



City of Lacey, Washington City Council Regular Meeting Agenda

Refer to the bottom of the agenda for meeting information.

Tuesday, December 17, 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 revised Council minutes of November 19, 2024
- B. Approval of the Worksession minutes of November 26, 2024
- C. Approval of the Council minutes of December 3, 2024
- D. Approval of the Parks Improvement Funding Workgroup minutes of December 9, 2024
- E. Approval of wages, claims, and transfer for November 12 through December 6, 2024

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. Ordinances

A. Ordinance 1669: Amendments to Development Guidelines and Public Works Standards

Vanessa Dolbee, Community and Economic Development Director
Sarah Schelling, Planning and Economic Development Manager

B. Ordinance 1670: 2025 Budget

Troy Woo, Finance Director

C. Ordinance 1671: Reserve Designation

Troy Woo, Finance Director

9. Mayor's Report

A. Appointment: Raul Garza, Commission on Equity

B. Appointment: Jun Yi, Planning Commission

C. Appointment: Robert Lane, Planning Commission

10. City Manager's Report

A. Wellness Annual Report

Alyssa Dolan-Caret, Human Resources Analyst

B. 2023/2024 Manhole Rehabilitation Bid Award

Jason Kashani, Utility Engineer

C. Other Items

11. Other Business

A. Parks Improvement Funding Work Group Recommendation

Jen Burbidge, Parks, Culture, and Recreation Director
Evette Temple, Chair, Parks Improvement Funding Workgroup

12. 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)

13. 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_ofdpTSMURPOwPOw-1ZUINQ
Website:	https://cityoflacey.org/government/public-meetings/
Facebook:	https://www.facebook.com/cityoflacey
YouTube:	https://www.youtube.com/watch?v=MGJAM8ro14g
Cable:	Channel 77 with your local cable provider
Phone:	(888) 788-0099 or (877) 853-5247 (Webinar ID 865 5619 9220)



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 meeting room.

Zoom: Preregister using the following Zoom link no later than two hours prior to the meeting:

https://us02web.zoom.us/webinar/register/WN_ofdpTSMURPOwPOw-1ZUINQ

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
City Council Revised Regular Meeting Minutes
Tuesday, November 19, 2024 - 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
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
Robert Almada, Chief of Police (remote)
Dave Schneider, City Attorney
Troy Woo, Finance Director
Wesley Nguyen, Economic Development 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 **Amended** Agenda and Consent Agenda Items

- A. Approval of the October 22, 2024, Worksession meeting minutes
- B. Approval of the November 5, 2024, Council meeting minutes
- C. Approval of wages, claims, and transfers for October 14, through November 18, 2024

Councilmember Greenstein moved to approve the agenda as amended to place Proclamations after Public Recognitions and Presentations and before Public Comment and to approve the consent agenda. Councilmember Steadman seconded. The motion carried.

(Note: Following minutes approval on December 3, 2024, City Council subsequently revised the motion above on December 17, 2024, to reflect the amended agenda order originally approved November 19, 2024.)

6. Public Recognitions and Presentations

A. **Lacey Youth Council Report**

Lacey Youth Council Representatives

The following reports were provided by the Youth Council:

Pope John Paul II - Eliana Allin
River Ridge High School - Dior Trinh
Summit Virtual Academy - Kieran Sills-Powell
North Thurston High School - Lily Schneider
Timberline High School - Avani Kumar
Home School - Luka Froehlich
Northwest Christian High School - Faith Kim
Youth Council - Zury Ramirez Plascencia

B. **Governor's Smart Community Award for Lacey MakerSpace Expansion Project**

Andrew Ness, Washington State Department of Commerce
Wesley Nguyen, Economic Development Coordinator

Nguyen announced the Lacey MakerSpace Expansion Project was awarded the Governor's Smart Community Award. The award recognizes local communities and their partners for outstanding efforts in creating vibrant and livable communities that align with the goals of the Growth Management Act and other community development objectives throughout Washington State.

Ness highlighted the recipient review process and congratulated the City and its partners on the successful project. Staff shared a video produced by the



Department of Commerce, as well as a video acknowledgment from Governor Jay Inslee.

7. Proclamations

A. Small Business Saturday

Amber Young, President, Lacey South Sound Chamber of Commerce, America's Credit Union

Deputy Mayor Miller and Council proclaimed Saturday, November 30, 2024, as Small Business Saturday. Young was present to accept the proclamation.

B. Veterans Appreciation Month

Mark Moffett, Social Services Manager, Thurston County Developmental Disabilities Veterans Assistance Program

Deputy Mayor Miller and Council proclaimed the month of November 2024 as Veterans Appreciation Month. Moffett and representatives of the Thurston County Developmental Disabilities Veterans Assistance Program were present to accept the proclamation.

8. Public Comment

No one signed up to speak in person or via Zoom. No written public comment was received.

9. Public Hearing

A. 2025 Budget Hearing

Troy Woo, Finance Director

Deputy Mayor Miller opened the public hearing at 6:36 p.m.

Woo presented the subsequent changes to the 2025 proposed budget since the last Council presentation on October 15. The 2025 Budget is balanced through the strategic use of budget policy reserves in the amount of \$1,759,545. The City Council is scheduled to conduct a second and final budget hearing on December 3, 2024. Budget adoption is scheduled for December 17, 2024.

No public testimony was received.

Deputy Mayor Miller closed the public hearing at 7:14 p.m.

10. Resolutions

A. Resolution 1159: Resolution Authorizing the Ad Valorem (Property) Tax



Troy Woo, Finance Director

Woo presented draft Resolution 1159, authorizing the Ad Valorem Property Tax. RCW 84.55.005(2)(c) sets the property tax limit factor for a taxing jurisdiction with a population over 10,000 as the lesser of 101% percent, or 100% percent plus inflation.

Councilmember Dunning moved to adopt Resolution 1159, authorizing the increase of the 2025 Ad Valorem tax levy by one percent over the tax levy of 2024. Councilmember Cox seconded. The motion carried.

11. Ordinances

A. **Ordinance 1664: Ad Valorem Tax Ordinance**

Troy Woo, Finance Director

Woo presented the draft Ordinance 1664, setting the 2025 property tax levies. The proposed ordinance sets the 2025 general property tax, as well as the voter-approved General Obligation (GO) Bond redemption property tax levies.

Councilmember Greenstein moved to adopt the Ad Valorem Tax Ordinance 1664. Councilmember Dunning seconded. The motion carried.

B. **Ordinance 1665: 2025 Limited Tax General Obligation (LTGO) Bond Ordinance**

Troy Woo, Finance Director

The proposed ordinance authorizes the issuance of Limited Tax General Obligation (LTGO) Bonds with a total principal amount not to exceed \$18,300,000. These bonds are intended to fund the construction and equipping of a new police station and training facility. The ordinance serves as a comprehensive framework for the bond issuance process.

Councilmember Steadman moved to adopt Ordinance 1665 authorizing the Finance Director or City Manager to conduct the sale of limited tax general obligation (LTGO) bonds. Councilmember Greenstein seconded. The motion carried.

C. **Ordinance 1666: LMC 5.38 Massage and Reflexology Services**

Dave Schneider, City Attorney

Schneider presented the proposed Ordinance 1666, amending the Lacey Municipal Code (LMC) relating to massage and reflexology services. The proposed amendments are intended to prevent an individual or business from engaging in the practice of providing unlicensed massage and reflexology, deter criminal activity, and support the legitimate delivery of these services by licensed massage



practitioners and reflexologists.

Councilmember Greenstein moved to adopt Ordinance 1666, amending LMC 5.38 relating to Massage and Reflexology. Deputy Mayor Miller seconded. The motion carried.

12. Mayor's Report

13. City Manager's Report

A. Astound Telecom Franchise Renewal

Shannon Kelley-Fong, Assistant City Manager

Kelley-Fong presented an application for the location of telecommunications facilities within the City right-of-way. The purpose is to install and operate facilities to provide telecommunications, internet access, and private line services to potential customers, including mobile back haul services to existing cell phone towers within the city. No new infrastructure is proposed. Discussion ensued. Final Council action is tentatively scheduled for December 3, 2024.

B. Other Items

Walk highlighted a recent award issued to Scott Egger, Public Works Director. Egger received the 2024 Outstanding Service Award from the Washington Chapter of the American Public Works Association (APWA).

Walk thanked staff for the efforts to successfully provide online public meeting access when faced with technical challenges.

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 was excused, and no reports were provided.

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 the EDC, and JASCOM.

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 did not provide any reports.

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 Regional Housing Council.

F. Councilmember Robin Vazquez:

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

Councilmember Vazquez did not provide any reports.

Councilmember Vazquez requested the Council host a discussion at a future meeting regarding addressing the legislature concerning PERS 1 benefit holders and cost-of-living adjustments. Council expressed support for having the discussion.

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. Executive Session

A. Executive Session Pursuant to RCW 42.30.110(1)(i)

At 8:10 p.m., the City Council recessed to an executive session pursuant to RCW 42.30.110(1)(i), to discuss matter(s) pertaining to current or potential litigation. Deputy Mayor Miller announced that the executive session would start at 8:10 p.m. and last approximately 15 minutes, after which the City Council would reconvene the regular meeting at or shortly after 8:25 p.m.

The executive session lasted 13 minutes, during which no final actions were taken.

17. Adjourn

Deputy Mayor Miller reconvened the Council meeting and immediately adjourned the meeting at 8:25 p.m.





City of Lacey, Washington Lacey City Council Worksession Minutes

Tuesday, November 26, 2024

6:00 PM

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 (remote)
Councilmember Robin Vazquez (remote)
Councilmember Nicolas Dunning

Council Excused

Councilmember Carolyn Cox

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
Ty Keltner, Communication Manager
Michelle Chavez, Human Services Coordinator
Donna Feliciano, Communication Specialist
Paul J. White, Deputy City Clerk

3. Land Acknowledgment

Mayor Ryder presented the abbreviated Land Acknowledgment.

4. Approval of the Agenda

Councilmember Greenstein moved to approve the agenda. Deputy Mayor

Miller seconded. The motion carried.

5. Public Comment

Verbal Public Comment

No one signed up to speak at the meeting and no one registered to speak remotely.

Written Public Comment

No written public comment(s) were received.

6. Agenda Items

A. **State Legislative Agenda and Manual Review**

Shannon Kelley-Fong, Assistant City Manager
Brian Enslow, Principal, Arbutus Consulting

Enslow presented factors affecting the 2025 state legislative session, including party composition, leadership roles, and state revenue forecasts. Kelley-Fong presented a review of the City's state legislative agenda and legislative manual, which are proposed for approval at the December 3, 2024, regular City Council meeting. The agenda includes local and regional policy and funding requests to the State Legislature. The manual sets parameters for city-sponsored advocacy efforts in the State Legislature in 2025.

B. **Human Services Commission Update**

Shannon Kelley-Fong, Assistant City Manager
Michelle Chavez, Human Services Coordinator

Chavez summarized the work of the Human Services Work Group, which met throughout 2024, and provided an update on efforts to establish a Lacey Community Development Block Grant (CDBG) Program. Public participation is a requirement of CDBG programs, and the work group recommends establishing a permanent Human Services Commission to meet this requirement. Chavez presented alternatives for Council consideration.

C. **Logo and Branding Guide Update**

Shannon Kelley-Fong, Assistant City Manager
Ty Keltner, Communications Manager
Donna Feliciano, Communications Specialist

Keltner presented proposals for a new City brand logo with the intent to operationalize goals of the City's communications strategic plan. Keltner reviewed the characteristics and requirements for a successful logo suited to a variety of uses and presented a new proposed design. Implementation of the new design would be phased in as practicable and cost-effective. Protection of the City's logo, such as through trademarking, would be addressed in a proposed ordinance. Keltner described the benefits of an agency-wide branding guide and reported that it would not require City Council approval. Councilmembers discussed design elements of



the new logo.

D. LOTT Clean Water Alliance Surplus Property Update

Vanessa Dolbee, Community and Economic Development Director

Dolbee provided an update on the land acquisition opportunity on Mullen Road near Komachin Middle School. An amendment to the municipal code will be required to support cottage-style housing in Lacey along with a purchase and sale agreement with the LOTT Clean Water Alliance with appropriate contingencies. Additional public engagement is expected. Dolbee reported that \$4.5 million in conditional funding is a consideration in the timing of city action before the end of 2024.

E. Designated Reserves Discussion

Troy Woo, Finance Director

Woo presented the categories of City fund balances pursuant to Governmental Accounting Standards Board (GASB) accounting standards issued in GASB Statement No. 54. Woo presented fund balances and proposed reserves. The City Council must designate committed fund balances and indicate the use to which the funds are restricted by ordinance.

7. Adjourn

Mayor Ryder adjourned the meeting at 8:36 p.m.





City of Lacey, Washington
City Council Regular Meeting Minutes
Tuesday, December 3, 2024 - Council Chambers and Online

1. Call to Order

Mayor 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 (remote)
Councilmember Michael Steadman
Councilmember Carolyn Cox
Councilmember Robin Vazquez
Councilmember Nicolas Dunning

Staff Present

Rick Walk, City Manager
Shannon Kelley-Fong, Assistant City Manager
Scott Egger, Public Works Director
Robert Hollis, Deputy Police Chief
Dave Schneider, City Attorney
Troy Woo, Finance Director
Scott Johnston, Transportation Maintenance Supervisor
Ty Keltner, Communications Manager
Michelle Chavez, Human Services Coordinator
Linsey Fields, Climate and Sustainability Coordinator
Elissa Fontaine, City Clerk

3. Pledge of Allegiance

Mayor Ryder led the flag salute.

4. Land Acknowledgment

Mayor Ryder presented the abbreviated Land Acknowledgment.

5. Approval of Agenda and Consent Agenda Items

- A. Approval of the Minutes of November 12, 2024
- B. Approval of the Minutes of November 19, 2024
- C. Approval of wages, claims, and transfers for November 7-22, 2024
- D. Adopt Amendment to Interlocal Agreement Supporting Permanent Supportive Housing on Franz Anderson Road
- E. Authorize Interlocal Agreement for Specialized Recreation

Councilmember Vazquez moved to approve the agenda and consent agenda. Deputy Mayor Miller seconded. The motion carried.

6. Public Recognitions and Presentations

7. Public Comment

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

Larry Jefferson, declined to speak during public comment, but spoke during the acceptance of the Proclamation Against Hate, Racism, and Discriminatory Actions.

Michele Bourque, community member, thanked the City Council for their service to the community.

No one registered to speak via Zoom. No written public comment was received.

8. Public Hearing

A. 2025 Final Budget Hearing

Troy Woo, Finance Director

Mayor Ryder opened the public hearing at 6:03 p.m.

Woo presented the second and final budget hearing. The presentation highlighted minor adjustments, but indicated no significant changes since the November 19, 2024, presentation to Council. The 2025 Budget is balanced through the strategic use of budget policy reserves in the amount of \$1,759,545.

No one signed up to provide public testimony. No written testimony was received.

Mayor Ryder closed the public hearing at 6:06 p.m.

9. Proclamations

A. Proclamation Against Hate, Racism, and Discriminatory Actions

Larry Jefferson, NAACP President

Mayor Ryder and Council proclaimed the City of Lacey is united against hate, racism,



and discriminatory actions. Jefferson was present to accept the proclamation.

10. Resolutions

A. **Resolution 1160 - Astound Telecommunications Franchise Renewal**

Shannon Kelley-Fong, Assistant City Manager

Kelley-Fong presented draft Resolution 1160, granting telecommunications franchise renewal to Astound Broadband LLC and authorizing the City Manager to enter into a franchise agreement. The purpose of the renewal is to install and operate facilities to provide telecommunications, internet access, and private line services to potential customers, including mobile back haul services to existing cell phone towers within the city. No new infrastructure is proposed.

Councilmember Steadman moved to adopt Resolution 1160, granting telecommunications franchise renewal for Astound Broadband, LLC and authorizing the City Manager to enter into a franchise agreement with Astound Broadband LLC. Councilmember Vazquez seconded. The motion carried.

11. Ordinances

A. **Ordinance 1667 - Human Services Commission**

Michelle Chavez, Human Services Coordinator

Chavez presented draft Ordinance 1667, establishing a permanent Human Services Commission. A permanent commission would provide oversight over Lacey Human Services Programs and continue to provide program and funding recommendations to the City Council.

Deputy Mayor Miller moved to adopt Ordinance 1667, establishing a permanent Human Services Commission to provide human service-related recommendations on: needs, policies and programs, and funding allocations, such as future Human Service Grant Programs, Community Development Block Grant programs, and other grant programs. Councilmember Dunning seconded. The motion carried.

B. **Ordinance 1668 - City Logo and Seal**

Ty Keltner, Communication Manager

Keltner presented draft Ordinance 1668, establishing a City logo and seal. The proposed logo was presented to Council at the November 26, 2024, Worksession, where staff received Council feedback. A recommended logo and alternatives were presented. Staff advised additional versions could be supported by an approved style and branding guide. Discussion ensued.

Councilmember Cox moved to approve Ordinance 1668, establishing the logo and seal. Deputy Mayor Miller seconded. The motion carried.



12. Mayor's Report

A. **Commission on Equity Reappointments**

Mayor Ryder

Mayor Ryder moved to re-appoint Annie Clay, Thelma Jackson, and Makieda Hart to the Commission on Equity. Councilmember Steadman seconded. The motion carried.

Mayor Ryder expressed a need for more forums that connect the community with the City Council, and various advisory boards.

13. City Manager's Report

A. **2024 Retained Property Report**

Robert Hollis, Deputy Police Chief

RCW 63.32.010(2) states under specific conditions, police departments may retain property for use by the police department. The police department must present a public report of any retained items, and an estimation of each item's replacement value. Hollis presented the retained property report. No new items have been retained for department use since 2022.

B. **Snow and Ice Response**

Scott Johnston, Transportation Maintenance Supervisor

Johnston presented the City's response to winter weather. The presentation highlighted improvements, response areas, specific plow routes, material capacity, specialty vehicles, staff capacity, and historical events. Additionally, the City offers a Homeowners Association (HOA) snow plowing policy and agreement for interested HOAs.

C. **Home Electrification and Appliance Rebate Program (HEAR)**

Linsey Fields, Climate and Sustainability Coordinator

Fields provided a brief background of the Thurston Climate Mitigation Collaborative (TCMC). The TCMC established the 2024 regional initiative to develop an electrification campaign called Energize Thurston. This campaign supports the switch to electric appliances by providing access to program-exclusive discounts, instant access to rebates, and customer support to streamline the installation of heat pump heating and cooling systems, and heat pump water heaters. Staff presented the program goals, participant eligibility and the application process.

Mayor Ryder moved to authorize the City Manager to sign the Interlocal Agreement with Thurston County and the cities of Olympia, Tumwater, and Tenino related to the implementation of Energize Thurston. Deputy Mayor Miller seconded. The motion carried.

D. **State Legislative Agenda and Manual**

Shannon Kelley-Fong, Assistant City Manager



Kelley-Fong presented the 2025 State Legislative Priorities and State Legislative Manual. The City establishes annual priorities for the upcoming Washington state legislative session that are intended to reflect the City's current policies and priorities.

Councilmember Steadman moved to adopt the 2025 State Legislative Agenda and the 2025 State Legislative Manual. Councilmember Vazquez seconded. The motion carried.

Walk provided an additional report recognizing staff's efforts at the kickoff of the annual holiday lighting event at Huntamer Park. Thoughts on improving the event for upcoming years were discussed.

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 did not provide any reports.

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 a report from the EDC. Deputy Mayor Miller highlighted information recently gathered from attending a National League of Cities Conference.

C. Councilmember Lenny Greenstein:

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

Councilmember Greenstein did not provide any reports.

D. Councilmember Michael Steadman:

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

Councilmember Steadman did not provide any reports. Councilmember Steadman expressed gratitude towards the Public Works Transportation team



for all their hard work.

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.

F. Councilmember Robin Vazquez:

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

Councilmember Vazquez did not provide any reports.

G. Councilmember Nicolas Dunning:

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

Councilmember Dunning did not provide any reports. Councilmember Dunning highlighted the conclusion of his first year as a Councilmember, and thanked the Council for their support and professionalism, and recognized the staff for all their efforts.

16. Adjourn

Mayor Ryder adjourned the meeting at 8:13 p.m.





City of Lacey, Washington
Parks Improvement Funding Workgroup Meeting Minutes
Monday, December 9, 2024 - Council Chambers and Online

1. Call to Order

Chair Temple called the meeting to order at 5:30 p.m.

2. Roll Call

Voting Members Present: Chair Evette Temple, Vice Chair Rachel Murata, Mark Brown, Jim Eychaner, Karen Ideker, Brooklyn McReynolds, Cheri Wilkins (arrived at 5:38 p.m.), Phillip Roybal (arrived at 5:34 p.m.)

Non-Voting Members Present: Wendy Goodwin, Jon Hegwood (arrived at 5:32 p.m.), Daphne Retzlaff, Ruth Weigelt

Voting Members Absent: Cathy Cook

Non-Voting Members Absent: Lauren Howard, Haley Ortega

3. Land Acknowledgment

Workgroup Member McReynolds read the land acknowledgment.

