-100%	Moderate Density	0	0	0	0
100-120%		0			

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REFERENCES

1. Dept. of Commerce (2023) Guidance for Updating Your Housing Element
<https://deptofcommerce.app.box.com/s/1d9d5l7g509r389f0mjpowh8isjpirlh>
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3. TRPC (September 6, 2019) Consent Calendar
<https://www.trpc.org/Calendar.aspx?EID=344>
4. TRPC (2019) Population and Employment Land Supply Assumptions for Thurston County
<https://www.trpc.org/236/Population-Employment-Forecasting>
5. TRPC (2021) Buildable Lands Report for Thurston County
<https://www.trpc.org/164/Buildable-Lands>

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APPENDIXES

Appendix I: Housing Need Allocation Method

The project partners preferred the method used by Snohomish County to allocate the housing need to jurisdictions best achieved the values the group identified: fair, clear, and cooperative.

The Snohomish County method was modified so that no low-income housing or emergency housing was allocated to the rural unincorporated County. This was in response to feedback from Commerce that residential zoning in rural areas — predominantly large lots — could not accommodate the housing types and utilities required for low-income housing, permanent supportive housing, and emergency housing.

The allocation method follows a four-step process. Examples for the city of Lacey are include.

Step 1: Same-Share Housing Need (HAPT Method A)

Calculate each jurisdiction's 2020-2045 housing need, assuming the same percentage is affordable in every jurisdiction. This is the same as Allocation Method A in Commerce's HAPT tool.

16.1% of the countywide 2020-2045 housing need needs to be affordable to a very low-income household. For the city of Lacey, that would equate to 799 housing units.

Step 2: Theoretical Housing Baseline

Calculate the theoretical 2020 housing supply if every jurisdiction had the same share of housing in each income range.

Currently, 10.3% of housing units in Thurston County are affordable to a very low-income household. If the percentage of housing affordable in each income range was the same in every jurisdiction, Lacey would have 2,371 housing units affordable to a very low-income household.

Step 3: Housing Need Adjustment Factor

Subtract the theoretical 2020 housing supply (Step 2) from the actual 2020 housing supply to get an adjustment factor.

Lacey currently has 1,832 housing units affordable to a very low-income household — less than the theoretical equal-share distribution (Step 2). Lacey's housing need adjustment factor for the very-low-income range is 539 housing units (2,371 minus 1,832).

Step 4: Initial Housing 2020-2045 Need

Add the housing need adjustment (Step 3) to the same-share allocation (Step 1). Set any negative allocations in Step 4 to zero. Set any low- or moderate-income housing (0 to 120% AMI) allocated to the rural unincorporated County to zero.

Lacey's initial housing need is 1,338 housing units (799 plus 539). If this number had been negative, it would be set to zero.

Step 5: Final 2020-2045 Housing Need

Removing the negative allocations results in total housing numbers that are higher than Commerce's estimate of housing need. Step 5 reduces the allocations generated in Step 4 proportionally to match both TRPC's housing unit projections for each jurisdiction and the countywide housing need in each income range identified by Commerce. An iterative process is used — called "Iterative Proportional Fitting" — to ensure that all rows and columns sum to the correct total.

After the negative allocations in Step 4 are set to zero, the total low-income housing allocation for all jurisdictions is 159 units higher than the countywide need. The initial allocations are reduced to match the housing totals (Table 2 and Table 3).

Table 21: Preferred Method Sample Calculation of the Very-Low-Income (30-50% AMI) Housing Need.

