# Lacey City Council Worksession Amended Agenda

Refer to the bottom of the agenda for meeting information.

| Tuesday, October 14, 2025 | 6:00 PM | Council Chambers and Online |
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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 the Agenda**
5. **Public Comment**

   Refer to the bottom of the agenda for instructions on how to provide public comment.
6. **Agenda Items**

   A. **Experience Olympia and Beyond Visitor Convention Bureau**
   Emily Brooks, Director of Marketing and Community Engagement

   B. **Five-Year Homeless Plan**
   Tom Webster, Office of Housing and Homeless Prevention Manager
   Jackie Velasco, Homeless Services Program Manager
   Ryan Andrews, Community Planning Manager
   Jennifer Adams, Housing Coordinator

   C. **2024 Transportation Benefit District Annual Report**
   Brian Petrin, Transportation Engineer

   D. **Revenue Sources Overview: Cable Utility Tax and Lodging Tax**
   Shannon Kelley-Fong, Assistant City Manager
   Sadie Siglin, Management Analyst

E. **Executive Session**
Pursuant to RCW 42.30.110(1)(i)
*Item added on October 13, 2025

7. **Adjourn**

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## Meeting Information:

### Attendance (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:

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| In-Person: | Council Chambers at Lacey City Hall<br>420 College Street SE, Lacey, WA 98503 |
| Zoom: | https://us02web.zoom.us/webinar/register/WN_2BZF-0G2T4ew_z2di_WRLQ |
| Website: | https://cityoflacey.org/government/public-meetings/ |
| Facebook: | https://www.facebook.com/cityoflacey |
| YouTube: | https://www.youtube.com/watch?v=kjaOkFu3Uyw |
| Phone: | (888) 788-0099 or (877) 853-5247 (Webinar ID 883 8684 5410) |

### Verbal Public Comment

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

Prior to starting your comments, please provide your:

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

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

| | |
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| In-Person: | Use the sign-up sheet located in the Council Chambers. |
| Zoom: | Preregister using the following Zoom link no later than two hours prior to the meeting:<br>https://us02web.zoom.us/webinar/register/WN_2BZF-0G2T4ew_z2di_WRLQ<br><br>Instructions and access details will be provided once registration is complete. |

### Written Public Comment

Public comments may also be submitted by email to PublicComment@cityoflacey.org. The commenting period will close two hours before the meeting time. Written comments will be provided to the City Council electronically prior to the meeting. Comments will not be addressed during the Council meeting; however, comments received will be added to the official record.

# LACEY CITY COUNCIL WORKSESSION
**October 14, 2025**

**SUBJECT:** **Briefing on the Thurston County Five-Year Homeless Housing Plan planning process**

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**RECOMMENDATION:** Briefing only. No formal action is required.

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**STAFF CONTACT**: Rick Walk, City Manager RW
Vanessa Dolbee, Community and Economic Development Director
Ryan Andrews, Community Planning Manager RA
Jennifer Adams, Housing Coordinator

**ORIGINATED BY**: Thurston County via Community and Economic Development

**ATTACHMENTS**: 1. Draft, Five-Year homeless Housing Plan (2025-2030)

**FISCAL NOTE:** None

**WORK PLAN GOAL AND STRATEGY:** N/A

**PRIOR REVIEW**: None

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**BACKGROUND:**

Thurston County staff from the Office of Housing and Homeless Prevention will present an overview of the draft 2025-2030 Five-Year Homeless Housing Plan. The plan, required under state law (RCW 43.185C.050) and administered by the Washington State Department of Commerce, outlines local needs, resources, priorities, and strategies for strengthening the Homeless Response System. The final plan is due to Commerce in December 2025. The presentation will provide the Council with a summary of the planning process, details on meeting the required core objectives, next steps for implementation, and an opportunity to ask clarifying questions and provide feedback.

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**NEXT STEPS:** None

# Thurston County
# DRAFT Local Homeless Housing Plan
# 2025-2030


Thurston County Office of Housing & Homeless Prevention
Public Health & Social Services
412 Lilly Rd. NE Olympia, WA 98506
(360) 867-2500 HousingThurston@co.thurston.wa.us

# Contents

# Introduction

Thurston County is a beautiful place to call home. However, even vibrant communities face challenges. The housing landscape in Thurston County is complex and shifting, with costs continuously rising. This creates unique challenges for our neighbors experiencing homelessness, housing instability, or who are otherwise struggling to find a safe, affordable home.

The Thurston County Homeless Response System (HRS) coordinates and provides full-spectrum housing navigation and support services for our most vulnerable residents. However, the scope of these services must be scaled to available funding and resources. Given current and projected local, state, and national budget constraints for human services, it is more important than ever for the HRS to leverage resources and establish clear priorities to address the root causes of homelessness with strategy, dignity, and humanity in the years ahead.

Each county in the state is directed by the Washington State Department of Commerce (Commerce) to implement a Local Homeless Housing Plan every five years, meeting requirements for subject matter expert stakeholder engagement, public engagement, and elements included in the plan. These requirements ensure plans are informed by diverse perspectives, increase community buy-in, include comprehensive elements that reflect local need, and align with statewide objectives to reduce homelessness.

This document, the **Thurston County Local Homeless Housing Plan**, outlines the objectives, strategies, and tasks to be implemented in 2025-2030 to address homelessness and housing instability. The plan is based on current data and projected local housing and service needs in the coming years. It is a living document that will remain responsive to emerging issues, evidence-based and promising practices, and system data identifying opportunities for continuous improvement over its lifespan. Additionally, the plan sets priorities for situations where the need for services exceeds available funding and resources.

## What is Thurston County's Homeless Response System?

### Available Services

Thurston County's Homeless Response System (HRS) is designed to address a continuum of housing-related support needs. There are many different reasons a person might be experiencing houselessness and housing instability, and the HRS is built to provide service variety and pathways to housing for myriad needs. Some of these include:

- Direct street and camp outreach and shelter-in-place safety support for individuals who are unsheltered
- Emergency and temporary shelter

- Cold and hazardous weather interventions to expand outreach and shelter capacity during inclement weather events
- Transitional housing programs
- Recovery residences
- Rapid re-housing programs
- Diversion programs
- Homeless prevention through rent assistance programs
- Housing subsidy and voucher programs
- Permanent Supportive Housing
- Access to affordable housing
- Pathways to homeownership

## How People Connect to Services

The most common way people connect to the HRS is through Coordinated Entry. Coordinated Entry is not the actual provision of supportive housing services, but rather the process through which people experiencing housing crises are assessed for cross-system service eligibility and priority and subsequently referred to eligible services as they become available. Unfortunately, need in our community outweighs available resources in the HRS, so Coordinated Entry must implement a service priority framework to focus available resources on our most vulnerable community members first, often resulting in wait times between assessment and connection to services for many people seeking help. Coordinated Entry uses the Housing Equity Assessment Tool (HEAT) as the standardized tool for service prioritization and updates the tool at least annually to ensure ongoing and evolving relevance. The HEAT, developed by Thurston County homeless service providers in 2022, is used in Thurston County to ensure equitable assessment and prioritization of marginalized populations.

In addition to Coordinated Entry, individuals might find out about available HRS resources directly through organizations providing services by word of mouth or through other systems such as physical healthcare, behavioral healthcare, the legal system, and more.

## Homeless Response System Operation

Beyond identifying what services are available and their access points, a critical aspect of understanding Thurston County's HRS is recognizing how and why services are delivered. The Thurston County HRS leans heavily on evidence-based and best/promising practices combined with local HRS data to drive continuous improvement in service delivery and long-term successful housing outcomes. The system also strives to remain in alignment with goals and performance targets set by the Washington State Department of Commerce, who provide funding and oversight of homeless response efforts statewide.

Structurally, Thurston County oversees and guides operation of the local HRS through funding from the Washington State Department of Commerce, supplemented by County dollars through the local sales tax (Local Home Fund) and document recording fees. The County awards these funds to local social service providers to carry out delivery of homeless response services. Funding decisions originate with a Request for Proposals, which are reviewed and scored by the Homeless Services Advisory Board and occasionally the Thurston Affordable Housing Advisory Board. These advisory boards make funding award recommendations to the Thurston Regional Housing Council (RHC), a local partnership between Thurston County and the county's largest municipal partners (Lacey, Olympia, Tumwater, and Yelm) to aid in regional consideration and collaboration on issues related to homelessness, housing stability, and affordable housing. The RHC's recommendations are forwarded to the Thurston County Board of County Commissioners for their review, and to ultimately determine final award amounts for contracts.

Thurston County's Office of Housing and Homeless Prevention undertakes responsibility for facilitating these funding award processes, as well as contract monitoring and oversight of grant awards. This system of checks and balances, with a myriad of stakeholder engagement in the process, ensures funding decisions are strategic, equitable, and relevant to current community needs county-wide.

## Evidence-based Practices

While individual providers accept funding from the County and other local, state, and federal grants to deliver components of homeless response services, all HRS service providers are united around system-wide best practices and shared system goals for reducing homelessness and increasing housing stability in our community. One such foundational system-wide resource for achieving shared goals is implementing Community Solution's *Built for Zero*. *Built for Zero* is "a movement to measurably and equitably end homelessness." The movement, implemented by over 100 cities and counties nationwide, utilizes a methodology of five key factors in successful homeless response system operations:

- Creating a shared definition of the right end state;
- Assembling an accountable, community-wide team;
- Using real-time data, which accounts for everyone by name and need;
- Centering equity; and
- Targeted, data-driven housing investments

By successfully implementing these key targets, communities have evidenced through reliable, local data that they can achieve *functional zero*. Community Solutions defines *functional zero* as "a milestone, which must be sustained, that indicates a community has measurably solved homelessness for a population. When it's achieved, homelessness is rare and brief for that population." While *functional zero* might not mean literally zero in that there might yet be individuals experiencing homelessness in a community, the number of individuals successfully "flowing out" of services by achieving positive housing outcomes is higher than the number of people entering the system due to housing crises. Thurston County began implementing *Built for Zero* during the previous Local Homeless Housing Plan for 2020-2025. Since launching *Built for Zero* as a system-wide measure for successful HRS operations, our community has observed a significant increase in system partner collaboration and communication, as well as an increase of readily available real-time local data to track HRS wait times, service outcomes, interactions with the HRS, and more critical information to drive system improvement. A complimentary initiative that Thurston County runs alongside *Built for Zero* is *Communities for Functional Zero (C4F0),* which reflects a statewide effort to implement Built for Zero's functional zero goals and methodology specifically to reduce homelessness among youth and young adults ages 12-24. In Thurston County, *Communities for Functional Zero* is lead by the local organization for homeless youth, Community Youth Services. The statewide initiative is led by Washington State Department of Commerce in their Office of Homeless Youth.

Another system-wide pillar for best practice is the Washington State Department of Commerce's Consolidated Homeless Grant (CHG) Guidelines. Commerce deploys the CHG, which is a significant funding stream supporting our local HRS. Per their website, the Department of Commerce explains, "the Consolidated Homeless Grant provides resources to fund homeless crisis response systems. Grants are made to local governments and nonprofits. Recipients of these funds establish assistance and housing programs to support communities in ending homelessness. Homeless crisis response systems respond to the immediacy and urgency of homelessness and ensure that everyone has a safe and appropriate place to live." Commerce releases annually updated guidance via the CHG Guidelines setting baseline expectations for homeless response system service delivery, with the opportunity to adapt specifics at the local level. CHG Guidelines require that services proctored through CHG funding are trauma-informed, low-barrier, voluntary, person-centered, and focus on harm reduction and progressive engagement. These core service elements are required by Commerce not only because they exemplify centering humanity in social services, but also because they are evidenced to result in the best long-term housing outcomes.

## Data and Performance Measures

The Thurston County HRS relies on evidence-based and best/promising practices to implement equitable services that lead to positive long-term housing stability outcomes. It is essential to align these best practices with reliable, real-time local HRS data to tailor best practices to current and emerging local needs and to accurately measure system performance. Reliable data is the anchor that keeps the HRS transparent, accountable, and equitable.

Homeless service providers funded through HRS dollars are required to utilize the Homeless Management Information System (HMIS) for collecting eligibility and demographic information on the individuals and/or families they serve. Originating at the federal level and implemented per Housing and Urban Development (HUD) oversite nationwide, HMIS is overseen at the state level by the Washington State Department of Commerce. Commerce's Data and Performance Unit (DPU) describes HMIS as "a data system used to collect and manage information on homelessness and housing services. It helps service providers, funders, and policy makers track service use and assess program effectiveness." Thurston County HRS providers are required contractually to enter participant data timely and accurately, so data reports can be pulled as needed and reflect real-time, local data on what services are being utilized, by what demographics, and ultimately whether housing outcomes are considered following service access. Thurston County's HRS utilizes HMIS data to report annually to the Department of Commerce on Consolidated Homeless Grant (CHG) minimum grant performance indicators. During the implementation of the 2025-2030 Local Homeless Housing Plan, Commerce will also implement a Racial Equity Monitoring of local HMIS data to which Thurston County will be accountable for minimum performance measures in addition to standard CHG performance targets.

Thurston County's HRS collects additional data points at Coordinated Entry to track and inform our *Built for Zero* initiative progress toward *functional zero* for homelessness in Thurston County. *Built for Zero* calls for collection of what Community Solutions calls "By-Name Data," which refers to "a comprehensive data source of every person in a community experiencing homelessness, updated in real time. Using information collected and shared with their consent, each person on the list has a file that includes their name, homeless history, health, and housing needs. This data is updated monthly, at minimum." On their website, Community Solutions emphasizes the importance of By-Name data, explaining that, "by maintaining a by-name list, communities have current and detailed information on every unhoused person in a population. With this detailed information, they can better match housing solutions with the needs of the individuals. By-name lists often form the basis for case conferencing meetings, where all the providers within a community meet to coordinate and drive forward with housing solutions for people. At the population level, communities can track the changing size, composition, and dynamics of their homeless population. This information enables them to prioritize resources, test changes to their system, and understand whether their efforts are helping to drive those numbers down toward zero." In Thurston County, weekly By-Name case conferencing meetings are held with many providers present to coordinate care for the individuals whose HEAT assessments prioritize them as the top 100 most urgent cases to connect to services.

Alongside HMIS and Built for Zero data, Thurston County facilitates Point-in-Time (PIT) Counts, as required by HUD and Washington State RCW 46.185C.030. Historically, PIT Counts have been conducted annually. However, due to revised requirements during the 2025 Washington State Legislative Session, PIT Counts will move to a biennial cadence beginning in January 2026. During the 2025-2030 Local Homeless Housing Plan, Thurston County will conduct PIT Counts in 2026, 2028, and 2030. Commerce describes the PIT Count as a "count of people experiencing sheltered and unsheltered homelessness that is carried out on one night in January." The "point-in-time" language refers to a census snapshot assessment of homelessness in a local area on a single night, considering the information likely to be accurately generalized to reflect the current state of homelessness in a given area. Thurston County works collaboratively with service providers, volunteers, local sponsors, and donors to conduct the PIT Count as a resource fair, ensuring individuals who attend to share information about their housing status, current needs, demographic information, etc. are also provided food, basic needs resources, information on available services, and more.

In addition to these data tracking modalities, as well as CHG and *Built for Zero* performance indicators, Thurston Conty also reports annually to the Washington State Department of Commerce regarding progress on tasks and strategies outlined in the Local Homeless Housing Plan.

## Homeless Response System Priorities

Ideally, Thurston County's Homeless Response System (HRS) would be fully resourced to support every pathway to obtaining and maintaining stable, long-term housing that meets all residents' needs. However, given anticipated funding and resource levels, difficult decisions must often be made about how to prioritize limited resources when they cannot cover the full cost of comprehensive service operations. In general, the Thurston County HRS values:

- Person-centered, low-barrier, and harm-reductive services
- Racial equity
- The voice of lived experience in informing system services, operations, and continuous improvement
- Trauma-informed service delivery
- Equitable prioritization of our community's most vulnerable neighbors
- Use of current local data to drive decision making
- Use of evidence-based and best/promising practices for homeless response services

At present, homeless response services nationwide are caught in a challenging and rapidly changing context. Thuston County's HRS values as listed above are not only cornerstones of evidence-based practices that lead to the most positive long-term housing stability outcomes but also honor the humanity of individuals experiencing housing crises. Thurston County's 2025-2030 Local Homeless Housing Plan objectives, strategies, and tasks continue to reflect our state and local core values. The Thurston County HRS will continue operating with transparency, accountability, and equity as we navigate the evolving climate around social service delivery.

In addition to the core values extrapolated above, we have determined through community input more specific priorities for services in the context of the 2025-2030 Thurston County Local Homeless Housing Plan. In the event of challenging funding and other priority decisions, our HRS will prioritize resources in the following order:

1) Maintaining the existing HRS
2) Improving the effectiveness of the HRS through increased coordination, data tracking and analysis, and leveraging of existing non-housing-specific resources
3) Expanding the capacity of the HRS in a way that creates and enhances multiple pathways to permanent housing, as resources allow
4) Using existing capital resources to create new affordable housing units throughout Thurston County across a range of housing types

## Developing the Plan

Thurston County Office of Housing & Homeless Prevention staff led a core team of stakeholders in developing the Local Homeless Housing Plan for Thurston County. Washington State Department of Commerce (Commerce) set guidelines with requirements and objectives for local jurisdictions to follow.

A core team of stakeholders met regularly in 2024 and 2025 to develop the plan. The core team included representatives from local governments and organizations working directly in homeless services and behavioral health. Thurston County's Lived Experience Housing Steering Committee provided guidance and vetting of the development process and the plan. Members of the Lived Experience Housing Steering Committee were compensated up to $60 per hour for their time attending meetings for the development of the plan. Together, these two groups made up the Homeless Housing Taskforce that developed the plan.

Members of the Homeless Housing Taskforce include representatives from local governments, various types of homeless service providers, individuals with lived experience of homelessness and housing instability, and a representative of a Behavioral Health Administrative Service Organization. To see the complete list of members, see Appendix A.

The Homeless Housing Taskforce worked with Thurston County staff to conduct public engagement activities to ensure Thurston County community members were aware of the plan and had a chance to provide input. Public engagement activities included:

- A webpage dedicated to the development of the plan
- Notice of Plan Development published on website and social media
- A community survey on affordable housing and homelessness response in Thurston County
- A service provider survey on the objectives of the plan and Thurston County's Homeless Response System
- Three listening sessions with people currently experiencing homelessness and housing instability
- One listening session with frontline staff at homeless service organizations
- 30-day period for public comment
- Public Hearing at the end of the public comment period

## Work Plan Summary

The 2025–2030 Thurston County Local Homeless Housing Plan Work Plan below outlines the objectives, strategies, and tasks our community has agreed is a "north star" guide for addressing homeless response in Thurston County over the next five years. The Washington State Department of Commerce requires that each county's Local Homeless Housing Plan includes specific steps, information, and stakeholders in its development to ensure the plan is representative of community voice and diverse perspectives.

Through robust engagement with people in our community with lived experience with houselessness, direct service providers and their leadership, municipal and county stakeholders and leadership, the Thurston County Board of County Commissioners, and the larger Thurston County Community, a few key themes emerged as areas of strategic focus for the HRS in coming years. These include:

- Using local data to inform strategic decision making
- Increasing current partnerships with behavioral health, law and justice stakeholders, healthcare, workforce development, and other adjacent systems to better leverage services and funding

- Exploring opportunities to expand safe parking for people sheltering in vehicles, and exploring longer-term safe parking and permitting opportunities for Recreational Vehicle (RV) residency
- Addressing outreach efforts to large local encampments to increase safety and make connections to services as accessible as possible
- Increasing landlord engagement, education, and stigma reduction to increase available local community-integrated housing opportunities
- Exploring opportunities to advocate for increased tenant rights regarding housing affordability, housing habitability and quality standards, and housing accessibility

These key themes are represented throughout the Work Plan below, in the larger context of additional strategies and key areas of focus from community input, subject matter expertise in plan development, and from Commerce requirements.

The Washington State Department of Commerce requires that each county's Local Homeless Housing Plan includes specific steps, information, and stakeholders in its development to ensure the plan is representative of community voice and diverse perspectives. Documentation of required information is available in the document appendices.

# 2025–2030 Homeless Housing Work Plan

## OBJECTIVE 1

**Promote an equitable, accountable, and transparent homeless crisis response system**

### STRATEGY 1

Strengthen Homeless Response System **transparency** through:

- Accurate and streamlined collection, analysis, and dissemination of system data
- Implementing consistent, accessible, relevant referral pathways for Coordinated Entry and other system access points/associated services
- Streamlined communication and cross-training across system partners
- Community engagement and education

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
|---|---|---|---|---|---|
| 1.1.1 | Ensure consistent and accurate data entry into HMIS and supplementary databases through contractual agreements and monitoring. | OHHP | • Write minimum standards for data entry timeliness and accuracy into all Homeless Response System contracts<br>• Perform quarterly data quality checks to ensure data is accurate | Ensure/improve real-time system data quality | Ongoing |
| 1.1.2 | Map HRS stakeholders and identify priority order for engaging stakeholders in | OHHP, HRS Providers, BFZ/C4F0 | • Map HRS Stakeholders currently involved | Identify key areas for targeted narrative data to | By June 2026 |

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| | listening sessions to increase narrative data for system improvement. | Coordinator, Advisory Boards/Steering Committee | • Identify ideal HRS stakeholders not yet involved<br>• Determine priority order for engaging stakeholders in listening sessions | improve "big picture" understanding of system performance | |
| 1.1.3 | Host community listening sessions to gather narrative data to combine with measurable data from HMIS and supplementary databases to evaluate system performance and opportunities for improvement.<br><br>Identify and secure accessible locations for community listening sessions in partnership with THV and shelter providers and system stakeholders. | OHHP, HRS Providers, Advisory Boards/Steering Committees | • Plan a minimum of one listening session annually<br>• Host at locations evaluated for geographic and demographic accessibility | Supplementing HMIS and other system measurable data with narrative data to inform holistic data-driven system performance | Host the first session in 2026, and increase to at least 2x annually beginning in 2027 |
| 1.1.4 | Report outcomes and insights from HMIS, CE activities, and listening sessions to the HAT, RHC, and HRS Work Groups, and advisory boards/steering committees biannually at a minimum. | OHHP, CE and HAT Executive Teams, Advisory Board/Council Tech Teams, BFZ/C4F0 | • Develop biannual reports with HMIS and listening session data on time<br>• Include summaries of community feedback and CE referral outcomes as necessary<br>• Analyze available system data and develop a "system performance snapshot" that clearly | Stronger system alignment and informed oversight by core governance bodies. | Biannually |

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| | | | demonstrates current areas of strength and areas for HRS growth | | |
| 1.1.5 | Share the annual Coordinated Entry System (CES) Evaluation Summary with stakeholders and system partners. | OHHP, HRS System providers, partners, and other stakeholders | • Disseminate evaluation summary within 30 days of completion<br>• Request acknowledgement of receipt from application/responsible stakeholders<br>• Publicly share the evaluation by posting on the OHHP website<br>• Present the evaluation at a Thurston County Board of County Commissioners public meeting once annually | Greater partner understanding of system performance and areas for improvement, public awareness of system efforts, successes, and areas for growth | Annually |
| 1.1.6 | Use existing community communication methods to:<br>• Communicate program closures, transitions, and real-time service availability<br>• Mitigate the impact of program closures, staff turnover, and transitions that result in client displacement or data inconsistency | OHHP, All Contracted Partners | • Report programmatic changes including staffing updates and/or program changes monthly to OHHP | Increased cross-system communication about service updates and availability, increased context for understanding system data, additional data tracking for system performance and accountability | Begin tracking by 2027 |

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| 1.1.7 | Develop and implement a HRS Data Dashboard | OHHP, HRS System Providers | • Develop a public-facing HRS Data Dashboard to show real-time updates on system inflow and outflow, average wait times for CE, and other relevant data points for transparency | Increase public awareness of HRS performance, set realistic expectations for service timelines and outcomes with current system resources | Develop and implement by 2027 |
| 1.1.8 | Participate in ACHS policy forums to share local insights and align regionally and statewide on policy recommendations. | OHHP, HAT and CE Executive Teams as needed | • Document attendance<br>• Bring ACHS information and policy change recommendations back to advisory boards, HAT, and RHC | Aligning local data and HRS strategies with regional and statewide homeless response efforts | Meetings attended monthly, report backs minimum annually, though ad hoc as needed |
| 1.1.9 | Develop and implement partnership MOUs for referrals between HRS Homeless Services Grant contracted partners, as well as referrals with relevant providers not contracted directly with the HRS through Homeless Services Grant awards. | HRS Providers, OHHP | • Formalize referral pathways, processes, and partnerships<br>• Increase ease of access and warm handoff referrals both in and outside of the HRS | Streamlining referrals for robust, accurate, and timely service connection | Ongoing |

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| 1.1.10 | Map adjacent system resources (Behavioral Health, Healthcare, Workforce Development, Harm Reduction for Opioid and other Substance Use, etc.) available to unsheltered and unstably housed individuals and households to determine available internal and external resource availability for holistic service access | OHHP, BoS representatives, TMBHO, PHSS BFZ/C4F0 | • Service map developed and publicly shared<br>• Reviewed and updated annually<br>• Results implemented into referral pathway MOUs | Tracking of relevant/adjacent HRS resources | Complete by 2027 |
| 1.1.11 | Identify and use a centralized, user-friendly online community resource guide (i.e. the South Sound Resource Guide or similar) and update it regularly. | OHHP, HRS Service Providers, BFZ/C4F0 | • Resource guide updated quarterly<br>• Embed opportunity to provide feedback on usefulness/accuracy/accessibility of the guide | Tracking and increasing awareness and access to internal and external HRS resources | Ongoing |
| 1.1.12 | Provide on-demand CE orientation tools (e.g., video or story map) to help participants & providers understand what CE is and how it works. | OHHP, CE Provider, BFZ/C4F0 | • Develop tools for increased understanding of how CE works and what people can expect<br>• Embed an opportunity for feedback (survey or similar) with the tool to continuously improve relevance and effectiveness | Streamlined communication and cross-training across system partners, Community engagement and education | Develop tools by 2027, Ongoing once developed |

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| 1.1.13 | Develop a 'Good Neighbor' education campaign to decrease stigma around supportive housing and/or currently or formerly unhoused people and to improve community engagement with and understanding of the HRS | OHHP, Municipalities, BoCC, PHSS PIO, HRS providers | • Develop a curriculum with a track for people becoming housed, and with a track for community members in neighborhoods where new affordable housing or HRS shelters do or will exist<br>• Implement the curriculum once developed | Improved neighborhood engagement and reduced friction at new and existing housing sites | Develop by 2028, implement twice annually ongoing after developed |

**STRATEGY 2**

Enhance Homeless Response System **accountability** through:

- Letting local data and evidence-based practices lead the way for continuous Homeless Response System improvement
- Soliciting and implementing stakeholder feedback to improve system operation, services, and outcomes
- Meeting or exceeding grant performance standards as set by the Washington State Department of Commerce for the Consolidated Homeless Grant (CHG)

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
|---|---|---|---|---|---|
| 1.2.1 | Develop and implement a Homeless Response System Continuous Improvement plan to track newly developing or changing information across the implementation timeline of the 2025-2030 Homeless Housing Plan | OHHP, HRS System Providers | • Ensure that the 5 year plan can be responsive to new and evolving data across the implementation timeline<br>• Ensure that information gathered and analyzed is operationalized in system improvement<br>• Release plan continuous improvement updates annually | Create a 5 year plan process that allows for interim adjustment and flexibility to align services with additional and more accurate system data as it is collected, making sure that efforts to | Formally updated annually |

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| | | | | improve system data collection are actionable and operationalized | |
| 1.2.2 | Implement Built for Zero and Communities for Functional Zero as system-wide best practice frameworks for data tracking, analyzing system performance, informing performance improvement strategies, and setting system-wide standards and targets for HRS service delivery and outcomes | OHHP, BFZ Contract Holder, BFZ Coordinator, Community Solutions, C4F0 provider | • Maintain a Built for Zero Coordinator to spearhead efforts to accurately implement BFZ/C4F0 as a systemwide best practice<br>• Ensure all HRS system contractors are connected and in alignment with BFZ/C4F0 strategies/principals/standards<br>• Ensure C4F0 is working in tandem with the BFZ Coordinator | Maintaining a best-practice backbone for the HRS | Ongoing |
| 1.2.3 | Generate quarterly HMIS Data Reports to demonstrate housing outcomes and demographic information not tracked through Built for Zero Reports | OHHP, HRS Providers | • Complete a full picture of system performance by aligning this report with BFZ/C4F0 reports<br>• Utilize data to demonstrate areas of strength and opportunities for growth with system housing placement outcomes<br>• Utilize data to inform whether any demographic disparities exist in housing placement outcomes | Improved accountability for system housing outcomes in general, and specifically to reduce any demographic disparities | |
| 1.2.4 | Develop a Legislative Advocacy Subgroup for the HAT | HAT, HAT Execs, OHHP | • Determine volunteers for the group with rolling opportunities for new membership to join | Increase opportunities to advocate for | In place, Ongoing infrastructure support through 2030 |

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| | | | • Annual selection of subgroup chair/lead facilitator<br>• Monthly report-outs to the full HAT as a standing agenda item at monthly meetings<br>• Meet at least once monthly as a workgroup, with increased activity expected during state legislative sessions<br>• Solicit policy recommendations from HAT to inform system-level planning and advocacy | change that allows HRS funding, service eligibility, and menu of services to improve based on relevant, current data based on local needs. | |
| 1.2.5 | Evaluate CES data quality on a regular basis to identify:<br>• Gaps or inconsistencies in enrollment and service connection<br>• Outreach for initial contact, assessments, and enrollments among target populations<br>• Potential service inequity<br>• Potential implicit biases in data collection/outreach | OHHP, BFZ/C4F0, HMIS-enrolled HRS providers | • Generate CES data quality reports bi-annually alongside BFZ/C4F0 data reports and HMIS housing outcome reports<br>• Analyze data quality reports to determine where outreach and service disparities exist<br>• Determine and include improvement strategies into the HRS Continuous Improvement Plan | Collecting more reliable and actionable CES data for program and policy decision-making | Biannually |
| 1.2.6 | Establish and maintain a community-facing data dashboard to share timely | OHHP, BFZ/C4F0, all | • Update at least quarterly with most recent BFZ/C4F0, HMIS, and CES data, as well as a current copy of | Increased public trust and proactive engagement in | Implement by 2028 |

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| | updates on homelessness trends and project developments, including public posting of all BFZ/C4F0, HMIS, and CES data reports described above | HRS who us HMIS | the HRS Continuous Improvement Plan<br>• Provide a recorded "Data Walkthrough" video recording to analyze data in context<br>• Provide an opportunity for public engagement via Public Q & A updated quarterly with questions received through the dashboard website | HRS operations and performance | |

**STRATEGY 3**

Advance **equity** in the Homeless Response System through:

- Accurate collection and analysis of Homeless Response System demographic data to determine local areas of inequity in service delivery and accessibility
- Improved outreach to under-engaged communities, or individuals with the most barriers to service access
- Prioritizing the voice of lived experience alongside local demographic data in thoughtfully implementing and improving Homeless Response System service access and delivery
- Exploring new organizational partnerships to reach under-engaged and underserved populations
- Increasing knowledge of Homeless Response System operations and resources
- Portraying a realistic picture of local need, root causes of homelessness, and addressing how stigma affects community response and expectations of system services

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
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| 1.3.1 | Identify methods for incentivizing community participation in targeted listening sessions and engagement | OHHP, HRS Providers | • Increase participation in qualitative data solicitation for communities with historical lack of trust in | Gain more system improvement input from | Before first listening session in 2026 |

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| | activities for service equity data collection and improvement | | service providers and governmental entities<br>• Ensure integrity around valuing and compensating lived experience and perspective<br>• Identify possible methods, such as in-kind donations, food and resource distribution, stipends or gift cards, etc. for participation in listening sessions | individuals with lived experience and harder-to-reach communities | |
| 1.3.2 | Integrate HRS resources, information, and education into listening sessions to increase understanding of available housing resources for listening session participants | OHHP, HRS Providers | • Develop a tailored system overview, resource guide, and contact list with instructions available for listening session participants<br>• Do drop-in heat assessments, rapid rehousing, or homeless prevention eligibility screenings as appropriate on-site at listening session events<br>• Ensure representation from relevant service providers at listening sessions to establish a warm connection and develop rapport so | Improve knowledge of CE among communities brought in for listening sessions | Before first listening session in 2026 |

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| | | | listening session participants can understand with whom they will connect when they access support<br>• Engage the Thurston County Resource Hub where appropriate as an additional available resource for participants | | |
| 1.3.3 | Establish wrap-around teams with Designated Lead Case Coordinators for any individual receiving support from multiple providers in the HRS to support improved outcomes and reduce burden of services through improved care coordination | OHHP, HRS Providers, CE, BFZ/C4F0 (By Name List Meetings), Resource Hub | • Utilize the BFZ By Name List meetings, Bypass Committee, Coordinated Entry, etc. to identify highest priority cases<br>• Determine what organizations will participate in service delivery to support each participant<br>• Designate a Lead Care Coordinator for each high priority participant<br>• Implement MOUs and systemwide Operating Procedures detailing communication, task delegation, and appointment coordination in support of these individuals | Improve urgency, coordination, consistency, and holisticness of care for the most vulnerable HRS participants | Establish processes, procedures, and MOUS by 2027<br><br>Implement through 2027-2029 biannual provider contracts |

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| 1.3.4 | Increase mobile service access (i.e. ID/Document Recovery, Medical Care, Behavioral Health Intake, Public Benefit Connection, etc.) at CE outreach locations for individuals with access barriers | OHHP, DSHS, DOL, CE, Providence, Resource Hub, TMBHO, HRS Providers, Outreach Providers, Food Bank | • Determine high-traffic outreach locations<br>• Increase coordination of services that are currently or could be provided onsite at CE outreach locations<br>• Determine a rotating outreach schedule for services, discuss mobile outreach schedule at weekly GROWL meetings<br>• Explore opportunities to provide rides to services not able to be provided remotely<br>• Prioritize rural CE outreach locations as well as most commonly accessed CE outreach locations | Equitable engagement in rural and high-barrier communities to improve HRS reach | Ongoing coordinated improvement efforts through 2030 |
| 1.3.5 | Engage the Thurston County Resource Hub as a partner stakeholder convener for real-time, holistic resource navigation for individuals seeking support | OHHP, TC Resource Hub, HRS Providers | • Encourage HRS providers to participate on-site at the Thurston County Resource Hub, and in Resource Hub outreach events<br>• Encourage MOUs or similar formal referral agreements between the Resource Hub and HRS Providers<br>• Encourage Resource Hub staff presence at HAT, | To improve single-point connection to holistic services accessible to individuals with barriers to service access and coordination | Ongoing |

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| | | | GROWL, By Name List, and BFZ community meetings | | |
| 1.3.6 | Expand housing access pathways for individuals with:<br>• Current or former criminal legal system involvement<br>• Undocumented status<br>• People fleeing interpersonal and/or domestic violence<br>• Registered Sex Offenders<br>• Individuals with Behavioral Health Challenges<br>• Families<br>• Youth<br>• Veterans<br>• Individuals who are experiencing unsheltered homelessness | OHHP, TMBHO, TC Public Defense, County and Municipal Law Enforcement, HRS Providers, DOC, DOJ, HCA, ALTSA | • Improve service relevance and responsiveness to the unique needs of these specific demographics<br>• Design educational campaigns for stakeholders involved in increasing housing opportunities for individuals among these specific demographics<br>• Increase landlord outreach specifically and explore global leasing opportunities to reduce barriers to these specific demographics in obtaining and maintaining permanent housing | Improved service and housing opportunities to these specific demographics | Develop educational materials and begin outreach by 2026, begin demonstrating improved outreach, engagement, and housing placement data by 2028 |
| 1.3.7 | Identify and implement a best-practice anti-bias monitoring tool, and explore ways to meaningfully implement through:<br>• Homeless Services Grant monitoring<br>• Organizational peer review<br>• Voluntary self-evaluation | OHHP, HRS Providers | • Integrate bias monitoring into formal and informal program evaluation<br>• Use tool results to support individualized technical assistance and continuous improvement opportunities for HRS Providers<br>• Provide anti-bias training in general, and tailored | Improving cultural responsiveness and reducing conscious and unconscious bias in system service delivery | Integrate tool into formal monitoring by 2027, make available for self-evaluation and implementation by 2026 |

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| | | | trainings following assessment/monitoring/peer review | | |
| 1.3.8 | Evaluate and document improvements to prioritization tools and protocols used in CES (i.e. HEAT) | HEAT subcommittee, HEAT Committee, HAT, OHHP | • Ensure service prioritization tools (i.e. HEAT) is revisited annually to allow for changes recommended by improved system data tracking and quality<br>• Include larger system service inequities identified through this process in the HRS Continuous Improvement Plan | Improved prioritization accuracy and alignment with equity goals | Annually |
| 1.3.9 | Identify gaps and improve behavioral health referral coordination for individuals accessing the HRS who are interested in behavioral health (i.e. mental health treatment, substance use disorder assessment and/or treatment, etc.) | OHHP, BoS representatives, TMBHO, PHSS, State Partners, BFZ/C4F0 | • Complete a Gap Analysis<br>• Incorporate findings into referral processes formalized between HRS providers and behavioral health providers via MOUs | Improved robustness of services and cross-sector partnership | Ongoing |
| 1.3.10 | Analyze CES, HMIS, BFZ/C4F0, and Listening Session data to inform improvement strategies to address disparities in HRS housing outcomes, especially permanent housing access; include these strategies into HRS Continuous Improvement Plan | OHHP, RHC, HSAB, TAHAB, HAT | • Disparity reduction strategies implemented and reviewed annually for effectiveness; outcomes disaggregated by demographics | Guidance is reflective of real-time system needs and gaps in service | Ongoing |

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| 1.3.11 | Encourage peer-led outreach and navigation teams to serve rural and underserved areas | Outreach orgs, OHHP | • Increase rapport and presence in rurally located and/or other underserved communities | Leveraging peer knowledge and perspective to increase service accessibility | Ongoing |
| 1.3.12 | Continue weekly By Name List meetings to coordinate care and support for our CES most vulnerable enrollees and create additional by-name groups of focus as resources allow. | BFZ/C4F0, CES | • Identify, locate, support, and otherwise coordinate care for our CES's most vulnerable individuals and families | Prioritize care coordination and service access for our community's most vulnerable individuals and families | Ongoing |
| 1.3.13 | Continue bi-weekly GROWL meetings to coordinate and communicate real-time updates to outreach efforts, mobile service access, unique and/or burgeoning needs at different camps and other outreach sites, etc. | OHHP, HRS Providers, Environmental Health | • Maintain meeting cadence and infrastructure<br>• Continue coordinated outreach efforts | Continue system outreach coordination efforts | Ongoing |
| 1.3.14 | Increase outreach to local rental property owners and managers through a system-wide Landlord Liaison, who can focus on landlord education regarding stigma reduction, landlord resources, supportive housing services, housing quality standards, voucher and subsidy programs, and global leasing | OHHP, HRS Providers, Local Landlords | • Develop a curriculum and talking points for educating landlords on the myths and facts of renting to people who have lived unsheltered, the benefits of supportive housing services, opportunities for landlord support through the | Increase landlord engagement in the HRS, and increase available rental units with reduced barriers | |

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| | | | Landlord Mitigation Fund, global leasing, myths and facts about voucher and subsidy programs, etc.<br>• Increase efforts to house people directly from emergency shelters and unsheltered homelessness in community integrated housing with long-term supports<br>• Increase housing stock available for individuals seeking permanent housing in community integrated housing instead of set-aside housing types<br>• Increase successful permanent housing outcomes for HRS participants | for HRS participants | |
| 1.3.15 | Coordinate with the Opioid Task Force and TMBHO to align homeless response strategies with behavioral health strategic plans | TMBHO, TCORTF, OHHP | • Develop joint strategies for housing and opioid treatment interventions for shared participants<br>• Reflect collaboration in shared action plans | Better targeted resource deployment for mental health and housing interventions | Ongoing, revisited formally annually |

## OBJECTIVE 2

**Strengthen the Homeless Service Provider Workforce**

### STRATEGY 1

**Foster collaborative learning and knowledge sharing through:**

- Peer-led and agency-to-agency opportunities for sharing effective practices, training, and system expertise
- Establishing system-wide best practice and cross-training to reduce siloing and increase confidence in cross-agency referrals and partnership

Increasing local, state, and/or national professional association learning opportunities to bring current information and promising practices back into our local Homeless Response System

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
|---|---|---|---|---|---|
| 2.1.1 | Engage internal system experts in facilitating peer-to-peer trainings at least quarterly on such topics as:<br>• Best practices for supportive housing services at every point in the housing continuum of care<br>• Specific organizational and/or programmatic information about specific HRS providers or partner stakeholders<br>• Cultural considerations for various communities or | OHHP, HRS Providers, other system stakeholder experts | • Recognize and elevate internal system expertise among colleagues and peers<br>• Increase opportunities for peer leadership<br>• Increase HRS workforce knowledge, skills, and confidence in service diverse individuals well and making relevant, warm handoff referrals to other system partners<br>• Increase ability to accurately set participant expectations | Increased confidence and consistency in service delivery across provider agencies | Host first event by the end of 2026, then quarterly ongoing |

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| | identities that might interface with the HRS<br>• Anti-bias training<br>• Local system data, successes, and opportunities for growth at-a-glance | | when making referrals to partner organizations<br>• Decrease interorganizational silos | | |
| 2.1.2 | Coordinate regional peer roundtables for front-line staff to share field-based practices and challenges. | OHHP, HRS Providers | • Determine broad themes based on current system needs, data trends, or other timely relevant topics<br>• Bring together HRS peers across agencies to share experience and knowledge<br>• Brainstorm creative solutions and strategies to elevate to organizational leadership across the system regarding complex system concerns, barriers, or opportunities for growth | Increased peer-to-peer support and shared problem-solving capacity, increased voice among direct service staff to exercise creative freedom and elevate ideas from a peer level to cross-organizational and County leadership | Biannually beginning in 2027 |
| 2.1.3 | Establish a HRS Workforce HAT subgroup to identify training needs/wants, opportunities, and report those opportunities back to the HAT and larger HRS | OHHP, HAT, HRS Providers | • Solicit training needs and wants from the HAT and larger HRS<br>• Research and share about local or other training opportunities | Improved regional coordination and reduced duplication of training efforts, increased participation in local training | Subgroup creation by 2026 |

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| | | | • Coordinate development of desired trainings that don't yet exist | opportunities to increase HRS staff confidence, skills, knowledge, and ultimately make positions less stressful and service delivery more successful. | |
| 2.1.4 | Create a centralized HRS online learning library for storing and sharing available training opportunities and resource materials relevant to the whole HRS, including systemwide orientation materials, homeless response best practice learning modules, etc. | OHHP, HRS Providers | • Identify training topics for cross system education with the intention of free use by all HRS organizations in onboarding new staff, aligning the full HRS around the same best practices, etc.<br>• Consolidate all learnings as e-modules for anytime access when organizations hire new staff<br>• Identify an online platform sufficient for storing e-modules and associated learning materials | Improved cross-system orientation and streamlined systemwide expectations for best practice and HRS onboarding | Begin recording e-modules by 2026, with initial library of modules launched by 2027 |
| 2.1.5 | Organize and facilitate in-person, advanced workshops as a follow-up to the introductory systemwide orientation online learning module library to | OHHP, HAT subgroup, | • Rotate topics found in the introductory e-modules for deeper-dive in-person trainings biannually | Deeper learning around specialized practices and shared system | Quarterly beginning the same quarter the e-module |

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| | strengthen confidence, skills, and knowledge on the same topics but more in depth | | | ownership, providing ongoing skill development and knowledge building beyond introductory orientation and on-the-job experience. | learning library launches |
| 2.1.6 | Host a Learning Symposium every other year bringing together providers from our local HRS, as well as other adjacent support systems such as Healthcare, Education, Employment/Workforce Development, Behavioral Health, Environmental Health, Affordable Housing, Law and Justice, etc. | OHHP, HRS Providers, State Partners, | Plan and execute a 1-2 day event with breakout sessions, keynote speakers, and opportunities for peer networking and professional relationship building within the HRS and across adjacent partner sectors | Increased cross-sector partnership, learning, and professional growth opportunities | Every other year beginning in 2027 |

## STRATEGY 2

**Invest in Homeless Response System direct service professional development through:**

- Professional development opportunities to acknowledge leadership potential and increase skills, knowledge, and confidence
- Celebrating staff achievements through system-wide acknowledgement of excellence in service
- Investigating opportunities for formal credentialing to support standardized industry best practices and help Homeless Response System professionals use recognized credentials to negotiate fair pay across providers within the industry
- Encouraging prioritization of lived experience in hiring and promotional opportunities across the Homeless Response System

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
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| 2.2.1 | Set aside reserve funding for HRS scholarship fund accessible by application for any HRS provider who would like to send staff to training opportunities but faces organizational funding limitations to cover the cost of training registration, travel, or other associated costs | OHHP, HRS Providers, RHC | • Make training more accessible and incentivized at organizations that would otherwise struggle to provide staff the professional development and learning opportunities | Increased employee retention, increased institutional knowledge among HRS system staff, increased job satisfaction and sense of care and investment from HRS organizational leadership | Implement in 2027-2029 Homeless Services Grant cycle |
| 2.2.2 | Encourage organizations to incentivize participation in Peer credentialing/certification programs | HRS Providers | • Advertise opportunities for participation in Certified Peer Specialist and/or other peer certification trainings to staff<br>• Cover the cost of attendance for staff, and allow participation in trainings to be considered worktime<br>• Consider prioritizing individuals with peer certifications as priority for hiring and promotional opportunities | Expanded awareness of and participation in currently available peer and other relevant credentialing opportunities to improve employees' ability to advocate for fair wages and validate experience and | Implement in 2027-2029 Homeless Services Grant cycle |

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| | | | • Utilize scholarship funds as needed to support employees with barriers to attending training (i.e. childcare, hotel/travel costs, etc.) | knowledge gained on the job and through lived experience | |
| 2.2.3 | Nominate and recognize high-achieving staff for “spotlight awards” through features in the quarterly Regional Housing Council newsletter, and at the bi-annual Learning Symposium | OHHP, HRS Providers | • Nominate staff quarterly who have gone above and beyond in service of their participants, their peers, or their own self-care and professional growth for recognition systemwide<br>• Ensure staff feel seen, celebrated, and appreciated for their hard work | Greater recognition of staff commitment to participants, peers, and/or their own self-care and professional growth and development | Begin by 2026 |
| 2.2.4 | Develop and share guidance for HRS provider organizations on how to best support staff with lived experience, including:<br>• Access to training and mentorship<br>• Role-specific professional development<br>• Support and resources for mitigating vicarious trauma and burnout<br>• Policies/procedures/protocols for when employees request support through services provided by the organization (i.e. homeless prevention rent assistance, etc.) | OHHP, HRS Providers | • Identify a source for best practice guidance on this topic<br>• Develop a Management Toolkit with recommendations for hiring, training, supporting, and investing in staff with lived experience<br>• Distributing the toolkit to all funded providers in the HRS | Agencies adopt structured and trauma-informed strategies to ensure staff with lived experience are not only hired, but meaningfully supported in maintaining and thriving in their roles | Implemented by 2028 |

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| 2.2.5 | Investigate the possibility of a developing a formal “Housing Specialist” credential, similar to a Certified Peer credential, that could standardize and legitimize Homeless Response Services through a city, county, and/or state recognized best-practice curriculum to establish industry standards and alignment locally and statewide for supportive housing services | OHHP, Municipal Partners, State Partners, HRS Providers | • Begin researching and stakeholder development to bring this conversation to the state level<br>• Begin pilot curriculum development | Begin setting industry standards for housing support services, increase professional development opportunities for HRS staff | Ongoing through 2030 |

**STRATEGY 3**

**Increase sustainability of Homeless Response System workforce roles through:**

- Ongoing solicitation of opportunities for growth via continuous improvement for workforce retention
- Protecting and HRS professionals from burnout and vicarious trauma, and supporting them with resources to sustain their behavioral health in emotionally demanding and challenging work
- Exploring creative, cost-effective ways to reduce workload burden on Homeless Response System professionals

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
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| 2.3.1 | Promote HRS workforce support groups hosted by trained facilitators to increase access to peer support and safe spaces to decompress | OHHP, HRS Providers | • Pilot at least one support group or similar model for 6-12 months, then use group feedback to inform whether to continue or | Improved HRS workforce well-being and reduced workforce burnout, increased | Begin implementing at the beginning of the program year in 2026 |

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| | | | adapt to a different support model | employee retention | |
| 2.3.2 | Develop training materials and e-modules for the online HRS Learning Library on topics such as wellness, mindfulness, self-care, and effects of vicarious trauma, addressing burnout, etc. | OHHP | • Research best practices for supporting employee self-care and wellness for direct service providers<br>• Record e-modules for the online HRS learning library<br>• Develop an associated toolkit for the e-modules | Improved HRS workforce well-being and reduced workforce burnout, increased employee retention | Begin recording e-modules by 2026, with initial library of modules launched by 2027 |
| 2.3.3 | Champion system-wide self-care and healthy boundaries through leadership modeling, incentives, and recognition of best practices | HRS Provider Leadership | • Avoid rewarding overwork, instead focusing on consciously incentivizing and celebrating healthy boundaries and self-care<br>• Demonstrate reinforcement of good self-care through leadership modeling<br>• Considering promoting staff who demonstrate healthy boundaries and | Stronger staff morale and reduced turnover due to shared values and organizational sense of support, knowing there won’t be any formal or informal “consequence” of not overworking | Ongoing |

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| | | | commitment to self-care<br>• Writing and implementing organizational policy and formal commitments to supporting staff in exercising self-care, taking time off, and otherwise addressing or preventing burnout | | |
| 2.3.4 | Convene a provider feedback panel annually to gather ongoing input on system pain points and workforce needs. | OHHP, HRS Leadership | • Request panel feedback on what workforce retention and strengthening strategies have been helpful and not helpful<br>• Brainstorming suggestions for additional strategies or modifying existing strategies | Implement an ongoing feedback loop that informs continuous HRS improvement in workforce support and retention | Annually |
| 2.3.5 | Encourage voluntary agency participation in workforce satisfaction surveys to track trends over time. | OHHP, HRS Leadership | • Develop a survey to deploy in addition to the provider feedback panel to garner broader system input on workforce support and retention strategies | Improved understanding of workforce challenges and retention factors | Annually in alignment with Provider Feedback Panel |

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
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| | | | | as they evolve over time | |
| **STRATEGY 4**<br>**Enhance provider capacity through:**<br>• Leveraging all available resources across the system, reducing duplication of services wherever possible<br>• Increasing coordination across all system providers to distribute care coordination responsibility equitably between providers working with shared participants | | | | | |
| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
| 2.4.1 | Support providers in establishing warm handoff practices and shared case documentation protocols across agencies. | OHHP, HRS Providers, HAT, GROWL, BFZ/C4F0 | • Increase care coordination across organizations that support shared clients<br>• Decreasing workload on direct service staff who could leverage care coordination in support of mutual clients to reduce individual workload<br>• Implementing MOUs to formalize care coordination and warm handoff referral protocols | Decrease interorganizational silos, increase supportive collaboration and workload sharing across organizations, decrease stress from confusion regarding referral protocols, improving service delivery | Ongoing beginning in 2025 |

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| 2.4.2 | Compile and maintain an up-to-date resource guide for providers outlining available technical assistance opportunities across the system. | OHHP | • Guide published and reviewed semi-annually<br>• Guide updated at least quarterly to ensure it remains accurate<br>• Guide include in HRS System Data Dashboard once guide and dashboard are developed | Increased awareness of and access to technical assistance tools, increasing HRS staff confidence in knowing what resources are available and how to make a good referral | Ongoing |
| 2.4.3 | Create a system-wide FAQ document answering common questions about CE processes, compliance, and program expectations. | OHHP, CE Team | • Draft FAQ and have it reviewed by CE team for accuracy<br>• Update at least quarterly<br>• Include FAQ on HRS System Data Dashboard once FAQ and Dashboard are developed | Reduced confusion and stress regarding system operations and current timelines for service, setting participant expectations as realistically as possible | End of 2027 |

## OBJECTIVE 3

**Prevent episodes of homelessness wherever possible**

### STRATEGY 1

**Optimize and coordinate existing prevention resources through:**

- Strengthening collaboration and communication among providers and other stakeholders
- Introducing new cross-sector stakeholders with prevention specific resources
- Leveraging resources across internal and external partners to maximize impact and reduce duplication

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
|---|---|---|---|---|---|
| 3.1.1 | Increase HRS provider awareness and referrals into homeless prevention programming | OHHP, HPRA Providers, RR Providers | • Ensure Homeless Prevention resources are included in HRS resource guides<br>• Ensure Homeless Prevention resources are included as training e-modules on the HRS System Learning Library<br>• Engage in community education and outreach campaigns to increase awareness of Homeless Prevention resources<br>• Establish formal partnerships via MOU with local legal aid groups supporting individuals | Increased awareness and access to prevention resources, reducing the number of individuals entering or re-entering homelessness | Ongoing |

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| | | | with eviction notices in accessing services | | |
| 3.1.2 | Enhance coordination and collaboration among prevention providers | OHHP, HP Providers | • Establish and maintain local shared agreements for service priority, protocols, and other coordination considerations across multiple Homeless Prevention providers<br>• Case consult eligible individuals regularly at coordination meetings to determine possible opportunities to leverage resources, request exceptions to protocol, or to identify a best-fit provider for complex cases that meet multiple program eligibility requirements | Ensuring resources stretch as far as possible through leveraging funds, staffing capacity, and other resources | Weekly meetings ongoing |
| 3.1.3 | Engage private sector, healthcare, behavioral healthcare, workforce development, and faith-based partners to explore additional, holistic resources that contribute to long-term housing stability outcomes | Faith based partners, OHHP, Private Sector, local workforce development council and economic development councils, | • Determine additional stakeholders with resources that could assist in housing stability<br>• Cross-sector system mapping of existing programming that could prevent homelessness, including gap analysis and identifying duplicated efforts<br>• Cross-sector training and resource guide development | Enhance existing resources with additional, holistic supports, leverage funding and increase service capacity through cross-sector partnerships, enhance service delivery to address | Begin stakeholder development research and process by 2026, system mapping and formalized partnerships in place by 2027 |

