



Lacey Planning Commission Meeting Agenda

Refer to the bottom of the agenda for meeting information.

Wednesday, April 23, 2025

6:00 PM

Council Chambers and Online

1. Call to Order

2. Roll Call

3. Land Acknowledgement

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.

4. Approval of Agenda and Consent Agenda Items

- A. Approval of Agenda
- B. Approval of April 9, 2025 meeting minutes
 - 1. April 9th Minutes

5. Public Comment

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

6. Commission Members' Reports

7. Department Report

8. Public Hearing

- A. **Development Guidelines and Public Works Standards Update: Tom Stiles, Development Review Engineer Manager.** The Planning Commission will conduct a public hearing to take testimony on draft updates to the Development Guidelines and Public Works Standards. After the conclusion on the hearing, the Planning Commission is requested to consider the testimony received and make a

recommendation on the draft updates to the City Council.

1. Development Guidelines Attachment

9. New Business

10. Old Business

- A. **Comprehensive Plan Update: Ryan Andrews, Community Planning Manager; Hans Shepherd, Senior Planner; Jennifer Adams, Housing Coordinator.** The Planning Commission will review the draft goals and policies for the Land Use and Housing Elements of the Comprehensive Plan. The Planning Commission will also continue review of the Future Land Use Map, confirm the draft land use designations, and review the community-suggested rezones.

1. Land Use Attachments
2. Housing Attachments

11. Communications and Announcements

- A. Planning Commission Schedule

12. Next Meeting - May 14, 2025

13. Adjournment

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_TcySwqJ5QiWtgGnHPDNIw
Website:	https://cityoflacey.org/government/public-meetings/
Facebook:	https://www.facebook.com/cityoflacey
YouTube:	https://www.youtube.com/watch?v=ckPf7LRuIGA
Cable:	Channel 77 with your local cable provider
Phone:	(888) 788-0099 or (877) 853-5247 (Webinar ID 874 7434 0223)

Verbal Public Comment

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

In-Person:	Use the sign-up sheet located at the meeting location.
Zoom:	Preregister using the following Zoom link no later than two hours prior to the meeting:

https://us02web.zoom.us/webinar/register/WN_TcySwqJ5QiWtgGnHPDniFw

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

MINUTES

Lacey Planning Commission Meeting
Wednesday, April 9, 2025 – 6:00 p.m.
Lacey City Hall Council Chambers, 420 College St SE – and via Zoom

The meeting was called to order at 6:00 p.m. by Tonya Moore

Planning Commission members present: Tonya Moore, Kyrian MacMichael, Spencer Zeman, Robert Lane, Jennifer Mangione, Judith Doyle, Elliot Kirk & Gail Madden. Staff present: Ryan Andrews, Hans Shepherd, Gagan Brar, Teri O'Neil, Scott Egger and Erin Skelley. Comprehensive Plan Consultants present: Matt Wong – Carollo Engineers, Robyn Wong - Raimi, Ron Whitmore – Raimi.

Tonya noted a quorum present. Robert read the Land Acknowledgement.

Gail Madden made a motion, seconded by Spencer Zeman to approve the agenda for tonight's meeting. Robert Lane made a motion, seconded by Spencer Zeman to approve March 12th minutes. All were in favor, both motions carried.

- 1) **Public Comments:** David Toyer spoke about the rezone request located at 1302 Alder St. Victor and Ed Zvirzdys: Owners of 1302 Alder St, also spoke about their request. Chris Carlson spoke provided comment on a rezone request for 6335 Pacific Ave SE.
- 2) **Commission Members Reports:** Jennifer Mangione introduces herself to the Commissioners. They all welcome her to the Commission. Kyrian MacMichael said she loved seeing all the vibrant mixed-use communities during her spring break travels. Robert Lane attended an ALICE meeting (Asset Limited, Income Constrained and Employed). He thought the conversation was unique and interesting. Tonya Moore does some legislative watching every week, and she stated that there will be some changes impacting the Planning Commission coming soon. Ryan Andrews followed up by saying that there would be a legislative update for the Commission some time in the future. Spencer Zeman mentioned that Intercity Transit will be having an open house to get feedback on The Martin Way Corridor Crossing study on April 30th, at the Intercity Transit Headquarter offices.
- 3) **Department Report:** None
- 4) **New Business: Reclaimed Water Plan: Gagan Brar, Utility Engineer.** The Planning Commission received a briefing from staff and Matt Wong from Carollo Engineers. No formal action from the Planning Commission is requested.
- 5) **Old Business:**
 - A. **Comprehensive Plan Climate Element: Linsey Fields, Climate and Sustainability Coordinator.** The Planning Commission reviewed the draft goals and policies for the Climate Element of the Comprehensive Plan which included the Greenhouse Gas Reduction and Climate Resilience Sub-Elements.
 - B. **Comprehensive Plan Future Land Use Maps: Hans Shepherd, Senior Planner.** The Planning Commission reviewed the scoring of community and property-owner suggested zoning changes which will inform amendments to the Future Land Use Maps being developed for the Land Use Element of the Comprehensive Plan.
- 6) **Communications and Announcements:** Ryan Andrews went over the Planning Commission schedule.
- 7) **Next Meeting:** April 23, 2025

8) **Adjournment:** 9:03 PM

To hear the full discussion of a specific topic, or the complete meeting, watch the recorded video available on YouTube: <https://www.youtube.com/watch?v=uk6OdEbQP5k>



Planning Commission Staff Report

April 23, 2025

SUBJECT: Public Hearing for the 2025 Update to the City of Lacey Development Guidelines and Public Works Standards

RECOMMENDATION: Conduct a public hearing on draft updates to the Development Guidelines and Public Works Standards. After the conclusion of the hearing, consider the testimony received and make a recommendation on the draft updates to the City Council.

STAFF CONTACT: Ryan Andrews, Community Planning Manager *RA*
Tom Stiles, Development Review Manager **TS**

ORIGINATED BY: Public Works Department

ATTACHMENTS: [Draft Revisions to the Development Guidelines and Public Works Standards](#)

PRIOR REVIEW: Each section with proposed revisions was previously presented to the City of Lacey Planning Commission through multiple meetings.

BACKGROUND:

The City of Lacey Development Guidelines and Public Works Standards (DG&PWS) Manual is one of the City of Lacey regulatory documents used for development within the City of Lacey and the Urban Growth Area. This document provides direction for requirements of development and public works standards.

The DG&PWS manual was written to address all aspects of development. The manual is most commonly used by developers and consultants who regularly engage in development. The current version is being revised to remove the “development guidelines” portion of the manual and will focus on providing Public Works development standards.

The current version of the Development Guidelines and Public Works Standards Manual contains the following chapters:

- Chapter 1: Planning Issues – already revised and approved through a separate process
- Chapter 2: Grading – no revisions
- Chapter 3: Public Works Considerations – revisions included
- Chapter 4: Transportation – revisions included

Chapter 5: Storm Water – revisions included
Chapter 6: Water – revisions included
Chapter 7: Sewer – revisions included
Chapter 8: Reclaimed Water- no revisions
Appendix – no revisions

Most revisions to all chapters were either “housekeeping” revisions, providing clarifications to existing standards or providing revisions to available or required utility materials. Also, many redundant references that are currently found in the Lacey Municipal Code were removed from the Development Guidelines and Public Works Standards Manual.

The following noteworthy revisions apply to each chapter:

Chapter 3, Public Works Considerations:

Chapter three of the manual provides: definitions, design standards for civil drawing submittals, Engineer’s certification and plan review checklist, required paperwork requirements (as-built drawings, utility bill of sale, easements, right-of-way dedication, latecomer’s agreements) and other development requirements.

- Revisions to the plan review checklist
- Plan review deposit requirement
- Removal of language currently located or to be relocated into the Lacey Municipal Code

Chapter 4, Transportation:

Chapter four of the manual discusses transportation elements of development. Major items include: street development, access management, Traffic Impact Analysis, traffic calming, street naming and signage, right-of-way, buffer, private street, gated community, frontage improvement, driveway, site obstruction, roadway surfacing, pavement marking, trench restoration and roadway repair, sidewalk, curb and gutter, bicycle facility, illumination, traffic control, roadside feature, street tree and planter strip landscaping requirements.

- Clarification of when parking within a parking lot can begin.
- Street lighting service requirements added.
- Street tree placement restrictions identified.
- Street tree with planter strip width list replaces previous street tree list.

Chapter 5, Stormwater:

In addition to requirements found in the Stormwater Design Manual and Lacey Municipal Code, chapter five emphasizes stormwater design standards, landscaping considerations, signage, conveyance requirements, staking, erosion control and maintenance elements. Chapter five also provides notes and details required on civil drawings for construction.

- Open space requirements addressed in other city code locations were removed.
- Construction Stormwater Pollution Prevention Plan Notes found in the Stormwater Design Manual were removed. Direction to the Stormwater Design Manual was added.

Chapter 6, Water:

Chapter six provides design and construction elements for water.

- An option for less cover over a water main was added to increase flexibility in difficult development situations.
- Connection to existing water main language was revised to eliminate issues currently occurring during water main connections.
- To eliminate problems with service lines over two inches, a valve at the connection to the water main for water services over two inches in diameter is now required.
- Accessory Dwelling Unit options for additional water service are provided.
- Due to problems with flushing water mains, language addressing discharging of water is added.

Chapter 7, Sewer:

Chapter seven provides design and construction elements for sewer.

- A financial guideline as to when an On-Site Septic Systems (OSS) may be repaired if repair costs are too expensive is added.
- To assure maintenance vehicles can access sewer improvements for service, language requiring the project to be designed to accommodate these vehicles is added.
- Sewer requirements for fuel stations and trash enclosures connecting to sewer is provided.
- Lift station gate and fencing requirements are identified.
- Setbacks for locations of S.T.E.P. and grinder tanks are provided.
- Maximum bedroom count for single family residential (or single family residential with an Accessory Dwelling Unit) S.T.E.P. and grinder systems is identified.

Review Process:

The Development Guidelines and Public Works Standards Manual was reviewed internally and externally for proposed revisions. Externally it was sent to 40 developers, engineers and public agencies (Intercity Transit, LOTT Clean Water Alliance, Master Builders, Saint Martin's University, Lacey Fire District #3, etc.). Most proposed revisions were included with the current proposal. Those not included were proposals that will require a detailed vetting process that cannot occur with the current schedule and will be saved for the next revision process.

NEXT STEPS:

The Planning Commission will conduct a public hearing on draft updates to the Development Guidelines and Public Works Standards. After the conclusion of the hearing, the Planning Commission will consider the testimony received and make a recommendation on the draft updates to the City Council.



Planning Commission Staff Report - 6

April 23rd, 2025

SUBJECT: Comprehensive Plan Series: Land Use Element Draft Goals and Policies, Future Land Use Map and Associated Definitions, and Docketed List of Rezone Requests for 2025

RECOMMENDATION: Staff will present draft goals and policies for the Land Use Element of the Comprehensive Plan update, along with a draft Future Land Use Map, associated draft land use definitions and docketed rezone requests for the 2025 review cycle. No formal action is required.

STAFF CONTACT: Vanessa Dolbee, Community & Economic Dev. Director *VD*
Ryan Andrews, Community Planning Manager
Hans Shepherd, Senior Planner *HS*

ORIGINATED BY: Community & Economic Development Department

ATTACHMENTS:

1. Land Use Element Draft Goals and Policies
2. Docketed list of rezone requests for 2025 review cycle
3. Draft Future Land Use (FLU) Definitions
4. Draft Future Land Use Map (FLUM)
5. Previous Staff Reports in Series ([Linked](#))

PRIOR REVIEW: The Planning Commission was last briefed on the Land Use Element of the Comprehensive Plan as part of the April 9th, 2025 Planning Commission meeting.

BACKGROUND:

The Growth Management Act (GMA) requires every city to review and update its Comprehensive Plan and associated development regulations at least once every ten years. This review is intended to address relevant changes in the GMA and respond to changes in land use and population growth.

The Revised Code of Washington ([Section 36.70A.070](#)) goes on to further identify and define the mandatory elements of the Comprehensive Plan including requirements for the designation, location, extent, and general distribution of various land uses. This section (known as the Land Use Element), also includes requirements for the allocation of lands for housing, commercial uses, and other public purposes including utility and transportation corridors, recreation, schools, public water supplies, and natural resources.

Land Use Element Draft Goals and Policies:

Within the Comprehensive Plan, the requirements of the Land Use Element are often addressed through a combination of listed goals and policies and visually with the use of a Future Land Use Map. Building upon the goals and policies identified within the 2016 Comprehensive Plan, 2025 draft land use goals and policies are further informed by recently adopted State legislation (since the last update in 2016), community provided guidance gained through 2024 and 2025 outreach efforts, the 2023 Joint Plan with Thurston County, and City Council, Planning Commission, and Youth Council priorities identified through 2024 visioning sessions.