4. Approval of Agenda and Minutes

A. Approval of Agenda

Workgroup Member Brown motioned to approve the agenda. Workgroup Member Eychaner seconded. Motion carried.

B. Approval of the November 18, 2024 Meeting Minutes

Workgroup Member Brown motioned to approve the minutes. Workgroup Member Murata seconded. Motion carried.

5. Public Comment

No public comment.

6. Business Items

A. Draft Parks Improvement Funding Workgroup Recommendation

Jen Burbidge, Parks, Culture & Recreation Director

Director Burbidge provided an overview of the drafted recommendation and acknowledged an error in the indicated revenue that would be generated from a Metropolitan Park District at the presented levy rate. The Workgroup reviewed the recommendation as presented.

Workgroup Member Eychaner motioned to approve the following language as presented in the draft, "Understanding that inflation will adversely affect the revenue generated from an MPD over the lifetime of the levy, the Workgroup encourages the City Manager and City Council to weigh the potential of a phased increase up to the maximum levy rate." Workgroup Member Roybal seconded.

Workgroup Member Brown motioned to amend the motion so the language would read, "Understanding that inflation will adversely affect the revenue generated from an MPD over the lifetime of the levy, the Workgroup encourages the City Manager and City Council to consider a phased increase up to the maximum levy rate." Workgroup Member Murata seconded. Motion carried.

The amended motion carried.

Workgroup Member Brown motioned to approve the Parks Improvement Funding Recommendation as amended. Workgroup Member Eychaner seconded. Motion carried.

7. Adjourn

Chair Temple adjourned the meeting at 6:48 p.m.





LACEY CITY COUNCIL MEETING

December 17, 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 11/12/2024 through 12/6/2024. The disbursements consist of the following:

Checks:	<u>Week of</u>	<u>Beg. Check No.</u>	<u>End. Check No.</u>	<u>Amount</u>
	*11/27/2024	277688	277691	4,533.59
	11/29/2024	277692	277791	310,063.63
	12/6/2024	277792	277907	1,856,064.07

Electronic Transfers:	<u>Week of</u>	<u>Amount</u>
	11/12/2024	29,163.27
	11/21/2024	724.35
	11/26/2024	62,973.24
	11/26/2024	188.40
	11/26/2024	933.59
	11/26/2024	48,589.75
	*11/27/2024	21,220.35
	*11/27/2024	1,937,406.51
	*11/27/2024	1,232.90
	11/29/2024	408,112.86
	12/1/2024	872,300.00
	12/3/2024	330.00
	12/4/2024	5,779.50
	12/6/2024	446,168.38

Payroll:	<u>Month End</u>	<u>Wages</u>
	11/27/2024	2,217,715.49

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

Significant Disbursements:

<u>Vendor</u>	<u>Amount</u>	<u>Description</u>
Olympia-CARPFD	\$ 62,973.24	November 2024 CARPFD
CDW Government, Inc.	\$ 58,250.70	Crowdstrike Renewal
Lakeside Industries, Inc.	\$ 89,041.09	Yelm Hwy Pavement Rehab
Puget Sound Energy, Inc.	\$ 165,962.08	Utility Bills
US Bank	\$ 872,300.00	Debt Service Principal & Interest
LOTT Wastewater Alliance	\$ 224,503.71	November 2024 Reserve Capacity
LOTT Wastewater Alliance	\$ 1,294,976.99	November 2024 ERUs
McClure and Sons, Inc.	\$ 169,506.85	Beachcrest Wellfield pH
Thurston Cty District Court	\$ 145,297.00	June/July 2024 Violations



LACEY CITY COUNCIL MEETING

December 17, 2024

SUBJECT: Amendments to Chapter 1 – Planning Procedures – Development Guidelines and Public Works Standards Manual to comply with SB 5290.

RECOMMENDATION: Motion: Adopt ordinance 1669 amending Chapter 1 of the Development Guidelines and Public Works Standards Manual to meet the requirements of SB 5290.

STAFF CONTACT: Rick Walk, City Manager *RW*
Vanessa Dolbee, Director of Community and Economic Development *VD*
Sarah Schelling, Current Planning and Economic Development Manager *SS*

ORIGINATED BY: Community and Economic Development

ATTACHMENTS: 1) Draft Amendments to Chapter 1 – DG&PWS
2) Ordinance 1669

FISCAL NOTE: Not applicable

WORK PLAN GOAL AND STRATEGY: None

PRIOR REVIEW: August 20, 2024 City Council Briefing
October 9, 2024, Planning Commission Briefing
November 13, 2024 Planning Commission Public Hearing and Recommendation

BACKGROUND:

During the 2023 legislative session, the Washington State legislature passed several bills that introduced new requirements, or amended existing rules, for local governments planning under the State Growth Management Act especially as it relates to local project permitting processes. Among those bills was Senate Bill (SB) 5290 Local Project Review. SB 5290

amends the Local Project Review Act, Chapter 36.70B RCW, the intent of which is to increase timeliness and predictability of local project permit application review processes. The bill includes updated permit review timelines, clarifications regarding the determination of completeness process, updated annual reporting requirements related to permit issuance, and included new provisions requiring partial permit fee refunds for failure to timely process permit applications, among other things.

In order to comply with the legislation and to remain consistent with state law, staff is proposing updates to the Chapter 1 of the Development Guidelines and Public Works Standards manual, Planning Issues. Although these updates will follow the regular legislative review process there is little flexibility in terms of how the new law is applied. The State has mandated changes to codes and ordinances and the updates included in the draft chapter are designed to implement the new mandates. If the City does not adopt rules consistent with SB 5290 by the end of 2024, the State rules will pre-empt Lacey's local regulations.

DRAFT AMENDMENTS:

Some of the notable changes required by SB 5290 that are reflected in the draft amendments to Chapter 1 of the Development Guidelines and Public Works Standards Manual include the following:

- Procedural clarifications related to the determination of completeness process for permit applications;
- Establishes a requirement for the department to meet with an applicant to resolve permit related problems, issues and information requests, and further provides that the department must either approve, or deny, the application if the third submittal does not resolve permit issues or non-compliance;
- Established timelines for review of applications based on public notice and hearing requirements as follows:
 - For projects that do not require public notice under [RCW 36.70B.110](#), the final decision must be issued within 65 days of the determination of completeness under [RCW 36.70B.070](#).
 - For projects that do require public notice under [RCW 36.70B.110](#), the final decision must be issued within 100 days of the determination of completeness under [RCW 36.70B.070](#).
 - For project permits which require both notice under [RCW 36.70B.110](#) and a public hearing, the final decision must be issued within 170 days of the determination of completeness under [RCW 36.70B.070](#).
 - Provides clarity as to when the review clock can be placed on hold and not effect overall time lines.

ADDITIONAL ACTIONS TO EXPEDITE PERMIT REVIEW:

SB 5290 allows project applicants to seek permit fee reimbursements if timelines noted above are not met. However, the bill also provides a means for jurisdictions to both commit to the expedient processing of permit applications and to also protect themselves financially by adopting measures to improve permit timeliness (SB 5290 Section 8 RCW

36.70B.160(1)). SB 5290 identifies 10 different actions that jurisdictions can adopt to further improve permit review timelines; jurisdictions must commit to a minimum of three of these additional actions. Below are the actions that have either already been adopted by the City of Lacey and are current standard practice, or are proposed within the draft Chapter 1 amendments that will insulate the City from the potential financial impacts of 5290:

- 1) Imposing reasonable fees, consistent with RCW 82.02.020, on applicants for permits or other governmental approvals to cover the cost to the city, town, county, or other municipal corporation of processing applications, inspecting and reviewing plans, or preparing detailed statements required by chapter 43.21C RCW. The fees imposed may not include a fee for the cost of processing administrative appeals. Nothing in this subsection limits the ability of a county or city to impose a fee for the processing of administrative appeals as otherwise authorized by law (RCW 36.70B.160(1)b).

The city has adopted a fee schedule for all types of permit applications. The fee for each permit application generally only covers a portion of the actual cost to review permit applications (averaging around 50% of the cost to review the application). The remainder of the costs associated with permit review is subsidized, recognizing the public benefits of implementing community standards. The City has existing adopted measures that satisfy this provision of 5290.

- 2) Adopting development regulations which make housing types an outright permitted use in all zones where the housing type is permitted (RCW 36.70B.160(1)h),

The City has already satisfied this provision of 5290. In all zoning districts in which housing is permitted, housing is permitted outright and is not required to obtain a conditional use, or other type, of special use permit in order to be permitted in the zone.

- 3) Meeting with the applicant to attempt to resolve outstanding issues during the review process. The meeting must be scheduled within 14 days of the second request for corrections. If the meeting cannot resolve the issues and a local government proceeds with a third request for additional information or corrections, the local government must approve or deny the application upon receiving the additional information or corrections (RCW 36.70B.160(1)j).

This measure has been proposed in the revisions to Chapter 1 currently under review. This provision would require that staff meet with the applicant in an effort to clarify permit requirements and necessary corrections during the review process, and then issue a decision after a third submittal. This is intended to eliminate repeated requests for additional information and provide a path for issuance of a permit decision.

NEXT STEPS:

Included in the materials are the draft amendments to Chapter 1 of the Development Guidelines and Public Works Standards. By adopting the proposed amendments to Chapter 1, the City will remain in compliance with state law. These changes must go into effect on January 1, 2025.

On August 20, 2024, staff briefed the City Council on the required code changes resulting from the passage of SB 5290. The Lacey Planning Commission was briefed on October 9, 2024 and held a public hearing on the draft chapter amendments on November 13, 2024, no members of the public attended and no written comments were received. Following the hearing, the Planning Commission voted unanimously to recommend the City Council adopt the draft updates to Chapter 1 of the Development Guidelines and Public Works Standards.

Following adoption of the amendments to Chapter 1 to comply with SB 5290, in the first part of 2025 staff intends to recommend moving Chapter 1 into the Lacey Municipal Code as a chapter dedicated to development procedures. This will codify permit procedures similar to the zoning and subdivision requirements of the City, making the Public Works Standards Manual solely a Public Works document. This will take place in alignment with the update of the Development Guidelines and Public Works Standards manual currently underway through the Public Works Department. The updates to the Manual will be before the City Council in Spring 2025.

OPTIONS:

Option 1: Adopt Ordinance 1669 amending Chapter 1 of the Development Guidelines and Public Works Standards Manual. This option will ensure that the City remains compliant with the RCW 36.70B, and will reduce potential financial impacts associated with the law. This option is recommended by the Planning Commission

Option 2: Adopt the amendments with changes. The changes would need to be permitted under RCW 36.70B.

Option 3: Do not adopt the proposed amendments. The requirements of 5290 would automatically apply, however the City would have less flexibility in determining review procedures and in adopting additional measures to reduce potential financial impacts of the law.

CHAPTER 1

1.000 Development Permit Procedures and Administration

1.010 Purpose and Applicability

- A. The purpose of this chapter of the City of Lacey Development Guidelines and Public Works Standards is to enact the processes and timelines for local land development permitting. The objectives of this chapter are to encourage the preparation of appropriate information and/or materials early in the permitting process, to process permit applications in a timely manner, to provide the general public with an adequate opportunity for review and comment, and to provide the development community with a standardized process and predictability.
- B. This Chapter shall apply to permit applications for land development under the following Titles of the Lacey Municipal Code:
 - Title 14 -- Buildings and Construction
 - Title 15 -- Subdivisions
 - Title 16 -- Zoning
- C. Other laws, ordinances, regulations and plans have a direct impact on the development of land. These include, but are not limited to, the City of Lacey Development Guidelines and Public Works Standards, City of Lacey Environmental Protection and Resource Conservation Plan, City of Lacey Transportation Plan, Shoreline Master Program for ~~Thurston Region~~the City of Lacey, City of Lacey ~~and Thurston County Land Use Plan for the Lacey Urban Growth Area~~Comprehensive Plan, and the laws, ordinances, regulations and plans of federal, state and local agencies.

1.020 Right to Enter

In the performance of their functions and duties, duly authorized members of a committee, commission, or review staff of the City of Lacey may enter upon any land and make examinations and surveys. Provided such entries, examinations and surveys do not damage or interfere with the use of the land by those persons lawfully entitled to the possession thereof.

1.030 Definitions

Unless the context clearly requires otherwise, the definitions in this section apply throughout this Title:

- A. ~~“Application” means a request for any land use permit required from the City of Lacey for proposed development or action, including without limitation: building permits, conditional use permits, shoreline substantial development permits, binding site plans, planned developments, subdivisions, short subdivisions, variances, site plan reviews, permits or approvals required by critical area ordinances, and site specific rezones.~~
- B. “Closed record appeal” means an appeal on the record with no new evidence or information allowed to be submitted and only appeal argument allowed.
- C. “Day” refers to calendar day including weekends and City-recognized holidays; “working day” refers to a day that the City of Lacey conducts official business from Monday through Friday excluding City-recognized holidays. Should a statutory deadline end on a weekend or City-recognized holiday, the deadline shall be extended to 5:00 p.m. the next working day.
- D. “Department” means City of Lacey Community and Economic Development Department.
- E. “Full administrative review” is used when the proposed development is subject to objective and subjective standards requiring the exercise of limited discretion about non-technical issues and about which there may be limited public interest. The proposed development may or may not be subject to SEPA review. Included under this type of review are binding site plans, short subdivisions, site plan review applications, certain wetland development permits, as prescribed in LMC 14.28.120, land clearing permits and other similar applications.
- F. “Limited administrative review” is used when the proposed development is subject to clear, objective and non-discretionary standards requiring the exercise of professional judgment about technical issues and the proposed development is exempt from the State Environmental Policy Act (SEPA). Included under this type of review are interpretation of codes and ordinances, single family building permits, design review, exempt tree removal requests, accessory dwelling units and other similar applications.

- G. "Legislative review" is used when the proposed development involves the creation, implementation or amendment of city policy or law. In contrast to the other procedure types, legislative review usually applies to a relatively large geographic area containing several property owners. Included under this type of review are comprehensive plan, sub-area plan, zoning and/or development code review, amendments and updates, site-specific zoning district reclassifications and other similar applications.
- H. "Open record hearing," means a hearing that creates the record through testimony and submission of evidence and information. An open record hearing may be held on an appeal if no open record hearing has previously been held on the application.
- I. "Party of record" means an applicant, individual, agency or department who commented in writing on the project during the public comment period for the Notice of Application, Environmental Review or provided testimony at the Public Hearing.
- J. "Permit Assistance Staff" means the staff designated by the City to handle all permit assistance questions and duties. The City has designated the Permit Technician, the Planners within the Community and Economic Development Department and the Public Works Development Review Staff as the permit assistance staff.
- K.—K. "Project permit application' means any land use or environmental permit or license required by the department for a project action, including but not limited to subdivisions, binding site plans, planned unit developments, conditional uses, shoreline substantial development permits, site plan review, permits or approvals required by critical area ordinances, site-specific rezones which do not require a comprehensive plan amendment, but excluding the adoption or amendment of a comprehensive plan, subarea plan, or development regulations.
- L. "Public meeting" means an informal meeting, workshop, or other public gathering to obtain comments from the public or other agencies on an application. A public meeting does not constitute an open record hearing.
- ML. "Quasi-judicial review" is used when the development or use proposed under the application requires a public hearing before a

hearing examiner. Included within this type of review shall be subdivisions, conditional use permits, planned residential developments, variances, certain wetland development permits, as prescribed in LMC14.28.110, shoreline substantial development permits administrative appeals, master plans and other similar applications.

1A APPLICATION FORMS

1A.010 Application Forms

- A. An application shall be made using the appropriate form adopted by the department.
- B. Each adopted application form shall, at a minimum, include the following information:
 - 1. The application form be filled out legibly, in blue or black ink, either hand printed or typewritten.
 - 2. The name, mailing address and telephone number of each applicant.
 - 3. The name, mailing address and telephone number of the applicant's representative, if any.
 - 4. The name, mailing address and telephone number of each owner of the subject property, if different than the applicant(s).
 - 5. The name, mailing address, telephone number and contractor registration number of the applicant's prime contractor and City of Lacey business registration number, if applicable.
 - 6. The parcel number, legal description and assessor's parcel map for each parcel which is the subject of the proposed development.
 - 7. The signature of each applicant or the applicant's authorized representative and each property owner if different than the applicant(s).
 - 8. Any other information, documents or materials as determined by the department, which may be required in the body of the form or by an attachment to the form.
 - 9. Mailing addresses for parcels within a minimum of 300-feet for projects requiring a public hearing. Village Center projects require addresses for parcels within a minimum of 1,000-feet of the subject property. The mailing list shall be

prepared by a Title Company and in the form of labels and a paper copy. The addresses shall be the actual mailing address for the parcel.

C. Each application form shall require designation of a single person or entity to receive determinations and notices required under this Chapter, the Lacey Municipal Code or by RCW Chapter 36.70B. Where a determination or notice to the “applicant” is required by this Chapter, Lacey Municipal Code or RCW Chapter 36.70B, “applicant” shall mean the person or entity so designated.

D. Each application shall contain the following statements: An application shall become vested on the date a determination of completeness is made pursuant to Section 1B.050 of the City of Lacey Development Guidelines and Public Works Standards. Thereafter, the application shall be reviewed under the codes, regulations and other laws in effect on the date of vesting. In the event an applicant substantially changes the proposed development after a determination of completeness, as determined by the department the application shall not be considered vested until a new determination of completeness on the changes is made pursuant to Section 1B.050 of the City of Lacey Development Guidelines and Public Works Standards. In the performance of their functions and duties, authorized members of a committee, commission or review staff of the City of Lacey may enter upon any land and make examinations as part of the review of a land use application.

1B Application Process

1B.010 Application Process

The application process shall consist of the following components:

- Pre-submission Meetings
- Application Submittal Review
- Determination of Completeness
- Notice of Application
- Comment Period
- Application Review
- Public Hearing (if applicable)
- Public Meeting (if applicable)
- Notice of Final Decision

1B.020 Pre-submission Meetings

- A. All prospective applicants shall participate in a Pre-submission Meeting. The department may waive the requirement of a Pre-submission Meeting where proposed development is subject to Limited Administrative Review.
- B. The purpose of the Pre-submission Meeting is to provide the applicant with the best available information regarding the development proposal and application processing requirements, and to assure the availability of complete and accurate information necessary for review prior to the applicant's expenditure of application fees and the scheduling of the application review process.
- C. The Pre-submission Meeting provides an opportunity for the applicant, staff and other agencies to informally discuss and review the proposed development, the application and permit requirements, fees, the review process and schedule, and applicable development standards, plans, policies, and laws.
- D. The Pre-submission Meeting shall take place virtually via electronic platform, or in person at the department's office~~at the department's office~~, unless the department and the applicant agree upon another location. The length of the Pre-submission Meeting shall be determined by the complexity of the development proposed by the applicant.
- E. An applicant may request additional Pre-submission Meetings if the proposed development changes based on information received at the previous meeting. The additional meetings shall be subject to the same procedures as the initial Pre-submission Meeting.
- F. The location of electronic application forms shall be provided to the applicant~~Application forms shall be made available to the applicant~~ following a Pre-submission Meeting.

1B.030 Consolidated Application Process

When more than one application for a proposed development is required, the applicant may elect to have all applications submitted for review at one time.

- A. Applications for proposed development and planned actions subject to the provisions of the State Environmental Policy Act (SEPA) shall be reviewed concurrently and in accordance with state and local laws, regulations and ordinances.
- B. When more than one application is submitted under a consolidated review and the applications are subject to different types of review procedures, all of the applications for the proposed development shall be subject to the most stringent level of review procedure which applies to any of the applications.
- C. If an applicant elects a consolidated application process, the Determination of Completeness, the Notice of Application, and the Notice of Final Decision must include all applications being reviewed.

1B.040 Application Submittal Review Appointment

- A. A review of the submitted application shall be conducted at a scheduled pre-application submittal meeting with department staff to determine if the application is complete. The application submittal review shall determine if adequate information is provided in or with the application in order to begin processing the application and all required information and materials have been supplied in sufficient detail to begin the application review process. All information and materials required by the application form and from the Pre-submission Meeting must be submitted. All studies supporting the application or addressing projected impacts of the proposed development must be submitted.
- B. The purpose of the Application Submittal Review is to ensure adequate information is contained in the application materials to demonstrate consistency with applicable comprehensive plans, development regulations and other applicable city codes. Department staff will coordinate the involvement of agencies responsible for the review of setbacks, landscaping, parking, drainage, access, roads, traffic, signage, utilities and any other applicable requirements.