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| | | Medicaid partners, BHASOs, MCOs | for program eligibility, resources available, and best process for warm hand-off referrals and/or coordinated care<br>• Formalized partnerships and/or resource sharing via MOUs, data sharing agreements, etc. | root causes of housing instability alongside rent assistance and housing case management support | |
| 3.1.4 | Coordinate with Law and Justice stakeholders to enhance housing pathways for individuals with current and prior criminal legal system involvement | OHHP, DOC, TMBHO, CE, TC Public Defense, TC Jail, TC Sherrif's Office, TC Pretrial Services, TC Probation | • Establish contacts with each stakeholder to provide information on Homeless Prevention resources, and to better understand opportunities to increase support for the specific needs of individuals with background check and similar barriers to stable long-term housing<br>• Learn more about additional prevention resources available to individuals through other system partners, to better leverage support wherever possible<br>• Consider making "Reentry" a BFZ target population for a standalone workgroup to focus on finding tailored, best-practice solutions in support of this specific population | Reduce incidents of people exiting jail or prison to homelessness, increase HRS responsiveness to preventing homelessness specifically for individuals with increased barriers to finding new stable housing due to background check factors | Establish partnerships and resource mapping by 2026 |

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| | | | • Increase coordination with Reentry providers to reduce incidents of individuals exiting jail or prison to homelessness | | |
| 3.1.5 | Coordinate with inpatient behavioral health treatment providers to enhance housing options for individuals exiting treatment | OHHP, State Psychiatric Hospitals, Inpatient Treatment Providers, HCA, GOSH, FHARPS, FPATH | • Establish contacts with each stakeholder to provide information on Homeless Prevention resources, and to better understand opportunities to increase support for the specific needs of individuals exiting inpatient behavioral health treatment<br>• Learn more about additional prevention resources available to individuals through other system partners, to better leverage support wherever possible<br>• Consider making “Reentry from Inpatient Treatment” a BFZ target population for a standalone workgroup to focus on finding tailored, best-practice solutions in support of this specific population<br>• Increase coordination with inpatient and outpatient behavioral health providers to reduce incidents of | Reduce incidents of people exiting inpatient treatment to homelessness, increase HRS responsiveness to preventing homelessness specifically for individuals who might benefit from long-term housing support | Establish partnerships and resource mapping by 2026 |

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| | | | individuals exiting inpatient treatment to homelessness<br>• Consider options for providing long-term supportive housing services for individuals with behavioral health needs to ensure housing stability long term | | |
| 3.1.6 | Coordinate with providers offering services to individuals fleeing domestic and/or interpersonal violence to urgently and safely rapidly rehouse or maintain current housing when applicable | OHHP, DV Providers, CVAN, OCVA, ACI, Anti-trafficking Service Providers, DCYF | • Establish contacts with each stakeholder to explore opportunities for partnership and leveraged services sand funding<br>• Prioritize and expedite program enrollments for individuals fleeing violence for housing stability and rapid rehousing services | Reduce instances of homelessness related to fleeing violence | Establish partnerships and resource mapping by 2026 |
| 3.1.7 | Develop a housing stabilization tracking system to prevent voucher/subsidy expiration or delays | OHHP, HP Providers, HATC | • Design a system with the capacity to track if/when housing vouchers or subsidy programs will require documentation for renewal, or will expire and a new housing stability strategy will need to be identified<br>• Implement the tracking system with notifications to individuals (and associated | Reduce incidents of homelessness caused by voucher loss, maintain stable housing for individuals utilizing housing voucher and/or subsidy programs to support housing stability | Develop tracking system by 2028, implement ongoing after developing |

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| | | | support providers, if any) of upcoming renewal deadlines and requirements to prevent expiration, delay in renewal, or loss of voucher/subsidy<br>• Invest in Housing Stability Case Management support to assist individuals without current supportive housing case management in navigating voucher/subsidy/alternative housing stability resources | | |
| 3.1.8 | Explore opportunities to expand utilizing vouchers and housing subsidies in community integrated, scattered-site housing | OHHP, HATC, HP Providers | • Increase landlord outreach to provide education, stigma reduction, and build rapport to increase opportunities for use of vouchers and subsidies in community-integrated housing<br>• Decrease reliance on unit availability in set-aside housing types such as PSH, income-contingent housing, etc. | Increase relationships with local landlords, improve long-term housing outcomes by diversifying housing type options, alignment with best practices for positive long-term housing outcomes | Ongoing |

**STRATEGY 2**

Enhance flexibility of resources and service access through:

- Reviewing and adjusting local policies and funding structures
- Ensuring resources focus on holistic supports to establish long-term housing stability and not temporary housing stability
- Integrating additional funding/program sources with varied eligibility criteria to diversify opportunities to qualify for support

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
|---|---|---|---|---|---|
| 3.2.1 | Explore funding opportunities through non-traditional HRS stakeholders to support housing stabilization (i.e. Workforce Development, Vocational Rehabilitation, Healthcare, Foundational Community Supports for Housing and Employment, Reentry, Behavioral Health, Workfirst, etc.) | OHHP, Cross-sector Stakeholders | • Research cross-sector grant and other funding opportunities to seek additional funding support for Homelessness Prevention<br>• Focus on stakeholder development through a holistic lens of seeking specific funding opportunities to address root causes of housing instability | Increasing funding available for homelessness prevention and housing stability, ensuring available interventions for preventing homelessness are holistic and address root causes of housing instability | Ongoing through 2030 |
| 3.2.2 | Ensure long-term housing stability case management and resource navigation is available to individuals, prioritizing individuals at higher risk for housing instability over time | OHHP, HP Providers, FCS Providers | • Research best practices for long-term housing stability case management support and design services in alignment with that best practice | Support long-term housing stability and reduce incidents of recurring use of rental assistance | Establish a plan by 2027, implement in the 2027-2029 Homeless |

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| | | | • Offer voluntary case management in perpetuity for individuals who have received housing stability/homelessness prevention support<br>• Offer opportunities to individuals who were formerly supported by housing stability/homelessness prevention supports to reconnect to case management and resource navigation whether or not they are eligible for rental assistance or financial assistance | for returning participants | Services Grant cycle |
| 3.2.3 | Explore opportunities for organizational Global Leasing or properties and subleasing to program participants | OHHP, HP Providers, Local Landlords | • Research best practices and other areas' strategies for Global Leasing (i.e. how it is funded, common barriers to mitigate, etc.)<br>• Explore options for HP and HRS providers to lease properties and sublet rooms or full spaces to participants that otherwise wouldn't qualify for the rental<br>• Research and contingency plan for liability | Increase available stable housing stock for individuals who can maintain stable housing, but are unlikely to qualify for rental properties for reasons related to credit, income requirements, background check | Ongoing |

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| | | | considerations and possible costs incurred by providers that lease a property on participants' behalf | considerations, etc. | |

**STRATEGY 3**

Strengthen early identification and intervention practices through:

- Targeted partnership with varied current and prospective stakeholders
- Holistic participant education, resource navigation, and addressing root causes of housing instability to ensure long-term positive outcomes

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
|---|---|---|---|---|---|
| 3.3.1 | Deliver Fair Housing and Tenant Rights education to populations at risk of losing housing | OHHP, HP Programs, Legal Aid non-profits | • Deliver regular trainings for homelessness prevention program participants on Tenant Rights, Fair Housing, Housing Quality Standards, and similar topics to ensure individuals are aware of their rights and how to self-advocate and find legal support when necessary<br>• Ensure urgent connection of homelessness | Improved housing stability through knowledge of rights and legal support when necessary to protect rights | Ongoing beginning 2026 |

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| | | | prevention participants to free or affordable legal aid when needed to ensure safe, habitable, stable housing | | |
| 3.3.2 | Identify data sources and analyze data to identify target populations most at risk for housing instability | OHHP, HP Programs | • Identify data sources for identify highest risk populations for housing instability<br>• Develop outreach materials and strategies to reach the identified communities with information on available resources to increase their knowledge of and participation in housing stability services | Prevention reaches those most at risk as determined by local system data | Ongoing |

| STRATEGY 4<br>Build and sustain strong landlord partnerships through:<br>• Education on supportive housing services, voucher and subsidy programs, and stigma reduction<br>• Coaching on fair housing and Landlord/Tenant Rights<br>• Connection to resources for Landlords and exploration of new possible incentives and supports<br>• Integrating Landlord perspective to advise Homeless Response System Leadership | | | | | |
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| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
| 3.4.1 | Facilitate landlord engagement to strengthen housing access. | OHHP, HP Programs | • Increase landlord outreach to provide education, stigma reduction, and build rapport<br>• Host a Listening Session with landlords to better understand their concerns, needs, and priorities in providing rental housing<br>• Formalize partnerships with property management companies through MOUs or similar means to ensure relationships maintain in perpetuity | Increased landlord willingness to house vulnerable populations, increase HRS awareness of Landlord needs, concerns, and opportunities for improved collaboration | Ongoing |

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| 3.4.2 | Curate landlord partnerships through public recognition | OHHP, RHC, HP Providers | • Include a "Landlord Spotlight" in quarterly RHC newsletter recognizing landlords for excellent in partnership, sharing success stories<br>• Include a "Landlord Excellence" award at the bi-annual Learning Symposium<br>• Share Landlord Success stories on OHHP and HP provider social media pages | Recognize landlords for their partnership, increase rapport, increase positive housing outcomes | Begin newsletter inclusion by 2026, Recognition Award at first Learning Symposium in 2027 |
| 3.4.3 | Explore opportunities to incentivize landlords to house HRS participants | OHHP, RHC, HSAB, Providers | • Explore options to set aside a local "landlord mitigation fund" to support landlords in the event of damage to a unit, or to support renovations to units to increase accessibility or housing quality standards<br>• Explore options for free or reduced rate mediation options for landlords that are willing to engage in | Support landlords in decreasing risk, liability, and stigma to increase housing options for HRS participants | Identify possibly options by 2027, implement at least one option by 2030 |

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| | | | mediation in lieu of formal legal eviction proceedings | | |
| 3.4.4 | Explore the possibility of launching a Landlord/Rental Property Advisory Board to inform the RHC on the rental property management perspective for policy recommendations etc. | OHHP, RHC, BoCC | • Recruit and implement a formal advisory board of rental property owners and/or managers to meet monthly and provide perspective and recommendations for the RHC to consider in exploring local policy and vision for homeless response, housing stability, etc. | Increase landlord buy-in in housing-related conversations with County and municipal government, better understand landlord needs in designing HRS and HP services | 2030 |

## OBJECTIVE 4

**Prioritize assistance based on the greatest barriers to housing stability and the greatest risk of harm**

### STRATEGY 1

**Implement a consistent and equity-informed prioritization framework through:**

- Ensuring criteria is based on clearly defined, data-supported vulnerability factors across programs and populations
- Ensuring data is derived from local demographics and is urgently responsive to evolving vulnerability factors over time

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
|---|---|---|---|---|---|
| 4.1.1 | Conduct a county-wide mapping of current prioritization methodologies used within the HRS as well as in adjacent sectors (Law and Justice, Behavioral Health, Healthcare, etc.) to identify inconsistencies and opportunities for alignment | OHHP, HRS Providers, Healthcare Providers, TMBHO, County and Municipal Law Enforcement and justice systems, etc. | • Engage HRS Providers in internal prioritization tool review and mapping<br>• Engage external stakeholders for mapping of non-HRS prioritization tools<br>• Generate a report of areas of alignment and areas for opportunities to increase alignment within and outside of the HRS<br>• Utilize report to inform toolkit and guidance on best practice for service prioritization | Improved internal and external stakeholder alignment in prioritization criteria, ultimately improving cross-system and internal HRS service referral and coordinated care | Complete by 2027 |

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| 4.1.2 | Develop HRS-wide guidance on integrating best practices for culturally responsive, trauma-informed, and equity-based prioritization approaches in service delivery | OHHP, HEAT committees, CE, CE Committee, BFZ | • Utilize BFZ data and recommended best practice strategies for implementing prioritization criteria<br>• Develop a HRS-wide toolkit for implementing prioritization approaches across all HRS programming, not just exclusively CE<br>• Include toolkit and associated e-module on the HRS Online Learning Library | Develop and distribute tools to align system-wide consistency in service prioritization and delivery, ensure alignment with best practices | Develop and implement guidance by 2027 |
| 4.1.3 | Provide training and consultation opportunities on current HRS equity-based prioritization tool(s) and guidance toolkit | OHHP, CE, HEAT committee, HAT | • Provide consultation, training, and technical assistance in implementing prioritization tools in HRS programming | Agencies have support to accurately implement prioritization tools, and to understand their importance | Ongoing beginning in 2027 following release of guidance and toolkit |
| 4.1.4 | Facilitate HRS direct service provider peer learning around prioritization challenges, community tensions caused by prioritization criteria, and creative responses to housing scarcity | OHHP, HRS Provider direct service staff, LEHSC, HSAB | • Host peer round table events to honestly discuss the benefits and stressors of service prioritization, observations and | Increase transparency and honest conversation to address service | Biannually beginning in 2027 |

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| | | | recommendations for prioritization improvement, etc.<br>• Document identified themes, observations, and proposed strategies and elevate them to HRS Provider leadership, and when appropriate the RHC | delivery challenges, engage direct service staff in influencing service delivery and prioritization improvement | |
| 4.1.5 | Revisit prioritization tools annually to ensure ongoing alignment with current data trends and community needs | OHHP, CE, HEAT Committees, HRS Providers, LEHSC, BFZ | • Develop shared definitions and scoring rubrics for vulnerability indicators in assessment tools, co-created with providers and people with lived experience<br>• Review HEAT Bypass Committee case trends to identify any newly emerging prioritization needs<br>• Review HMIS, BFZ, and CE data to identify local trends that invite reevaluation of prioritization criteria | Ensure current local data is informing continuous improvement/relevance of prioritization criteria for HRS services | Annually |

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| 4.1.6 | Track outcomes for prioritized clients that are successfully connected to services and housing opportunities and services | OHHP | • Pull data annually disaggregate by prioritized demographics<br>• Develop a data report demonstrating changes following implementing new prioritization criteria<br>• Publish report annually | Increased accountability for outcomes tied to prioritization decisions, ensuring local data drives prioritization decision making | Annually |

**STRATEGY 2**

**Strengthen identification and assessment of high-risk and underserved populations through:**

- Improving systemwide capacity to recognize compounding barriers to address and implement service coordination
- Utilizing local Homeless Response System data to identify populations that are over or underrepresented in current service demographics
- Embedding harm reduction and trauma-informed principles in prioritization assessments and service delivery

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
|---|---|---|---|---|---|
| 4.2.1 | Implement routine case review protocols focused on populations with known disparities to evaluate service connection barriers through standing HRS Name By Name meetings and establishing Designated Lead Case Coordinators for individuals with known disparities who are receiving support from multiple providers | OHHP, BFZ/C4F0, Designated Lead Case Coordinators | • Utilize the BFZ/C4F0 By Name List meetings, Bypass Committee, Coordinated Entry, etc. to identify highest priority cases<br>• Determine what organizations will participate in service | Improve urgency, coordination, consistency, and holisticness of care for the most vulnerable HRS participants | Establish processes, procedures, and MOUS by 2027<br><br>Implement through 2027-2029 biannual |

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| | | | delivery to support each participant<br>• Designate a Lead Care Coordinator for each high priority participant<br>• Implement MOUs and systemwide Operating Procedures detailing communication, task delegation, and appointment coordination in support of these individuals<br>• Ensure MOUs and associated protocols include measures to protect the safety and privacy of personally identifying information, especially for individuals who are survivors of domestic violence<br>• Ensure MOUs address individual organizational needs regarding PII, record keeping, participant interaction requirements (i.e. billing, required meetings, etc.) | | provider contracts |

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| 4.2.2 | Pilot expanded risk screening questions during outreach to improve detection of compounding barriers | OHHP, BFZ/C4F0, CE, HEAT committees | • Develop expanded risk screening questions through the HEAT subcommittee<br>• Pilot expanded questions with CE outreach to gather additional data about compounding barriers to inform future prioritization tool improvement and relevance<br>• Bring results of pilot back to other HRS system stakeholders to recommend proposed prioritization criteria adaptation based on data findings | Improved risk identification for marginalized subpopulations, identify impacts of compounding barriers | Launch pilot by 2028 |
| 4.2.3 | Develop referral guidance for high-barrier individuals using harm-reduction and trauma-informed design principles. | OHHP, HRS Providers, CE, BFZ/C4F0 | • Research and develop HRS-wide guidance on best practices for implementing harm-reduction and trauma-informed referrals and HRS connection strategies<br>• Analyze CE data to see in intakes increase among | Increase diversity and reach in CE referrals for individuals with the highest barriers to service access | Implement guidance by 2027 |

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| | | | high-barrier communities following consistent implementation of guidance<br><br>• Guidance released and reviewed annually; uptake tracked through CE referrals. | | |
| 4.2.4 | Explore resource navigation and connection to housing services for individuals reentering from incarceration, inpatient behavioral health treatment, or similar environments and are not yet eligible for CE. | OHHP, Reentry partners, CE, HEAT committees | • Engage with reentry providers to better understand the unique barriers to housing for individuals who are still incarcerated but soon to reenter the community and would benefit from housing navigation services<br>• Develop referral processes and/or bypass criteria unique to the reentry population<br>• Formalize referral processes and stakeholder partnerships via MOU or similar agreements | People exiting systems of incarceration are not excluded from access to housing stability resources due to CE technicalities; system becomes more inclusive and responsive | Begin stakeholder development by 2026, formalize partnerships by 2027 |

**STRATEGY 3**

**Expand and align pathways for immediate safety and stabilization for individuals at imminent risk of harm through:**

- Emergency housing
- Medical respite
- Behavioral health services
- Safe Parking
- Hazardous weather shelter and shelter-in-place interventions

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
|---|---|---|---|---|---|
| 4.3.1 | Review eligibility and priority criteria for existing local emergency shelters connected to Coordinated Entry, and review whether access could be improved through eligibility and/or priority changes | OHHP, HRS Providers, CE, HEAT committees | • Gather and analyze eligibility criteria and prioritization policies for emergency shelters accessed through Coordinated Entry, and map areas of gaps for individuals with the highest barriers to services<br>• Identify opportunities to reduce barriers and adjust eligibility and/or prioritization criteria for existing emergency shelters<br>• Develop a report with identified access gaps that cannot be changed | Increase accessibility to existing shelter spaces for individuals and families with the most barriers to access | Complete review and report by 2027 |

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| | | | in existing shelter spaces to determine specific needs should additional shelters or beds come available | | |
| 4.3.2 | Improve collaboration and formal partnership with emergency shelter providers outside of the Coordinated Entry System | OHHP, HRS Providers, Outreach Providers | • Explore increased partnership opportunities with overnight shelters not connected to Coordinated Entry<br>• Explore increased partnership with faith-based organizations interested in opening emergency shelter beds<br>• Formalize partnership and warm-handoff referral processes through MOUs or similar agreements<br>• Identify gaps or barriers in eligibility, prioritization, or access to include in a report regarding unmet community shelter needs | Increase accessibility to existing shelter spaces for individuals and families with the most barriers to access | 2027 |

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| 4.3.3 | Deploy targeted landlord outreach to increase movement through emergency shelter and in turn open up beds in shelters | OHHP, HRS Shelter Providers | • Focus on targeted landlord outreach to rapidly house individuals in housing<br>• Provide long-term housing case management for individuals placed in housing directly from emergency shelter to ensure ongoing housing stability to reduce returns to homelessness (i.e. employment, education, benefits navigation, childcare, etc.) | Increase available shelter beds through securing and maintaining increased positive housing placements | Begin by 2027 |
| 4.3.4 | Increase partnerships with local healthcare providers and hospitals to determine opportunities to increase access to medical respite for unsheltered people and people in emergency shelter | OHHP, Healthcare Partners, Medical Respite Providers, TMBHO | • Continue conversations about opportunities to leverage funding to support medical care and subsequent medical respite for individuals who are unsheltered or in emergency shelter<br>• Determine gaps in service to identify priorities for service | Increase access to life-saving medical care and safe places to heal following medical care for people who are unsheltered or staying in emergency shelter | Ongoing |

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| | | | expansion if and when that becomes possible | | |
| 4.3.5 | Increase partnerships with local behavioral health providers and hospitals to determine opportunities to increase access to inpatient and outpatient behavioral health treatment, and viable shelter options during and after treatment | OHHP, TMBHO, HRS Providers | • Continue conversations about opportunities to leverage funding for housing support while someone is in treatment and after they exit treatment, including recovery residences, emergency shelters, and long-term housing options<br>• Determine gaps in service to identify priorities for service expansion if and when that becomes possible | Increase housing stability for individuals accessing behavioral healthcare | Ongoing |
| 4.3.6 | Set aside funding to expand emergency shelter spaces and shelter-in-place safety precautions during cold and hazardous weather events | OHHP, HRS Shelter and Outreach Providers | • Ensure funding is set aside in the Homeless Services Grant biannually to cover increased shelter capacity, outreach to unsheltered individuals with supplies to more safely shelter in place, and to expand hours at day shelters for heating and cooling as needed | Increase safety and shelter opportunities specifically during dangerous weather events, including hazardously high and low temperatures | Ongoing |

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| | | | • Ensure formalized policies and protocols are in place to quickly and efficiently declare a hazardous weather event, and that providers can rapidly mobilize to increase awareness and access to emergency shelter and supplies specific to hazardous weather events | | |
| 4.3.7 | Increase options and protections for vehicle residency (i.e. safe parking for RVs, cars, etc.), and opportunities to consider vehicle residency as permitted accessory dwellings | OHHP, CPED, Environmental Health, Municipalities, HRS Outreach Providers, Faith-based Communities, other stakeholders with assets to allocate to Safe Parking initiatives (i.e. local businesses etc.) | • Launch a Safe Parking Subgroup of the HAT to begin mapping current assets and barriers to support a Safe Parking Initiative, including researching Safe Parking policies and practices in other areas<br>• Pursue authorization of Emergency Permits for property owners willing to host vehicle residents while a longer-term permitting pathway can be identified | Reduce incidents of impounding vehicle residences leading to unsheltered homelessness, reduce criminalization of homelessness, diversify housing type options for individuals struggling to afford other forms of stable, | Begin workgroup by 2026, continue advocacy and policy/permitting changes ongoing through 2030 |

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| | | | • Consider allocation or acquisition of County land assets for use as Safe Parking temporarily or long term<br>• Increase service outreach to areas with multiple RV and other vehicle dwellings in rural areas<br>• Explore opportunities to partner with local mechanics or mechanic training programs to donate or provide vehicle repairs at a reduced cost for vehicle residents<br>• Explore opportunities to provide education and in-kind donation of tools and supplies to teach vehicle residents about basic vehicle maintenance and upkeep to prevent vehicle breakdowns | long-term housing | |

## OBJECTIVE 5

**Seek to house everyone in a stable setting that meets their needs**

### STRATEGY 1

Maintain and expand housing and sheltering options through:

- Flexibility and honoring personal choice in housing goals
- Diversifying types of housing and levels/types of supportive housing services

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
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| 5.1.1 | Seek to fund a diverse mix of housing types, including:<br>• Emergency shelter<br>• Temporary/transitional housing solutions<br>• Permanent Supportive Housing units<br>• Affordable Housing units<br>• Housing subsidy opportunities for community integrated market-rate housing<br>• Recovery residences<br>• RV Residences<br>• Mobile Homes<br>• Tiny Home Communities<br>• Room sharing | OHHP, RHC, BoCC, HSAB, TAHAB, LEHSC | • Conduct a "Housing Type" inventory mapping to inform the full HRS on what housing types and stock are currently funded, and to identify gaps in housing types<br>• Ask for housing type preferences at CE intake and use this data to aloe the HRS to be responsive in seeking to provide diverse housing types for myriad needs and preferences<br>• Consider housing type diversity when | Increase positive long-term housing outcomes by prioritizing participant voice and choice, and by offering diverse housing types that are responsive to all levels of needs and preferences | Ongoing |

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| | <ul><li>Congregate Housing/Co-Living</li><li>Global Leasing</li><li>Home Ownership</li></ul> | | determining Homeless Services Grant awardees biannually<ul><li>Prevent unintentional "housing readiness" criteria by prioritizing participant housing type preference through CE rather than a strictly linear path through the housing type continuum</li></ul> | | |
| 5.1.2 | Seek to fund a diverse mix of supportive services to help obtain and sustain positive, long-term housing placements, including:<ul><li>Services co-located and/or embedded in Permanent Supportive Housing buildings, tiny home villages, RV/Safe Parking sites, Mobile Home parks, Affordable Housing set-aside units, recovery residences, etc.</li><li>Community-based supportive housing services for individuals in scattered-site/community-integrated housing that would benefit from ongoing housing stability support following initial housing placement</li></ul> | OHHP, RHC, HSAB, TAHAB, LEHSC | <ul><li>Offer a robust menu of support service levels and types to meet myriad housing needs</li><li>Ensure that every housing type has an associated supportive service, whether temporary or long term, to support residents in meeting and maintaining long-term housing goals</li></ul> | Increase positive long-term housing outcomes by prioritizing participant voice and choice, and by offering diverse housing services that are responsive to all levels of needs and preferences | Ongoing |

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| | <ul><li>Rental assistance and rapid rehousing support services and financial assistance to prevent recurring episodes of homelessness</li><li>Holistic resource navigation to address root causes of homelessness and housing instability (i.e. employment, public benefits, disability and social security benefits, education, behavioral health support, etc.)</li><li>Diversion outreach and engagement</li><li>Drop-in/Daytime resource centers</li><li>Landlord engagement and lease mitigation (i.e. mediation)</li></ul> | | | | |
| 5.1.3 | Encouraging all Permanent Supportive Housing and long-term shelter projects in Thurston County to embed Resident Advisory Boards or similar resident representative advocacy structures for providing input on community rules, codes of conduct, service provision, etc. | OHHP, HSAB, TAHAB | <ul><li>Award additional points on grant proposals for inclusion of Resident Advisory Boards or similar constructs when making funding recommendations</li></ul> | Increase resident buy-in at PSH properties, increase resident engagement with PSH service providers | Ongoing |
| 5.1.4 | Maximize leveraging of state capital resources through prioritization of projects that keep Low Income Housing Tax Credits, | OHHP, TAHAB, RHC | <ul><li>Maintain meaningful and intentional tracking of leveraged resources to</li></ul> | Increase affordable housing stock | Ongoing |

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| | Housing Trust Fund, Apple Health and Homes, or other state funding sources, without disadvantaging projects from Thuston County by having them inadvertently in competition with one another | | ensure alignment and prevent potential conflicts<br>• Ensure a minimum of 5 projects funded with LIHTC and/or AHAH resources | through leveraged resources | |
| 5.1.5 | Review existing scoring criteria for capital affordable housing projects and explore revising criteria to incorporate the following considerations:<br>• Housing designs informed by community input and resident needs<br>• Trauma-informed and client-centered housing design<br>• Accessibility<br>• Transit-oriented, community-centered neighborhood designs | OHHP, TAHAB, RHC | • Integrate resident feedback into housing models<br>• Integrating housing-first, person-centered principles into design of service delivery models for housing projects | Increase positive long-term housing outcomes through resident buy-in and increased engagement and rapport with service providers | 2027 |
| 5.1.6 | Develop model guidelines to allow for pets in shelters and PSH buildings | OHHP, HSAB, TAHAB, RHC | • Research best practice guidelines and methods for allowing pets into shelters and PSH models<br>• Develop recommended guidelines for Thurston County shelters and PSH buildings for policies and procedures safely | Increase housing flexibility and accessibility for unsheltered or unstably housed individuals with pets | 2027 |

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| | | | allowing pets in their spaces | | |

**STRATEGY 2**

**Maximize resources to expand housing access through:**

- Leveraging cross-sector partnerships and resources
- Seeking new funding sources
- Exploring innovative business models to reduce dependence on grant funding
- Increased affordable housing stock

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
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| 5.2.1 | Prioritize funding for Homeless Services Grant proposals that leverage Medicaid-based supportive housing and supported employment programming as a component of their proposed project | OHHP, HSAB, RHC | • Offer additional scoring points to RFP proposals that demonstrate FCS supportive housing and/or supported employment services as a leveraged funding stream for their proposed projects | Leveraging other supportive housing and/or supported employment funding streams to help bolster project budgets and stretch state and local dollars, increase opportunities for providing long-term housing stability support | Ongoing |

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| 5.2.2 | Prioritize funding for Homeless Services Grant proposals that demonstrate formalized partnerships (i.e. MOUs) with healthcare providers | OHHP, HSAB, RHC | • Offer additional scoring points to RFP proposals that demonstrate formalized partnership with healthcare providers demonstrating a commitment to addressing holistic services that address root causes of housing instability, including chronic illness, a need for in-home caregiving related to health or disability, medical respite following injury or intensive medical treatment, etc. | Increase leveraged funding and services for robust, holistic supports in housing projects and programs | Ongoing |
| 5.2.3 | Prioritize funding for Homeless Services Grant proposals that demonstrate formalized partnerships (i.e. MOUs) with workforce development partners such as WorkSource, chambers of commerce, vocational rehabilitation, etc. | OHHP, HSAB, RHC | • Offer additional scoring points to RFP proposals that demonstrate formalized partnership with workforce/employment support providers demonstrating a commitment to addressing holistic services that address root causes of housing instability, including | Increase leveraged funding and services for robust, holistic supports in housing projects and programs | Ongoing |

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| | | | income instability, benefits education, qualification barriers to living wage employment, etc. | | |
| 5.2.4 | Prioritize funding for Homeless Services Grant proposals that demonstrate formal partnership with other cross-sector services that support wraparound services (i.e. behavioral health, primary care, Medicare, Aging and Long-Term Disability Services, childcare, public benefits, etc.) in housing programs | OHHP, HCA, Commerce, DSHS, DCYF, local workforce and economic development councils, HRS providers | • Offer additional scoring points to RFP proposals that demonstrate formalized partnership with cross-sector partners that allow wraparound services to holistically address the root causes of homelessness and housing instability | Increase leveraged services for robust, holistic supports in housing projects and programs | Ongoing |
| 5.2.5 | Explore additional funding opportunities to support the HRS through corporate sponsorship, in-kind and other asset donation, state and national Foundation awards for housing grants, and additional state funding outside of the Department of Commerce to diversify funding | OHHP, RHC, BoCC, HRS Providers | • Research available housing-related funding opportunities and eligible entities for application<br>• Pursue relationship building with businesses and corporations with philanthropic foundations to learn more about private sector grants and donations | Diversify funding, increase funding available for HRS resources | Ongoing |

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| | | | • Develop proposals for additional funding if and when opportunities are recognized | | |
| 5.2.6 | Explore innovative business models that might allow for supportive service programs to generate income outside of grant awards (i.e. shelters that also operate a business that exclusively employs shelter residents, and directs all proceeds outside of employee wages and business expenses back into the shelter) | OHHP, EDCs, Chambers of Commerce, Workforce Development Partners | • Research innovative non-profit service delivery models that incorporate elements of generating income other than grant funding<br>• Generate a report of findings with recommended pilot models to try<br>• Incentivize piloting the model by awarding additional RFP application points for applicants whose proposal utilizes the pilot model for service delivery | Diversify funding, reduce dependence on grant funding, increase funding available for HRS resources | Develop report before 2027-2029 funding biennium |
| 5.2.7 | Develop new affordable and permanent supportive housing stock to increase units available for placement through the HRS | OHHP, TAHAB, RHC | • 150 new units of PSH<br>• 50 units that build assets for low-income owner<br>• 200 units of permanent affordable housing | Increase access to long-term, stable housing through increased housing stock | By 2030 |

**STRATEGY 3**

**Improve housing stability through:**

- Tenant protections and rights
- Improving housing quality standards
- Advocating for policies and funding strategies that ensure affordability and expand supportive housing infrastructure

| ID | Tasks | Responsible Party | Goals | Intended outcome | Timeline |
|---|---|---|---|---|---|
| 5.3.1 | Explore further tenant protections through city-level policy development and enforcement. | OHHP, HSAB, TAHAB, RHC, LEHSC | • Complete a thorough crosswalk of state, county, and municipal tenant protections, recognize areas of alignment and areas of unalignment<br>• Propose tenant protection policies through the Regional Housing Council that address such topics as housing affordability, housing quality standards, pet policies, renter eligibility requirements, etc. | Stronger protections to prevent housing stability and increase access to market-rate housing for individuals who might qualify with minor, reasonable protections in place | By 2030 |
| 5.3.2 | Explore housing quality standards and remediation programs | OHHP, HSAB, TAHAB, RHC, LEHSC | • Determine shared standards for housing quality, and select a | Improve living conditions through quality | By 2030 |

| | | | | | |
|---|---|---|---|---|---|
| | | | tool to measure housing quality standards<br>• Explore opportunities to set aside local funding for landlord mitigation in the event of damage cause to a unit by a supported tenant, bringing a unit up to habitable standards and maintaining standards throughout tenant occupancy, making units ADA accessible, etc. | standards, increase private landlord capacity to get and keep units at habitable, accessible standards | |
| 5.3.3 | Explore and research opportunities to improve tenant protection laws and legislative solutions addressing mold and habitability | OHHP, HAT Legislative Advocacy Subgroup | • Develop educational campaigns about the prevalence and dangers of mold in rental units locally and statewide<br>• Develop a legislative advocacy plan to address mold and similar housing quality issues through local and statewide tenant protections and | Improve living conditions through quality standards, decrease incidents of housing displacement due to mold, housing-related health issues, and other | Ongoing |

| | | | | | |
|---|---|---|---|---|---|
| | | | minimum unit habitability standards | habitability concerns | |
| 5.3.4 | Explore opportunities to recommend policy-change to increase affordable housing stock regionally to achieve the HB 1220 Housing Allocations for extremely low-income and low-income housing, including permanent supportive housing | OHHP and CPED | • Develop and implement policies supporting:<br>○ Construction of affordable housing<br>○ Improved habitability and safety standards<br>• Sustained investments once made in permanent solutions | Increase availability, quality, and sustainability of affordable housing stock | |
| 5.3.5 | Explore and research opportunities to increase options and protections for vehicle residency (i.e. safe parking for RVs, cars, etc.), and opportunities to consider vehicle residency as permitted accessory dwellings | OHHP, CPED, Environmental Health, Municipalities, HRS Outreach Providers, Faith-based Communities, other stakeholders with assets to allocate to Safe Parking initiatives (i.e. | • Launch a Safe Parking Subgroup of the HAT to begin mapping current assets and barriers to support a Safe Parking Initiative, including researching Safe Parking policies and practices in other areas<br>• Pursue authorization of Emergency Permits for property owners willing to host vehicle residents while a longer-term permitting | Reduce incidents of impounding vehicle residences leading to unsheltered homelessness, reduce criminalization of homelessness, diversify housing type options for individuals struggling to | Begin workgroup by 2026, continue advocacy and policy/permitting changes ongoing through 2030 |

| | | | | | |
|---|---|---|---|---|---|
| | | local businesses etc.) | pathway can be identified<br>• Consider allocation or acquisition of County land assets for use as Safe Parking temporarily or long term<br>• Increase service outreach to areas with multiple RV and other vehicle dwellings in rural areas<br>• Explore opportunities to partner with local mechanics or mechanic training programs to donate or provide vehicle repairs at a reduced cost for vehicle residents<br>• Explore opportunities to provide education and in-kind donation of tools and supplies to teach vehicle residents about basic vehicle maintenance and upkeep to prevent vehicle breakdowns | afford other forms of stable, long-term housing | |

| | | | | | |
|---|---|---|---|---|---|
| 5.3.6 | Research and take advantage of opportunities to use surplus public land for affordable housing development | OHHP, RHC, TAHAB, BoCC, Municipalities | • Identify suitable county assets for affordable housing developments<br>• If and when possible, acquire additional assets for the use of affordable housing development | Increase affordable housing stock | Ongoing |

# Appendix A: Homeless Housing Taskforce (Plan Contributors)

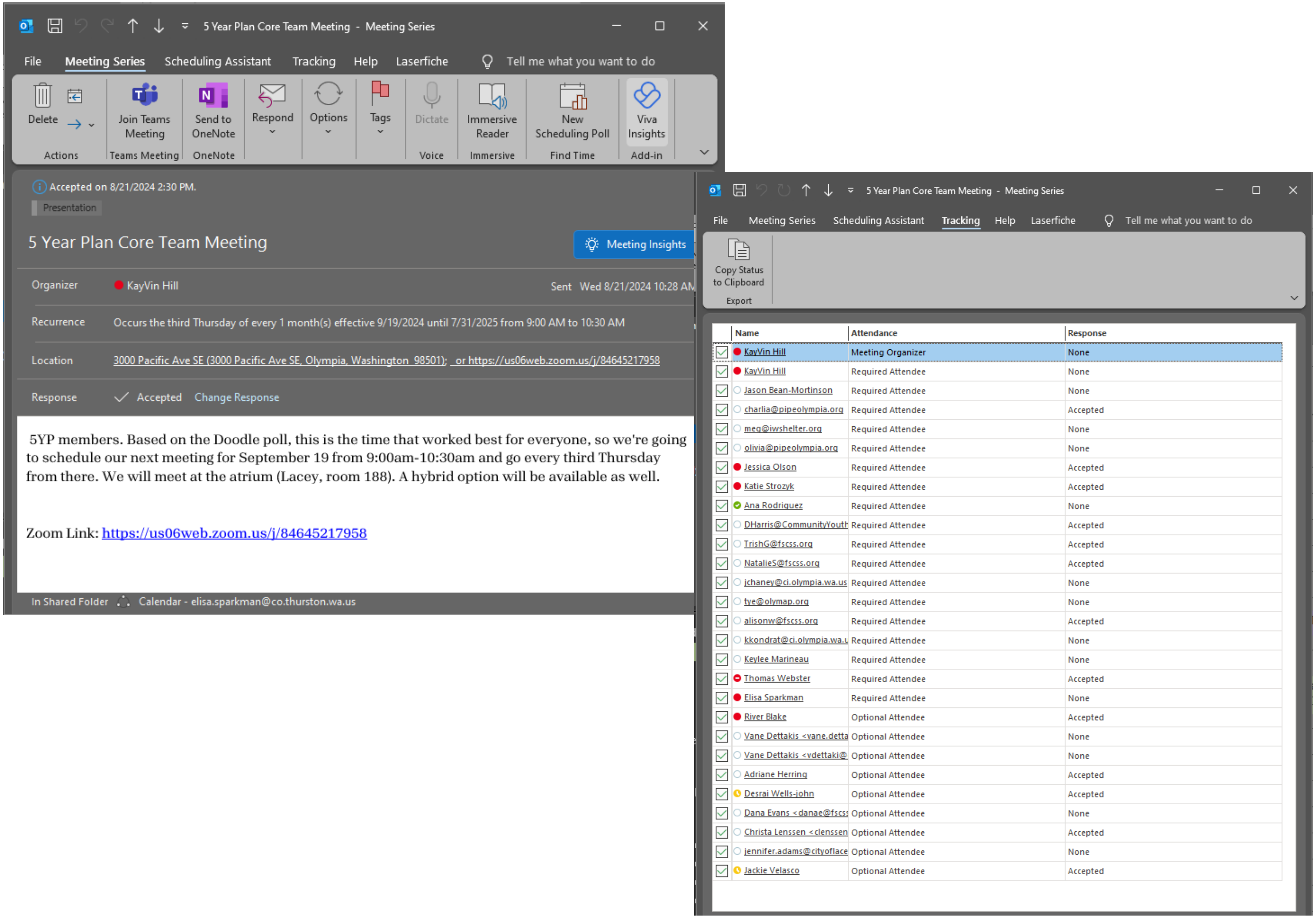
The Homeless Housing Taskforce that contributed to the development of the Thurston County Local Homeless Housing Plan 2025-2030 is made up of two groups. The "Core Team" of stakeholders and Thurston County's Lived Experience Housing Steering Committee.

## Core Team of Stakeholders

| Core Team for Local Homeless Housing Plan | | | |
|---|---|---|---|
| **NAME** | **ORGANIZATION** | **POSITION** | **Representation Requirement** |
| Trish Gregory | Family Support Center of South Sound | Director | A representative of a private nonprofit organization with experience in low-income housing, emergency shelter operator, domestic violence/sexual assault shelter and housing provider, homeless outreach provider, rental subsidy provider, Permanent Supportive Housing provider and operator, Coordinated Entry staff |
| Natalie Skovran | Family Support Center of South Sound | Deputy Director | A representative of a private nonprofit organization with experience in low-income housing, emergency shelter operator, domestic violence/sexual assault shelter and housing provider, homeless outreach provider, rental subsidy provider, Permanent Supportive Housing provider and operator, Coordinated Entry staff |
| Dana Evans | Family Support Center of South Sound | Homeless Services Staff | A representative of a private nonprofit organization with experience in low-income housing, emergency shelter operator, domestic violence/sexual assault shelter and housing provider, homeless outreach provider, rental subsidy provider, Permanent Supportive Housing provider and operator, Coordinated Entry staff |
| Derek Harris | Community Youth Services | Director | A representative of a private nonprofit organization with experience in low-income housing, emergency shelter operator, homeless outreach provider, rental subsidy provider |
| Jason Bean-Mortinson | Thurston Mason Behavioral Health Organization | Staff | Representative of a Behavioral Health Administrative Service Organization |

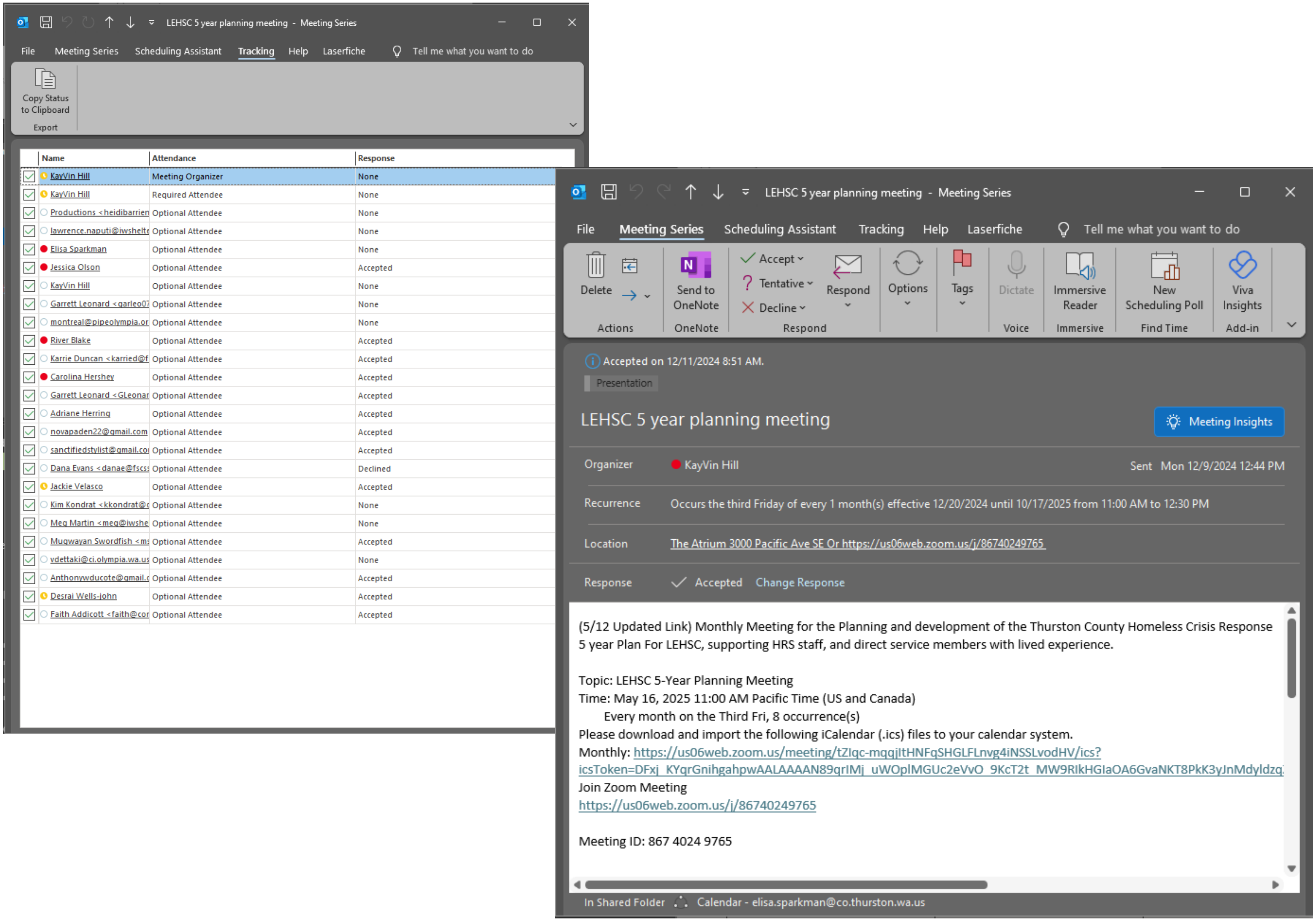
| | | | |
|---|---|---|---|
| Meg Martin | Interfaith Works | Director | A representative of a private nonprofit organization with experience in low-income housing, emergency shelter operator, homeless outreach provider, Permanent Supportive Housing provider and operator |
| Tye Gundel | Olympia Mutual Aide Partners | Director | A representative of a private nonprofit organization with experience in low-income housing, homeless outreach provider |
| Charlia Messinger | Partners in Prevention & Education | Director | Representative from a By and For organization, rental subsidy provider |
| Joshua Chaney | City of Olympia | Homeless Response Staff | A representative of one of the two largest city in Thurston County |
| Kim Kondrat | City of Olympia | Homeless Response Staff | A representative of one of the two largest city in Thurston County |
| Vane Dettakis | City of Olympia | Homeless Response Staff | A representative of one of the two largest city in Thurston County |
| Christa Lenssen | City of Olympia | Housing Staff | A representative of one of the two largest city in Thurston County |
| Jennifer Adams | City of Lacey | Planning Staff | A representative of one of the two largest city in Thurston County |
| Michelle Chavez | City of Lacey | Human Services Coordinator | A representative of one of the two largest city in Thurston County |
| Ana Rodriguez | Thurston County | Planning Staff | A representative of Thurston County |
| Jessica Olson | Thurston County | Opioid Response Staff | A representative of Thurston County |
| Katie Strozyk | Thurston County | Opioid Response Manager | A representative of Thurston County |
| Adriane Herring | Thurston County | Office of Housing & Homeless Prevention staff | A representative of Thurston County |
| Desrai Wells-john | Thurston County | Homeless Response Staff | A representative of Thurston County |

| | | | |
|---|---|---|---|
| Elisa Sparkman | Thurston County | Office of Housing & Homeless Prevention staff | A representative of Thurston County |
| Jackie Velasco | Thurston County | Office of Housing & Homeless Prevention staff | A representative of Thurston County |
| KayVin Hill | Thurston County | Office of Housing & Homeless Prevention staff | A representative of Thurston County |
| River Blake | Thurston County | Office of Housing & Homeless Prevention staff | A representative of Thurston County |
| Tom Webster | Thurston County | Office of Housing & Homeless Prevention staff | A representative of Thurston County |


5 Year Plan Core Team Meeting - Meeting Series
File
Meeting Series
Scheduling Assistant
Tracking
Help
Laserfiche
Tell me what you want to do
Delete
Join Teams Meeting
Send to OneNote
Respond
Options
Tags
Dictate
Immersive Reader
New Scheduling Poll
Viva Insights
Actions
Teams Meeting
OneNote
Voice
Immersive
Find Time
Add-in
Accepted on 8/21/2024 2:30 PM.
Presentation
5 Year Plan Core Team Meeting
Meeting Insights
Organizer
KayVin Hill
Sent Wed 8/21/2024 10:28 AM
Recurrence
Occurs the third Thursday of every 1 month(s) effective 9/19/2024 until 7/31/2025 from 9:00 AM to 10:30 AM
Location
3000 Pacific Ave SE (3000 Pacific Ave SE, Olympia, Washington 98501); or https://us06web.zoom.us/j/84645217958
Response
Accepted
Change Response
5YP members. Based on the Doodle poll, this is the time that worked best for everyone, so we're going to schedule our next meeting for September 19 from 9:00am-10:30am and go every third Thursday from there. We will meet at the atrium (Lacey, room 188). A hybrid option will be available as well.
Zoom Link: https://us06web.zoom.us/j/84645217958
In Shared Folder
Calendar - elisa.sparkman@co.thurston.wa.us
Copy Status to Clipboard
Export
Name
Attendance
Response
KayVin Hill
Meeting Organizer
None
KayVin Hill
Required Attendee
None
Jason Bean-Mortinson
Required Attendee
None
charlia@pipeolympia.org
Required Attendee
Accepted
meg@iwshelter.org
Required Attendee
None
olivia@pipeolympia.org
Required Attendee
None
Jessica Olson
Required Attendee
Accepted
Katie Strozyk
Required Attendee
Accepted
Ana Rodriguez
Required Attendee
None
DHarris@CommunityYouth
Required Attendee
Accepted
TrishG@fscss.org
Required Attendee
Accepted
NatalieS@fscss.org
Required Attendee
Accepted
jchaney@ci.olympia.wa.us
Required Attendee
None
tye@olymap.org
Required Attendee
None
alisonw@fscss.org
Required Attendee
Accepted
kkondrat@ci.olympia.wa.u
Required Attendee
None
Keylee Marineau
Required Attendee
None
Thomas Webster
Required Attendee
Accepted
Elisa Sparkman
Required Attendee
None
River Blake
Optional Attendee
Accepted
Vane Dettakis <vane.detta
Optional Attendee
None
Vane Dettakis <vdettaki@
Optional Attendee
None
Adriane Herring
Optional Attendee
Accepted
Desrai Wells-john
Optional Attendee
Accepted
Dana Evans <danae@fscss
Optional Attendee
None
Christa Lenssen <clenssen
Optional Attendee
Accepted
jennifer.adams@cityoflace
Optional Attendee
None
Jackie Velasco
Optional Attendee
Accepted

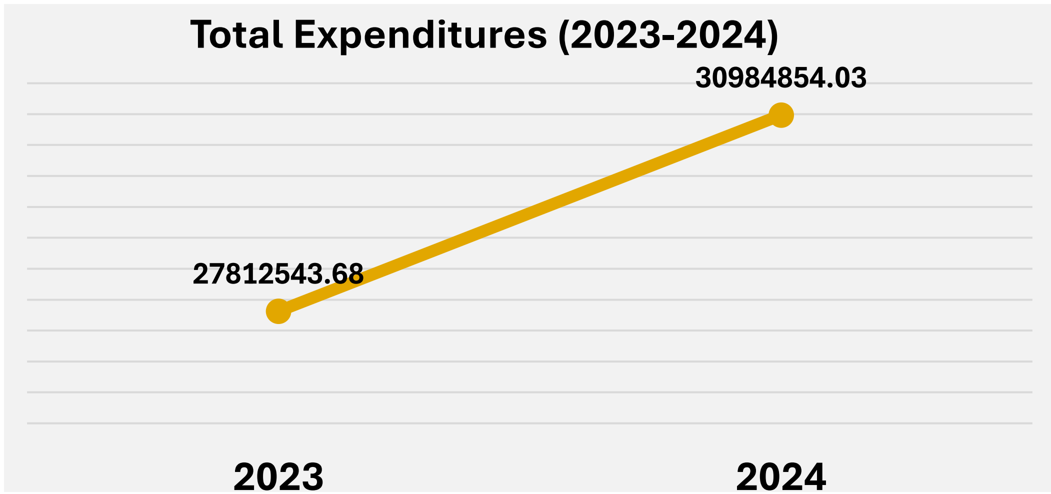
## Lived Experience Housing Steering Committee (LEHSC) Stakeholders