Attachment 1 of this report (Land Use Element Draft Goals and Policies) offers additional information on the development of these draft goals and policies.

Docketed Rezone Requests for 2025

Based on the guidance received from the Planning Commission at the April 9th, 2025 meeting, staff conducted additional review of submitted rezone requests before separating submittals into two groups:

1. Requests that would undergo additional review as part of the 2025 Comprehensive Plan Update
2. Rezone Requests recommended for greater review as part of a future rezone review cycle.

In total, 15 of the 31 requested rezones were identified for additional review as part of the 2025 Comprehensive Plan Update. As an important note, locations under review as part of the 2025 Update are not guaranteed for final adoption. In some instances, rezone requests within this first group may shift to the second as the level of review necessary to provide a formal recommendation, rises above the review capacity of the 2025 Update Cycle.

A detailed list of rezone requests identified for the 2025 Update Cycle can be found within Attachment 2.

Draft Future Land Use Definitions and Map:

For the 2025 Comprehensive Plan Update, a stand-alone Future Land Use Map (FLUM) draft has been developed to better illustrate the vision and goals of the community while working to further streamline permitting application and review timelines.

This FLUM has been developed to perform the following functions:

- Allocate land uses within the Lacey Planning Area (comprising of the City of Lacey and the Lacey Urban Growth Area) to accommodate the housing, employment and service needs of the Lacey community as projected over the next twenty years.

- Determine land use allocations reflective of the desired mix of uses (including residential, office, open space, and industrial) and the intensity of these land uses needed to accommodate changes in population and household characteristics, economic development goals and identified community priorities.
- Identify lands for public purposes and future growth within the Lacey Urban Growth Area consistent with State and County planning requirements.
- Serves as a visual representation of the goals and policies contained within the 2025 City of Lacey Comprehensive Plan distinct from the adopted City of Lacey Zoning Map.

The FLUM is made up of six land use classifications:

1. Residential
2. Open Space – Institutional
3. Light Industrial
4. Commercial
5. Commercial Mixed Use
6. Transitional Mixed Use

FLUM classification definitions and the associated zoning designations that can be found within each classification can be found within Attachment 4.

NEXT STEPS:

At the April 23rd Planning Commission Meeting, Commissioners will have the opportunity to review and provide feedback on the Land Use Element goals and policies as well as the draft Future Land Use Map. Following this review, city staff will share this information with the City Council before releasing it to the public as part of the 2025 Draft Comprehensive Plan Update later this summer.

This public review will primarily take place on the [2025 Comprehensive Plan Website](#), with additional opportunities for public engagement at community hosted events.



LAND USE POLICY FRAMEWORK

2nd Administrative Draft

April 17, 2025





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INTRODUCTION

Purpose of the Policy Framework

This Administrative Draft Policy Framework identifies an initial set of Land Use Element goals and policies for discussion with City policy makers. After input from the Planning Commission and City Council and refinement in collaboration with City staff, it will serve as the foundation for the Public Draft Land Use Element.

Other than the Introduction, there are two main parts to this Administrative Draft. The first section, “Policy Foundations,” introduces and summarizes the work that informed the development of the second section, the “Policy Framework.”

Future Land Use Map (FLUM)

The Land Use Element has two principal components: first, the Future Land Use Map (FLUM) and second, land use policies, which are organized by goal area. This Policy Framework focuses uniquely on land use policies.

The preparation of the FLUM is on a parallel, concurrent path. The FLUM performs the following functions in carrying out the vision of Lacey’s Comprehensive Plan:

- Allocates land use within the Lacey Planning Area (comprising of the City of Lacey and the Lacey Urban Growth Area) to accommodate the housing, employment and service needs of the Lacey community for the next twenty years.
- Determines land use allocations to reflect the mix of uses (such as residential, office, industrial) and the intensity of development (residential densities) required to adequately accommodate estimated changes in population and household characteristics, economic development goals and other community priorities.
- Identifies lands for public purposes as well as growth within the Lacey Urban Growth Area while maintaining the Comprehensive Plan vision and consistency with State and County planning policies.



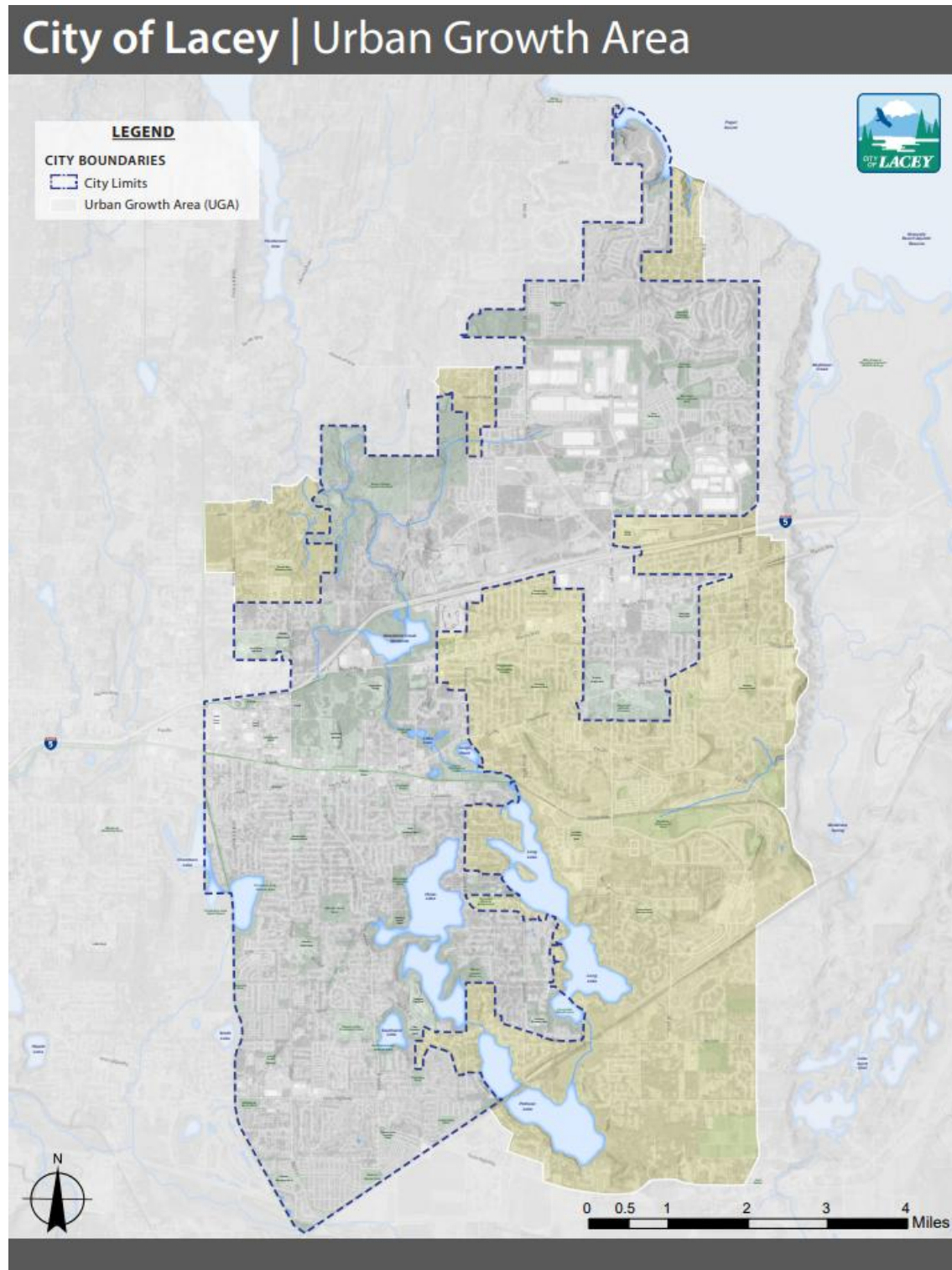
The update to the FLUM includes revised demographics and projections, integrates economic and housing data, addresses the potential consolidation of commercial zones, and implements a community-driven process for site-specific rezones.

The 2025 Land Use Element will feature six overarching land use categories in the Future Land Use Map (FLUM): General Commercial, Light Industrial, Commercial Mixed-Use, Transitional Mixed-Use, Residential, and Open Space Institutional. A separate zoning map will show the zoning designations that will implement the FLUM and will be coordinated with Title 16 (Zoning) of Lacey’s Municipal Code. Only changes to the FLUM would require a formal amendment of the Comprehensive Plan, which can reduce the review and entitlement timelines for development proposals.

Urban Growth Area (UGA)

The Comprehensive Plan applies to the Lacey Planning Area, which comprises an area of approximately 21,295 acres and includes the City of Lacey as well as unincorporated Thurston County lands within the Lacey Urban Growth Area (UGA). The City of Lacey has jurisdiction over land use and development within its city boundary, and Thurston County has jurisdiction over land within the Lacey UGA but outside City of Lacey limits.

Lacey’s 2016 Comprehensive Plan contains goals and policies in the Land Use Element that are intended to guide land use decisions for both the City of Lacey and the Lacey Urban Growth Area (UGA). In contrast, land use goals and policies for this Comprehensive Plan update, Envision Tomorrow, focuses on areas within the incorporated City of Lacey. The Joint Plan (described later in this section) provides policy guidance for the UGA. The 2023 Joint Plan Update sets goals and policies that apply to the unincorporated lands within the UGA. Until areas of the UGA are incorporated into the City, regulations adopted by each jurisdiction governing the UGA may temporarily differ; but the Growth Management Act requires regulations impacting land use to be consistent across jurisdictions within the UGA. The map below shows the extents of the Lacey UGA including the City of Lacey boundaries,





Implementation

The 2016 Comprehensive Plan includes “residential implementation strategies” in its Land Use Element. To make the plan more accessible, the 2025 update will focus on goals and policies, with the assumption that the strategies will be defined in more detail in Lacey’s subarea plans, zoning code and related implementation tools.



POLICY FOUNDATIONS

This section provides a background summary of what has informed the drafting of goals and policies in the Land Use Policy Framework. The “Sources” column of the Policy Framework tables cross-references the sub-sections below.

Growth Management Act (GMA) Goals

A starting point for the Land Use Element update is the State Growth Management Act (**RCW 36.70A.020**). The Growth Management Act (GMA) has fifteen goals to guide the development and adoption of local Comprehensive Plans. Most of the GMA goals are relevant to the Land Use Element, but several relate directly to land use:

- **Urban growth.** Encourage development in urban areas where adequate public facilities and services exist or can be provided in an efficient manner.
- **Reduce sprawl.** Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development.
- **Property rights.** Private property shall not be taken for public use without just compensation having been made. The property rights of landowners shall be protected from arbitrary and discriminatory actions.
- **Permits.** Applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability.
- **Natural resource industries.** Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands and discourage incompatible uses.
- **Open space and recreation.** Retain open space and green space, enhance recreational opportunities, enhance fish and wildlife habitat, increase access to natural resource lands and water, and develop parks and recreation facilities.
- **Environment.** Protect and enhance the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.



- **Citizen participation and coordination.** Encourage the involvement of citizens in the planning process, including the participation of vulnerable populations and overburdened communities, and ensure coordination between communities and jurisdictions to reconcile conflicts.

Department of Commerce Checklist for Fully Planning Cities

The State Department of Commerce (Commerce) provides detailed guidance for Comprehensive Plan updates, outlining requirements in the form of a checklist for jurisdictions to follow when assessing compliance with RCW 36.70A.070(1), as amended in 2023¹ (see the Appendix). The 2016 Comprehensive Plan is compliant with State guidance, so the focus in this Policy Framework is on the recently adopted State legislation noted immediately below.

Environmental Justice

Jurisdictions must give special consideration to achieving environmental justice in goals and policies, including efforts to avoid creating or worsening environmental health disparities. ([RCW 36.70A.070\(1\)](#) amended in 2023).