Jurisdiction		2020 Housing Supply	Step 1	Step 2	Step 3	Step 4	Step 5
			Equal-Share Housing Need	Theoretical 2020 Supply	Adjustment Factor	Initial Allocation	Final Allocation
Bucoda	Town	120	21	25	-96	Less Than 0	0
Lacey	City	1,832	799	2,371	539	1,338	1,199
	UGA	1,075	1,391	1,391	316	1,707	1,468
Olympia	City	1,782	1,961	2,635	853	2,814	2,877
	UGA	356	256	522	167	423	435
Rainier	City	211	89	88	-123	Less than 0	0
	UGA	13	4	5	-8	0	0
Tenino	City	211	80	81	-130	Less than 0	0
	UGA	1	1	1	-1	0	0
Tumwater	City	1,099	1,036	1,138	39	1,075	1,002
	UGA	120	390	124	4	394	307
Yelm	City	247	1,164	356	109	1,273	1,090
	UGA	37	22	53	16	39	30
Grand Mound	UGA	52	48	43	-9	39	23
Rural		5,249	1,168	3,573	-1,677	Less than 0	0
Total		12,405	8,431	12,405	0	9,103*	8,431

Notes: *Sum of positive values.

Appendix II: Estimated Capacity and Density Category by Zone

Notes: P: housing type is permitted; C: housing type is conditionally allowed. Information is included to support the density category assigned to each zone. Consult jurisdiction code for specifics on which housing types are allowed. The city of Rainier and town of Bucoda are not included in the interlocal agreement so are omitted from the TRPC analysis. Per Dept. of Commerce guidance, manufactured homes are omitted since they should be permitted in all zones. Capacity estimate excludes accessory dwelling unit assumptions. Capacity in this table excludes accessory dwelling units.

Zone		Capacity	Density Category	Select Housing Types				
				Single-Family	Townhome	2 to 4-Plex	Apartment	ADU
Bucoda								
All Zones	City	—	N/A					
Lacey								
AG	UGA	11	Low Density	P				P
AQUATC	City	0	Nonresidential					
AQUATC	UGA	0	Nonresidential					
C	City	0	Nonresidential					
CBD 4	City	44	Mid-rise Multifamily	P	P	P	P	P
CBD 5	City	110	Mid-rise Multifamily		P		P	
CBD 6	City	55	Mid-rise Multifamily				P	
CBD 6	UGA	0	Mid-rise Multifamily				P	
CBD 7	City	12	Mid-rise Multifamily				P	
CCD	City	144	Low-rise Multifamily		P		P	
CO	City	227	Mid-rise Multifamily		P		P	
GC	City	0	Nonresidential					
HD	City	1,598	Mid-rise Multifamily		P	P	P	P
HD	UGA	386	Mid-rise Multifamily		P	P	P	P
HPBD-BC	City	68	Mid-rise Multifamily		P		P	
HPBD-C	City	17	Mid-rise Multifamily		P		P	
LD	City	1,666	Moderate Density	P	P	P		P
LD	UGA	4,933	Moderate Density	P	P	P		P
LHN	City	31	Low Density	P				P
LI	City	0	Nonresidential					
LI	UGA	0	Nonresidential					
LI-C	City	0	Nonresidential					
MD	City	1,338	Low-rise Multifamily	P	P	P	P	P
MD	UGA	906	Low-rise Multifamily	P	P	P	P	P
ME	UGA	0	Nonresidential					
MGSA	UGA	3,166	Moderate Density	P	P			P
MHDC	City	525	Mid-rise Multifamily		P		P	