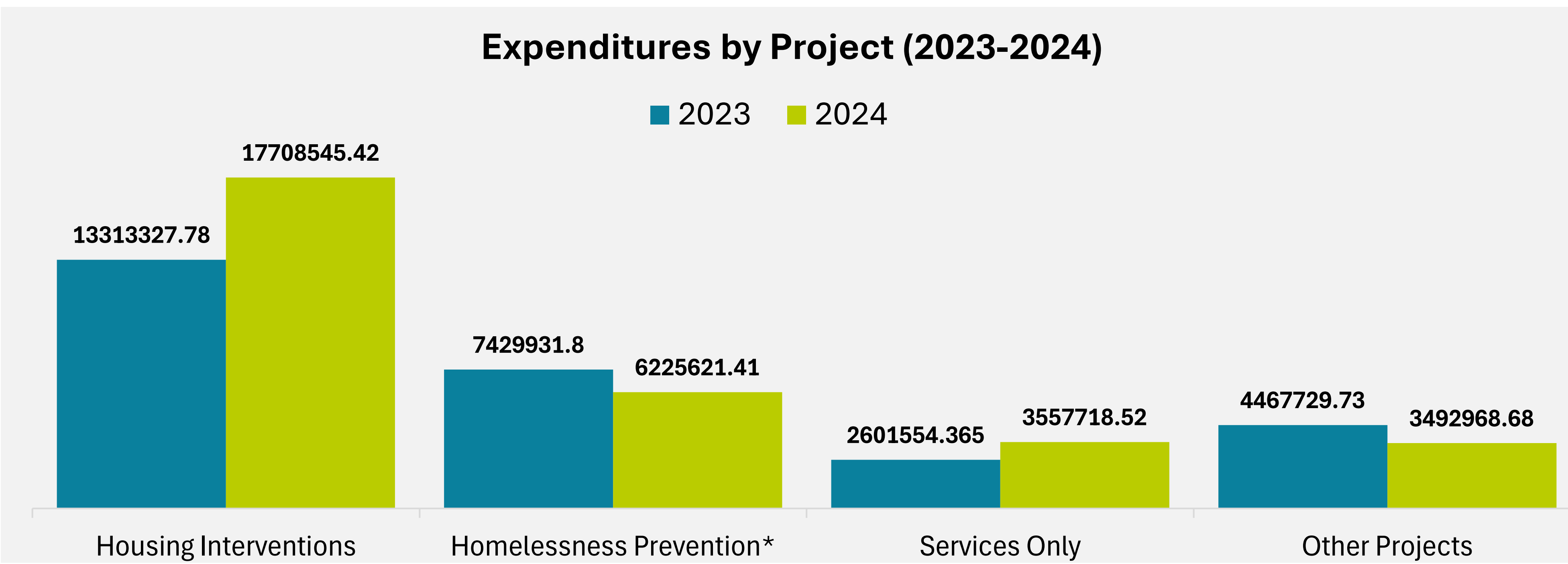
| Lived Experience Housing Steering Committee | | | Representation Requirement |
|---|---|---|---|
| Lawrence Naputi | Interfaith Works/ LEHSC | Compensated Member | A person with lived experience in homelessness/housing instability, frontline staff in homeless services |
| Garrett Leonard | Catholic Community Services/LEHSC | Compensated Member | A person with lived experience in homelessness/housing instability, frontline staff in homeless services |
| Nova Paden | Low Income Housing Institute/LEHSC | Compensated Member | A person with lived experience in homelessness/housing instability, frontline staff in homeless services |
| Heidi Barrientes | Lived Experience Housing Steering Committee | Compensated Member | A person with lived experience in homelessness/housing instability |
| Latae Mitchell | Lived Experience Housing Steering Committee | Compensated Member | A person with lived experience in homelessness/housing instability |
| Carolina Hershey | Thurston County | Resource Hub staff and discussion support | |
| Keylee Marineau | Thurston County | Interim facilitator June-August 2024 | |
| KayVin Hill | Thurston County | Interim facilitator September 2024 - April 2025 | |
| Dana Evans | Family Support Center of South Sound | Interim facilitator May-June 2025 | |
| Faith Addicott | Confluence | Facilitator starting July 2025 | |

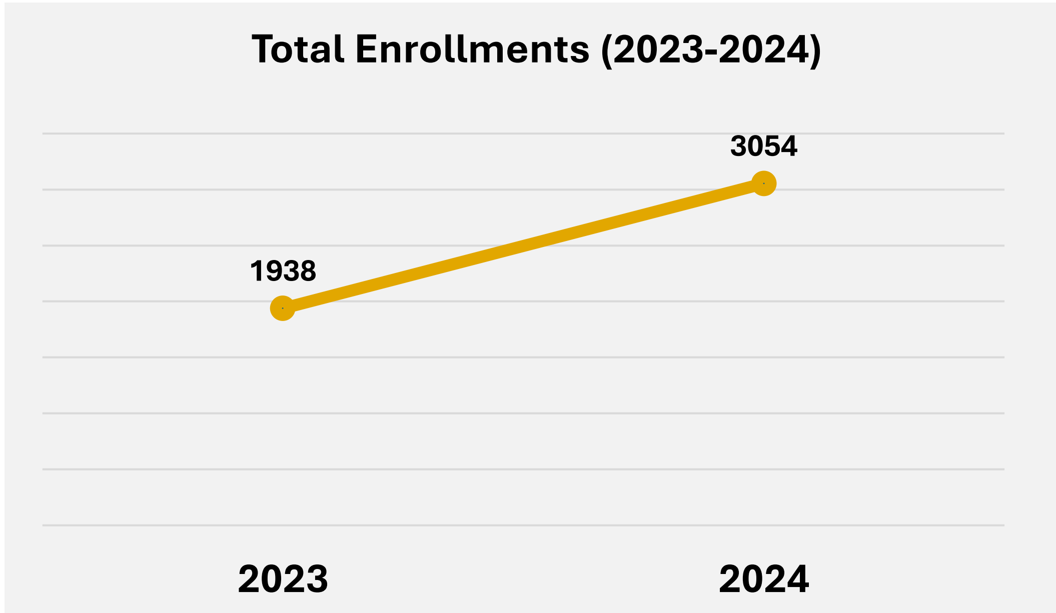

LEHSC 5 year planning meeting - Meeting Series
File
Meeting Series
Scheduling Assistant
Tracking
Help
Laserfiche
Tell me what you want to do
Copy Status to Clipboard
Export
Name | Attendance | Response
KayVin Hill | Meeting Organizer | None
KayVin Hill | Required Attendee | None
Productions <heidibarrien | Optional Attendee | None
lawrence.naputi@iwshelte | Optional Attendee | None
Elisa Sparkman | Optional Attendee | None
Jessica Olson | Optional Attendee | Accepted
KayVin Hill | Optional Attendee | None
Garrett Leonard <garleo07 | Optional Attendee | None
montreal@pipeolympia.or | Optional Attendee | None
River Blake | Optional Attendee | Accepted
Karrie Duncan <karried@f | Optional Attendee | Accepted
Carolina Hershey | Optional Attendee | Accepted
Garrett Leonard <GLeonar | Optional Attendee | Accepted
Adriane Herring | Optional Attendee | Accepted
novapaden22@gmail.com | Optional Attendee | Accepted
sanctifiedstylist@gmail.co | Optional Attendee | Accepted
Dana Evans <danae@fscs | Optional Attendee | Declined
Jackie Velasco | Optional Attendee | Accepted
Kim Kondrat <kkondrat@c | Optional Attendee | None
Meg Martin <meg@iwshe | Optional Attendee | None
Mugwayan Swordfish <m | Optional Attendee | Accepted
vdettaki@ci.olympia.wa.us | Optional Attendee | None
Anthonywducote@gmail.c | Optional Attendee | Accepted
Desrai Wells-john | Optional Attendee | Accepted
Faith Addicott <faith@cor | Optional Attendee | Accepted
LEHSC 5 year planning meeting - Meeting Series
File
Meeting Series
Scheduling Assistant
Tracking
Help
Laserfiche
Tell me what you want to do
Delete
Actions
Send to OneNote
OneNote
Accept
Tentative
Decline
Respond
Respond
Options
Tags
Dictate
Voice
Immersive Reader
Immersive
New Scheduling Poll
Find Time
Viva Insights
Add-in
Accepted on 12/11/2024 8:51 AM.
Presentation
LEHSC 5 year planning meeting
Meeting Insights
Organizer KayVin Hill
Sent Mon 12/9/2024 12:44 PM
Recurrence Occurs the third Friday of every 1 month(s) effective 12/20/2024 until 10/17/2025 from 11:00 AM to 12:30 PM
Location The Atrium 3000 Pacific Ave SE Or https://us06web.zoom.us/j/86740249765
Response Accepted Change Response
(5/12 Updated Link) Monthly Meeting for the Planning and development of the Thurston County Homeless Crisis Response 5 year Plan For LEHSC, supporting HRS staff, and direct service members with lived experience.
Topic: LEHSC 5-Year Planning Meeting
Time: May 16, 2025 11:00 AM Pacific Time (US and Canada)
Every month on the Third Fri, 8 occurrence(s)
Please download and import the following iCalendar (.ics) files to your calendar system.
Monthly: https://us06web.zoom.us/meeting/tZIqc-mqqjltHNFqSHGLFLnvg4iNSSLvodHV/ics?
icsToken=DFxj_KYqrGnihgahpwAALAAAAN89qrIMj_uWOplMGUc2eVvO_9KcT2t_MW9RIkHGIaOA6GvaNKT8PkK3yJnMdyldzq
Join Zoom Meeting
https://us06web.zoom.us/j/86740249765
Meeting ID: 867 4024 9765
In Shared Folder
Calendar - elisa.sparkman@co.thurston.wa.us

## Appendix B: Estimates of Service Level

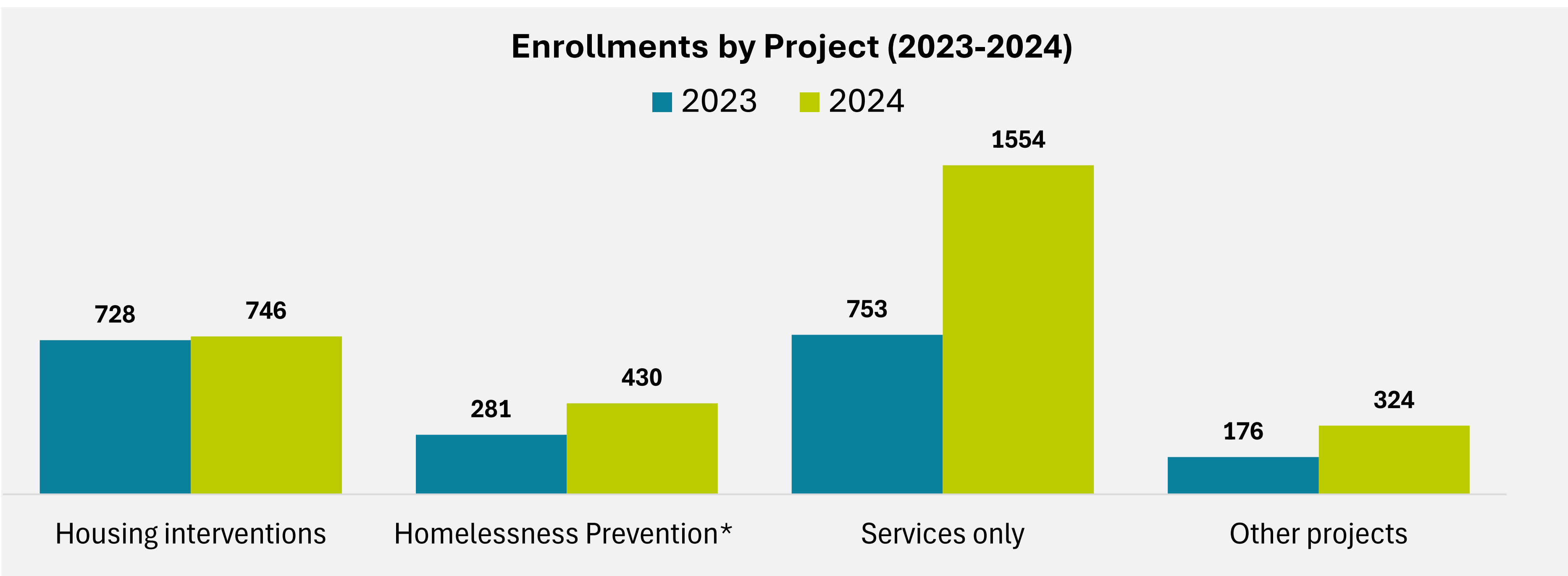
Data Source: 2023-2024 Annual Expenditure (Golden) Report



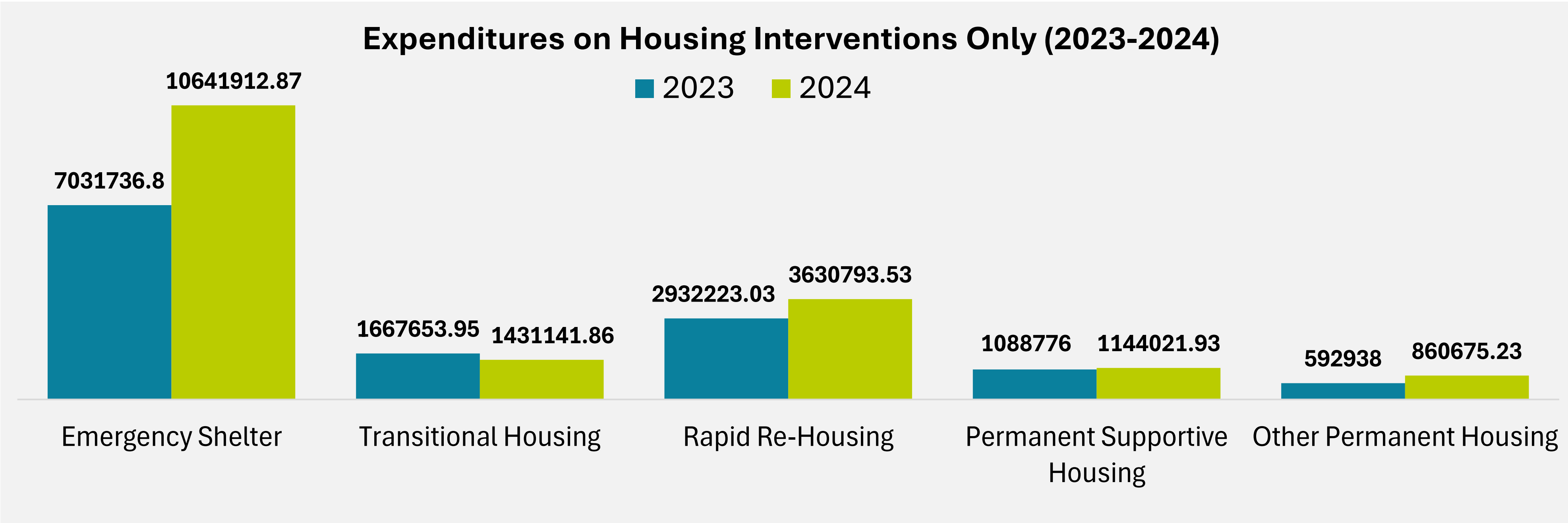



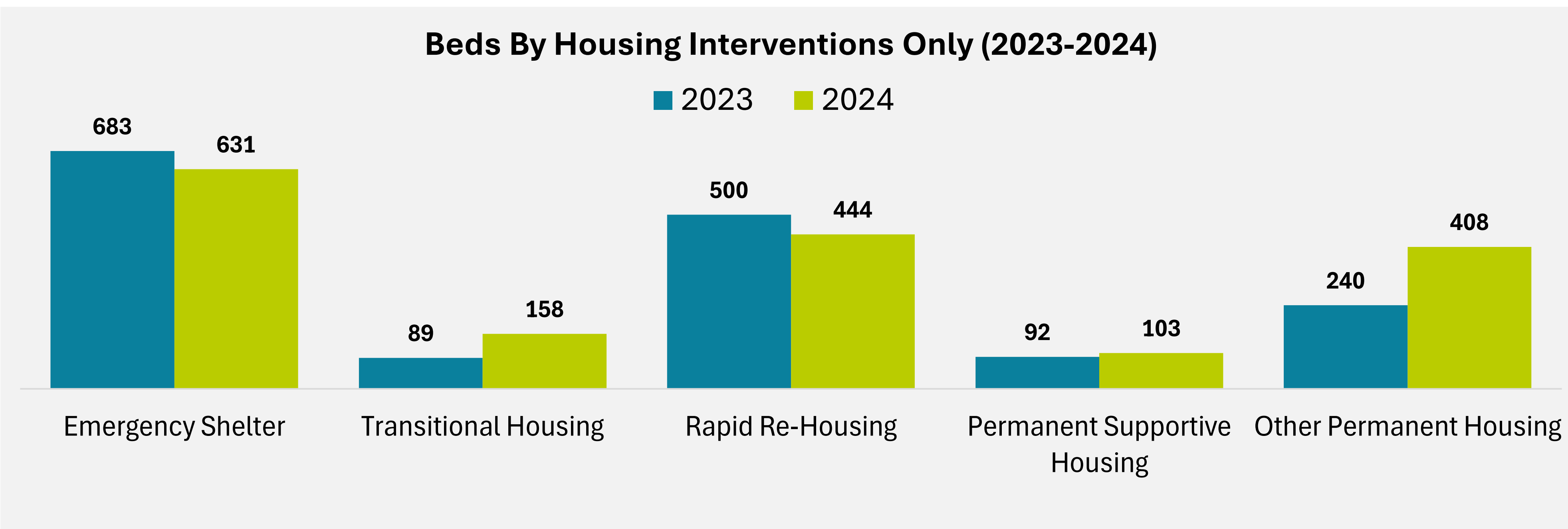


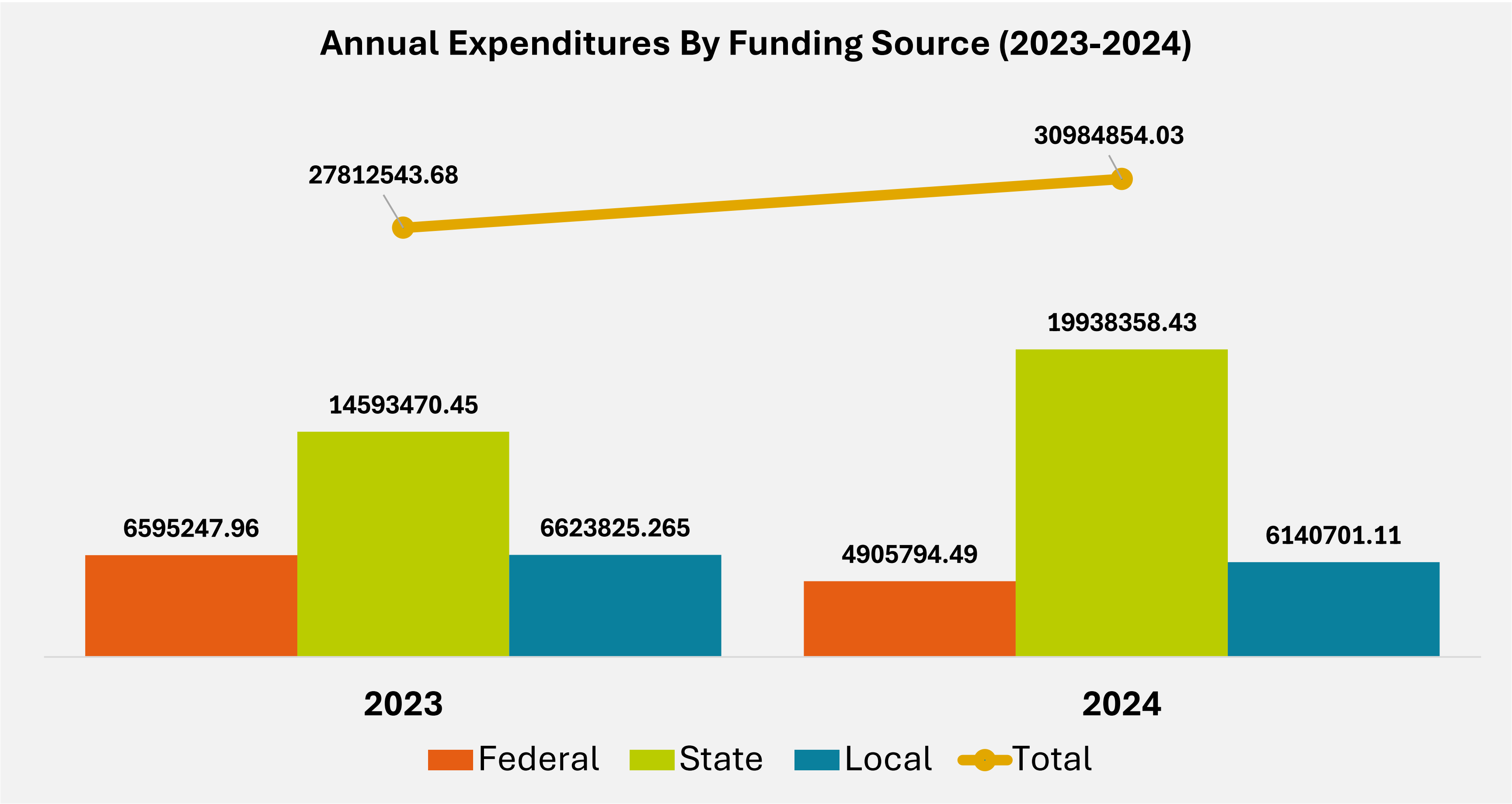
Total Enrollments (2023-2024)
3054
1938
2023
2024

Enrollments by Project (2023-2024)
2023
2024
728
746
281
430
753
1554
176
324
Housing interventions
Homelessness Prevention*
Services only
Other projects


Expenditures on Housing Interventions Only (2023-2024)
2023
2024
7031736.8
10641912.87
1667653.95
1431141.86
2932223.03
3630793.53
1088776
1144021.93
592938
860675.23
Emergency Shelter
Transitional Housing
Rapid Re-Housing
Permanent Supportive Housing
Other Permanent Housing


Beds By Housing Interventions Only (2023-2024)
2023
2024
683
631
89
158
500
444
92
103
240
408
Emergency Shelter
Transitional Housing
Rapid Re-Housing
Permanent Supportive Housing
Other Permanent Housing


Annual Expenditures By Funding Source (2023-2024)
27812543.68
30984854.03
14593470.45
19938358.43
6595247.96
6623825.265
4905794.49
6140701.11
2023
2024
Federal
State
Local
Total

## Appendix C: Survey of fund sources for homeless housing assistance programs and capital projects

| Fund Source | Source | Status | Allowable uses | Amount SFY 24 | Projected SFY 25 | Notes |
|---|---|---|---|---|---|---|
| Local funds authorized by RCW 82.14.460 (Mental Health Sales and Use Tax) | Local | Receiving/ Collecting | Operating | $8,301,022 | $8,617,895 | Funds must be used solely for the purpose of providing for the operation or delivery of substance use treatment, mental health treatment, and therapeutic court programs and services. |
| Local funds authorized by RCW 82.14.530 (Housing and Related Services Sales and Use Tax) | Local | Receiving/ Collecting | Capital and operating | $7,511,204 | $8,160,000 | 60% of funds are allocated for capital projects, 30% for operating/services funds and 10% for administration. Includes City of Olympia and Thurston County collections |
| Local funds authorized by RCW 82.14.540 (Affordable and Supportive Housing Sales and Use Tax) | Local | Receiving/ Collecting | Capital | $2,122,319 | $1,200,000 | Thurston County has used these funds for rent assistance during COVID, but currently all funds are used for capital projects. |
| Local funds authorized by RCW 84.52.105 (Local Housing Levies) | Local | Not eligible/ NA | | $ - | $ - | Thurston County has not authorized collection of these funds |
| Local funds authorized by RCW 36.22.250 (Document Recording Surcharge, Local Portion) | Local | Receiving/ Collecting | Operating and capital | $1,476,274 | $1,500,000 | 75% of funds for operating/services. 15% for capital and 10% for administration |

| Fund Source | Source | Status | Allowable uses | Amount SFY 24 | Projected SFY 25 | Notes |
|---|---|---|---|---|---|---|
| Consolidated Homeless Grant/System Demonstration Grant (including Housing and Essential Needs) | State | Receiving/ Collecting | Operating | $12,245,231 | $12,990,593 | Includes multiple funds under the State's CHG contract. |
| Emergency Solutions Grant | Federal | Not eligible/NA | | $ - | $ - | |
| Community Development Block Grant | Federal | Receiving/ Collecting | Capital and operating | $1,585,672 | $1,609,487 | At least 65% for capital. Up to 15% for public service operations and 20% for administration. Thurston County is an Urban County entitlement community. City of Olympia receives its own funding allocation. Beginning in Program Year 2025, City of Lacey is its own CDBG Entitlement Community |
| Continuum of Care Grant (except Balance of State counties) | Federal | Not eligible/NA | | $ - | $ - | Thurston is a Balance of State County |
| Youth Homelessness Demonstration Project Grants (except Balance of State counties) | Federal | Not eligible/NA | | $ - | $ - | Thurston is a Balance of State County |
| Human Services Fund | Local | Receiving/ Collecting | Operating | $350,821 | $357,708 | Portion of local sales tax revenue from Lacey, Olympia, Tumwater and Thurston County |
| Encampment Resolution Program | State | Receiving/ Collecting | Operating | $5,319,299 | $5,576,751 | Includes Olympia and Thurston County |
| HOME Investment Partnership | Federal | Receiving/ Collecting | Capital | $733,799 | $767,836 | |

# Appendix D: Estimates of permanent and emergency housing needs

In 2021, the Washington State Legislature passed HB 1220 which requires cities, towns, and counties to "plan for and accommodate" future housing affordable to a range of incomes and to document the projected housing need each jurisdiction is planning for in the housing element of its comprehensive plan. Specifically, jurisdictions must estimate the number of housing units needed for moderate, low, very low, and extremely low-income households, and emergency housing, emergency shelters, and permanent supportive housing.

Thurston County and the cities of Lacey, Olympia, Tenino, Tumwater, and Yelm contracted with Thurston Regional Planning Council (TRPC) to facilitate a process and provide data analysis support to implement this law. As a result, TRPC created the report "Planning for and Accommodating Housing Needs in Thurston County: Implementing the Housing Affordability Requirements of HB 1220" in April 2025. The full report can be found at: [Planning for and Accommodating Housing Needs in Thurston County 2025-05-15]

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

Excerpts from this report are included in this appendix, which include tables that provide projections of future housing needs, including for permanent housing needs for households making 0-30% of the Area Median Income (AMI) and emergency housing needs. This information fulfills the requirement to provide "Estimates of Permanent and Emergency Housing Needs." The tables in the appendix and the full report include the following:

- Estimate of future Permanent Housing needs for households making 0-30% of the Area Median Income (AMI)
- Estimate of future Permanent Housing need operated as a Permanent Supportive Housing model for households making 0-30% of the AMI
- Estimate of future Emergency Housing need (i.e., emergency shelter and emergency housing)
- Estimates are made through at least the 5-year period of the plan
- Estimates include the full 20-year projection of needed housing units provided by Commerce
- The estimates were developed in collaboration with Local Providers.
- The estimates were developed in collaboration with Local Comprehensive Planners.

# HOUSING NEED ALLOCATIONS

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

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

**Fair**

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

**Clear**

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

**Cooperative**

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

The project partners also agreed that the total number of housing units allocated to each jurisdiction should be consistent with the jurisdiction population, employment, and housing projections adopted by TRPC in September 2019.[2]

## Countywide Housing Needs

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

*Table 2: TRPC Projected Housing Need by Jurisdiction*

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

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

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

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

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

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

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

## Baseline Housing Supply

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

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

HB 1220 only requires housing need allocations for cities, towns, and the unincorporated areas. However, the partners requested housing allocations for the unincorporated UGAs to inform how they plan for housing needs in areas likely to be annexed over the next 20 years. These UGA estimates are for informational purposes only; Thurston County — in consultation with the cities — has discretion over how the housing need is allocated between urban and rural unincorporated areas as long as the total housing units align with Table 2.

## Preferred Allocation Method

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

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

The preferred method:

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

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

*Table 4: 2020-2045 Housing Need Allocations*

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

*Adopted by TRPC on December 6, 2024.*

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

## 2025-2030 Housing Need Allocation

The following table is a projection of the five-year housing allocation need for the 2025-2030 period. These numbers were determined by calculating 20% of the Housing Units allocation in the 2020-2045 Housing Need Allocation Table that is shown on the previous page.

| | | Housing Units | | | | | | | | Beds |
|---|---|---|---|---|---|---|---|---|---|---|
| | | Total | Income Level (Percent of Area Median Income) | | | | | | | Emergency Housing |
| | | | 0-30% | | 30-50% | 50-80% | 80-100% | 100-120% | Remainder | |
| | | | PSH | Non-PSH | | | | | | |
| Bucoda | Town | 27 | 1 | 2 | 0 | 2 | 13 | 4 | 4 | 1 |
| Lacey | City | 1031 | 85 | 217 | 240 | 103 | 0 | 108 | 278 | 21 |
| | UGA | 1794 | 137 | 340 | 294 | 568 | 0 | 144 | 312 | 36 |
| | Total | 2825 | 222 | 557 | 534 | 671 | 0 | 252 | 590 | 57 |
| Olympia | City | 2529 | 188 | 468 | 575 | 118 | 419 | 229 | 532 | 51 |
| | UGA | 330 | 31 | 56 | 87 | 0 | 47 | 30 | 79 | 7 |
| | Total | 2859 | 219 | 524 | 662 | 118 | 466 | 259 | 611 | 58 |
| Rainier | City | 114 | 9 | 21 | 0 | 32 | 9 | 21 | 23 | 2 |
| | UGA | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 5 | 0 |
| | Total | 119 | 9 | 21 | 0 | 32 | 9 | 21 | 28 | 2 |
| Tenino | City | 104 | 7 | 13 | 0 | 0 | 44 | 19 | 21 | 2 |
| | UGA | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 2 | 0 |
| | Total | 106 | 7 | 13 | 0 | 0 | 44 | 19 | 23 | 2 |
| Tumwater | City | 1335 | 111 | 264 | 200 | 226 | 161 | 125 | 248 | 27 |
| | UGA | 503 | 34 | 83 | 61 | 159 | 67 | 34 | 65 | 10 |
| | Total | 1838 | 145 | 347 | 261 | 385 | 228 | 159 | 313 | 37 |
| Yelm | City | 1501 | 111 | 275 | 218 | 417 | 104 | 151 | 225 | 30 |
| | UGA | 29 | 2 | 5 | 6 | 0 | 0 | 8 | 8 | 1 |
| | Total | 1530 | 113 | 280 | 224 | 417 | 104 | 159 | 233 | 31 |
| Grand Mound | UGA | 62 | 3 | 8 | 5 | 29 | 11 | 2 | 4 | 1 |
| Rural Unincorporated | | 1506 | 0 | 0 | 0 | 0 | 0 | 0 | 1506 | 0 |
| **Thurston County** | | 20149 | 1434 | 3494 | 3367 | 3277 | 1726 | 1744 | 5110 | 376 |

# Appendix E: Prioritization criteria of homeless housing capital projects

**Background**

Thurston County has established the Regional Housing Council (RHC) with the primary purpose of leveraging resources and partnerships through policies and projects that promote equitable access to safe and affordable housing in the county. These are the guiding principles used by the RHC when prioritizing capital projects. The RHC considers issues specifically related to funding a regional response to homelessness and affordable housing and ways to better coordinate existing funding programs to implement the Five-Year Homeless Crisis Response Plan and increase affordable housing options.

Thurston County and the cities of Lacey, Olympia, Tumwater, and Yelm formally adopted an interlocal agreement to formalize the RHC in February 2021. An elected official from each jurisdiction serves as the voting member to the RHC. In 2023, the RHC established two advisory boards to make recommendations on related priorities, funding, and policies. These advisory boards are the Thurston Affordable Housing Advisory Board (TAHAB) and the Thurston Homeless Services Advisory Board (HSAB). These two advisory boards are made up of community members who are subject matter experts and/or work within or have lived experience of homelessness or living in affordable housing.

The primary purpose of the TAHAB is to make funding recommendations to the RHC related to the expenditure of the following funding sources: the combined county-wide and Olympia Home Fund, federal HOME Investment Partnership, HB 1406, and HB 5386 (capital funds). Eligible activities that can be supported through these funding sources include new construction, expansion, renovation, rehabilitation or preservation of affordable and/or homeless housing for low – to moderate- income households.

**Process**

Annually, the TAHAB selects funding priorities for capital projects to be solicited through an annual Request for Proposals (RFP). Historically, priorities have included funding projects proposed for development in specific geographic areas in the county and/or projects with a focus on 0-60% AMI populations. The TAHAB also reviews the criteria that will be used to score applications *(example in Table 1)*. The scoring criteria may be updated to reflect the priorities selected in that given year. Once recommended priorities and the scoring criteria have been approved by the RHC, Thurston County, as the fiscal agent of the RHC, releases the RFP for Capital Projects. The proposal application period is typically open for one month, during which time a Bidder's Conference is held to answer questions related to the RFP.

All project submissions must include an eligible activity under HUD regulations for the HOME program, SSB 5386, SHB 1406, or the Local Home Fund as appropriate, and meet performance measures required under these programs. The applicant must also demonstrate that they can meet and maintain compliance with applicable federal, state, and local regulations. The County also notes that a Zoning Certificate for new construction/rehabilitation projects may be requested.

Once the application period closes, all TAHAB members review, and score submitted proposals using the established scoring criteria. After scoring is complete, County staff average scores and compile reviewer comments to be used during the TAHAB meeting where funding recommendations are discussed and decided. Once a funding recommendation is agreed upon by the TAHAB, that recommendation is forwarded to the RHC, and then to the Thurston County Board of County Commissioners for final approval.

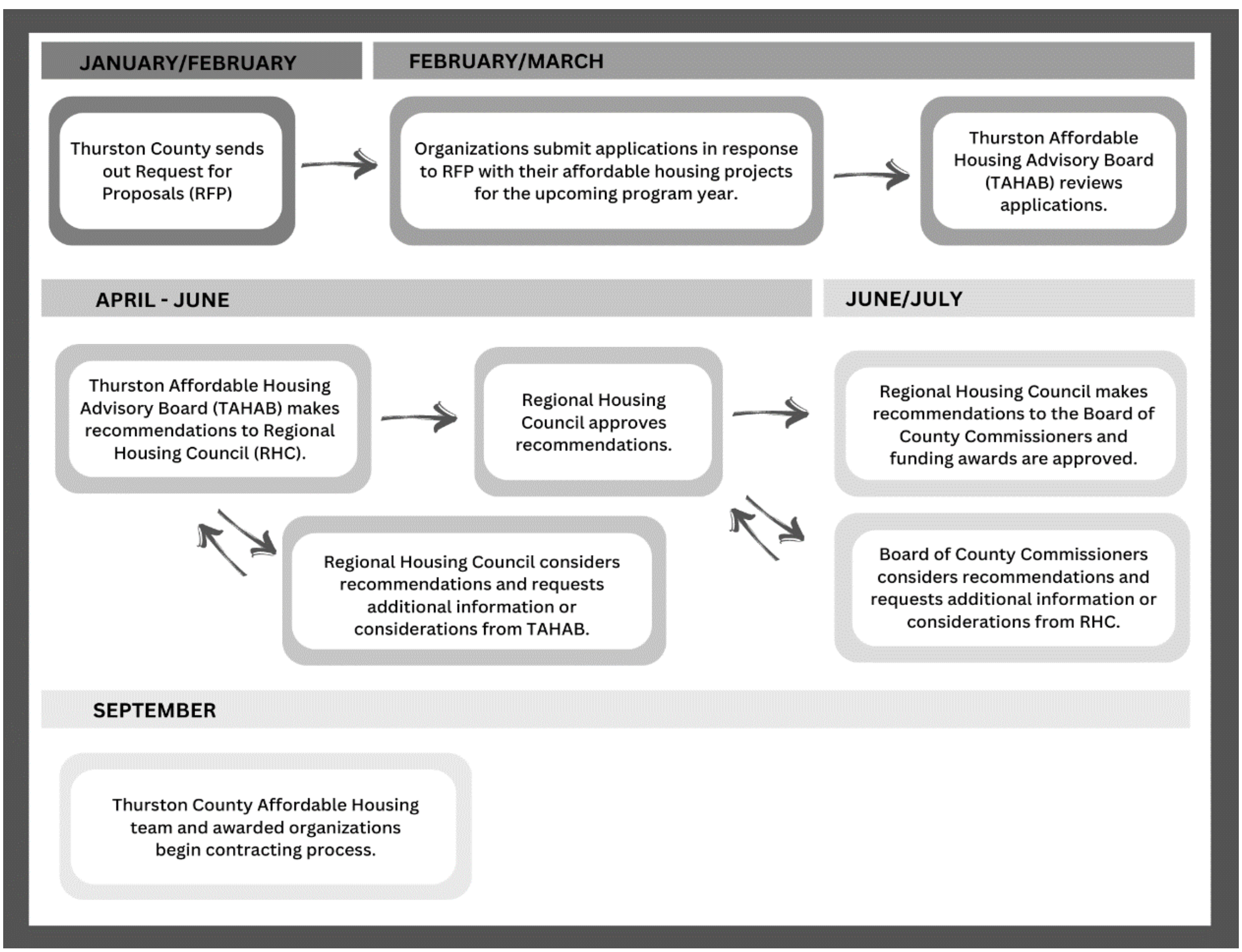
The full annual RFP process is shown below in Table 2.

**Table 1 - Example of Scoring Criteria for Affordable Housing Capital Projects**

| Criteria # | Criteria | Points |
|---|---|---|
| **1** | **Importance to the Community.** The project meets a need in the community. Special consideration will be given to projects in rural areas (outside of Olympia, Lacey, and Tumwater) of Thurston County. | 20 |
| **2** | **Project Design**. Clearly defined scope, goals, outcomes/performance measures, and plan for long-term financial sustainability | 15 |
| **3** | **Cost Effectiveness.** The total project cost is appropriate for the expected impact. | 15 |
| **4** | **Partnerships and Collaborations**. Project formally collaborates with partner organizations to maximize impacts. | 5 |
| **5a** | **Supports Vulnerable and Historically Disadvantaged Populations**. Project is accessible to persons with disabilities and to Veterans. Agency is actively engaging in processes aimed to reduce racial disparity and to reduce discrimination in rental housing and homeownership. Agencies are providing training to ensure culturally competent services are provided to vulnerable and historically disadvantaged populations. | 15 |
| **5b** | **By and For/Culturally Specific Organization and/or BIPOC leadership in Organization.** Applicant agency is a by and for/culturally specific organization that serves and are substantially governed by marginalized populations including LGBTQIA and/or has senior leadership positions filled by persons who self-identify as Black, Indigenous, or Person of Color (BIPOC). Senior leadership includes, but is not limited to Executive Director, Chief Executive Officer, Chief Financial Officer, Senior Developer, Chair of the Board of Directors, President, or Vice President. | 10 |

| | | |
|---|---|---|
| 6 | **Financial Capacity.** Organization has the financial capacity and processes in place to successfully manage capital project financing requirements.<br><br>*Capital Projects Only*: Project financial sustainability will also be considered under this criterion. Does the project have a clear and reasonable plan to sustain the operations of the project. | 10 |
| 7 | **Responsive Application.** All relevant questions answered and information is responsive to the questions asked. | 5 |
| 8 | **Staff Capacity**. Evidence of qualified staff and capacity to manage project | 10 |
| 9 | **Timeliness.** Ready to begin project within 12 months and reasonable expectation to complete project within 36 months. | 10 |
| **10** | **Past Compliance**.<br>• No unresolved audit or program monitoring finding (no program monitoring conducted - ok) – 5 points<br>• Audit finding, no audit conducted or unresolved program monitoring finding – 0 points | 5 |
| | **Total Maximum Score** | **120** |

**Table 2 – Annual RFP Process Timeline**



# Appendix F: Documentation of public engagement

## Notice of Plan Development

Announcement published on the Thurston County Public Health & Social Services website and on social media.

**PUBLIC HEALTH AND SOCIAL SERVICES DEPARTMENT**

THURSTON COUNTY
WASHINGTON
SINCE 1852

| **Carolina Mejia** | **Gary Edwards** | **Tye Menser** | **Wayne Fournier** | **Emily Clouse** |
|---|---|---|---|---|
| District 1 | District 2 | District 3 | District 4 | District 5 |

**Jen Freiheit, PhD, MCHES** Director **Dimyana Abdelmalek, MD, MPH** Health Officer

December 2024

# Notice of Plan Development

*Thurston County Public Health & Social Services is leading the development of Thurston County's Local Homeless Housing Plan for 2025-2030.*

Washington State Department of Commerce (Commerce) requires local jurisdictions to submit a local homeless housing plan every five years. Commerce provides guidelines with requirements and objectives for local jurisdictions to follow. The local plans come together at Commerce in the State Strategic Plan and Annual Report to the Legislature on Washington's efforts to address homelessness. The local plans serve as a five-year roadmap identifying state and county activities and goals, while the report highlights accomplishments and course adjustments.

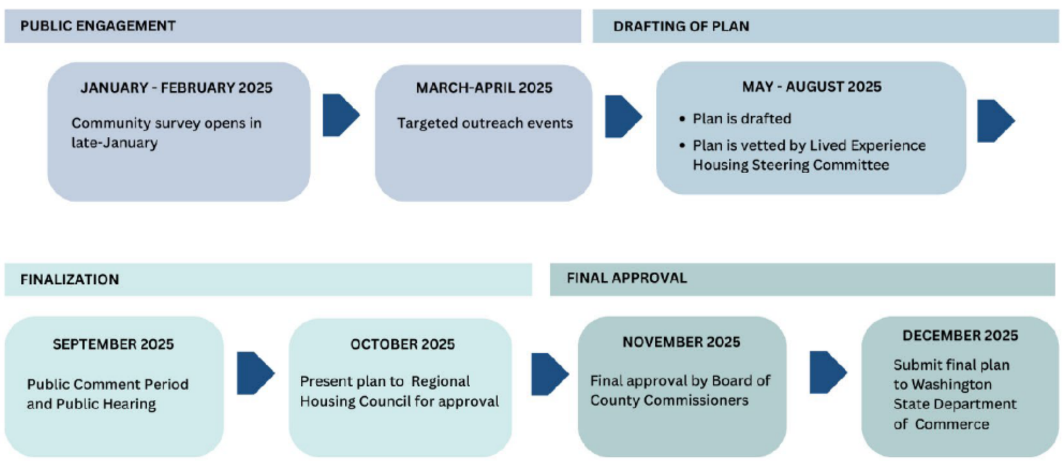
Thurston County Office of Housing & Homeless Prevention staff is leading a core team of stakeholders in developing the Local Homeless Housing Plan for Thurston County. The stakeholders include representatives from organizations working directly in homeless services, behavioral health, and opioid response/prevention. Thurston County's Lived Experience Housing Steering Committee is participating in the development by providing guidance and vetting of the development process and the plan.

**Plan Objectives**
There are five objectives of the plan identified by Washington State Department of Commerce.


**Office of Housing and Homeless Prevention**
412 Lilly Road NE, Olympia, WA 98506-5132
(360) 867-2500 FAX (360) 867-2600 TTY/WA Relay 711 or 1-800-833-6388

Public engagement begins in early 2025 with a community survey and targeted outreach events to gather input. The development of the plan will continue through 2025 and be finalized and adopted in November 2025.

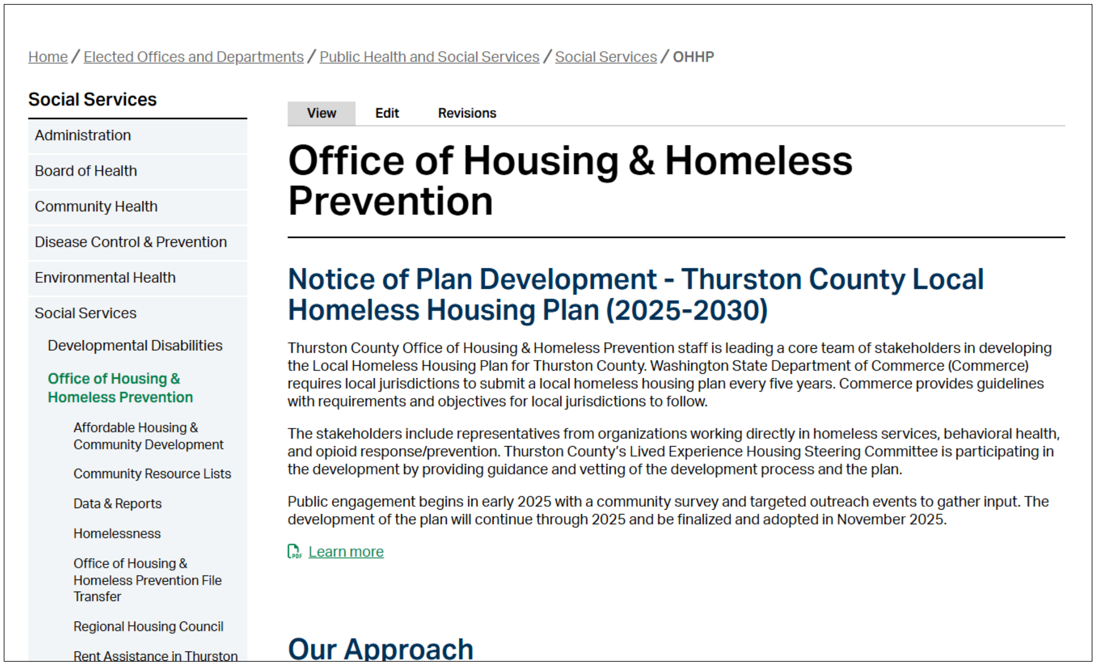
**Planned Timeline**




Opportunities to engage in the process and updates will be shared on Thurston County Public Health & Social Services social media, on the [Office of Housing & Homeless Prevention website](), and through targeted outreach.

**Office of Housing and Homeless Prevention**
412 Lilly Road NE, Olympia, WA 98506-5132
(360) 867-2500 FAX (360) 867-2600 TTY/WA Relay 711 or 1-800-833-6388
www.thurstoncountywa.gov/phss

Screenshot website in December 2024



Home / Elected Offices and Departments / Public Health and Social Services / Social Services / OHHP

**Social Services**

- Administration
- Board of Health
- Community Health
- Disease Control & Prevention
- Environmental Health
- Social Services
  - Developmental Disabilities
  - Office of Housing & Homeless Prevention
    - Affordable Housing & Community Development
    - Community Resource Lists
    - Data & Reports
    - Homelessness
    - Office of Housing & Homeless Prevention File Transfer
    - Regional Housing Council
    - Rent Assistance in Thurston

View Edit Revisions

# Office of Housing & Homeless Prevention

## Notice of Plan Development - Thurston County Local Homeless Housing Plan (2025-2030)

Thurston County Office of Housing & Homeless Prevention staff is leading a core team of stakeholders in developing the Local Homeless Housing Plan for Thurston County. Washington State Department of Commerce (Commerce) requires local jurisdictions to submit a local homeless housing plan every five years. Commerce provides guidelines with requirements and objectives for local jurisdictions to follow.

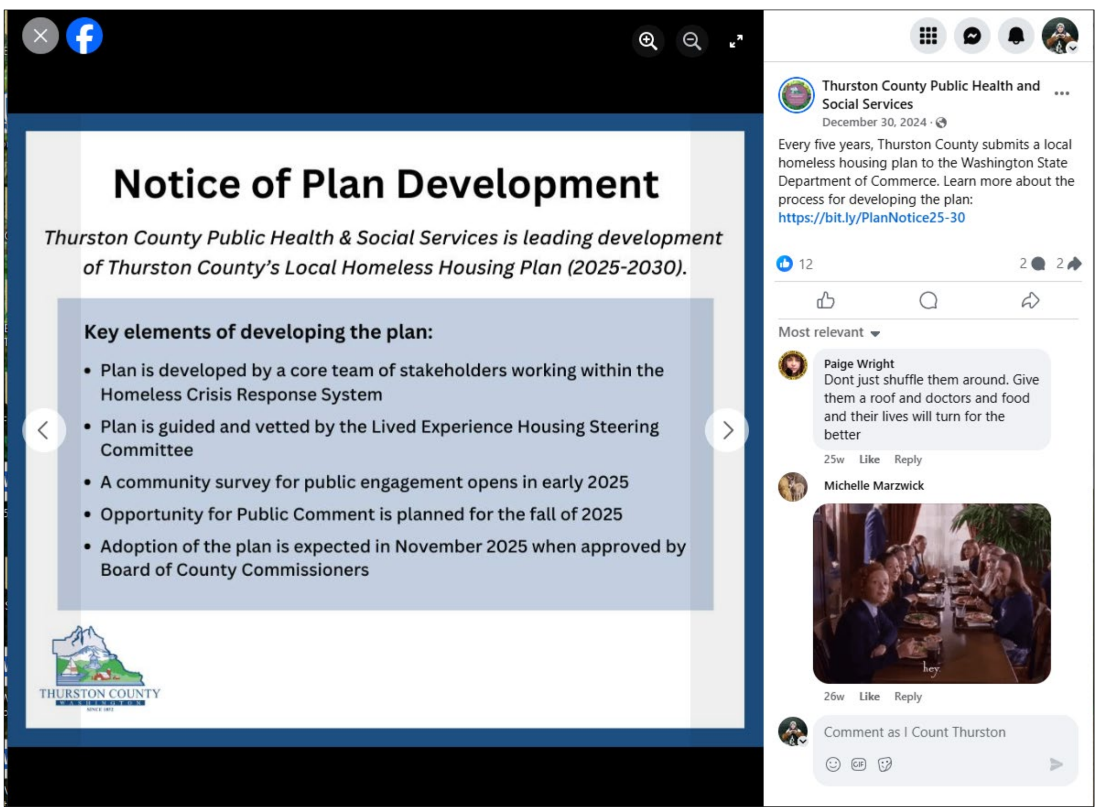
The stakeholders include representatives from organizations working directly in homeless services, behavioral health, and opioid response/prevention. Thurston County's Lived Experience Housing Steering Committee is participating in the development by providing guidance and vetting of the development process and the plan.

Public engagement begins in early 2025 with a community survey and targeted outreach events to gather input. The development of the plan will continue through 2025 and be finalized and adopted in November 2025.

Learn more

## Our Approach

Screenshot of social media post



# Thurston County Local Homeless Housing Plan 2025-2030 Website

View the live website at bit.ly/ThurstonHHPlan.

Screenshot of website:

- Administration
- Board of Health
- Community Health
- Disease Control & Prevention
- Environmental Health
- Social Services
  - Developmental Disabilities
  - Office of Housing & Homeless Prevention
    - Affordable Housing & Community Development
    - Community Resource Lists
    - Data & Reports
    - Development of Thurston County's Local Homeless Housing Plan for 2025-2030
    - Homelessness
    - Office of Housing & Homeless Prevention File Transfer
    - Regional Housing Council
    - Rent Assistance in Thurston County
    - Request for Proposals & Grantee Information
    - [DRAFT] Community Resource Icon Page
  - Veterans' Assistance
- Treatment Sales Tax
- Vital Services

# Thurston County's Local Homeless Housing Plan for 2025-2030

## Notice of Plan Development - Thurston County Local Homeless Housing Plan (2025-2030)

Thurston County Office of Housing & Homeless Prevention staff is leading a core team of stakeholders in developing the Local Homeless Housing Plan for Thurston County. Washington State Department of Commerce (Commerce) requires local jurisdictions to submit a local homeless housing plan every five years. Commerce provides guidelines with requirements and objectives for local jurisdictions to follow.

The stakeholders include representatives from organizations working directly in homeless services, behavioral health, and opioid response/prevention. Thurston County's Lived Experience Housing Steering Committee is participating in the development by providing guidance and vetting of the development process and the plan.

The development of the plan will continue through 2025 and be finalized and adopted in November 2025.

- News Release - February 4, 2025
- Notice of Plan Development - December 2024

## Public Engagement

Public engagement is required during the development of the Homeless Housing Plan. The stakeholder group and the Lived Experience Housing Steering Committee agreed on conducting surveys as part of the public engagement process. There were two surveys designed to gather input based on the requirements and objectives of the plan set by the Washington State Department of Commerce. These surveys were open February 5 - March 9, 2025.

In May, members of the stakeholder groups conducted targeted engagement sessions with Thurston County residents experiencing homelessness and housing instability and an engagement session with frontline staff at homeless service organizations.

Feedback from the surveys and engagement sessions is being used to help inform the development of the Homeless Housing Plan.

The plan is currently being drafted and the official public comment period will be in the fall of 2025.

## Plan Objectives

Washington State Department of Commerce (Commerce) requires local jurisdictions to submit a local homeless housing plan every five years. Commerce provides guidelines with requirements and objectives for local jurisdictions to follow.

**For the 2025-2030 Local Homeless Housing Plan, Commerce has identified five objectives.**

- Promote an equitable, accountable, and transparent homeless crisis response system
- Strengthen the homeless service provider workforce
- Prioritize assistance based on the greatest barriers to housing stability and the greatest risk of harm
- Prevent episodes of homelessness whenever possible
- Seek to house everyone in a stable setting that meets their needs

## Plan Development Timeline

**General Timeline for Plan Development**

- Public Engagement: February-May 2025
- Drafting of Plan: May-August 2025
- Public Comment Period and Public Hearing: September 2025
- Present plan to Regional Housing Council for approval: October 2025
- Present plan to Board of Thurston County Commissioners for final approval: November 2025
- Submit final plan to Washington State Department of Commerce: December 2025

# Community Survey for Input

## COMMUNITY SURVEY OUTREACH

News Release:

THURSTON COUNTY
WASHINGTON
SINCE 1852

*Creating Solutions for Our Future*

# News Release

**County Manager**
Leonard Hernandez

**County Commissioners**
Carolina Mejia – District One
Rachel Grant – District Two
Tye Menser – District Three
Wayne Fournier – District Four
Emily Clouse – District Five

**FOR IMMEDIATE RELEASE: Tuesday, February 4, 2025**

**CONTACT:** Renae Miller, Public Information Supervisor, Thurston County Public Health and Social Services, (360) 463-0362 or renae.miller@co.thurston.wa.us
Dr. Jen Freiheit, Director, Thurston County Public Health and Social Services

**Homeless Housing Survey Opens for Thurston County Residents**

*Input from survey will help inform the development of Thurston County's Homeless Housing Plan for 2025-2030*

OLYMPIA – A survey for Thurston County residents asks opinions on homeless housing programs and services.

The Office of Housing & Homeless Prevention is conducting a community survey as part of the public engagement process for developing Thurston County's Local Homeless Housing Plan (2025-2030). Thurston County residents are encouraged to take the survey at bit.ly/HousingSurvey2025. The survey will close on Monday, March 3, 2025.