1B.050 Determination of Completeness

- A. Within twenty-eight (28) days after receiving an application, the department shall ~~complete the Application Submittal Review and~~ provide the applicant a written determination that the application

is complete or incomplete. . The number of days shall be calculated by counting every calendar day

- B. An application shall be determined complete only when it contains all of the procedural submission requirements of the department, as outlined on the project permit application. Additional information or studies may be required or project modifications may be undertaken subsequent to the procedural review of the application. At a minimum all of the following information and materials shall be included:

1. A fully completed and signed application.
2. Applicable review fees as prescribed by the City of Lacey fee schedule.
3. All information and materials described on the applicable application form.
4. A fully completed and signed environmental checklist for projects subject to review under the State Environmental Policy Act.
5. A scaleable plot plan prepared by a licensed engineer, surveyor, architect, or qualified professional ~~or certified planner~~, disclosing all existing and proposed structures and features applicable to the desired development; for example, parking, landscaping, preliminary drainage plans with supporting calculations, signage, setbacks, etc.
6. Any additional information and materials identified at the Pre-submission Meeting or required by applicable development standards, plans, policies or any other federal, state or local laws.
7. Any supplemental information or special studies identified by the department.
8. If the procedural submission requirements, as outlined on the project permit application have been provided the need for additional information or studies may not preclude a completeness determination.
9. The department may be able to waive certain submittal requirements based on site and application specific factors.

- C. For applications determined to be incomplete, the department shall notify the applicant in writing that the procedural submission requirements have not been met and shall outline what is necessary to make the application procedurally complete. identify, in writing, the specific requirements, information or materials necessary to constitute a complete application. Within fourteen (14) days after its receipt of the requested requirements, information or materials, the department shall issue a Determination of Completeness or identify the additional requirements, information, or materials still necessary for completeness.
- D. A Determination of Completeness shall identify, to the extent known, other local, state or federal agencies that may have jurisdiction over some aspect of the application.
- E. A Determination of Completeness shall not preclude the department from requesting additional information or studies, if additional information is required or a change in the proposed development occurs.
- F. An application shall be deemed procedurally complete on the 29th day after receiving a project permit application if a determination is not provided in writing that the application is procedurally incomplete. When the department does not provide a written determination they may still seek additional information or studies to enable review of the application.
- G. The notice of application shall be provided within 14 days after the determination of completeness pursuant to RCW 36.70B.110.

1B.060 Application Vesting

An application shall become vested on the date a determination of completeness is made under this Title. Thereafter, the application shall be reviewed under the codes, regulations and other laws in effect on the date of vesting. In the event an applicant substantially changes the proposed development after a determination of completeness, as determined by the department, the application shall not be considered vested until a new determination of completeness on the changes is made under this Title.

1B.070 Notice of Application

- A. Within fourteen days after issuing a determination of completeness, the department shall issue a notice of application. However, a notice of application shall not be required for project permits that are categorically exempt under chapter 43.21 RCW, unless an open record public hearing is required or an open record appeal hearing is allowed on the project permit decision. The notice shall include, but not be limited to the following:
1. The date of application, the date of the Determination of Completeness, and the date of the Notice of Application.
 2. A description of the proposed project action, a list of permits required for the application, and if applicable a list of any studies requested.
 3. The identification of other required permits not included in the application, to the extent known by the department.
 4. The identification of existing environmental documents which evaluate the proposed development and the location where the application and any studies can be reviewed.
 5. A statement of the public comment period, which shall be fourteen days following the date of the Notice of Application. The notice shall state the date which the comment period begins and the date and time on which the comment period ends, and a statement of the right of any person to comment on the application, receive notice of and participate in any hearings, request a copy of the decision once made, and receive a statement of any appeal rights.
 6. When applicable, the date, time, location and type of hearing, if scheduled at the date of the Notice of Application.
 7. A statement of the preliminary determination, if one has been made at the time of Notice of Application, of those development regulations that will be used for project mitigation and of consistency with the type of land use of the proposed site, the density and intensity of proposed development, infrastructure necessary to serve the development, and the character of the development.

8. Any other information determined by the department to be appropriate.

B. Informing the Public

1. No notice shall be required for limited administrative review.
 2. Notice shall be provided for land use applications subject to the full administrative review procedures outlined in Section 1C.030 in the following manner, except for short subdivision applications, which shall be subject to the notification requirements of subsection (3) below:
 - a. Publishing the Notice of Application. The notice of application shall be published in the official newspaper of the City of Lacey and include at a minimum the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed.
 3. Notice shall be provided for land use applications subject to the quasi-judicial or legislative review procedures outlined in Sections 1C.050 and 1C.060 and short subdivisions in the following manner:
 - a. Posting the Notice of Application. The Notice of Application shall be posted on the subject property for the duration of the public comment period and at a minimum include the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed. The Notice of Application shall be posted in a manner that is highly visible to the general public from the public right-of-way adjacent to the site.
 - b. Publishing a Notice of Application. The notice of application shall be published in the official newspaper of the City of Lacey, and include at a minimum the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed.
- C. The Notice of Application is not a substitute for any required notice of a public hearing.

1C Application Review

1C.010 Application Review Criteria

Review of an application and proposed development shall be governed by and be consistent with the fundamental land use planning policies and decisions which have been made in adopted comprehensive plans and development regulations. The review process shall consider the type of land use permitted at the proposed site, the density and intensity of the proposed development, the infrastructure available and needed to serve the development, the character of the development and its consistency with development regulations. In the absence of applicable development regulations, the applicable development criteria in the comprehensive plan or sub-area plan adopted under RCW 36.70A shall be determinative.

1C.020 Application Review Classification

- A. ~~Following the issuance of a Determination of Completeness and a Notice of Application, a~~An application shall be reviewed at one of four levels: Limited Administrative Review, Full Administrative Review, Quasi-Judicial Review, or Legislative Review.
- B. If this Chapter or the Lacey Municipal Code provides that a proposed development is subject to a specific type of review, or a different review procedure is required by law, then the application for such development shall be processed and reviewed accordingly. If this Title does not provide for a specific type of review and/or if a different review procedure is not required by law, then the department shall determine the type of review to be used for the type and intensity of the proposed development.
- C. Any public meeting or required open hearing may be combined by the department with any public meeting or open record hearing that may be held on the proposed development by another local, state, federal or other agency. Hearings shall be combined if requested by the applicant. However, joint hearings must be held within the City of Lacey and within the time limits of this title and RCW Chapter 36.70B.

1C.030 Limited Administrative Review of Applications

- A. The department may approve, approve with conditions, or deny applications subject to administrative review after the date the application is accepted as complete, without public notice. . A final

decision on the application shall be issued within 65 days of determination of completeness

- B. Should the department determine that modifications are required to the permit materials prior to issuance of a decision and the department has requested modifications on two occasions without resolution, the department shall meet with the applicant during the review process to attempt to resolve outstanding issues. Within 14 days of a second request for corrections, the department shall contact the applicant to arrange a meeting to discuss any issues at a date and time agreed upon by both parties. If the meeting does not resolve the issues related to the permit, and the department makes a third request for corrections or additional information, the department shall approve or deny the application upon receiving the information.

1C.040 Full Administrative Review of Applications

The review procedure under Full Administrative Review shall be as follows:

- A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after the closing of the public comment period associated with the Notice of Application.
- B. The community and economic development department shall distribute copies of the complete application to agencies and departments affected by the proposal or with review authority. The community and economic development department shall set a date for return of findings and recommendations from each commenting agency or department.
- C. Upon the completion of the application comment period and the issuance of an environmental determination, if applicable, the department may approve, approve with conditions, or deny the application. The department shall ~~mail-transmit~~ the notice of decision to the applicant and all parties of record within 100 days of the determination of completeness. The decision shall include:
 1. A statement of the applicable criteria and standards in the development codes and other applicable law.

2. A statement of the findings of the review authority, stating the application's compliance or non-compliance with applicable criteria, and assurance of compliance with applicable standards.
3. The decision to approve or deny the application and, if approved, conditions of approval necessary to ensure the proposed development will comply with all applicable law.

4 ~~4.~~—A statement that the decision is final unless appealed as provided in Section 1D “Appeals” to the City of Lacey Hearing Examiner within fourteen (14) calendar days after the date the notice of decision is mailed. The appeal closing date shall be listed. The statement shall describe how a party may appeal the decision, including applicable fees and the elements of a notice of appeal.

5 ~~5.~~—A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for review. The notice shall list the place, days and times when the case file is available for review and the name and telephone number of the department's representative to contact to arrange for a review.

6 [Should the department determine that modifications are required to the permit materials prior to issuance of a decision and the department has requested modifications on two occasions without resolution, the department shall meet with the applicant during the review process to attempt to resolve outstanding issues. Within 14 days of a second request for corrections, the department shall contact the applicant to arrange a meeting to discuss any issues at a date and time agreed upon by both parties. If the meeting does not resolve the issues related to the permit, and the department makes a third request for corrections or additional information, the department shall approve or deny the application upon receiving the information.](#)

1C.050 Quasi-Judicial Review of Applications

The review procedure under Quasi-Judicial Review shall be as follows:

- A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after

the closing of the public comment period associated with the Notice of Application.

- B. The community and economic development department shall distribute copies of the complete application to agencies and departments affected by the proposal or with review authority. The community and economic development department shall set a date for return of findings and recommendations from each commenting agency or department.
- C. Upon the completion of the application comment period, the issuance of an environmental determination and of the environmental appeal period, the department shall schedule a hearing with the City of Lacey Hearing Examiner, when applicable.
- D. At least ten (10) days before the date of a public hearing the department shall issue public notice of the date, time, location and purpose of the hearing by posting the subject site and the nearest intersection, posting at city hall, publishing notice in the official city newspaper and mailing notice to property owners of record located within a minimum of 300 feet of the subject property¹. If the applicant owns adjoining land, the distance of notification shall be measured from outside of the applicant's ownership. Failure to receive a public hearing notice shall not invalidate the hearing.
- E. At least ten (10) days before the date of the public hearing, the department shall issue a written staff report, integrating the SEPA review and threshold determination and recommendation regarding the application(s), shall make available to the public a copy of the staff report for review and inspection, and shall mail-provide a copy of the staff report and recommendation to the applicant or the applicant's designated representative. The department shall make available a copy of the staff report, subject to payment of a reasonable charge, to other parties who request it.
- F. Public hearings shall be conducted in accordance with the rules of procedure adopted by the hearing examiner. A public hearing shall be recorded on either audio or audio-visual tape. If for any reason the hearing cannot be completed on the date set in the public notice, it may be continued during the public hearing to a specified date, time and location without further public notice required.
- G. The hearings examiner may approve, approve with conditions or deny the application and shall provide written notice of its decision to the council, department, applicant, the applicant's designated

representative, the property owner(s), and any other parties of record within fourteen (14) days of the close of the public hearing. The final decision of the hearings examiner shall include:

1. A statement of the applicable criteria, standards and law;
2. A statement of the findings the hearing examiner made showing the proposal does or does not comply with applicable approval criteria and assurance of compliance with applicable standards;
3. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for review. The notice shall list the place, days and times when the case file is available for review and the name and telephone number of the department representative to contact to arrange for a review.
4. A statement that the decision is final unless appealed, pursuant to Section 1D “Appeals”, to Superior Court within twenty-one days of the issuance of the decision. The appeal closing date shall be listed.
5. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for inspection. The notice shall state the place, days and times when the case file is available for inspection and the name and telephone number of the department’s representative to contact to arrange inspection.

1C.060 Legislative Review of Applications

Legislative Review requires at least one public hearing before the City of Lacey Planning Commission and one public meeting before the Lacey City Council. Legislative Review shall be conducted as follows:

- A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after the closing of the public comment period.
- B. Upon the completion of the comment period required by SEPA and the issuance of an environmental determination if applicable, the department shall schedule an open record hearing with the City of Lacey Planning Commission.

- C. At least ten (10) days before the date of the Planning Commission open record hearing the department shall issue public notice of the date, time, location and purpose of the hearing by posting at city hall and publishing notice in the official city newspaper. The notice shall include notice of the SEPA threshold determination issued by the department. If the project is site specific, in addition to the abovementioned notifications, the subject site shall be posted and notice shall be mailed to property owners of record located within a minimum of 300-feet of the subject site.
- D. At least ten (10) days prior to the open record hearing, the department shall issue a written staff report regarding the application(s), shall make available to the public a copy of the staff report for review and shall mail a copy of the staff report and recommendation to the applicant or the applicant's designated representative, and Planning Commission members. The department shall make available a copy of the staff report, subject to payment of a reasonable charge, to other parties who request it.
- E. Following the public hearing, in accordance with RCW 36.70A.035, the recommendation of the Planning Commission shall be forwarded to the City Council. Upon receiving the recommendation from the Planning Commission, the City Council shall set a public meeting to consider the proposal, at which the Council may accept, modify or reject the recommendation.
- F. The City Council may accept, modify, deny or remand the proposal back to the Planning Commission for further review. The approval of comprehensive plan amendments and zoning changes by the City Council shall be adopted by ordinance.
- G. The final decision of the City Council shall be in writing and include:
 - 1. A statement of the applicable criteria and law;
 - 2. A statement of the findings indicating the application's or proposed development's compliance or non-compliance with each applicable approval criterion;
 - 3. If denied, a statement that the decision is final unless appealed, pursuant to Section 1D "Appeals", to Superior Court within twenty-one (21) days of the issuance of the decision, as determined pursuant to RCW 36.70A.280. The appeal closing date shall be listed.

4. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for inspection. The notice shall state the place, days and times when the case file is available for inspection and the name and telephone number of the department representative to contact to arrange inspection.

1C.070 Notice of Final Decision*

A. A Notice of Final Decision on an application shall be issued ~~within by the Department in the following time periods based on notice requirements of the application: one hundred twenty (120) days after the date a Determination of Completeness is made. In determining the number of days that have elapsed, the following periods shall be excluded:~~

- ~~1. For project permits that do not require public notice, those projects subject to limited administrative review, a final decision shall be issued within 65 days of the determination of completeness.~~
- ~~2. For project permits requiring a public notice, project subject to full administrative review, a final decision shall be issued within 100 days of the determination of completeness.~~
- ~~3. For project permits requiring public notice AND a public hearing, quasi-judicial projects, a final decision shall be issued within 170 days of the determination of completeness.~~

B. ~~The number of days an application is in review with the City shall be calculated from the day completeness is determined, to the date the final decision is issued. The number of days shall be calculated by counting every calendar day. The following time periods shall be excluded from the number of days:~~

- ~~1. 1. Any period following the day the City has notified the applicant, in writing, that additional information is required to further process the application and the day when the responsive information is resubmitted by the applicant;~~
- ~~2. Any period after the applicant has informed the City, in writing, that they would like to temporarily suspend review of the application until the time the applicant notifies the department, in writing, that they would like to resume the application~~
- ~~3. Any time period after an administrative appeal is filed until the administrative appeal is resolved and any additional time period provided by the administrative appeal has expired~~

4. The time periods to process a permit shall start over if an applicant proposes a change in use that adds or removes commercial or residential elements from the original application that would make the application fail to meet the determination of procedural completeness for the new use, as required under RCW 36.70B.070
5. If, at any time, the applicant informs the department, in writing, that they would like to temporarily suspend the review of the project for more than 60 days, or if the applicant is not responsive for more than 60 consecutive days after the City has notified the applicant that additional information is required to further process the application, an additional 30 days may be added to the time periods for action to issue a final decision for each type of project permit. Written notice to the applicant that additional information is required to process the application must include a notice that nonresponsiveness for 60 consecutive days may result in 30 days being added to the time for review. "nonresponsiveness" means that an applicant is not making demonstrable progress on providing additional requested information, or that there is no ongoing communication from the applicant on the applicants ability or willingness to provide the additional information.
- C. Annual amendments to the comprehensive plan are not subject to the timeline requirements of this section.
- D. Nothing in this section prohibits the city from extending the deadline for issuing a decision for a specific project permit application for any reasonable period of time mutually agreed upon by the applicant and the city.
- E. A notice of final decision does not apply to projects subject to legislative review.

~~1. Any period during which the applicant has been requested by the department to correct plans, perform required studies, or provide additional information or materials. The period shall be calculated starting from the date the department issues the request to the applicant, to the earlier of either the date the department determines whether the additional information satisfies its request of fourteen (14) days after the date the information has been received by the department. If the City determines the information submitted by the applicant under this subsection is insufficient, it shall again notify the applicant of deficiencies and the procedures under this subsection shall apply to the request for information;~~

~~* Notice of Final Decision does not apply to Legislative Review of applications.~~

~~2. Any period during which an environmental impact statement (EIS) is being prepared following a determination of significance pursuant to RCW 43.21C.~~

~~3. Any period for administrative appeals, which shall not exceed ninety (90) days for open record appeals and sixty (60) days for closed record appeals.~~

~~4. Any extension of time mutually agreed upon by the applicant and the department.~~

~~B. The time limit by which the City must issue a Notice of Final Decision does not apply if an application:~~

~~1. Requires an amendment to a comprehensive plan or development regulation.~~

~~2. Is substantially revised by the applicant after a Determination of Completeness has been issued, in which case the time period shall start from the date on which the revised project application is determined to be complete.~~

~~C. If the City is unable to issue its final decision within the time limits provided for in this section, it shall provide written notice of this fact to the applicant. The notice shall include a statement of reasons why the time limits have not been met and an estimated date for issuance of the Notice of Final Decision.~~

~~D. In accordance with state law, the City is not liable for damages which may result from the failure to issue a timely Notice of Final Decision.~~

1D Appeals

1D.010 Appeals

A. An administrative appeal of a decision of the department after Limited and Full Administrative Review shall be filed with the department by the applicant or any party of record pursuant to Section 1D.030. The Hearing Examiner at a public hearing shall hear the administrative appeal as an open record appeal.

- B. An appeal of a final decision by the Hearing Examiner shall be timely filed as a judicial appeal pursuant to Section 1D.070
- C. An appeal of a final decision of the City Council shall be timely filed as a judicial appeal pursuant to Section 1D.070.
- D. The City shall have no obligation to the applicant or to any party to defend an appeal of a decision of the department, Hearing Examiner or the City Council.
- E. An aggrieved person, agency or department with standing may appeal a decision made by the City of Lacey. A person, agency or department with standing is one who is a party of record, as defined in Section 1D.030.

1D.020 Stays

All proceedings on appealed action stayed unless an imminent peril. The filing of an appeal shall stay all proceedings and furtherance of the action appealed from, unless the administrative official from whom the appeal is taken certifies to the land use hearings examiner after the notice of the appeal is filed, that by reason of facts stated in the certificate, a stay would, in the opinion of such official, cause imminent peril to life and property. In such case the proceedings shall not be stayed unless the land use hearings examiner specifically orders such a stay.

1D.030 Appeals to hearing examiner

- A. Appellant. Appeals may be taken to the Hearing Examiner only by a party of record or by any officer, department, board, council or commission of the City affected by any order, requirement, permit, decision or determination made by an administrative official in the administration or enforcement of this title or any amendment thereto. Such appeals shall be filed in writing with the Department on forms provided by the Department within fourteen (14) days after the date of decision and shall be accompanied by the required fee. The Department shall promptly forward a copy of such appeal to the Examiner.
- B. Basis of Appeal and Relief Sought. Every appeal shall state in writing:
 - 1. The decision being appealed.
 - 2. The name and address of the appellant and his/her interest(s) in the application or proposed development.
 - 3. The specific reasons why the appellant believes the decision to be erroneous, including identification of each finding of fact, each conclusion, and each condition or action ordered which the appellant alleges is erroneous. The appellant shall have the burden of proving the decision is erroneous.
 - 4. The specific relief sought by the appellant.
- C. Dismissal. Failure to state specific grounds of the appeal and relief sought may result in dismissal of such appeal. The city staff or any party may request dismissal of an appeal at any time with notice to

all parties. Upon finding that the appeal fails to state cause to reverse or modify the decision or that the Examiner lacks jurisdiction to grant relief, the Examiner may dismiss such appeal without hearing. The Examiner shall state in writing whether such dismissal is with or without prejudice.

- D. Notice and Record. Upon the finding that an appeal has sufficient merit the Hearing Examiner shall set the time and place at which the matter will be heard. At least a ten (10) day notice of the time and place of such open record appeal hearing shall be given to the parties of record and to the official whose decision is being appealed. The Department shall transmit to the Hearing Examiner a copy of all of the records pertaining to the decision being appealed, together with written reports as the Hearing Examiner deems pertinent.
- E. Waiver of Hearing. By agreement of all parties thereto, the appeal hearing may be waived. Such appeal may be decided by the Examiner on the basis of written briefs or memoranda.
- F. Standard of Review. The Examiner shall only grant the relief requested by an appellant upon finding that the appellant has established that:
 - 1. The staff failed to follow a prescribed administrative procedure related to the underlying action;
 - 2. The staff's decision was an erroneous interpretation of the law;
 - 3. The decision is not supported by substantial evidence within the context of the whole record;
 - 4. The decision is a clearly erroneous application of the law to the facts;
 - 5. The decision is outside the authority or jurisdiction of the decision-maker;
 - 6. The decision violates the constitutional rights of the party seeking relief, or
 - 7. The decision is clearly in conflict with the City's adopted plans, policies or ordinances.

G. Decision. The decision of the Examiner shall be limited to those issues timely raised on appeal. The Examiner may not reconsider or modify aspects of a project previously considered and settled by another final decision of the City. In exercising the powers granted herein, the Hearing Examiner may, in conformity with this title, reverse or affirm, wholly or in part, or may modify the order, requirements, decision or determination appealed.