Zone		Capacity	Density Category	Select Housing Types				
				Single-Family	Townhome	2 to 4-Plex	Apartment	ADU
MHDC	UGA	710	Mid-rise Multifamily		P		P	
MMDC	City	73	Moderate Density	P	P	P	P	P
MMDC	UGA	172	Moderate Density	P	P	P	P	P
NATURL	City	1	Low Density	P				P
NC	City	0	Nonresidential				P	
NC	UGA	0	Nonresidential				P	
OS-I	City	1	Nonresidential					
OS-I	UGA	0	Nonresidential					
OSI-P	City	0	Nonresidential					
OSI-P	UGA	0	Nonresidential					
OSI-S	City	0	Nonresidential					
OSI-S	UGA	0	Nonresidential					
SHORES	City	3	Low Density	P	P	P		P
SMU	City	0	Nonresidential					
URBCON	City	3	Low Density	P				P
V(U)C	City	178	Moderate Density	P	P	P	P	P
V(U)C	UGA	547	Moderate Density	P	P	P	P	P
WD	City	1,332	Mid-rise Multifamily		P		P	
Olympia								
AS	City	0	Nonresidential					
CAP	City	0	Nonresidential					
COSC	UGA	31	Low-rise Multifamily	P	P	P	P	P
CSH	City	0	Nonresidential	P	P	P	P	P
DB	City	1,442	Mid-rise Multifamily	P	P	P	P	P
GC	City	168	Low-rise Multifamily	P	P	P	P	P
HDC-1	City	3	Moderate Density	P	P	P	P	P
HDC-2	City	4	Moderate Density	P	P	P	P	P
HDC-3	City	37	Moderate Density	P	P		P	P
HDC-4	City	3,019	Mid-rise Multifamily	P	P	P	P	P
I	City	0	Nonresidential					
LI-C	City	0	Nonresidential					
LI-C	UGA	0	Nonresidential					
MHP	City	0	Moderate Density	P	P	P		P
MR-10-18	City	117	Low-rise Multifamily	P	P	P	P	P
MR-7-13	UGA	0	Moderate Density	P	P	P	P	P
MS	City	217	Mid-rise Multifamily	P	P	P	P	P
NR	City	2	Moderate Density	P	P	P	P	P

Zone		Capacity	Density Category	Select Housing Types				
				Single-Family	Townhome	2 to 4-Plex	Apartment	ADU
NR	UGA	10	Moderate Density	P	P	P	P	P
NV	City	410	Low-rise Multifamily	P	P	P	P	P
PO/RM	City	688	Low-rise Multifamily	P	P	P	P	P
PUD	City	83	Mid-rise Multifamily	C	C	C	C	C
R-1/5	City	4	Low Density	P	P	P		P
R-1/5	UGA	39	Low Density	P	P	P		P
R-4	City	16	Low Density	P	P	P		P
R-4	UGA	154	Low Density	P	P			P
R-4-8	City	3,758	Moderate Density	P	P	P		P
R-4-8	UGA	1,553	Moderate Density	P	P			P
R-4CB	City	445	Low Density	P		P		P
R-6-12	City	1,141	Moderate Density	P	P	P		P
R-6-12	UGA	51	Moderate Density	P	P	P		P
RLI	City	464	Low Density	P	P	P	P	P
RLI	UGA	133	Low Density	P	P	P	P	P
RM-18	City	945	Low-rise Multifamily	P	P	P	P	P
RM-18	UGA	837	Low-rise Multifamily	P	P	P	P	P
RM-24	City	999	Mid-rise Multifamily	P	P	P	P	P
RM-H	City	0	Mid-rise Multifamily	P	P	P	P	P
RMU	City	23	Mid-rise Multifamily	P	P	P	P	P
UR	City	187	Mid-rise Multifamily	P	P	P	P	P
UV	City	271	Low-rise Multifamily	P	P	P	P	P
UW	City	778	Mid-rise Multifamily				P	
UWH	City	604	Mid-rise Multifamily		P		P	
Rainier								
All Zones	City	—	N/A					
NC	UGA	0	Low Density					
RRR1/5	UGA	108	Low Density	P	P			P
Tenino								
C-1	City	2	Low-rise Multifamily		C		C	
C-2	City	2	Low-rise Multifamily		C		C	
C-3	City	26	Low-rise Multifamily	C	C		C	
I	City	0	Nonresidential					
MF	City	8	Low-rise Multifamily	P	P	P	P	C
P/SP	City	0	Nonresidential					
PO	City	1	Moderate Density	P				C