“Environmental justice” means the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to development, implementation, and enforcement of environmental laws, regulations, and policies. Environmental justice includes addressing disproportionate environmental and health impacts in all laws, rules, and policies with environmental impacts by prioritizing vulnerable populations and overburdened communities and the equitable distribution of resources and benefits. (RCW 36.70A.030(16))

Vulnerable populations in Lacey are identified in the Vulnerability and Risk Assessment prepared for the Resilience Sub-element. Lacey has no overburdened communities². However, the Washington Environmental Health Disparities Map³ identifies several Census tracts in Lacey

¹ <https://deptofcommerce.box.com/s/yz46cek0susmbc93nislraox4cc9xcj>

² <https://storymaps.arcgis.com/stories/c10bdbfc69984a9d85346be1a23f6338> and <https://ecology.wa.gov/air-climate/climate-commitment-act/overburdened-communities>

³ <https://deohs.washington.edu/washington-environmental-health-disparities-map-project> and <https://doh.wa.gov/data-and-statistical-reports/washington-tracking-network-wtn/washington-environmental-health-disparities-map>



with high health disparities relative to other communities in Washington, primarily due to socioeconomic factors, concentrations of sensitive populations, and/or proximity to hazardous waste facilities or heavy traffic. Therefore, the model goals and policies in the 2020 final report of the Environmental Justice Task Force were adapted for inclusion in this Policy Framework.

If helpful, a more detailed methodology can be included in future drafts of the Land Use Policy Framework.

Wildfire

The Land Use Element must reduce and mitigate the risk to lives and property posed by wildfires by using land use planning tools and through wildfire preparedness and fire adaptation measures. ([RCW 36.70A.070\(1\)](#) amended in 2023). Currently, land use policies related to climate change and natural hazards, including wildfire, are incorporated into the Resilience Sub-Element Policy Framework.

E2SHB 1110, Sec. 3(1)(a) adopted in 2023

This legislation outlines middle housing requirements for communities. Lacey is a “Tier 2” city (with a population of at least 25,000 but less than 75,000) and is required to allow a minimum density of 2 dwelling units per lot (du/lot) in predominantly residential zones and a minimum density of 4 du/lot within a ¼ mile walking distance of a major transit stop in predominantly residential zones, unless zoning permits higher densities. Cities must implement the requirements no later than six months after their next periodic update required under RCW 36.70A.130, which for Lacey would mean implementation by mid-2026.



Current Policy (2016 Comprehensive Plan)

Goals and Policies in the 2016 Comprehensive Plan Land Use Element

The 2016 Comprehensive Plan includes goals and policies related to land use and related topics in Chapter III, Community Vision. The goals and policies are organized under several categories. A short summary is provided below, and the Appendix includes tables that track how existing (2016) Land Use Element goals and policies have been integrated into the Policy Framework.

- The Community Vision chapter provides a set of “Framework Land Use Policies,” which function as overarching policies. **These have been incorporated into the Policy Framework as goals.**
- The Community Vision chapter also provides additional goals and policies under the following categories: Residential, Commercial and Industrial, Subarea, Urban Growth Area, Transportation, Parks and Open Spaces, Utilities and Capital Facilities, and Essential Public Facilities. Relevant goals from these sections have been integrated into the Policy Framework.
- The most relevant categories for this purpose were Residential, Commercial and Industrial, and Subareas. Tables at the end of this document show how the policies in each of these sections have been incorporated into the Policy Framework.
- The Urban Growth Area goals have not been specifically included, since the focus of this update is on the incorporated City of Lacey; however, the intent of these goals is reflected in the Policy Framework.
- The goals and policies pertaining to the Transportation, Parks and Open Spaces, Utilities and Capital Facilities, and Essential Public Facilities are referenced in the Policy Framework, but most are quite specific and are better addressed in other Elements.



Countywide Planning Policies

Joint Plan (2023 Update)

As of 2023, the City of Lacey and its UGA encompasses a total of 33.27 square miles (19.02 square miles in the City and 14.25 square miles in the UGA).

Thurston County, with the Cities of Lacey, Olympia, and Tumwater, initiated the process of joint planning in 1988. The 1990 Growth Management Act (GMA) required Thurston County and each of its cities to adopt a Comprehensive Plan and to establish a 20-year urban growth boundary jointly for each urban area. To guide this planning effort, the Act mandated Thurston County to create County-Wide Planning Policies (CWPP's), which the county adopted in 1992 in collaboration with its cities and towns. The CWPPs ensure internal and inter-jurisdictional consistency as well as consistency with other plans and regulations.

The Joint Plan is updated at regular intervals to reflect changes in existing conditions and to address the needs of the community over the next twenty years. The 2023 Joint Plan Update includes a community vision, goals and policies, an updated land inventory and population forecasts. It also takes into account the growing need for affordable housing and the impacts of climate change, while preparing for future uncertainties within the next twenty years.

The goals and policies apply to the unincorporated lands within the UGA. Until areas of the UGA are incorporated into the City, regulations adopted by each jurisdiction governing the UGA may temporarily differ. However, underlying land use regulations are required by the GMA to be consistent across jurisdictions within the UGA and this is done through compliance with the CWPP's.

Annexation

Annexations are carried out through a legislative action that can be initiated by individual property owners or through a collaborative effort between the City of Lacey and Thurston County. (RCW 35A.14 – Annexation by Code Cities).

Since its incorporation in January of 1967, the City of Lacey has increased in area through the annexation process 51 times. The boundaries of the City of Lacey and Lacey UGA are a result of these annexation actions. Consistent with the "1988 Memorandum of Understanding: An Urban



Growth Management Agreement between Thurston County and Its Cities”, UGAs establish the areas of the county where future city annexations are possible.

(Note: Content will be added here by the City once the annexation strategy is finalized.)

County-Wide Planning Policies

To achieve coordinated regional planning efforts, the GMA requires counties and the cities therein to jointly develop policies to guide the development of each jurisdiction’s comprehensive plan. These policies are called County-Wide Planning Policies (CWPP’s). Each local plan is then required to demonstrate that the policies have been followed in the development of their plan. The CWPPs for Thurston County were last updated in 2014, and the 2016 Lacey Comprehensive Plan is consistent with those CWPPs. Likewise, this Policy Framework maintains that CWPP consistency.

The Buildable Lands Program

Understanding the amount of land available for development is important to understand where projected growth can be accommodated and how much land will be set aside for environmental protection, parks and recreational uses, and resource lands. The GMA requires cities and counties to develop plans on how they will accommodate growth. Lacey and the cities in Thurston County worked in conjunction with the County and TRPC to establish UGAs. In 1997, the State legislature added a monitoring and evaluation provision to the GMA for six western Washington counties. This provision is referred to as the “Buildable Lands Program,” which includes Thurston County and all the cities and towns within. The Buildable Lands Report is a monitoring report developed and updated by the TRPC to determine if growth in Thurston County is consistent with the goals of the state GMA. In particular, it answers two key growth-related questions:

- Is residential development in the UGAs occurring at the densities envisioned in local comprehensive plans?
- Is there adequate land in the UGAs for the projected growth in population and employment?

If the answer to either of these questions is no, Thurston County and its cities and towns are required to identify reasonable measures in their Comprehensive Plan updates to bring development trends into alignment with GMA. The 2021 Buildable Lands Report found that



development in Thurston County is consistent with GMA's goals and reasonable measures are not necessary. Specifically, the following key metrics were assessed:

- Achieved densities in urban areas are more than 4 housing units per acre and increasing. Rural densities are being achieved in rural areas.
- There is sufficient land in urban areas to accommodate the next 20 years of growth, with an 18 percent surplus. There is also sufficient vacant and redevelopable land for commercial and industrial development.

Sustainable Thurston

In 2013, the Thurston Regional Planning Council adopted the regional **“Creating Places — Preserving Spaces: A Sustainable Development Plan for the Thurston Region”** plan that includes twelve priority goals, two of which address land use and development patterns in urban and rural areas:

- **Create vibrant centers, corridors, and neighborhoods while accommodating growth.** This set a target to have 72 percent of all (new and existing) households in Thurston cities, towns, and unincorporated UGAs to be within a half-mile (comparable to a 20-minute walk) of an urban center, corridor, or neighborhood center by 2035, with access to goods and services to meet some of their daily needs. This target has not been met; the percentage is currently at 57 percent.
- **Preserve environmentally sensitive lands, farmlands, forest lands, prairies, and rural lands and develop compact urban areas.** This sets a target that between 2010 and 2035, no more than five percent of new housing will locate in rural areas, and 95 percent will be within cities, towns, unincorporated urban growth areas, and tribal reservations. Rural areas are defined as outside of the cities, towns, unincorporated urban growth areas, and tribal reservations. At present, approximately 13 percent of new housing is projected to locate in rural areas, thus not meeting the target.

Sustainable Thurston falls outside of GMA’s planning framework, and failing to meet its goals does not require Thurston County jurisdictions to identify and adopt reasonable measures. However, to align with regional goals, Sustainable Thurston includes recommended strategies for the cities and county to include as part of their periodic Comprehensive Plan updates due in 2025. Similarly, the Thurston Climate Mitigation Plan, adopted in 2021 by Lacey, sets targets



related to reduction of greenhouse gases that are more ambitious than currently required by the State.

Meeting the targets set by Sustainable Thurston and the Thurston Climate Mitigation Plan will require changes to expected development patterns, focusing more growth in urban areas and limiting conversion of natural resource lands in rural areas. This policy direction is reflected in the Policy Framework.

Community Engagement

The 2045 Comprehensive Plan update is being informed by robust outreach. According to the City of Lacey, over 45,000 community members have been contacted. Of those who have provided feedback as of March 2025, 88 percent live in Lacey (with over 60 percent having lived in Lacey for over five years).

Summer 2024 Visioning Sessions

The Comprehensive Plan update process was initiated in 2024 with visioning sessions held by the City Council, Planning Commission, and Youth Council to guide the priorities surrounding the update within the framework of the GMA and other legislative requirements. Key themes from these sessions highlighted the importance of strong community relationships, abundant parks and natural beauty, the growing need for more walkable commercial activity centers, and the critical issue of affordable housing. Each of those themes is reflected in the Policy Framework.

Fall 2024 Community Survey and Core Community Priorities

The online survey for the Comprehensive Plan conducted in the Fall of 2024 included two overarching questions regarding how Lacey could grow:

1. When thinking about the future of our city, what do you want it to look like?
2. In what ways can the City of Lacey support and improve upon our community's quality of life?

Based on the responses, the City of Lacey identified the following **six core community priorities**:

1. Create **connected neighborhoods** where people can walk and bike easily.



2. Establish City services and infrastructure that promote **public health and safety**.
3. Develop spaces for a **diversity of housing types** and income levels that enhances our built environment.
4. **Preserve our natural resources** and focus on environmentally sustainable practices.
5. Build a compelling **community identity** with family-friendly parks, amenities, and diverse activity centers.
6. Promote **economic vitality** and support commercial areas so local businesses can thrive.

Each of these priorities is reflected in the Policy Framework.



POLICY FRAMEWORK

Approach

The recommended goals and policies for the 2025 Land Use Element have been developed by using the following approach:

- The 2016 Comprehensive Plan is the foundation for this update. As described in the Policy Foundations section, the 2016 Land Use Element’s “Framework Land Use” policies, which are overarching in scope, have been used to frame the recommended goals in the Policy Framework.
- The goals and policies within the “Residential”, “Commercial and Industrial”, “Sub-area”, “Transportation and Land Use”, “Parks and Open Spaces”, “Utilities and Capital Facilities” and “Essential Public Facilities” sections of the 2016 Land Use Element were integrated as policies, as described in the Policy Foundations section (with additional detail in the Appendix).
- As needed, additional policies were added that address the state Growth Management Act’s guidance for Land Use Element updates, as described in the Policy Foundations section.
- The goals and policies also align with the regional vision of Sustainable Thurston, Thurston Climate Mitigation Plan and the Joint Plan; and reflect best practices in land use planning.
- The six core community priorities that were identified through community outreach (listed in the Policy Foundation section) also informed the policies.

How to Read

To facilitate review of draft goals and policies, this Administrative Draft of the Policy Framework is organized as a table below that includes supplemental information about each goal and policy. Subsequent drafts of the Policy Framework may not include all of this information, and the Land Use Element will likely only include the goal and policy text.



Each row in the table is dedicated to a single policy. To facilitate review of draft goals and policies, each goal of the Land Use Element is stated, followed by a table with the following information organized into columns:

- **Policy Signpost:** a shorthand summary of the policy
- **Policy Text:** the full text of the draft policy
- **Sources:** which Policy Foundations introduced above inform the policy
- **Related Elements:** other Comprehensive Plan Elements that are related to the policy (such as Housing; Transportation; Environment/Climate Change; Stormwater; Parks, Culture, and Recreation; Capital Facilities; Utilities and Economic Development.