H. Building Code Appeals. All appeals filed in accordance with LMC 14.18.030 shall be heard by the Hearing Examiner. Such appeals shall follow the procedures contained herein

1D.040 Reconsideration of hearing examiner decision

Decisions or recommendations of the hearing examiner may be reconsidered. Further, prior to issuing a decision, the Examiner may reconvene any hearing or continue any other proceeding in such manner as the Examiner deems appropriate to ensure a fair, timely, and reasoned decision.

A. After issuance of a final decision or recommendation any party, including the Department of Community and Economic Development, may file a motion for reconsideration on an appeal to the Hearing Examiner in accordance with subsection (B) of this Section. Such motion must be filed within fourteen days of service of the final decision or recommendation. The original of the motion for reconsideration shall be filed at the Community and Economic Development Department with a copy to the City Attorney's Office. At the same time, copies shall be served on all parties of record. Within five days of filing the motion for reconsideration, a party may file an answer to the motion for reconsideration. The Hearing Examiner may require other parties to supply an answer. All answers to motions for reconsideration shall be served on all parties of record.

B. A motion for reconsideration shall be based on at least one of the following grounds:

1. Errors of procedure or misinterpretation of fact or law, material to the party seeking reconsideration;
2. Irregularity in the hearing before the Hearing Examiner by which such party was prevented from having a fair hearing; or
3. Clerical mistakes in the final decision and order.

- C. In response to a motion for reconsideration, the Hearing Examiner may deny the motion, modify its decision or recommendation, or reopen the hearing. A motion is deemed denied unless the Hearing Examiner takes action within 20 days of the filing of the motion for reconsideration. A Hearing Examiner order on a motion for reconsideration is not subject to a motion for reconsideration.
- D. A decision in response to the petition for reconsideration shall constitute a final decision and order for purposes of judicial review. Copies of the final decision and order shall be served on each party or the party's attorney or other authorized representative of record, unless the decision is deemed denied following the 20-day time frame set forth in Subsection C of this Section.
- E. The time for an appeal does not commence until disposition of the motion for reconsideration. If the Hearing Examiner takes no action under subsection (3) of this Section, the motion for reconsideration is deemed disposed at the end of the 20-day period. The filing of a motion for reconsideration is not a prerequisite for seeking judicial review.

1D.050 Clarification of hearing examiner decision

- A. Any interested party believing that a decision or recommendation of the Hearing Examiner is ambiguous, vague, or internally inconsistent may request clarification of the decision by the Examiner. Such a request shall be submitted to the Department with the applicable fee and shall set forth the specific provision requiring additional clarity. The Department shall forward such request to the Examiner. Upon receipt of such a request, the Hearing Examiner may take action as the Examiner deems appropriate to the circumstances.
- B. A request for clarification shall not provide an opportunity for reconsideration of a decision nor for introduction of new evidence. Except as ordered by the Examiner, the filing of a request for clarification shall not alter any appeal period or delay issuance of any permit.
- C. When the Examiner determines that a clarification is in order, the Examiner may issue a supplemental or clarified decision or recommendation. As deemed appropriate by the Examiner, the Examiner may order that the supplemental or clarified decision or

recommendation be subject to appropriate notice and an opportunity for appeal.

1D.070 Judicial Appeals of Final Decisions

- A. Appeals of an action of the City, with respect to an application for which all administrative appeals specifically authorized have been timely exhausted, shall be filed in the Thurston County Superior Court and served on all necessary parties within twenty-one (21) days after the date of issuance of the Notice of Final Decision, as determined pursuant to RCW 36.70C.040.
- B. Notice of the appeal and any other pleadings required to be filed with the Superior Court shall be served on the City Manager, the City Attorney, and the Director of Community and Economic Development within the twenty-one (21) day time period.
- C. The appellant may arrange for transcription of any hearings held on the application and copies from the file. All costs of transcribing the record, copying the file, and preparing the record on appeal shall be paid by the appellant. The appellant shall, prior to the department's preparation of the record, pay an advance deposit to the department in an amount determined by the department's fee schedule for copying materials. The fee schedule shall represent the department's reasonable costs of duplicating the record. Any excess advance deposit shall be promptly refunded to the appellant.
- D. The action of the City Council approving Comprehensive Plan amendments shall be final and conclusive, unless appealed to the Growth Management Hearings Board as provided under the Revised Code of Washington. The cost of preparing and certifying the transcript of records ordered by the Board shall be borne by appellant.
- E. Appeals of a decision to grant, deny or rescind a shoreline permit shall be governed by the provisions of Chapter 90.58 of the Revised Code of Washington.

1D.080 SEPA Appeals

- A. Any appeal brought under the State Environmental Policy Act (SEPA) shall be linked to a specific governmental action. SEPA provides a basis for challenging whether governmental action is in compliance with the substantive and procedural provisions of RCW

Chapter 43.21C, WAC Chapter 197-11 and Title 14 of the Lacey Municipal Code. It is not intended to create an independent cause of action unrelated to a specific governmental action.

- B. Appeals of environmental determinations made (or lacking) under SEPA shall be commenced within fourteen calendar days from the date the environmental determination is made. The environmental appeal hearing shall be consolidated into the public hearing for the underlying permit application for applications subject to quasi-judicial review. Appeals of an environmental determination associated with an application subject to full administrative review or legislative review defined as a non-project action under SEPA shall be scheduled for a public hearing before the City of Lacey Hearings Examiner.
- C. Any SEPA appeal hearing associated with full administrative review shall not occur until after the underlying administrative decision has been issued.
- D. Quasi-judicial hearings shall not occur sooner than 10 days from expiration of a SEPA appeal deadline.
- E. A person aggrieved by a City action or failure to act has the right to a judicial appeal pursuant to RCW Chapter 43.21C, RCW Chapter 36.70C and WAC Chapter 197-11.

ORDINANCE NO. 1669

CITY OF LACEY

AN ORDINANCE OF THE CITY OF LACEY RELATED TO PLANNING PROCEDURES, AMENDING SECTIONS 1.010, 1.030, 1B.020, 1B.040, 1B.050, 1B.070, 1C.020, 1C.030, 1C.040, 1C.050, AND 1C.070, ALL OF THE CITY OF LACEY DEVELOPMENT GUIDELINES AND PUBLIC WORKS STANDARDS AND APPROVING A SUMMARY FOR PUBLICATION.

WHEREAS, During the 2023 legislative session, the Washington State legislature passed Senate Bill (SB) 5290 Local Project Review, which amends the Local Project Review Act, Chapter 36.70B RCW; and

WHEREAS, SB 5290 includes, among other things, updated permit review timelines, clarifications regarding the determination of completeness process, updated annual reporting requirements related to permit issuance, and new provisions requiring partial permit fee refunds for failure to timely process permit applications; and

WHEREAS, SB 5290 identifies 10 different actions that jurisdictions can adopt to further improve permit review timelines and requires that jurisdictions commit to a minimum of three of these additional actions to avoid the requirement of partial permit fee refunds; and

WHEREAS, Two of these additional actions have already been adopted by the City of Lacey and are current standard practice, and one of these additional actions is included within the proposed updates; and

WHEREAS, To comply with the mandated legislation, remain consistent with state law, and to be insulated from the new provisions requiring partial permit fee refunds, staff has proposed updates to Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards manual, related to development permit procedures and administration; and

WHEREAS, The Lacey Planning Commission has reviewed, conducted a public hearing, and voted unanimously to forward to the City Council its recommendation to adopt the proposed updates to Chapter 1 of the Development Guidelines and Public Works Standards; and

WHEREAS, Adoption of the proposed updates will bring the City of Lacey into compliance with the mandates of SB 5290 and insulate the city from the new provisions requiring partial permit fee refunds for failure to timely process permit applications; and

WHEREAS, the City Council finds that adoption of the proposed updates will be in the interest of the citizens of Lacey.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, AS FOLLOWS:

Section 1. Section 1.010 of the City of Lacey Development Guidelines and Public Works Standards is hereby amended as follows:

1.010 Purpose and Applicability

- A. The purpose of this chapter of the City of Lacey Development Guidelines and Public Works Standards is to enact the processes and timelines for local land development permitting. The objectives of this chapter are to encourage the preparation of appropriate information and/or materials early in the permitting process, to process permit applications in a timely manner, to provide the general public with an adequate opportunity for review and comment, and to provide the development community with a standardized process and predictability.
- B. This Chapter shall apply to permit applications for land development under the following Titles of the Lacey Municipal Code:
 - Title 14 -- Buildings and Construction
 - Title 15 -- Subdivisions
 - Title 16 -- Zoning
- C. Other laws, ordinances, regulations and plans have a direct impact on the development of land. These include, but are not limited to, the City of Lacey

Development Guidelines and Public Works Standards, City of Lacey Environmental Protection and Resource Conservation Plan, City of Lacey Transportation Plan, Shoreline Master Program for ~~the City of Lacey~~Thurston Region, City of Lacey ~~and Thurston County Land Use Plan for the Lacey Urban Growth Area~~Comprehensive Plan, and the laws, ordinances, regulations and plans of federal, state and local agencies.

Section 2. Section 1.030 of the City of Lacey Development Guidelines and Public

Works Standards is hereby amended as follows:

1.030 Definitions

Unless the context clearly requires otherwise, the definitions in this section apply throughout this Title:

- ~~A.~~ A. “Application” means a request for any land use permit required from the City of Lacey for proposed development or action, including without limitation: building permits, conditional use permits, shoreline substantial development permits, binding site plans, planned developments, subdivisions, short subdivisions, variances, site plan reviews, permits or approvals required by critical area ordinances, and site specific rezones.
- ~~BA.~~ BA. “Closed record appeal” means an appeal on the record with no new evidence or information allowed to be submitted and only appeal argument allowed.
- ~~CB.~~ CB. “Day” refers to calendar day including weekends and City-recognized holidays; “working day” refers to a day that the City of Lacey conducts official business from Monday through Friday excluding City-recognized holidays. Should a statutory deadline end on a weekend or City-recognized holiday, the deadline shall be extended to 5:00 p.m. the next working day.
- ~~DC.~~ DC. “Department” means City of Lacey Community Development Department.
- ~~ED.~~ ED. “Full administrative review” is used when the proposed development is subject to objective and subjective standards requiring the exercise of limited discretion about non-technical issues and about which there may be limited public interest. The proposed development may or may not be subject to SEPA review. Included under this type of review are binding site plans, short subdivisions, site plan review applications, certain wetland development permits, as prescribed in LMC 14.28.120, land clearing permits and other similar applications.
- ~~FE.~~ FE. “Limited administrative review” is used when the proposed development is subject to clear, objective and non-discretionary standards requiring the exercise of professional judgment about technical issues and the proposed development is

exempt from the State Environmental Policy Act (SEPA). Included under this type of review are interpretation of codes and ordinances, single family building permits, design review, exempt tree removal requests, accessory dwelling units and other similar applications.

GF. "Legislative review" is used when the proposed development involves the creation, implementation or amendment of city policy or law. In contrast to the other procedure types, legislative review usually applies to a relatively large geographic area containing several property owners. Included under this type of review are comprehensive plan, sub-area plan, zoning and/or development code review, amendments and updates, site-specific zoning district reclassifications and other similar applications.

HG. "Open record hearing," means a hearing that creates the record through testimony and submission of evidence and information. An open record hearing may be held on an appeal if no open record hearing has previously been held on the application.

IH. "Party of record" means an applicant, individual, agency or department who commented in writing on the project during the public comment period for the Notice of Application, Environmental Review or provided testimony at the Public Hearing.

J. "Permit Assistance Staff" means the staff designated by the City to handle all permit assistance questions and duties. The City has designated the Permit Technician, the Planners within the Community Development Department and the Public Works Development Review Staff as the permit assistance staff.

J"Project permit application" means any land use or environmental permit or license required by the department for a project action, including but not limited to subdivisions, binding site plans, planned unit developments, conditional uses, shoreline substantial development permits, site plan review, permits or approvals required by critical area ordinances, site-specific rezones which do not require a comprehensive plan amendment, but excluding the adoption or amendment of a comprehensive plan, subarea plan, or development regulations.

K. "Public meeting" means an informal meeting, workshop, or other public gathering to obtain comments from the public or other agencies on an application. A public meeting does not constitute an open record hearing.

L. "Quasi-judicial review" is used when the development or use proposed under the application requires a public hearing before a hearing examiner. Included within this type of review shall be subdivisions, conditional use permits, planned residential developments, variances, certain wetland development permits, as

prescribed in LMC14.28.110, shoreline substantial development permits administrative appeals, master plans and other similar applications.

Section 3. Section 1B.020 of the City of Lacey Development Guidelines and Public

Works Standards is hereby amended as follows:

1B.020 Pre-submission Meetings

- A. All prospective applicants shall participate in a Pre-submission Meeting. The department may waive the requirement of a Pre-submission Meeting where proposed development is subject to Limited Administrative Review.
- B. The purpose of the Pre-submission Meeting is to provide the applicant with the best available information regarding the development proposal and application processing requirements, and to assure the availability of complete and accurate information necessary for review prior to the applicant's expenditure of application fees and the scheduling of the application review process.
- C. The Pre-submission Meeting provides an opportunity for the applicant, staff and other agencies to informally discuss and review the proposed development, the application and permit requirements, fees, the review process and schedule, and applicable development standards, plans, policies, and laws.
- D. The Pre-submission Meeting shall take place virtually via electronic platform, or in person at the department's office, unless the department and the applicant agree upon another location. The length of the Pre-submission Meeting shall be determined by the complexity of the development proposed by the applicant.
- E. An applicant may request additional Pre-submission Meetings if the proposed development changes based on information received at the previous meeting. The additional meetings shall be subject to the same procedures as the initial Pre-submission Meeting.
- F. Application forms shall be made available to the applicant following a Pre-submission Meeting.

Section 4. Section 1B.040 of the City of Lacey Development Guidelines and Public

Works Standards is hereby amended as follows:

1B.040 Application Submittal Review Appointment

- A. A review of the submitted application shall be conducted at a scheduled pre-application submittal meeting with department staff to determine if the application is complete. The application submittal review shall determine if adequate information is provided in or with the application in order to begin processing the application and all required information and materials have been supplied in sufficient detail to begin the application review process. All information and materials required by the application form and from the Pre-submission Meeting must be submitted. All studies supporting the application or addressing projected impacts of the proposed development must be submitted.
- B. The purpose of the Application Submittal Review is to ensure adequate information is contained in the application materials to demonstrate consistency with applicable comprehensive plans, development regulations and other applicable city codes. Department staff will coordinate the involvement of agencies responsible for the review of setbacks, landscaping, parking, drainage, access, roads, traffic, signage, utilities and any other applicable requirements.

Section 5. Section 1B.050 of the City of Lacey Development Guidelines and Public

Works Standards is hereby amended as follows:

1B.050 Determination of Completeness

- A. Within twenty-eight (28) days after receiving an application, the department shall complete the Application Submittal Review and provide the applicant a written determination that the application is complete or incomplete. The number of days shall be calculated by counting every calendar day.
- B. An application shall be determined complete only when it contains all procedural submission requirements of the department, as outlined on the project permit application. Additional information or studies may be required or project modifications may be undertaken subsequent to the procedural review of the application. At a minimum all of the of the following information and materials shall be included:
 - 1. A fully completed and signed application.
 - 2. Applicable review fees as prescribed by the City of Lacey fee schedule.
 - 3. All information and materials described on the applicable application form.
 - 4. A fully completed and signed environmental checklist for projects subject to review under the State Environmental Policy Act.

5. A scaleable plot plan prepared by a licensed engineer, surveyor, architect, or qualified professional~~or certified planner~~, disclosing all existing and proposed structures and features applicable to the desired development; for example, parking, landscaping, preliminary drainage plans with supporting calculations, signage, setbacks, etc.
 6. Any additional information and materials identified at the Pre-submission Meeting or required by applicable development standards, plans, policies or any other federal, state or local laws.
 7. Any supplemental information or special studies identified by the department.
 8. If the procedural submission requirements, as outlined on the project permit application have been provided the need for additional information or studies may not preclude a completeness determination.
 9. The department may waive certain submittal requirements based on site and application specific factors.
- C. For applications determined to be incomplete, the department shall notify the applicant in writing that the procedural submission requirements have not been met and shall outline what is necessary to make the application procedurally complete~~identify, in writing, the specific requirements, information or materials necessary to constitute a complete application~~. Within fourteen (14) days after its receipt of the requested requirements, information or materials, the department shall issue a Determination of Completeness or identify the additional requirements, information, or materials still necessary for completeness.
- D. A Determination of Completeness shall identify, to the extent known, other local, state or federal agencies that may have jurisdiction over some aspect of the application.
- E. A Determination of Completeness shall not preclude the department from requesting additional information or studies, if additional information is required or a change in the proposed development occurs.
- F. An application shall be deemed procedurally complete on the 29th day after receiving a project permit application if a determination is not provided in writing that the application is procedurally incomplete. When the department does not provide a written determination they may still seek additional information or studies to enable review of the application
- G. The notice of application shall be provided within 14 days after the determination of completeness pursuant to RCW 36.70B.110

Section 6. Section 1B.070 of the City of Lacey Development Guidelines and Public

Works Standards is hereby amended as follows:

1B.070 Notice of Application

- A. Within fourteen days after issuing a determination of completeness, the department shall issue a notice of application. However, a notice of application shall not be required for project permits that are categorically exempt under chapter 43.21 RCW, unless an open record public hearing is required or an open record appeal hearing is allowed on the project permit decision. The notice shall include, but not be limited to the following:
1. The date of application, the date of the Determination of Completeness, and the date of the Notice of Application.
 2. A description of the proposed project action, a list of permits required for the application, and if applicable a list of any studies requested.
 3. The identification of other required permits not included in the application, to the extent known by the department.
 4. The identification of existing environmental documents which evaluate the proposed development and the location where the application and any studies can be reviewed.
 5. A statement of the public comment period, which shall be fourteen days following the date of the Notice of Application, and a statement of the right of any person to comment on the application, receive notice of and participate in any hearings, request a copy of the decision once made, and receive a statement of any appeal rights. The notice shall state the date which the comment period begins and the date and time on which the comment period ends.
 6. When applicable, the date, time, location and type of hearing, if scheduled at the date of the Notice of Application.
 7. A statement of the preliminary determination, if one has been made at the time of Notice of Application, of those development regulations that will be used for project mitigation and of consistency with the type of land use of the proposed site, the density and intensity of proposed development,

infrastructure necessary to serve the development, and the character of the development.

8. Any other information determined by the department to be appropriate.

B. Informing the Public

1. No notice shall be required for limited administrative review.
2. Notice shall be provided for land use applications subject to the full administrative review procedures outlined in Section 1C.030 in the following manner, except for short subdivision applications, which shall be subject to the notification requirements of subsection (3) below:
 - a. Publishing the Notice of Application. The notice of application shall be published in the official newspaper of the City of Lacey and include at a minimum the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed.
3. Notice shall be provided for land use applications subject to the quasi-judicial or legislative review procedures outlined in Sections 1C.050 and 1C.060 and short subdivisions in the following manner:
 - a. Posting the Notice of Application. The Notice of Application shall be posted on the subject property for the duration of the public comment period and at a minimum include the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed. The Notice of Application shall be posted in a manner that is highly visible to the general public from the public right-of-way adjacent to the site.
 - b. Publishing a Notice of Application. The notice of application shall be published in the official newspaper of the City of Lacey, and include at a minimum the following information: the project location, description, type of permit required, comment period dates and location where the complete application may be reviewed.

C. The Notice of Application is not a substitute for any required notice of a public hearing.

Section 7. Section 1C.020 of the City of Lacey Development Guidelines and Public

Works Standards is hereby amended as follows:

1C.020 Application Review Classification

- A. ~~Following the issuance of a Determination of Completeness and a Notice of Application, an~~An application shall be reviewed at one of four levels: Limited Administrative Review, Full Administrative Review, Quasi-Judicial Review, or Legislative Review.
- B. If this Chapter or the Lacey Municipal Code provides that a proposed development is subject to a specific type of review, or a different review procedure is required by law, then the application for such development shall be processed and reviewed accordingly. If this Title does not provide for a specific type of review and/or if a different review procedure is not required by law, then the department shall determine the type of review to be used for the type and intensity of the proposed development.
- C. Any public meeting or required open hearing may be combined by the department with any public meeting or open record hearing that may be held on the proposed development by another local, state, federal or other agency. Hearings shall be combined if requested by the applicant. However, joint hearings must be held within the City of Lacey and within the time limits of this title and RCW Chapter 36.70B.

Section 8. Section 1C.030 of the City of Lacey Development Guidelines and Public

Works Standards is hereby amended as follows:

1C.030 Limited Administrative Review of Applications

- A. The department may approve, approve with conditions, or deny applications subject to administrative review after the date the application is accepted as complete, without public notice. A final decision on the application shall be issued within 65 days of determination of completeness.
- B. Should the department determine that modifications are required to the permit materials prior to issuance of a decision and the department has requested modifications on two occasions without resolution, the department shall meet with the applicant during the review process to attempt to resolve outstanding issues. Within fourteen (14) days of a second request for corrections, the department shall contact the applicant to arrange a meeting to discuss outstanding issues at a date and time agreed upon by both parties. If the meeting does not resolve the issues related to the permit, and the department makes a third request for corrections or additional information, the department shall approved or deny the application upon receiving the materials unless the department and the applicant agree, in writing, to continue the review process beyond the third submittal if the project cannot be approved at that time.