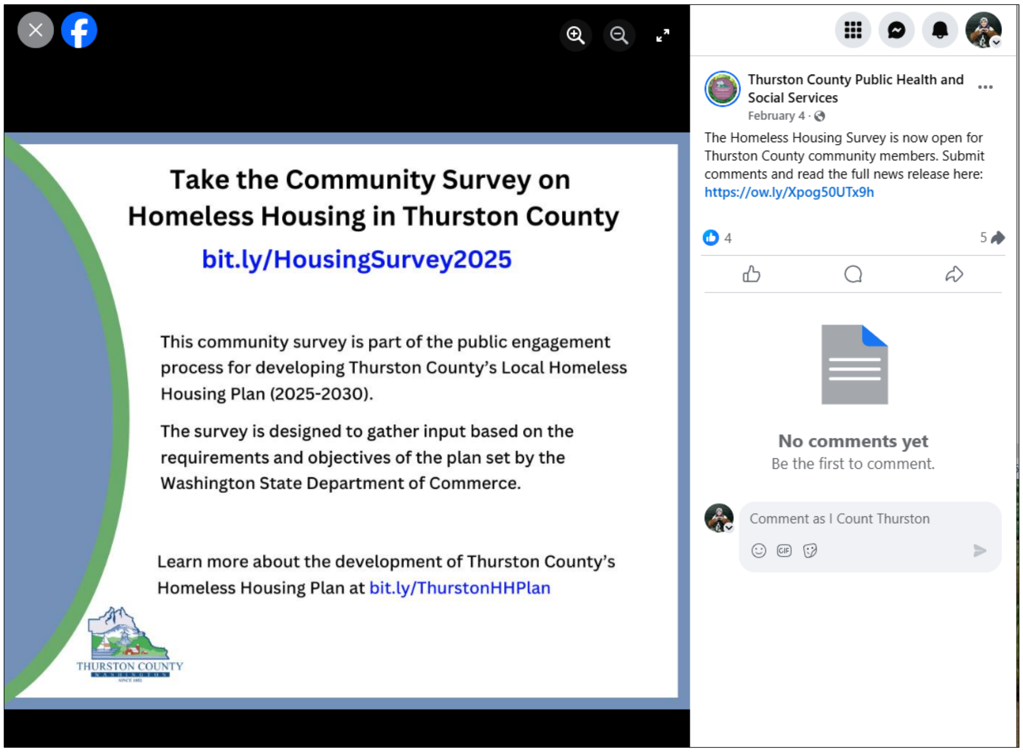
The Office of Housing & Homeless Prevention (OHHP) staff are leading a core team of stakeholders in developing the Local Homeless Housing Plan for Thurston County (2025-2030). Washington State Department of Commerce (Commerce) requires local jurisdictions to submit a local homeless housing plan every five years. Commerce provides guidelines with requirements and objectives for local jurisdictions to follow.

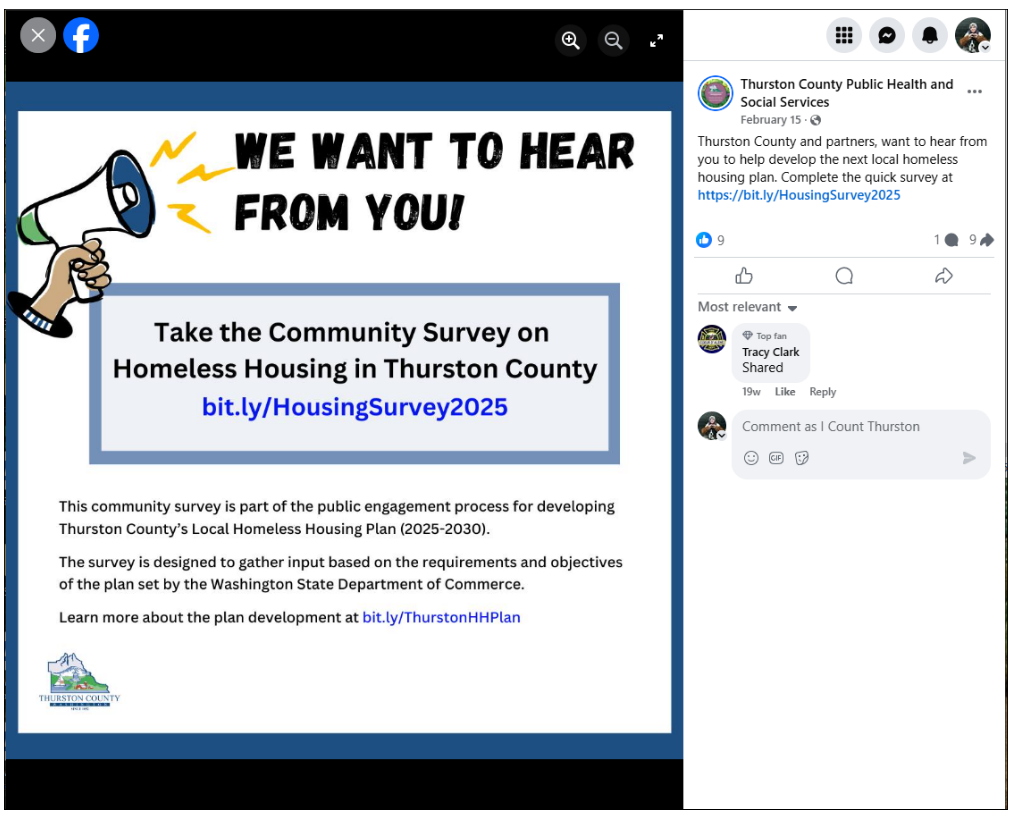
The stakeholders include representatives from organizations working directly in homeless services, behavioral health, and opioid response/prevention. Thurston County's Lived Experience Housing Steering Committee is participating in the development by providing guidance and vetting of the development process and the plan.

Public engagement is required during the development of the plan. The stakeholder group and the Lived Experience Housing Steering Committee agreed on conducting surveys as part of the public engagement process. Following the survey, OHHP will hold in-person/virtual public engagement sessions later this spring. The public engagement sessions are still in the planning phase. Keep up to date on the development of the plan and the public engagement opportunities at bit.ly/ThurstonHHPlan.

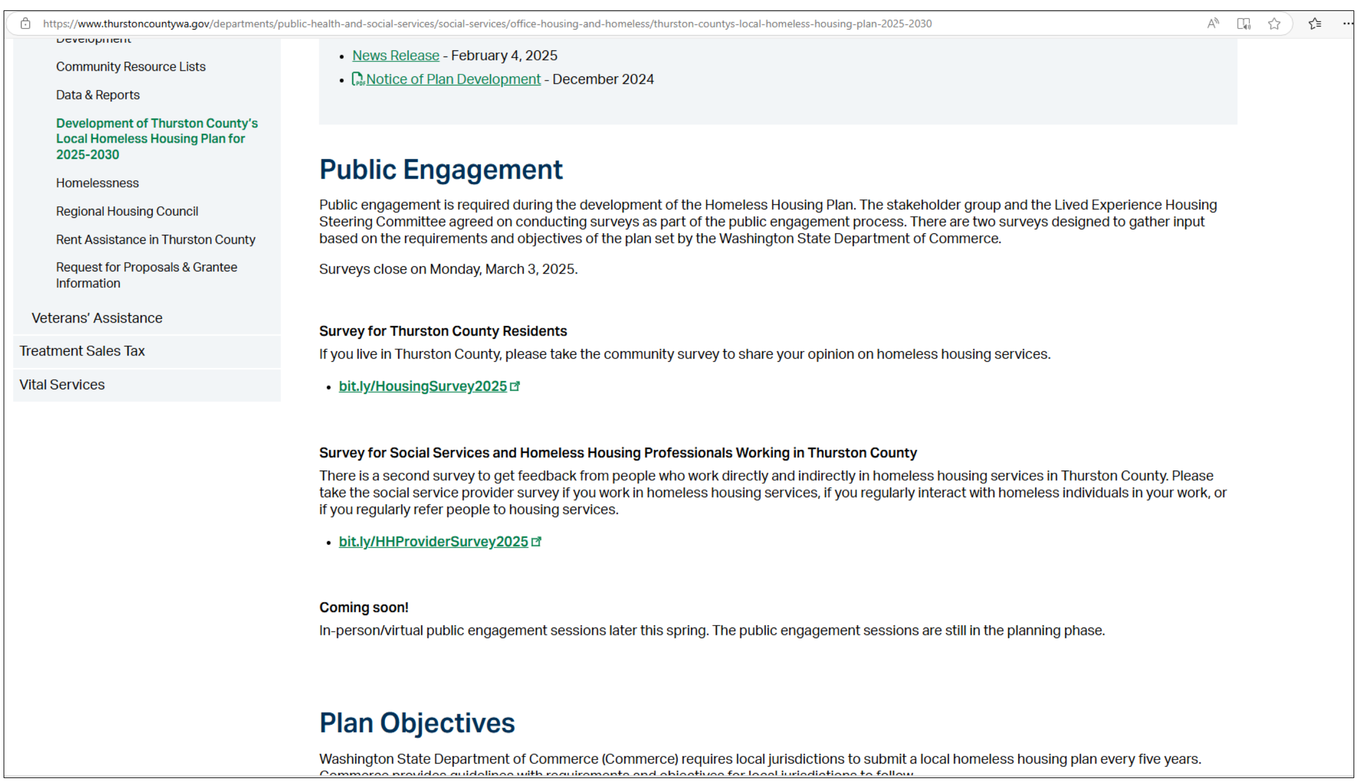
Thurston County Board of Commissioners, 3000 Pacific Avenue SE, Olympia, WA 98501
www.thurstoncountywa.gov (360) 786-5440 Fax: (360) 754-4104 TDD: 711 or 1-800-833-6388

Screenshot of social media posts:




Screenshot of website:



## COMMUNITY SURVEY QUESTIONS AND RESULTS

| Q1. What is your current housing status? | | |
|---|---|---|
| Answer Choices | Responses | |
| Unsheltered (living in vehicle, in a tent, etc) | 3.41% | 19 |
| Sheltered (staying in an emergency shelter) | 0.54% | 3 |
| Temporary housing (doubled up, couch surfing, hotel, transitional housing program) | 2.33% | 13 |
| Rent a single-family home | 9.52% | 53 |
| Renting a unit (apartment, duplex unit, etc) | 15.62% | 87 |
| Own mobile home or trailer, rent lot space | 2.51% | 14 |
| Rent a room | 2.33% | 13 |
| Own a home (any kind, without rent) | 58.53% | 326 |
| Self paid hotel | 0.00% | 0 |
| Other (please specify) | 5.21% | 29 |
| | **Answered** | **557** |
| | **Skipped** | **0** |
| | | |
| Q2. Have you experienced homelessness within the last ten years? | | |
| Answer Choices | Responses | |
| Yes | 16.88% | 94 |
| No | 83.12% | 463 |
| | **Answered** | **557** |
| | **Skipped** | **0** |
| | | |
| Q3. What is your current housing status? | | |
| Answer Choices | Responses | |
| Renting a single-family home | 19.32% | 17 |
| Renting a room | 7.95% | 7 |
| Own a mobile home or trailer | 11.36% | 10 |
| Other (please specify) | 63.64% | 56 |
| | **Answered** | **88** |
| | **Skipped** | **469** |
| | | |
| Q4. Where did you experience homelessness? Choose all that apply. | | |
| Answer Choices | Responses | |
| In Thurston County | 80.68% | 71 |
| In another part of Washington state | 25.00% | 22 |
| In another state | 21.59% | 19 |
| In another country | 2.27% | 2 |
| | **Answered** | **88** |

| | | |
|---|---|---|
| | **Skipped** | **469** |

| Q5. What factors led to your homelessness? Choose all that apply. | | |
|---|---|---|
| Answer Choices | Responses | |
| Job loss/unemployment | 41.57% | 37 |
| Aged out of foster care | 0.00% | 0 |
| Eviction/loss of housing | 29.21% | 26 |
| Unable to work | 21.35% | 19 |
| Discharged from hospital | 3.37% | 3 |
| Medical costs | 4.49% | 4 |
| Released from criminal justice system | 10.11% | 9 |
| Lack of childcare | 6.74% | 6 |
| Personal choice | 4.49% | 4 |
| Mental or behavioral health conditions | 34.83% | 31 |
| Physical health | 19.10% | 17 |
| Disability | 28.09% | 25 |
| Alcohol/substance use | 16.85% | 15 |
| Family rejection/kicked out of home | 28.09% | 25 |
| Domestic violence | 29.21% | 26 |
| Guardian or parent had mental, behavioral health or substance use disorders | 10.11% | 9 |
| Illness | 5.62% | 5 |
| Abuse/neglect | 17.98% | 16 |
| Rent increases | 29.21% | 26 |
| Other (please specify) | 15.73% | 14 |
| | **Answered** | **89** |
| | **Skipped** | **468** |

| Q6. Have you experienced housing conditions you considered unsafe or uninhabitable? Check all that apply. | | |
|---|---|---|
| Answer Choices | Responses | |
| Large amounts of mold or areas of mold throughout the home that was not adequately addressed | 42.70% | 38 |
| The conditions in the home made me or a member of the household sick | 31.46% | 28 |
| Pest infestation (rodents or bugs) that was not addressed | 25.84% | 23 |
| Broken or unusable appliances that were not addressed | 26.97% | 24 |
| Not enough heat to keep the home consistently heated to at least 60 degrees | 25.84% | 23 |
| Repairs needed for safety that were not addressed, like broken steps, holes in the ground, broken windows, electrical issues, etc. | 39.33% | 35 |
| I’ve experienced some small issues like these, but nothing serious. | 22.47% | 20 |
| I have not experienced unsafe or uninhabitable living conditions. | 16.85% | 15 |
| Other (please specify) | 13.48% | 12 |
| | **Answered** | **89** |

| | | |
|---|---|---|
| | **Skipped** | **468** |
| | | |
| | | |

Q7. What helped resolve your homelessness? Check all that apply.

| Answer Choices | Responses | |
|---|---|---|
| Nothing yet, I am currently homeless | 33.73% | 28 |
| Outreach team connected me to services | 6.02% | 5 |
| The Coordinated Entry process | 7.23% | 6 |
| Inpatient substance use treatment | 0.00% | 0 |
| Outpatient substance use treatment | 1.20% | 1 |
| Inpatient mental or behavioral health treatment | 0.00% | 0 |
| Outpatient mental or behavioral health treatment | 3.61% | 3 |
| Case management/social worker | 13.25% | 11 |
| Transitional housing | 1.20% | 1 |
| Rapid rehousing program | 7.23% | 6 |
| Tiny home village | 1.20% | 1 |
| Habitat for Humanity home ownership program | 2.41% | 2 |
| Permanent supportive housing | 2.41% | 2 |
| I had help finding a job | 4.82% | 4 |
| I found a job on my own | 19.28% | 16 |
| Workforce housing | 0.00% | 0 |
| Family or friend helped me with funds | 14.46% | 12 |
| Family or friend gave me a place to live | 33.73% | 28 |
| I got into a housing program | 13.25% | 11 |
| I found my own home | 15.66% | 13 |
| None of these things | 2.41% | 2 |
| Other (please specify) | 20.48% | 17 |
| | **Answered** | **83** |
| | **Skipped** | **474** |

Q8. In your experience, what's difficult about getting resources or services? Choose all that apply.

| Answer Choices | Responses | |
|---|---|---|
| It was overwhelming, stressful, or difficult | 64.63% | 53 |
| Not having access to a phone | 23.17% | 19 |
| Not getting calls back from organizations | 46.34% | 38 |
| Not being able to access during business hours | 26.83% | 22 |
| I don't have transportation | 32.93% | 27 |
| I don't know where to go | 32.93% | 27 |
| Program rules are too strict | 18.29% | 15 |
| Separation from Partner/Spouse when accessing services | 13.41% | 11 |

| | | |
|---|---|---|
| I didn't follow through after I was accepted into a program | 1.22% | 1 |
| There were issues with program staff | 10.98% | 9 |
| They wanted me to give up my pet | 17.07% | 14 |
| I didn't experience any issues | 6.10% | 5 |
| I never heard back after applying | 32.93% | 27 |
| I didn't qualify for services | 37.80% | 31 |
| It's not difficult for me | 3.66% | 3 |
| Other (please specify) | 23.17% | 19 |
| | **Answered** | **82** |
| | **Skipped** | **475** |

| Q9. Have you experienced discrimination when seeking resources or services? Please select all that apply. | | |
|---|---|---|
| Answer Choices | Responses | |
| No, I have not felt discriminated against | 48.75% | 39 |
| Yes, based on my race | 10.00% | 8 |
| Yes, based on my sexual orientation | 11.25% | 9 |
| Yes, based on my gender identity | 15.00% | 12 |
| Yes, based on my ethnicity | 8.75% | 7 |
| Yes, based on my national origin | 5.00% | 4 |
| Yes, based on my age | 16.25% | 13 |
| Yes, based on my language | 3.75% | 3 |
| Yes, based on my religion | 3.75% | 3 |
| Yes, based on my disability status | 20.00% | 16 |
| Yes, based on my veteran status | 0.00% | 0 |
| Other (please specify) | 17.50% | 14 |
| | **Answered** | **80** |
| | **Skipped** | **477** |

| Q10. What kind of resources or services did you access? Choose all that apply. | | |
|---|---|---|
| Answer Choices | Responses | |
| I did not/was not able to access any | 26.83% | 22 |
| Outreach services | 23.17% | 19 |
| Coordinated Entry | 26.83% | 22 |
| Emergency Shelter | 9.76% | 8 |
| Transitional Housing | 12.20% | 10 |
| Rapid rehousing | 15.85% | 13 |
| Workforce housing | 0.00% | 0 |
| Rent Assistance | 30.49% | 25 |
| Food/Meals | 37.80% | 31 |

| | | |
|---|---|---|
| Tiny home | 1.22% | 1 |
| Permanent supportive housing | 7.32% | 6 |
| Habitat home ownership | 3.66% | 3 |
| Showers/Hygiene | 21.95% | 18 |
| Pet care | 6.10% | 5 |
| Substance use treatment (Inpatient or outpatient) | 7.32% | 6 |
| Mental/Behavioral Health Treatment (inpatient or outpatient) | 15.85% | 13 |
| Case Management | 19.51% | 16 |
| Parenting Support | 9.76% | 8 |
| Childcare Support | 6.10% | 5 |
| Domestic Violence Shelter Services | 9.76% | 8 |
| Domestic Violence Advocacy | 8.54% | 7 |
| Criminal Justice Diversion | 0.00% | 0 |
| Financial Support through diversion programs | 6.10% | 5 |
| Other (please specify) | 14.63% | 12 |
| | **Answered** | **82** |
| | **Skipped** | **475** |
| | | |
| | | |
| Q11. What worked well for you in getting resources or services? Choose all that apply. | | |
| Answer Choices | Responses | |
| I felt supported by program staff | 18.75% | 15 |
| I felt welcomed and not judged | 21.25% | 17 |
| Communication was good | 15.00% | 12 |
| Hours of operation fit my schedule | 3.75% | 3 |
| Learned about programs/services I qualify for | 27.50% | 22 |
| Nothing worked well | 50.00% | 40 |
| Location was accessible | 8.75% | 7 |
| Other (please specify) | 17.50% | 14 |
| | **Answered** | **80** |
| | **Skipped** | **477** |
| | | |
| Q12. What kind of resources or services do you still need/access? Choose all that apply. | | |
| Answer Choices | Responses | |
| I don't need any support | 24.39% | 20 |
| Outreach services | 12.20% | 10 |
| Coordinated Entry | 17.07% | 14 |
| Emergency Shelter | 4.88% | 4 |
| Transitional Housing | 14.63% | 12 |
| Rapid rehousing | 21.95% | 18 |
| Workforce housing | 7.32% | 6 |

| | | |
|---|---|---|
| Rent Assistance | 42.68% | 35 |
| Food/Meals | 34.15% | 28 |
| Financial Support through diversion programs | 15.85% | 13 |
| Permanent supportive housing | 31.71% | 26 |
| Habitat home ownership | 9.76% | 8 |
| Showers/Hygiene | 10.98% | 9 |
| Pet care | 12.20% | 10 |
| Substance use treatment (Inpatient or outpatient) | 6.10% | 5 |
| Mental/Behavioral Health Treatment (Inpatient or outpatient) | 30.49% | 25 |
| Case Management | 13.41% | 11 |
| Parenting Support | 12.20% | 10 |
| Childcare Support | 6.10% | 5 |
| Domestic Violence Shelter Services | 6.10% | 5 |
| Domestic Violence Advocacy | 3.66% | 3 |
| Criminal Justice Diversion | 2.44% | 2 |
| Navigation Services | 8.54% | 7 |
| Other (please specify) | 14.63% | 12 |
| | **Answered** | **82** |
| | **Skipped** | **475** |

| Q13. How did/do you know what resources or services are available to you? Choose all that apply. | | |
|---|---|---|
| Answer Choices | Responses | |
| Online search | 48.15% | 39 |
| Outreach Specialist | 14.81% | 12 |
| Case Manager | 14.81% | 12 |
| Mutual Aid Group | 1.23% | 1 |
| Word of mouth | 49.38% | 40 |
| Social media | 18.52% | 15 |
| Resource guide | 25.93% | 21 |
| Calling around | 27.16% | 22 |
| Other (please specify) | 16.05% | 13 |
| | **Answered** | **81** |
| | **Skipped** | **476** |

| Q14. Did you experience any challenges when working with a case manager? Choose all that apply. | | |
|---|---|---|
| Answer Choices | Responses | |
| I didn’t have a case manager | 56.79% | 46 |
| My case manager wasn’t responsive | 14.81% | 12 |
| I felt like my case manager didn’t like me | 4.94% | 4 |

| | | |
|---|---|---|
| I felt like I was retaliated against | 3.70% | 3 |
| I didn't feel like my case management services were fairly provided to me | 8.64% | 7 |
| I didn't have a case manager who spoke my language | 0.00% | 0 |
| I felt like my case manager wasn't helpful | 13.58% | 11 |
| I don't feel like I got to participate in my own case management | 4.94% | 4 |
| I didn't feel like I understood the services available | 4.94% | 4 |
| No, I didn't experience any challenges | 19.75% | 16 |
| Other (please specify) | 8.64% | 7 |
| | **Answered** | **81** |
| | **Skipped** | **476** |

Q15. Do you already or would you participate in any of the following? Check all that apply.

| Answer Choices | Responses | |
|---|---|---|
| Subscribe to an email newsletter about local affordable housing and homeless service efforts | 39.22% | 131 |
| Attend community meetings about local affordable housing and homeless service efforts | 32.93% | 110 |
| Follow social media accounts specifically about local affordable housing and homeless service efforts | 41.32% | 138 |
| Volunteer with service organizations in homeless housing services | 27.84% | 93 |
| Donate to service organizations in homeless housing services | 40.42% | 135 |
| Work in homeless housing services | 11.98% | 40 |
| Other (please specify) | 16.17% | 54 |
| | **Answered** | **334** |
| | **Skipped** | **223** |

Q16. How should housing and homeless services programs engage with neighborhoods and community members? Check all that apply.

| Answer Choices | Responses | |
|---|---|---|
| Recurring meetings | 51.94% | 201 |
| Newsletters | 45.99% | 178 |
| Social media | 55.30% | 214 |
| Listening Sessions | 53.75% | 208 |
| Surveys | 49.61% | 192 |
| Door-hangers | 13.95% | 54 |
| Mailing Lists | 21.19% | 82 |
| Tabling Events | 21.71% | 84 |
| They don't need to engage | 8.01% | 31 |
| I'm not sure | 10.34% | 40 |

| | | |
|---|---|---|
| Other (please specify) | 12.14% | 47 |
| | **Answered** | **387** |
| | **Skipped** | **170** |
| | | |
| | | |
| Q17. How should housing and homeless services programs engage with businesses? Check all that apply. | | |
| Answer Choices | Responses | |
| Recurring meetings | 54.90% | 213 |
| Newsletters | 43.04% | 167 |
| Social media | 40.46% | 157 |
| Listening Sessions | 54.12% | 210 |
| Surveys | 42.78% | 166 |
| Door-hangers | 9.79% | 38 |
| Mailing Lists | 25.77% | 100 |
| Tabling Events | 17.01% | 66 |
| They don’t need to engage | 7.99% | 31 |
| I’m not sure | 15.72% | 61 |
| Other (please specify) | 7.22% | 28 |
| | **Answered** | **388** |
| | **Skipped** | **169** |
| | | |
| | | |
| Q18. How should housing and homeless services programs engage with schools? Check all that apply. | | |
| Answer Choices | Responses | |
| Recurring meetings | 46.74% | 179 |
| Newsletters | 38.38% | 147 |
| Social media | 35.77% | 137 |
| Listening Sessions | 50.13% | 192 |
| Surveys | 38.12% | 146 |
| Tabling Events | 23.76% | 91 |
| They don’t need to engage | 10.97% | 42 |
| I’m not sure | 14.10% | 54 |
| Other (please specify) | 11.23% | 43 |
| | **Answered** | **383** |
| | **Skipped** | **174** |
| | | |
| | | |
| Q19. Which homelessness prevention efforts do you support? Check all that apply. | | |
| Answer Choices | Responses | |
| Universal Basic Income – Monthly household payment for low-income households | 37.53% | 146 |

| | | |
|---|---|---|
| Emergency Rent Assistance – help paying past due rent for low-income households | 52.70% | 205 |
| Eviction Prevention – tenant protections, rent assistance for people under eviction only | 37.02% | 144 |
| Ongoing rent support for people most at risk of homelessness | 43.96% | 171 |
| Build more affordable housing | 60.15% | 234 |
| Court Alternatives - criminal justice diversion away from jail | 35.48% | 138 |
| Rental Housing Policies – measures to stabilize and maintain housing affordability | 46.53% | 181 |
| Case Management – social workers working one-on-one with people at risk of homelessness | 61.18% | 238 |
| Basic needs – food/hygiene assistance | 61.70% | 240 |
| Substance Use Treatment (inpatient and outpatient) | 77.12% | 300 |
| Mental/Behavioral Health Treatment (inpatient and outpatient) | 83.80% | 326 |
| Workforce development - job support, job training | 71.98% | 280 |
| Flexible funding for preventing homelessness, such as relocation assistance, car repair/maintenance assistance, etc. | 47.04% | 183 |
| None | 4.37% | 17 |
| I'm not sure | 2.57% | 10 |
| Other (please specify) | 11.31% | 44 |
| | **Answered** | **389** |
| | **Skipped** | **168** |
| | | |
| | | |

| Q20. Which homelessness response measures do you support? Check all that apply. | | |
|---|---|---|
| Answer Choices | Responses | |
| Arrest/jail | 28.94% | 112 |
| Mental/Behavioral Health Treatment (inpatient and outpatient) | 85.27% | 330 |
| Substance Use Treatment (inpatient and outpatient) | 85.01% | 329 |
| Emergency Shelter – nightly shelters | 72.09% | 279 |
| Outreach – offering services and goods directly to people experiencing homelessness | 59.69% | 231 |
| Basic needs – food/hygiene assistance | 65.12% | 252 |
| Intensive Case Management – social workers working one-on-one with people experiencing homelessness | 62.79% | 243 |
| Workforce development - job support, job training | 69.25% | 268 |
| More enhanced shelters like tiny home villages | 50.90% | 197 |
| Safe parking programs for people sleeping in vehicles | 47.55% | 184 |
| One-way travel assistance for individuals to relocate where they have a place to stay. | 55.56% | 215 |
| Rapid rehousing – short term rent assistance for people experience homelessness | 45.74% | 177 |

| | | |
|---|---|---|
| Permanent supportive housing – housing with case management | 50.90% | 197 |
| Hoteling – access to hotel stays for most vulnerable people experiencing homelessness | 32.30% | 125 |
| None | 1.29% | 5 |
| I'm not sure | 2.07% | 8 |
| Other (please specify) | 10.85% | 42 |
| | **Answered** | **387** |
| | **Skipped** | **170** |
| | | |
| | | |
| Q21. What is your age? | | |
| Answer Choices | Responses | |
| 17 and under | 0.00% | 0 |
| 18-24 | 1.91% | 9 |
| 25-34 | 13.62% | 64 |
| 35-49 | 29.79% | 140 |
| 50-59 | 21.49% | 101 |
| 60-69 | 18.30% | 86 |
| 70 and above | 14.89% | 70 |
| | **Answered** | **470** |
| | **Skipped** | **87** |
| | | |
| Q22. What best describes your annual income? | | |
| Answer Choices | Responses | |
| Less than $10,000 | 5.74% | 27 |
| $10,000 to $14,999 | 4.04% | 19 |
| $15,000 to $24,999 | 2.98% | 14 |
| $25,000 to $34,999 | 5.53% | 26 |
| $35,000 to $49,999 | 9.57% | 45 |
| $50,000 to $74,999 | 16.81% | 79 |
| $75,000 to $99,999 | 14.47% | 68 |
| $100,000 to $149,999 | 16.38% | 77 |
| $150,000 to $199,999 | 5.11% | 24 |
| $200,000 or more | 3.62% | 17 |
| Prefer not to answer | 12.98% | 61 |
| I have no income | 2.77% | 13 |
| | **Answered** | **470** |
| | **Skipped** | **87** |
| | | |
| Q23. What best describes your race and ethnicity? Check all that apply. | | |
| Answer Choices | Responses | |

| | | |
|---|---|---|
| American Indian, Alaska Native, or Indigenous | 4.69% | 22 |
| Asian, South Asian, or Asian American | 1.71% | 8 |
| Black, African American, or African | 3.62% | 17 |
| Hispanic, Latino/a/e | 5.12% | 24 |
| Middle Eastern or Northern African | 0.43% | 2 |
| Native Hawaiian or Pacific Islander | 1.71% | 8 |
| White | 72.92% | 342 |
| I don't know | 0.85% | 4 |
| Prefer not to answer | 16.42% | 77 |
| Other (please specify) | 4.48% | 21 |
| | **Answered** | **469** |
| | **Skipped** | **88** |

Q24. What best describes your sexual orientation?

| Answer Choices | Responses | |
|---|---|---|
| Heterosexual/Straight (not gay) | 59.83% | 280 |
| Gay or Lesbian | 4.70% | 22 |
| Bisexual | 9.83% | 46 |
| Not sure of my sexual orientation | 0.64% | 3 |
| Prefer not to answer | 19.66% | 92 |
| Other (please specify) | 6.20% | 29 |
| | **Answered** | **468** |
| | **Skipped** | **89** |

Q25. What best describes your gender identity?

| Answer Choices | Responses | |
|---|---|---|
| Woman | 54.27% | 254 |
| Man | 22.86% | 107 |
| Transgender | 2.14% | 10 |
| Non-binary | 4.27% | 20 |
| Culturally specific gender identity (e.g., Two-Spirit) | 0.00% | 0 |
| Questioning | 0.21% | 1 |
| I don't know | 0.00% | 0 |
| Prefer not to answer | 14.96% | 70 |
| Other (please specify) | 5.56% | 26 |
| | **Answered** | **468** |
| | **Skipped** | **89** |

Q26. What is your zip code?

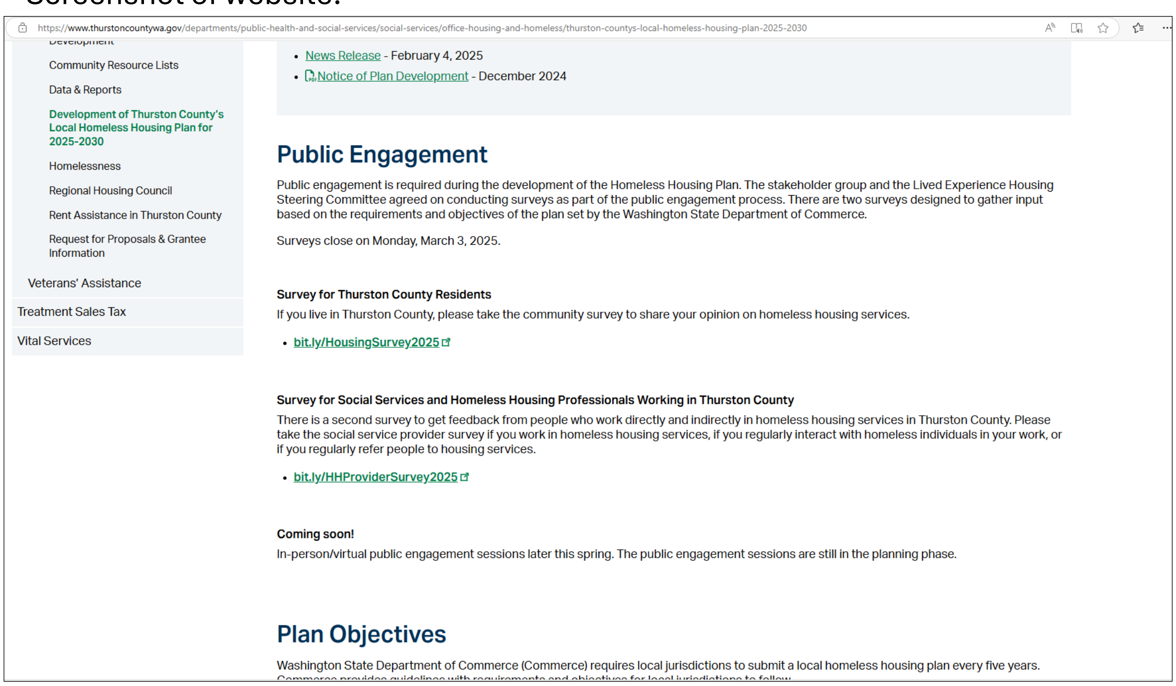
| Answer Choices | Responses |
|---|---|

| | | |
|---|---|---|
| 98501 | 19.57% | 92 |
| 98502 | 16.17% | 76 |
| 98503 | 13.40% | 63 |
| 98506 | 11.06% | 52 |
| 98507 | 0.21% | 1 |
| 98508 | 0.00% | 0 |
| 98509 | 0.21% | 1 |
| 98511 | 0.43% | 2 |
| 98512 | 9.15% | 43 |
| 98513 | 7.02% | 33 |
| 98516 | 6.60% | 31 |
| 98530 | 0.00% | 0 |
| 98540 | 0.00% | 0 |
| 98556 | 0.00% | 0 |
| 98576 | 0.64% | 3 |
| 98579 | 1.70% | 8 |
| 98589 | 0.85% | 4 |
| 98597 | 3.19% | 15 |
| I don't currently have a permanent address | 1.49% | 7 |
| Prefer not to answer | 8.30% | 39 |
| | **Answered** | **470** |
| | **Skipped** | **87** |

## Provider Survey for Input

The provider survey was not promoted publicly. This survey was shared through service provider networks via email and announcements in provider meetings. It was also posted on the web page.

Screenshot of website:



https://www.thurstoncountywa.gov/departments/public-health-and-social-services/social-services/office-housing-and-homeless/thurston-countys-local-homeless-housing-plan-2025-2030

Community Resource Lists
Data & Reports
Development of Thurston County's Local Homeless Housing Plan for 2025-2030
Homelessness
Regional Housing Council
Rent Assistance in Thurston County
Request for Proposals & Grantee Information
Veterans' Assistance
Treatment Sales Tax
Vital Services

- News Release - February 4, 2025
- Notice of Plan Development - December 2024

### Public Engagement

Public engagement is required during the development of the Homeless Housing Plan. The stakeholder group and the Lived Experience Housing Steering Committee agreed on conducting surveys as part of the public engagement process. There are two surveys designed to gather input based on the requirements and objectives of the plan set by the Washington State Department of Commerce.

Surveys close on Monday, March 3, 2025.

**Survey for Thurston County Residents**

If you live in Thurston County, please take the community survey to share your opinion on homeless housing services.

- bit.ly/HousingSurvey2025

**Survey for Social Services and Homeless Housing Professionals Working in Thurston County**

There is a second survey to get feedback from people who work directly and indirectly in homeless housing services in Thurston County. Please take the social service provider survey if you work in homeless housing services, if you regularly interact with homeless individuals in your work, or if you regularly refer people to housing services.

- bit.ly/HHProviderSurvey2025

**Coming soon!**

In-person/virtual public engagement sessions later this spring. The public engagement sessions are still in the planning phase.

### Plan Objectives

Washington State Department of Commerce (Commerce) requires local jurisdictions to submit a local homeless housing plan every five years.

## PROVIDER SURVEY QUESTIONS & RESULTS

| Q1. Do you work in Thurston County for a social services organization, an organization that regularly refers people to homeless or housing services, or are you a professional who regularly interacts with homeless community members? | | | |
|---|---|---|---|
| Answer Choices | Responses | | |
| Yes | 90.59% | 154 | |
| No | 9.41% | 16 | |
| | **Answered** | **170** | |
| | **Skipped** | **0** | |
| | | | |

| Q2. What type of organization do you work or volunteer for? Choose all that apply. | | | |
|---|---|---|---|
| Answer Choices | Responses | | |
| Nonprofit | 73.33% | 110 | |
| For profit or local business | 4.00% | 6 | |
| Government | 18.67% | 28 | |
| School | 0.67% | 1 | |
| Medical | 2.00% | 3 | |
| First Responder | 4.67% | 7 | |
| Faith-based or religious | 8.00% | 12 | |
| Other (please specify) | 7.33% | 11 | |
| | **Answered** | **150** | |
| | **Skipped** | **20** | |
| | | | |

| Q3. From your perspective, how EQUITABLE (fair and impartial) are the homeless housing programs and services in Thurston County? | | | |
|---|---|---|---|
| Answer Choices | Average Number | Responses | |
| Scale of 1-100 (1 being not equitable, 100 being most equitable) | 56.7433628 | 100.00% | 113 |
| | | **Answered** | **113** |
| | | **Skipped** | **57** |
| | | | |

| Q4. What should be focused on more over the next five years to improve equity? Choose top 3. | | | |
|---|---|---|---|
| Answer Choices | Responses | | |
| More people with lived experience hired to work within the homeless crisis response system | 19.13% | 22 | |
| More meaningful outcomes that are not solely dictated by performance measures | 23.48% | 27 | |
| More training and professional development around equity for frontline staff | 12.17% | 14 | |

| | | | |
|---|---|---|---|
| Client led services – Providers should not be deciding what clients/participants need or want; Ask more questions, make less judgments. | 22.61% | 26 | |
| Promote frontline staff, provide them with better benefits & higher pay | 43.48% | 50 | |
| More training and professional development around equity for management | 14.78% | 17 | |
| Diversify leadership across the board (management, boards of directors, executive leadership, etc.) | 10.43% | 12 | |
| Consistent resources – in how they're offered, when they're offered, and how much is offered | 42.61% | 49 | |
| Consistent case management across programs – every client receives same opportunities from their case management | 36.52% | 42 | |
| Improve access to information, ensure that is up-to-date, and shared widely in a variety of formats and languages | 33.04% | 38 | |
| Work to minimize bias in data collection and analysis. | 10.43% | 12 | |
| Other (please specify) | 13.91% | 16 | |
| | **Answered** | **115** | |
| | **Skipped** | **55** | |
| | | | |
| Q5. From your perspective, how ACCOUNTABLE are the homeless housing programs and services in Thurston County? | | | |
| Answer Choices | Average Number | Responses | |
| Scale of 1-100 (1 being not accountable, 100 being most accountable) | 50.9910714 | 100.00% | 112 |
| | | **Answered** | **112** |
| | | **Skipped** | **58** |
| | | | |
| Q6. What should be focused on more over the next five years to improve accountability? Choose top 3 | | | |
| Answer Choices | Responses | | |
| Providers having more capacity to return calls, emails and maintain appointments | 42.61% | 49 | |
| Client led services – Providers should not be deciding what clients/participants need or want; Ask more questions, make less judgments | 32.17% | 37 | |
| Need clearer expectations for what clients/participants can expect from providers. | 52.17% | 60 | |
| Regular harm reduction training that includes consistent role-play for putting training into practice | 33.04% | 38 | |
| More consistent program review and evaluation to mitigate unintended consequences and harm | 42.61% | 49 | |
| Consistent reminders of information, boundaries, rules, and goals from providers to participants | 31.30% | 36 | |

| | | | |
|---|---|---|---|
| Outside options when an organization's grievance process is ineffective. | 18.26% | 21 | |
| Accountability for data quality | 19.13% | 22 | |
| Other (please specify) | 12.17% | 14 | |
| | **Answered** | **115** | |
| | **Skipped** | **55** | |
| | | | |
| Q7. From your perspective, how TRANSPARENT are the homeless housing programs and services in Thurston County? | | | |
| Answer Choices | Average Number | Responses | |
| Scale of 1-100 (1 being not transparent, 100 being most transparent) | 50.9017857 | 100.00% | 112 |
| | | **Answered** | **112** |
| | | **Skipped** | **58** |
| | | | |
| Q8. What should be focused on more over the next five years to improve transparency? Choose top 3 | | | |
| Answer Choices | Responses | | |
| Expectations more clearly laid out for participants | 40.00% | 46 | |
| Transparency around funding not being guaranteed for any program | 49.57% | 57 | |
| Consistent reminders of information, boundaries, rules, and goals from providers to participants | 26.09% | 30 | |
| Improve access to information, ensure that is up-to-date, and shared widely in a variety of formats and languages | 49.57% | 57 | |
| Outside options when an organization's grievance process is ineffective. | 9.57% | 11 | |
| More consistent program review and evaluation to mitigate unintended consequences and harm | 32.17% | 37 | |
| Clear and consistent information about the Coordinated Entry program, process, expectations, outreach locations, check-ins, etc. | 73.04% | 84 | |
| Other (please specify) | 8.70% | 10 | |
| | **Answered** | **115** | |
| | **Skipped** | **55** | |
| | | | |
| Q9. What homeless response measures should be focused on more over the next five years? Choose top 3. | | | |
| Answer Choices | Responses | | |
| Arrest/jail | 2.61% | 3 | |
| Mental/Behavioral Health Treatment – in-patient/out-patient | 33.91% | 39 | |
| Substance Use Treatment – in-patient/out-patient | 21.74% | 25 | |
| Emergency Shelter – nightly shelters | 33.91% | 39 | |
| Outreach – offering services and goods directly to people experiencing homelessness | 13.91% | 16 | |
| Basic needs – food/hygiene assistance | 7.83% | 9 | |

| | | | |
|---|---|---|---|
| Intensive Case Management – staff working one-on-one with people experiencing homelessness | 20.00% | 23 | |
| Workforce development - job support, job training | 17.39% | 20 | |
| More enhanced shelters like tiny home villages | 18.26% | 21 | |
| Safe parking programs for people sleeping in vehicles | 20.00% | 23 | |
| Rapid rehousing – short term rent assistance for people experiencing homelessness | 13.91% | 16 | |
| Permanent supportive housing – housing with case management | 34.78% | 40 | |
| Hoteling – access to hotel stays for most vulnerable people experiencing homelessness | 5.22% | 6 | |
| Transitional housing | 14.78% | 17 | |
| Crisis stabilization center - voluntary hospital or jail diversion for adults experiencing an acute behavioral health crisis | 26.96% | 31 | |
| None | 0.87% | 1 | |
| Other (please specify) | 6.96% | 8 | |
| | **Answered** | **115** | |
| | **Skipped** | **55** | |
| | | | |

| Q10. What homelessness prevention measures should be focused more on over the next five years? Choose top 3. | | | |
|---|---|---|---|
| Answer Choices | Responses | | |
| None of the above | 0.00% | 0 | |
| Universal Basic Income – Monthly household payment for low-income households | 26.96% | 31 | |
| Emergency Rent Assistance – help paying past due rent for low-income households | 22.61% | 26 | |
| Eviction Prevention – tenant protections, rent assistance for people under eviction only | 17.39% | 20 | |
| Ongoing rent support for people most at risk of homelessness | 14.78% | 17 | |
| Build more affordable housing | 42.61% | 49 | |
| Court Alternatives - criminal justice diversion away from jail | 8.70% | 10 | |
| Relocation Assistance – funding to help people with moving costs | 4.35% | 5 | |
| Rent Control – measures to stabilize and maintain housing affordability | 53.04% | 61 | |
| Case Management – staff working one-on-one with people at risk of homelessness | 11.30% | 13 | |
| Basic needs – food/hygiene assistance | 6.96% | 8 | |
| Substance Use Treatment – in-patient and out-patient | 9.57% | 11 | |
| Mental/Behavioral Health Treatment – in-patient/out-patient | 19.13% | 22 | |
| Workforce development - job support, job training | 11.30% | 13 | |
| Flexible funding for preventing homelessness, such as relocation assistance, car repair/maintenance assistance, etc. | 39.13% | 45 | |
| None | 1.74% | 2 | |

| | | | |
|---|---|---|---|
| Other (please specify) | 2.61% | 3 | |
| | **Answered** | **115** | |
| | **Skipped** | **55** | |
| | | | |
| Q11. Do you work directly in homeless housing services? | | | |
| Answer Choices | Responses | | |
| Yes | 64.35% | 74 | |
| No | 35.65% | 41 | |
| | **Answered** | **115** | |
| | **Skipped** | **55** | |
| | | | |
| Q12. What do you like about working in homeless housing services? Choose all that apply. | | | |
| Answer Choices | Responses | | |
| The values of the organization align with my personal values | 80.28% | 57 | |
| It's rewarding to build rapport with the homeless community | 64.79% | 46 | |
| It's rewarding to build rapport with my coworkers | 47.89% | 34 | |
| I feel supported by my organization's leadership | 53.52% | 38 | |
| The flexibility offered by leadership | 49.30% | 35 | |
| I'm not sure | 4.23% | 3 | |
| Other (please specify) | 16.90% | 12 | |
| | **Answered** | **71** | |
| | **Skipped** | **99** | |
| | | | |
| Q13. What programmatic and fiscal challenges do you face in your work? Choose top 3. | | | |
| Answer Choices | Responses | | |
| My program runs out of money too quickly | 56.34% | 40 | |
| My program is not flexible enough | 8.45% | 6 | |
| Not enough support from management | 4.23% | 3 | |
| Not enough training | 16.90% | 12 | |
| Not enough staff to implement program | 46.48% | 33 | |
| Inconsistent rules | 15.49% | 11 | |
| Lack of transparency with leadership | 12.68% | 9 | |
| Fiscal management lacks capacity for homeless housing programs | 19.72% | 14 | |
| Lack of supportive infrastructure | 25.35% | 18 | |
| Issues with contract administration | 2.82% | 2 | |
| I'm not sure | 2.82% | 2 | |
| Other (please specify) | 22.54% | 16 | |
| | **Answered** | **71** | |
| | **Skipped** | **99** | |
| | | | |
| Q14. What barriers to providing services do you face in your work? Choose top 3. | | | |

| Answer Choices | Responses | | |
|---|---|---|---|
| Not enough training on program rules | 8.45% | 6 | |
| I don’t have the supplies or infrastructure needed to perform the work | 28.17% | 20 | |
| I don’t feel physically safe at work | 4.23% | 3 | |
| I’m not notified when there are changes in my organization or programs | 12.68% | 9 | |
| Not enough staff to effectively provide program services | 46.48% | 33 | |
| I don’t feel emotionally/mentally safe at work | 11.27% | 8 | |
| Not enough support or direction for implementing new programs | 12.68% | 9 | |
| Too many gaps in available services. My clients aren’t getting what they need | 71.83% | 51 | |
| I'm not sure | 7.04% | 5 | |
| Other (please specify) | 16.90% | 12 | |
| | **Answered** | **71** | |
| | **Skipped** | **99** | |

Q15. How long do you intend to stay in this line of service work?

| Answer Choices | Responses | | |
|---|---|---|---|
| Less than a year | 0.00% | 0 | |
| 1-3 years | 5.63% | 4 | |
| 4-6 years | 5.63% | 4 | |
| 7-10 years | 5.63% | 4 | |
| As long as I can | 69.01% | 49 | |
| I'm not sure | 14.08% | 10 | |
| | **Answered** | **71** | |
| | **Skipped** | **99** | |

Q16. What do you need to stay in this line of service work? Choose top 5.

| Answer Choices | Responses | | |
|---|---|---|---|
| Better pay | 70.42% | 50 | |
| Better benefits | 33.80% | 24 | |
| Professional development | 28.17% | 20 | |
| Educational opportunities | 21.13% | 15 | |
| Career advancement opportunities | 38.03% | 27 | |
| More paid leave | 25.35% | 18 | |
| More encouragement of work/life balance | 23.94% | 17 | |
| Affordable childcare | 18.31% | 13 | |
| Better leadership | 8.45% | 6 | |
| More transparency | 8.45% | 6 | |
| Hybrid work options where appropriate | 16.90% | 12 | |
| A work environment where I feel more physically safe | 2.82% | 2 | |

| | | | |
|---|---|---|---|
| A work environment where I feel more emotionally and mentally safe | 8.45% | 6 | |
| I need to feel more valued | 7.04% | 5 | |
| More employee recognition | 5.63% | 4 | |
| Less responsibility on my position | 5.63% | 4 | |
| Less turnover among coworkers | 23.94% | 17 | |
| Nothing, I'm happy with how things are | 11.27% | 8 | |
| I'm not sure | 0.00% | 0 | |
| Other (please specify) | 5.63% | 4 | |
| | **Answered** | **71** | |
| | **Skipped** | **99** | |
| | | | |

Q17. Do you know how to connect someone to homeless services? (select only 1)

| Answer Choices | Responses | | |
|---|---|---|---|
| Yes | 75.00% | 30 | |
| No | 10.00% | 4 | |
| Sometimes | 15.00% | 6 | |
| Other (please specify) | 0.00% | 0 | |
| | **Answered** | **40** | |
| | **Skipped** | **130** | |
| | | | |

Q18. What barriers do you notice most around accessing homeless services? Select top 3.

| Answer Choices | Responses | | |
|---|---|---|---|
| The resources are always changing and are not consistent | 50.00% | 20 | |
| Programs are almost always out of funding or at capacity | 85.00% | 34 | |
| Waiting for services takes too long | 70.00% | 28 | |
| Language and cultural barriers | 15.00% | 6 | |
| Participants don't hear back from homeless service organizations | 15.00% | 6 | |
| Participants don't have access to phones | 20.00% | 8 | |
| Participants don't have access to the Internet | 7.50% | 3 | |
| Other (please specify) | 10.00% | 4 | |
| | **Answered** | **40** | |
| | **Skipped** | **130** | |
| | | | |

Q19. What ways would you like to be more connected to housing and homeless service programs? Choose all that apply.

| Answer Choices | Responses | | |
|---|---|---|---|
| Annual meeting or webinar for the local service provider community to receive updates about homeless services in Thurston County | 43.59% | 17 | |
| Regular email updates for local service providers about homeless services in Thurston County | 69.23% | 27 | |

| | | | |
|---|---|---|---|
| Social media accounts specifically about housing and homeless services in Thurston County | 28.21% | 11 | |
| I don’t need any new ways to connect with the homeless crisis response system | 17.95% | 7 | |
| Other (please specify) | 7.69% | 3 | |
| | **Answered** | **39** | |
| | **Skipped** | **131** | |

## Listening Sessions

### LIVED EXPERIENCE LISTENING SESSIONS

Franz Anderson Tiny Home Village: May 21, 2025
22 participants and neighbors, 1 county staff, 2 LEHSC members, and 1 members of the core team of stakeholders lead the one-hour event with support from Staff onsite. Participants were mostly residents of the tiny home village who heard about the session through word of mouth.

Plum Street Tiny Home Village: May 22, 2025
13 participants, 1 county staff, 1 core team member, and two LEHSC members lead the hour and a half long event with support from staff onsite. Participants were mostly residents of the tiny home village who heard about the session through word of mouth.

Sergio’s Place Day Center: May 29, 2025
45 participants 2 county staff, 2 LEHSC members, and 2 members of the core team of stakeholders lead the 2-hour event with support from staff onsite.

Lived Experience Listening Session Flyer:

## LISTENING SESSION FOR DIRECT SERVICE PROVIDERS

The groups developing the plan organized a listening session to hear from direct service staff within the Homeless Response System.

Held virtually over Zoom: May 30, 2025
35 attendees in non-supervisory roles with two facilitators

Invitation for direct service providers:

Please join us for a Direct Service Provider listening session that will inform the development of Thurston's 2025-2030 Homeless Housing Plan. **This session is specifically for non-supervisory, direct service staff.** We ask that program managers/supervisors not attend and encourage all supervisory providers to share this meeting with their teams. A calendar invitation will be sent shortly for your convenience.

**Listening Session for Homeless Response/Supportive Housing Direct Service Providers**

**Friday, May 30, 2025, at 1:00-2:30 p.m.**

**Join Zoom Meeting**

**https://us06web.zoom.us/j/83819430473**

**Meeting ID: 838 1943 0473**

Please join this online event to share your important feedback and input for the development of Thurston County's Homeless Housing Plan 2025-2030. Non-management staff members of all experience levels are encouraged to participate.

The online focus group will be facilitated by Dana Evans (Family Support Center and Built for Zero) Carolina Hershey (Thurston County Resource Hub) and Garrett Leonard (Catholic Community Services).