Goals and Policies

The City of Lacey’s overall goal is to enrich the quality of life for all citizens by building an attractive, inviting, and secure community. The City will work in partnership with the community to foster community pride, to develop a vibrant and diversified economy, to plan for the future, and to preserve and enhance the natural beauty of our environment. To carry out this overarching goal, the following goals are recommended for the Land Use Element update:

- **Goal 1: Promote compact development.**
- **Goal 2: Establish walkable neighborhoods.**
- **Goal 3: Increase housing diversity.**
- **Goal 4: Promote economic vitality.**
- **Goal 5: Advance multimodal connectivity.**
- **Goal 6: Encourage neighborhood scale mixed-use centers.**
- **Goal 7: Prioritize environmental best practices.**
- **Goal 8: Strengthen Lacey’s unique identity.**
- **Goal 9: Advance environmental justice.**
- **Goal 10: Ensure robust community engagement.**



- **Goal 11: Develop and implement subarea plans.**
- **Goal 12: Proactively implement.**



GOAL 1: Promote compact development.

Promote compact development that prioritizes infill, supports mixed-use development, and multimodal transportation.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
Policy 1.A: Prioritize compact, mixed-use development.	Update land use designations and zoning to provide greater housing diversity and promote compact, mixed-use development to avoid sprawl. Prioritize mixed-use development to provide greater access to jobs, amenities and services.	Commerce Checklist Item (New in 2024) 2016 CP Res Goal 1 Policy A and Res/Infill Goal 1 Policies A, C 2016 CP Comm & Ind Goal 1 Policy B	Climate Change Housing Transportation Capital Facilities Utilities Economic Development	Community Core Priorities #1, #4	Existing Policy (Modified)
Policy 1.B: Prioritize infill development in areas with existing transportation and utility infrastructure.	Incentivize infill over greenfield development, and prioritize corridors, centers and areas with established infrastructure.	Commerce Checklist Item (New in 2024) 2016 CP Res/Infill Goal 1 Policies A, B	Climate Change Stormwater Housing Transportation Capital Facilities Utilities Economic Development	Community Core Priorities #1, #2, #4	Existing Policy (Modified)



		2016 CP Comm & Ind Goal 1 Policy A			
Policy 1.C: Annex areas within the UGA in coordination with the County.	Annex only after carefully considering available infill opportunities, and consistent with annexation policies. Coordinate annexation plans with other jurisdictions to align with County policies.	2016 CP Res/Infill Goal 1 Policy A	Climate Change Transportation Capital Facilities Utilities Economic Development	Community Core Priority #4	Existing Policy (Modified)
Policy 1.D: Align infrastructure improvements with land use planning.	Coordinate efforts to ensure that infrastructure improvements are aligned with land use planning, to streamline the development pipeline and make efficient use of available resources and funding.	2016 CP Res/Infill Goal 1 Policy B	Stormwater Transportation Capital Facilities Utilities	Community Core Priorities #1,2	Existing Policy (Modified)
Policy 1.E: Mitigate incompatibility between adjacent uses.	Avoid the co-location of incompatible land uses and employ mitigating measures like vegetated buffers as needed to address conflicts between adjacent land uses.	2016 CP Res/ Infill Goal 1 Policy C 2016 CP Comm & Ind Goal 1 Policy B	Housing Transportation Parks, Culture, and Recreation Capital Facilities Utilities Economic Development	Community Core Priority #2	Existing Policy (Modified)



GOAL 2: Establish walkable neighborhoods.

Establish walkable neighborhoods that improve public health and safety.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
Policy 2.A: Develop design and planning guidance for walkable neighborhoods in new development and redevelopment.	Evaluate established development models such as the “20-minute city”, “complete neighborhoods”, and others for lessons that can be applied to Lacey. Develop design and planning guidance (such as for land uses, street layouts, etc.) for new large-scale projects and revitalization efforts.	2016 CP Res Goal 2 Policy B 2016 CP Comm & Ind Goal 1 Policy C	Housing Transportation Parks, Culture, and Recreation Capital Facilities Utilities Economic Development	Community Core Priorities #1, #4	Existing Policy (Modified)
Policy 2.B: Allow flexibility in land use and development regulations to promote walkable communities.	Allow flexibility in land uses and development standards to encourage neighborhood-serving amenities such as corner stores, home offices, live-work units, flex spaces, etc.	2016 CP Res Goal 2 Policy B 2016 CP Res/Infill Goal 1 Policy C 2016 CP Comm & Ind Goal 1 Policy C	Housing Transportation Economic Development	Community Core Priorities #1, #3, #4, #6	Existing Policy (Modified)

Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
Policy 2.C: Reinforce the nexus between land use and transportation in planning projects.	Align land use and transportation project goals and objectives to be mutually supportive in creating walkable places.	Commerce Checklist Item (New in 2024)	Housing Transportation Economic Development	Community Core Priorities #1, #2	New policy



GOAL 3: Increase housing diversity.

Increase housing diversity to support a range of household types, income levels and lifestyle preferences.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
Policy 3.A: Enable greater housing diversity.	Allow and encourage a diverse range of building types to support the full spectrum of household sizes, types and living arrangements that reflect community needs, such as Encourage innovation in housing types to allow aging-in-place and multi-generational living.	2016 CP Res Goal 1 Policy A 2016 CP Res Goal 2 Policy A	Housing	Community Core Priority #3	Existing (modified)
Policy 3.B: Increase minimum residential densities.	Increase minimum residential densities in primary residential areas to provide for housing diversity and to enable compact growth patterns.	2016 CP Res Goal 1 Policy A 2016 CP Res Goal 2 Policy A	Housing	Community Core Priorities #1, #3	Existing (modified)
Policy 3.C: Develop strategies to increase housing choice, affordability and equity.	Expand housing choices for both market-rate and subsidized housing. Develop strategies to promote homeownership.	Community Core Priorities (2024-25 outreach)	Housing	Community Core Priority #3	New policy



GOAL 4: Promote economic vitality.

Promote economic vitality by attracting new investment and employment while protecting established local businesses.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
Policy 4.A: Establish Lacey Midtown as a regional destination.	Promote Lacey Midtown as an economically healthy city center offering a variety of retail, office, service, cultural, civic, and recreational opportunities.	2016 CP Framework Policy D 2016 CP Comm & Ind Goal 1 Policy A 2016 CP Comm & Ind Goal 1 Policy A, D	Economic Development	Community Core Priority #6	Existing (modified)
Policy 4.B: Update corridor development standards.	Update development standards focusing new office and commercial uses along major transportation corridors.	2016 CP Comm & Ind Goal 1 Policy D 2016 CP Comm & Ind Goal 2 Policy C	Transportation Capital Facilities Utilities Economic Development	Community Core Priority #6	Existing (modified)



Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
Policy 4.C: Update regulations to protect and grow local and small businesses.	Ensure commercial and mixed-use zoning designations consider business retention and anti-displacement strategies for existing small businesses and support new small-scale business growth.	Community Core Priorities (2024-25 outreach) 2016 CP Comm & Ind Goal 3	Economic Development	Community Core Priority #6	New policy
Policy 4.D: Mitigate adverse impacts of industrial uses.	Encourage industrial uses to adopt industry best practices to minimize environmental impacts.	2016 CP Comm & Ind Goal 3 Policy A 2016 CP Comm & Ind Goal 3 Policy F 2016 CP Comm & Ind Goal 3 Policy G	Climate Change Stormwater Capital Facilities Utilities Economic Development	None	Existing (modified)



Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
Policy 4.E: Consider new small-scale, light industrial, and “flex spaces” in suitable locations.	Update industrial development standards to allocate areas to support new small-scale light industrial/commercial and flex spaces (such as maker spaces, artist lofts, small-scale manufacturing, laboratories, and incubator spaces) to provide opportunities for local entrepreneurs, manufacturers, artists and artisans.	2016 CP Res Goal 2 Policy B 2016 CP Comm & Ind Goal 3 2016 CP Comm & Ind Goal 3 Policy G	Economic Development	Community Core Priority #6	Existing (modified)

GOAL 5: Advance multimodal connectivity.

Advance multimodal (walk/bike/roll and transit) connectivity both within Lacey and to neighboring destinations.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
Policy 5.A: Establish a regional multimodal transportation network connecting	Expand existing alternate transportation facilities such as trails and bike paths, and plan new infrastructure to establish a comprehensive, connected	Commerce Checklist Item (New in 2024)	Climate Change Transportation Parks, Culture, and Recreation Economic Development	Community Core Priority #1	New policy



Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
key community destinations.	multimodal network throughout Lacey. Consider innovative approaches and land use agreements to help connect existing gaps in multimodal networks, with the intent to make walking, biking and rolling convenient, safe and practical for everyday activities and daily trips, not just for exercise and recreation.				
Policy 5.B: Design the transportation network with “complete streets.”	Ensure that street designs encourage all modes of transportation including transit, pedestrians, bicyclists, and automobiles, and are accessible to people using mobility devices	Commerce Checklist Item (New in 2024) 2016 CP Framework LU Policy H	Transportation	Community Core Priority #1	New policy
Policy 5.C: Prioritize safe walking, biking and rolling routes for schools, parks and	Prioritize a network of “safe routes” connecting schools, libraries, sports venues and other popular community destinations, to promote alternate modes.	Community Core Priorities (2024-25 outreach)	Climate Change Housing Transportation Parks, Culture, and Recreation	Community Core Priority #1	New policy



Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
popular community destinations.	Design networks to prioritize the safety of the most vulnerable populations such as children, the elderly and users of mobility devices.				
Policy 5.D: Align public realm design and improvements with multimodal connectivity projects.	Establish public realm standards that prioritize walkability, accessibility, pedestrian comfort, and multimodal connectivity. Include amenities such as seating, shade, lighting, and bike parking.	Community Core Priorities (2024-25 outreach)	Transportation	Community Core Priorities #5, #6	New policy
Policy 5.E: Monitor GHG reduction benefits of multimodal connectivity projects.	Evaluate land use and transportation projects for GHG reductions when employing multimodal connectivity compared to car-centric development. Communicate the GHG reduction benefits achieved by increasing the modal share of walk/bike/roll trips as an alternative to driving.	Commerce Checklist Item (New in 2024)	Climate Change Transportation	None	New policy



GOAL 6: Encourage neighborhood scale mixed-use centers.

Encourage the development of mixed-use centers at the neighborhood scale to provide convenient access to employment, amenities and services.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
Policy 6.A: Identify locations for neighborhood-scale mixed-use centers.	Designate areas across Lacey for small mixed-use centers or local “main streets” with Neighborhood Commercial zoning to allow flexible development standards and building types such as live/work.	2016 CP Res Goal 2 Policy B 2016 CP Comm & Ind Goal 1 Policy C 2016 CP Comm & Ind Goal 2 Policy A	Housing Transportation Utilities Economic Development	Community Core Priorities #1, #6	Existing (modified)
Policy 6.B: Allow flexibility in land use and development regulations to promote neighborhood centers.	Allow flexibility in development regulations for neighborhood mixed-use centers such as parking standards and allow mixed-use building types such as live-work, flex spaces, maker spaces, home offices, etc.	2016 CP Res Goal 2 Policy B 2016 CP Comm & Ind Goal 1 Policy D	Economic Development	Community Core Priorities #1, #6	Existing (modified)



Policy Signpost	Policy Text	Sources	Related Elements	Community Priority	New or Existing
Policy 6.C: Allocate land use densities to support mixed-use.	Establish minimum residential densities to support centers of different sizes and land use mixes.	2016 CP Res Goal 2 Policy A 2016 CP Res Goal 2 Policy B	Housing Economic Development	None	Existing (modified)
Policy 6.D: Support neighborhood-scale mixed-use development.	Update development regulations to provide incentives to support the development of retail and amenities in mixed-use centers.	Community Core Priorities (2024-25 outreach)	Economic Development	Community Core Priority #6	New policy



GOAL 7: Prioritize environmental best practices.

Preserve natural resources and use resilient design strategies in planning open space networks, community amenities and public realm improvements.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priorities	New or Existing
Policy 7.A: Protect and enhance important environmental assets.	Continue to protect and restore important environmental areas such as wetlands, urban forests, reservoirs, and the Woodland Creek basin watershed by adopting compact land use patterns.	Commerce Checklist Item (New in 2024) 2016 CP Framework LU Policy I	Climate Change Stormwater Parks, Culture, and Recreation Utilities	Community Core Priorities #2, #4	Existing (modified)
Policy 7.B: Increase in tree cover.	Preserve mature or heritage trees in development projects and develop strategies to increase tree cover citywide.	City staff	Climate Change Stormwater Parks, Culture, and Recreation Utilities	Community Core Priority #4	New policy
Policy 7.C: Focus redevelopment in areas with existing infrastructure.	Focus on redevelopment in areas where existing infrastructure is available.	Commerce Checklist Item (New in 2024) 2016 CP Res/Infill Goal 1 Policies A, B	Climate Change Stormwater Housing Transportation Capital Facilities Utilities Economic Development	Community Core Priorities #1, #2, #4	Existing (modified)



GOAL 8: Strengthen Lacey’s unique identity.