Section 9. Section 1C.040 of the City of Lacey Development Guidelines and Public

Works Standards is hereby amended as follows:

1C.040 Full Administrative Review of Applications

The review procedure under Full Administrative Review shall be as follows:

- A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after the closing of the public comment period associated with the Notice of Application.
- B. The community development department shall distribute copies of the complete application to agencies and departments affected by the proposal or with review authority. The community development department shall set a date for return of findings and recommendations from each commenting agency or department.
- C. Upon the completion of the application comment period and the issuance of an environmental determination, if applicable, the department may approve, approve with conditions, or deny the application. The department shall mail the notice of decision to the applicant and all parties of record. The decision shall include:
 - 1. A statement of the applicable criteria and standards in the development codes and other applicable law.
 - 2. A statement of the findings of the review authority, stating the application's compliance or non-compliance with applicable criteria, and assurance of compliance with applicable standards.
 - 3. The decision to approve or deny the application and, if approved, conditions of approval necessary to ensure the proposed development will comply with all applicable law.
 - 4. A statement that the decision is final unless appealed as provided in Section 1D "Appeals" to the City of Lacey Hearing Examiner within fourteen (14) calendar days after the date the notice of decision is mailed. The appeal closing date shall be listed. The statement shall describe how a party may appeal the decision, including applicable fees and the elements of a notice of appeal.
 - 5. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for review. The notice shall list the

place, days and times when the case file is available for review and the name and telephone number of the department's representative to contact to arrange for a review.

6. Should the department determine that modifications are required to the permit materials prior to issuance of a decision and the department has requested modifications on two occasions without resolution, the department shall meet with the applicant during the review process to attempt to resolve outstanding issues. Within fourteen (14) days of a second request for corrections, the department shall contact the applicant to arrange a meeting to discuss outstanding issues at a date and time agreed upon by both parties. If the meeting does not resolve the issues related to the permit, and the department makes a third request for corrections or additional information, the department shall approved or deny the application upon receiving the materials unless the department and the applicant agree, in writing, to continue the review process beyond the third submittal if the project cannot be approved at that time.

Section 10. Section 1C.050 of the City of Lacey Development Guidelines and Public

Works Standards is hereby amended as follows:

1C.050 Quasi-Judicial Review of Applications

The review procedure under Quasi-Judicial Review shall be as follows:

- A. If the proposed development is subject to the State Environmental Policy Act (SEPA), the threshold determination shall be made after the closing of the public comment period associated with the Notice of Application.
- B. The community and economic development department shall distribute copies of the complete application to agencies and departments affected by the proposal or with review authority. The community and economic development department shall set a date for return of findings and recommendations from each commenting agency or department.
- C. Upon the completion of the application comment period, the issuance of an environmental determination and of the environmental appeal period, the department shall schedule a hearing with the City of Lacey Hearing Examiner, when applicable.
- D. At least ten (10) days before the date of a public hearing the department shall issue public notice of the date, time, location and purpose of the hearing by posting the subject site and the nearest intersection, posting at city hall, publishing notice in the official city newspaper and mailing notice to property owners of record located within a minimum of 300 feet of the subject property¹. If the applicant owns

adjoining land, the distance of notification shall be measured from outside of the applicant's ownership. Failure to receive a public hearing notice shall not invalidate the hearing.

- E. At least ten (10) days before the date of the public hearing, the department shall issue a written staff report, integrating the SEPA review and threshold determination and recommendation regarding the application(s), shall make available to the public a copy of the staff report for review and inspection, and shall provide a copy of the staff report and recommendation to the applicant or the applicant's designated representative. The department shall make available a copy of the staff report, subject to payment of a reasonable charge, to other parties who request it.
- F. Public hearings shall be conducted in accordance with the rules of procedure adopted by the hearing examiner. A public hearing shall be recorded on either audio or audio-visual tape. If for any reason the hearing cannot be completed on the date set in the public notice, it may be continued during the public hearing to a specified date, time and location without further public notice required.
- G. The hearings examiner may approve, approve with conditions or deny the application and shall provide written notice of its decision to the council, department, applicant, the applicant's designated representative, the property owner(s), and any other parties of record within fourteen (14) days of the close of the public hearing. The final decision of the hearings examiner shall include:
 - 1. A statement of the applicable criteria, standards and law;
 - 2. A statement of the findings the hearing examiner made showing the proposal does or does not comply with applicable approval criteria and assurance of compliance with applicable standards;
 - 3. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for review. The notice shall list the place, days and times when the case file is available for review and the name and telephone number of the department representative to contact to arrange for a review.
 - 4. A statement that the decision is final unless appealed, pursuant to Section 1D "Appeals", to Superior Court within twenty-one days of the issuance of the decision. The appeal closing date shall be listed.
 - 5. A statement that the complete case file, including findings, conclusions and conditions of approval, if any, is available for inspection. The notice shall state the place, days and times when the case file is available for inspection and the

name and telephone number of the department's representative to contact to arrange inspection.

Section 11. Section 1C.070 of the City of Lacey Development Guidelines and Public

Works Standards is hereby amended as follows:

1C.070 Notice of Final Decision*

- A. A Notice of Final Decision on an application shall be issued by the Department in the following time periods based on notice requirements of the application: A Notice of Final Decision on an application shall be issued within one hundred twenty (120) days after the date a Determination of Completeness is made. In determining the number of days that have elapsed, the following periods shall be excluded:
 - 1. For project permits that do not require public notice, those projects subject to limited administrative review, a final decision shall be issued within 65 days of the determination of completeness.
 - 2. For project permits requiring a public notice, those projects subject to full administrative review, a final decision shall be issued within 100 days of the determination of completeness.
 - 3. For project permits requiring public notice AND a public hearing, quasi-judicial projects, a final decision shall be issued within 170 days of the determination of completeness
- B. The number of days an application is in review with the City shall be calculated from the day completeness is determined, to the date the final decision is issued. The number of days shall be calculated by counting every calendar day. The following time periods shall be excluded from the number of days:
 - 1. Any period following the day the City has notified the applicant, in writing, that additional information is required to further process the application and the day when the responsive information is resubmitted by the applicant;
 - 2. Any period after the applicant has informed the City, in writing, that they would like to temporarily suspend review of the application until the time the applicant notifies the department, in writing, that they would like to resume the application;
 - 3. Any time period after an administrative appeal is filed until the administrative appeal is resolved and any additional time period provided by the administrative appeal has expired;

4. The time periods to process a permit shall start over if an applicant proposes a change in use that adds or removes commercial or residential elements from the original application that would make the application fail to meet the determination of procedural completeness for the new use, as required under RCW 36.70B.070;

5. If, at any time, the applicant informs the department, in writing, that they would like to temporarily suspend the review of the project for more than 60 days, or if the applicant is not responsive for more than 60 consecutive days after the City has notified the applicant that additional information is required to further process the application, an additional 30 days may be added to the time periods for action to issue a final decision for each type of project permit. Written notice to the applicant that additional information is required to process the application must include a notice that nonresponsiveness for 60 consecutive days may result in 30 days being added to the time for review. “nonresponsiveness” means that an applicant is not making demonstrable progress on providing additional requested information, or that there is no ongoing communication from the applicant on the applicants ability or willingness to provide the additional information.

C. Annual amendments to the comprehensive plan are not subject to the timeline requirements of this section.

D. Nothing in this section prohibits the city from extending the deadline for issuing a decision for a specific project permit application for any reasonable period of time mutually agreed upon by the applicant and the city.

E. A notice of final decision does not apply to projects subject to legislative review.

~~1. Any period during which the applicant has been requested by the department to correct plans, perform required studies, or provide additional information or materials. The period shall be calculated starting from the date the department issues the request to the applicant, to the earlier of either the date the department determines whether the additional information satisfies its request of fourteen (14) days after the date the information has been received by the department. If the City determines the information submitted by the applicant under this subsection is insufficient, it shall again notify the applicant of deficiencies and the procedures under this subsection shall apply to the request for information;~~

~~* Notice of Final Decision does not apply to Legislative Review of applications.~~

~~2. Any period during which an environmental impact statement (EIS) is being prepared following a determination of significance pursuant to RCW 43.21C.~~

~~3. Any period for administrative appeals, which shall not exceed ninety (90) days for open record appeals and sixty (60) days for closed record appeals.~~

~~4. Any extension of time mutually agreed upon by the applicant and the department.~~

~~B. The time limit by which the City must issue a Notice of Final Decision does not apply if an application:~~

~~1. Requires an amendment to a comprehensive plan or development regulation.~~

~~2. Is substantially revised by the applicant after a Determination of Completeness has been issued, in which case the time period shall start from the date on which the revised project application is determined to be complete.~~

~~C. If the City is unable to issue its final decision within the time limits provided for in this section, it shall provide written notice of this fact to the applicant. The notice shall include a statement of reasons why the time limits have not been met and an estimated date for issuance of the Notice of Final Decision.~~

~~D. In accordance with state law, the City is not liable for damages which may result from the failure to issue a timely Notice of Final Decision.~~

Section 12. SEVERABILITY. If any section, sentence, clause or phrase of this ordinance should be held to be invalid by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 13. CORRECTIONS. The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 14. The Summary attached hereto is hereby approved for publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY,
WASHINGTON, at a regularly-called meeting thereof, held this _____ day of
_____, 2024.

CITY COUNCIL

By: _____
Mayor

Approved as to form:

City Attorney

Attest:

City Clerk

SUMMARY FOR PUBLICATION
ORDINANCE NO 1669
CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on December 17, 2024, Ordinance No. 1669, entitled “AN ORDINANCE OF THE CITY OF LACEY RELATED TO PLANNING PROCEDURES, AMENDING SECTIONS 1.010, 1.030, 1B.020, 1B.040, 1B.050, 1B.070, 1C.020, 1C.030, 1C.040, 1C.050, AND 1C.070, ALL OF THE CITY OF LACEY DEVELOPMENT GUIDELINES AND PUBLIC WORKS STANDARDS AND APPROVING A SUMMARY FOR PUBLICATION”.

The main points of the Ordinance are described as follows:

1. The Ordinance amends certain sections of Chapter 1 of the City of Lacey Development Guidelines and Public Works Standards related to Development Permit Procedures and Administration.
2. The Ordinance amends certain sections of Chapter 1B of the City of Lacey Development Guidelines and Public Works Standards related to Application Process.
3. The Ordinance amends certain sections of Chapter 1C of the City of Lacey Development Guidelines and Public Works Standards related to Application Review.
4. The Ordinance approves this summary for publication.

A copy of the full text of this Ordinance will be mailed without charge to any person requesting the same from the City of Lacey.

Published: _____, 2024.



LACEY CITY COUNCIL MEETING

December 17, 2024

SUBJECT: 2025 Budget Ordinance

RECOMMENDATION: Motion: Adopt Ordinance No. 1670, setting the total 2025 budget in the amount of \$280,088,819 and the General Fund total budget in the amount of \$78,069,464.

STAFF CONTACT: Rick Walk, City Manager *RW*
Troy Woo, Finance Director *TW*

ORIGINATED BY: Finance Department

ATTACHMENTS: 1. Ordinance No. 1670

FISCAL NOTE: 2025 Total Budget \$280,088,819
2025 General Fund Budget \$78,069,464

**WORK PLAN GOAL
AND STRATEGY:** None

PRIOR REVIEW: Public revenue hearing and (11/5/24) and two public hearings on the budget (11/19/24 and 12/3/24) were conducted.

BACKGROUND:

After many hours of dedicated effort by the City Council and staff, the 2025 Budget process has reached its final stage.

The budget ordinance that is presented for your consideration contains the following changes to the Proposed 2025 Budget document that was presented on October 15, 2024:

- Property tax adjustments for the 2024 refund levy and a slight decrease due to adjustments to new construction. These adjustments increased the property tax projection by \$143,026. This increase reduces the reliance on the use of the Budget Policy Program reserves to balance the proposed budget.
- A \$26,046 decrease to the joint animal services administrative support fee.

- \$3,904 increase to governmental legal services and prosecution. A 2024 budget amendment for permanent increases was inadvertently not included in the proposed 2025 Budget.
- It was discovered that the funding allocation of \$213,520 for the Mobile Outreach Team agreement had been inadvertently included in both the Human and Social Services Department and the new Public Safety Fund proposed budgets. Since the permanent funding for this vital community service is secured by the new Public Safety sales tax, the proposed budget for the Human and Social Services Department was reduced to reflect this correction.
- An additional \$500,000 from the City Council's Strategic Economic Development Investment reserve was identified as authorized for use, providing significant financial flexibility. This allocation reduces the reliance on Budget Policy Program reserves needed to balance the Proposed 2025 Budget.

The total proposed 2025 Budget is \$280,088,819, which is a decrease of \$49,948,924 compared to the amended 2024 Budget. This reduction is primarily due to lower capital expenditures, one-time capital transfers, and decreased utility debt issuance and related transfers, which offset the impact of workforce additions and rising labor costs.

The total proposed General Fund 2025 Budget is \$78,069,464. This is a decrease of \$19,616,353 or 20.1 percent compared to the amended 2024 General Fund Budget. This reduction is largely due to lower one-time capital transfers associated with the initial year of constructing the new police station and training facility. However, the budget also reflects significant increases driven by inflationary growth in labor costs.

The 2025 Budget prioritizes maintaining City service levels, preserving critical infrastructure, investing in capital project needs, addressing the City Council's established priorities, and continued planning for the City's future.

NEXT STEPS:

Staff recommends the Lacey City Council take action by proceeding with Option 1.

Option 1: Motion to adopt Ordinance No. 1670 authorizing the 2025 Budget.

Option 2: Motion amending proposed Ordinance No. 1670 to authorize amounts different than currently proposed.

Option 3: Some other option not contemplated in the above options.

ORDINANCE NO. 1670

CITY OF LACEY

AN ORDINANCE ADOPTING THE ANNUAL BUDGET OF THE CITY OF LACEY FOR THE 2025 FISCAL YEAR AND APPROVING A SUMMARY FOR PUBLICATION.

WHEREAS, the City Manager of the City of Lacey has prepared and submitted to the City Council the preliminary budget of the fiscal year ending December 31, 2025, and has filed this preliminary budget with the City Clerk, and

WHEREAS, notice of the legislative budget hearings were published in the official newspaper of the City once a week for two consecutive weeks designating the dates, the times, and the place of said public hearings, and

WHEREAS, the City Council, at two public hearings held at Lacey City Hall on November 19, 2024 and December 3, 2024, did meet to consider the fixing of the final budget, now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, AS FOLLOWS:

Section 1. The preliminary budget of the City of Lacey for the fiscal year 2025, on file with the City Clerk, as presented at the public hearings held on November 19, 2024 and December 3, 2024, as modified by the City Council after such hearings, and each and every item thereof including the salaries and positions contained therein or attached thereto, is incorporated by reference and adopted as the final budget of the City of Lacey for the fiscal year 2025. The totals of estimated revenues and appropriations for each fund and the aggregate totals for all such funds combined in said budget are as follows:

<u>FUND NAME</u>	<u>ESTIMATED REVENUE</u>	<u>ESTIMATED EXPENDITURE</u>
<i>City of Lacey Budget:</i>		
Current Expense Fund	\$ 65,495,408	\$ 65,495,408
Criminal Justice Fund	1,546,195	1,546,195
Public Safety Fund	2,130,962	2,130,962
Community Buildings Fund	1,124,720	1,124,720
Regional Athletic Complex Fund	1,483,916	1,483,916
City Street Fund	4,930,251	4,930,251
Arterial Street Fund	17,289,608	17,289,608
Transportation Improvement Fund	4,325,000	4,325,000

Lodging Tax Fund	607,225	607,225
Community Block Grant Fund	1,010	1,010
Hicks Lake Management District Fund	50,099	50,099
General Obligation Bonds	946,076	946,076
LID Debt Fund	164,382	164,382
Building Improvement Fund	37,315,228	37,315,228
Capital Equipment Fund	1,358,012	1,358,012
Parks & Open Space Fund	7,348,084	7,348,084
Capital Project Revenue Fund	2,500,000	2,500,000
Regional Athletic Complex Capital Fund	3,391,658	3,391,658
Water Utility Fund	25,025,651	25,025,651
Wastewater Utility Fund	28,783,956	28,783,956
Stormwater Utility Fund	6,186,159	6,186,159
Reclaimed Water Utility	2,921	2,921
Water Capital Fund	27,831,958	27,831,958
Wastewater Capital Fund	18,300,000	18,300,000
Stormwater Capital Fund	2,289,820	2,289,820
Reclaimed Capital Fund	56,743	56,743
Water Debt Fund	5,050,038	5,050,038
Wastewater Debt Fund	3,404,735	3,404,735
Stormwater Debt Fund	2,352,267	2,352,267
Equipment Rental Fund	4,941,990	4,941,990
Information Management Services Fund	3,854,747	3,854,747

TOTAL CITY OF LACEY FUNDS	\$ 280,088,819	\$ 280,088,819
----------------------------------	-----------------------	-----------------------

<i>Joint Animal Services Budget</i>	<i>\$ 3,604,949</i>	<i>\$ 3,604,949</i>
-------------------------------------	---------------------	---------------------

Section 2. Upon adoption of this ordinance, the City Clerk shall transmit a complete copy of the final budget to the Division of Municipal Corporations in the office of the Washington State Auditor and the Association of Washington Cities.

Section 3. Corrections. The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 4. The Summary attached hereto is hereby approved for publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, THIS
17th DAY OF DECEMBER, 2024.

Mayor, Andy Ryder

ATTEST:

Elissa Fontaine, City Clerk

Approved as to Form:

City Attorney, David Schneider

Publish: December 19, 2024

SUMMARY FOR PUBLICATION
ORDINANCE NO. 1670
CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on December 17, 2024, Ordinance No. 1670, entitled "AN ORDINANCE ADOPTING THE ANNUAL BUDGET OF THE CITY OF LACEY FOR THE 2025 FISCAL YEAR AND APPROVING A SUMMARY FOR PUBLICATION."

The main points of the Ordinance are described as follows:

1. The Ordinance adopts the final budget and sets forth the separate fund resources, expenditures, and aggregate totals for all funds combined for 2025.
2. The Ordinance authorizes the City Clerk to transmit copies of the budget to the Washington State Auditor and Association of Washington Cities.
3. Provides provisions for corrections.
4. The Ordinance approves this Summary for Publication.

A copy of the full text of this Ordinance will be mailed without charge to any person requesting the same from the City of Lacey.

Published: December 19, 2024.

ORDINANCE NO. 1671

CITY OF LACEY

AN ORDINANCE ESTABLISHING FUND BALANCE DESIGNATIONS AS PROVIDED BY GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 54 AND APPROVING A SUMMARY FOR PUBLICATION.

WHEREAS, the Governmental Accounting Standards Board ("GASB") Statement No. 54 establishes the standard for governmental fund balance reporting and governmental fund balance type definitions, and

WHEREAS, fund balance measures the net financial resources that are available for future expenditures, and

WHEREAS, the City Council finds it beneficial to designate certain fund balances as Committed for specific purposes or projects and that the City Manager or Finance Director be authorized to designate certain other fund balances as Assigned for a specific purpose,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, as follows:

Section 1. Ordinance No. 1652, an ordinance of the City of Lacey, Washington, establishing fund balance designations as provided by Governmental Accounting Standards Board Statement No. 54, is hereby rescinded.

Section 2. The fund balances of the City of Lacey designated in this Ordinance are committed for the specific purpose indicated. Amendments or modifications of the committed fund balances set forth herein shall require formal action by the City Council.

Section 3. The City Council authorizes the City Manager or City Finance Director to categorize other fund balances as assigned in order to carry out the intent of the City Council.