**When**
Friday May 30, 2025 · 1pm – 2:30pm (Pacific Time - Los Angeles)

**Location**
https://us06web.zoom.us/j/83819430473
**View map**

## Notice of Public Hearing

Section coming soon – activities expected to occur in fall 2025

Notice published 30 days prior to Plan approval

Notice shared in the local newspaper

Notice shared on website and social media

Documentation of outreach to people with lived experience of homelessness and housing instability

Public Hearing held

# Appendix G: Acronyms

| | | | |
|---|---|---|---|
| **AMI** | Area Median Income | **HCA** | Washington State Healthcare Authority |
| **BFZ** | Built for Zero | **HCLA** | Washington State Housing and Community Living Administration |
| **BH-ASO** | Behavioral Health Administrative Services Organization | **HEAT** | Housing Equity Assessment Tool |
| **BoCC** | Board of County Commissioners | **HPRA** | Homeless Prevention Rent Assistance |
| **BoS** | Balance of State | **HRS** | Homeless Response System |
| **C4F0** | Communities for Functional Zero | **HSAB** | Homeless Services Advisory Board |
| **CDBG** | Community Development Block Grant | **HMIS** | Homeless Management Information System |
| **CE** | Coordinated Entry | **HUD** | U.S. Department of Housing and Urban Development |
| **CES** | Coordinated Entry System | **LEHSC** | Lived Experience Housing Steering Committee |
| **CPED** | Community Planning and Economic Development | **MCO** | Managed Care Organization |
| **CVAN** | Crime Victims Advocacy Network | **OCVA** | Office of Crime Victim Advocacy |
| **DCYF** | Washington State Department of Children, Youth, and Families | **OHHP** | Office of Housing and Homeless Prevention |
| **DOC** | Washington State Department of Corrections | **PHSS** | Public Health and Social Services |
| **DOJ** | Washington State Department of Justice | **PHSS PIO** | Public Health and Social Services Public Information Officer |
| **DOL** | Washington State Department of Licensing | **PIT** | Point-in-Time Count |
| **DSHS** | Washington State Department of Social and Health Services | **PSH** | Permanent Supportive Housing |
| **DV** | Domestic Violence | **RHC** | Regional Housing Council |
| **EDCs** | Economic Development Councils | **RR** | Rapid Re-Housing |
| **FCS** | Foundational Community Supports | **TAHAB** | Thurston Affordable Housing Advisory Board |
| **FHARPS** | Forensic Housing and Recovery through Peer Services | **TC** | Thurston County |
| **FPATH** | Forensic Projects for Assistance in Transition from Homelessness | **TCEDC** | Thurston County Economic Development Council |
| **GOSH** | Governor’s Opportunity for Supportive Housing | **TCORTF** | Thurston County Opioid Response Task Force |
| **GROWL** | Greater Regional Outreach Workers League | **TMBHO** | Thurston Mason Behavioral Health Organization |
| **HAT** | Housing Action Team | **TRPC** | Thurston Regional Planning Council |
| **HATC** | Housing Authority of Thurston County | | |

# Appendix H: Definitions

**Street Outreach:** Street outreach is a strategy for engaging people experiencing homelessness who are otherwise not accessing services for the purpose of connecting them with emergency shelter, housing, or other critical services.

**Shelter-in-Place Outreach:** Outreach to unsheltered people to provide basic needs resources and safety supplies (i.e. water, food, blankets, warm clothes, weather protection items, heating and cooling supplies, medical supplies, etc.) that can help people who continue living unsheltered in doing so as safely as possible.

**Emergency Shelter:** Provides short-term temporary shelter (lodging) for those experiencing homelessness. Emergency Shelters can be facility-based or hotel/motel voucher.

**Transitional Housing:** Transitional Housing is subsidized, facility-based housing, including global leases at scattered sites, that is designed to provide long-term temporary housing and to move households experiencing homelessness into permanent housing. Lease or rental agreements are required between the transitional housing project and the household.

**Recovery Residence:** Recovery residences are safe, healthy, family-like, substance-free living environments that support individuals in recovery from substance use disorder.

**Rapid Re-Housing:** Rapid Re-Housing (RRH) quickly moves households from homelessness into permanent housing by providing:

- Housing Identification Services: Recruit landlords to provide housing for RRH participants and assist households with securing housing.
- Financial Assistance: Provide assistance to cover move-in costs and deposits as well as ongoing rent and/or utility payments.
- Case Management and Services: Provide services and connections to community resources that help households maintain housing stability.

**Permanent Supportive Housing:** Permanent Supportive Housing is subsidized, non-time-limited housing with support services for homeless households that include a household member with a permanent disability. Support services must be made available, but participation is voluntary. PSH may be provided as a rent assistance (scattered site) or facility-based model. For facility-based models, a lease or rental agreement is required between the PSH project and the household. The services and the housing are available permanently.

**Diversion:** Diversion is a service strategy that uses problem-solving and personal advocacy to help people identify practical solutions for resolving their housing crisis quickly and safely. People are prompted to identify safe housing options and solutions based on their available resources.

**Rent Assistance**

**Housing Subsidy/Voucher:** Programs that pay a percentage or other portion of rent for income or otherwise eligible people to obtain or maintain affordable housing.

**Homelessness Prevention:** Homelessness Prevention helps households who are at risk of homelessness to maintain or obtain stable housing and avoid homelessness. Services include housing-focused case management and temporary rent subsidies. Homelessness prevention services are the same as the RRH services described above.

**Evidence-Based Practice:** A decision-making framework that integrates the best available research, data, and similar evidence with subject matter expertise that, when combined, can predict the best strategies to consistently generate positive outcomes.

**Trauma-Informed:** A program, organization, or system that is trauma-informed realizes the widespread impact of trauma and understands potential paths for recovery; recognizes the signs and symptoms of trauma in clients, families, staff, and others involved with the system; and responds by fully integrating knowledge about trauma into policies, procedures, and practices, and seeks to actively resist re traumatization.

**Low-Barrier:** Assistance that minimizes or eliminates requirements that prevent people from accessing help.

**Person-centered:** Support that allows the individual seeking assistance to make their own informed decisions about their service plan, as well as housing wants and needs.

**Harm Reduction:** A set of practical strategies and ideas aimed at reducing negative consequences associated with drug use.

**Progressive Engagement:** A person-centered approach to ending someone's homelessness by tailoring assistance to each individual or household's needs and assessing what works best for them, with their specific strengths, and in their specific situation.

**LACEY CITY COUNCIL WORKSESSION**
**October 14, 2025**

**SUBJECT:** **Transportation Benefit District – 2024 Annual Report**

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**RECOMMENDATION:** Discussion only. Pending discussion, this item could return to the City Council at a later date for potential action.

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**STAFF CONTACT**: Rick Walk, City Manager RW
Scott Egger, P.E., Director of Public Works SE
Aubrey Collier, P.E., S.E., City Engineer AC
Martin Hoppe, P.E., Transportation Manager MH
Brian Petrin, Transportation Engineer BP

**ORIGINATED BY**: Public Works Department

**ATTACHMENTS**: 1. Transportation Benefit District – 2024 Annual Report

**FISCAL NOTE:** None.

**WORK PLAN GOAL AND STRATEGY:** Quality Transportation & Infrastructure

**PRIOR REVIEW**: N/A

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**BACKGROUND:**

A Transportation Benefit District (TBD) is an independent taxing district created by the city to fund local transportation improvements by imposing special taxes or fees, like vehicle license fees or a portion of a sales tax.

Regarding governance of the TBD, the 2015 Legislature included within its transportation funding bill a number of changes to the laws governing TBDs. Section 301 of 2ESSB 5987 provides *that a City, in which a transportation benefit district has been established pursuant to RCW 36.73 and the boundaries coterminous with the boundaries of the City, may by ordinance or resolution assume the rights, powers, functions and obligations of the TBD.* Assumption of the TBD by the City Council would abolish the Board of the TBD, eliminate the need for separate insurance coverage, eliminate the need to post separate meeting notices and record separate minutes and generally provide for more efficient governance of the TBD by the Lacey City Council.

On January 28, 2016, the Lacey City Council passed Ordinance No. 1485 establishing a Transportation Benefit District (TBD) as authorized by RCW 35.21.225 subject to the provisions of RCW 36.73.

On February 11, 2016, the Lacey City Council passed Ordinance No. 1486 relating to the assumption of the rights, powers, functions and obligations of the Lacey TBD establishing the City Council as the governing body of the TBD. Regarding Council authority, RCW 36.73.020(2) states... "Transportation improvements shall be administered and maintained as other public streets, roads, highways, and transportation improvements."

City Council reviewed funding options, and determined that a sales tax increase would be the least impact to Lacey residents, while also providing more funding compared to other options.

On February 14, 2017, Lacey voters approved the 0.2% sales tax increase proposed by the City's TBD as allowed by RCW 82.14.0455. The revenues generated by this measure are dedicated to fund street maintenance projects. The tax increase came into effect in July 2017 and expires after 10 years.

The Revised Code of Washington (RCW) 36.73.160(2) states that a district shall issue an annual report indicating the status of transportation improvement costs, expenditures, revenues, and construction schedules to the public and to newspapers of record within the district.

The purpose of the worksession is to brief the City Council on the 2024 TBD report and highlighting the cost of improvements, expenditures and revenues and construction schedules. Once approved by the City Council, the final 2024 TBD report will be officially issued to the public and newspaper of record.

In addition, staff will provide information regarding the timeline for initiating a ballot measure for City of Lacey voters to consider renewing the TBD. Based on state law the Lacey TBD will expire on February 17, 2027, unless a ballot measure passes to renew the TBD.

**NEXT STEPS:**

**Option 1:** Provide direction to the City Manager to schedule the 2024 Transportation Benefit District Report approval by formal Council action at a future council meeting.

**Option 2:** Provide direction to the City Manager to schedule the 2024 Transportation Benefit District Report for a future worksession for further discussion.

Shaping our community together

CITY OF LACEY

# City of Lacey Transportation Benefit District

## 2024 Annual Report

| | |
|---|---|
| **Date:** | October 14th, 2025 |
| **Department:** | Public Works Department |
| **Address:** | 420 College Street SE |
| | Lacey, WA 98503 |



| | |
|---|---|
| **Contact:** | Brian Petrin |
| **Phone:** | (360) 493-2417 |
| **Email:** | Brian.Petrin@cityoflacey.org |

# Summary

## Remarks:

The City of Lacey is pleased to present the *2024 Annual Report* pertaining to its Transportation Benefit District (TBD). This report provides a summary of 2024 revenues and expenditures associated with TBD funds along with project schedule updates. All revenues and expenditure summaries within this report reflect the activity between January 1st and December 31st of 2024.

## Background:

The Lacey City Council created the Lacey Transportation Benefit District, a quasi-municipal taxing jurisdiction, authorized by State law to fund street maintenance. Lacey voters approved a sales tax increase of 0.2% (two-tenths of one percent) for a period of ten years to fund street maintenance projects within City limits. Revenues collected from this additional sales tax levy are held in separate accounts and used only for authorized street maintenance projects.

## Governance:

The Lacey TBD was originally established in January 2016, with the City Council acting as the Governing Board. It is the responsibility of the Board to oversee the activities, expenditures, and revenues related to the TBD. All business associated with the TBD shall be managed by the Board during regular City Council meetings.

## Purpose:

City street infrastructure is aging and funding is needed for street and sidewalk improvements. Transportation infrastructure is one of the City's most valuable investments and deferred maintenance drives repair costs higher. State and Federal funding for maintenance and preservation of the City's streets has been reduced in recent years; and while these revenues have decreased, costs continue to rise. The Lacey TBD was established in order to provide the resources required for the City to adequately preserve and maintain its inventory of streets and sidewalks.

## Statute(s):

The Revised Code of Washington (RCW) 36.73.160(2) states that a district shall issue an annual report indicating the status of transportation improvement costs, expenditures, revenues, and construction schedules to the public and to newspapers of record within the district.

# Completed Projects

| Project Year | Project Type | Lane Miles | HMA Tons $/Ton | Slurry SY $/SY | Sidewalk SY | Crack Seal LF | TBD Funds |
|---|---|---|---|---|---|---|---|
| 2017 | Overlay[1] | 0.27 | 175 TN<br>$105 | 0 | 0 | 0 | $0.05M |
| 2018 | Overlay, Reconstruction | 3.56 | 5,477 TN<br>$127 | 0 | 17 | 0 | $2.15M |
| 2019 | Overlay[2], Selective Dig-outs, Sidewalk | 11.74 | 15,881 TN<br>$111 | 0 | 1137<br>52 Curb Ramps | 0 | $1.73M |
| 2020 | Reconstruction, Widening, Patch Repair | 2.67 | 7,640 TN<br>$84 | 0 | 0 | 0 | $1.44M |
| 2021 | Reconstruction, Slurry Seal, Sidewalk[3] | 6.90<br>14.88 | 19,360 TN<br>$96 | 152,550 SY<br>$2.25 | 1560[3] | 0 | $4.19M |
| 2022 | Overlay, Reconstruction, Sidewalk[3] | 5.70 | 11,725 TN<br>$119 | 0 | 2606 | 0 | $3.77M |
| 2023 | Reconstruction[1], Crack Seal[3] | 9.42<br>11.48 | 28,890 TN<br>$105 | 0 | 0 | 154,915 | $6.97M |
| 2024 | Reconstruction & Overlay | 2.48 | 4,793 TN<br>$137 | 0 | 0 | 0 | $2.48M |
| | GRAND TOTAL | 69.10 | | | | | $22.78M |

1 *Section of the project was a Utility project, the Utility paved a portion of the roadway, TBD paved the remainder.*
2 *Project was jointly funded with a federal transportation grant*
3 *Project carried over into next fiscal year*

*See Figure 1 TBD Fund Project Map on Pg. 3*

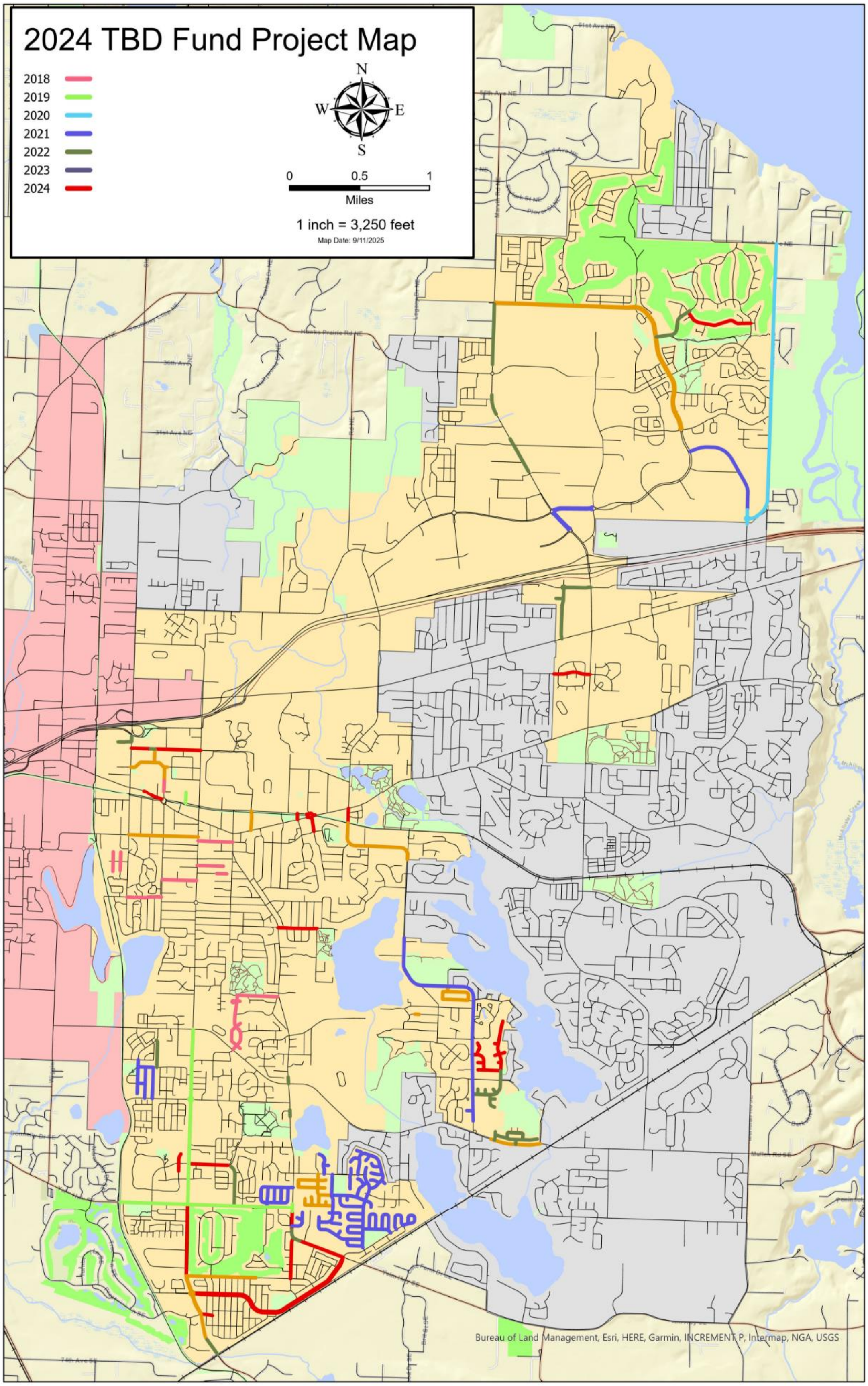


Figure 1 TBD Fund Project Map

# 2024 Projects:

**Pacific/Homann Roundabout Improvements & Sharrow Route Striping**

Project Limits:

Pacific/Homann Intersection

Homann to 13th Ave

Sharrow Route 2 & 5

Project Scope:

Pavement Rehabilitation

Pavement Reconstruction

Sharrow Striping

Construction Cost:

$514K TBD ($589K Total)

See Figures 2-4 on Pg 5

**Yelm Hwy Rehabilitation**

Project Limits:

Ruddell Rd to Balustrade Blvd

Project Scope:

Pavement Reconstruction

Construction Cost:

$1.35M TBD ($1.50M Total)

See Figures 5-7 on Pg 5-6

**2023 Crack Seal Program**

Project Limits:

Cameron Dr NE

3rd Ave SE

6th Ave SE

Pacific Ave SE

Clearbrook Dr SE

Carpenter Rd SE

25th Ave SE

The Arbors

Corporate Ctr Ct & Lp SE

53rd Ave SE & Parkside Dr SE

Rainier Rd SE

Balustrade Blvd SE

Ruddell Rd SE

70th Way SE

Project Scope:

Crack Seal

Construction Cost:

$94K TBD ($190K Total)

See Figures 8-9 on Pg 6

# TBD Dollars at Work

Fig. 2 Homann Dr SE

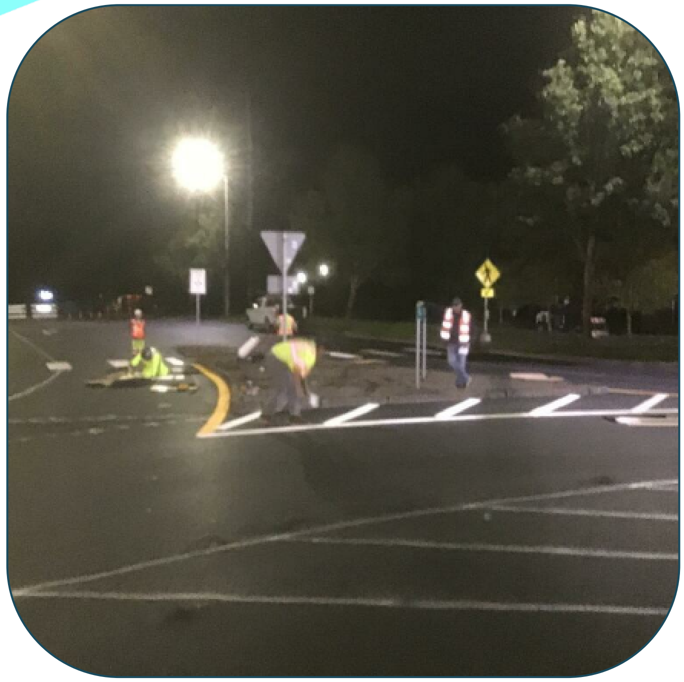

Fig. 3 Pacific/Homann RAB

Fig. 4 Sharrow Route Striping

Fig. 5 Yelm Hwy SE

Fig. 6 Yelm Hwy SE

Fig. 7 Yelm Hwy SE

Fig. 8 25th Ave SE


Fig. 9 Balustrade Blvd SE

# 2024 TBD Finances:

The following schedule of revenues, expenditures, and changes in fund balance summarizes the TBD finances for the 2024 fiscal year:

**Statement of Revenues, Expenditures, and Changes in Fund Balance**
*City of Lacey Transportation Benefit District*
*For the Year Ended December 31, 2024*

| | | |
|---|---|---|
| **Revenues** | | |
| TBD Sales and Use Tax (0.2%) | $ | 3,796,674 |
| Other revenues | $ | 131,287 |
| *Total revenues* | *$* | *3,927,962* |
| **Expenditures** | | |
| Current: | | |
| Other Expenditures | | - |
| Capital outlay: | | |
| Engineering (Design and Construction) | $ | 673,372 |
| Roadway Construction | | 1,801,993 |
| Sidewalk Construction | | 1,000 |
| Debt service: | | |
| Principal retirement | | - |
| Interest | | - |
| Debt issue costs | | - |
| *Total expenditures* | $ | 2,476,364 |
| Excess (deficiency) of revenue over (under) expenditures | $ | 1,451,597 |
| **Other Financing Sources (Uses)** | | |
| Proceeds from sale of assets | | - |
| Debt issuance | | - |
| Transfers in | | - |
| Transfers out | | - |
| Total other financing sources (uses) | | - |
| Net change in fund balances | $ | 1,451,597 |
| Fund balance - beginning | | 2,979,064 |
| ***Fund balance - ending*** | ***$*** | ***4,430,661*** |

# LACEY CITY COUNCIL WORKSESSION
**October 14, 2025**

**SUBJECT:** **Potential Revenue Options: Cable Utility Tax and Lodging Tax**

**RECOMMENDATION:** **Discussion only**

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**STAFF CONTACT**: Rick Walk, City Manager RW

Shannon Kelley-Fong, Assistant City Manager SKF

**ORIGINATED BY**: City Manager's Department

**ATTACHMENTS**: 1. UPDATED REPORT: Potential Revenue Options: An Analysis of Select Tools Available to the City, Option 1-7

**FISCAL NOTE:** See Report

**WORK PLAN GOAL:** 2025 Work Plan: Financial Planning, Review of Potential Revenue Sources

**PRIOR REVIEW**: City Council Regular Meeting – September 16, 2025
City Council Worksession – September 9, 2025
City Council Regular Meeting - August 19, 2025

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**BACKGROUND:** In the 2025 Work Plan, the City Council identified the need to review potential revenue sources to help inform the development of future sustainable budgets for the City of Lacey. To date, the City Council has reviewed the following potential revenue sources:

1. **Technology Fees:** Staff will return to Council at a later date to provide additional information.

2. **Body Worn Camera (BWC) Fees**: City Council adopted fees on September 16, 2025. This is anticipated to increase revenues by approximately $1500.00 annually.

3. **Franchise Fees:** Staff is performing additional research on this topic and will return to Council at a later date to provide additional information.

4. **Gambling Tax:** Staff is performing outreach on this topic and will return to Council at a later date to provide additional information.

5. **Utility Tax:** Staff is performing additional research on this topic, including a review of low-income relief programs for the City and peers.

    A. **Cable Utility Tax:** The City Council requested more information on the cable utility tax and franchise fees of peer jurisdictions. Staff performed additional analysis, as shown in **Table A**.

| Table A | | | | | | | |
|---|---|---|---|---|---|---|---|
| Comparison of Garbage, Water, Sewer, Stormwater, Cable Utility Tax Rates | | | | | | | |
| Organization | Population | Garbage | Water | Sewer | Stormwater | Cable TV | Cable Franchise Fee |
| Yakima | 98,200 | 20.00% | 20.00% | 20.00% | 15.00% | 6% | 5% |
| Kirkland | 93,570 | 9.50% | 11.80% | 9.50% | 6.98% | 6% | 5% |
| Pasco | 80,180 | 8.50% | 8.50% | 8.50% | 8.50% | 8.50% | 5% |
| Redmond | 75,270 | 6.00% | 1.00% | 1.00% | 1.00% | 6% | 5% |
| Shoreline | 60,320 | 6.00% | - | 6.00% | 6.00% | 6% | 5% |
| Lacey | 58,180 | 6.00% | 6.00% | 6.00% | 6.00% | 0% | 5% |
| Olympia | 57,970 | 12.50% | 12.50% | 12.50% | 12.50% | 6% | 5% |
| Burien | 52,490 | 6.00% | 8.00% | 8.00% | - | 6% | 5% |
| Bothell | 48,940 | 5.00% | 11.00% | 0.10% | 6.00% | 6% | 5% |
| Issaquah | 40,950 | 6.00% | 3.00% | 3.00% | 3.00% | 3% | 5% |
| Wenatchee | 35,650 | 16.00% | 16.00% | 16.00% | 16.00% | 5% | 5% |
| University Place | 35,420 | 6.00% | 6.00% | 6.00% | 6.00% | 6% | 5% |
| Walla Walla | 34,020 | 13.80% | 13.80% | 13.80% | 13.80% | 6% | 5% |
| Des Moines | 33,160 | 18.00% | - | - | 13.00% | 10% | 5% |
| AVERAGE | 57,451 | 9.95% | 8.97% | 7.89% | 8.13% | 5.80% | 5.00% |
| **Source**: AWC 2024 Utility and Fee Survey, plus additional research | | | | | | | |

6. **Business and Occupation (B&O) Taxes:** Staff is performing additional research on this topic, including possible impacts and thresholds, equity with wholesale and manufacturing, etc.

The purpose of tonight's discussion is to continue the review of cable utility tax and:

7. **Lodging Tax**

A subsequent revenue discussion is tentatively scheduled for November or December and will include a discussion of the remaining potential revenue source:

8. **HB2015: New Public Safety Funding Tool**

# Potential Revenue Options:
## An Analysis of Select Tools Available to the City

**October 14, 2025**

This report was developed as directed by the Lacey City Council in the 2025 Work Plan.

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This report was a cross-departmental effort. Various members of the team helped define and review revenue options and provide input into the report.

**Revenue Options Team:**
Rick Walk, City Manager
Shannon Kelley-Fong, Assistant City Manager
Troy Woo, Finance Director
Robert Hollis, Deputy Police Chief
Vanessa Dolbee, Community and Economic Development Director
Scott Egger, Public Works Director
Aubrey Collier, City Engineer
Kristy Wolf, Financial Services Manager
Chelsea Yarwood, Accounting Manager
Elissa Fontaine, City Clerk
Anna McBee, Police Records Supervisor
Sadie Siglin, Management Analyst
Donna Feliciano, Communications Specialist

# Table of Contents

## Use

This document is not intended to offer specific recommendations. Rather, it serves as a technical resource to support informed policy deliberation.

In some instances, it includes staff perspectives explaining specific challenges.

## Executive Summary

The City of Lacey (City) is facing a structural imbalance between its General Fund recurring revenues and ongoing expenses.

The City maintains a six-year financial forecast for the General Fund. Forecasting is a long-term planning tool that encourages strategic thinking and provides decision-makers with tools to make more informed business decisions by focusing on strategic objectives and the future impact of current decisions.

The Lacey City Council (City Council) adopted the City's 2025 budget on December 17, 2024. The budget is balanced but includes $1,759,545 in one-time general fund reserves to fund ongoing operations. The budget highlights that the City cannot depend exclusively on cost-cutting measures without significant service disruptions to address future budget deficits. The City Manager is taking important steps to address the growing gap between revenues and expenditures, including directing the performance of an internal analysis of every budget line item (see below) as part of the 2026 Budget process. Still, multiple forecasts developed in 2025 show that from 2027 to 2030, expenditures are expected to continue to grow and outpace revenues.

To ensure long-term financial stability, without significantly disrupting existing programs and services, it is imperative to identify new revenue sources and strengthen existing revenue streams. The 2025 budget summary emphasizes this urgent need stating:

> "As a result of slowing revenue growth and rising labor costs, the Adopted 2025 Budget maintains service levels, programs, and City Council priorities and initiatives, but is balanced using one-time reserves. **Although this approach helps avoid immediate service cuts, it highlights the need for more sustainable financial planning in the future. To address this, the City will focus on developing strategies throughout 2025 aimed at expanding economic development, increasing revenue streams, and reducing expenditures.** These strategies will be incorporated into the 2026 Budget. The foresight of the City Council in establishing budget policy implementation reserves has provided a valuable buffer, allowing the City time to craft thoughtful, long-term solutions without causing abrupt disruptions to community services.

### PROBLEM STATEMENTS

- Expenditures are outpacing Revenues
- Relying on reserves to fund recurring expenditures creates structural imbalances and is fiscally unsustainable
- Additional revenue is necessary for the continuity of existing services and programs

These reserves give Lacey the flexibility to adapt to current financial challenges while safeguarding the services its residents rely on."

If this imbalance is not addressed, the General Fund could exhaust its reserves within a few years, leaving reduced funding for strategic projects, capital investments, and ultimately forcing service reductions in the future.

On January 30 and 31, 2025, the City Council held their annual retreat to determine City Council priorities for 2025. The second day of this retreat was focused on exploring financial strategies. Building off the 2025 budget, the City Manager and Director team provided information on local economic trends and development activity, current and projected financial obligations of the city, historic revenue and expenditure trends and the project six-year financial model. Through a facilitated conversation, the City Council identified potential short- and long-term financial strategies warranting additional analysis and consideration for sustaining future city operations and services. Long-term strategies focused on city investments to incentivize private development and the creation of a 5-year economic plan. Short-term strategies focused on the adoption of new and/or the expansion of existing taxes and fees.

An outcome of the retreat was that the City Council adopted the 2025 Lacey City Council Work Plan. The Work Plan identifies the further exploration of potential revenue sources as a priority in 2025, with an anticipated schedule as indicated in the following table:

| ANTICIPATED REVIEW TIMELINE FOR POTENTIAL REVENUE SOURCES* | |
|---|---|
| QUARTER 1, 2025 | • Economic Investment Strategy<br>• Metropolitan Park District |
| QUARTER 2, 2025 | • Economic Development Strategy |
| QUARTER 3, 2025 | • Technology Fees<br>• Public Records Fees |
| QUARTER 4, 2025 | • B&O Taxes<br>• Gambling Taxes<br>• Franchise Fees<br>• Determine action for potential revenue sources |
| Quarter 1, 2026 | • Implement revenue strategies<br>• Utility Taxes |

*Lacey City Council 2025 Work Plan, adopted May 20, 2025

To meet this task, this report provides additional background and information on possible revenue options that the City Council could consider. An accompanying presentation to the City Council to discuss the report will take place, as anticipated above, through several Council Work Sessions from August through October 2025.

This report presents eight (8) potential revenue options available to the City under current law as identified by the City Council to further explore as part of their 2025 Retreat. Each option includes information on estimated revenue, time to implement, administrative effort, legal and procedural requirements, volatility, and who ultimately bears the cost. Revenue options include changes to existing fees and taxes, as well as new tax options, including one tool that was recently provided by the State Legislature in 2025.

**Importantly, this document is not a set of recommendations. It is a technical resource designed to support informed policy deliberation.** Staff are available to provide additional analysis if the City Council would like to explore any of the options in greater detail. This report is accompanied by a **Revenue Tool** that enables Councilmembers to explore the potential impact of adjusting existing tax rates or adding additional revenue sources.

Notably, the City's budget challenges are not unique. Cities across Washington face similar constraints due to the state's revenue structure. Simply, there is a structural issue: the two main pillars of General Fund revenues, property tax and sales tax, have not kept pace with inflation. Meanwhile, the cost of providing existing public services continues to rise, and the City has gradually provided more services to the community over time due to a combination of state mandates and community-driven priorities.

To illustrate this point, the following are a few cities that are currently or have recently faced similar fiscal challenges, though unique to each jurisdiction:

- Sammamish
- Everett
- Centralia
- Olympia
- Tukwila

## General Revenue & Expenditure Projections

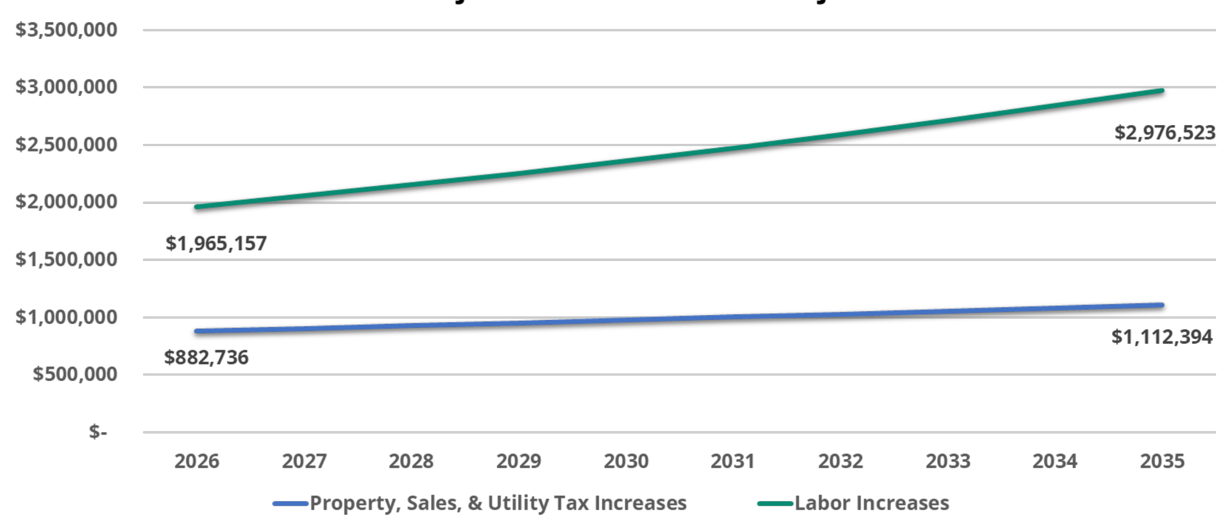
At the City Council retreat and subsequent City Council meetings, the City Council reviewed revenue and expenditure projections for 2025. While revenues have shown steady year-over-year growth, even without significant expansion to retail brick-and-mortar, expenditure increases have remained consistent. They are projected to outpace revenues in the coming years.

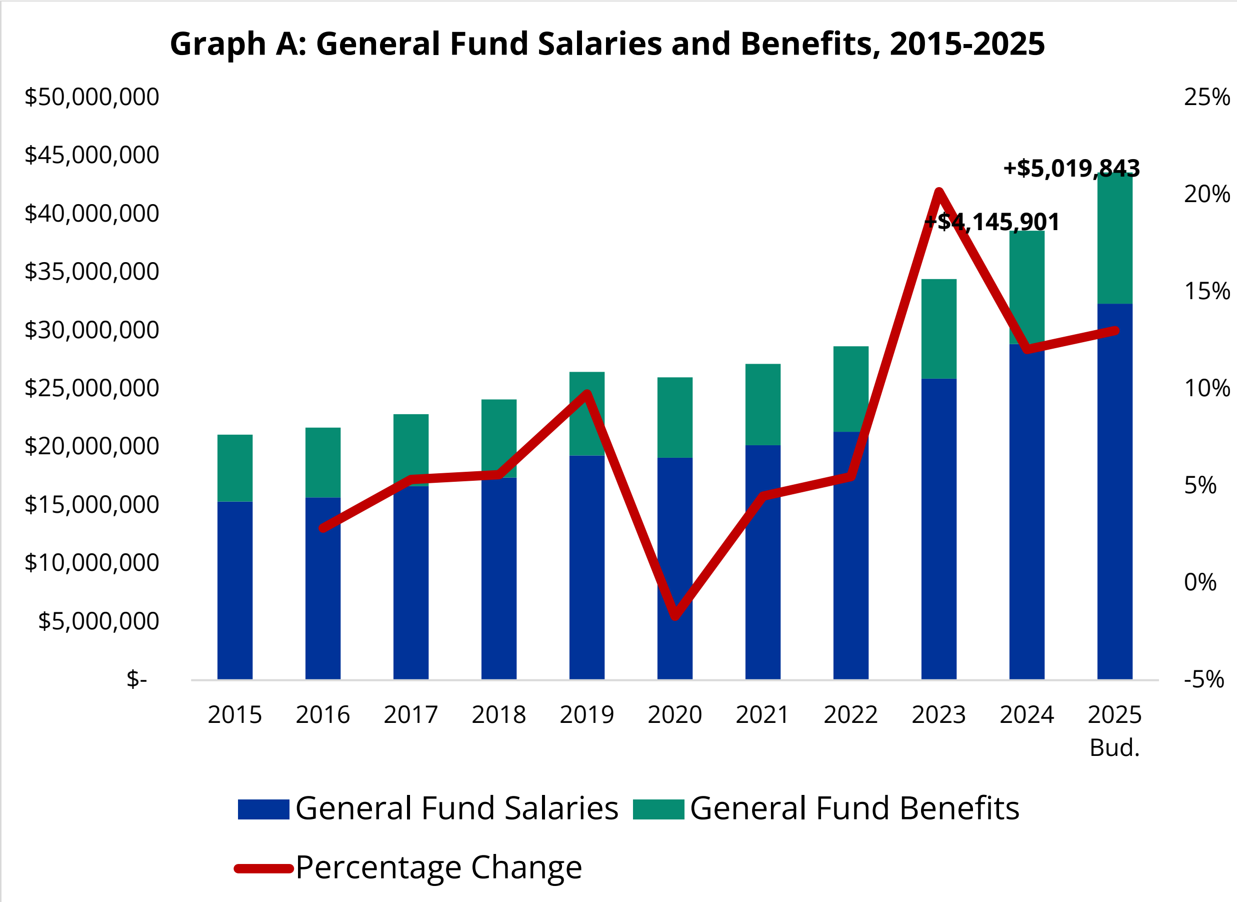
The City's largest expenditure category is labor. A notable example is the 15% increase in labor costs the City has faced over the last two years. During the same period, revenues increased nearly 6%. With staffing levels remaining unchanged, the labor cost increase is projected to be 4% for salaries and 6% for benefits year-over-year, driven by wage and benefit adjustments, see **Chart 2** and **Graph A**.

| In 2023-2024... | |
|---|---|
| Labor increased **15%** | Revenue increased **6%** |

**Chart 2** displays projected labor growth alone in comparison to the growth of major general fund revenues, including property, sales, and utility taxes.

**Chart 2**
**General Fund Major Revenue v. Labor Projected Growth**



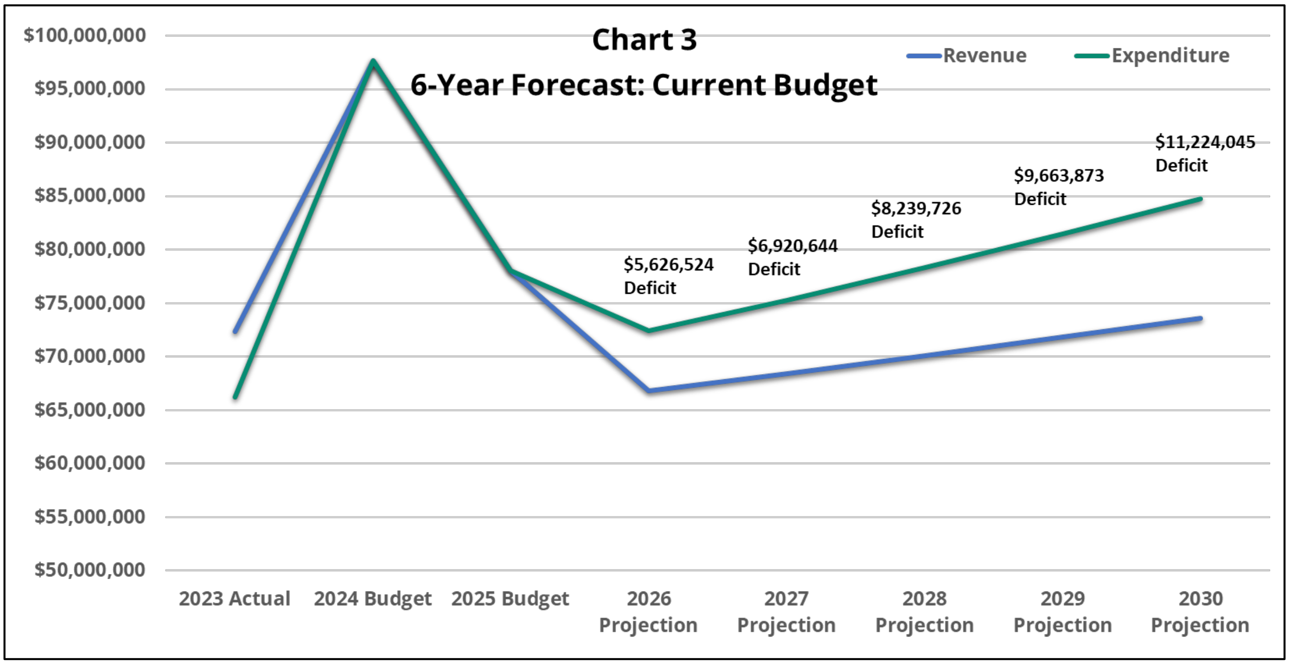



At the retreat, the City Council reviewed six-year financial forecasts for four separate potential outcomes, see **Chart 3** to **Chart 6**, below. All four models did not include consideration of new public defense standards, or maintenance and operation of the new police station and training facility, Cuoio Park, or Regional Athletic Complex Phase III, and other park improvements.

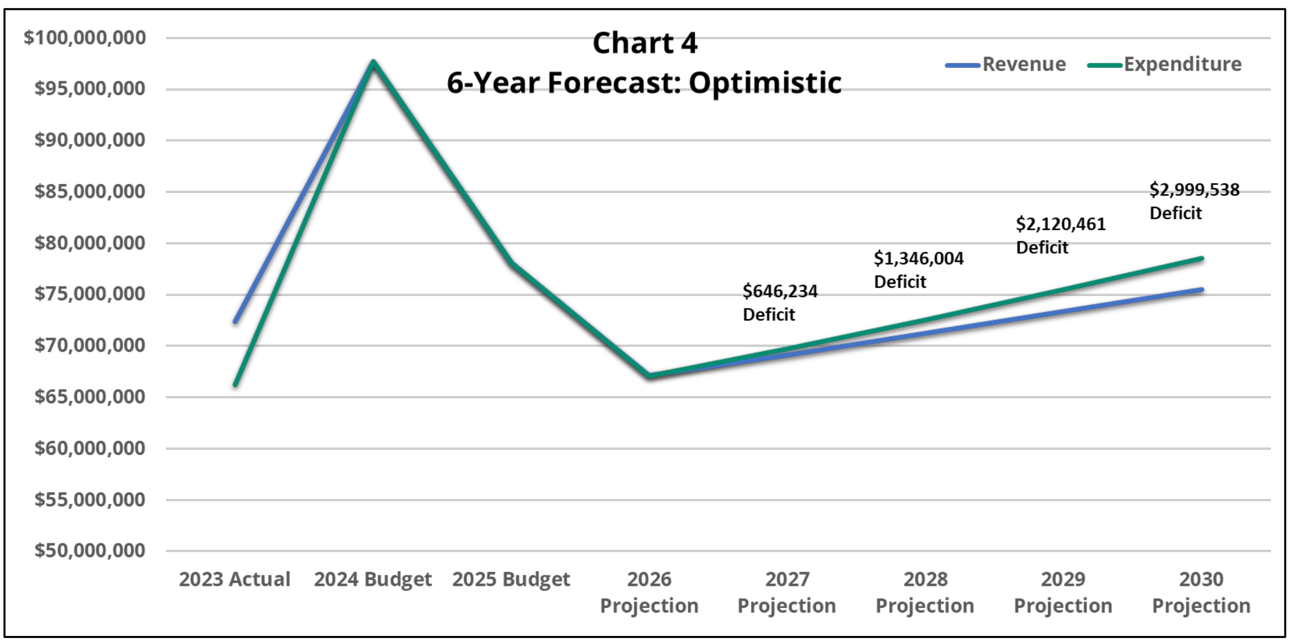
## FUTURE BUDGET OBLIGATIONS

- 2026 Cuoio Park Phase 1A: +$220,493/year
- 2026 New Police Station & Training Facility Operations & Maintenance: (+$474,950/year)
- 2026 – 2035 Public Defense: additional $80,000/each year for 10 years+ inflation
- 2028 RAC Phase 3: +$350,000/year

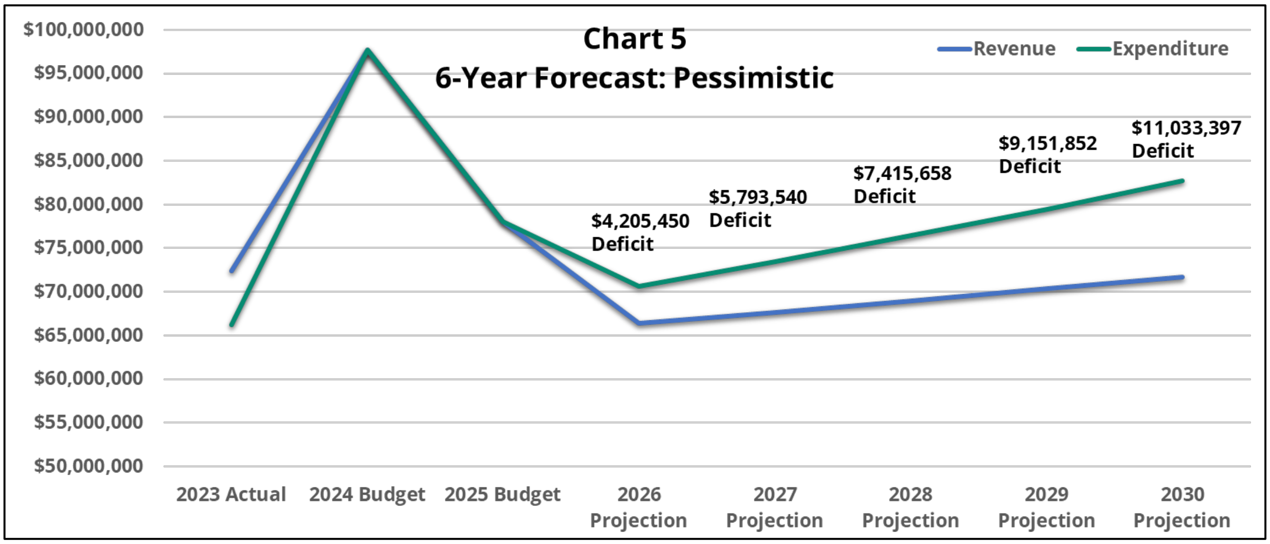
**Current Budget Forecast:** This model assumes 100% of the expenditure budget is spent and 2% revenue growth. The six-year forecast is displayed in **Chart 3.**



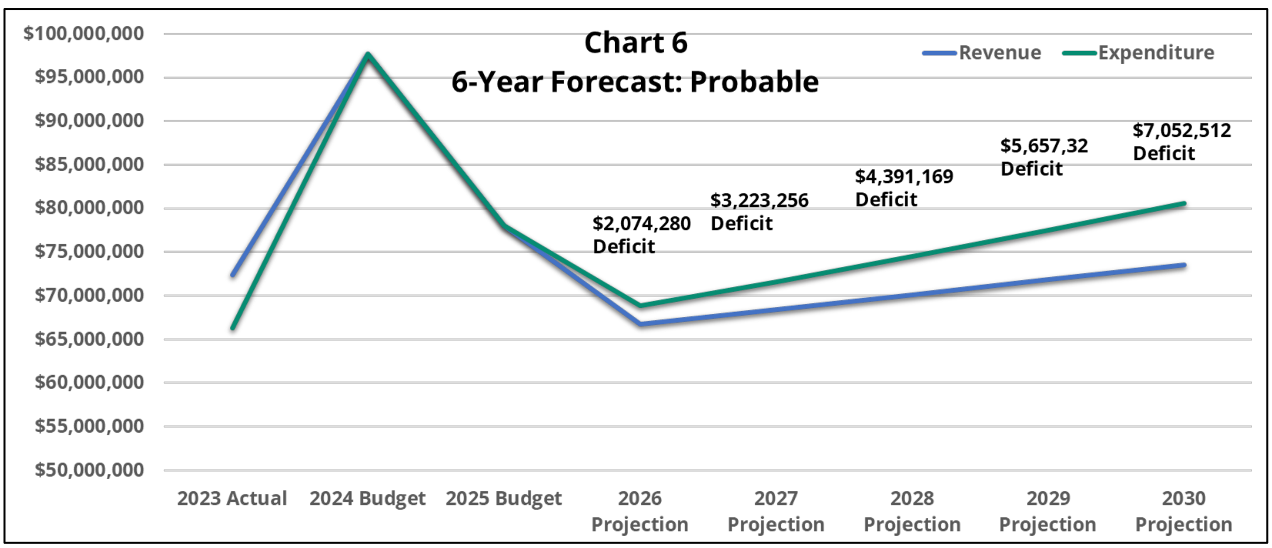

**Optimistic Budget Forecast:** This model assumes 92.5% of the expenditure budget is spent and a higher revenue growth of 3%. The six-year forecast is displayed in **Chart 4.**



**Pessimistic Budget Forecast:** This model assumes 97.5% of the expenditure budget is spent and a lower revenue growth of 1%. The six-year forecast is displayed in **Chart 5.**




**Probable Budget Forecast:** This model follows historical trends and assumes 95% of the expenditure budget is spent and revenue growth of 2%. The six-year forecast is displayed in **Chart 6.**




All four financial forecasts indicated that without new revenue sources or adjustments to current services, City expenditures will exceed projected revenues by 2027, with most reaching this point by 2026. These forecasts also indicate that by 2030, the annual shortfall between expenditures and revenues is projected to range from $3 million to over $11 million.

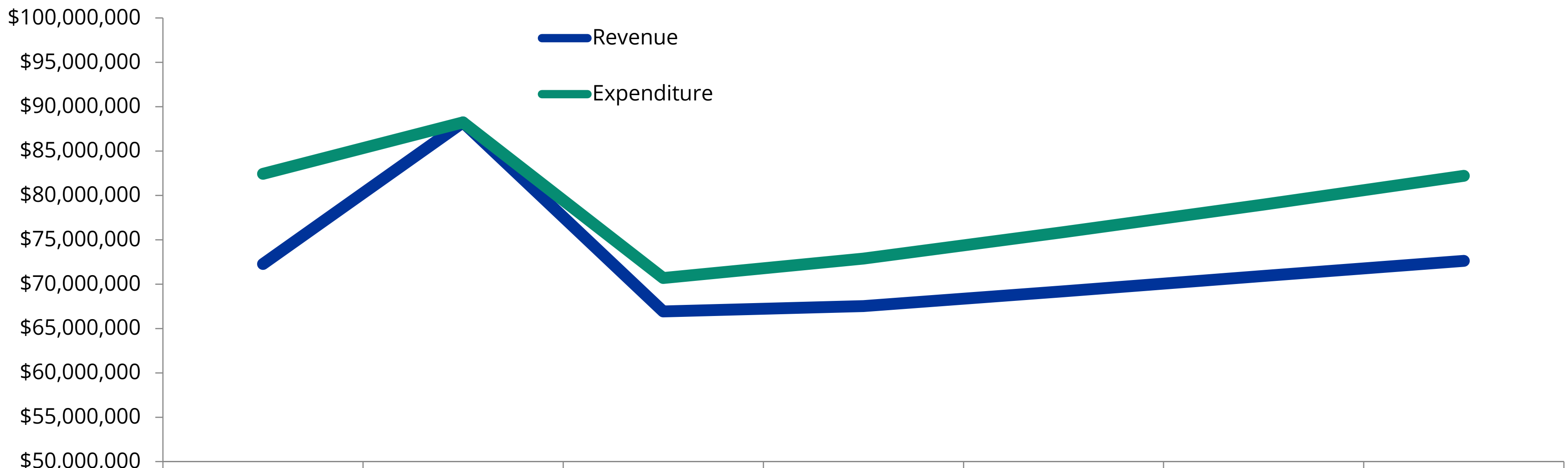
**By 2030…**

**forecasts indicate the gap between expenditures and revenues will be between**

**$9.5M – 12+M**

At the Regular Council Meeting on August 12, 2025, the City Council received an updated 6-Year Financial Model without new obligations based on current spending and revenues, see **Graph B**. Similar to the previous models, the deficit remains significant. In 2026, the projected gap between expenditures and revenues is anticipated to be around $3.76 million. By 2030, the projected gap increases to around $9.5 million.

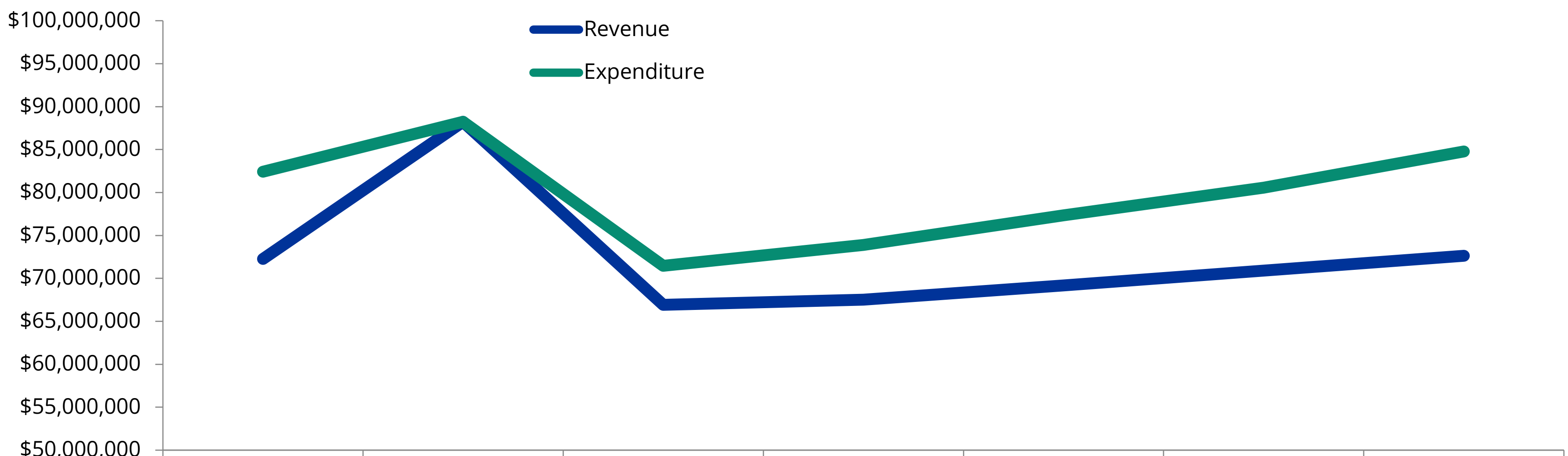
**Graph B: Updated 6-Year Financial Model without Obligations (8/12/2025)**




| | 2024 Act. | 2025 Bud. | 2026 Proj. | 2027 Proj. | 2028 Proj. | 2029 Proj. | 2030 Proj. |
|---|---|---|---|---|---|---|---|
| Revenue | 72,257,130 | 88,231,083 | 66,922,069 | 67,511,453 | 69,196,285 | 70,912,310 | 72,630,600 |
| Expenditure | 82,419,131 | 88,231,083 | 70,689,144 | 72,873,592 | 75,846,832 | 78,954,665 | 82,199,032 |
| Gap | (10,162,001) | - | (3,767,075) | (5,362,139) | (6,650,547) | (8,042,355) | (9,568,432) |

At this meeting, the City Council also received an updated 6-Year Financial Model that takes into consideration new obligations as well as current spending and revenues, see **Graph C**.  In 2026, the projected gap between expenditures and revenues is anticipated to be around $4.5 million.  By 2030, the projected gap increases to around $12 million.