Design and develop public spaces to build a unique identity and a strong sense of community.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priorities	New or Existing
Policy 8.A: Design public spaces to strengthen the sense of community.	Design public spaces to be multipurpose, accessible, easy to maintain, and inviting as community gathering locations.	Community Core Priorities (2024-25 outreach)	Parks, Culture, and Recreation	Community Core Priority #5	New policy
Policy 8.B: Invest in community character.	Make investments that emphasize Lacey as a welcoming place and enhance the character of the community.	Community Core Priorities (2024-25 outreach)	Parks, Culture, and Recreation	Community Core Priority #5	New policy
Policy 8.C: Develop attractive and welcoming communities	Update Development regulations to consider the public realm, particularly providing for opportunity for gathering spaces, placemaking, art, and walkability.	Community Core Priorities (2024-25 outreach)	Parks, Culture, and Recreation	Community Core Priority #5	New policy



GOAL 9: Advance environmental justice.

Advance environmental justice by mitigating environmental health disparities for vulnerable populations.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priorities	New or Existing
Policy 9.A: Monitor vulnerabilities and health disparities.	Monitor community vulnerabilities and environmental health disparities.	Commerce Checklist Item (New in 2024)	Climate Change Housing Capital Facilities Economic Development	Community Core Priority #2	New policy
Policy 9.B: Prioritize areas with vulnerabilities and disparities.	Prioritize City amenities for known vulnerable communities and areas with environmental health disparities.	Commerce Checklist Item (New in 2024)	Climate Change Housing Transportation Parks, Culture, and Recreation Capital Facilities Utilities Economic Development	None	New policy
Policy 9.C: Assess potential impacts of new legislation.	Analyze and seek community input on whether new legislation will reduce, increase, or have no impact on environmental justice and vulnerable communities.	Commerce Checklist Item (New in 2024)	Housing Transportation Parks, Culture, and Recreation Capital Facilities Economic Development	None	New policy



GOAL 10: Ensure robust community engagement.

Carry out robust community engagement for planning projects, with a focus on equity and inclusion.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priorities	New or Existing
Policy 10.A: Advance effective and equitable community engagement.	Employ outreach best practices to ensure robust community input informs local planning. Monitor engagement to evaluate success and continue to improve existing outreach processes.	Commerce Checklist Item (New in 2024)	Housing Transportation Parks, Culture, and Recreation Capital Facilities Economic Development	None	New policy
Policy 10.B: Direct placemaking with community input.	Use community visioning and input to carry out placemaking initiatives and enhance the sense of community and identity in planning projects.	Community Core Priorities (2024-25 outreach)	Parks, Culture, and Recreation	Community Core Priority #5	New policy



GOAL 11: Develop and implement subarea plans.

To implement the Comprehensive Plan vision, develop and implement subarea plans in coordination with regional partners.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priorities	New or Existing
Policy 11.A: Use subarea plans to advance land use goals.	Use community-driven subarea plans to guide development at the local level and advance land use goals, including compact mixed-use development, walkable neighborhoods, housing diversity, economic vitality, connectivity, environmental stewardship, and sense of community.	Commerce Checklist Item (New in 2024) 2016 CP Subarea Goal 1 Policy A + Policy C 2016 CP Comm & Ind Goal 2 Policy B 2016 CP Comm & Ind Goal 3 Policy C 2016 CP Comm & Ind Goal 3 Policy E	Climate Change Stormwater Housing Transportation Parks, Culture, and Recreation Capital Facilities Utilities Economic Development	None	Existing (modified) policy



Policy Signpost	Policy Text	Sources	Related Elements	Community Priorities	New or Existing
Policy 11.B: Employ planning best practices and tools in subarea plans.	Implement innovative zoning and development tools, such as form-based codes, objective design standards, etc. Utilize subarea plans to enhance community character and identity through placemaking initiatives. Include community engagement with a variety of local stakeholders with different viewpoints to inform subarea plans.	2016 CP Subarea Goal 1 Policy B	Housing Transportation Parks, Culture, and Recreation Capital Facilities Utilities Economic Development	Community Core Priority #5	Existing (modified) policy
Policy 11.C: Align subarea planning efforts with city and county initiatives for efficiency and prioritize public investment.	Use the scope and timeline of sub-area planning efforts to identify and prioritize future public investments.	Commerce Checklist Item (New in 2024) 2016 CP Subarea Goal 1 Policy D	Climate Change Stormwater Housing Transportation Parks, Culture, and Recreation Capital Facilities Utilities Economic Development	None	Existing (modified) policy



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GOAL 12: Proactively implement.

Develop strategic alliances with regional partners, explore innovative partnership models, and development incentives to attract investment and catalyze revitalization.

Policy Signpost	Policy Text	Sources	Related Elements	Community Priorities	New or Existing
Policy 12.A: Explore public-private partnerships.	Proactively solicit development partners and employ public-private partnerships to implement priority projects.	Best practices	Economic Development	None	New policy

IF NEEDED, A GOAL ADDRESSING ANNEXATION CAN BE ADDED ONCE THE ANNEXATION STRATEGY IS COMPLETE.



APPENDICES

Checklist for Fully Planning Cities

The guidance provided for updating the Land Use Element is provided below, with notations (“NEW”) to indicate what are new requirements as of the 2024 legislative cycle.

- The Land Use Element must integrate relevant countywide planning policies into the local planning process and ensure local goals and policies are consistent with County policy. [[RCW 36.70A.210](#) [WAC 365-196-305](#)]
- The Future Land Use Map should cover both city limits and UGA boundaries. [[RCW 36.70A.070\(1\)](#) amended in 2023, [RCW 36.70A.110\(6\)](#), [WAC 365-196-400\(2\)\(d\)](#), [WAC 365-196-405\(2\)\(i\)\(ii\)](#)]
- **NEW:** Updates must consider urban planning approaches that increase physical activity and reduce per capita vehicle miles traveled within the jurisdiction, but without increasing greenhouse gas emissions elsewhere in the state. [[RCW 36.70A.070\(1\)](#) amended in 2023, [WAC 365-196-405\(2\)\(i\)](#)]
- The Comprehensive Plan should have a consistent population projection throughout based on the jurisdiction’s allocation of countywide population and housing needs. The Comprehensive Plan should include estimates of population densities and building intensities based on future land uses and housing needs. [[RCW 36.70A.070\(1\)](#) (amended in 2023), [WAC 365-196-405\(2\)\(i\)](#)].
- A component of the GMA is the Buildable Lands Program [[RCW 36.70A.215](#) included in 1997, amended in 2017] that requires that Clark, King, Kitsap, Pierce, Snohomish, Thurston and Whatcom Counties and the cities within them to complete a Buildable Lands report every ten years that assesses if cities and counties have designated adequate amounts of residential, commercial and industrial lands to meet the growth needs incorporated in their Comprehensive Plans. Jurisdictions not meeting goals must identify reasonable measures to reconcile inconsistencies.
- The Comprehensive Plan must include provisions to protect the quality and quantity of groundwater used for public water supplies. [[RCW 36.70A.070\(1\)](#) amended in 2023, [WAC 365-196-405\(1\)\(c\)](#), [WAC 365-196-485\(1\)\(d\)](#)]



- The Comprehensive Plan must identify land for public purposes such as utility corridors, transportation corridors, landfills, sewage treatment facilities, storm water management facilities, recreation, schools and other public uses. [RCW 36.70A.150 and WAC 365-196-340]
- **NEW:** The Comprehensive Plan must identify open space corridors and green spaces within and between urban growth areas, including lands useful for recreation, wildlife habitat, trails and connection of critical areas, and urban and community forests within the UGA. [RCW 36.70A.070(1) amended in 2023, RCW 36.70A.160 and WAC 365-196-335]
- If there is an airport within or adjacent to the city, policies, land use designations (and zoning) should discourage the siting of incompatible uses adjacent to general aviation airports. [RCW 36.70A.510, RCW 36.70.547] Olympia Regional Airport is within a few miles of Lacey, thus these provisions apply to the Comprehensive Plan Update.
- **NEW:** Where applicable, Comprehensive Plans should review drainage, flooding and stormwater run-off in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state. [RCW 36.70A.070(1) (amended in 2023) and WAC 365-196-405(2)(e); Note: RCW 90.56.010(27) defines waters of the state].
- Comprehensive Plans should include policies to designate and protect critical areas including wetlands, fish and wildlife habitat protection areas, frequently flooded areas, critical aquifer recharge areas and geologically hazardous areas. In developing these policies, jurisdictions must include the best available science to protect the functions and values of critical areas and give “special consideration” to conservation or protection measures necessary to preserve or enhance anadromous fisheries. [RCW 36.70A.030(6), RCW 36.70A.172, WAC 365-190-080. Best Available Science: see WAC 365-195-900 through -925]
- If forest or agricultural lands of long-term commercial significance are designated inside a city, Comprehensive Plans must include a program authorizing Transfer (or Purchase) of Development Rights. [RCW 36.70A.060(4), RCW 36.70A.170].
- If there is a Military Base within or adjacent to the jurisdiction employing 100 or more personnel: employ policies, land use designations, and consistent zoning to discourage

the siting of incompatible uses adjacent to military bases. [\[RCW 36.70A.530\(3\), WAC 365-196-475\]](#). Joint Base Lewis-McChord (JBLM) is less than 5 miles away from Lacey, thus these provisions apply.

- **NEW:** As part of **HB 1799**, development regulations newly developed, updated, or amended after January 1, 2025 allowing for the siting of organic materials (OM) management facilities as identified in local solid waste management plans (SWMP) must meet OM reduction and diversion goals. [\[New section RCW 36.70A.142 \(2022\)\]](#) Siting must meet criteria described in RCW 70A.205.040(3). See also RCW 36.70.330. For applicability, see RCW 70A.205.540.
- **NEW:** Jurisdictions must give special consideration to achieving environmental justice in goals and policies, including efforts to avoid creating or worsening environmental health disparities. [\[RCW 36.70A.070\(1\) amended in 2023\]](#).
- **NEW:** The Land Use Element must reduce and mitigate the risk to lives and property posed by wildfires by using land use planning tools and through wildfire preparedness and fire adaptation measures. [\[RCW 36.70A.070\(1\) amended in 2023\]](#).



2016 Land Use Element Goals and Policies in the Policy Framework

The tables below summarize how the 2016 “Framework Land Use” goals and policies have informed the Policy Framework of the 2025 Land Use Element update.

Existing “Framework Land Use” policy/ goal	How this has been used in the 2025 LU Policy Framework
Policy A: It is the City’s overall goal to enrich the quality of life in Lacey for all our citizens by building an attractive, inviting, and secure community. The City will work in partnership with the community to foster community pride, to develop a vibrant and diversified economy, to plan for the future, and to preserve and enhance the natural beauty of our environment. All policies and proposed development code and zoning changes should be reviewed with this goal in mind.	This policy has been rewritten as an overarching goal for Lacey’s future development.
Policy B: Lacey’s land use pattern should accommodate carefully planned levels of development that promote efficient use of land, reduce sprawl, encourage alternative modes of transportation, safeguard the environment, promote healthy neighborhoods, protect existing neighborhood character, and maintain Lacey’s sense of community.	This policy is the foundation for LU Goal 1: Promote compact development , LU Goal 2: Establish walkable neighborhoods , LU Goal 5: Advance multimodal connectivity and LU Goal 8: Strengthen Lacey’s unique identity .
Policy C: Support efforts for job creation, new livable wage jobs, and promote the diversification of the community’s businesses and employment sector.	This policy is the foundation for LU Goal 4: Promote economic vitality .
Policy D: Plan for and promote an economically healthy city center that is unique, attractive, and offers a variety of retail, office, service, residential, cultural, civic, and recreational opportunities.	The community outreach and GMA guidance lean towards a pattern of mixed-use centers that promote walkability, in addition to downtown. This has been added as a policy to LU Goal 4: Promote economic vitality and a new goal was added – LU Goal 6: Encourage neighborhood scale mixed-use centers .