Section 4. The following portions of its December 31, 2024 governmental fund balances are considered committed:

Fund 001 (Current Expense):

\$ 3,000,000 is committed for Budget Policy
\$ 2,500,000 is committed for Strategic Investment
\$ 300,000 is committed for College Street & 7th Avenue Roundabout
\$ 761,137 is committed for Rapid Response Team
\$ 700,000 is committed for Human/Social Services Initiatives and Investments
\$ 454,542 is committed for Police Body and Fleet Cameras
\$ 121,539 is committed for Police Vehicle Replacement

\$ 500,000 is committed for 5700 Pacific Property/New Museum
\$ 250,000 is committed for Trail System (Bike/Pedestrian Plan)
\$ 100,000 is committed for Parks & Recreation Comprehensive Plan Priorities
\$ 5,480,000 is committed for Greg Cuoio Park Master Plan Implementation 1A
\$ 470,843 is committed for Park Facilities – Repair/Replacement
\$ 200,000 is committed for Insurance Deductibles
\$ 3,000,000 is committed for New Joint Animal Services Building
\$ 3,080,000 is committed for Capital Facilities Plan Implementation
\$ 1,000,000 is committed for Vacated Police Station
\$ 822,500 is committed for City Hall Facility
\$ 200,000 is committed for Workspace/Remote Work Upgrades
\$ 263,157 is committed for Capital Equipment Replacement
\$ 520,000 is committed for Energy Conservation Projects (CR2 Plan)

Fund 005 (Community Buildings):

\$ 42,500 is committed for Furniture and Equipment Replacement
\$ 450,000 is committed for Community Buildings Repairs

Fund 007 (Regional Athletic Complex M&O):

\$ 500,000 is committed for Regional Athletic Complex Field Replacement

Fund 101 (City Streets):

\$ 350,000 is committed for Street Buildings Repair/Replacement
\$ 101,043 is committed for Transportation Equipment and Improvements
\$ 1,000,000 is committed for College Street & 7th Avenue Roundabout
\$ 1,000,000 is committed for Transportation Facility Improvements/Expansion

Fund 302 (Capital Equipment):

\$ 850,000 is committed for Capital Equipment Replacement
\$ 160,000 is committed for Park Facilities Repair/Replacement
\$ 700,000 is committed for Regional Athletic Complex Field Replacement
\$ 50,000 is committed for Translation Technologies
\$ 250,000 is committed for Teleworking Technologies

Fund 102 (Arterial Street):

\$ 7,124,608 is committed for New Police Station Facility
\$ 22,359,698 is committed for Transportation Improvement Plan Priorities

Fund 301 (Building Improvement):

\$ 428,756 is committed for Public Art
\$ 1,137,500 is committed for City Facility Repair/Replacement
\$ 300,000 is committed for Parks & Recreation Comprehensive Plan Priorities
\$ 1,500,000 is committed for Capital Facilities Plan Projects
\$ 350,000 is committed for Senior Center Repairs/Replacement

Fund 303 (Parks and Open Space):

\$ 50,000 is committed for 5700 Pacific Property/New Museum

Fund 307 (Regional Athletic Complex Capital):

\$ 500,000 is committed for Regional Athletic Complex Lifecycle Replacements

\$ 2,750,000 is committed for Reg. Athletic Comp. Long-Term Financial Planning

Section 5. Corrections. The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 6. The summary attached hereto is hereby approved for publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON, at a regularly called meeting thereof, held this 17th day of December, 2024.

Mayor

ATTEST:

City Clerk

Approved as to form:

City Attorney

SUMMARY FOR PUBLICATION

ORDINANCE NO. 1671

CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on December 17, 2024, Ordinance No. 1671 entitled “**AN ORDINANCE ESTABLISHING FUND BALANCE DESIGNATIONS AS PROVIDED BY GOVERNMENTAL ACCOUNTING STANDARDS BOARD STATEMENT NO. 54 AND APPROVING A SUMMARY FOR PUBLICATION.**”

The main points of the Ordinance are described as follows:

1. The Ordinance rescinds Ordinance No. 1652.
2. The Ordinance restricts amendments or modifications of committed fund balances to formal action by the City Council.
3. The Ordinance authorizes the City Manager and Finance Director to categorize fund balances as assigned.
4. The Ordinance commits portions of governmental fund balances.
5. The Ordinance approves this Summary for Publication.

A copy of the full text of this ordinance will be mailed without charge to any person requesting the same from the City of Lacey.

City Clerk

Published: December 19, 2024



CITY COUNCIL MEETING December 17, 2024

SUBJECT: Reserve Designations Ordinance

RECOMMENDATION: Motion: Adopt Ordinance No. 1671 establishing fund balance designations as provided by Governmental Accounting Standards Board Statement No. 54 and approving a summary for publication.

STAFF CONTACT: Rick Walk, City Manager *RW*
Troy Woo, Finance Director *tw*
Chelsea Yarwood, Accounting Manager *cy*

ORIGINATED BY: Troy Woo, Finance Department

ATTACHMENTS: 1. Ordinance No. 1671
2. Summary for Proposed Ordinance

FISCAL NOTE:

**WORK PLAN GOAL
AND STRATEGY:** None

PRIOR REVIEW: Council Worksession on November 26, 2024

BACKGROUND:

The Governmental Accounting Standards Board (GASB) issued Statement No. 54 during February 2009. Since that time, the City Council has taken actions to commit certain fund balances in alignment with the City's priorities and vision. Since the current designations were adopted: (1) there are additional fund balances available for the City Council to designate, (2) certain designations have been expended as intended, (3) certain designations are proposed to be repurposed to balance the 2025 Budget, and (4) new priorities have been identified.

GASB Statement No. 54 provides the following classifications for fund balances:

Nonspendable

This classification includes fund balances that are not in a spendable form, such as inventories, long-term receivables, and property held for resale. Fund balances that

are legally or contractually required to remain intact, such as a corpus of a permanent fund, are also included in this classification.

Restricted

Restricted fund balances include resources that are constrained for a specific purpose by external parties, constitutional provisions, and enabling legislation. Contractual agreements and bond covenants are examples of external parties that could require constraints that would be considered restricted fund balances.

Committed

Committed fund balances include resources that are constrained by the highest level of decision-making authority of a government. For the City of Lacey, the highest level is the City Council.

Assigned

Amounts that are intended to be used for a specific purpose would be considered assigned fund balance. The intent is expressed by the governing body, a subcommittee, or an official authorized by the governing body.

Unassigned

Unassigned fund balances are available for any purpose. All remaining fund balances will automatically be classified as unassigned.

The fund balances that will be reported as nonspendable and restricted are classified automatically by the nature of the fund balance, so no action is required to classify fund balances as nonspendable or restricted.

The City Council, as the governing body, possesses the authority to designate portions of the fund balance as "committed" through formal legislative actions. The Council retains full discretion over how these committed funds are allocated. However, such actions must adhere to specific criteria related to their intended purposes.

For a fund balance to be classified as committed, it must be dedicated to a clearly defined purpose. For example, allocating funds for a specific project, such as the replacement of an aging City building, would meet the necessary criteria for commitment. Conversely, setting aside a general "rainy day" or stabilization reserve without a clearly defined purpose does not satisfy these criteria.

To properly commit fund balances, the formal action taken by the City Council must include a description of the circumstances under which these funds will be restricted. This description should be sufficiently specific to identify when the committed resources can be utilized. For instance, if the City Council were to set aside \$1 million as a rainy-day reserve intended solely for emergencies, this would not qualify as a committed fund balance unless the action precisely defines what conditions would be considered an emergency. Without this

specificity, the commitment does not meet the standard required for designated use. In addition, the following rules apply to committed fund balances:

- A committed fund balance constraint imposed by the City Council can only be changed or removed by the same formal action.
- In order to be reported on the face of the annual financial statements, the constraints must be adopted prior to the end of the fiscal year to be reported.
- The adoption of the budget document does not qualify as formal action to constrain the resources, because the budget authorization is only for one year.

Assigned fund balances represent amounts earmarked for specific uses, reflecting the City's intention to allocate these resources for designated purposes. This intent can be established by the City Council or an authorized official such as the City Manager. In governmental accounting, any remaining funds in governmental accounts other than the General Fund are categorized as assigned. The types of governmental funds include the General Fund, special revenue funds, capital projects funds, debt service funds, and special assessment funds.

For instance, the residual balance in a fund like the Lodging Tax Fund, which is classified as a special revenue fund, would be designated as assigned specifically for tourism-related activities. This ensures that resources collected for a particular purpose, such as promoting tourism, are used accordingly.

Historically, the City Council has granted authority to both the City Manager and the City Finance Director to assign funds based on the strategic priorities and initiatives established by the Council. This delegation of authority has proven effective in allowing the City to remain agile in responding to changing needs, emerging priorities, or the availability of additional resources. By enabling these officials to assign funds as directed, the City maintains a level of flexibility that ensures timely allocation and use of financial resources.

Given the historical effectiveness of this approach, staff recommends that the upcoming ordinance continue to include provisions allowing the City Manager and City Finance Director to assign funds based on the expressed intent of the City Council. Retaining this flexibility will allow the City to efficiently respond to evolving priorities and to allocate resources where they are needed most, ensuring that assigned funds are used in alignment with the City's vision and objectives.

Unassigned fund balances include all the remaining fund balances. Unassigned fund balances can be used for any purpose and typically are only reported in the General Fund.

During the November 26, 2024, City Council Worksession, Councilmembers reviewed the proposed designations. Approving the ordinance will ensure that the City's financial reporting aligns with the requirements of GASB Standards and Generally Accepted Accounting Principles (GAAP). This alignment will enhance the accuracy of the City's Annual

Comprehensive Financial Report (ACFR), better reflecting the City Council's objectives and policy direction.

During a final review following the November 26 discussion, staff recommends three minor rounding adjustments to the proposed committed reserves:

- Round up the Parks & Recreation Comprehensive Plan Priorities committed reserve from \$93,750 to \$100,000.
- Round down the Workspace/Remote Work Upgrades committed reserve from \$210,872 to \$200,000
- Round down the Capital Equipment Replacement committed reserve from \$269,307 to \$263,157, which will leave \$100,000 remaining at the end of 2025 after the budgeted drawn down occurs.

Finally, periodic reviews by the City Council will help ensure that fund balances are consistently aligned with the City's annual priorities, long-term goals, and overall vision, while reaffirming the validity of the City Council's commitments.

NEXT STEPS:

Staff recommends the Lacey City Council take action by proceeding with Option 1.

Option 1: Motion to adopt Ordinance No. 1671 establishing fund balance designations as provided by Governmental Accounting Standards Board Statement No. 54 and approving a summary for publication.

Option 2: Motion amending proposed Ordinance No. 1671 to establish fund balance designations different than currently proposed.

Option 3: Some other option not contemplated in the above options.



Application for Appointment to Lacey City Council Boards & Commissions

Please Note: Applicant entries are not modified or edited.

DATE OF APPLICATION:	10/29/24		
APPLICATION FOR:	Commission on Equity		
APPLICANT:	Raul		Garza
ADDRESS:			
EMAIL:			

Home Phone Number:	
Cell Phone Number:	
Work Phone Number:	

Do you live within the City Limits or the Urban Growth Area?
Lacey UGA
How long have you been a resident?
since 2018
What is your interest/objective in serving on this Board or Commission?
My objective in serving on this Board is to actively contribute to meaningful change by dismantling systemic barriers that limit equitable access and opportunities. I am driven by a commitment to create inclusive pathways and ensure that the Board's initiatives address deep-rooted issues, fostering a more just and accessible community for all.
What is your education?
I hold an Associate of Arts degree with a Direct Transfer Agreement from South Puget Sound Community College and a Bachelor's in Psychology with a focus on business and leadership. I am currently pursuing a Master's in Public Administration, aiming to complete by 2026, pending funding. This educational foundation has equipped me with insights into both individual and organizational behavior, essential for contributing effectively to public service and leadership in community-focused initiatives.

Do you have other civic obligations and/or memberships in professional organizations?
I currently hold no other civic obligations. My sole professional affiliation is with the Society for Diversity, where I earned my Certified Diversity Professional (CDP) certification. This membership and certification reflect my commitment to fostering inclusive practices and advancing diversity, equity, and inclusion principles—skills I am eager to bring to public service.



Application for Appointment to Lacey City Council Boards & Commissions

Please Note: Applicant entries are not modified or edited.

What previous experience do you have serving on a board, committee, or commission?
I have not yet served on a board, committee, or commission, so I see this as an essential first step in expanding my impact beyond my current role with a state government agency headquartered in Olympia. Along with my experience in the military, this position would allow me to begin making a tangible difference in my community and eventually contribute to broader initiatives for systemic change.
Approximately how many hours each month can you volunteer for this appointment?
10 consistently, up to 20 pending on other obligations
Briefly describe any special knowledge, skills, or experience that qualifies you for this appointment?
I bring a blend of specialized experience and training in public administration, diversity and inclusion, and leadership. My background includes a Certified Diversity Professional (CDP) certification from the Society for Diversity, along with both academic and practical knowledge in public administration. I have experience with state-level governance through my current role, which equips me with insights into public policy, systemic change, and stakeholder engagement. My military service further developed my leadership and teamwork skills, enabling me to approach complex challenges collaboratively and with a solutions-oriented focus.
Where are you currently employed?
Customer Service Specialist 4 Department of Licensing Aug2021-Present Jason Neto 360-902-3950
Briefly explain why you would like to serve on a Council Board or Commission.
I am motivated to serve on a Council Board or Commission to broaden my impact beyond my current government role, using this opportunity to make meaningful contributions within my community. My experience in state government and the military has instilled a deep commitment to public service and systemic change. Serving in this capacity would allow me to apply my skills toward local issues, gain valuable experience, and help drive initiatives that promote equity, inclusivity, and long-term community improvement.



Application for Appointment to Lacey City Council Boards & Commissions

Please Note: Applicant entries are not modified or edited.

DATE OF APPLICATION:	11/04/24		
APPLICATION FOR:	Planning Commission		
APPLICANT:	Jun	Y	Yi
ADDRESS:			
EMAIL:			

Home Phone Number:	
Cell Phone Number:	
Work Phone Number:	

Do you live within the City Limits or the Urban Growth Area?
City of Lacey
How long have you been a resident?
13 months
What is your interest/objective in serving on this Board or Commission?
I am eager to serve on the planning committee to contribute my skills and insight in planning and towards fostering a positive community development and enhancing public service. My objective includes promoting transparency and inclusivity in decision making process, advocating for sustainable practices, and addressing the diverse needs of our constituents. I am particularly passionate about creating initiatives that empower voices.
What is your education?
Master of Science in Education and Leadership BA in Criminal Law

Do you have other civic obligations and/or memberships in professional organizations?
Serve as CEO for a non-profit organization called the Tacoma Korean-American Association. Employed as the Risk and Resilience Manager for the Department of Commerce.



Application for Appointment to Lacey City Council Boards & Commissions

Please Note: Applicant entries are not modified or edited.

What previous experience do you have serving on a board, committee, or commission?
I have no direct experience working or serving on the local board. However, I currently served as board chair for litigations committee and the Safety Board committee in a large State organization. Additionally, I serve as Chief Executive Officer for a non-profit organization in Tacoma Washington.
Approximately how many hours each month can you volunteer for this appointment?
As required.
Briefly describe any special knowledge, skills, or experience that qualifies you for this appointment?
I have a strong background in strategic planning and community development, complemented by experience in stakeholder engagements and project management. My skills in data analysis and policy evaluation enable to assess the needs for our community. I also have a keen understanding of applying regulations and implementing sustainable practices, which I have applied in my pervious roles to enable rapid growth. My commitment to collaboration and transparency ensures that I can contribute effectively to the Lacey Planning Commision, advocating for the best interests of our community while balancing development and environmental concerns.
Where are you currently employed?
Risk and Resilience Manager, Washington State Department of Commerce. Date of employment on 18 Dec 2024. Supervisor name: Tamara Roberts at tamara.roberts@commerce.wa.gov
Briefly explain why you would like to serve on a Council Board or Commission.
I am passionate about serving on the planning commission board because I believe in making a lasting impact on the community and continue to foster an environment of diversity and inclusion. I am committed to fostering sustainable growth that meets the needs of all residents in our community. My desire to engage with a diverse voice and collaborate on innovative solutions drives me to ensure that Lacey remains a vibrant, welcoming place for everyone. I see this role as a opportunity to contribute to shared vision for our city's future, making a meaningful impact on the community I'm a part of.



Application for Appointment to Lacey City Council Boards & Commissions

Please Note: Applicant entries are not modified or edited.

DATE OF APPLICATION:	11/21/24		
APPLICATION FOR:	Planning Commission		
APPLICANT:	Robert	W	Lane
ADDRESS:			
EMAIL:			

Home Phone Number:	
Cell Phone Number:	
Work Phone Number:	

Do you live within the City Limits or the Urban Growth Area?
City of Lacey
How long have you been a resident?
6 years
What is your interest/objective in serving on this Board or Commission?
I am interested in serving on the planning commission to utilize my time, energy and talents for the betterment of our community. I would like to give back to the community that has supported me for these past 6 years and know that the planning commission can help with enhancing civic engagement, influencing community development and support Lacey as it continues to be the largest city in Thurston County.
What is your education?
Masters Degree - Eastern Michigan University - Higher Education and Adult Learning Bachelors Degree - Central Michigan University - Communication and Business Management

Do you have other civic obligations and/or memberships in professional organizations?
American Cancer Society - Councilmember - 2023-Present Leadership Thurston County Graduate - 2023 Gateway Rotary - 2021-2023



Application for Appointment to Lacey City Council Boards & Commissions

Please Note: Applicant entries are not modified or edited.

What previous experience do you have serving on a board, committee, or commission?
Over my tenure I have served on several non-profit boards in various capacities. These roles included event planning, policy review, fundraising, development and community engagement which has given me transferable skills in which I can utilize for this info@queercitysports.comosition.
Approximately how many hours each month can you volunteer for this appointment?
10
Briefly describe any special knowledge, skills, or experience that qualifies you for this appointment?
I am a state worker so I have an understanding of some the bureaucratic processes which come with state/local government but my family owns small business in the city of Olympia so I also understand the importance and consequences of our role/policies that we can role out as local government. I own a home here in Lacey and as a first time home owner I am deeply invested in building and supporting this community. I have also served and lead many boards over my tenure and look to work across differences to keep Lacey on the forefront of this county.
Where are you currently employed?
Combined Fund Drive Manager - Secretary of States Office March 2021 - Present Charlie Boisner
Briefly explain why you would like to serve on a Council Board or Commission.
I have a deep desire to be solution oriented. I think our nation is hurting with its political divide and I want to be part of real pragmatic change. I don't want to just sit in the sidelines. I have a habit of giving 100% to the things I volunteer for and have a proven history of making positive change where I work. I also have an ability to work collaboratively with others to find creative and innovative solutions to our complex problems.



STAFF REPORT

December 17, 2024

SUBJECT: 2023/2024 Manhole Rehabilitation Project

RECOMMENDATION: Motion to award Lacey Contract Number PW 2023-23 to low bidder Western United Civil Group from Yacolt, Washington in the amount of \$670,321.85

STAFF CONTACT: Rick Walk, City Manager *RW*
Scott Egger, Public Works Director *SE*
Peter Brooks, Water Resources Manager *PCB*
Teri O'Neal, Senior Utility Engineer *TSO*
Jason Kashani, Utility Engineer *JSK*
Tyson Poeckh, Project Administrator *TP*

ORIGINATED BY: Public Works Department

ATTACHMENTS: Attachment #1 Bid Tab Summary
Attachment #2 Project Vicinity Map
Attachment #3 Manhole Site Maps

FISCAL NOTE: Funding for this contract is provided through fund source 411-3518-535.90 and there are sufficient funds for this project.

PRIOR REVIEW: Council approved the 2024 Wastewater Capital Funds as part of the 20245 Budget. The 2023/2024 Manhole Rehabilitation project is listed as a 2024 Wastewater Capital Fund project.

.

BACKGROUND:

The annual manhole rehabilitation program is identified in the most recent Wastewater Comprehensive Plan. This program is an effort to repair and rehabilitate wastewater manholes that have inflow and infiltration (I&I) and deterioration from various factors including corrosion. In 2023 and 2024, Operation and Maintenance staff identified a total of 17 manholes near Clearbrook Drive, Lacey Street, and Desmond Drive as shown on the attached Site Maps.

The project was advertised for three weeks and bids were opened November 19, 2024. Three bids were received and ranged from a low of \$670,321.85 to \$790,227.24 and the Engineer's Estimate is \$475,110.70. Western United Civil Group from Yacolt, Washington, is the low bidder. A Bid Summary Sheet is attached.

While the lowest bid exceeded the Engineer's estimate, it is expected that rebidding the project another time would result in a similar outcome. Two main factors contributing to the higher bid amounts are the requirement for night work and the Contractor's risk assessment.

Western United Civil Group is qualified and capable of performing the work. Project start date is anticipated in February 2025 with 40 working days allotted to complete the work. The project is expected to be completed by April 2025.

NEXT STEPS:

Option 1: Approve the motion to award Lacey Contract Number PW 2023-23 to low bidder Western United Civil Group from Yacolt, Washington in the amount of \$670,321.85

Option 2: Do not approve the motion to award Lacey Contract Number PW 2023-23 to low bidder Western United Civil Group from Yacolt, Washington.

Option 3: Provide direction to City staff on other elements to consider in regards to this issue. After further diligence on these elements, City Staff would then return to the Lacey City Council to review.

Option 4: Some other option not contemplated in the above options.