**Graph C:**
**Updated 6-Year Financial Model with Obligations (8/12/2025)**




| | 2024 Act. | 2025 Bud. | 2026 Proj. | 2027 Proj. | 2028 Proj. | 2029 Proj. | 2030 Proj. |
|---|---|---|---|---|---|---|---|
| Revenue | 72,257,130 | 88,231,083 | 66,922,069 | 67,511,453 | 69,196,285 | 70,912,310 | 72,630,600 |
| Expenditure | 82,419,131 | 88,231,083 | 71,464,587 | 73,902,428 | 77,334,027 | 80,561,660 | 84,760,805 |
| Gap | (10,162,001) | - | (4,542,518) | (6,390,975) | (8,137,742) | (9,649,350) | (12,130,205) |

## General Fund 10-Year Spending Analysis (2015-2024):

As part of this process, staff performed a 10-year analysis of past budgets versus expenditures to get an understanding of long-term trends regarding budget use.

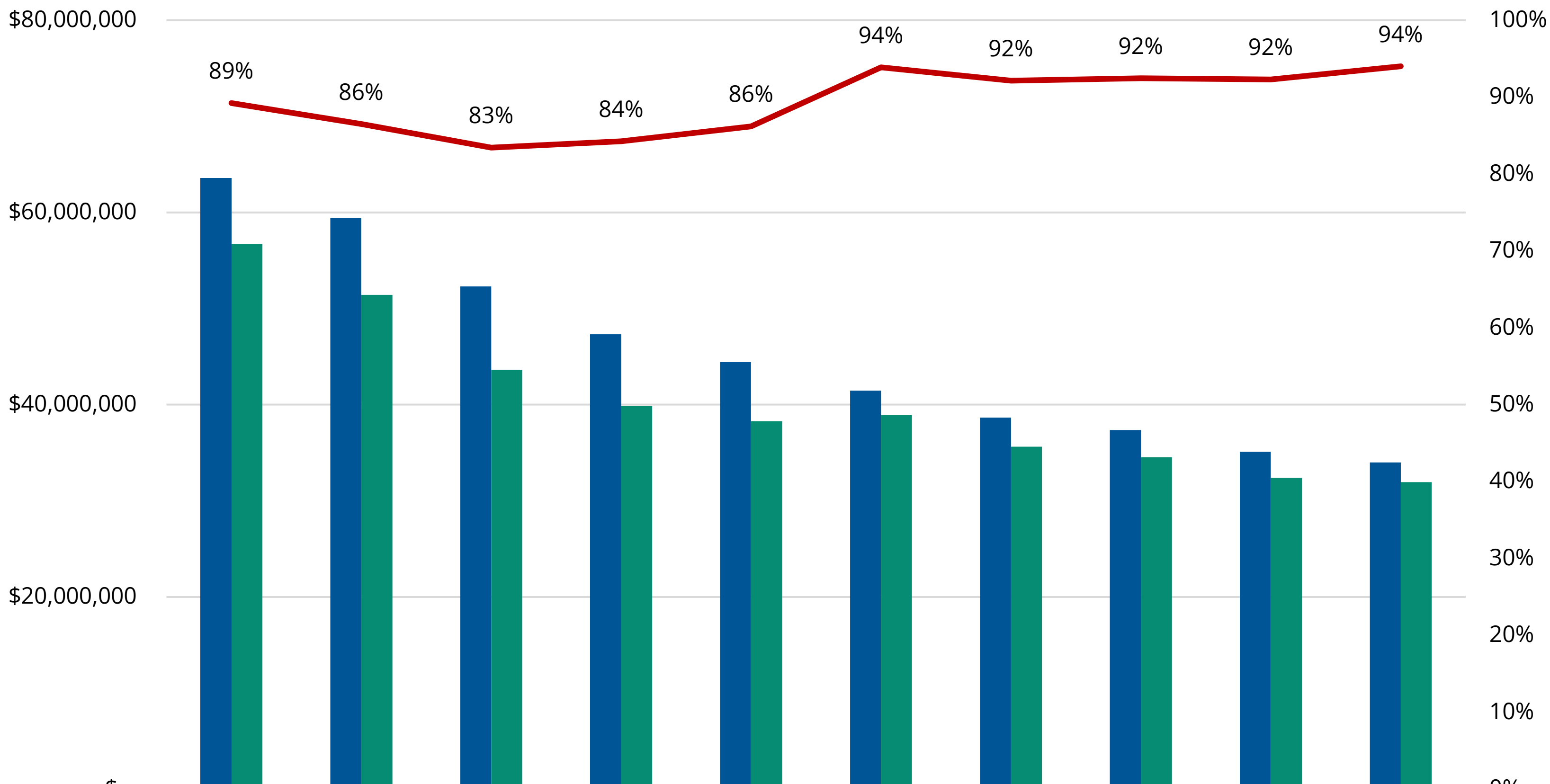
For the general fund operating expenses only, **Graph E** illustrates the General Fund Budget compared to Actual Expenditures from 2013 to 2024. During these ten years, actual operating expenditures averaged 89% of the budget, three percentage points higher than when taking into account the full general fund. In 2015, the organization spent 94% of its operating budget, a figure that declined by five percentage points by 2024.

The City expended an average of 94% of all budgeted General Fund Labor between 2014 and 2024. If you take out the pandemic years of 2020-2022, this average increases to 96%

**Table X**
**Comparison of General Fund Budget and Expenditures, 2015-2024**

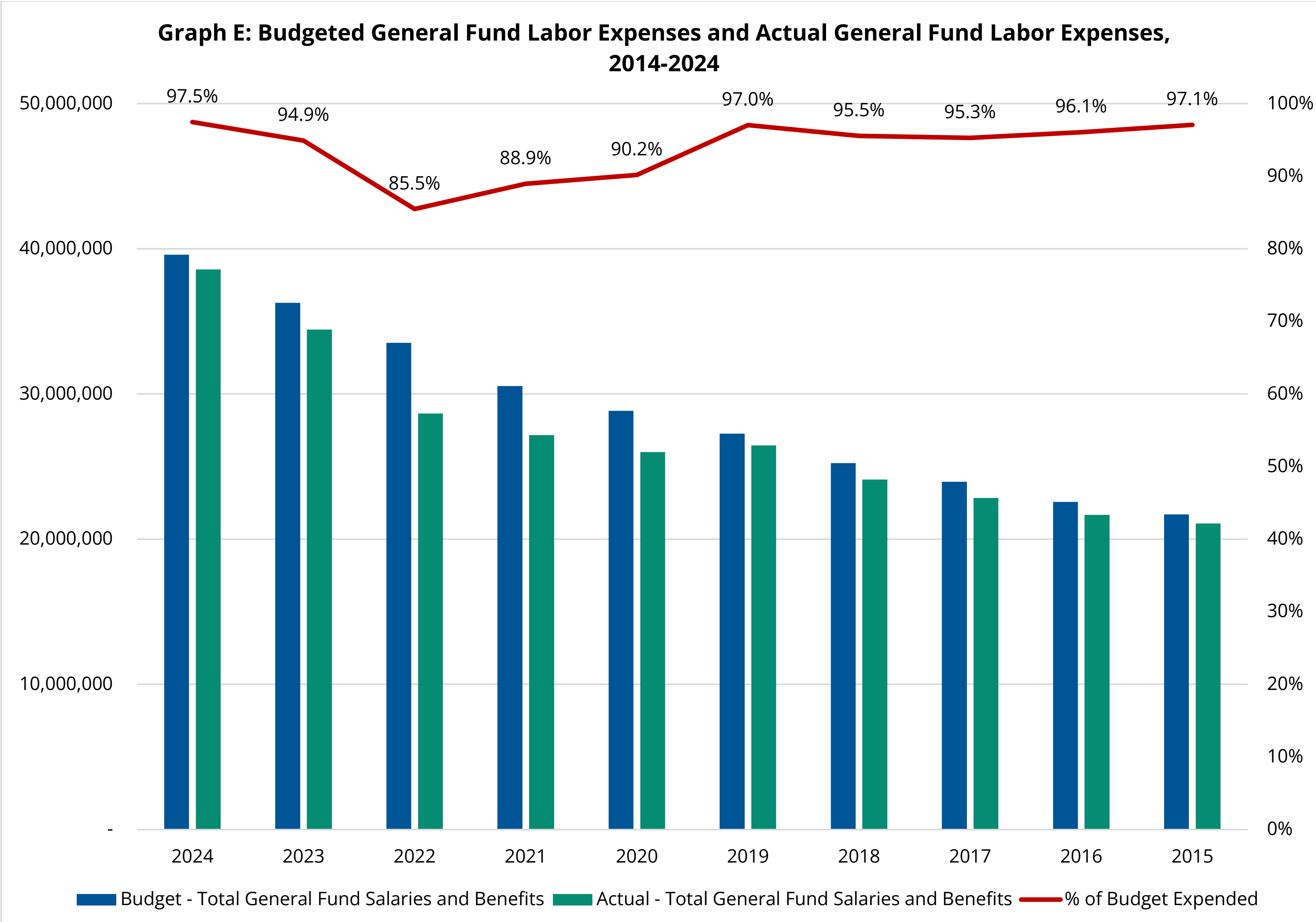
| General Fund Options | % Budget Spent |
|---|---|
| General Fund - Operating only | 89% |
| General Fund - Labor only | 96% |

## Graph E: 10-Year Spending Analysis: General Fund Budget vs Actuals, Operating Only, 2015-2024




| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| Op. only : Budget | $63,584,1 | 59,437,42 | 52301944 | 47,318,14 | 44,425,79 | 41,458,69 | 38,664,85 | 37,358,20 | 35,101,17 | 33,996,83 |
| Op. only: Actuals | 56,732,34 | 51,411,45 | 43,636,53 | 39,866,09 | 38,292,31 | 38,911,27 | 35,618,38 | 34,541,13 | 32,401,60 | 31,959,50 |
| % Spent | 89% | 86% | 83% | 84% | 86% | 94% | 92% | 92% | 92% | 94% |

Op. only : Budget  Op. only: Actuals  % Spent


Graph E: Budgeted General Fund Labor Expenses and Actual General Fund Labor Expenses, 2014-2024
50,000,000
40,000,000
30,000,000
20,000,000
10,000,000
-
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
97.5%
94.9%
85.5%
88.9%
90.2%
97.0%
95.5%
95.3%
96.1%
97.1%
2024
2023
2022
2021
2020
2019
2018
2017
2016
2015
Budget - Total General Fund Salaries and Benefits
Actual - Total General Fund Salaries and Benefits
% of Budget Expended

The above analyses highlight the need to perform an internal review of past expenditures. Analyzing each budget line item based on historical spending, especially underspending, may be crucial for ensuring efficient resource allocation. By examining past expenditures, the City may be able to identify patterns where certain areas consistently do not fully utilize allocated funds. This exercise, see below, could allow for more accurate future budgeting, as funds can be reallocated to areas.

**Internal Budget Analysis Efforts**
Concurrently with this report, the City Manager requested staff to perform an internal assessment of historical spending patterns and budget line item use as part of the 2026 Budget process. This assessment will help identify potential opportunities to reduce the overall budget without compromising current operations by strategically reducing or eliminating unused or underused accounts, resulting in immediate budget savings while promoting more efficient allocation of resources.

However, it's essential to highlight the potential long-term impact on reserves that these types of changes could have. Unspent savings from these accounts often contribute to strategic budgeting buffers. In addition, City reserves are frequently used to finance large-scale capital projects (e.g., Phase 1A of Greg Cuoio Park, Police Station, etc.). By reducing year end savings directed to reserves, large capital projects may take longer to develop and complete.

As part of this process, the City Council will need to carefully consider what the right balance is between maintaining strategic reserves, and using available funding to support essential services.

## Financial Planning

Building on the foundation of the six-year financial forecasts, at the City Council Retreat, the City Council participated in a revenue exercise to identify potential future revenue sources. Through this process, the City Council identified revenue opportunities in two primary categories:

(1) Encourage private investment through the expansion of commercial brick-and-mortar development, and

(2) Consider existing and some new taxes and fees.

From this exercise and subsequent discussion, the City Council identified, from a more extensive list, the following potential revenue sources for further exploration:

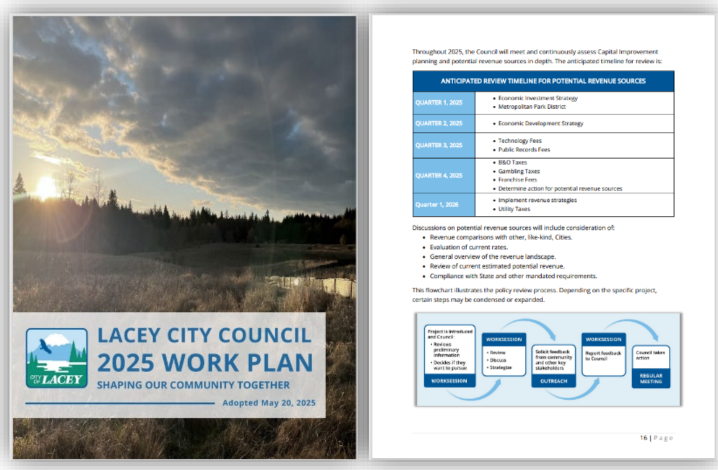
- **Economic Investment Strategy:** Review potential City investments to incentivize private development.

- **Economic Development Strategy:** Develop a 5-Year strategy to attract private development.
- **Business and Occupation Taxes (B&O):** Review existing rates and explore the addition of Warehousing and Manufacturing collection.
- **Franchise Fees:** Examine solid waste and other franchise agreements.
- **Gambling Tax:** Explore increasing the Gambling Tax rate and the number of gaming tax establishments.
- **Lodging Taxes:** Explore adjustments to funding priorities and distribution.
- **Public Records Fees:** Update and expand fees for qualified public records requests.
- **Technology Fees:** Explore implementation of convenience fees to support the maintenance of permitting systems.
- **Utility Taxes:** Consider adjustments to utility taxes, planned for early 2026.

The City Council also conducted a prioritization exercise to assess the fiscal impacts of upcoming capital projects. This analysis showed that, regardless of prioritization, completing any of these capital projects in the coming years would likely necessitate additional revenue sources. Without these new revenue streams, the City would require a considerable amount of time to build up the reserves needed to fund these projects.

However, the ability to save reserves for this purpose is limited based on the existing budget structural deficit.

In preparation for future financial planning discussions, the City Council requested additional information on revenue sources and how the City's financial position compares to other Washington cities. **This report serves to help fulfill this request and meets the 2025 Work Plan item of Financial Planning and Potential Revenue Sources Review.**




Throughout 2025, the Council will meet and continuously assess Capital Improvement planning and potential revenue sources in depth. The anticipated timeline for review is:

| ANTICIPATED REVIEW TIMELINE FOR POTENTIAL REVENUE SOURCES | |
|---|---|
| QUARTER 1, 2025 | • Economic Investment Strategy<br>• Metropolitan Park District |
| QUARTER 2, 2025 | • Economic Development Strategy |
| QUARTER 3, 2025 | • Technology Fees<br>• Public Records Fees |
| QUARTER 4, 2025 | • B&O Taxes<br>• Gambling Taxes<br>• Franchise Fees<br>• Determine action for potential revenue sources |
| Quarter 1, 2026 | • Implement revenue strategies<br>• Utility Taxes |

Discussions on potential revenue sources will include consideration of:
- Revenue comparisons with other, like-kind, Cities.
- Evaluation of current rates.
- General overview of the revenue landscape.
- Review of current estimated potential revenue.
- Compliance with State and other mandated requirements.

This flowchart illustrates the policy review process. Depending on the specific project, certain steps may be condensed or expanded.



16 | Page

This report was developed both in response to a formal request by the City Council to evaluate potential new revenue sources and is intended to support long-term financial planning and decision-making by providing a resource on available revenue options.

The report provides an in-depth analysis of the potential revenue sources identified by the City Council above. **Appendix 1** provides a list of revenue sources not contemplated in this report, but also available to the City.

## Purpose of This Report

This report was developed in response to the priority adopted by the City Council in the 2025 Work Plan to develop additional information on potential new revenue sources available to the City. It is intended to support the City Council as they evaluate options for addressing the City's long-term structural budget imbalance—an imbalance in which expenses are projected to grow faster than revenues, even under optimistic assumptions and without new programs, staffing increases, or reliance on one-time revenues.

The City, like many local governments in Washington, is constrained by the state's policy environment that limits local revenue flexibility, particularly regarding property tax growth and other general fund revenues. At the same time, the cost of maintaining existing services is rising due to state mandates, inflation, labor market pressures, aging infrastructure, and community service expectations (e.g., residents and businesses expect greater levels of service to respond to today's environment).

**FACTORS CONTRIBUTING TO RISING COSTS**

- New state mandates
- Inflation
- Labor Market
- Aging infrastructure
- Community service expectations

Recognizing these pressures, the City Council prioritized the need to identify strategies to improve long-term financial sustainability. This includes both increasing revenue and more aggressively controlling expenditure growth. Although the City's work to evaluate expense reductions is still underway as part of the 2026 Budget process, the revenue analysis is being presented first. These two efforts, revenue analysis and expenditure analysis, are intended to complement each other as part of a broader strategy to strengthen the City's financial outlook and be incorporated into the City's budget process.

This report provides a comprehensive overview of revenue options currently available to the City under existing state law, including options that are within the City's direct control (e.g., can be implemented by councilmanic action) and those that may require voter approval. Each revenue analysis includes estimates of potential revenue, volatility of that funding, implementation timelines, legal authority, administrative effort, level of stakeholder engagement, and equity considerations. No specific recommendations are made; instead, the report is structured to support City Council deliberation by offering a clear, consistent analysis across a wide range of revenue mechanisms.

Ultimately, this document is intended to be a technical resource, not a policy directive. It frames the revenue choices available to the City in the context of its legal, economic, and political environment. The City Council may determine the next steps, including which options to advance for further public engagement or implementation.

Readers should use this document to:

- **Understand the landscape of options:** The report provides an overview of all identified revenue tools selected by the City Council at the 2025 Retreat and prioritized in the 2025 Work Plan, with the addition of one new revenue tool recently created by the state legislature in 2025.

- **Compare revenue tools side-by-side:** Each option is presented using a consistent set of criteria to enable comparison of factors such as revenue potential, time to implement, legal requirements, and administrative effort. **Table A** summarizes all of these elements in a matrix to allow for quick comparison.

- **Identify follow-up questions and areas for further analysis:** The information presented here represents staff knowledge as of the date of this report. The City Council or staff may determine that further legal, financial, or community engagement work is needed to consider or pursue a given option.

City leadership may use this document in conjunction with the parallel work being conducted to examine growth of expenditures. Together, these efforts are intended to support a long-term, sustainable financial future for the City.

This report is accompanied by a **Revenue Tool, Appendix 2**, that enables Councilmembers to explore the potential impact of adjusting existing tax rates or adding additional revenue sources.

### Image 1: Snapshot of the Revenue Tool

| # | Revenue Concept | Potential Rate | Current Rate | Current Revenue | Estimated Revenue | Estimated Additional Revenue |
|---|---|---|---|---|---|---|
| 1 | Technology Fees | 0.0% | 0.0% | $ - | $ - | |
| 2 | Body Worn Camera | $0.00 | 0.0% | $ - | $ - | |
| 3 | Franchise Fee - Solid Waste | 0.0% | 0.0% | $ - | $ - | $ - |
| 4.1 | Gambling Tax - Social Card | 7.5% | 7.5% | $ 580,000 | $ 580,000 | $ 0 |
| 4.2 | Gambling Tax - Punch/Pull Tabs | 4.0% | 4.0% | $ 40,000 | $ 40,000 | $ - |
| 5.1 | Utility Tax - Water | 6.0% | 6.0% | $ 1,300,000 | $ 1,300,000 | $ - |
| 5.2 | Utility Tax - Solid Waste | 6.0% | 6.0% | $ 485,000 | $ 485,000 | $ - |
| 5.3 | Utility Tax - Sewer | 6.0% | 6.0% | $ 1,500,000 | $ 1,500,000 | $ - |
| 5.4 | Utility Tax - Stormwater | 6.0% | 6.0% | $ 300,000 | $ 300,000 | $ - |
| 5.5 | Utility Tax - Cable | 0.0% | 0.0% | $ - | $ - | $ - |
| 6.1 | B&O - Retail | 1.0% | 1.0% | $ 2,312,100 | $ 2,312,100 | $ - |
| 6.2 | B&O - Warehouse | 0.0% | 0.0% | $ - | $ - | $ - |
| 6.3 | B&O - Manufacturing | 0.0% | 0.0% | $ - | $ - | $ - |
| 7 | Lodging Tax | 30.0% | 30.0% | $ 188,000 | $ 188,000 | $ - |
| 8 | Sales Tax - HB2015 | 0.0% | 0.0% | $ - | $ - | $ - |
| | | | | | | $ 0 |
| | Annual Capital Funds | $ - | | | | |

| | Budget | Optimistic | Pessimistic | Probable | Updated Probable (WO/OB) | Updated Probable (W/OB) |
|---|---|---|---|---|---|---|
| Budget Gap - Labor | $ 5,700,000 | $ 700,000 | $ 4,250,000 | $ 2,100,000 | $ 3,767,075 | $ 4,542,518 |
| Budget Gap - Capital | $ - | $ - | $ - | $ - | $ - | $ - |
| Budget Gap - Total | $ 5,700,000 | $ 700,000 | $ 4,250,000 | $ 2,100,000 | $ 3,767,075 | $ 4,542,518 |
| Est. New Revenues | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 | $ 0 |
| Difference | $ (5,700,000) | $ (700,000) | $ (4,250,000) | $ (2,100,000) | $ (3,767,075) | $ (4,542,518) |
| Potential Actions | Reduce services | Reduce services | Reduce services | Reduce services | Reduce services | Reduce services |

## Dimensions of Analysis

Each revenue option is presented with a consistent set of criteria to enable comparison of factors, including:

- **Term:** An estimate for how long a given revenue option would take to implement, when revenue collection would commence, and what level of City resources would be required.

- **Revenue Estimates:** The amount of revenue expected to be collected from the given revenue option. This is presented as a point estimate (a single number). It should be understood, however, that the actual amount collected could vary from this estimate.

- **Volatility / Potential Year-over-year (YOY) shifts:** An assessment of the stability or fluctuation of revenue sources, including an estimate of year-to-year shifts based on available data, when possible.

- **Administrative Effort:** A description of the effort and complexity involved in implementing and collecting the revenue.

- **Offsetting Expenditures:** Costs that the City would incur to collect a given revenue. This reduces the net financial benefit to the City.

- **Level of Stakeholder Engagement:** A description of the effort and complexity involved in target outreach to gather input, clarify concerns, and ensure transparency.

- **Peer Usage**: A listing of peer governments that collect a given revenue. Where feasible, specific financial information about the rates or amounts collected by peers is provided.

- **Who Pays:** A description of the people, organizations, or other parties that would directly be impacted by having to pay for the revenue option.

- **Equity Implications:** An assessment of how the revenue option affects different income groups and communities. This analysis usually considers whether the revenue option is regressive (disproportionately impacts lower-income households), progressive (higher-income households pay a larger share relative to their income), or proportional (affects all income levels equally). Most revenue options available to local governments in Washington State are regressive.

- **Control/Implementation Authority:** The role the City plays in implementation, as well as legal, procedural, or technical considerations that are needed to implement a revenue option.

- **Other Considerations:** Any information that may be important for consideration and analysis of the revenue option that does not easily fit into the dimensions of analysis listed above.

## Matrix of All Revenue Options

Each option is presented using a consistent set of criteria to enable comparison of factors such as revenue potential, time to implement, legal requirements, and administrative effort. **Table A** summarizes all of these elements to allow for quick comparison. The matrix is color-coded using the following scales:

- **Red:** Less revenue, high volatility, high effort, high inequity
- **Yellow:** Moderate revenue, moderate volatility, moderate effort, regressive
- **Green:** High revenue, low volatility, lower effort, more equity

**Table A**

**Matrix of All Revenue Options**

| Revenue Concept | Annual Est. Revenue | Volatility | Est. YOY shifts | Control | Term | Implementation Authority | Administrative Effort | Stakeholder Engagement | Who Pays | Equity |
|---|---|---|---|---|---|---|---|---|---|---|
| **1. Technology Fees** | $20K - $150K | Very High - Dependent on Permits | 10-30+% | City control | Short-term, 12 months | Councilmanic -Resolution | Minimal | Moderate: Focused | Applicants | Proportional |
| **2. BWC Redaction Fees** | $1K - $5K | Very High - Dependent on certain types of requests | 10-30+% | City control | Short-term, 12 months | Councilmanic - Resolution | Minimal | Moderate: Focused | Requestors | Regressive; exemptions make it less regressive |
| **3. Franchise Fees: Solid Waste** | $40K - 400K | Stable - Essential service, reoccurring | 0-3% | City control | Short-term, 12-18 months | Councilmanic - RFP, Franchise Agreement | Moderate | Few 0-30 impacted | Company - typically directly passed on to Customer | Regressive |
| **4.1 Gambling Taxes: Social Card Games** | $100K - $800K | High - Discretionary Spending | 5-15+% | City controls | Short-term, 12 months | Councilmanic - Ordinance | Low | Few 0-30 impacted | Establishment | Proportional |

| Table A | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Matrix of All Revenue Options** | | | | | | | | | | |
| **Revenue Concept** | **Annual Est. Revenue** | **Volatility** | **Est. YOY shifts** | **Control** | **Term** | **Implementation Authority** | **Administrative Effort** | **Stakeholder Engagement** | **Who Pays** | **Equity** |
| **4.1 Gambling Taxes: Punch/Pull Tabs** | $5K - $60K | High - Discretionary Spending | 5-15+% | City controls | Short-term, 12 months | Councilmanic - Ordinance | Low | Few 0-30 impacted | Establishment | Proportional |
| **5. Utility Taxes (Water, Sewer, Stormwater, Cable)** | $500K - $4M+ | Stable - Essential service, reoccurring | 0-3% | City control | Short-term, 12 months | Councilmanic - Ordinance | High | High: Community-wide | Customer | Regressive; exemptions make it less regressive |
| **6.1 B & O Tax: Retail** | $580K - $2.3M | Moderate - Tied to revenues | 3-10% | City control | Short-term, 12-18 months | Councilmanic - Ordinance | Low | High: Businesses | Businesses - typically indirectly passed on to Customers | Proportional |
| **6.2 B&O Tax: Manufacturing** | $2K - $4K | Moderate - Tied to revenues | 3-10% | City control | Short-term, 12-18 months | Councilmanic - Ordinance | High | High: Businesses | Businesses - typically indirectly passed on to Customers | Proportional |
| **1. 6.3 B&O Tax: Wholesale** | $83K - 166K | Moderate - Tied to revenues | 3-10% | City control | Short-term, 12-18 months | Councilmanic - Ordinance | High | High: Businesses | Businesses - typically indirectly passed on to Customers | Proportional |
| **7. Lodging Tax (Allocation)** | $60K - $300K | High - Discretionary Spending, tourism, economy | 5-15% | City control | Short-term, 4 months | Councilmanic - Council Approval | Low | Few 0-30 impacted | Lodging Customers | Regressive; about use, not collection |

| Table A | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **Matrix of All Revenue Options** | | | | | | | | | | |
| **Revenue Concept** | **Annual Est. Revenue** | **Volatility** | **Est. YOY shifts** | **Control** | **Term** | **Implementation Authority** | **Administrative Effort** | **Stakeholder Engagement** | **Who Pays** | **Equity** |
| **8. Sales Tax - Public Safety (HB 2015)** | $1.879M | Moderate - Dependent on spending | 3-10% | City control | Short-term, 6-12 months | Councilmanic - Council Approval | Moderate -High Grant documentation | High: Community messaging | Customer | Regressive |

## 1. Technology Fees

The State of Washington regulates development permit fees through RCW 82.02.020, which states that a city may "collect reasonable fees from an applicant for a permit or other governmental approval to cover the cost…of processing applications, inspecting and reviewing plans, or preparing detailed statements [related to SEPA reviews]".

Cities may collect a technology fee (also known as a technology surcharge) as a percentage of a permit fee. The purpose of this surcharge is to provide the necessary funds to maintain the technology-dependent service levels used by departments directly connected with development services, in the case of the City, the Community and Economic Development and Public Works Departments. These fees are intended to help ensure the sustainability and efficiency of various technological services directly related to permitting. Currently, the City spends over $117,000, see **Table G**, annually on technology-supported systems associated with permit-related services delivered by Public Works and Community and Economic Development. Technology fees are a tool that can support the maintenance and improvements to technology-dependent services.

Over time, cities are becoming more dependent on technologies to provide efficient and responsive customer service. Technology improvements over the last few decades have resulted in:

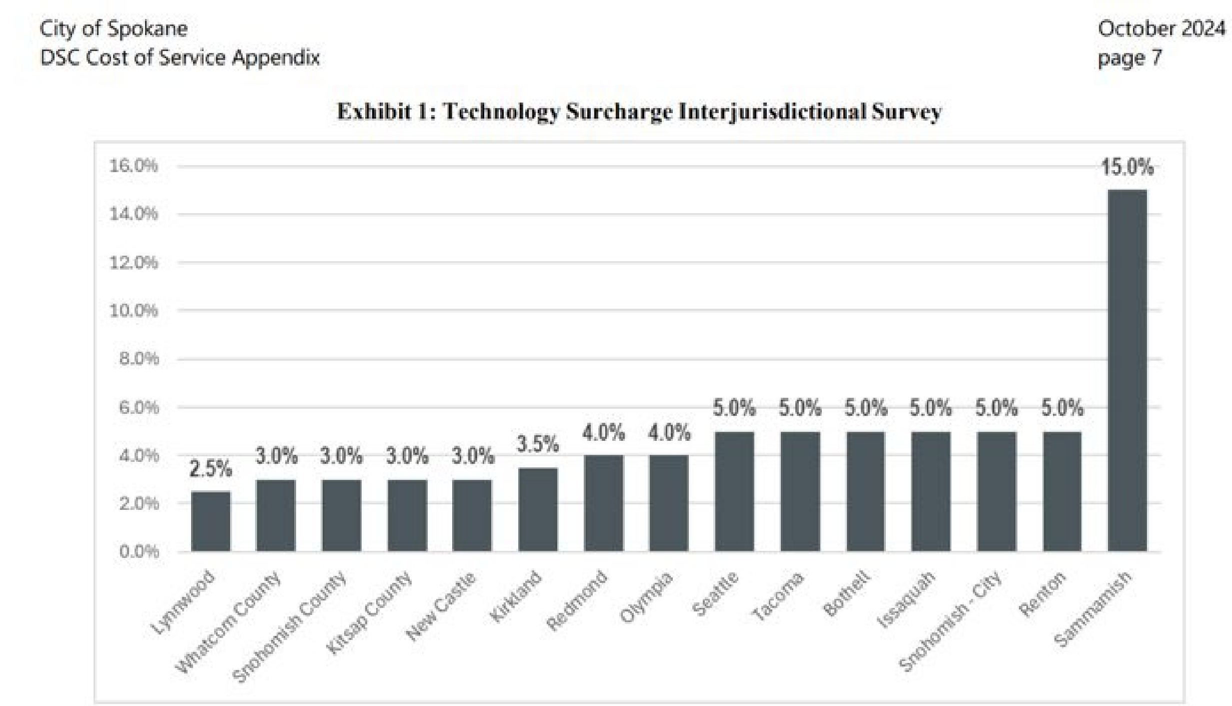
- Improved efficiencies in the delivery of services for the development community and community members (e.g., access, time, transparency, interactive)
- Easier access to over-the-counter and small permits
- More accurate information
- Greater internal consistency
- Streamlined review workflows
- Reduced paper use and increased sustainability
- Accumulation of better data, leading to more data-informed decisions
- Necessary to meet state requirements (e.g., SSSB 5290)

Revenues are restricted and must be used for development services technologies, e.g., annual maintenance or licensing and system replacement costs.

How do other local governments address support technology maintenance and upgrades through fees? A study performed by the FCS Group for the City of Spokane surveyed the technology fees in various Washington state jurisdictions. The report found that there is a notable variance in technology fee rates, ranging from a minimum of 2.5 percent to a maximum of 15.0 percent. The most frequently used rates were 3.0 percent and 5.0 percent. The City of Spokane ultimately adopted a 2.5 percent technology fee.

**Graph 1A**

**FCS Group Study for Spokane – Technology Fee Survey**




For more information on Technologies fees, please see the FCS Group study, as well as the MRSC page on Information Technologies.

## 1. Technology Fee

| | |
|---|---|
| **Description** | Apply a Technology Fee to all development permits, including CED and PW.<br>Create an exemption for permits associated with affordable housing. |
| **Estimated Annual Revenue** | $12,500 for each 0.5% increase in Technology Fees, see **Table 1B**.<br>$12,000 to $150,000+ depending on rate. |
| **Time to Implement** | Short-term, 6-12 months |
| **Offsetting Expenditures** | None |

| | |
|---|---|
| **Control and Implementation Requirements** | Councilmanic:<br>• Amend necessary fee schedules or documents by ordinance. |
| **Administrative Effort** | Administrative effort is low. The City will need to complete the following tasks to implement the new tax rate:<br>• Amend necessary fee schedules or documents by ordinance.<br>• Provide notice to community members. |
| **Peer Usage** | See **Graph 1A** for a more extensive list. Technology fees of comparable cities:<br>• **Kirkland**: 3.5%<br>• **Bothell**: 5%<br>• **Olympia**: 4%<br>• **Lynnwood**: 2.5%<br>• **Issaquah**: 5% |
| **Volatility** | Very High – Dependent on permitting levels, fluctuations are anticipated to be around 10% to 30+% annually based on past data, see **Table 1C**. |
| **Who Pays** | Applicants: Individuals or organizations applying for permits. |
| **Equity Implications** | The fee is proportional as it is based on a percentage of the permit fee. However, homeowners and small businesses may feel the impact of these charges more than large developers.<br>The City could implement an exemption to this fee for affordable housing. However, please see "Other Considerations" for a broad discussion of equity and development fees. |
| **Other Considerations** | Even with the addition of a technology fee, the City's current development fees would remain significantly lower than comparable cities. Many cities try to recover 75% to 100% of the costs for processing permits (development fee cost recovery) as allowed per state law. In 2024, the City recovered approximately 69.7% of CED costs and 38% of PW costs. As a result, the general fund is used to cover the remaining costs. The City's cost recovery rate is influenced by several factors, including the intensity of development. With recent development activity leveling off, and without further changes, the City is likely to see cost recovery rates more in line with 2024 |

levels—lower than in previous years that experienced periods of high multifamily development.

While lower cost recovery rates may encourage some economic and housing development, it is potentially regressive as lower-income community members may be disproportionately affected by indirectly supporting permits that could primarily benefit other individuals or developers, with little (if any) residual positive impact for them. This could also lead to underinvestment in services that would directly positively impact the whole community rather than a select few, e.g., general fund dollars could be used for park and recreation development or programming.

The City has over $117,000 in existing technology costs associated with development services, see **Table 1G**. A technology fee may defray some of these costs and provide some relief to the general fund. In addition to existing costs, the City anticipates future technology needs to improve services, upgrade and maintain systems, and meet new state mandates.

**Table 1B** provides an estimated projection of Technology Fee revenues, based on historical revenue of all development services permits.

| Table 1B | | |
|---|---|---|
| **Technology Fee Projected Revenues** | | |
| **Rate** | **Est. Revenue** | **Difference** |
| 0.0% | $ - | $ - |
| 0.5% | $12,500 | $12,500 |
| 1.0% | $25,000 | $25,000 |
| 1.5% | $37,500 | $37,500 |
| 2.0% | $50,000 | $50,000 |
| 2.5% | $62,500 | $62,500 |
| 3.0% | $75,000 | $75,000 |
| 3.5% | $87,500 | $87,500 |
| 4.0% | $100,000 | $100,000 |
| 4.5% | $112,500 | $112,500 |
| 5.0% | $125,000 | $125,000 |
| 5.5% | $137,500 | $137,500 |
| 6.0% | $150,000 | $150,000 |
| 6.5% | $162,500 | $162,500 |
| 7.0% | $175,000 | $175,000 |
| 7.5% | $187,500 | $187,500 |
| 8.0% | $200,000 | $200,000 |
| 8.5% | $212,500 | $212,500 |
| 9.0% | $225,000 | $225,000 |
| 9.5% | $237,500 | $237,500 |
| 10.0% | $250,000 | $250,000 |
| 10.5% | $262,500 | $262,500 |
| 11.0% | $275,000 | $275,000 |
| 11.5% | $287,500 | $287,500 |
| 12.0% | $300,000 | $300,000 |
| 12.5% | $312,500 | $312,500 |

**Table 1C** provides historical revenue of all development services permits, including year-to-year shifts in revenue.

| Table 1C<br>CED and PW<br>Permit Fee Revenues and Year-to-Year Changes, 2013-2024 | | |
|---|---|---|
| **Year** | **Permit Fee Revenue** | **YOY Shifts** |
| 2024 | $2,316,668 | -28% |
| 2023 | $3,234,601 | 28% |
| 2022 | $2,530,277 | -8% |
| 2021 | $2,751,510 | 21% |
| 2020 | $2,279,013 | -41% |
| 2019 | $3,869,042 | 26% |
| 2018 | $3,071,579 | 45% |
| 2017 | $2,117,594 | -26% |
| 2016 | $2,872,405 | 46% |
| 2015 | $1,968,661 | 20% |
| 2014 | $1,637,294 | 39% |
| 2013 | $1,176,727 | |
| **Average** | **$2,316,668** | **11%** |

**Table 1D** uses historical revenue from all development services permits to provide examples of revenue generated by different Technology Fee percentages, ranging from 1% to 6%, for the past ten-years.

| Table 1D | | | | | | | |
|---|---|---|---|---|---|---|---|
| CED and PW Permit Fee Revenues and Technology Fee Projections, 2013-2024 | | | | | | | |
| Year | Permit Fee Revenue | 1% Fee | 2% Fee | 3% Fee | 4% Fee | 5% Fee | 6% Fee |
| 2024 | $2,316,668 | $23,167 | $46,333 | $69,500 | $92,667 | $115,833 | $139,000 |
| 2023 | $3,234,601 | $32,346 | $64,692 | $97,038 | $129,384 | $161,730 | $194,076 |
| 2022 | $2,530,277 | $25,303 | $50,606 | $75,908 | $101,211 | $126,514 | $151,817 |
| 2021 | $2,751,510 | $27,515 | $55,030 | $82,545 | $110,060 | $137,576 | $165,091 |
| 2020 | $2,279,013 | $22,790 | $45,580 | $68,370 | $91,161 | $113,951 | $136,741 |
| 2019 | $3,869,042 | $38,690 | $77,381 | $116,071 | $154,762 | $193,452 | $232,143 |
| 2018 | $3,071,579 | $30,716 | $61,432 | $92,147 | $122,863 | $153,579 | $184,295 |
| 2017 | $2,117,594 | $21,176 | $42,352 | $63,528 | $84,704 | $105,880 | $127,056 |
| 2016 | $2,872,405 | $28,724 | $57,448 | $86,172 | $114,896 | $143,620 | $172,344 |
| 2015 | $1,968,661 | $19,687 | $39,373 | $59,060 | $78,746 | $98,433 | $118,120 |
| 2014 | $1,637,294 | $16,373 | $32,746 | $49,119 | $65,492 | $81,865 | $98,238 |
| 2013 | $1,176,727 | $11,767 | $23,535 | $35,302 | $47,069 | $58,836 | $70,604 |
| **Average** | **$2,316,668** | **$26,044** | **$52,088** | **$78,133** | **$104,177** | **$130,221** | **$156,265** |

**Table 1E** and **Table 1F** provide examples of common permit fee costs and show how the addition of a Technology Fee would impact the overall fees.

| Table 1E | | | | | | | |
|---|---|---|---|---|---|---|---|
| Example of CED Common Permit Fee Costs and Technology Fees | | | | | | | |
| **Permit Fee** | **Cost** | **1%** | **2%** | **3%** | **4%** | **5%** | **6%** |
| Demolition Permit | $91 | $0.91 | $1.82 | $2.73 | $3.64 | $4.55 | $5.46 |
| Plumbing Permit (Whole House) | $254 | $2.54 | $5.08 | $7.62 | $10.16 | $12.70 | $15.24 |
| Residential Roof | $213 | $2.13 | $4.26 | $6.39 | $8.52 | $10.65 | $12.78 |
| Mechanical Permit (Whole House) | $381 | $3.81 | $7.62 | $11.43 | $15.24 | $19.05 | $22.86 |
| Grading Permit (8,000 cy) | $861 | $ 8.61 | $17.22 | $25.83 | $34.44 | $43.05 | $51.66 |
| Building Permit (2,500 SF Home) | $6471 | $64.71 | $129.42 | $194.13 | $258.84 | $323.55 | $388.26 |

| Table 1F | | | | | | | |
|---|---|---|---|---|---|---|---|
| Example of PW Common Permit Fee Costs and Technology Fees | | | | | | | |
| **Permit Fee** | **Cost** | **1%** | **2%** | **3%** | **4%** | **5%** | **6%** |
| Plan Check: Water/Sewer (1st 150') | $341.10 | $3.41 | $6.82 | $10.23 | $13.64 | $17.06 | $20.47 |
| Plan Check: Street (1st 150') | $341.10 | $3.45 | $6.89 | $10.34 | $13.78 | $17.23 | $20.67 |
| Inspection: Water/Sewer (1st 150') | $408.63 | $3.48 | $6.96 | $10.44 | $13.92 | $17.40 | $20.88 |
| Inspection: Street (1st 150') | $407.46 | $3.51 | $7.03 | $10.54 | $14.05 | $17.57 | $21.08 |
| Inspection: Signals (per Intersection) | $3,067.56 | $3.55 | $7.09 | $10.64 | $14.19 | $17.74 | $21.28 |
| ROW: Overhead Utilities (1st 150') | $365.13 | $3.58 | $7.16 | $10.74 | $14.33 | $17.91 | $21.49 |

**Table 1G** provides examples of current technology costs associated with CED and PW development services.

| Table 1G | | | |
|---|---|---|---|
| **Examples of Current Development Services Technology Costs** | | | |
| **Department** | **Item** | **Annual Cost** | **Purpose / Notes** |
| PW | Bluebeam | $3,000 | Allow for more efficient permit processing:<br>• PDF solution tailored for architecture and construction<br>• Helps standardize communication and improve review quality with customizable tools<br>• More efficient review and workflows |
| PW | Virtual Project Manager | $10,000 | Allow for more efficient project management |
| PW | iPads | $2,500 | Streamlines field inspections |
| CED | ICC Code Updates | $13,552 | Ensure access to current building codes online. |
| CED | Cell Phone | $9,631 | Cell phones for more efficient customer service. |
| CED | iPads | $4,084 | Streamlines field inspections |
| CED | Bluebeam | $10,648 | Allow for more efficient permit processing |
| CED | TRAKiT License | $63,762 | Online Permit Portal - Permitting Software<br>• Convenient submission<br>• Track permit applications<br>• More efficient workflows<br>• Improves record keeping<br>• More efficient record requests |
| **ALL** | | **$117,177** | |

## 2. Copying Charges for Public Records: Body-Worn Cameras Redactions

Under the Public Records Act (PRA), cities have a few options for calculating the charges for copies of public records, see **Option 1 to Option 3** below.

These allowable charges are mainly limited to the costs incurred by the city in making and producing copies of the records. Under the PRA, cities generally cannot charge for staff time spent locating a public record or making it available for inspection (including any time spent reviewing or redacting records). However, there are some limited exceptions for certain law enforcement records.  Law enforcement records, specifically body camera redactions, criminal history records information, traffic accident reports, department audio, visual, or photographic material, are labor-intensive for response. Annual City costs to respond to law enforcement public records requests is likely well over $385,000 annually taking into account staff and technology resources, see **Table 2A1**.

| Table 2A1<br>Public Record Costs and General Estimates 2024 | |
|---|---|
| Total estimated costs (includes staff compensation and legal review) | $442,426 |
| Total public records requests - Citywide | 3,510 |
| Total public records requests - LPD | 3,053 |
| % of LPD based on City-wide requests* | 87% |
| Estimated cost for LPD-related requests  based on % of City-wide requests* | $384,911 |
| Total requests including BWC** | 7.9% citywide<br>9% LPD |
| * Estimates based on best available data.  These are general estimates.<br>** Average based on data from 2024/2025. | |

For records requests, the City adopted the default charges outlined in RCW 42.56.120 to apply to requests for copies of public records, see **Option 2**.   Many other agencies within the state charge a fee to recoup a portion of this cost, exempting out certain requestors defined by RCW.

> **Option 1: Actual Costs:** Cities can charge the actual cost incurred for providing copies by adopting a statement of costs, after notice and a public hearing (RCW 42.56.070(7)).  For hard copies, actual cost includes: the cost of paper; the per-page cost for use of agency copying equipment; the cost of postage or delivery charges and the container used for delivery; and staff time to *copy and send* the requested public records.  For electronic copies, actual cost includes: The cost of electronic production or file transfer of a record; The use of cloud-based storage and

processing services; The transmission of records in electronic format, including the transmission charge and the media device used for delivery; and Staff time to *copy and send* the requested public records.

**Option 2: Statutory Default Charges (Current City status – no change):** Adopt the statutory default charges in RCW 42.56.120, see **Table 2A**.

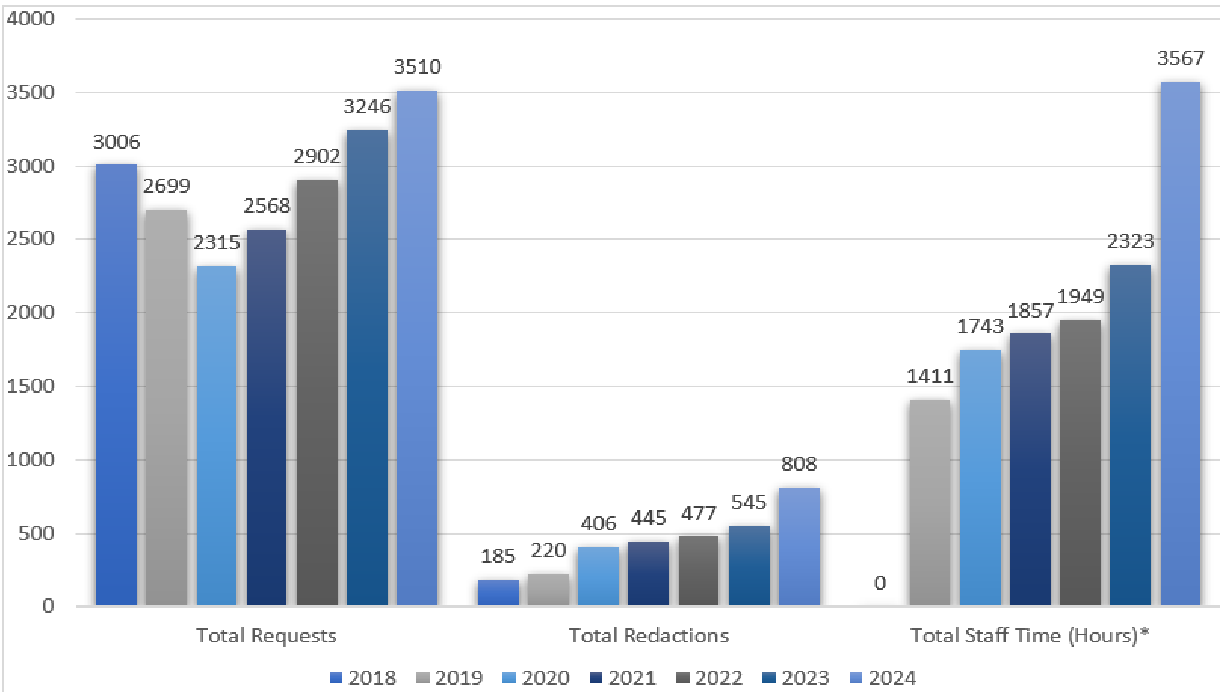
| Table 2A<br>Statutory Default Charges | |
|---|---|
| Inspection of records: | No charge |
| Photocopy of paper records, or printed copies of electronic records, or use of City's equipment to photocopy public records: | 15 cents per page |
| Records scanned into an electronic format, or use of City's equipment to scan records: | 10 cents per page |
| Files and attachments uploaded to email, cloud-based data storage services, or other means of electronic delivery: | 5 cents for each 4 electronic files or attachments |
| Files and attachments transmitted in electronic format, or the use of City's equipment to send the records electronically: | 10 cents per gigabyte |
| Digital storage media or device provided by the City: | Actual cost |
| Container or envelope used to mail copies: | Actual cost |
| Postage or delivery charges: | Actual cost |

**Option 3: Flat Fee Up To $2 Per Request:** Cities have the option to charge a flat fee of up to $2 per request as an alternative to actual or default costs if the agency reasonably estimates and documents that the costs are equal or more than $2. This flat fee can only be charged once per request and not per installment (RCW 42.56.120(2)(d)). At this time, staff do not recommend adopting a flat fee per request. While this model could generate more revenue, it does not offset the staff time and resources required to process large, multi-installment requests. Retaining the default copying charges may also help to discourage excessive or frivolous requests.

**Option 4: Fees for Body Worn Camera**: Law enforcement agencies may require any requester not listed in RCW 42.56.240(14)(e) to pay the reasonable costs of redacting any portion of the body-worn camera recording before disclosure.

Since 2020, the City has experienced an increase in the total number of public record requests. With this increase, the City has also experienced a direct rise in redactions and staff time required to respond, see **Graph X**, below.

**Graph X: Public Records Request Trends, 2018 - 2024**




In 2023, the average cost per record request was $115. Of all 3,246 requests, only $55 was recovered. In 2024, the average cost per request was $126. Of all 3,510 requests, only $8 was recovered. At this time, staff do not recommend any changes to copying charges for general record requests as revenue enhancements would be de minimis and associated offsetting expenditures would increase (e.g., it would require more staff time to process than would likely be recovered). While **Option 3** would likely recover more costs than the current model, it eliminates the City's ability to charge based on actual or customized costs—an important tool for discouraging excessive or frivolous requests. Under this option, a large request would cost the same as a small one: just $2.

For more information on Public Record Costs, please see the MRSC page on Copying Charges for Public Records.

**Law Enforcement Records:** Per state law, law enforcement agencies may recover costs for the following:

- Body Camera Redaction: RCW 42.56.240(14) allows agencies to charge for staff time *spent redacting body camera video recordings for certain requestors*, in addition to the regular costs allowed under RCW 42.56.070(7).

- Criminal History Records Information
- Traffic Accident Reports
- Sheriff Department  Audio, Visual, or Photographic Materials

The City implemented a body-worn camera (BWC) program in April 2023.  Since launching the BWC program, the City has retained 114,500+ BWC videos. Starting in July 2024, the City began capturing data on public records requests involving body-worn video footage. From July 2024 to July 2025, the Lacey Police Department (LPD) closed 3,281 public records requests with 302 requests containing BWC. Notably, for every one hour of video requested, it takes LPD staff an estimated two (2) to seven (7) hours to review and redact.

The City could recover costs spent redacting body camera video recordings for certain requestors while also mitigating potential BWC disclosure requests by establishing a per-minute BWC disclosure cost.

Notably, per state law, BWC disclosure costs would not apply to the following requestors:

- A person, or an attorney representing a person, directly involved in the incident;
- A person or their attorney who requests BWC relevant to a criminal case involving that person;
- The executive director from either the Washington state commission on African American affairs, Asian Pacific American affairs, or Hispanic affairs; or
- An attorney who represents a person regarding a potential civil cause of action involving the denial of civil rights under…(attorney must explain the relevancy and request relief from redaction costs)

Several Washington state jurisdictions have performed studies to establish per-minute BWC redaction cost rates, including the City of Seattle and City of Sumner.  **Table 2B** provides a summary of several jurisdictions with adopted per-minute BWC redaction cost rates.

| Table 2B<br>BWC Redaction Costs | | |
|---|---|---|
| **City** | **Costs per minute** | **Expenses Recovered** |
| Seattle | $0.82 | N/A |
| Kent | $0.91 | $750 (2018, all)<br>$4,235 (2019, all) |
| Tukwila | $0.63 | N/A |
| Sumner | $0.86 | N/A |
| Olympia | $0.81 | N/A |
| Bellingham | $0.75 | $2,000 (2023, 911/BWC) |
| Kirkland | $0.84 | $2,509 (2023, PD/BWC) |

Based on the studies mentioned above, Staff performed a per-minute cost analysis for the City, resulting in a $0.90 cost per minute, see **Graph 2C**.

| Graph 2C | |
|---|---|
| **Lacey BWC Request Cost Study** | |
| **Police Records Specialist, Step 1** | |
| A. Monthly Salary | $5,543.70 |
| B. Monthly Benefits | $3836.67 |
| **C. Total Monthly Salary/Benefits (A+B)** | **$9,380.37** |
| **BWC License Fees*** | |
| D. Monthly Professional License | $31.71 |
| E. Monthly Redaction Assistance User License | $6.58 |
| **F. Total Monthly License Fees (D+E)** | **$38.32** |
| **Average Minutes worked by staff per month** | |
| G. 174 hours per month x 60 minutes | 10,440 |
| **Estimated Cost per Minute (C+F)/G** | **$0.90** |
| * Includes sales tax | |

For more information on BWC disclosure cost, please see the MRSC page on Disclosure of Law Enforcement Video Footage.