Zone		Capacity	Density Category	Select Housing Types				
				Single-Family	Townhome	2 to 4-Plex	Apartment	ADU
RRR1/5	UGA	27	Low Density	P	P			P
SF	City	346	Moderate Density	P				C
SF-D	City	28	Moderate Density	P		P		C
SF-ES	City	69	Low Density	P				C
WT	City	115	Low Density	P				C
Tumwater								
ARI	City	0	Nonresidential					
BD	City	666	Mid-rise Multifamily	P	P	P	P	P
CBC	City	742	Mid-rise Multifamily				P	
CS	City	0	Nonresidential					
GB	City	0	Nonresidential	P				
GB	UGA	0	Nonresidential	P				
GC	City	1,344	Mid-rise Multifamily				P	
GC	UGA	0	Mid-rise Multifamily				P	
HC	City	0	Mid-rise Multifamily				P	
HI	City	0	Nonresidential					
HI	UGA	0	Nonresidential					
LI	City	0	Nonresidential					
LI	UGA	-1	Nonresidential					
MFH	City	356	Mid-rise Multifamily		P	P	P	P
MFM	City	822	Low-rise Multifamily		P	P	P	P
MFM	UGA	615	Low-rise Multifamily	P	P	P	P	P
MHP	City	46	Moderate Density	P				
MU	City	17	Low-rise Multifamily		P	P	P	P
MU	UGA	1	Low-rise Multifamily		P	P	P	P
NC	City	0	Low Density		P	P	P	
NC	UGA	0	Low Density					
OS	City	3	Nonresidential	P				
OS	UGA	0	Nonresidential	P				
R/SR	City	465	Low Density	P		P		P
R/SR	UGA	53	Low Density	P				P
SFL	City	2,413	Moderate Density	P		P		P
SFL	UGA	1,923	Low Density	P				P
SFM	City	1,836	Moderate Density	P	P	P		P
SFM	UGA	440	Moderate Density	P	P	P		P
TC-C	City	0	Nonresidential					
TC-MU	City	7	Mid-rise Multifamily				P	

Zone		Capacity	Density Category	Select Housing Types				
				Single-Family	Townhome	2 to 4-Plex	Apartment	ADU
TC-PO	City	0	Nonresidential					
TC-R	City	33	Mid-rise Multifamily				P	
Yelm								
AC	UGA	2	Low Density			P		
C-1	City	91	Mid-rise Multifamily				C	P
C-2	City	58	Mid-rise Multifamily				C	P
C-3	City	15	Mid-rise Multifamily				C	P
CBD	City	99	Mid-rise Multifamily	P		C		P
I	City	0	Nonresidential					P
LI	UGA	0	Nonresidential					
MPC	City	3,776	Low-rise Multifamily	Multiple housing types/densities likely in planned community. Capacity split into two categories for the land capacity analysis.				
		2,000	Moderate Density					
OS/ID	City	0	Nonresidential					
R-16	City	390	Mid-rise Multifamily	P	P	P	P	P
R-4	City	928	Moderate Density	P	P	P	P	P
R-6	City	906	Moderate Density	P	P	P	P	P
RR1/5	UGA	243	Low Density	Single-family, townhome, and ADUs currently permitted. Joint plan allows for higher densities after annexation.				
		250	Moderate Density					
		250	Low-rise Multifamily					
Grand Mound								
AC	UGA	120	Moderate Density	P	P	P	P	P
LI	UGA	0	Nonresidential					
PID	UGA	0	Nonresidential					
R3-6/1	UGA	239	Moderate Density	P	P	P	P	P
R4-16/1	UGA	47	Moderate Density	P	P	P	P	P
County								
HC		0	Nonresidential					
LTA		359	Low Density	P				P
LTF		1	Nonresidential	P				
MEI		0	Nonresidential					
MGSA		724	Low Density	P				P
MR		0	Nonresidential					
NA		0	Nonresidential					
NC		0	Nonresidential					
PP		0	Nonresidential					

Zone		Capacity	Density Category	Select Housing Types				
				Single-Family	Townhome	2 to 4-Plex	Apartment	ADU
R 1/10		209	Low Density	P				P
R 1/20		374	Low Density	P				P
RCC		1	Nonresidential					
RL1/1		836	Low Density	P	P			P
RL1/2		347	Low Density	P	P			P
RL2/1		588	Low Density	P	P			P
RR1/5		257	Low Density	P	P			P
RRI		0	Nonresidential					
RRR1/5		13,817	Low Density	P	P			P
UR 1/5		235	Low Density	P				P