Attachment #1
BID SUMMARY:

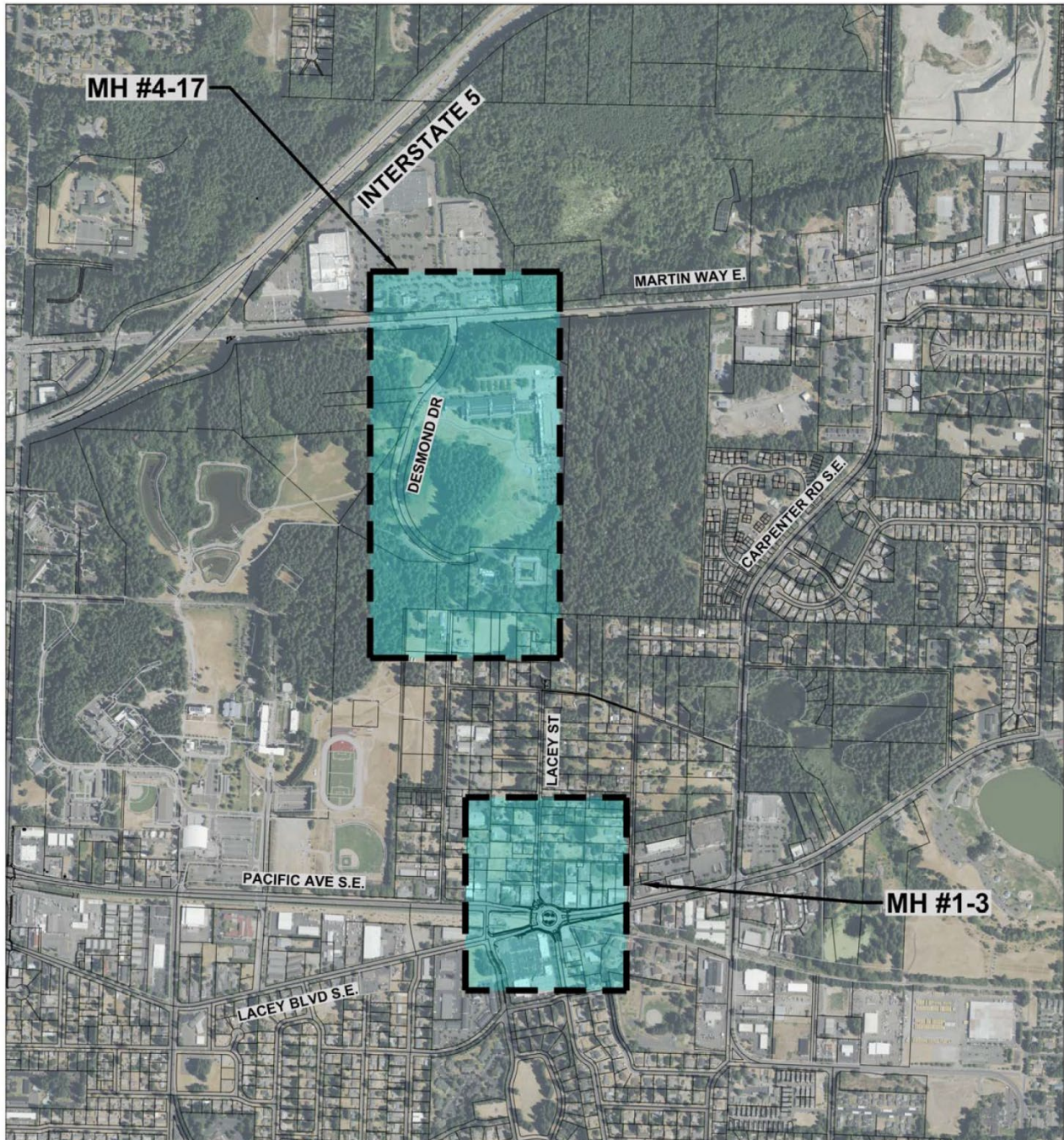
CITY OF LACEY
2023-2024 Manhole Rehabilitation
PW 2023-23

[illegible]

11/19/2024

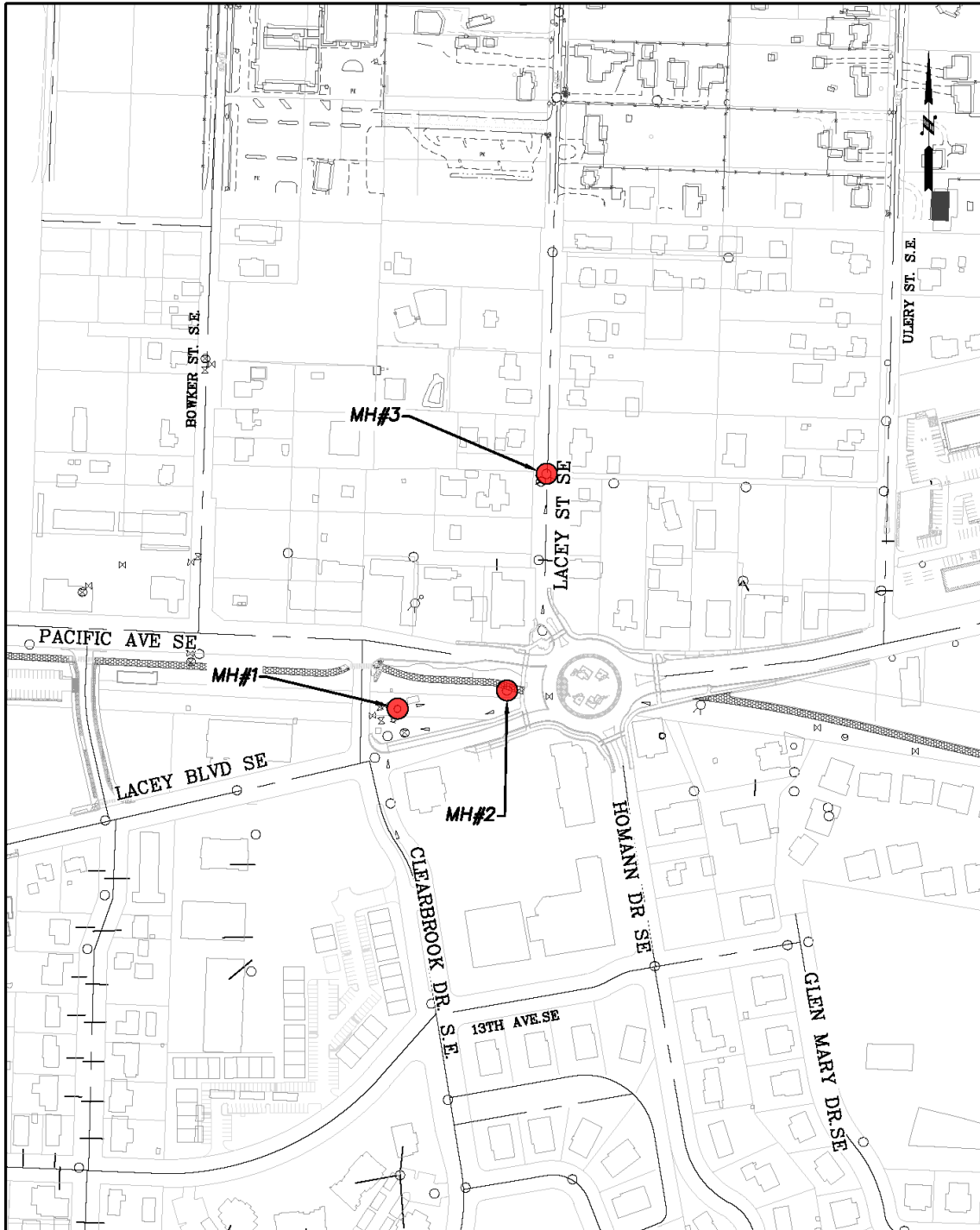
Apparent Lows

**Attachment #2
Project Vicinity Map:**



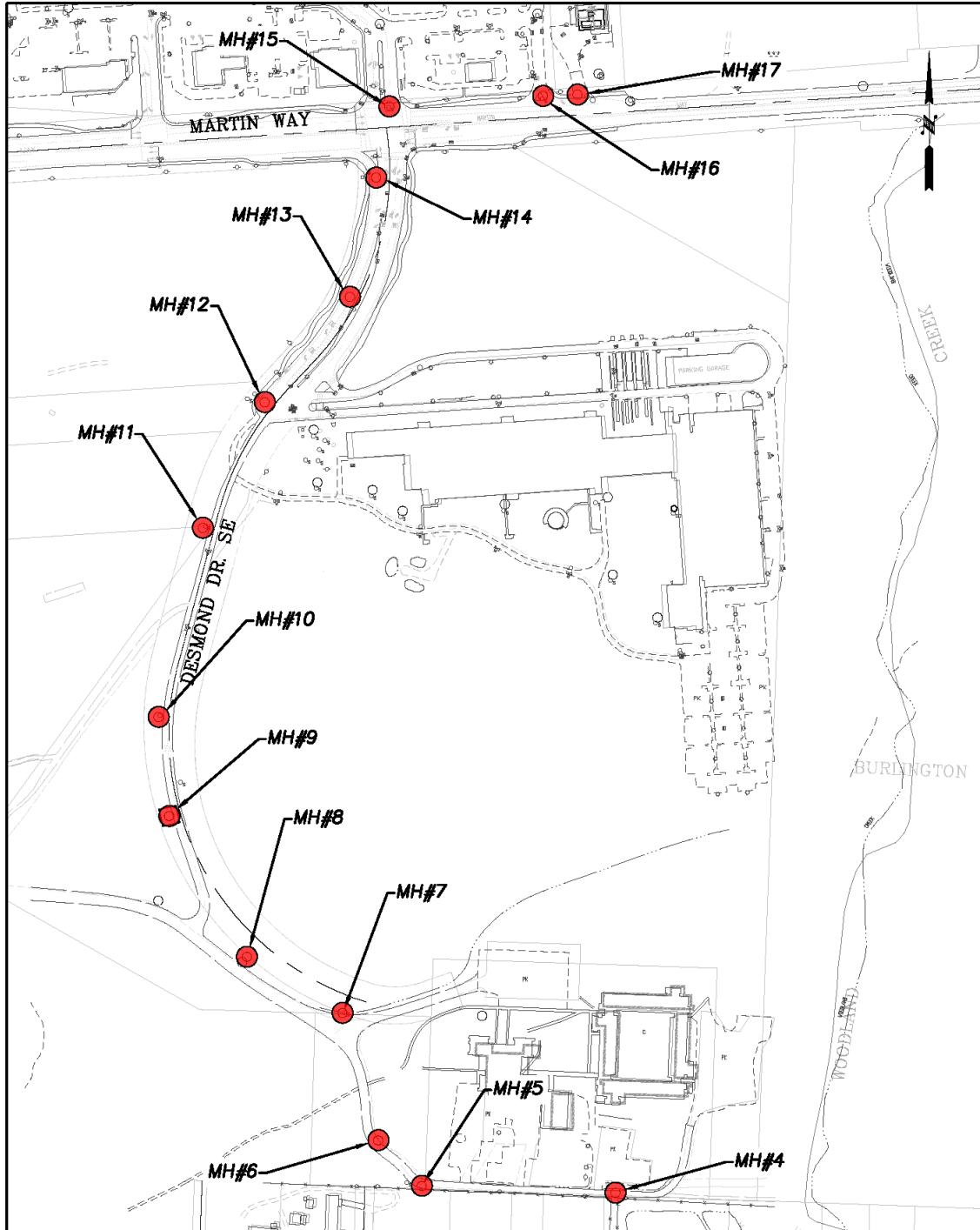
**2023/2024 MANHOLE REHABILITATION
VICINITY MAP**

Attachment #3
2023/2024 Manhole Rehabilitation Site Map 1:



MH#1 to MH#3

Attachment #3
2023/2024 Manhole Rehabilitation Site Map 2:



MH#4 to MH#17



LACEY CITY COUNCIL MEETING

December 17, 2024

SUBJECT: Parks Improvement Funding Workgroup Recommendation

DISCUSSION: Staff will present the Parks Improvement Funding Workgroup Recommendation and provide an overview of the Parks Improvement Funding Workgroup.

STAFF CONTACT: Rick Walk, City Manager *RW*
Jennifer Burbidge, Parks, Culture and Recreation Director *JB*

ORIGINATED BY: Parks, Culture and Recreation Department

ATTACHMENTS: 1. Parks Improvement Funding Workgroup Recommendation

FISCAL NOTE: N/A

**WORK PLAN GOAL
AND STRATEGY:**

Vibrant Place to Live, Work, & Play: C. Complete Greg Cuoio Park & Greenways – Phase 1 A (M&O)

Vibrant Place to Live, Work, & Play: E. Continue initiatives to advance indoor recreation & cultural opportunities

Vibrant & Diverse Economy: F. Focus on RAC Phase III & other sport facility developments

PRIOR REVIEW: City Council Worksession - April 23, 2024
City Council Worksession – May 28, 2024
City Council Meeting – June 4, 2024
City Council Meeting – August 6, 2024
Parks Improvement Funding Workgroup Meetings – August 19 through December 9, 2024

INTRODUCTION:

The Parks Improvement Funding Workgroup held their final meeting December 9, 2024 and have provided a final recommendation for City Council. The intent for City Council's December 17, 2024 meeting is an initial review of the recommendation, and for City Council to provide staff with direction on what they need for a more detailed discussion of the recommendation and next steps at Council's January 14, 2025 Worksession.

BACKGROUND:

In 2020, the Lacey City Council (City Council) directed Lacey Parks, Culture and Recreation Department (LPCR) to conduct extensive public outreach and communication regarding priorities.

Over 3-years, from 2021 through 2023, LPCR engaged in an extensive public outreach and engagement process. These efforts informed the development of the 2023-2029 LPCR Comprehensive Plan, which provides policy direction for recreational facilities, parks improvements, and maintenance needs. The LPCR Comprehensive Plan strategic goals align with City Council Work Plan Vision Areas identified above.

The City Council adopted the 2023-2029 LPCR Comprehensive Plan on [August 17, 2023](#). The LPCR Comprehensive Plan identifies a six-year Parks Capital Improvement Program (PCIP) to expand parks programs, services, facilities, and develop parks properties to meet the community's future needs. The LPCR Comprehensive Plan also outlines the opportunities and challenges ahead for LPCR and associated maintenance and operations, including:

- Providing adequate facilities to keep up with Lacey's significant growth and the increased impact on aging parks facilities. The demand for parks exceeds our capacity for maintenance and improvements.
- Continuing to move from a predominately "property acquisition era" to a greater emphasis on parks access, improvement, and development phase.
- Solidifying a sustainable future funding strategy for development and ongoing maintenance.

The following is an excerpt from the LPCR Comprehensive Plan:

All of the projects [in the PCIP] will require public funding. Therefore, serious consideration must be given to establishing dedicated parks, culture and recreation funds (i.e., bond issues, sales and/or property tax or park district options).

At the April 23, 2024 Worksession, City Council was briefed on the list of parks improvement priorities identified in the PCIP over the next six years. The briefing included:

- An overview of the 3-year public engagement process.
- A review of the estimated capital costs.
- Long-term operation and maintenance costs.
- An overview of potential funding options to finance the implementation of the 6-year Parks Capital Improvement Program.

City Council directed City staff to prepare to form a Parks Improvement Funding Workgroup.

At the June 4, 2024 City Council Meeting, the Parks Improvement Funding Workgroup (Workgroup) was formed by the City Council enactment of Resolution No. 1148 and 1156 to:

- Review parks expansion and replacement projects identified in the six-year Parks Capital Improvement Program (PCIP)
- Analyze all available funding options
- Recommend to the Lacey City Council a funding package identifying funding sources, including recommended amounts
- To implement a prioritized list of parks capital projects.

Councilmembers Dunning, Greenstein, and Vasquez reviewed applications and screened potential candidates. Fifteen community members with diverse backgrounds were appointed to serve on the Workgroup at the August 6, 2024 City Council meeting.

Since August, the Workgroup has been meeting approximately twice per month to review the;

- Challenges of operating, maintaining, and developing a parks system
- Community priorities and needs as identified in the Lacey Parks, Culture and Recreation (LPCR) Comprehensive Plan
- Projects on the PCIP
- Various types of funding mechanisms that could potentially meet the needs of the City in maintaining the Lacey Parks system

The attached recommendation is a culmination of the Workgroup efforts to address the long-term needs of Lacey's parks system. The recommendation includes:

- An executive summary.
 - An overview of each meeting.
 - The funding recommendations.
 - Two prioritized PCIP lists (one for new capital projects, and one for replacement / maintenance and operation projects)
 - An appendix with an overview of each project included in the PCIP.
-

RECOMMENDATION:

Discussion only; staff will provide a briefing and background on the Parks Improvement Funding Workgroup Recommendation. This will be an initial review for City Council to be able to provide staff with direction on what they need for a robust discussion at City Council's January 14, 2025 Worksession.



2024

Parks Improvement Funding Workgroup

Recommendation

Prepared for:
Lacey City Council

Voting Members: Chair Evette Temple, Vice Chair Rachel Murata, Mark Brown, Cathy Cook, Jim Eychaner, Karen Ideker, Brooklyn McReynolds, Phillip Roybal, Cheri Wilkins

Non-Voting Members: Wendy Goodwin (Parks, Culture and Recreation Board), Jon Hegwood (Commission on Equity), Lauren Howard, Haley Ortega, Daphne Retzlaff (Planning Commission), Ruth Weigelt (Lodging Tax Advisory Committee)





Table of Contents

Executive Summary. Page 3

Methodology. Page 4

Recommendation. Page 8

 Funding Mechanisms. Page 8

 Prioritized Parks Capital Improvement Program Page 11

Appendix A. Page 13

Executive Summary

The Parks Improvement Funding Workgroup (Workgroup) was formed by the Lacey City Council's enactment of Resolution No. 1148 then Resolution No. 1156 to review parks expansion and replacement projects identified in the six-year Parks Capital Improvement Program (PCIP), analyze all available funding options, and recommend to the Lacey City Council a funding package identifying funding sources, including recommended amounts, to implement a prioritized list of parks capital projects.

The Workgroup is comprised of fifteen community members—nine voting members and six non-voting members.

The Workgroup's charge highlights funding challenges in the Lacey Parks system as the City of Lacey balances the need for park improvements amidst aging infrastructure, increasing maintenance needs, and a growing population, thus pointing to a need for a dedicated and sustainable funding.

Throughout eight meetings and one tour of select Lacey parks, the Workgroup received several presentations from City of Lacey staff on various aspects and challenges of operating, maintaining, and developing a parks system; discussed the community's priorities and needs as identified in the Lacey Parks Culture and Recreation (LPCR) Comprehensive Plan; reviewed the projects on the PCIP; and analyzed various types of funding mechanisms that could meet the needs of the City in maintaining the Lacey Parks system.

The Workgroup arrived at the conclusion that establishing a Metropolitan Park District (MPD) would leverage a stable and predictable property tax levy for parks funding, and recommends Lacey City Council draft a ballot measure for voter approval.

The Workgroup also recommends staff continue to seek funding through a variety of sources such as reviewing existing parks reserves, pursuing sponsorships and grants, assessing program, vendor and rental fees, pursuing Washington State Legislature funding, and that City Council review Lodging Tax priorities.

The combination of an MPD and diversifying the City of Lacey's parks funding amongst various sources would provide the funding needed to complete the projects on the PCIP while providing flexibility for maintenance and operation needs of the parks system.

Further, the Workgroup established a prioritized ranking of the PCIP projects by considering top-requested amenities, maintenance needs, service gaps, staff resources to manage capital projects, and community priorities.

Methodology

As the City of Lacey considered parks, culture and recreation funding and the challenges and opportunities presented in the Lacey Parks, Culture and Recreation Comprehensive Plan, the Lacey City Council sought to establish a workgroup of diverse and collaborative community members to provide park funding strategy recommendations to the Lacey City Council.

The Parks Improvement Funding Workgroup (“Workgroup”) comprises fifteen diverse and collaborative community members, some of whom serve on other City of Lacey advisory boards, thus drawing expertise from those boards to serve the Workgroup. The Workgroup contains nine voting members and six non-voting members. While only voting members cast final votes on actionable items, all members participated in meaningful discussions and group activities to inform the Workgroup’s recommendation.

- Voting Members: Chair Evette Temple, Vice Chair Rachel Murata, Mark Brown, Cathy Cook, Jim Eychaner, Karen Ideker, Brooklyn McReynolds, Phillip Roybal, Cheri Wilkins
- Non-Voting Members: Wendy Goodwin (Parks, Culture and Recreation Board), Jon Hegwood (Commission on Equity), Lauren Howard, Haley Ortega, Daphne Retzlaff (Planning Commission), Ruth Weigelt (Lodging Tax Advisory Committee)

Workgroup Members held public meetings approximately twice monthly from August through December 2024 to fulfill their assigned purpose. The structure of each meeting often contained subject-matter expert presentations from City of Lacey staff (staff), discussion amongst Workgroup Members, polls, and breakout activities.

August 19, 2024 Meeting

This meeting provided a framework for the expectations of the Workgroup and a roadmap for future meetings.

Staff provided the following presentations to the Workgroup.

- Advisory board stipend program and demographic survey
- Open public meetings and public records training
- Advisory Board Handbook overview
- Parliamentary Procedures overview
- Draft Rules of Procedure

- Workgroup goals, deliverables, and an overview of the future meeting schedule and meeting themes

September 16, 2024 Meeting

The Workgroup elected presiding officers and adopted the Workgroup Rules of Procedure. The Workgroup took a survey, similar to previous surveys given to community members, to assess how the Workgroup's priorities initially align with community priorities. Staff provided the following presentations to the Workgroup.