## 2. Body-worn Camera Redactions

| | |
|---|---|
| **Description** | Apply a BWC Charge of $0.90 per minute |
| **Estimated Annual Revenue** | $1,000 to $5,000 annually |
| **Time to Implement** | Short-term, 6-12 months |
| **Offsetting Expenditures** | None |
| **Control and Implementation Requirements** | Councilmanic:<br>• Amend appropriate code and fee schedules, ordinance/resolution |

| | |
|---|---|
| **Administrative Effort** | Administrative effort is low. The City will need to complete the following tasks to implement the new tax rate:<br>• Amend appropriate code and fee schedules, ordinance/resolution<br>• Create a charge with Finance |
| **Peer Usage** | See **Table 2B** for a more extensive list. BWC Charges of comparable cities:<br>• **Olympia:** $0.81<br>• **Kent:** $0.91<br>• **Kirkland**: $0.84 |
| **Volatility** | Very High – Dependent record requests, fluctuations are anticipated to be around 10% to 30+% annually based on past data, see **Graph X**. |
| **Who Pays** | Record requesters, with some exemptions. |
| **Equity Implications** | Flat fees can be regressive. However, there are exemptions, including not charging a person or an attorney representing a person who is directly involved in the incident. |
| **Other Considerations** | Implementing a fee for BWC disclosure may help discourage frequent, frivolous, or large-scale requests, particularly from serial or national requesters. The City has observed that following high-profile incidents or "media" involved incidents, e.g., a First Amendment auditor, there is often an influx of requests for BWC video. While this could save staff resources, on the whole, implementing this would result in de minimis revenue. |

## 3. Franchise Fees – Solid Waste

Franchise fees are charges levied on private utilities for their use of City streets and other public properties to place utility infrastructure and to recoup City costs of administering franchise agreements.

The franchise fees on light, natural gas, and telephone utilities are limited by statute to the actual administrative expenses incurred by the City directly related to receiving and approving permits, licenses, or franchises (RCW 35.21.860). In addition, cities may impose franchise fees to recover administrative costs for sewer and water. A reasonable franchise fee may be imposed on solid waste providers.

Cable TV franchise fees are governed by the Federal Cable Communications Policy Act of 1996. They are negotiated with cable companies for an amount not to exceed 5% of gross revenues, regardless of the administrative costs (47 U.S.C. §542(a) and (b)).

Solid Waste and Cable TV franchise fees are unrestricted and may be used for any lawful governmental purpose.

For more information on Franchise Fees, please see page 137 of the MRSC's Revenue Guide for Washington Cities and Towns.

The City's franchise agreement with Comcast sets the cable franchise fee rate at 5%; the state maximum for cable franchise fees.

| Table 3A<br>Franchise Fee Rates, State Requirements, Options | | | |
|---|---|---|---|
| **Activity** | **City rate** | **Max Rate** | **Examples** |
| **Cable** | 5% | 5% | Olympia – 5%<br>Tumwater – 5% |
| **Solid Waste** | **-** | Reasonable | Lakewood – 4%<br>Redmond – 5% |

The City could pursue adding a solid waste franchise fee. This fee would need to be reasonable. Given the relative stability of this service, solid waste may provide a long-term revenue solution, especially compared to a cable franchise fee.

For more information on Solid Waste Collection, please see MRSC's solid waste collection, recycling and disposal page. In summary, cities have the following six options for solid waste collection:

**Option 1: Local Government Provides Collection Service**
Many local governments in Washington require all individuals to sign up for solid waste collection. Others provide municipal collection service but do not require participation.

**Option 2: Municipality Contracts with Other Municipalities**
Under the Washington State Interlocal Cooperation Act (Ch. 39.34 RCW), a municipality can contract with another local agency, city, or county for solid waste collection services.

**Option 3: Municipality Contracts with Private Firm While Still Controlling Billings and Rates**
Municipalities may enter into contracts with waste haulers for collection and recycling services, but continue to provide billing and control rates.

**Option 4: Municipality Contracts with Private Firm with Municipality Only Controlling Rates**
A municipality can contract with a private waste hauler for collection and recycling services, including billing, while the city controls rates.

**Option 5: Municipality Licenses or Franchises to Private Firm**
Municipalities may grant a franchise or license to a waste hauler or haulers, with the Washington Utilities and Transportation Commission (UTC) controlling billing and rates.

**Option 6: UTC Sets Rates and Service Area**
Although the state requires counties and cities to plan for solid waste management and gives them the authority to provide solid waste collection services (or contract for the service), they are not *required* to provide collection services. If a municipality chooses this option, the UTC sets the service area and the rates to be charged by private firms that serve the city.

Currently, the City operates under **Option 6** of the above; however, it could elect to operate under **Option 5** and collect a solid waste franchise fee. To establish a solid waste franchise fee, the City would need to update its municipal code, release a request for services for solid waste providers, and then execute a contract with a solid waste provider. Currently, the City does not provide direct collection service or contract with another jurisdiction or a private entity for collection. Instead, the City allows the UTC to set rates and to determine the private firm that serves Lacey.

| 3. Franchise Fee – Solid Waste | |
|---|---|
| **Description** | Grant a franchise to a waste hauler and charge a reasonable franchise fee |
| **Estimated Annual Revenue** | $40,500 to $485,000, depending on different variables<br>For each 0.5% increase $40,500, see **Table 3C** |
| **Time to Implement** | Short-term, Twelve months |
| **Offsetting Expenditures** | None |
| **Control and Implementation Requirements** | Councilmanic:<br>o Amend LMC, Title 3, to include Collection of Franchise Fees<br>o Create a request for proposal/qualifications<br>o Select a private solid waste provider<br>o Negotiate and execute a contract with a private solid waste provider |
| **Administrative Effort** | Perform any necessary outreach to the community.<br>The City will need to complete the following tasks to implement the new tax rate:<br>• Amend LMC, Title 3, to include Collection of Franchise Fees<br>• Create a request for proposal/qualifications<br>• Select a private solid waste provider<br>• Negotiate and execute a contract with a private solid waste provider |
| **Peer Usage** | The AWC Utility and Fee Survey (2024, self-reporting tool) lists 19 jurisdictions with solid waste franchise fees.  The following are a few comparable cities; see **Table 3E** for a more exhaustive list. |

| Table 3B | | |
|---|---|---|
| **Solid Waste Franchise Fees Other Jurisdictions** | | |
| **Organization** | **Population** | **Solid Waste** |
| Redmond | 75,270 | 5.00% |
| Burien | 52,490 | 13.10% |
| Bothell | 48,940 | 5.00% |
| University Place | 35,420 | 5.00% |
| Des Moines | 33,160 | 13.00% |
| **Peer Average** | **49,056** | **8.22%** |

| | |
|---|---|
| **Who Pays** | While the provider pays the franchise fee, the cost of the franchise fee is passed on to the consumer by the provider. |
| **Equity Implications** | The tax is regressive. The cost of the franchise fee is passed on by the provider to the consumer, with lower-income individuals paying a larger percentage of their income in taxes.<br><br>High-income households may use more utilities in total, but they can absorb the cost more easily. |
| **Other Considerations** | Instead of creating a franchise fee for solid waste, the City could consider increasing the solid waste utility tax. This would reduce the need to go out for an RFP and select a private company. However, the City would lose the ability to negotiate service costs directly. |

**Table 3C** provides an estimated projection of solid waste franchise fees, based on historical revenue from solid waste utility tax revenues.

| Table 3C | | |
|---|---|---|
| Solid Waste Franchise Fees – Projected Revenues | | |
| Rate | Est. Revenue | Difference |
| 0% Current) | $0 | $0 |
| 0.5% | $40,417 | $40,417 |
| 1.0% | $80,833 | $80,833 |
| 1.5% | $121,250 | $121,250 |
| 2.0% | $161,667 | $161,667 |
| 2.5% | $202,083 | $202,083 |
| 3.0% | $242,500 | $242,500 |
| 3.5% | $282,917 | $282,917 |
| 4.0% | $323,333 | $323,333 |
| 4.5% | $363,750 | $363,750 |
| 5.0% | $404,167 | $404,167 |
| 5.5% | $444,583 | $444,583 |
| 6.0% | $485,000 | $485,000 |

**Table 3D** provides historical revenue for solid waste utility taxes, including year-to-year shifts in revenue, from 2017 to 2024.

| Table 5F | | |
|---|---|---|
| Solid Waste Utility Tax Revenues, 2017-2024 | | |
| Year | Revenue | YOY Shifts |
| 2024 | $573,130 | 0% |
| 2023 | $574,594 | 8% |
| 2022 | $533,206 | 12% |
| 2021 | $476,150 | 9% |
| 2020 | $438,611 | 7% |
| 2019 | $410,801 | 1% |
| 2018 | $405,451 | 16% |
| 2017 | $349,765 | |

**Table 3E** provides an example of solid waste franchise fees in other Washington state cities.

| Table 3E<br>Solid Waste Franchise Fees in Other Jurisdictions | | |
|---|---|---|
| **Organization** | **Population** | **Garbage** |
| Redmond | 75,270 | 5.0% |
| Burien | 52,490 | 13.1% |
| Bothell | 48,940 | 5.0% |
| University Place | 35,420 | 5.0% |
| Des Moines | 33,160 | 13.0% |
| SeaTac | 31,910 | 5.0% |
| Mukilteo | 21,590 | 7.0% |
| Monroe | 19,700 | 6.0% |
| Centralia | 18,360 | 6.0% |
| Ridgefield | 13,640 | 10.0% |
| Sumner | 10,800 | 2.5% |
| DuPont | 10,180 | 5.0% |
| North Bend | 7,915 | 6.0% |
| Pacific | 7,270 | 6.0% |
| Clarkston | 7,215 | 6.0% |
| Brier | 6,590 | 3.0% |
| Granite Falls | 4,705 | 7.0% |
| Chelan | 4,390 | 6.0% |
| Clyde Hill | 3,110 | 6.0% |
| **Average** | **21,719** | **6.5%** |

## 4. Gambling Tax – Social Card Games & Punchboard / Pull Tabs

Gambling activities are regulated by the state, with the Washington State Gambling Commission regulating and licensing most gambling activities under chapter 9.46 RCW. Cities and towns are limited in their authority to regulate gambling, but they may prohibit any or all gambling activities for which licenses are required.

For more information on Gambling Tax, please see page 119 of the MRSC's Revenue Guide for Washington Cities and Towns. Revenues are restricted and must be used for public safety purposes.

Lacey Municipal Code (LMC), Section 3.06 sets the gambling tax for the City. In brief, the following are the rates established for commercial gambling:

| Table 4A | | | |
|---|---|---|---|
| Lacey Gambling Tax Rates, State Requirements, Options | | | |
| **Activity** | **City rate** | **Max Rate** | **Options** |
| **Amusement games** | - | Actual costs of enforcement, not to exceed 2% of net receipts | Add |
| **Bingo** | 5%, no taxes on first $10,000 of gross receipts | 5% of net receipts | Remove $10,000 threshold |
| **Punchboards or pull-tables (commercial)** | 4% of gross receipts | 10% of net receipts | Increase by up to an additional 6% |
| **Raffles** | 5% - no taxes on first $10,000 of gross receipts | 5% of net receipts | Remove $10,000 threshold |
| **Social Card Games** | 7.5% | 20% of gross receipts | Increase by up to an additional 12.5% |

From the above, the most significant revenue impact would be to consider increasing the tax rate for Social Card Games, which could increase revenues by $33,333 to $833,333. The City Council could also consider repealing the prohibition on additional card houses, as part of this process or separate from it. This could potentially include a more complete review of Title 16 to determine appropriate locations for social card rooms. Title 16 would require zoning text amendment through the legislative review process.

Increasing Punchboard or pull-table rates could increase revenues by $5,000 to $60,000, see **Table 4E** and **Table 4F.**

| 4.1 Social Card Games | |
|---|---|
| **Description** | Increase the Lacey Gambling tax rate for Public Card Rooms/Social Card Games.<br>Lacey's current rate is: 7.5% |
| **Estimated Annual Revenue** | $33,337 to $40,000 for each 0.5% increase in the Gambling tax for Social Card Games, see **Table 4B**. |
| **Time to Implement** | Short-term, 6-12 months |
| **Offsetting Expenditures** | None |
| **Control and Implementation Requirements** | Councilmanic:<br>• Amend the tax rate in LMC 3.08.030<br>• Follow the regulations outlined in RCW 9.46.110<br>• Council could also repeal the prohibition on additional card houses through an ordinance. |
| **Administrative Effort** | Administrative effort is low. The City will need to complete the following tasks to implement the new tax rate:<br>• Amend LMC 3.06.010<br>• Update the Gambling tax return form and public guidance<br>• Provide timely advanced notice to impacted taxpayer (1). |
| **Peer Usage** | See **Table 4D** for a more extensive list. Current Gambling tax card room rates of comparable cities:<br>• **Lakewood**: 11%<br>• **Shoreline**: 10%<br>• **SeaTac**: 11-20%<br>• **Tukwila**: 11-20%<br>• **Renton**: 10%<br>• **Kent**: 11%<br>• **Burien**: 11% |

| | |
|---|---|
| **Volatility** | High - Discretionary Spending, fluctuations are around 5% to 15+% annually. Depended on economic conditions and consumer behavior. |
| **Who Pays** | Local casinos pay the Gambling Tax. Around 2012, the then-owners of the Fortune Casino (formerly Hawk's Prairie Casino) requested a reduction in gambling taxes for social card games. In response, in 2014, the Lacey City Council adopted Ordinance 1430, providing for a gradual reduction of the gambling tax rate top the present rate of 7.5%. The Casino has since been acquired by a larger operator that has multiple locations across Washington, including in jurisdictions with higher social card game taxes, e.g., Lakewood, WA. |
| **Equity Implications** | The tax is proportional as it is based on a percentage of gross revenue. |
| **Other Considerations** | The City's current tax rate is at the low end of its peer and neighboring cities. Based on this, the risk of the Casino relocating to other cities for a lower rate is minimal.<br><br>In addition to increases to the tax rate, the City could also allow for additional social card game establishments. This would have a more long-term impact on revenue. In addition, having more Social Card establishments does not necessarily mean that consumer behavior will change substantially. This may result in revenue shifts, rather than increases. Other planned developments in Lacey may impact the operations of existing social card game establishments.<br><br>Gambling tax revenues are required to be allocated for public safety, which would be a straightforward criterion to satisfy within the general fund. |

**Table 4B** provides an estimated projection of Social Card tax revenues, based on historical revenue from existing Social Card tax revenues.

| Table 4B | | |
|---|---|---|
| **Social Card Rate – Projected Revenues** | | |
| **Rate** | **Est. Revenue** | **Difference** |
| 7.5% (current) | $500,000 | $(0) |
| 8.0% | $533,333 | $33,333 |
| 8.5% | $566,667 | $66,667 |
| 9.0% | $600,000 | $100,000 |
| 9.5% | $633,333 | $133,333 |
| 10.0% | $666,667 | $166,667 |
| 10.5% | $700,000 | $200,000 |
| 11.0% | $733,333 | $233,333 |
| 11.5% | $766,667 | $266,667 |
| 12.0% | $800,000 | $300,000 |
| 12.5% | $833,333 | $333,333 |
| 13.0% | $866,667 | $366,667 |
| 13.5% | $900,000 | $400,000 |
| 14.0% | $933,333 | $433,333 |
| 14.5% | $966,667 | $466,667 |
| 15.0% | $1,000,000 | $500,000 |
| 15.5% | $1,033,333 | $533,333 |
| 16.0% | $1,066,667 | $566,667 |
| 16.5% | $1,100,000 | $600,000 |
| 17.0% | $1,133,333 | $633,333 |
| 17.5% | $1,166,667 | $666,667 |
| 18.0% | $1,200,000 | $700,000 |
| 18.5% | $1,233,333 | $733,333 |
| 19.0% | $1,266,667 | $766,667 |
| 19.5% | $1,300,000 | $800,000 |
| 20.0% | $1,333,333 | $833,333 |

**Table 4C** provides historical revenue for Social Card tax revenues, including year-to-year shifts in revenue.

| Table 4C | | |
|---|---|---|
| City Social Card Revenues, 2013-2024 | | |
| Year | Social Card Revenue | YOY Shifts |
| 2024 | $596,078 | 14% |
| 2023 | $521,966 | 4% |
| 2022 | $501,043 | 72% |
| 2021 | $291,994 | 171% |
| 2020 | $107,781 | -69% |
| 2019 | $343,522 | -6% |
| 2018 | $364,106 | 17% |
| 2017 | $310,374 | -6% |
| 2016 | $331,807 | -14% |
| 2015 | $385,702 | -6% |
| 2014 | $409,396 | -4% |
| 2013 | $426,185 | |

**Table 4D** provides Social Card Tax rates in other comparable-sized Washington state cities.

| Table 4D<br>Comparable cities with Social Card Game Tax Rates | | |
|---|---|---|
| **City** | **Population** | **Rate** |
| Yakima | 98,200 | 10.0% |
| Kirkland | 93,570 | 11.0% |
| Pasco | 80,180 | 10.0% |
| Redmond | 75,270 | 12.0% |
| Sammamish | 68,150 | 11.0% |
| Tukwila | 22,960 | 11.0% |
| Renton | 109,700 | 10.0% |
| Lakewood | 64,670 | 11.0% |
| Kent | 137,900 | 11.0% |
| Federal Way | 102,900 | 10.0% |
| Shoreline | 60,320 | 10.0% |
| Lacey | 58,180 | 7.5% |
| Burien | 52,490 | 11.0% |
| University Place | 35,420 | 5.0% |
| Walla Walla | 34,020 | 8.0% |
| Des Moines | 33,160 | 9.0% |
| SeaTac | 31,910 | 11.0% |
| Tumwater | 26,360 | 20.0% |
| **Average** | **65,853** | **10.5%** |
| **Source:** AWC 2024 Utility and Fee Survey, plus additional research | | |

Increasing Punchboard or pull-table rates could increase revenues by $5,000 to $60,000, see **Table 4E** and **Table 4F.**

## 4.2 Punchboard or Pull-Tab rates (commercial)

| | |
|---|---|
| **Description** | Increase the Lacey's Punchboard or Pull-Tab rate.<br>Lacey's current rate is: 4.0% |
| **Estimated Annual Revenue** | $5,000 to $60,000, $5,000 for each 0.5% increase in the rate, see **Table 4E.** |
| **Time to Implement** | Short-term, 6-12 months |
| **Offsetting Expenditures** | None |
| **Control and Implementation Requirements** | Councilmanic:<br>• Amend the tax rate in LMC 3.06.010<br>• Follow the regulations set forth in RCW 9.46.110 |
| **Administrative Effort** | Administrative effort is low. The City will need to complete the following tasks to implement the new tax rate:<br>• Amend LMC 3.06.010<br>• Update the Gambling tax return form and public guidance<br>• Provide timely advanced notice. |
| **Peer Usage** | See **Table 4G** for a more extensive list. Current Gambling tax card room rates of comparable cities:<br>• Pasco: 10%<br>• Shoreline: 5%<br>• SeaTac: 5%<br>• Yakima: 10%<br>• Kent: 10%<br>• Sammamish: 5% |
| **Volatility** | High - Discretionary Spending, fluctuations are around 5% to 30+% annually. Depended on economic conditions and consumer behavior. |

| | |
|---|---|
| **Who Pays** | Businesses with punchboards and pull-tabs. |
| **Equity Implications** | The tax is proportional as it is based on a percentage of gross revenue. |
| **Other Considerations** | None. |

**Table 4E** provides an estimated projection of Punchboard or Pull Tab revenues, based on historical revenue from existing Punchboard or Pull Tab revenues.

| Table 4E | | |
|---|---|---|
| Pull Tabs Rate – Projected Revenues | | |
| Rate | Est. Revenue | Difference |
| 4.00% | $40,000 | $0 |
| 4.50% | $45,000 | $5,000 |
| 5.00% | $50,000 | $10,000 |
| 5.50% | $55,000 | $15,000 |
| 6.00% | $60,000 | $20,000 |
| 6.50% | $65,000 | $25,000 |
| 7.00% | $70,000 | $30,000 |
| 7.50% | $75,000 | $35,000 |
| 8.00% | $80,000 | $40,000 |
| 8.50% | $85,000 | $45,000 |
| 9.00% | $90,000 | $50,000 |
| 9.50% | $95,000 | $55,000 |
| 10.00% | $100,000 | $60,000 |

**Table 4F** provides historical revenue for Punchboard or Pull-Tab revenues, including year-to-year shifts in revenue.

| Table 4F | | |
|---|---|---|
| **Pull Tab Revenues, 2013-2024** | | |
| **Year** | **Revenue** | **YOY Shifts** |
| 2024 | $48,117 | 26% |
| 2023 | $38,233 | -8% |
| 2022 | $41,749 | 42% |
| 2021 | $29,435 | 16% |
| 2020 | $25,350 | -49% |
| 2019 | $49,818 | 19% |
| 2018 | $41,809 | -17% |
| 2017 | $50,509 | -7% |
| 2016 | $54,367 | 9% |
| 2015 | $49,676 | |

**Table 4G** provides Punchboard or Pull-Tab rates in other comparable-sized Washington state cities.

| Table 4D<br>Comparable cities with Punchboard or Pull-Tab Tax Rates | | |
|---|---|---|
| **City** | **Population** | **Rate** |
| Yakima | 98,200 | 10% |
| Kirkland | 93,570 | 5% |
| Pasco | 80,180 | 10% |
| Redmond | 75,270 | 1% |
| Sammamish | 68,150 | 5% |
| Shoreline | 60,320 | 5% |
| Lacey | 58,180 | 4% |
| Olympia | 54,749 | 3% |
| Burien | 52,490 | 5% |
| Bothell | 48,940 | |
| Issaquah | 40,950 | 5% |
| Wenatchee | 35,650 | |
| University Place | 35,420 | 5% |
| Walla Walla | 34,020 | 8% |
| Des Moines | 33,160 | 5% |
| SeaTac | 31,910 | 5% |
| Tumwater | 26,360 | 3% |
| **Average** | **54,749** | **5.3%** |
| **Source:** AWC 2024 Utility and Fee Survey, plus additional research | | |

## 5. Utility Tax

Cities are authorized to levy a business and occupation tax (RCW 35.22.280(32)) on public utility businesses based on revenues they generate within that city; this is known as a utility tax. Similarly, cities are also authorized to impose a utility tax on its own utilities, e.g., stormwater, water, sewer, etc.

Revenues are unrestricted and may be used for any governmental purpose.

There are some limitations to utility taxes. The rate of taxes for electric, phone, and natural gas utilities is limited to 6% without voter approval. There is no limitation on tax rates for water, sewer, solid waste, or stormwater utilities.

Internet and satellite TV may not be taxed, and cable TV has special provisions (tax rate may not be "unduly discriminatory"). The rate on cable TV is governed by the Cable Communications Policy Act of 1984 (47 U.S.C. §542(g)(2)(A)), which simply requires that the rate not be "unduly discriminatory against cable operators and subscribers." If a city has set all its tax rates at 6%, the rate on cable TV should probably be no higher than that. However, if rates on utilities other than electric, gas, or telephone are higher than 6%, an argument can be made that the tax on cable TV can be higher than six percent without being "unduly discriminatory," because all the rates over which the jurisdiction's legislative body has control are higher than six percent. However, the Telecommunications Act of 1996 preempts local government taxation of direct broadcast satellite television services, except for sales of equipment such as satellite reception dishes (see 47 U.S.C. §152 under "Notes" tab)

Notably, the City offers two utility relief programs for community members.

### Lacey Utility Discount Program (LUDP)

The City offers a 50% discount on residential City utility services (water, sewer, and stormwater) for eligible low-income senior or disabled community members who apply. To be qualified, a person must be:

- **Low Income**: Must have a combined disposable income that's less than 50%of the median income for Thurston County, adjusted for household size; and one of the following:
  - **Older Adults**: 62 years or older, or

**UTILITY RELIEF PROGRAMS**

The City offers two utility relief programs:

- Lacey Utility Discount Program (LUPD) – Seniors / Disabled
- Lacey Utility Assistance Program (LUAF) – General Population

- **Person with a Disability**: Must be currently disabled according to the Social Security Administration, or be a veteran with a disability, certified by the Veterans' Administration, with at least a 40% disability.

See LMC 13.70.037 as an example for the stormwater utility relief program. As of October 2024, 281 households were approved for utility discounts.

**Lacey Utility Assistance Program (LUAF)**
The City also offers the Lacey Utility Assistance Fund (LUAF). This donation-supported fund helps low-income families and individuals with their City water bills. Individuals and families who qualify (eligibility is based on 150% of the Federal Poverty Levels) can get up to $75, twice a year, if the program has funds available. The Community Action Council handles this program for the City (see here for more information). On average, this program helps around 50 to 150 people each year.

For more information on Utility taxes, please see page 92 of the MRSC's Revenue Guide for Washington Cities and Towns.

Lacey Municipal Code (LMC), Section 3.01 sets utility taxes for the City, see **Table 5A**.

| Table 5A | | | |
|---|---|---|---|
| **Lacey Utility Tax Rates, State Requirements, Options** | | | |
| **Activity** | **City rate** | **Max Rate** | **Examples** |
| **Electric** | 6% | 6%* | Olympia – 9%* |
| **Phone** | 6% | 6%* | Olympia – 9%* |
| **Natural Gas** | 6% | 6%* | Olympia – 9%* |
| **Water** | 6% | No limit | Tumwater – 12%*<br>Olympia – 12.5%* |
| **Sewer** | 6% | No limit | Tumwater – 12%*<br>Olympia – 12.5%* |
| **Solid Waste** | 6% | No limit | Tumwater – 6%<br>Olympia - 12.5%* |
| **Stormwater** | 6% | No limit | Tumwater – 12%*<br>Olympia - 12.5%* |
| **Cable** | 0% | Can't be unduly discriminatory | Tumwater – 6%<br>Olympia - 6%* |
| * Requires voter approval for over 6% | | | |

The City is at the upper statutory limit for electric, phone, and natural gas utility rates without voter approval.

However, water, sewer, solid waste, and stormwater utility rates could be increased by Council action.  The City Council could also establish a cable utility tax. The analysis below focuses on the Councilmanic options.

| 5. Utility Tax – Water, Sewer, Solid Waste, Stormwater, Cable Rates | |
|---|---|
| **Description** | Increase the utility tax rate on one or more of the following: Water, Sewer, Solid Waste, Stormwater, or Cable. |
| **Estimated Annual Revenue** | $500,000 to $5,000,000+ depending on different variables<br>For each 0.5% increase:<br>• Solid Waste: $40,500<br>• Water: $108,000<br>• Sewer: $125,000<br>• Stormwater: $25,000<br>• Cable: $60,000<br>For estimated revenues for each respective utility, see **Table 5B to Table 5M.** |
| **Time to Implement** | Short-term, Twelve months |
| **Offsetting Expenditures** | None |
| **Control and Implementation Requirements** | Councilmanic*:<br>• Amend the LMC 3.01.040<br>• Update the utility tax return form and public guidance<br>• Send timely advanced notice to impacted taxpayers<br>*The rate of taxes for electric, phone, and natural gas utilities is limited to 6% without voter approval. There is no limitation on tax rates for water, sewer, solid waste, or stormwater utilities. |
| **Administrative Effort** | Perform any necessary outreach to the community.<br>The City will need to complete the following tasks to implement the new tax rate:<br>• Amend LMC 3.01.040<br>• Update the utility tax return form and public guidance |

- Send timely advanced notice to impacted taxpayers

| | |
|---|---|
| **Peer Usage** | See **Table 5K** for a more extensive list. At 6% for all utility tax rates, Lacey is well below the peer average for solid waste, water, sewer, and stormwater utility tax rates. |

| Organization | Population | Garbage | Water | Sewer | Storm water | Cable |
|---|---|---|---|---|---|---|
| Lacey | 58,180 | 6.0% | 6.0% | 6.0% | 6.0% | 0% |
| **Peer Avg.** | **57,451** | **9.95%** | **8.97%** | **7.89%** | **8.13%** | **5.75%** |

| | |
|---|---|
| **Who Pays** | While the utility tax is paid by the business that is providing the respective service, the cost of the tax is passed on to the consumer by the business. |
| **Equity Implications** | The tax is regressive. The cost of the tax is passed on by the business to the consumer, with lower-income individuals paying a larger percentage of their income in taxes. High-income households may use more utilities in total, but they can absorb the cost more easily.<br><br>The City provides a utility tax relief program for City utilities for qualifying low-income seniors and disabled persons. |
| **Other Considerations** | None |

**Table 5B** provides an estimated projection of solid waste utility tax revenues at different rates, based on historical revenue.

| Table 5B<br>Solid Waste Utility Taxes – Projected Revenues | | |
|---|---|---|
| **Rate** | **Est. Revenue** | **Difference** |
| 6.0% (current) | $485,000 | $- |
| 6.5% | $525,417 | $40,417 |
| 7.0% | $565,833 | $80,833 |
| 7.5% | $606,250 | $121,250 |
| 8.0% | $646,667 | $161,667 |
| 8.5% | $687,083 | $202,083 |
| 9.0% | $727,500 | $242,500 |
| 9.5% | $767,917 | $282,917 |
| 10.0% | $808,333 | $323,333 |
| 10.5% | $848,750 | $363,750 |
| 11.0% | $889,167 | $404,167 |
| 11.5% | $929,583 | $444,583 |
| 12.0% | $970,000 | $485,000 |

**Table 5C** provides an estimated projection of water utility tax revenues at different rates, based on historical revenue.

| Table 5C | | |
|---|---|---|
| **Water Utility Taxes – Projected Revenues** | | |
| **Rate** | **Est. Revenue** | **Difference** |
| 6.0% (current) | $1,300,000 | $- |
| 6.5% | $1,408,333 | $108,333 |
| 7.0% | $1,516,667 | $216,667 |
| 7.5% | $1,625,000 | $325,000 |
| 8.0% | $1,733,333 | $433,333 |
| 8.5% | $1,841,667 | $541,667 |
| 9.0% | $1,950,000 | $650,000 |
| 9.5% | $2,058,333 | $758,333 |
| 10.0% | $2,166,667 | $866,667 |
| 10.5% | $2,275,000 | $975,000 |
| 11.0% | $2,383,333 | $1,083,333 |
| 11.5% | $2,491,667 | $1,191,667 |
| 12.0% | $2,600,000 | $1,300,000 |

**Table 5D** provides an estimated projection of sewer utility tax revenues at different rates, based on historical revenue.

| Table 5D | | |
|---|---|---|
| **Sewer Utility Taxes – Projected Revenues** | | |
| **Rate** | **Est. Revenue** | **Difference** |
| 6.0% (current) | $1,500,000 | $- |
| 6.5% | $1,625,000 | $125,000 |
| 7.0% | $1,750,000 | $250,000 |
| 7.5% | $1,875,000 | $375,000 |
| 8.0% | $2,000,000 | $500,000 |
| 8.5% | $2,125,000 | $625,000 |
| 9.0% | $2,250,000 | $750,000 |
| 9.5% | $2,375,000 | $875,000 |
| 10.0% | $2,500,000 | $1,000,000 |
| 10.5% | $2,625,000 | $1,125,000 |
| 11.0% | $2,750,000 | $1,250,000 |
| 11.5% | $2,875,000 | $1,375,000 |
| 12.0% | $3,000,000 | $1,500,000 |

**Table 5E** provides an estimated projection of stormwater utility tax revenues at different rates, based on historical revenue.

| Table 5E<br>Stormwater Utility Taxes – Projected Revenues | | |
|---|---|---|
| **Rate** | **Est. Revenue** | **Difference** |
| 6.0% (current) | $300,000 | $- |
| 6.5% | $325,000 | $25,000 |
| 7.0% | $350,000 | $50,000 |
| 7.5% | $375,000 | $75,000 |
| 8.0% | $400,000 | $100,000 |
| 8.5% | $425,000 | $125,000 |
| 9.0% | $450,000 | $150,000 |
| 9.5% | $475,000 | $175,000 |
| 10.0% | $500,000 | $200,000 |
| 10.5% | $525,000 | $225,000 |
| 11.0% | $550,000 | $250,000 |
| 11.5% | $575,000 | $275,000 |
| 12.0% | $600,000 | $300,000 |

**Table 5F** provides historical revenue for solid waste utility taxes, including year-to-year shifts in revenue, from 2017-2024.

| Table 5F<br>Solid Waste Revenues, 2017-2024 | | |
|---|---|---|
| **Year** | **Revenue** | **YOY Shifts** |
| 2024 | $573,130 | 0% |
| 2023 | $574,594 | 8% |
| 2022 | $533,206 | 12% |
| 2021 | $476,150 | 9% |
| 2020 | $438,611 | 7% |
| 2019 | $410,801 | 1% |
| 2018 | $405,451 | 16% |
| 2017 | $349,765 | |

**Table 5G** provides historical revenue for water utility taxes, including year-to-year shifts in revenue, from 2017-2024.

| Table 5G<br>Water Revenues, 2017-2024 | | |
|---|---|---|
| Year | Revenue | YOY Shifts |
| 2024 | $1,279,266 | 7% |
| 2023 | $1,199,347 | 9% |
| 2022 | $1,096,612 | 8% |
| 2021 | $1,017,048 | 9% |
| 2020 | $ 934,269 | 5% |
| 2019 | $ 888,730 | 1% |
| 2018 | $ 878,512 | 7% |
| 2017 | $ 824,612 | |

**Table 5H** provides historical revenue for stormwater utility taxes, including year-to-year shifts in revenue, from 2017-2024.

| Table 5H<br>Stormwater Revenues, 2017-2024 | | |
|---|---|---|
| Year | Revenue | YOY Shifts |
| 2024 | $336,104 | 6% |
| 2023 | $317,578 | 6% |
| 2022 | $299,579 | 12% |
| 2021 | $267,279 | 8% |
| 2020 | $246,409 | 5% |
| 2019 | $233,725 | 10% |
| 2018 | $211,910 | 6% |
| 2017 | $199,853 | |

**Table 5I** provides historical revenue for sewer utility taxes, including year-to-year shifts in revenue, from 2017-2024.

| Table 5I<br>Sewer Utility Revenues, 2017-2024 | | |
|---|---|---|
| Year | Revenue | YOY Shifts |
| 2024 | $1,541,383 | 12% |
| 2023 | $1,375,942 | 4% |
| 2022 | $1,324,164 | 11% |
| 2021 | $1,193,306 | 8% |
| 2020 | $1,107,547 | 4% |
| 2019 | $1,068,828 | 6% |
| 2018 | $1,007,573 | 4% |
| 2017 | $968,771 | |

**Table 5J** provides an estimated projection of cable utility tax revenues at different rates, based on historical cable franchise fee revenue (rate 5%).

| Table 5J | | |
|---|---|---|
| **Cable TV Utility Taxes – Projected Revenues** | | |
| **Rate** | **Est. Revenue** | **Difference** |
| 0.00% (current) | $ - | $ - |
| 0.50% | $ 60,000 | $60,000 |
| 1.00% | $ 120,000 | $120,000 |
| 1.50% | $ 180,000 | $180,000 |
| 2.00% | $ 240,000 | $240,000 |
| 2.50% | $ 300,000 | $300,000 |
| 3.00% | $ 360,000 | $360,000 |
| 3.50% | $ 420,000 | $420,000 |
| 4.00% | $ 480,000 | $480,000 |
| 4.50% | $ 540,000 | $540,000 |
| 5.00% | $ 600,000 | $600,000 |
| 5.50% | $ 660,000 | $660,000 |
| 6.00% | $ 720,000 | $720,000 |
| 6.50% | $ 780,000 | $780,000 |
| 7.00% | $ 840,000 | $840,000 |
| 7.50% | $ 900,000 | $900,000 |
| 8.00% | $ 960,000 | $960,000 |
| 8.50% | $ 1,020,000 | $1,020,000 |
| 9.00% | $ 1,080,000 | $1,080,000 |
| 9.50% | $ 1,140,000 | $1,140,000 |
| 10.00% | $ 1,200,000 | $1,200,000 |
| 10.50% | $ 1,260,000 | $1,260,000 |
| 11.00% | $ 1,320,000 | $1,320,000 |
| 11.50% | $ 1,380,000 | $1,380,000 |
| 12.00% | $ 1,440,000 | $1,440,000 |
| 12.50% | $ 1,500,000 | $1,500,000 |
| 13.00% | $ 1,560,000 | $1,560,000 |
| 13.50% | $ 1,620,000 | $1,620,000 |
| 14.00% | $ 1,680,000 | $1,680,000 |

**Table 5K** provides historical revenue for cable tv franchise fees (rate 5%), including year-to-year shifts in revenue, from 2017-2024.

| Table 5K Franchise Fee Revenues (Rate 5%), 2017-2024 | | |
|---|---|---|
| Year | Revenue | YOY Shifts |
| 2024 | $622,882 | -6% |
| 2023 | $664,027 | -5% |
| 2022 | $699,700 | 0% |
| 2021 | $701,709 | 2% |
| 2020 | $688,538 | 1% |
| 2019 | $680,874 | 0% |
| 2018 | $680,732 | -5% |
| 2017 | $716,488 | 2% |

**Table 5K2** provides a comparison of gas, electric, telephone, and cable utility rates for other comparable-sized Washington state cities. The average for each utility rate is at above 6%.

| Table 5K2<br>Comparison of Peer Jurisdictions by Select Housing Attributes and Utility Discount Programs | | | | | | |
|---|---|---|---|---|---|---|
| **Organization** | **Population** | **Medium household Income** | **Renter Occupied** | **Owner Occupied** | **Poverty-level** | **Utility Discount Programs*** |
| Yakima | 98,200 | $61,776 | 46% | 54% | 13.4% | F |
| Kirkland | 93,570 | $144,080 | 43% | 57% | 6.4% | SLI, DLI |
| Pasco | 80,180 | $84,337 | 33% | 67% | 13.5% | SLI |
| Redmond | 75,270 | $172,979 | 58% | 42% | 5.8% | SLI, DLI |
| Shoreline | 60,320 | $113,336 | 33% | 67% | 8.4% | L |
| Lacey | 58,180 | $87,277 | 43% | 57% | 11% | SLI, DLI, L, O |
| Olympia | 57,970 | $76,930 | 49% | 51% | 6.0% | SLI, DLI, L |
| Burien | 52,490 | $90,597 | 43% | 57% | 10.4% | L |
| Bothell | 48,940 | $66,045 | 37% | 63% | 5.8% | SLI, F |
| Issaquah | 40,950 | $89,767 | 41% | 59% | 5.9% | SLI, F, L |
| Wenatchee | 35,650 | $70,000 | 48% | 52% | 11.7% | SLI, DLI, F |
| University Place | 35,420 | $94,952 | 41% | 59% | 8.6% | |
| Walla Walla | 34,020 | $65,493 | 40% | 60% | 14.4% | SLI, DLI, L, F |
| Des Moines | 33,160 | $89,787 | 39% | 61% | 10.7% | |
| **AVERAGE** | **57,412** | **$93,383** | **42%** | **58%** | **9%** | |

**Source:** https://censusreporter.org/profiles/, (predominately ACS 2023 5-year)
***** AWC 2024 Utility and Fee Survey, plus additional research, general - may not apply to all utilities

F= Flexible Payment Schedules
SLI = Senior Low Income
DLI= Disable Low Income
L = Low Income general
O = Other

**Table 5L** provides a comparison of gas, electric, telephone, and cable utility rates for other comparable-sized Washington state cities.  The average for each utility rate is above 6%.

| Table 5L | | | | | |
|---|---|---|---|---|---|
| Comparison of Gas, Electric, Telephone, and Cable Utility Tax Rates | | | | | |
| **Organization** | **Population** | **Natural gas*** | **Electric*** | **Telephone*** | **Cable TV** |
| Yakima | 98,200 | 6.0% | 6.0% | 6.0% | 6.0% |
| Kirkland | 93,570 | 6.0% | 6.0% | 6.0% | 6.0% |
| Pasco | 80,180 | 8.5% | 8.5% | 8.5% | 8.5% |
| Redmond | 75,270 | 6.0% | 6.0% | 6.0% | 6.0% |
| Shoreline | 60,320 | 6.0% | 6.0%** | 6.0% | 6.0% |
| Lacey | 58,180 | 6.0% | 6.0% | 6.0% | - |
| Olympia | 57,970 | 9.0% | 9.0% | 9.0% | 6.0% |
| Burien | 52,490 | 6.0% | 6.0% | 6.0% | 6.0% |
| Bothell | 48,940 | 6.0% | 6.0% | 6.0% | 6.0% |
| Issaquah | 40,950 | 6.0% | 6.0% | 6.0% | 3.0% |
| Wenatchee | 35,650 | 6.0% | 6.0% | 6.0% | 5.0% |
| University Place | 35,420 | 6.0% | 6.0% | 6.0% | 6.0% |
| Walla Walla | 34,020 | 6.0% | 6.0% | 6.0% | 6.0% |
| Des Moines | 33,160 | 6.0% | 6.0% | 6.0% | 10.0% |
| **AVERAGE** | **57,412** | **6.4%** | **6.4%** | **6.4%** | **5.75%** |

**Source:** AWC 2024 Utility and Fee Survey, plus additional research
** Franchise fee
**REMINDER:** The rate of taxes for electric, phone, and natural gas utilities is limited to 6% without voter approval. There is no limitation on tax rates for water, sewer, solid waste, or stormwater utilities.

**Table 5M** provides a comparison of garbage, water, sewer, stormwater, and cable utility rates for other comparable-sized Washington state cities. The average for each utility rate varies, but in all categories but cable, rates are well above 6%. The average cable utility rate is 5.75%, however the mode (most frequent) is 6%.

| Table 5M | | | | | | |
|---|---|---|---|---|---|---|
| **Comparison of Garbage, Water, Sewer, Stormwater, Cable Utility Tax Rates** | | | | | | |
| **Organization** | **Population** | **Garbage** | **Water** | **Sewer** | **Stormwater** | **Cable TV** |
| Yakima | 98,200 | 20.0% | 20.0% | 20.0% | 15.0% | 6% |
| Kirkland | 93,570 | 9.5% | 11.8% | 9.5% | 6.98% | 6% |
| Pasco | 80,180 | 8.5% | 8.5% | 8.5% | 8.5% | 8.5% |
| Redmond | 75,270 | 6.0% | 1.0% | 1.0% | 1.0% | 6% |
| Shoreline | 60,320 | 6.0% | - | 6.0% | 6.0% | 6% |
| Lacey | 58,180 | 6.0% | 6.0% | 6.0% | 6.0% | 0% |
| Olympia | 57,970 | 12.5% | 12.5% | 12.5% | 12.5% | 6% |
| Burien | 52,490 | 6.0% | 8.0% | 8.0% | - | 6% |
| Bothell | 48,940 | 5.0% | 11.0% | 0.1% | 6.0% | 6% |
| Issaquah | 40,950 | 6.0% | 3.0% | 3.0% | 3.0% | 3% |
| Wenatchee | 35,650 | 16.0% | 16.0% | 16.0% | 16.0% | 5% |
| University Place | 35,420 | 6.0% | 6.0% | 6.0% | 6.0% | 6% |
| Walla Walla | 34,020 | 13.8% | 13.8% | 13.8% | 13.8% | 6% |
| Des Moines | 33,160 | 18.0% | - | - | 13.0% | 10% |
| **AVERAGE** | **57,451** | **9.95%** | **8.97%** | **7.89%** | **8.13%** | **5.8%** |
| **Source**: AWC 2024 Utility and Fee Survey, plus additional research | | | | | | |

## 6. Business & Occupation (B&O) Tax Changes

Any city may impose general business and occupation (B&O) taxes on local businesses. These are typically levied as a percentage of the gross receipts of a business, less some deductions. According to the Association of Washington Cities (AWC), 49 of Washington's 281 cities levy this tax as of 2022 (17% percent). Note, utility businesses are exempt from general B&O tax provisions, but are subject to utility taxes.

B&O tax revenues are unrestricted and may be used for any lawful governmental purpose. Within a single business class (manufacturing, retail, etc.) the B&O tax rates must be the same, however rates may vary between classes. Imposition of tax generally does not require voter approval, but may be subject to referendum. All ordinances that impose a B&O tax for the first time or raise rates should provide for a referendum procedure (RCW 35.21.706).

Importantly, as MRSC highlights, **cities thinking of levying a local B&O tax should consider whether they have the staff time and expertise necessary to administer this tax**. Establishing a B&O tax system requires routine audits by city staff to ensure compliance with the regulations and proper collection of B&O tax income. As a result, staffing resources necessary to perform this work may expend more resources than the revenues received, creating a net-zero impact on the city.

A model ordinance, which had to be adopted by all cities with an existing B&O tax no later than December 31, 2004, exempted gross receipts under $20,000 per year and provided certain mandatory definitions, penalty and interest provisions, and payment periods. Some of the model ordinance provisions are mandatory, while others are non-mandatory (RCW 35.102.040). Any city that adopts an ordinance that deviates from the non-mandatory provisions of the model ordinance must make a description of such differences available to the public, in written and electronic form (RCW 35.102.040(4)).

Cities that levy the B&O tax must allow for allocation and apportionment – meaning that they must allow businesses that operate within multiple jurisdictions to apportion, or divide, their taxable income among the jurisdictions in which they do business (See RCW 35.102.130). In 2019, the model ordinance was updated to simplify the current two-factor method of allocation and apportionment.

For more information on B&O taxes, please see page 81 of the MRSC's Revenue Guide for Washington Cities and Towns.

Lacey Municipal Code (LMC), Section 3.02 sets B&O taxes for the City. Currently, the City imposes the following B&O tax rate identified in **Table 6G**. In addition, in alignment with the model ordinance, the City code establishes an annual threshold of $20,000, and a quarterly threshold of $5,000.

| Table 6G<br>Lacey B&O Tax Rates, State Requirements, Options | | | |
|---|---|---|---|
| **Business Class** | **City rate** | **Max Rate** | **Options** |
| **Manufacturing** | - | .002% | Add rate up to .002% |
| **Retail** | .001% | .002% | Add rate up to .002% |
| **Services** | .002% | .002% | |
| **Wholesale** | - | .002% | Add rate up to .002% |

Of the above options, increasing the B&O Retail rate would generate the most revenue while adding minimal administrative burden, as the City already administers this tax. In contrast, implementing B&O tax rate changes for Manufacturing and Wholesale would introduce additional administrative responsibilities and, according to a previous study, may not yield significant revenue for the City.

**2019 Study**: The City looked at estimating potential B&O Tax from Manufacturing and Wholesaling in 2019. Unfortunately, that effort found that there was no exact data on the amount of revenues that would be subject to City B&O tax exist for manufacturing or wholesaling.

As a proxy, the City staff used Department of Revenue data for sales subject to sales tax in Lacey for all businesses engaged in manufacturing and engaged in wholesaling, based on their NACIS Code. Using the two-digit NACIS Codes to ensure that all businesses of those two types were captured, the results, multiplied by .001 yielded the estimate that it is unlikely that the City would receive more than $1,570 with a rate of .001 was imposed on manufacturing businesses. At a rate of .002, the total would have been around $3,140. The estimated collections for .001 rate for wholesale business was "not likely exceed $64,130." At a rate of .002, the total for wholesale businesses would likely be around $128,260. **Table 6B** provides a summary of the 2019 findings. See **Appendix 3** for the full 2019 memorandum, Estimate of Potential B&O Tax from Manufacturing and Wholesaling, and a summary of the data shortcomings.

| Table 6B | | |
| --- | --- | --- |
| 2019 Estimates Manufacturing and Wholesale B&O Taxes | | |
| Rate | Manufacturing | Wholesale |
| .001 | $1,570 | $64,130 |
| .002 | $3,140 | $128,260 |

To account for the potential growth of these sectors over the past six years and inflation, this study increased the 2019 finding by 30%. **Table 6C** provides an updated estimate for 2025.

Like the first study, this estimate has significant shortcomings.

| Table 6C | | |
| --- | --- | --- |
| 2025 Estimates Manufacturing and Wholesale B&O Taxes (30% increase) | | |
| Rate | Manufacturing | Wholesale |
| .001 | $2,041 | $83,369 |
| .002 | $4,082 | $166,738 |

Given the limited funding above, the analysis provided below only considers an increase to B&O taxes for retail. City Council could direct staff to conduct a more in-depth analysis of manufacturing and wholesale B&O taxes.

**System Updates:** The City is currently exploring new systems to improve the collection of existing B&O retail and services taxes, including modernizing filing and payment systems, strengthening enforcement and compliance, and enhancing education and outreach. The goal of this initiative is to improve the effectiveness and fairness of B&O tax collection. This new system, including staff and technology, is anticipated to be offset by the increased B&O collection it generates through improved education, enforcement, and compliance.

| 6.1 B&O Taxes – Retail increase | |
|---|---|
| **Description** | Increase the B&O gross receipts tax rates for retail.<br>Lacey's current rate is .001; the City could increase the rate up to .002 |
| **Estimated Annual Revenue** | $580,000 to $2,310,000. An increase of $578,000 for each 0.25% increase, see **Table 6F**. |
| **Time to Implement** | Short-term, 6-12 months |
| **Offsetting Expenditures** | Minimal |
| **Control and Implementation Requirements** | Councilmanic<br>• Amend LMC Chapters 3.02<br>• Adopt new Business License Fee Resolution.<br>• Coordinate the Business License fee changes with the WA Department of Revenue (DOR)<br>*Note that the B&O tax increase in LMC Chapter 3.02 is subject to referendum as set forth in RCW 35.21.706. |
| **Administrative Effort** | The administrative effort is low. City staff will need to complete the following:<br>• Perform outreach to businesses that would potentially be impacted<br>• Amend LMC Chapters 3.02<br>• Coordinate changes with the DOR<br>• Update public guidance and tax forms on the City's website<br>• Provide timely advanced notice to businesses<br>• Minimal additional administrative effort as the City is currently collecting B&O taxes for retail |
| **Peer Usage** | See **Table 6E** for a more extensive list.<br>• Shoreline: 0.001<br>• Olympia: 0.001<br>• Burien: 0.001<br>• Issaquah: 0.0012<br>• Des Moines: 0.002<br>• Tumwater: 0.001 |
| **Volatility** | Moderate – Tied to revenues, fluctuations are around 3% to 10+% annually. Depended on economic conditions and consumer behavior. |

| | |
|---|---|
| **Who Pays** | Retail businesses - typically indirectly passed on to Customers |
| **Equity Implications** | B&O tax revenues are proportional as the tax is based on a percentage of gross income received by the business. |
| **Other Considerations** | Given that the City already collects B&O revenues, costs to implement this tax would be relatively low. |

In addition to B&O tax rates, the City could also consider a number of other business license rated adjustments. There are three general categories of business licenses: general licenses, regulatory licenses, and revenue-generating licenses. General business licenses and regulatory business licenses are typically designed to regulate business activity and recoup administrative costs. However, some cities have established revenue-generating business licenses (such as so-called "head taxes") that are based on a variety of criteria such as number of employees, employee hours worked, or business square footage. This report does not contemplate these changes; see **Appendix 1** for a brief overview of these revenues.

**Table 6E** provides an example of B&O Tax rates in other comparable-sized Washington state cities.

**Table 6E**

**B&O Tax Rates in comparable-sized jurisdictions**

| Organization | Population | B&O tax | Manufacturing | Retail | Services | Wholesale | Tax Threshold: Quarterly | Tax Threshold: Annual |
|---|---|---|---|---|---|---|---|---|
| Yakima | | No | | | | | | |
| Kirkland | 93,570 | No | | | | | | |
| Pasco | 80,180 | No | | | | | | |
| Redmond | 75,270 | No | | | | | | |
| Shoreline | 60,320 | Yes | .001 | .001 | .002 | .001 | $125,000 | $500,000 |
| Lacey | 58,180 | Yes | .000 | .001 | .002 | .000 | $5,000 | $20,000 |
| Olympia | 57,970 | Yes | .001 | .001 | .002 | .001 | | |
| Burien | 52,490 | Yes | .001 | .001 | .001 | .001 | $5,000 | $200,000 |
| Bothell | 48,940 | No | | | | | | |
| Issaquah | 40,950 | Yes | .0012 | .0012 | .0015 | .0012 | $25,000 | $100,000 |
| Wenatchee | 35,650 | No | | | | | | |
| University Place | 35,420 | No | | | | | | |
| Walla Walla | 34,020 | Yes | | | | | | |
| Des Moines | 33,160 | Yes | .002 | .002 | .002 | .002 | $- | $50,000 |
| Tumwater | | Yes | .001 | .001 | .002 | .001 | $5,000 | $20,000 |
| **AVERAGE** | **57,451** | **50% Yes** | **0.10%** | **0.12%** | **0.18%** | **0.10%** | **$32,000** | **$174,000** |

AWC Local Business & Occupation tax rates full list, see here.