Existing “Framework Land Use” policy/ goal	How this has been used in the 2025 LU Policy Framework
Policy E: Diverse, affordable, attractive, and stable residential neighborhoods should be encouraged while providing for a variety of housing opportunities.	This policy is the foundation for LU Goal 2: Establish walkable neighborhoods and LU Goal 3: Increase housing diversity.
Policy F: Protect and enhance the quality of the natural environment by protecting and restoring important environmental areas such as shorelines, wetlands, drinking water supplies, urban forests, and the Woodland Creek basin by ensuring development projects meet or exceed established environmental protections, encouraging existing septic systems to connect to City sewer when services are available, and focusing on redevelopment of existing buildings and targeted infill sites.	This policy is better aligned with the Open Space Element. The intent of this policy is integrated into policies within: LU Goal 1: Promote compact development. LU Goal 2: Establish walkable neighborhoods. LU Goal 7: Prioritize environmental best practices. LU Goal 9: Advance environmental justice.
Policy G: Plan to accommodate a projected 2035 City population of 53,090 and potential annexations of areas within the UGA.	This is more of an implementation action and not included in the LU Goals.
Policy H: Ensure that street designs encourage all modes of transportation including transit, pedestrians, bicyclists, and automobiles.	This is included as a policy within LU Goal 5: Advance multimodal connectivity.
Policy I: Emphasize Lacey’s role as an environmental steward by conducting City business in a manner that: 1) increases community understanding of the natural environment and participation in protecting it through education and programs. 2) promotes sustainable land use patterns and low-impact development practice. 3) leads by example in the conservation of natural resources such as energy, water and trees.	These are included as policies in LU Goal 7: Prioritize environmental best practices.



Existing “Framework Land Use” policy/ goal	How this has been used in the 2025 LU Policy Framework
Policy J: Continue to support a culture of dialog and partnership among City officials, residents, property owners, the business community, Joint Base Lewis-McChord, and other governmental agencies.	This is the foundation for LU Goal 11: Develop and implement subarea plans and LU Goal 12: Proactively implement.
Policy K: Encourage active participation by all Lacey residents in planning for the future of the community.	This is the foundation for LU Goal 10: Ensure robust community engagement.

The 2016 Land Use Element also has goals and policies relating to specific topics that are relevant to the current Land Use Element update. The tables below list existing goals and policies by category, and how these have been used in the 2025 Policy Framework.

2016 LU Element “Residential” and “Infill” goals and policies	How this has been used in the 2025 LU Policy Framework
Residential Goal 1: Ensure sustainable and wise use of land resources to provide an adequate amount and mix of housing types for the anticipated increase in population. Policy A: Assign land use designations that will provide for adequate opportunity for increased densities and a diversity of housing types.	Residential Goal 1 is included in LU Goal 1: Promote compact development and integrated into LU Goal 11: Develop and implement subarea plans Policy A is included in LU Policy 1A, 3A, 3B

2016 LU Element “Residential” and “Infill” goals and policies	How this has been used in the 2025 LU Policy Framework
Residential Goal 2: Ensure that development regulations meet the current vision outlined in the Comprehensive Plan. - Policy A: Review development code provisions to provide increased density opportunities and better define the stated intent of development standards to meet the goals of the Plan. - Policy B: Achieve a level of design with innovative, creative, and efficient concepts for integration of different land use types that will facilitate development of great places that provide increased opportunities to live, work, and play.	Residential Goal 2 is included in LU Goal 2: Establish walkable neighborhoods Policy A is included in LU Policy 3A, 3B Policy B is included in LU Policy 2A, 2B.
Infill Goal 1: Adopt zoning strategies that will promote the intensification, densification, and evolution of Lacey’s land use distribution and form into a sustainable pattern of high-quality urban development. - Policy A: Identify areas to focus infill density and mixed-use concepts based upon potential capacity, built condition, and infrastructure. - Policy B: Development approval criteria should require availability of urban utilities, such as water and sewer. - Policy C: Where compatibility issues can be adequately addressed, allow for a range of densities and land use types within the same zone to provide opportunities to enhance the character, functionality, and desirability of areas and promote multimodal transportation options.	Infill Goal 1 is included in LU Goal 1: Promote compact development. Policy A is included in LU Policy 1A, 1B, 1C Policy B is included in LU Policy 1B, 1D (language softened) Policy C is included in LU Policy 1A, 1E, 2B



2016 LU Element “Subarea” goals and policies	How this has been used in the 2025 LU Policy Framework
Goal 1: Use subarea plans to assist in Lacey’s transition from a suburban to urban community. • Policy A: Subarea plans shall guide development that recognizes the identity and character of individual subareas while also effectively transitioning them to more urban uses. • Policy B: Use subarea plans to implement placemaking techniques to provide interest, identity, complementary character, compatibility, and sense of place for each subarea. The use of innovative techniques, such as form-based codes or other methods, shall be considered to achieve placemaking objectives. • Policy C: Subarea plans shall strive to provide for a broad range of uses including commercial, office, institutional, parks, and a diverse mix of housing types. • Policy D: Utilize subarea plans to identify and prioritize future public investments. • Policy E: Continue to support the existing subarea plans for the Woodland District and the Northeast Area Planning Element, while also supporting future efforts to develop subarea plans for the Depot District, Martin Way corridor, and Golf Club Road neighborhood.	Goal 1 is re-written as LU Goal 11: Develop and implement subarea plans. Policy A is included in LU Policy 11A Policy B is included in LU Policy 11B Policy C is included in LU Policy 11A Policy D is included in LU Policy 11C Policy E is quite specific and is not included as a goal/ policy – include as an implementation strategy elsewhere. Intent is captured in LU Policy 11A.

2016 LU Element “Commercial and Industrial” goals and policies	How this has been used in the 2025 LU Policy Framework
Goal 1: Designate an adequate supply of land for high quality commercial uses based on appropriate site characteristics, community needs, and adequacy of facilities and services. • Policy A: Existing core commercial and mixed-use areas, including urban corridors and nodes, should be the primary focus for commercial development, redevelopment, and infill opportunities. • Policy B: Provide for a compatible mix of housing and commercial uses in appropriate locations that enable people to walk to employment and shopping. • Policy C: Provide neighborhood commercial zones near residential areas to provide opportunities for neighborhood shopping and services with pedestrian accessibility. • Policy D: Provide for a full range of uses to support the development of Lacey as a high quality and attractive regional commercial center in designated core commercial areas. • Policy E: Review existing land use designations and standards and revise as necessary to provide for projected and desired job opportunities and uses.	Goal 1 is integrated into LU Goal 1: Promote compact development, LU Goal 4: Promote economic vitality and LU Goal 6: Encourage neighborhood scale mixed-use centers Policy A is included in LU Policy 1B, 4A Policy B is included in LU Policy 1A, 1E Policy C is included in LU Policy 2A, 2B, 6A Policy D is included in LU Policy 4A, 4B, 6B Policy E is included in Goals 10 and 11



2016 LU Element “Commercial and Industrial” goals and policies	How this has been used in the 2025 LU Policy Framework
Goal 2: Create vibrant, integrated and well-designed commercial districts in designated areas in the community. • Policy A: Utilize the City’s design review standards to encourage clustered commercial and mixed-use development rather than strip commercial development in urban corridors and nodes. • Policy B: Prioritize and develop subarea plans for commercial and mixed-use areas to promote redevelopment and infill efforts to define and strengthen sustainability, character, and aesthetics in these areas. • Policy C: Urban design standards along Lacey’s arterial entrance corridors should provide a sense of positive identity, visual interest, and high-quality gateways to the City.	Goal 2 is integrated into LU Goal 4: Promote economic vitality and LU Goal 6: Encourage neighborhood scale mixed-use centers Policy A is addressed in LU Policy 6A and other LU Goal 6 policies Policy B is included in LU Goal 11 policies Policy C is more appropriate for the Public Realm element, included in LU Policy 4B



2016 LU Element “Commercial and Industrial” goals and policies	How this has been used in the 2025 LU Policy Framework
Goal 3: Encourage and promote the development of high-quality industrial development. • Policy A: Designate an adequate supply of land for high quality industrial uses based on appropriate site characteristics, anticipated need, and adequacy of facilities and services. • Policy B: Develop specific criteria for considering the conversion of industrial lands to residential lands in order to safeguard an adequate supply of industrial lands for future economic viability. • Policy C: Review land use policies and standards to implement the goals, policies, and objectives contained in the Economic Development Element. • Policy D: Prioritize industrial development which adds to the tax base, provides family-wage jobs, and diversifies and strengthens our local economy. • Policy E: Utilize subarea planning to help guide the development and redevelopment of planned industrial areas. • Policy F: Industrial uses should be located, designed, built, landscaped, operated, and maintained to ensure compatibility with nearby land uses. • Policy G: Industrial areas should be located where they are adequately served by necessary utilities and transportation routes and where adverse impacts can be mitigated.	Goal 3 is integrated into LU Policy 4D, 4E Policy A is addressed in LU Policy 4D Policy B is quite specific and is not used, if City staff feels this is relevant for the 2025 Update, we will add. Policy C is inherent in LU Goal 1, LU Goal 11 Policy D is specific and not included here. Intent is captured in LU Goal 4: Promote economic vitality Policy E is addressed in LU Goal 11: Develop and implement subarea plans. Policy F is addressed in LU Policy 4D Policy G is addressed in LU Policy 4D, 4E

Address/Location:	Current Zoning:	Proposed Designation:	Information for the project team:	Owner	Total:	Staff Time (projected)
5000 MULLEN RD SE	Open Space Institutional	Moderate Density Residential	LOTT Housing	LOTT/City	40	High
420 College Street	CBD 7	Open Space Institutional	existing and future use for civic, cultural, educational	City of Lacey	40	Low
300 DESMOND DR SE	CBD 7	Open Space Institutional	adjust OSI/CBD7 to better reflect ground conditions/uses	St Martins Abbey	40	Low
5500 MARTIN WAY E	CBD 6	Open Space Institutional	Adjust OSI to align with parcel boundaries	LOTT/ St Martins	40	Low
8407 SE STEILACOOM RD	Low Density Residential	Open Space Institutional	Fire District Land and Rac Parking Lot	FD#3/Lacey	40	Low
8345 Steilacoom Rd SE	High Density Residential	Open Space Institutional	RAC future area	City of Lacey	40	Low
2802 BOAT LAUNCH ST SE	Low Density Residential	Open Space Institutional	Clean up	City of Lacey	40	Low
Long Lake Natural Area	Mixed res/osi/natural	Open Space Institutional	Clean up	City of Lacey/TC	40	Low
180 HOH ST SE	General Commercial	Mixed Use High Density	Clean up	Private	39	Low
5303 50TH AVE SE	Village	Moderate Density Residential	Consolidate with residential	Private	35	Mod
6800 14TH AVE NE	Mineral Extraction	CBD 6	split zoning (ME - Mineral Extraction)	Private	35	Low
6339 PACIFIC AVE SE	Low Density Residential	CBD 5	Goose pond	City of Lacey	32	Mod
6415 PACIFIC AVE SE	Low Density Residential	CBD 5	Parks	City of Lacey	32	Mod
837 CARPENTER RD SE	Historic Neighborhood	CBD 4	Parcels: 58100004700, 58100004800	Private	32	Low
5100 PARKSIDE DR SE	Open Space Institutional	Moderate Density Residential	Consolidation with Res/Village (religious surplus lot)	Private	30	Mod
6335 PACIFIC AVE SE	Low Density Residential	CBD 5	higher density to match uses to west (pull in parcels to north)	Private	30	Mod
6500 PACIFIC AVE SE	Low Density Residential	CBD 5	City Kids Day Care Center (with rezones – surrounded by OSI land)	Private	28	Mod
1302 ALDER ST SE	Open Space Institutional	CBD 4	david@toyerstrategic.com	Private	28	Low

Future Land Use Definitions

1. Residential

Definition: Areas designated for a diverse range of building types to support the full spectrum of household sizes, types and living arrangements. These areas are intended to support a high quality of life through the integration of green spaces, community gathering destinations, and recreational opportunities. Development should promote walkability, multimodal connectivity, and access to neighborhood-oriented stores, schools, and other essential services.

2. Open Space – Institutional

Definition: Land designated for accessible parks, open spaces, recreation, and facilities used for public purposes such as libraries, community centers, and municipal buildings. These areas are meant to serve as hubs for social interaction, recreation, cultural activities, and the preservation of natural amenities. Development in these areas should preserve trees and natural features, prioritize smart carbon-neutral/carbon-negative construction practices, and promote environmental resilience.

3. Light Industrial

Definition: Areas intended for innovative and low-impact industrial uses compatible with surrounding residential and commercial zones. This includes manufacturing, warehousing, distribution, medical and technology hubs, research, and light assembly operations that do not create significant noise, pollution, traffic, or other adverse environmental impacts. These areas may include green infrastructure and smart technologies to mitigate impacts and allow for complimentary uses such as small-scale office space and service-related businesses.

4. General Commercial

Definition: Areas designated for retail, office, and service-based businesses that serve the local and regional community. Commercial areas should emphasize support for local businesses through development incentives, flexible design standards, and human-scaled architecture. These districts should be pedestrian- and transit-oriented, with parking located to the rear of buildings and away from primary streets. Storefronts should be integrated with transportation corridors and public spaces to encourage vibrant, activated spaces throughout the day.