- An overview of the 2023 Lacey Parks, Culture and Recreation Comprehensive Plan process and community engagement efforts which identified the community's top priorities as a public swimming pool; access to and preservation of outdoor open space and natural areas; spray parks, indoor recreation opportunities, expanded walking trails; and development of the sports fields the City of Lacey has planned.
- Maintenance and operations overview and challenges
- Introduction to the Parks Capital Improvement Program (PCIP)

September 30, 2024 Meeting

This meeting highlighted the challenges set forth for the Workgroup.

- Existing funding sources necessitate the identification of new sources of revenue
- Predictable and stable revenue sources are needed for new and existing facility maintenance and operation costs.
- The capacity for new revenue resources is limited, so prioritizing the PCIP will be challenging.

Staff reviewed potential new funding sources, including the challenges and benefits of each. Workgroup Members participated in a group activity to further consider funding solutions.

- Program, vendor, and rental fees
- Sponsorships
- Grants and donations
- City of Lacey's General Fund Revenue
- Lodging Tax
- Committed and assigned reserves within the City of Lacey's Governmental Funds
- Excess property tax levy: General Obligation Bonds
- New Public Facilities District
- Metropolitan Park District (MPD)
- Impact Fees
- Cultural Access Program

October 4, 2024 Parks Tour

Staff led Workgroup Members on a tour of the following select Lacey Parks associated with projects on the PCIP. This provided an opportunity for the Workgroup to see some of the park system's amenities and needs first-hand while connecting PCIP projects to the

community's priorities as identified in the LPCR Comprehensive Plan. A summary of each PCIP project and the associated costs can be found in *Appendix A*.

- Brooks Park
- Rainier Vista Community Park
- Wonderwood Park
- Wanschers Park
- Depot Park
- Homann Park
- Virgil S. Clarkson Senior Center
- Woodland Creek Community Park
- Meridian Neighborhood Park
- Greg Cuoio Community Park

October 14, 2024 Meeting

Staff provided an overview of the City of Lacey's capital projects, design process, and existing projects in the extensive City-wide queue. The Workgroup Members who attended the tour shared their insights/highlights. Staff provided a detailed review of all the projects on the PCIP, which included:

- Project descriptions and photos
- Capital costs and ongoing maintenance and operational costs
- Benefits to the community
- How the project meets community needs as identified in the Lacey Parks, Culture and Recreation (LPCR) Comprehensive Plan

The PCIP project overview demonstrated the challenge for the Workgroup of prioritizing projects since all projects would fill a significant community need.

October 28, 2024 Meeting

Workgroup members preliminarily ranked the PCIP in small groups then reported their top projects to the Workgroup. The activity allowed the Workgroup Members to collaborate and understand different perspectives, demonstrating that each group had different prioritization approaches. Discussion topics and considerations included:

- Why projects rank high or low
- Previous community input
- Consideration for new vs. replacement projects
- Overall project costs

November 4, 2024 Meeting

Staff presented additional information to connect the PCIP projects to the major themes in the LPCR Comprehensive Plan derived from public input.

- Aquatics & Indoor Recreation: Pool and Indoor Playground, Spray Park #1(Central Lacey), Spray Park #2 (Southwest Lacey), Spray Park #3 (Northeast Lacey), Spray Park #4 (Southeast Lacey)
- Indoor Recreation: Pool and Indoor Playground, Lacey Museum & Cultural Center
- Trails, access to open space and preservation of natural areas: Greg Cuoio Park Next Phase, Long Lake Park Development, Meridian Campus North Park Development, Wonderwood Park Trails Resurfacing
- Development of the sports fields the City of Lacey has planned: Meridian Park Sports Fields Development, Regional Athletic Complex (RAC) Infield Turf Replacements, RAC Soccer Netting
- Outdoor amenities favored by the public (disc golf, pickleball, skate park/pump track and playgrounds): Meridian Parks Potential Pickleball Courts, Skate Features and/or Pump Track; Rainier Vista Park Pickleball Courts & Outdoor Table Tennis, RAC Playground Replacement - Baseball Complex, RAC Playground Replacement - Large Central Playground, Rainier Vista Park Playground Replacement, Thornbury Park Playground Replacement, RAC Playground Replacement - Soccer Fields

Staff provided a review of all available funding mechanisms. The Workgroup assessed which options were viable, long-term, stable revenue sources for the top ten projects identified from the group's activity during their October 28th meeting. The revenue options selected by the Workgroup included an MPD funding mechanism; reassigning some of the committed reserves from the City of Lacey's Governmental Funds; and a recommendation to continue pursuing a breadth of additional funding mechanisms to diversify revenue sources, leveraging City funds where possible.

The Workgroup determined these options were not well-suited based on the Lacey Parks system's current needs:

- City of Lacey's General Fund Revenue: limited funds available combined with an abundance of needs across City of Lacey operations
- Excess property tax levy: General Obligation Bonds: sunseting funds that are unable to support maintenance and operation needs
- New Public Facilities District: can only be used for a regionally agreed upon project(s) and would require a regional partnership
- Impact Fees: unpredictable source of revenue that does not provide a long-term solution and cannot be used towards maintenance and operation needs

- Cultural Access Program: not legally applicable to City operations as funds are directed to non-profits

November 18, 2024 Meeting

The Workgroup confirmed their intent to recommend an MPD with a continued commitment from the City Council of General Fund for LPCR and Parks Maintenance; potentially reassigning committed reserves from the City of Lacey's Governmental Funds; and for LPCR staff to continue to pursue diverse, smaller funding options.

Staff presented various MPD levy rate options, potential revenue generated by each option, the associated impacts to taxpayers, and the potential to issue debt through MPD revenue. The Workgroup took non-binding surveys on maintenance and operations funding allocations and ranked the PCIP projects. The outcomes from the surveys created a starting point for group consensus on:

- Ranking the PCIP
- Selecting an MPD levy rate
- Selecting projects to fund by reassigning some of the committed reserve funds in the City of Lacey's Governmental Funds
- Selecting an MPD revenue allocation for maintenance and operation needs

December 9, 2024 Meeting

Workgroup Members reviewed and discussed the Draft Parks Improvement Funding Workgroup Recommendation. The recommendation was adopted unanimously on December 9, 2024.

Recommendation

The culmination of the Parks Improvement Funding Workgroup was to provide a formal recommendation to the Lacey City Council and fulfill the Workgroup's purpose of recommending a funding package with identified funding sources, including recommended amounts, to implement a prioritized list of parks capital projects. The Workgroup's intent is to generate additional funding for LPCR.

Funding Mechanisms

- Establish a Metropolitan Park District (MPD)
After considering numerous funding options, the Workgroup determined that establishing an MPD is the most viable path to providing predictable and dedicated funding to manage, maintain, and improve Lacey Parks. Local examples of MPD

success in other jurisdictions provide a model for implementation. The Workgroup encourages the Lacey City Council to draft a ballot measure for voter approval accordingly.

- **Continued Commitment**
If the Lacey City Council elected to pursue an MPD, the Workgroup encourages the City Manager and Council to continue a commitment to support LPCR, and Parks Maintenance through the City of Lacey's General Fund.
- **Tax Rate**
The Workgroup initially considered a \$0.40 levy rate per \$1,000 assessed value but determined that rate would not generate enough revenue over five years to fund the Workgroup's top-five prioritized new capital projects on the PCIP. After considering a \$0.50 levy rate per \$1,000 assessed value, the Workgroup was concerned the potential impact on taxpayers would be too high.

To balance the revenue needed for the parks system and the potential impact on taxpayers, the Workgroup recommends the ballot measure reflect a \$0.45 levy rate per \$1,000 assessed value. At that rate, an MPD is projected to generate \$5,972,891 annually. With an average residential property assessment of \$500,000, the annual property tax is estimated at \$225.

Understanding that inflation will adversely affect the revenue generated from an MPD over the lifetime of the levy, the Workgroup encourages the City Manager and City Council to consider a phased increase up to the maximum levy rate.

- **Debt Issuance**
The Workgroup acknowledges the benefits and limitations of utilizing MPD revenue to issue debt through General Obligation bonds. Debt issuance would reduce spending flexibility due to long-term debt repayment obligations but would allow for an influx of immediate funding. Without the utilization of a debt issuance, the revenue would maintain a higher-level of spending flexibility but could delay projects due to limited initial cash flow. Taxpayer tolerance should be considered in this decision.
- **Maintenance and Operation (M&O) Needs**
To account for deferred parks facility maintenance and replacement needs, outstanding capital replacement projects, and potential future unexpected maintenance costs— a fixed percentage of MPD revenue should be allocated to maintenance. Initially, forty percent of MPD revenue should be allocated to M&O, leaving sixty percent for new capital projects. Over time as new projects are built it is expected the percentage allocated for new parks facility maintenance needs will increase.

- Community Education

Given the impact on taxpayers and the establishment of an MPD contingent on voter approval, the Workgroup encourages the Lacey City Council to allow ample time for community education after the ballot measure is finalized, before election day. The City of Lacey should directly engage in community education opportunities as appropriate.

- Diversify Revenue

While an MPD is the most viable option for sustainable and dedicated parks funding, the Workgroup also recommends staff continue to seek funding through a variety of sources.

- Existing Reserves Committed for Parks Facilities

The Workgroup recommends the Lacey City Council coordinate with staff to reassign select existing reserves committed or assigned for parks facilities in the City of Lacey's General Fund to the following projects on the PCIP. These projects are deferred maintenance needs, relatively low-cost, and one-time in nature—making them an appropriate fit for reserve funding. Funding should be reassigned from the existing reserves committed to the *Trail System – Bike/Ped Plan* (\$250,000) and the *Parks Comp Plan Priorities* (\$93,750) given the applicable nature of the intent of each of those reserve categories towards the PCIP projects identified below. The Workgroup requests that the Lacey City Council and City Manager identify other potential reserve funds that could be committed or assigned to cover the remaining funding gaps for these projects.

- Homann Park Picnic Area Renovation (\$324,000)
- Wonderwood Park Trails Resurfacing (\$200,000)
- Lakepointe Park Tennis & Basketball Court Renovation (\$40,000)
- RAC Irrigation Control Update (\$44,800)

- Sponsorships and Grants

The Workgroup encourages staff to evaluate their capacity to leverage sponsorships and grants further to generate additional revenue, including Community Development Block Grants.

- Program, Vendor, and Rental Fees

The Workgroup encourages staff to continue to regularly assess their fee structures for revenue generation. Fee structures should also remain competitive, affordable, and inclusionary.

- State Legislature Funding

The Workgroup encourages the City to strategically consider projects for Washington State Legislature Direct Appropriation Funding. Workgroup Members noted past successes of the City and other jurisdictions in acquiring funding for a variety of parks projects, including senior centers.

- **Lodging Tax (LT)**

The Workgroup acknowledges an opportunity for the City Council to prioritize additional LT funds for operation of parks facilities that draw visitors from outside the county and generate hotel stays such as the RAC, Lacey Museum, and future Greg Cuoio Park. In addition, staff should strategize applications to the Lodging Tax Advisory Committee to optimize potential funding from LT towards the most appropriate needs within the Lacey Parks system.

Prioritized Parks Capital Improvement Program

To best suit the needs of the Lacey Parks system, the Workgroup determined that the revenue generated from an MPD should include a dedicated allocation towards both *new capital projects* and *maintenance and operation needs*. Consequently, the Workgroup ranked the two categories on the PCIP separately.

The Workgroup prioritized projects with consideration of the community's top-requested amenities, maintenance needs, service gaps, and community priorities. While prioritizing projects, the Workgroup gave preference to ensuring an assortment of amenities requested in the LPCR Comprehensive Plan were listed high in the ranking to be inclusive of the variety of Lacey Parks users. For example, the top five new capital projects selected by the Workgroup meet several community priorities identified in the LPCR Comprehensive Plan and listed here:

- Park development in under-served areas
- Leverage partnerships to bring opportunities to community members
- Increases to outdoor water access
- Indoor recreation opportunities
- Increases to indoor water access
- Additional trails and preservation of natural spaces
- Additional sports fields in the spaces the City of Lacey already has planned

A summary of each PCIP project and the associated costs can be found in *Appendix A*.

- New Capital Projects

1. Meridian Park Potential Pickleball Courts, Skate Features, and/or Pump Track
2. Spray Park #1, Central Lacey
3. Pool & Indoor Playground (Potential Partnership)
4. Greg Cuoio Park Next Phase
5. Meridian Park Sports Field Development

6. Virgil S. Clarkson Senior Center Phase 3 Development & Parking Lot
 7. Rainier Vista Park Pickleball Courts Expansion & Outdoor Table Tennis
 8. Meridian Campus North Park Development
 9. Long Lake Park Development
 10. Brooks Park Development
 11. Lacey Depot Park Parking Lot Expansion
 12. Lacey Museum & Cultural Center
 13. Spray Park #2, Southwest Lacey
 14. Spray Park #3, Northeast Lacey
 15. Spray Park #4, Southeast Lacey
- Replacement / Maintenance and Operation Projects
 1. Huntamer Park Playground Replacement
 2. Homann Park Picnic Area Renovation
 3. Wonderwood Park Trails Resurfacing
 4. RAC Infield Turf Replacements (Fields 1& 2)
 5. RAC Baseball Complex Playground Replacement
 6. RAC Baseball Complex Concrete Improvements
 7. Lakepointe Park Tennis & Basketball Court Renovation
 8. RAC Irrigation Control Update
 9. RAC Large Central Playground Replacement
 10. RAC LED Fields Lights Conversion
 11. Rainier Vista Park Playground Replacement
 12. RAC Soccer Fields Netting
 13. Thornbury Park Playground Replacement (5-12)
 14. RAC Soccer Fields Playground Replacement

Appendix A

Parks Capital Improvement Program Project Overview

The Parks Improvement Funding Workgroup reviewed and prioritized twenty-nine projects from the Parks Capital Improvement Program (PCIP). The projects were identified in the 2023 Lacey Parks, Culture and Recreation Comprehensive Plan and total \$56,938,240.

Some projects on the PCIP were not included in the Workgroup's review because funding was identified for the project or partnerships necessary for the project have not been confirmed.

New Capital Projects - \$48,484,200 (M&O \$1,891,880)

Meridian Park Potential Pickleball Courts, Skate Feature, and/or Pump Track

\$600,000

Develop the park with a skate feature, pump track, and/or outdoor pickleball courts.

Spray Park #1 Central Lacey

\$522,000 (M&O \$56,000)

Develop a spray park in Central Lacey, possibly at the North Thurston Public Schools Young Child and Family Center site.

Pool and Indoor Playground

\$5,000,000

The project cost is pending a stable funding source and partnership at the NTPS Young Child and Family Center site. The recreation components of the project could include an indoor pool, indoor playground, outdoor spray park, and/or nature playground. The City of Lacey would likely contribute toward the pool and/or indoor playground portion of the capital project.

Greg Cuoio Park Next Phase

\$6,920,000 (M&O: \$362,880)

Develop Phase 1B to include restrooms, utilities, frontage improvements for safety, landscaping with irrigation, and additional trails to include a cross-country course, a dog park and/or playground zipline.

Meridian Park Sports Field Development

\$2,864,000 (M&O: \$56,000)

Develop the sports fields identified in the original master plan which included a soccer field and two softball fields.

Virgil S. Clarkson Senior Center Phase 3 Development & Parking Lot

\$5,060,000 (M&O: \$62,000)

Develop Phase 3 building and parking lot expansion due to overcrowding. The senior center parking lot is often full, resulting in the use of the community center parking lot. It isn't practical or safe for seniors – often with mobility constraints - to walk such a long distance to access the senior center.

Rainier Vista Park Pickleball Courts Expansion and Table Tennis

\$988,000

Develop four pickleball courts, two outdoor table tennis courts, and safety netting. The additional pickleball courts will alleviate the long wait times and could generate additional revenue from tournaments.

Meridian Campus North Park Development

\$3,172,000 (M&O: \$56,000)

Create a master plan and develop the 5-acre parcel located in Northeast Lacey. The property is undeveloped and located within the under-served Meridian Campus neighborhood.

Long Lake Park Development

\$7,832,000 (M&O: \$112,000)

Update the master plan and develop Long Lake Park, incorporating the 1.8-acre adjacent parcel purchased in 2022. Improvements to the existing park site include decreasing the beach slope, changing the beach material to sand, and improving ADA access to the beach.

Brooks Park Development

\$636,000 (\$11,000)

Create a master plan and develop the park, focusing on adding amenities for the site. Currently, the park is a small 1-acre green space with no amenities.

Lacey Depot Parking Lot Expansion

\$270,000

Develop an additional parking lot as part of the Lacey Museum and Cultural Center project. This project is needed in the near term to accommodate the activities and events currently held at the Lacey Depot.

Lacey Museum and Cultural Center

\$13,000,000 (M&O: \$1,008,000)

Develop the Lacey Museum and Cultural Center (LMCC), a project that has been among the City of Lacey's long-term goals for over 2 decades. The LMCC will provide an opportunity for education, equity, and inclusion. The LMCC will provide indoor recreation opportunities through cultural classes, events, and rental opportunities.

Spray Park #2 Southwest Lacey

\$540,000 (M&O \$56,000)

Develop a spray park in Southwest Lacey, possibly at Rainier Vista Park.

Spray Park #3 Northeast Lacey

\$540,000 (M&O \$56,000)

Develop a spray park in Northeast Lacey, possibly at Meridian Park.

Spray Park #4 Southeast Lacey

\$540,000 (M&O \$56,000)

Develop a spray park in Southeast Lacey. A park site has not been identified.

Replacement /Maintenance and Operations Projects - \$6,505,160 (M&O \$56,000)

Huntamer Park Play Area Replacement

\$486,000 (M&O: \$56,000)

Replace the 19-year-old climbing structure that has fiberglass damage. Each feature is a single piece. Once there is significant damage to the structure, the entire piece must be removed, resulting in fewer amenities.

Homann Park Picnic Area Renovation

\$324,000

Replace the asphalt in the picnic area that is cracked, buckling, and creating a safety hazard. Two large Douglas Fir trees in the picnic area have grown too large for the enclosure and will die from girdling in the near future. This project can be done proactively, saving the trees from dying. If the trees die, the project will still be necessary to excavate and remove the stumps.

Wonderwood Park Trails Resurfacing

\$200,000

Resurface the trail from Stikes Drive to Brentwood Drive, which has experienced significant wear and tear. The asphalt is buckling from tree roots, creating a hazard for park users.

RAC Infield Turf Replacements

\$496,000

Replace the synthetic turf on softball fields 1 and 2. Depending on the amount of use, synthetic turf needs to be replaced every 9-10 years. These fields were the first replaced and will be ready for replacement again soon. Maintaining the RAC at a high level is essential to attract tournaments.

RAC Playground Replacement - Baseball Complex

\$406,000

Replace the playground that is out of warranty and becoming more challenging to maintain. Because of the use of sports complex visitors and regular park visitors, the RAC playgrounds are the heaviest used playgrounds. The heavy use has degraded the toys at a more rapid rate than any other playground. While they are not the oldest, they have the most repairs.

RAC Baseball Complex Concrete Improvements

\$360,000

The baseball complex has porous concrete, allowing water to pass through and reducing runoff. Over time, dirt has clogged the pores. A long-term solution is needed because annual maintenance costs are now \$10,000 - \$15,000.

Lakepointe Park Tennis and Basketball Court Surfacing

\$40,000

Improve the courts by adding acrylic surfacing to the existing asphalt and repair large cracks on the basketball, pickleball, and tennis courts.

RAC Irrigation Control Update

\$44,800

The irrigation control update will optimize water use, save staff time, and allow for remote control. The manufacturer stopped producing parts for the existing controllers.

RAC Playground Replacement - Large Central Playground

\$504,000

Replace the playground that is out of warranty, and becoming more challenging to maintain. Because of the use of sports complex visitors and regular park visitors, the RAC playgrounds are the heaviest used playgrounds. The heavy use has degraded the toys at a more rapid rate than any other playground. While they are not the oldest, they have the most repairs.

Regional Athletic Complex LED Field Lights Conversion

\$2,160,000

Replace the current lights with more energy-efficient LED lighting. The conversion to LED is a logical step for long-term cost savings and should be done before the existing warranty expires in 2028-2029, depending on use.

Rainier Vista Park Playground Replacement

\$600,000

Replace the playground that is over 21 years old and out of warranty. Replacement parts are not available. As a result, rather than repair or replace parts of play structures, they are removed entirely.

RAC Soccer Netting

\$199,360

Add netting to three of the soccer fields to keep balls within the play area. This is a safety issue for park users walking around the soccer fields and frustrating for players when they have to chase out-of-bounds balls.

Thornbury Park Playground Replacement

\$406,000

Replace the playground equipment for ages 5-12. Originally installed in 1997, it is among one of the City of Lacey's oldest play areas. It is out of warranty, and replacement parts are not available. As a result, rather than repair or replace parts of play structures, they are removed entirely.

RAC Playground Replacement - Soccer Fields

\$280,000

Replace the playground that is out of warranty, and becoming more challenging to maintain. Because of the use of sports complex visitors and regular park visitors, the RAC playgrounds are the heaviest used playgrounds. The heavy use has degraded the toys at a more rapid rate than any other playground. While they are not the oldest, they have the most repairs.