**Local business & occupation (B&O) tax rates^**

**Effective January 1, 2025**

| City | Phone # | Manufacturing rate | Retail rate | Services rate | Wholesale rate | Tax Threshold^^ | |
|---|---|---|---|---|---|---|---|
| | | | | | | Quarterly | Annual |
| Aberdeen | (360) 533-4100 | 0.002 | 0.003 e | 0.0037 e | 0.003 e | $5,000 | $20,000 |
| Algona | (253) 833-2897 | 0.00045 | 0.00045 | 0.00045 | 0.00045 | $10,000 | $40,000 |
| Auburn**** | (253) 392-6496 | 0.001 | 0.0005 | 0.001 | 0.0018 | | $500,000 |
| Bainbridge Island | (206) 780-8668 | 0.001 | 0.001 | 0.001 | 0.001 | | $150,000 |
| Bellevue | (425) 452-6851 | 0.001596 | 0.001596 | 0.001596 | 0.001596 | | $210,000 |
| Bellingham | (360) 778-8010 | 0.0017 | 0.0017 | 0.0044 e | 0.0017 | $5,000 | $20,000 |
| Blaine | (360) 332-8311 | 0.002 | | | 0.002 | | $250,000 |
| Bremerton | (360) 473-5311 | 0.0016 | 0.00125 | 0.002 | 0.0016 | | $1,040,000 |
| Burien | (206) 241-4647 | 0.002 | 0.002 | 0.002 | 0.002 | | $200,000 |
| Burlington | (360) 755-0531 | | 0.001 | | | | $1,000,000 |
| Cosmopolis | (360) 532-9230 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | $20,000 |
| Covington*^^ | | 0.002 | 0.002 | 0.002 | 0.002 | | $250,000 |
| Darrington | (360) 436-1131 | 0.00075 | 0.00075 | 0.00075 | 0.00075 | | $20,000 |
| Des Moines | (206) 878-4595 | 0.002 | 0.002 | 0.002 | 0.002 | | $50,000 |
| DuPont | (253) 964-8121 | 0.001 | 0.001 | 0.001 | 0.001 | $5,000 | $20,000 |
| Everett*** | (425) 257-8610 | 0.001 | 0.001 | 0.001 | 0.001 | $5,000 | $20,000 |
| Everson | (360) 966-3411 | 0.002 | | | 0.002 | | $1,000,000 |
| Granite Falls** | (360) 691-6441 | | | | | $5,000 | $20,000 |
| Hoquiam | (360) 532-5700 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | $20,000 |
| Ilwaco | (360) 642-3145 | 0.002 | 0.002 | 0.002 | 0.002 | | $20,000 |
| Issaquah | (425) 837-3054 | 0.0012 | 0.0012 | 0.0015 | 0.0012 | $25,000 | $100,000 |
| Kelso | (360) 423-0900 | 0.001 | 0.001 | 0.002 | 0.001 | | $20,000 |
| Kenmore | (425) 398-8900 | 0.002 * | | | | $5,000 | |
| Kent | (253) 856-6266 | 0.00125 | 0.001 | 0.002 | 0.002 | $62,500 | $250,000 |
| Lacey | (360) 491-3214 | | 0.001 | 0.002 | | $5,000 | $20,000 |
| Lake Forest Park | (206) 368-5440 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | |
| Long Beach | (360) 642-4421 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | |
| Longview | (360)442-5058 | 0.0015 | 0.0015 | 0.002 | 0.0015 | | $100,000 |
| Lyman | (360) 826-3033 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | $20,000 |
| Mercer Island | (206) 275-7783 | 0.001 | 0.001 | 0.001 | 0.001 | | $150,000 |

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| North Bend | (425) 888-1211 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | |
| Ocean Shores | (360) 289-2488 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | $20,000 |
| Olympia | (360) 753-8327 | 0.001 | 0.001 | 0.002 | 0.001 | $5,000 | $20,000 |
| Pacific | (253) 929-1100 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | $20,000 |
| Port Townsend | (360) 385-2700 | 0.002 | 0.002 | 0.002 | 0.002 | $0 | $100,000 |
| Poulsbo*^^ | (360) 394-9881 | 0.002 | 0.002 | 0.002 | 0.002 | | $20,000 |
| Rainier | (360) 446-2265 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | |
| Raymond | (360) 942-3451 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | $20,000 |
| Renton | (425) 430-6400 | 0.00121 | 0.0007 | 0.00121 | 0.00121 | | $500,000 |
| Roy | (253) 843-1113 | 0.001 | 0.002 | 0.002 | 0.001 | $5,000 | $20,000 |
| Ruston | (253) 759-3544 | 0.0011 | 0.00153 | 0.002 | 0.00102 | $5,000 | $20,000 |
| Seattle | (206) 684-8484 | 0.00222 v | 0.00222 v | 0.00427 v | 0.00222 v | | $100,000 |
| Shelton | (360) 426-4491 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | $20,000 |
| Shoreline | (206) 801-2324 | 0.001 | 0.001 | 0.002 | 0.001 | $125,000 | $500,000 |
| Snoqualmie | (425) 888-1555 | 0.0015 | 0.0015 | 0.0015 | 0.0015 | $5,000 | |
| South Bend | (360) 875-5571 | 0.001 | 0.002 | 0.002 | 0.002 | $5,000 | |
| Tacoma | (253) 591-5252 | 0.0011 | 0.00153 | 0.004 e | 0.00102 | | $250,000 |
| Tenino | (360) 264-2368 | 0.002 | 0.002 | 0.002 | 0.002 | $5,000 | $20,000 |
| Tukwila*^ | (206) 433-1835 | 0.00085 | 0.0005 | 0.00085 | 0.00085 | | $750,000 |
| Tumwater | (360) 754-5855 | 0.001 | 0.001 | 0.002 | 0.001 | $5,000 | $20,000 |
| Westport | (360) 268-0131 | 0.0025 e | 0.005 e | 0.005 e | 0.0025 e | $5,000 | |
| Yelm | (360) 458-3244 | 0.001 | 0.002 | 0.002 | 0.001 | $5,000 | |

(v) = voter approved increase above statutory limit

(e) = rate higher than statutory limit because rate was effective prior to January 1, 1982 (i.e., grandfathered).

*Kenmore's B&O tax applies to heavy manufacturing only.

**Granite Falls repealed its B&O tax for all businesses other than extracting.

***For manufacturing gross reciepts over $8 billion, the B&O rate drops to 0.00025.

****Auburn adopted a B&O tax effective January 1, 2022.

*^ Tukwila adopted a B&O tax effective January 1, 2024.

*^^ Covington and Poulsbo adopted a B&O tax effective July 1, 2024.

**NOTE:** This list is provided for informational purposes only. Tax rates may apply to businesses categories other than those above. Thresholds are subject to change. Exemptions, deductions, or other exceptions may apply in certain circumstances. Contact the city finance department for more information.

^ Tax rates are provided for cities with general local B&O taxes as of the date listed. If a city is not listed, they have not reported to AWC that they have a local B&O tax. Contact the city directly for specific information or other business licenses or taxes that may apply.

^^Thresholds listed are related to when tax is due to a city. License and registration thresholds may be different and vary by city. Please contact the city finance department to learn about their requirements.

For more information: FileLocal filelocal-wa.gov and Business License Service dor.wa.gov/manage-business/city-endorsements

**Table 6F** provides an estimated projection of B&O tax retail revenues, based on historical revenue.

| Table 6F | | | |
|---|---|---|---|
| 7.1 Estimated B&O Tax Revenue - Retail | | | |
| Rate | Current Revenue | Est. Revenue | Difference |
| .000 | $- | $- | $(2,312,100) |
| .00025 | | $578,025 | $(1,734,075) |
| .00050 | | $1,156,050 | $(1,156,050) |
| .00075 | | $1,734,075 | $(578,025) |
| .001 (current) | $2,312,100 | $2,312,100 | $- |
| .00125 | | $2,890,125 | $578,025 |
| .00150 | | $3,468,150 | $1,156,050 |
| .00175 | | $4,046,175 | $1,734,075 |
| .00200 | | $4,624,200 | $2,312,100 |

**Table 6G** provides an estimated projection of B&O tax manufacturing revenues based on the 2019 memorandum.

| Table 6G | | | |
|---|---|---|---|
| 7.2 Estimated Tax Revenue - Manufacturing | | | |
| Rate | Current Revenue | Est. Revenue | Difference |
| .00000 (current) | $- | $- | $- |
| .00125 | | $1,963 | $1,963 |
| .00150 | | $2,355 | $2,355 |
| .00175 | | $2,748 | $2,748 |
| .00200 | | $3,140 | $3,140 |

**Table 6H** provides an estimated projection of B&O tax manufacturing revenues based on the 2019 memorandum.

| Table 6H | | | |
|---|---|---|---|
| 7.2 Estimated Tax Revenue - Warehousing | | | |
| Rate | Current Revenue | Est. Revenue | Difference |
| .00000 (current) | $- | $- | $- |
| .00125 | | $104,211 | $104,211 |
| .00150 | | $125,054 | $125,054 |
| .00175 | | $145,896 | $145,896 |
| .00200 | | $166,738 | $166,738 |

## 7. Lodging Tax

For more information on Lodging Tax please see MRSC's Revenue Guide for Washington Cities and Towns. ,Lodging Tax section, page 74.

The Washington State Legislature establishes the laws and rules governing the imposition, use, and requirements related to lodging taxes.

Cities have the authority to levy lodging taxes, also known as "hotel/motel taxes," on all lodging charges at hotels, motels, and short-term rentals (such as VRBO or Airbnb), bed and breakfasts (B&Bs), RV parks, and other accommodations for stays of fewer than 30 days. The tax is collected as a sales tax and paid by the customer at the time of the transaction. A City Council may impose these taxes (councilmanic); it does not require voter approval.

There are two lodging tax options:

- A **"basic"** or **"state-shared"** lodging tax up to 2% that is taken as a credit against the 6.5% state sales tax rate, so that the lodging patron does not see any tax increase. (RCW 67.28.180)

- An **"additional"** or **"special"** lodging tax up to 2% on top of the state sales tax rate that results in a higher tax bill for the patron. (RCW 67.28.181)

**Use of Revenues:** State law limits use of lodging tax revenues exclusively for the following expenditures (RCW 67.28.1815 and RCW 67.28.1816):

- Tourism marketing;
- Marketing and operations of special events and festivals designed to attract tourists;
- Operations and capital expenditures of tourism-related facilities owned or operated by a municipality or a public facilities district; or
- Operations of certain tourism-related facilities owned or operated by nonprofit organizations.

"Tourism" means economic activity resulting from tourists, which may include sales of overnight lodging, meals, tours, gifts, or souvenirs.

The municipality may use lodging tax revenues to support staff for its Lodging Tax programs.

**Lodging Tax Advisory Committees:** Any city with a population of 5,000 or more that has imposed lodging taxes – the basic state-shared or the additional/special taxes – must establish a lodging tax advisory committee (LTAC) (RCW 67.28.1817). LTAC membership shall include at least two members who are representative of businesses required to collect tax and at least two members who are persons involved in activities authorized to be funded by lodging tax revenues. One member shall be an elected official of the municipality, serving as the chair.

All prospective funding recipients must apply to the LTAC for consideration. The LTAC will review the applications and make funding recommendations to the City Council for consideration.

**Reporting Requirements:** All cities and towns receiving lodging tax revenues must report annually to the Joint Legislative Audit & Review Committee (JLARC) (RCW 62.28.1816) and report the following information:

- All lodging tax revenue received;
- All lodging tax revenue distributed and/or expanded;
- All recipients of lodging tax monies, including the city itself, that may have directly used lodging tax funds for qualifying facilities, tourist events, or tourism administration; and,
- For all recipients, the actual number of people traveling for business or pleasure on an overnight trip in paid accommodations, traveling 50 or more miles away from their business or place of residence for the day or overnight, or traveling from another country or state.

**Application and Award Process:** In cities that are required to establish an LTAC, organizations seeking lodging tax revenue must submit a formal application for consideration. As part of the application, applicants are required to provide the estimated number of people traveling for business or pleasure on a trip for the following categories:

- Away from their place of residence or business and staying overnight in paid accommodations;
- To a place fifty miles or more one way from their place of residence or business for the day or staying overnight; or
- From another country or state outside of their place of residence or their business.

Applicants who receive funding will later have to provide the actual estimated attendance for their activities in the same categories.

The LTAC reviews all applications for lodging tax revenue and recommends a list of candidates and funding levels to the city council for final determination. A city council "may choose *only recipients* from the list of candidates and recommended amounts provided by the local lodging tax advisory committee" (RCW 67.28.1816(2)(b)(ii), emphasis added). The city council may not award funds to any applicant that LTAC did not recommend. The city council is not required to fund all the recommended applicants and may choose to authorize awards to only some or even none of the recommended recipients. An informal opinion from the Attorney General's Office in 2016 states that a city council may award amounts different from the LTAC's recommended amounts, but only after satisfying the procedural requirements of RCW 67.28.1817(2), which requires the municipality to submit its proposed change(s) to the LTAC for review and comment at least 45 days before final action is taken.

**City Uses:** Lacey Municipal Code (LMC), Section 3.03, sets the lodging tax rate at 4% (the state maximum) for the City. The City collects the maximum rate and cannot collect additional lodging tax funds. Rather than collecting additional funds from lodging taxes, the City could consider distributing funds to support City facilities that promote tourism. One consideration could be to strategically direct lodging tax funding to support City facilities that increase tourism.

In recent years, City lodging tax revenues have been distributed to a variety of tourism-enhancing events, facilities, and marketing efforts— without a long-term strategy, see section below as an example.

**2024 Lodging Tax Analysis:** In 2024, the City awarded $600,000 of lodging tax revenue to recipients. **Table 7B** provides a list of all recipients, type of tourism activity, frequency of activity, funding award, reported attendance, number of visitors from outside the state, and number of paid overnight stays.

The top three recipients for reported paid overnight stays were:

1) Olympia-Lacey-Tumwater Visitor & Convention Bureau (VCB) at 62.3% (Marketing);
2) Regional Athletic Complex (RAC), at 17.6% (Facilities); and
3) Washington Center, at 6.37% (Facilities).

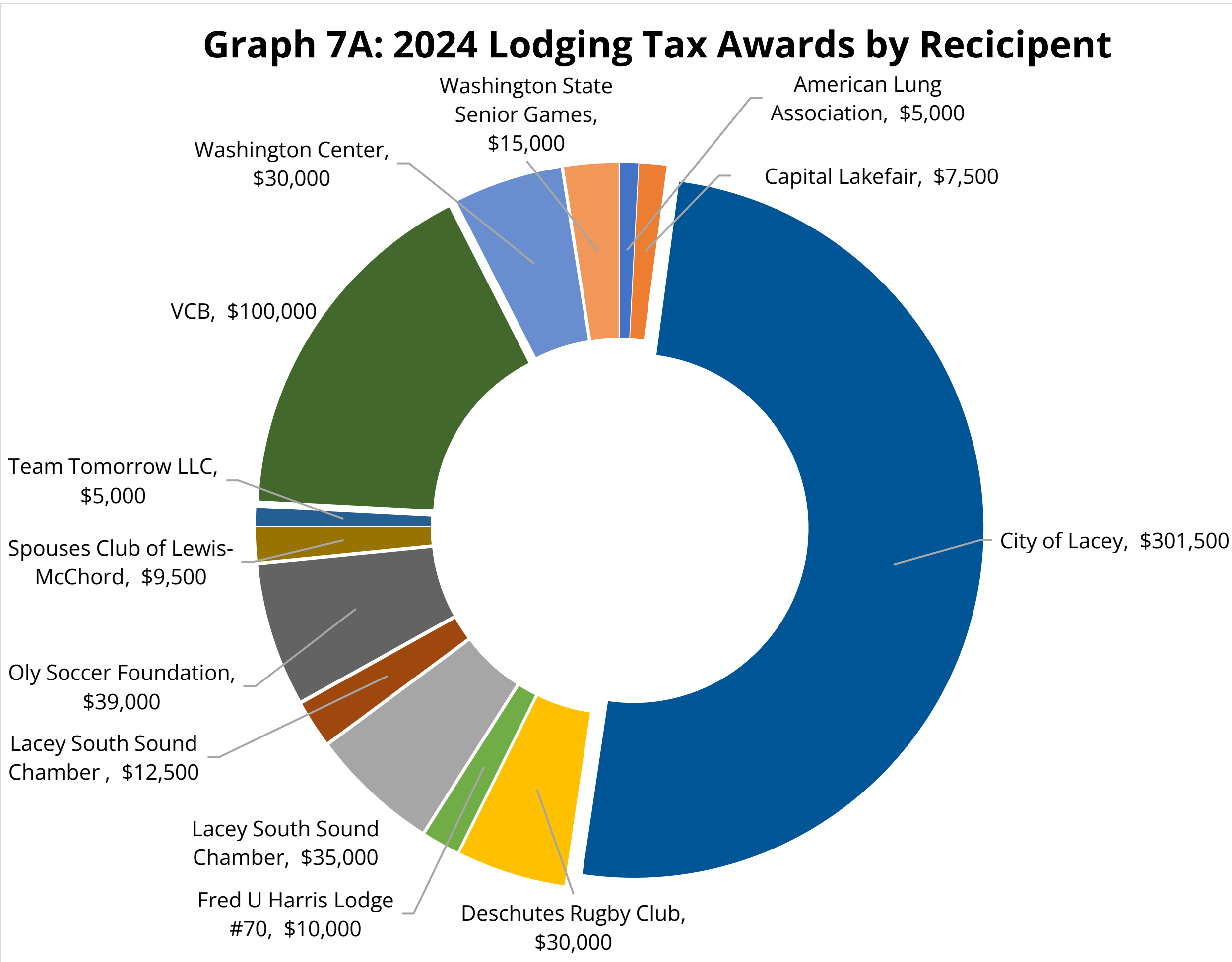
Notably, the VCB provides marketing support for events held in Lacey, including many that take place at the RAC.

In total, the City received approximately 50% of lodging tax funds for the RAC, Lacey Museum, July 3rd Fireworks, Lacey In-Tune, and the Spring Fun Fair.

For facilities and events only (excluding marketing), the RAC is consistently one of the largest generators of estimated paid overnight stays, accounting for approximately 47% of all reported paid overnight stays. However, the RAC received around 31% of the City's total lodging tax awards. See **Tables and Graphs** below for a more detailed breakdown of recent City lodging tax uses, including **Graph 7B,** which shows 2024 lodging tax event and facility awardees and their reported overnight stays.

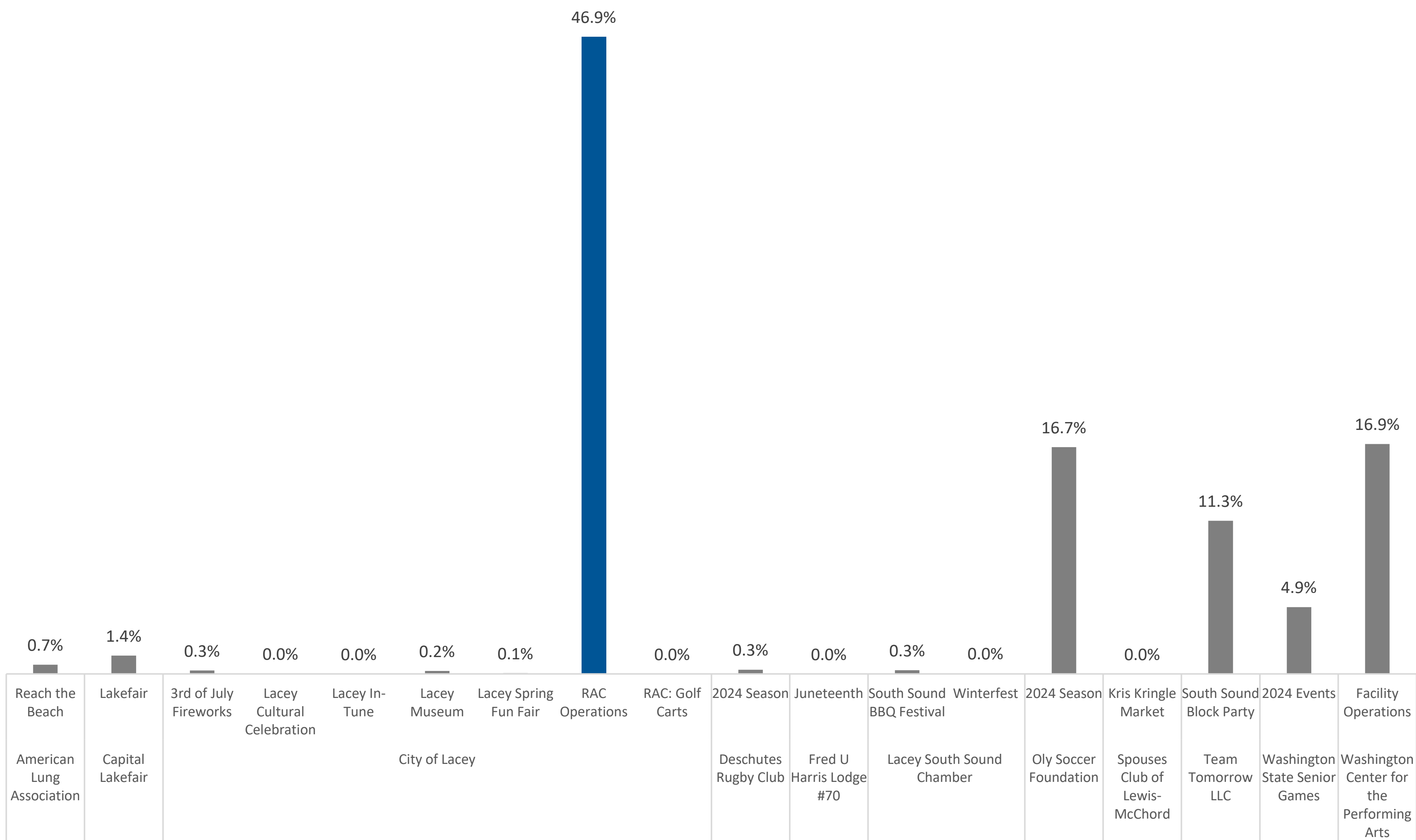
Moving forward, the City Council could consider a more strategic approach, such as prioritizing investments in City-owned facilities that generate overnight stays and drive tourism-related revenue. For example, the City of Bellevue allocates 100% of its lodging tax funding to the Meydenbauer Center.

In 2024, the City received $116,000 in lodging tax funds that were not allocated to the RAC. Redirecting Lodging Tax funding toward City-owned facilities, such as the RAC, could impact existing City programs that previously received lodging taxes, requiring increased support from the City's General Fund. Using 2024 as an example, lodging tax support for City-owned facilities would need to be around 50% to achieve a net-zero impact on the City's General Fund. Lodging tax funding levels above this threshold (e.g., 51%-100%) would reduce General Fund resources, allowing these funds to be used for other general City purposes.



| Table 7B | | | | | | | |
|---|---|---|---|---|---|---|---|
| 2024 Lodging Tax Award Recipients, Activity Type, Frequency, Award Amount, and Reported Data | | | | | | | |
| **Recipient** | **Activities** | **Tourism Activity Type** | **Activity Frequency** | **Amount Awarded** | **Reported Overall Attendance** | **Reported Visitors Out of State** | **Reported Paid Overnight Stays** |
| VCB | Experience Oly & Beyond | Marketing | Annual | $100,000 | 31,257 | 17,222 | 18,338 |
| City of Lacey | RAC: Golf Carts | Facility | Annual | $8,000 | 800,000 | 2,500 | See below |
| City of Lacey | RAC Operations | Facility | Annual | $180,000 | 800,000 | 2,500 | 5,200 |
| Washington Center for the Performing Arts | Facility Operations | Facility | Annual | $30,000 | 107,241 | 858 | 1,877 |
| Oly Soccer Foundation | 2024 Season | Events/Festivals | Multi Day | $39,000 | 10,000 | 3,700 | 1,850 |
| Team Tomorrow LLC | South Sound Block Party | Events/Festivals | Multi Day | $5,000 | 5,600 | 250 | 1,250 |
| Washington State Senior Games | 2024 Events | Events/Festivals | Multi Day | $15,000 | 1,819 | 293 | 546 |
| Capital Lakefair | Lakefair | Events/Festivals | Multi Day | $7,500 | 150,000 | 250 | 150 |
| American Lung Association | Reach the Beach | Events/Festivals | Multi Day | $5,000 | 325 | 75 | 75 |
| Deschutes Rugby Club | 2024 Season | Events/Festivals | Multi Day | $30,000 | 120 | 60 | 35 |
| Lacey South Sound Chamber | South Sound BBQ Festival | Events/Festivals | Single Day | $10,000 | 25,000 | 60 | 30 |
| Lacey South Sound Chamber | Visitor's Center | Marketing | Annual | $35,000 | 1,000 | 50 | 30 |
| City of Lacey | 3rd of July Fireworks | Events/Festivals | Single Day | $22,000 | 30,000 | 576 | 28 |
| City of Lacey | Lacey Museum | Facility | Annual | $48,500 | 545 | 63 | 24 |
| City of Lacey | Lacey Spring Fun Fair | Events/Festivals | Multi Day | $15,000 | 20,000 | 0 | 7 |
| Lacey South Sound Chamber | Winterfest | Events/Festivals | Single Day | $2,500 | 700 | 0 | 5 |
| City of Lacey | Lacey Cultural Celebration | Events/Festivals | Single Day | $10,000 | 3,700 | 0 | 2 |
| City of Lacey | Lacey In-Tune | Events/Festivals | Multi Day | $18,000 | 6,500 | 0 | 0 |
| Fred U Harris Lodge #70 | Juneteenth | Events/Festivals | Single Day | $10,000 | 1,035 | 5 | 0 |
| Spouses Club of Lewis-McChord | Kris Kringle Market | Events/Festivals | Single Day | $9,500 | 722 | 3 | 0 |

## Graph 7C: 2024 Lodging Tax Awards Events and Facilities (No Marketing) - Percentage of Reported Overnight Stays



| 7. Lodging Tax – Prioritize funds for City facilities that increase tourism, e.g., RAC | |
|---|---|
| **Description** | Provide direction to LTAC to prioritize lodging tax funds for City facilities that increase tourism, e.g., the RAC.<br>This would likely mean decreasing funding for community events that may provide limited tourism. |
| **Estimated Annual Revenue** | Increase of $60,000 to $300,000, depending on the percentage of funding allocated to City facilities.<br>For each 10% of additional funding, an increase of $60,000, see **Table 7A.** |
| **Time to Implement** | Short-term, Twelve months |
| **Offsetting Expenditures** | Subject to direction, funding may be awarded to community applicants, reducing the available funding for City events or facilities.<br>In 2024, the City received $116,000 in Lodging Tax funds that were not allocated to the RAC. Redirecting Lodging Tax funding toward City-owned facilities, such as the RAC, could affect existing programs and may require increased support from the General Fund. Using 2024 as an example, Lodging Tax support for City-owned facilities would need to exceed 50% to achieve a net-zero impact on the General Fund. Lodging Tax funding levels above this threshold would reduce General Fund reliance. |
| **Control and Implementation Requirements** | City Council controls final funding award amounts<br>Council Policy Recommendation:<br>• Create clear direction or policies for allocating lodging tax funds<br>• Review with LTAC<br>• Consider LTAC recommendations<br>• Determine if any changes to LTAC funding recommendations or policies are necessary |
| **Administrative Effort** | The City will need to complete the following tasks to implement the new funding allocations:<br>• Create clear direction or policies for allocating lodging tax funds<br>• Review with LTAC |

| | |
|---|---|
| | • Consider LTAC recommendations<br>• Determine if any changes to LTAC funding recommendations or policies are necessary for the current cycle<br><br>By strategically allocating funding, the City can maximize the tourism impact and revenue opportunities, while significantly reducing administrative resources and complexity. In 2025 alone, the City issued 29 separate lodging tax awards, each requiring a variety of administrative resources, e.g., contracts, reporting/exhibits, JLARC submission, etc. |
| **Peer Usage** | Other jurisdictions use lodging taxes to support significant tourism-generating facilities within their jurisdictions.<br><br>In 2024, peer jurisdictions used the following allocations for large facility expenditures:<br><br>• **Olympia:** around 50% to the Washington Center for the Performing Arts<br>• **Bellevue:** 100% to the Meydenbauer Center<br>• **Kennewick:** 72.5% to the Toyota Center & Arena<br>• **Lynnwood:** 83% to the Lynnwood Public Facility District (The district has formalized funding support for the following four projects: Angel of the Winds Arena, Lynnwood Event Center, Edmonds Center for the Arts, Boeing Future of Flight)<br>• **Tacoma:** 100% to the Tacoma Convention Center<br><br>In 2024, the statewide average for awardees was 10 applicants. The City had 20 awardees, with 29 awardees in 2025. |
| **Who Pays** | This is not a new tax. This measure would reallocate current tax revenues, rather than impose a new tax.<br><br>50% of the tax is paid by lodging customers and taken as a credit against the state sales tax rate<br><br>50% of the tax is paid by lodging customers |
| **Equity Implications** | This is not a new tax. This measure would reallocate current tax revenues, rather than impose a new tax.<br><br>The tax is regressive, with lower-income individuals paying a larger percentage of their income in taxes. High-income households may be able to absorb the cost more easily. |
| **Other Considerations** | Lodging tax revenue use must align with state requirements. |

Between 2018 and 2025, the number of lodging tax awardees increased from 19 to 29, resulting in higher administrative costs for this program. Prioritizing funding allocations to applicants with the highest number of paid overnight stays could increase the tourism impact while also reducing the number of awards, thereby simplifying administrative resources for managing the program.

Redirecting lodging tax funds to support the RAC would help alleviate general fund operational costs.

**Table 7D** provides an estimate of lodging tax funding broken out by corresponding percentages of revenues, presented in increments of 10 percentage points. The City currently receives around 50% of all lodging tax funding (see 2024 Analysis Section for additional background), for a combination of facility and event funding. The RAC currently receives around 31% of lodging tax funding.

| Table 7D<br>Lodging Tax Awards – Projected Revenues | | |
|---|---|---|
| **% of Projected Revenues awarded to the City** | **Est. Revenue** | **Net Difference** |
| 0% | $0 | ($300,000) |
| 10% | $60,000 | ($240,000) |
| 20% | $120,000 | ($180,000) |
| 30% | $180,000 | ($120,000) |
| 40% | $240,000 | ($60,000) |
| 50% (current) | $300,000 | $0 |
| 60% | $360,000 | $60,000 |
| 70% | $420,000 | $120,000 |
| 80% | $480,000 | $180,000 |
| 90% | $540,000 | $240,000 |
| 100% | $600,000 | $300,000 |

**Example of how different lodging tax funding percentages would impact the City:** If the City were to determine that 80% of lodging taxes should be awarded to the RAC, this would lead to an increase of $180,000 in total lodging tax funding awarded to the City; increasing the current award of $300,000 to $480,000. In this scenario, the RAC would have a net increase in lodging tax funding of $300,000, increasing from $180,000 to $480,000. Other City activities would have a net decrease of $120,000 in lodging tax funding, going from $120,000 to $0. The total net impact on the general fund would be a decrease in resources of $180,000, as $120,000 of funding would be needed for other City activities formerly funded in part by lodging tax awards.

**Table 7E** provides lodging tax awards and total funding in other comparable Washington state cities by the total number of awardees. The City funds well above the average number of awardees, with less lodging tax funding than the average. In 2024, the statewide average for awardees was 10 applicants. The City had 20 awardees in 2024, with 29 awardees in 2025.

In 2025, the City awarded funding to 29 applicants—significantly surpassing the number awarded by any peer organization in 2024.

**Table 7E**
**Lodging Tax (LT) – Comparison of Awardees, 2024**

| Jurisdiction | Population | Awardees | Total LT |
|---|---|---|---|
| Olympia | 57,970 | 24 | $1,334,426 |
| Puyallup | 43,730 | 24 | $725,324 |
| Richland | 64,930 | 23 | $1,309,112 |
| Lacey | 60,380 | 20* | $596,000 |
| Redmond | 82,380 | 19 | $309,000 |
| Bremerton | 45,890 | 17 | $755,000 |
| Edmonds | 43,510 | 17 | $174,477 |
| Lakewood | 64,670 | 17 | $1,024,950 |
| Issaquah | 41,560 | 10 | $262,500 |
| Pasco | 82,990 | 10 | $546,187 |
| Marysville | 75,640 | 9 | $183,400 |
| Kirkland | 97,850 | 5 | $255,727 |
| Bothell | 51,760 | 4 | $415,423 |
| Yakima | 100,000 | 3 | $1,738,472 |
| Kennewick | 87,790 | 2 | $1,033,875 |
| Lynnwood | 42,540 | 2 | $714,379 |
| **Average** | **65,224** | **12** | **$711,141** |
| **Statewide Average** | **-** | **10** | **$644,286** |
| * Total number of awardees increased to 29 in 2025, significantly higher than peer jurisdictions in 2024. | | | |

**Table 7F** provides lodging tax in other comparable Washington state cities by average award. The City provides significantly less per average award than comparable cities.

| Table 7F<br>Lodging Tax – Comparison of Awards, 2024 | | | |
|---|---|---|---|
| **Jurisdiction** | **Population** | **Average Award** | **Total Awardees** |
| Yakima | 100,000 | $579,491 | 3 |
| Pasco | 82,990 | $516,938 | 2 |
| Lynnwood | 42,540 | $357,189 | 2 |
| Bothell | 51,760 | $103,856 | 4 |
| Lakewood | 64,670 | $60,291 | 17 |
| Richland | 64,930 | $56,918 | 23 |
| Olympia | 57,970 | $55,601 | 24 |
| Kennewick | 87,790 | $51,145 | 10 |
| Bremerton | 45,890 | $44,412 | 5 |
| Puyallup | 43,730 | $30,222 | 17 |
| **Lacey** | **60,380** | **$29,800*** | 20** |
| Issaquah | 41,560 | $26,250 | 20 |
| Kirkland | 97,850 | $21,681 | 10 |
| Marysville | 75,640 | $20,378 | 9 |
| Redmond | 82,380 | $16,263 | 19 |
| Edmonds | 43,510 | $10,263 | 17 |
| **Average** | **65,224** | **123,794** | **13** |
| **Statewide Average** | **-** | **$135,463** | **10** |
| * Total award amount decreased to $24,637 in 2025<br>*** Total number of awardees increased to 29 in 2025, significantly higher than peer jurisdictions in 2024. | | | |

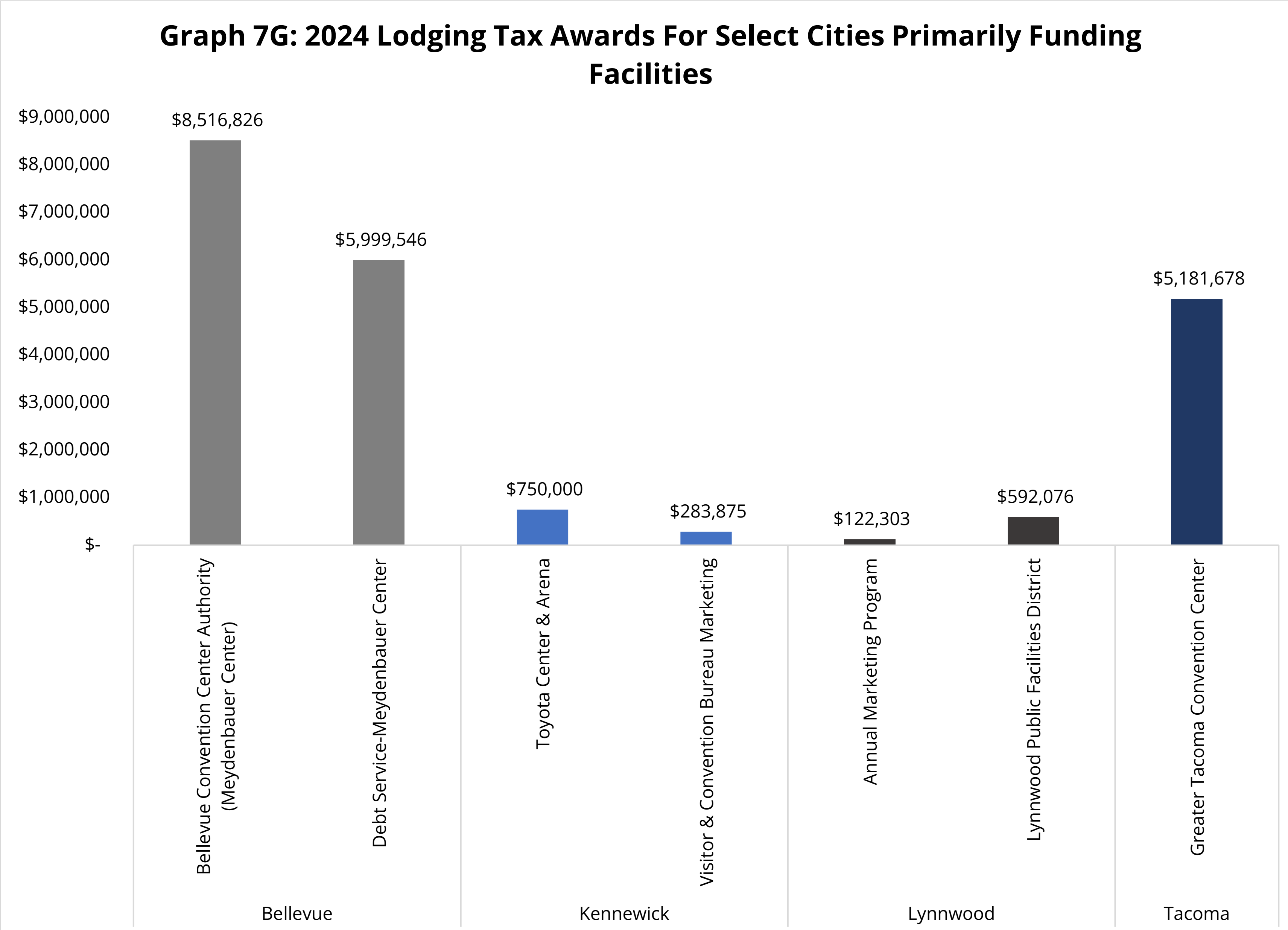

Graph 7G: 2024 Lodging Tax Awards For Select Cities Primarily Funding Facilities
$9,000,000
$8,000,000
$7,000,000
$6,000,000
$5,000,000
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$-
$8,516,826
$5,999,546
$750,000
$283,875
$122,303
$592,076
$5,181,678
Bellevue Convention Center Authority (Meydenbauer Center)
Debt Service-Meydenbauer Center
Toyota Center & Arena
Visitor & Convention Bureau Marketing
Annual Marketing Program
Lynnwood Public Facilities District
Greater Tacoma Convention Center
Bellevue
Kennewick
Lynnwood
Tacoma

**Table 7H** provides a list of the City's 2024 lodging tax recipients, including: activity type, activity frequency, award amount, reported attendance, and reported paid overnight stays.

**Table 7D**
**2024 Lodging Tax Reported Attendance, Visitors, Paid Overnight Stays**

| Recipient | Activities | Tourism Activity Type | Activity Frequency | Amount Awarded | Reported Overall Attendance | Reported Visitors from Out of State | Reported Paid Overnight Stays |
|---|---|---|---|---|---|---|---|
| VCB | Experience Oly & Beyond | Marketing | Annual | $100,000 | 31,257 | 17,222 | 18,338 |
| City of Lacey | RAC: Golf Carts | Facility | Annual | $8,000 | 800,000 | 2,500 | 5,200 |
| City of Lacey | RAC Operations | Facility | Annual | $180,000 | 800,000 | 2,500 | 5,200 |
| Washington Center for the Performing Arts | Facility Operations | Facility | Annual | $30,000 | 107,241 | 858 | 1,877 |
| Oly Soccer Foundation | 2024 Season | Events/Festivals | Multi Day | $39,000 | 10,000 | 3,700 | 1,850 |
| Team Tomorrow LLC | South Sound Block Party | Events/Festivals | Multi Day | $5,000 | 5,600 | 250 | 1,250 |
| Washington State Senior Games | 2024 Events | Events/Festivals | Multi Day | $15,000 | 1,819 | 293 | 546 |
| Capital Lakefair | Lakefair | Events/Festivals | Multi Day | $7,500 | 150,000 | 250 | 150 |
| American Lung Association | Reach the Beach | Events/Festivals | Multi Day | $5,000 | 325 | 75 | 75 |
| Deschutes Rugby Club | 2024 Season | Events/Festivals | Multi Day | $30,000 | 120 | 60 | 35 |
| Lacey South Sound Chamber | South Sound BBQ Festival | Events/Festivals | Single Day | $10,000 | 25,000 | 60 | 30 |
| Lacey South Sound Chamber | Visitor's Center | Marketing | Annual | $35,000 | 1,000 | 50 | 30 |
| City of Lacey | 3rd of July Fireworks | Events/Festivals | Single Day | $22,000 | 30,000 | 576 | 28 |
| City of Lacey | Lacey Museum | Facility | Annual | $48,500 | 545 | 63 | 24 |
| City of Lacey | Lacey Spring Fun Fair | Events/Festivals | Multi Day | $15,000 | 20,000 | 0 | 7 |
| Lacey South Sound Chamber | Winterfest | Events/Festivals | Single Day | $2,500 | 700 | 0 | 5 |
| City of Lacey | Lacey Cultural Celebration | Events/Festivals | Single Day | $10,000 | 3,700 | 0 | 2 |
| City of Lacey | Lacey In-Tune | Events/Festivals | Multi Day | $18,000 | 6,500 | 0 | 0 |
| Fred U Harris Lodge #70 | Juneteenth | Events/Festivals | Single Day | $10,000 | 1,035 | 5 | 0 |
| Spouses Club of Lewis-McChord | Kris Kringle Market | Events/Festivals | Single Day | $9,500 | 722 | 3 | 0 |

## Appendix 1: Other Revenues

The following provides a list of revenue sources not contemplated in this report, but also available to the City. For more information on these revenue sources, please see the MRSC Revenue Guide.

| Revenue source | Use | Eligible cities | Description | Voter approval? | RCW |
|---|---|---|---|---|---|
| Brokered Natural Gas Use Tax | | Any city | Use tax upon brokered natural gas sales that are not otherwise subject to utility tax; rate must be equivalent to city's utility tax rate. Revenues are unrestricted. | No | 82.14.230 |
| Business Licenses/ "Head Taxes" | Unrestricted | Any city | Normally business license fees are designed to recoup administrative costs only, but some cities generate revenue through variable business license fees based on criteria such as number of employees, hours worked, type of business, or square footage. Revenues may be used for any lawful governmental purpose. | No | 35.22.280(32)<br>35.23.440(8)<br>35A.82.020<br>35.27.370(9) |
| Excess Levies (Operations & Maintenance) | Unrestricted | Any city | 1-year property tax levy; may be used for any lawful governmental purpose, but revenues must be spent in accordance with the purpose(s) specified in the ballot measure. | Yes – 60% supermajority | 84.52.052, 84.52.054 |
| Regular Levy (General Fund) | Unrestricted | Any city | Primary source of property tax revenue for cities; may generally be used for any lawful governmental purpose. Maximum levy rate varies between $1.60 and $3.825 depending on whether city is annexed to a fire/library district, | No, except for levy lid lifts | 84.52.043(1) |

| Revenue source | Use | Eligible cities | Description | Voter approval? | RCW |
|---|---|---|---|---|---|
| | | | participated in a regional fire authority, and/or has a preLEOFF firefighters' pension fund. May also potentially be increased through "banked capacity" or levy lid lifts. | | |
| Leasehold Excise Tax | Unrestricted | Any city | Excise tax up to 4% on most leases of tax-exempt properties in lieu of property tax; credited against state and county leasehold excise taxes. May be used for any lawful governmental purpose. | No | 82.29A.040 |
| Public Safety Sales Tax | Unrestricted | Any city, as long as county has not imposed 0.3% public safety sales tax | Sales tax up to 0.1%. At least 1/3 of revenues must be used for criminal justice and/or fire protection purposes; remainder is unrestricted and may be used for any lawful governmental purpose. Counties have similar authority up to 0.3%. Cities and counties share revenue. | Yes – simple majority | 82.14.450 |
| Traffic and Parking Fines | Unrestricted | Any city | State Supreme Court establishes fines for traffic infractions, but revenues are shared with city where infraction occurred. Revenues may be used for any lawful governmental purpose, but a portion must be dedicated to fund local courts. | No | 46.63.110(3) |

| Revenue source | Use | Eligible cities | Description | Voter approval? | RCW |
|---|---|---|---|---|---|
| Affordable Housing Levy | Affordable Housing | Any city | Property tax levy up to 10 years and $0.50 per $1,000 AV to finance affordable housing for very low-income households and affordable homeownership for low-income households. | Yes – simple majority | 84.52.105 |
| REET 2 | Affordable Housing | Cities fully planning under Growth Management Act (GMA) | Additional excise tax of 0.25% on real estate sales; some revenues may be used for affordable housing and homelessness through January 1, 2026. | No, except for voluntary GMA cities | 82.46.035(2) |
| Cultural Access Program (CAP) Levy | Art, Science, and Cultural Programs | Any city, as long as county has not imposed this levy first | Property tax levy up to 7 consecutive years for nonprofit cultural organizations. Levy amount may not exceed 0.1% of taxable retail sales; may not be imposed concurrently with CAP sales tax. | Yes – simple majority | 84.52.821, chapter 36.160 |
| Cultural Access Program (CAP) Sales Tax | Art, Science, and Cultural Programs | Any city, as long as county has not imposed this sales tax first | Sales tax of up to 0.1% and 7 consecutive years for nonprofit cultural organizations; may not be imposed concurrently with CAP levy. | Yes – simple majority | 82.14.525, chapter 36.160 |
| G.O. Bond Excess Levies (Capital Purposes) | Capital Projects and facilities | Any city | Multi-year excess property tax levy to repay unlimited tax general obligation bonds.<br>Revenues are restricted to capital purposes.<br>As soon as debt is repaid, excess levies cease. | Yes – 60% supermajority | 84.52.056 |

| Revenue source | Use | Eligible cities | Description | Voter approval? | RCW |
|---|---|---|---|---|---|
| Impact Fees – Growth Management Act (GMA) | Capital Projects and Facilities | Cities fully planning under GMA | Fee assessed to property developers to help pay for new or expanded capital facilities directly addressing the increased demand created by that development. May only be imposed for streets, parks, schools, and/or fire protection. | No | 82.02.050 – .110 |
| Impact Fees – Local Transportation Act (LTA) | Capital Projects and Facilities | Any city | Fee assessed to property developers to help pay for new or expanded transportation facilities directly addressing the increased demand created by that development. However, the only cities we are aware of that have imposed transportation impact fees have done so under GMA, not LTA. | No | Chapter 39.92 |
| Impact Fees – Growth Management Act (GMA) | Parks and Recreation | Cities fully planning under GMA | Fee assessed to property developers to help pay for new or expanded capital facilities directly addressing the increased demand created by that development. May only be imposed for streets, parks, schools, and/or fire protection. | No | 82.02.050 – .110 |
| Metropolitan Park District (MPD) | Parks and Recreation | Any city | Any city may form an MPD for park and recreation facilities. Revenue sources include additional property taxes up to $0.75 per $1,000 AV. | Yes – simple majority | chapter 35.61 |

| Revenue source | Use | Eligible cities | Description | Voter approval? | RCW |
|---|---|---|---|---|---|
| Public Safety Sales Tax | Public Safety | Any city, as long as county has not imposed 0.3% public safety sales tax | Sales tax up to 0.1%. At least 1/3 of revenues must be used for criminal justice and/or fire protection purposes; remainder is unrestricted and may be used for any lawful governmental purpose. Counties have similar authority up to 0.3%. Cities and counties share revenue. | Yes – simple majority | 82.14.450 |
| Traffic Fines – including Red Light Camera | Public Safety | Any city | State Supreme Court establishes fines for traffic infractions, but revenues are shared with city where infraction occurred. Revenues may be used for any lawful governmental purpose, but a portion must be dedicated to fund local courts. | No | 46.63.110(3) |
| Commercial Parking Tax | Transportation | Any city | Tax upon commercial parking businesses. Revenues must be used for transportation purposes. | No | 82.80.030 |
| Impact Fees – Growth Management Act (GMA) | Transportation | Cities fully planning under GMA | Fee assessed to property developers to help pay for new or expanded capital facilities directly addressing the increased demand created by that development. May only be imposed for streets, parks, schools, and/or fire protection. | No | 82.02.050 – .110 |
| Impact Fees – Local Transportation Act (LTA) | Transportation | Any city | Fee assessed to property developers to help pay for transportation improvements directly addressing the increased | No | Chapter 39.92 |

| Revenue source | Use | Eligible cities | Description | Voter approval? | RCW |
|---|---|---|---|---|---|
| | | | demand created by that development. | | |
| Parking Meters | Transportation | Any city | Parking meter fees may be used for administrative costs, parking studies, and acquisition and maintenance of off-street parking facilities. | No | WAC: 308-330-650 |
| Annexation Services Sales Tax | For annexed area | Cities and counties | Credit against state sales tax for annexed territory prior to July 1, 2028, to help defray the costs of providing municipal services to the area. The tax expires 10 years from the date it was imposed.<br><br>The maximum rate of tax any city may impose under this section is:<br>• .1% (.001) for each annexed area in which the population is greater than 2,000 and less than 10,000; and<br>• 0.2% (.002) for an annexed area in which the population is greater than 10,000. | No | 82.14.415 |

In addition to the above, the City could consider the following:

### Improving Cost Recovery on City Services

This involves updating City fees to more accurately reflect the actual cost of providing services. It includes revisiting fee rates and structures and evaluating whether current subsidies for certain services remain appropriate. Examples include permitting fees, parks and recreation charges, and facility rentals.

### Red Light Camera Program

Red light cameras automatically issue infractions to vehicles that fail to stop at designated intersections, with the goal of improving public safety. Although the program would indeed increase revenue, the primary intent of such a program is to reduce dangerous driving behavior, not to raise funds for the City's General Fund. State law (RCW 46.63.220) requires that all revenue from red light camera infractions be used solely for traffic safety purposes, not for general City operations. This could reduce general fund reliance for police traffic initiatives and improve overall public safety.

### Increased Grant Awards

This refers to continuing to proactively pursue state, federal, and other external grant funding to support programs, services, and capital investments. The City already actively pursues grant funding across departments and has done so consistently for many years. While grant revenue is an important part of the City's financial picture, it is not a reliable or controllable revenue stream for addressing structural imbalances in the General Fund. The City has limited ability to predict which competitive grants it will receive in a given year, making it difficult to provide meaningful revenue estimates. Grants, in addition to often being one-time or restricted in use, are often very resource intensive for staff. In addition, grants often require a match and can often encumber the City with additional costly requirements well into the future.

### Reserve Policy Changes

The City's reserve policy could be lowered to free up one-time resources for General Fund use. Lacey currently maintains reserves equal to approximately 28% of the prior year's ongoing General Fund revenues. While the Government Finance Officers Association (GFOA) recommends a minimum of two months (approximately 16.7%) of expenses or revenues in reserve, most local governments set a higher floor of at least three months (25%). Many in Washington maintain even higher reserve levels depending on their individual needs. Notably, maintaining higher reserves strengthens the City's creditworthiness and reduces the cost of borrowing when issuing bonds. Reducing reserves would produce a one-time infusion of revenue and offer minimal ongoing financial resources. Drawing down reserves to fund operations undermines long-term stability and creates future financial risk. Unlike other revenue options presented in this report, this approach does not create a recurring funding source and is not sustainable.

# Appendix 2: Revenue Tool

| # | Revenue Concept | Potential Rate | Current Rate | Current Revenue | Estimated Revenue | Estimated Additional Revenue | |
|---|---|---|---|---|---|---|---|
| | | | Updated Revenue Tool - 9.09.2025 | | | | |
| 1 | Technology Fees | 0.0% | 0.0% | $ - | $ - | $ - | |
| 2 | Body Worn Camera | $0.90 | 0.0% | $ - | $ 1,500 | $ 1,500 | |
| 3 | Franchise Fee - Solid Waste | 0.0% | 0.0% | $ - | $ - | $ - | |
| 4.1 | Gambling Tax - Social Card | 9.0% | 7.5% | $ 580,000 | $ 696,001 | $ 116,001 | *Gradual Increase to 10.5% |
| 4.2 | Gambling Tax - Punch/Pull Tabs | 6.0% | 4.0% | $ 40,000 | $ 60,000 | $ 20,000 | |
| 5.1 | Utility Tax - Water | 6.0% | 6.0% | $ 1,300,000 | $ 1,300,000 | $ - | |
| 5.2 | Utility Tax - Solid Waste | 6.0% | 6.0% | $ 485,000 | $ 485,000 | $ - | |
| 5.3 | Utility Tax - Sewer | 6.0% | 6.0% | $ 1,500,000 | $ 1,500,000 | $ - | |
| 5.4 | Utility Tax - Stormwater | 6.0% | 6.0% | $ 300,000 | $ 300,000 | $ - | |
| 5.5 | Utility Tax - Cable | 0.0% | 0.0% | $ - | $ - | $ - | |
| 6.1 | B&O - Retail | 1.0% | 1.0% | $ 2,312,100 | $ 2,312,100 | $ - | |
| 6.2 | B&O - Warehouse | 0.0% | 0.0% | $ - | $ - | $ - | |
| 6.3 | B&O - Manufacturing | 0.0% | 0.0% | $ - | $ - | $ - | |
| 7 | Lodging Tax | 30.0% | 30.0% | $ 188,000 | $ 188,000 | $ - | |
| 8 | Sales Tax - HB2015 | 0.0% | 0.0% | $ - | $ - | $ - | |
| 9 | Internal Budget Review | Yes | N/A | N/A | $ 959,630 | $ 959,630 | |
| | | | | | | $ 1,097,131 | |

| | |
|---|---|
| Annual Capital Funds | $ - |

| | Budget | Optimistic | Pessimistic | Probable | Updated Probable (WO/OB) | Updated Probable (W/OB) |
|---|---|---|---|---|---|---|
| Budget Gap - Labor | $ 5,700,000 | $ 700,000 | $ 4,250,000 | $ 2,100,000 | $ 3,767,075 | $ 4,542,518 |
| Budget Gap - Capital | $ - | $ - | $ - | $ - | $ - | $ - |
| Budget Gap - Total | $ 5,700,000 | $ 700,000 | $ 4,250,000 | $ 2,100,000 | $ 3,767,075 | $ 4,542,518 |
| Est. New Revenues | $ 1,097,131 | $ 1,097,131 | $ 1,097,131 | $ 1,097,131 | $ 1,097,131 | $ 1,097,131 |
| Difference | $ (4,602,869) | $ 397,131 | $ (3,152,869) | $ (1,002,869) | $ (2,669,944) | $ (3,445,387) |
| Potential Actions | Reduce services | | Reduce services | Reduce services | Reduce services | Reduce services |