5. Commercial Mixed-Use

Definition: Areas intended to function as vibrant commercial-residential zones with an emphasis on activated, ground-floor, and corner commercial uses. Residential uses should generally have reduced ground floor footprints, occupying areas away from high-visibility, high-

activity areas. These areas should be strategically reserved for uses that ensure long-term economic vitality. Design should foster extended hours of activity through engaging streetscapes, high-density developments, public transportation access, and pedestrian-oriented design.

6. Transitional Mixed-Use

Definition: These areas are designed to mitigate the impact of adjacent higher-intensity land uses on nearby residential neighborhoods while still promoting mixed-use development to foster a diverse range of economic and residential opportunities. Development should maintain a pedestrian-friendly scale and character, support local-serving retail and services, and include design elements that reduce conflicts between adjacent uses.

Future Land Use – Zoning District Rubric (general)

In some instances, different areas of the same zoning may align with different land uses to better reflect current and future conditions.

Residential:

- Low Density Residential District
- Moderate Density Residential District
- Shoreline Residential
- McAllister Geologically Sensitive Area
- High Density Residential District
- Lacey Historic Neighborhood

Transitional Mixed Use:

- Village Center
- Mixed Use Moderate Density Corridor
- Neighborhood Commercial
- Central Business District 4

Commercial Mixed Use:

- Mixed-Use High-Density Corridor
- Woodland District
- Central Business District 5
- Central Business District 6
- Central Business District 7
- Hawks Prairie Business District (Business/Comm.)
- Hawks Prairie Business District (Commercial)
- Community Commercial District
- Quiemuth Village (Overlay*)

Commercial:

- Community Office District (Business Park*)
- General Commercial

Light Industrial:

- Mineral Extraction
- Light Industrial Commercial District
- Light Industrial District
- Planned Industrial Park Developments (Overlay)

Open Space Institutional:

- Saint Martin's University
- Open Space Institutional
- Open Space Park
- Open Space School
- Urban Conservancy
- Natural
- Lake
- Aquatic
- Cemetery
- Urban Agriculture

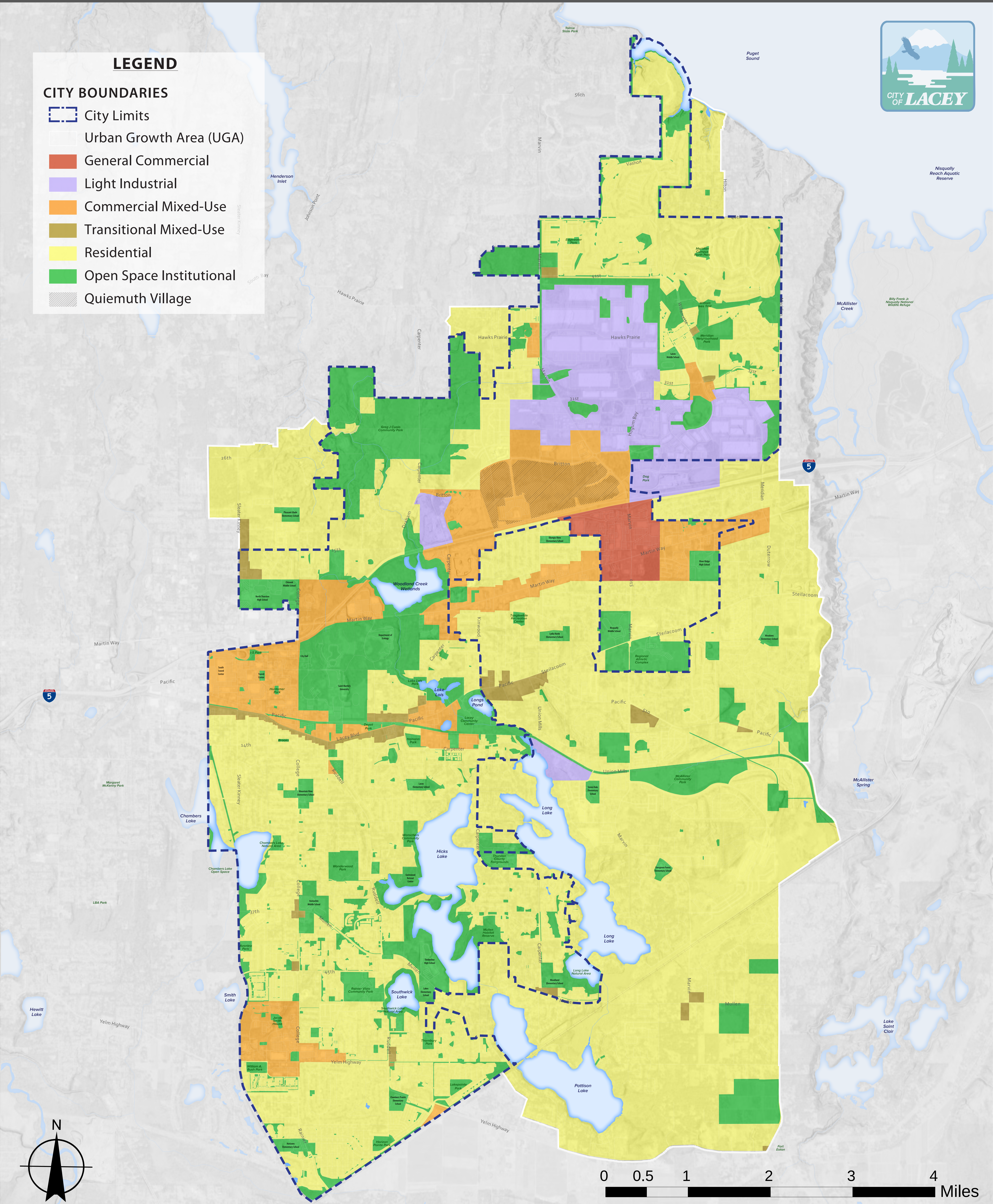
City of Lacey | Future Land Use Map



LEGEND

CITY BOUNDARIES

- City Limits
- Urban Growth Area (UGA)
- General Commercial
- Light Industrial
- Commercial Mixed-Use
- Transitional Mixed-Use
- Residential
- Open Space Institutional
- Quiemuth Village





Planning Commission Staff Report

April 23, 2025

SUBJECT: Comprehensive Plan Series: Housing Element Draft Goals and Policies

RECOMMENDATION: Staff will present draft goals and policies for the Housing Element of the Comprehensive Plan update for review; no formal action is required.

STAFF CONTACT: Vanessa Dolbee, Director of Community and Economic Development *VD*
Ryan Andrews, Community Planning Manager *RA*
Jennifer Adams, Housing Coordinator *JA*

ORIGINATED BY: Community and Economic Development Department

ATTACHMENTS: 1. Housing Element Draft Goals and Policies
2. Previous Staff Reports in Comprehensive Plan Series ([Linked](#))

FISCAL NOTE: None.

WORK PLAN GOAL AND STRATEGY: Coordinated and Collaborative Planning
Update the Comprehensive Plan and Review Development Regulations (B)

PRIOR REVIEW: The City Council was last briefed on the Housing Element of the Comprehensive Plan during the joint work session with the Planning Commission on February 26th, 2025.

BACKGROUND:

The Growth Management Act (GMA) requires every city to review and update its Comprehensive Plan and associated development regulations at least once every ten years. This review is intended to address relevant changes in the GMA and respond to changes in land use and population growth.

As part of the City's 2025 Comprehensive Plan update, the Housing Element is being revised to reflect new requirements under state law.

In 2021, the Washington State Legislature adopted HB 1220, which introduced significant changes to how local jurisdictions are required to plan for housing under the GMA. The legislation strengthened the mandate for cities, towns, and counties to not only encourage

but to actively plan for and accommodate housing needs across all income levels – from moderate to extremely low income-including emergency and supportive housing. It also requires jurisdictions to document projected housing needs in their comprehensive plans.

To support implementation of HB 1220, the Washington State Department of Commerce developed jurisdiction-specific housing needs projections to guide local planning efforts. These projections are intended to ensure that housing policies and land use decision are equitable, data-informed, and aligned with future need. Commerce also identified countywide housing needs by income range and recommended that local governments work together to allocate the overall need among individual jurisdictions.

In response, Thurston County and the cities of Lacey, Olympia, Tumwater, Tenino, and Yelm partnered with the Thurston Regional Planning Council (TRPC) to facilitate a collaborative allocation process. The 2025 final report, *Planning for and Accommodating Housing Needs in Thurston County*, developed with data analysis and technical support from TRPC, found no land capacity deficits for any income band in Lacey – including those requiring permanent supportive housing. The report confirmed that Lacey has sufficient zoned land to accommodate its full share of housing needs through 2045, as outlined in the housing allocations provided by Commerce.

Several key bills passed by the legislature in recent years are driving changes to local housing goals and policies. House Bill 1110 requires jurisdictions to allow middle housing types such as duplexes, triplexes and fourplexes in areas of predominately residential use, thereby promoting greater density and housing choice. House Bill 1337 expands allowances for accessory dwelling units (ADUs), increasing the number of allowable units on lots within the urban growth area (UGA). House Bill 1998 supports co-living housing models – such as shared housing or congregate living – as a way to expand housing options that serve a broader range of household types and income levels. In addition, Engrossed Substitute Senate Bill 5258 requires jurisdictions to permit unit-lot subdivisions through the short-plat process, supporting homeownership opportunities for smaller scale housing. Together, these bills form a foundation for advancing state and local efforts to promote equitable and sustainable housing development. While implementation of these bills will follow a separate process, they do provide a backdrop for consideration when drafting the Housing Elements Goals and Policies.

How were draft goals and policies established?

In addition to the requirements of the Growth Management Act, and general collaboration across departments, several guiding documents informed the development of draft goals and policies to address both current and future housing needs. These documents were cross-referenced to ensure consistency and alignment with broader city and regional housing objectives. Key references included the City's 2016 Comprehensive Plan, 2019 Affordable Housing Strategy, 2021 Housing Action Plan, 2024 Diversity, Equity, Inclusion, and Belonging plan, and the most current version of the (Thurston) Countywide Planning Policies, TRPC Housing Allocations, Draft Displacement and Risk Analysis, and Washington State Department of Commerce Guidance.

In parallel, collaboration with the City's Human Services staff helped refine goals and policies related to unhoused populations, ensuring that housing strategies are appropriately addressed within the Housing Element, while other supportive services remain aligned with Human Services priorities.

The City actively engaged the public and gathered input through community events, an interactive survey, and an open house intended to inform updates to the Comprehensive Plan (housing element). Community members emphasized the need for more affordable and diverse housing options, including a mix of housing types located near services and transit. There was also support for the inclusion of mixed-use options and redevelopment of existing and underutilized commercial sites. Several comments also supported increased density in appropriate areas to address population growth and housing access. Concerns were also expressed regarding environmental impacts of new housing development, sustainable family-friendly neighborhoods with accessible recreation, and protection of existing industrial zones to support jobs and economic growth, to support a broader opportunity for individuals and families to live and work in Lacey.

Community perspectives informed the City's updated housing goals and policies, which focus on expanding housing options across income levels, supporting complete neighborhoods, and aligning housing growth with climate and equity priorities.

What must be addressed in the Housing Element?

As a result of HB 1220, local housing elements must now address and plan for the following:

1. Ensure there is sufficient land capacity to meet projected housing needs across the income spectrum, including affordable housing and associated barriers, and supportive housing types and any identified limitations.
2. Support a range of moderate-density housing options – such as middle housing options in city limits – mandated through HB 1110, and new provisions for accessory dwelling units (ADUs) in all urban growth areas – mandated by HB 1337.
3. Outline specific actions, programs, and implementation strategies to meet current and future housing needs at all economic levels.
4. Identify and begin to address racially disparate impacts and displacement risks in existing housing policies and zoning regulations (should they exist), and include anti-displacement strategies that help retain naturally occurring affordable housing options and broad housing access for vulnerable populations.

The Housing Element of the Comprehensive Plan will be addressed through a combination of goals, policies, and supporting narrative informed by local data and existing housing development patterns. While current patterns provide important context, they will need to evolve to meet the City's long-term housing objectives and new requirements under state law.

NEXT STEPS:

At the April 23rd meeting, staff will present draft goals and policies of the Housing Element of the Comprehensive Plan update for review. Following this review, City staff will present these drafts to the City Council as well and refine based on feedback received. The draft goals and policies will be further reviewed by the public as part of the release of the draft Comprehensive Plan Update set for release in early summer.

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
GOAL 1:	Ensure Housing Availability and Housing Choice.	Diverse Housing	Requirement	E	Community Vision, Economic Development, Land Use
Policy 1.A:	Promote a variety of housing types by increasing residential capacity and housing choice for residents of diverse household sizes, incomes, and abilities.	Diverse Housing		E	
Policy 1.B:	Incentivize mixed-income housing using tools such as tax incentives, density bonuses, and public private partnerships to expand housing choices at various price points.	Diverse Housing		E	
Policy 1.C:	Support the development of alternative housing models, including co- living, cottage housing, modular construction, and mixed-use developments – to diversify housing choices and adapt to changing community needs.	Diverse Housing		N	

¹ In most cases, the Existing policy is not identical in language or organization as the original policy from the 2016 Comprehensive Plan/Housing Element, therefore, Existing policies are those that mirror 2016 concepts but may have been revised, enhanced, reframed, and/or incorporated with other concepts (new or existing).

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Goal 2:	Promote Equitable and Inclusive Housing Distribution.	Diverse Housing	Requirement	E	Community Vision, Economic Development, Land Use, Environmental, Utilities
Policy 2.A:	Ensure equitable housing distribution by promoting the development of diverse housing types including affordable, workforce, and market-rate housing – in a variety of neighborhoods.	Diverse Housing		E	
Policy 2.B:	Encourage a range of homeownership opportunities, such as townhomes, accessory dwelling units and cottage housing, to increase housing choices and support long-term socioeconomic diversity and stability.	Diverse Housing		N	
Policy 2.C:	Support policies and programs that promote housing stability for renters, including initiatives that expand access to rental assistance, stability, and long-term affordability options.	Diverse Housing		E	

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 2.D:	Implement the City's Diversity, Equity, Inclusion, and Belonging (DEIB) Plan by ensuring underrepresented communities, including renters, low-income residents, and historically marginalized groups- have a voice in housing policy decisions through proactive engagement and equitable participation.	Diverse Housing		N	
Goal 3:	Support Affordable and Attainable Housing Solutions.	Diverse Housing	Requirement	E	Community Vision, Economic Development, Land Use, Utilities
Policy 3.A:	Strengthen partnerships with regional agencies, nonprofit organizations, and private developers to create and preserve affordable housing.	Diverse Housing		E	
Policy 3.B:	Ensure compliance with accessibility standards such as the Americans with Disabilities Act (ADA) and the Fair Housing Act (FHA) while promoting innovative and flexible development standards.	Connected Neighborhoods Diverse Housing		E	

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 3.C:	Support programs that provide financial assistance for low-income homeowners to maintain and improve their homes through rehabilitation and repairs.	Connected Neighborhoods Diverse Housing		E	
Policy 3.D:	Expand and support programs that increase the availability of both affordable rental and homeownership opportunities.	Diverse Housing		E	
Policy 3.E:	Support housing programs that meet the unique needs of military personnel, veterans, and their families by promoting well-located, affordable, and accessible housing options.	Diverse Housing		E	
Goal 4:	Encourage Sustainable, Sufficient and Compatible Housing Development.	Connected Neighborhoods Diverse Housing Environmental Preservation		E	Community Vision, Land Use, Environmental, Utilities

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 4.A:	Encourage housing development that prioritizes environmental sustainability, energy efficiency, and climate resilience.	Diverse Housing Environmental Preservation		E	
Policy 4.B:	Support the preservation, rehabilitation, and maintenance of existing housing – including multifamily, middle housing types, manufactured homes in parks and historically significant homes – to retain affordability and extend their lifespan. Coordinate with citywide energy efficiency and weatherization programs, as outlined in the Climate element, to enhance sustainability efforts.	Connected Neighborhoods Diverse Housing Environmental Preservation		E	
Goal 5:	Expand Housing Solutions to Address Unhoused Populations.	Diverse Housing	Requirement	E	Community Vision, Economic Development, Land Use, Utilities

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 5.A:	Strengthen partnerships and coordination with regional agencies, service providers, faith-based organizations, and the private sector to expand and improve access to, emergency, transitional, and permanent supportive housing options. This includes leveraging City, state, federal, and other funding sources to maximize support for unhoused populations.	Diverse Housing		N	
Policy 5.B:	Facilitate the equitable distribution and appropriate siting of emergency housing, ensuring compatibility with surrounding land uses while promoting access to transportation.	Connected Neighborhoods Diverse Housing		N	
Policy 5.C:	Continue to monitor and evaluate housing solutions for unhoused populations to assess their effectiveness in providing long-term stability, particularly for at-risk and vulnerable groups.	Public Health and Safety Diverse Housing		N	

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 5.D:	Identify and pursue opportunities to increase the availability and accessibility of housing options for unhoused individuals, including increased access to permanent supportive housing.	Diverse Housing		N	
Goal 6:	Maximize the Efficient Use of Public and Private Resources to Support Housing Stability and Development.	Diverse Housing		E	Community Vision, Economic Development, Land Use, Utilities
Policy 6.A:	Pursue and leverage state, federal, and local funding to support housing rehabilitation, preserve affordability, and prevent displacement.	Diverse Housing		E	
Policy 6.B:	Prioritize the use of surplus public lands to support affordable housing production.	Diverse Housing		N	

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 6.C:	Prioritize equitable investments in housing-supportive infrastructure, such as active transportation networks, transit access, and public spaces, ensuring that historically underserved and high-need neighborhoods benefit from improvements that enhance livability and affordability.	Connected Neighborhoods Public Health and Safety Diverse Housing Community Identity		N	
Policy 6.D:	Align housing and economic development efforts through policies that incentivize and attract living-wage jobs and industries that enable residents to both live and work in the community and strengthen economic stability through a thriving local workforce.	Diverse Housing Economic Vitality		N	
Goal 7:	Mitigate Housing Displacement and the Loss of Naturally Occurring Affordable Housing Units.	Public Health and Safety Diverse Housing	Requirement	N	Community Vision, Economic Development, Land Use, *Environmental

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 7.A:	Support redevelopment projects in assessing displacement risks and encourage assistance or unit set-asides to help mitigate impacts on existing residents.	Diverse Housing		N	
Policy 7.B:	Develop tools to support the preservation of manufactured home communities by considering strategies such as Manufactured Home Park (MHP) overlay zoning districts and incentives for resident-owned cooperatives.	Diverse Housing		N	
Policy 7.C:	Explore incentives for landlords and property owners to maintain affordability, such as financial assistance, tax benefits, or voluntary agreements that foster long-term affordability, and prioritize the preservation of naturally occurring affordable housing units.	Diverse Housing		N	
Goal 8:	Strengthen Regional and Stakeholder Collaboration to Address Housing Needs.	Diverse Housing		E	Community Vision, Economic Development

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 8.A:	Work with Regional Housing Council, neighboring cities, state agencies, and other organizations to coordinate housing strategies, share best practices, and leverage funding opportunities to promote housing for extremely-low, low, and moderate income households.	Diverse Housing		N	
Policy 8.B:	Foster collaboration with regional partners, housing advocates, and community stakeholders to ensure housing policies and programs are responsive to evolving needs.	Diverse Housing		E	
Policy 8.C:	Leverage the expertise of partners such as the Housing Authority or other public or non-profit organizations. Such partners should take a lead role in tasks such as income qualification, program administration, monitoring affordability requirements and facilitating the development and stewardship of affordable housing units.	Diverse Housing		E	

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 8.D:	Collaborate with nonprofit organizations for land acquisition and permanent affordable housing development.	Diverse Housing		N	
Goal 9:	Ensure Housing and Land Use Policies Support a Well-Connected, Sustainable, and Livable Community.	Connected Neighborhoods Public Health and Safety Diverse Housing Environmental Preservation Community Identity	Requirement	N	Community Vision, Economic Development, Land Use, Environmental
Policy 9.A:	Regularly assess housing demand, land availability, zoning capacity, programs such as the Multifamily Tax Exemption (MFTE), incentives and market trends to ensure adequate land supply for diverse housing needs while maximizing housing affordability and production.	Diverse Housing		N	

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 9.B:	Evaluate and refine permitting processes and regulatory frameworks to facilitate diverse housing types and infill development, including middle housing (duplexes, triplexes, cottage housing), ensuring alignment with infrastructure capacity and community design principles.	Public Health and Safety Diverse Housing Community Identity		N	
Policy 9.C:	Encourage higher-density residential development in areas with strong access to employment centers, transit, schools, and essential services to reduce cost burdens, enhance economic mobility, improve walkability, and support sustainable growth patterns.	Connected Neighborhoods Diverse Housing Economic Vitality		E	
Policy 9.D:	Balance residential development with tree retention, green space preservation and urban canopy expansion while ensuring new development integrates within existing neighborhoods.	Diverse Housing Environmental Preservation Community Identity		E	

Goal/Policy Signpost	Goal/Policy Text	Community Priority	Legal Requirement or Mandate	New or Existing ¹	Related Elements
Policy 9.E:	Encourage housing development patterns that reduce vehicle miles traveled by supporting walking, biking, and transit access through mixed-use development, pedestrian-friendly site design and by encouraging housing near other community amenities. Support reduced and flexible parking standards where feasible to maximize land use efficiency and walkability.	Connected Neighborhoods Diverse Housing Environmental Preservation Community Identity		N	

Community Priorities – Key

Create connected neighborhoods where people can walk and bike easily.	1 Connected Neighborhoods
Establish City services and infrastructure that promote public health and safety.	2 Public Health and Safety
Develop spaces for a diversity of housing types and income levels that enhances our built environment.	3 Diverse Housing
Preserve our natural resources and focus on environmentally sustainable practices.	4 Environmental Preservation
Build a compelling community identity with family-friendly parks, amenities and diverse activity centers.	5 Community Identity
Promote economic vitality and support commercial areas so local businesses can thrive.	6 Economic Vitality

The following RCWs and WACs were Referenced to Support the Proposed Goals and Policies

RCW 35.21.685	Local authority to support home repairs/rehabilitation
RCW 36.22.179	Manufactured housing weatherization assistance
RCW 36.70A.020	Planning Goals GMA
RCW 36.70A.020(11)	GMA – citizen participation and coordination
RCW 36.70A.070(4))	GMA – encourage available housing to all segments of population
RCW 36.70A.070(2)	GMA – encourage collaborative strategies and coordinate planning efforts state, regional and local
RCW 36.70A.130	Zoning for Affordable Housing
RCW 36.70A.140	Public participation in planning
RCW 36.70A.220	Affordable Housing in Comprehensive Plans
RCW 36.70A.510	Affordable Housing Policies
RCW 36.70A.540	Affordable Housing Incentives
RCW 36.70A.580	Homeless Housing Programs
RCW 36.70A.590	Housing Trust Fund
RCW 36.70A.600	Housing Flexibility for Innovative Housing
RCW 35A.63.100	Multifamily Housing
RCW 59.18.040	Housing Standards
RCW 59.18.060	Landlord-Tenant Act
RCW 59.30.010	Affordable Housing Development
RCW 59.18.040	Landlord-Tenant Act
RCW 43.63A.600	Housing Trust Fund
RCW 43.180.260	Veterans and Military Homeownership Assistance
RCW 43.185	Home Rehabilitation and Repairs
RCW 43.185C.220	Housing assistance for Veterans
RCW 43.185C.230	Preservation of Affordable Housing
RCW 43.330.482	Home Rehabilitation Financing

RCW 49.60	Washington Law against discrimination – fair housing reinforcement
RCW 35.21.684	Affordable Housing Sales and Use Tax
RCW 43.185.040	Low-income Housing Fund
RCW 64.06.020	Tree Protection
WAC 365-196-410	Housing Element Requirements – Collaboration, preserve existing housing supply
WAC 365-196-510	Green infrastructure, trees, open spaces, minimize impacts
WAC 365-196-600	Public Participation Requirements

CITY OF LACEY PLANNING COMMISSION WORK SCHEDULE

**Planning Commission Meeting
April 23, 2025**

Packets due: April 18, 2025

1. **Public Hearing:** DG&PWS
2. **Work Session:** Housing Goals and Policies
3. **Work Session:** Land Use Goals and Policies, Rezones, FLUM Definitions and Map

**Planning Commission Meeting
May 14, 2025**

Packets due: May 9, 2025

1. **Work Session:** Economic Development Goals and Policies
2. **Work Session:** Transportation Goals and Policies
4. **Work Session:** Utilities Goals and Policies
3. **Work Session:** Environment Goals and Policies

**Planning Commission Meeting
May 28, 2025**

Packets due: May 23, 2025

1. **Work Session:** Regional Transportation Plan, Chelsea Embree, TRPC
2. **Work Session:** Economic Development Strategy, EcoNorthwest

**Planning Commission Meeting
June 11, 2025**

Packets due: June 6, 2025

1. **Work Session:** Middle Housing Code Amendments
2. **Work Session:** Zoning Code Amendments
3. **Work Session:** Land use maps